

ALASKA LEGISLATURE

1769

HOUSE and SENATE FINANCE COMMITTEE FILES, 1997-1998

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DEPARTMENTS OF THE ARMY AND THE AIR FORCE
NATIONAL GUARD BUREAU
3108 LEESBORO PIKE, FALLS CHURCH, VIRGINIA 22041-3201

NGB-AQA (5-8a)

5 November 1997

MEMORANDUM FOR USFFO FOR ALASKA, ATTN: LTC David P. Hagerman

FAX: (907) 428-6100

SUBJECT: Poker Flat Research Range Cooperative Agreement

1. Approval is granted to use NGB General Purpose Agreement format for a Cooperative Agreement. The following information is provided for this specific agreement:

- a. Cooperative Agreement number: DAHA51-98-2-3039.
- b. Cooperative Agreement title: Poker Flat Research Range Cooperative Agreement.
- c. Article I, Section 104 "Authority". Following should be included:

(1) Title 32 U.S.C. 106 and 107.

(2) Congress, through Pub. L. No. 104-208, (Conf) H.Rpt 104-863, (1997), appropriated funds and has authorized the Department of Defense to do certain construction and refurbishment activities, as specified in this CA, at Poker Flat Research Range.

2. Please provide electronic copy of your draft agreement prior to submitting it to Air Force Space and Missile Systems Center for their review and execution. LAW NGR 5-1/ANGI 63-101, paragraph 2-6a(1) please provide copy of executed cooperative agreement for our review. If you have any questions please give me a call at DSN: 761-0654.

FOR THE CHIEF NATIONAL GUARD BUREAU:

Colin G. Molzen
COLIN G. MOLZEN
Acting Chief, Office of Grants and
Cooperative Agreements

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FAX NO.

P. 04

STEWS-DT (Big Crow Program Office)

9 October 1997

MEMORANDUM FOR NG-USPFO

ATTENTION: MS. SUSAN RYHERD

SUBJECT: Data exchange for Cooperative Agreement with the Geophysical Institute-University of Alaska Fairbanks

1. Pursuant to our telecon this date the following data is provided to facilitate an expedient Cooperative Agreement with the subject Institute:

Organizations

US Army Big Crow Program Office (BCPO)
 STEWS-DT-C
 3710 Trestle Road
 Kirtland AFB, NM 87117

Geophysical Institute (GI)
 University of Alaska Fairbanks
 PO Box 757320
 903 Koyukuk Drive
 Fairbanks, AK 99775-7320

POC'S

Name: Milton Boutte
 Title: Director, BCPO
 Ph: (505) 846-8494 ext. 140, DSN 246-
 Fax: (505) 846-0345
 e-mail: mboutte@tccmri.jcte.jcs.mil

Name: David Bureman
 Title: Project Manager
 Ph: (505) 846-0444 ext. 134, DSN 246-
 Fax: (505) 846-7785
 e-mail: cwabcpo@aol.com

Name: Ronald (Ron) Unruh
 Title: Senior Contracts Advisor
 Ph: (505) 846-0178 ext. 129, DSN 246-
 Fax: (505) 846-0345
 e-mail: rkunruh@aol.com

2. As we have been tasked by the ODUSD (SPACE) to ensure the Geophysical Institute accomplishes the effort outlined in the attached Statement of Work, it is our intent to provide the technical oversight, monitoring, reporting, etc. Our expertise lies in electronic emissions, data gathering, data reduction, etc. which is similar to that of the GI and especially the Poker Flats Research Range. We envision your involvement as primarily to provide the vehicle (i.e. cooperative agreement with the GI so that they can improve and modernize their Poker Flats Research Range. There is approximately \$6.075M to accomplish the effort specified in the Brief Statements of Tasks. The funding is FY97 RDT&E money, 2-year money, and is therefore garnishing congressional interest.

\$20 M
 total

* 3.

3. As the season for performing outside work is greatly constrained due to weather around Fairbanks it is critical that the GI receive the funding in a most expedient manner. They need this time to perform

(ci)

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the appropriate analysis, planning, release of applicable Requests For Proposals and/or Quotes, evaluations, etc. to ensure an early spring start.

4. If you could provide me with a copy of a current MOU I can start crafting an applicable document for this effort. The attached Brief Statement of Tasks is exactly what we received from ODUSD and can be cleaned up. As I mentioned on the phone, we expect the money no later than the 17th of October.
5. Your help in ensuring a timely cooperative agreement with GI is greatly appreciated.

RONALD K. UNRUH
Senior Contracts Advisor
Big Crow Program Office

Attachments:
Statement of Tasks

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**Brief Statements for Tasks
6 September 1997**

1. Construction, Refurbishment Activities

1.1 Upper Range Road

This task entails the design and construction of roughly one mile of new, gravel road terminating just east of the telemetry and tracking facilities at upper range.

1.2 Lidar Building

This new 3,500 square foot (-325 sq. meter) building (built to optical laboratory standards) is to house a research lidar. The lidar building will be located on upper range adjacent to, but protected optically from, the telemetry facility, and approximately one mile from the Davis Science Center optical observatory.

1.3 Backup Electric Service

This task will provide stand-by electric power to operate the telemetry tracking and data collection activities associated with rocket launch and other missions. Additionally, satellite command, control and data collection operations will also be supported by this service. This installation is planned to be located at upper range adjacent to the 34,500 volt high transmission power line south of the telemetry facility.

1.4 Instrumentation Laboratory in the GI

Laboratory space within the GI is presently inadequate for the assembly, test and calibration of instrumentation for rocket and space flight. This 16'x 60' space will be refurbished and divided into three work areas (vacuum test facility, flight instrumentation area, and open work area) to provide secure work areas with environmental controls adequate to support development and handling of contemporary electronics and localized clean environments required for optical and high-voltage systems used in instruments.

1.5 Other Costs

All management and University Planning and Project Services costs specifically directed to the construction and refurbishment activities.

2. Technology Activities and Support for the MSX Mission

2.0 Project Management

The GI is a research institute in an academic environment, with most of its research carried out by faculty members funded by state and national agencies (e.g., NASA, NSF, NOAA, etc.), and for which there is a minimum of technical management other

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than that exercised by the individual faculty members, who are the principal investigators for the grants and contracts. This program, however, is of sufficient magnitude and scope that a more explicit management format is required.

2.2 The Science Operations Center

The Science Operations Center is the laboratory of Poker Flat Research Range and its sole purpose is to provide the space and opportunity necessary for research in this polar region. It was designed and constructed primarily for research using optical instrumentation such as photometers, spectrometers, alisky cameras, etc., but also houses riometers, magnetometers, and room for visiting instruments.

2.3 The MSX Mission (Continuation of activities)

The four tasks are associated with the collaborative APL?GI activities begun last fiscal year to enhance the scientific work of APL's MSX mission. The objective is to provide simultaneous, coordinated measurements from the ground at the PFRR>

2.3.1 Radiation Background

The MSX mission aims to characterize the radiation background that might be a disturbance to observation of distant signatures of aerospace launch activity. The observations to be made here are in the 1-1.5 micron range, which samples the same atmospheric regions as observed from the MSX satellites during overpasse3s and also to provide continuity between passes by continuing the observations during the whole night period. The visible region of the spectrum contains many lines and bands which are irregularly enhanced due to the aurora. This investigation will also provide calibrated spectral time histories along the geomagnetic meridian for certain emissions which characterize the spatial and temporal behavior of the aurora and airglow.

2.3.2 Doppler Imaging of the Mesospheric Wind Field

The objective is to image gravity wave fields near 85 km altitude using mesospheric OH emissions observed by the MSX UVISI instruments. Wave activity should be observable by MSX in both temperature and brightness fields.

2.3.3 Mesospheric Density Lidar

Density lidar techniques provide an effective high resolution probe of the upper mesosphere and lower thermosphere, the core of the MSX altitude region (70-120 km) under observation. A flexible Nd:YAG pumped dye laser system will allow us to make high-resolution (< 1 min, 500 m) measurements of atmospheric wave and tidal activity in this core region.

2.3.4 Cloud Optical Depth

Optical depth is the single most important parameter affecting the transfer of radiation in the atmosphere. Algorithms to determine cloud optical depths from satellite data exist and have been used to provide global maps of cloud properties including optical depth. However, some studies show that there is considerable

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differences between cloud optical depths determined from space and from the ground. MSX data will be used in an attempt to investigate the reasons for this discrepancy.

2.4 Instrumentation Laboratory

The objectives of this task are two fold: to provide the necessary technical infrastructure to (1) construct, assemble and test (e.g., lifetime, thermal stress, mechanical shock) instruments for space flight and to (2) calibrate them in the necessary vacuum environment. The first task requires the purchase of new electronics such as power supplies, oscilloscopes, signal generators, etc., miscellaneous small support parts, material, etc. that are unique to the objectives of this program, etc. and that are not part of or available as part of the routine processes of the GI and its substantial ground-based field operations. The second part includes the purchase, construction, and assembly of the necessary test and calibration vacuum facilities that are required to meet objectives.

2.5 Magnetometer Array

The objective of this task is to enhance a magnetometer array that will provide diagnostics of ionospheric currents in near-real time in the Alaskan sector in order to determine more closely the position of the auroral electrojet.

2.6 Radiative Transfer Modeling

This project is concerned with the development of a radiative transfer code for the vector radiative transfer problem including polarization. Polarized radiative transfer capabilities have relevance for instrument calibration issues, and are true in particular for instruments that are used to measure clear-sky atmospheric intensities and flux.

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MEMORANDUM


STATE OF ALASKA

Department of Military & Veterans Affairs Administrative Services Division

TO: Annalee McConnell, Director
 Office of Management & Budget
 Office of the Governor

DATE: February 9, 1998

TELEPHONE: 465-4730

FROM: 
 Carol Carroll
 Director

SUBJECT: FY98 Budget
 Supplemental
 Youth Corps

The Department of Military & Veterans Affairs requests supplemental of \$608.7 for the Alaska National Guard Youth Corps Challenge Program. The timing for this supplemental is extremely important as our current class will end February 20, 1998, and without a supplemental appropriation we cannot start our next class in March of 1998, and we would be forced to layoff all Youth Corps employees. (g)

Budget Detail: Due to a change in the federal program requirements, states are now required to participate in this previously 100% federal youth program. The federal program was changed effective October 1, 1997, and now requires, at a minimum, a 25% State FY 98 funding participation. The Youth Corps Challenge Program did receive \$250.0 in GF for FY98 in the form of a CIP appropriation for operations, which together with an expected \$1.0 million federal grant allowed us to start a class of 60 students in October 1997.

Funding would be utilized to increase the enrollment of the students and commensurate staffing. After the completion of the three year pilot program in September 1997 the funding outlook for this program was uncertain. With the funding available we had to drop the class size to 60 students and keep staff positions vacant. In December 1997 we received a tentative federal approval of \$2.1 million for FFY98. We also changed the classifications of the staff from project employees to regular full time state employees in the exempt service in January 1998.

Supplemental funding would be utilized to fund: Initial clothing and uniform requirements (applicants are now expected to arrive with approximately \$400.00 of clothing and equipment), Cadet stipends for all graduates, Professional counseling resources, improving and expanding self-confidence (adventure) training, individual kitchen skills training (home-econ), Travel expenses for applicants that are not from the Anchorage area (i.e. Southeast, the interior, and the Bush), hot noon meals vs "sack lunches", and hiring staff to fill vacant positions to decrease the Cadet to staff ratio. The first class in SFY98 started with a reduced number of students and staff due to the fact that we only had \$250.0 GF and \$1.0 million in Federal funds. The intent is to have a class of 80 graduates and have a \$1.7 million program per class.

The Youth Corps Program: The objective of the Alaska National Guard Challenge Program, the Youth Corps, is to turn young Alaskans, who statistically are headed for a dismal future, into self-confident, contributing citizens of our state and their local communities. Statistics provided to the Youth Corps from other agencies indicate that between 20% to 25% of the freshmen that start high school each (g)

year will not be at graduation due to dropping out, expulsion, or simply not successfully completing sufficient credits to graduate; that 80% of high school drop outs are regular illegal drug users, that unemployment rates for high school drop outs are more than twice those for high school graduates or GED holders, that 88% of female drop outs under age 30 who are head of household live in poverty, and that 85% of the long-term prison inmates do not have a high school diploma or GED.

To accomplish this objective, the Youth Corps uses proven methodology of the United States armed forces. It includes an intense, disciplined, structured, military-style residential phase that is 22-weeks in duration located at Camp Carroll on Fort Richardson, followed by a 12-month post-residential "after-care" phase. Training at the Youth Corps introduces students to health life-coping skills, demanding physical conditioning, leadership and teamwork skills development and successes leading to high self-esteem and pride.

The Youth Corps does not accept all applicants. Those applying for admission to the program must be 16 to 18 years old, not in school, willing to commit to a drug, alcohol and tobacco free life while in the program, free of legal entanglements and physically and mentally capable of completing the military-style training program. Most importantly, all applicants must have a real desire to help themselves and must be volunteers.

The residential portion of the Youth Corps centers on eight "core" components. These include pursuit of educational excellence, basic vocational skills training, life coping skills, responsible citizenship, health, hygiene, nutrition and sex education. They will also learn community involvement through volunteer service to others, leadership and teamwork skill development and physical fitness.

As of August 1997, the Youth Corps has graduated 409 young men and women and returned them to their communities all across Alaska. Nearly 80% of the Youth Corps graduates earned their General Educational Development (GED) certificates at the Youth Corps, and over 10% returned to high school to graduate. Statistically, 55% of the Program graduates are employed, and 30% are in academic or vocational training. None of the graduates counted in these narrow success categories are currently in trouble with the law. This 85% success rate has held constant since the first class; however, the last two classes to graduate had a 92% success rate. This success rate has earned the Alaska Youth Corps a joint award from the USO and Gannet Publishing as the "Best Post-Residential Program in America." The success rate of the Youth Corps is measured by a Department of Defense contractor, Social Consultants International (see National Contacts), The Alaska Youth Corps has also recently been accredited by the Northwest Association of Schools and Colleges (see National Contacts) as a special purpose secondary school.

The Youth Corps Contact: COL Gary L. Pederson, Director, 907-428-6667/907-384-6017

I urge you to request a special appropriation at the earliest time possible (February 28, 1998) to avoid the possibility of having to shut down this program and allow for proper notification of staff and students.

If you have any budget questions feel free to contact me, or Nico Bus at 465-2406.

Thank you for your consideration.

MEMORANDUM

State of Alaska

*Department of Administration
Division of Administrative Services*

To: Annalee McConnell
Director
Office of Management & Budget

Date: February 10, 1998

From: Sharon Barton
Director



Phone: 465-5655

Subject: FY98 Supplemental

The Department of Administration is requesting FY98 supplemental appropriations as follows:

EPORS	59,700 GF	2(b)
Office of Public Advocacy	265,400 GF	2(a)(1)
Public Defender	351,000 GF	2(a)(2)
Pioneers' Homes	250,000 GF	(250,000) GF/Pr 2(c)
Leases	1,413,000 GF,	1(b) 1,029.4 + 2(a)(3) 343.6
Miscellaneous Claims	26,396 GF	1(b)(2)

The supplemental funding for Leases will need to be in place by April 23, 1998 in order for the May lease payments to be made timely.

Detailed request information is attached. If you need additional information, please call.

cc: Mark Boyer
Alison Elgee
Dugan Petty
Brant McGee
Barbara Brink
Jim Kohn
Guy Bell
Eric Swanson

1(b) 1,029.4

MEMORANDUM

State of Alaska

Department of Administration

To: Sharon Barton
Director
Division of Administrative Services

Date: February 10, 1998

From: Dugan Petty
Director
Division of General Services

Subject: FY98 Supplemental

The Leasing and Facilities BRU, Department of Administration, requests an FY98 supplemental appropriation of \$1,413.0 General Fund. We request this appropriation in two separate allocations as described below.

DEC Lab Claim Settlement

Part I of the request totals \$215.0 GF to defend against a legal claim concerning an issue that arose several years ago relating to the lease of the building that houses the Department of Environmental Conservation lab in Juneau. We received a supplemental appropriation in FY97 of \$75.0 for costs associated with adjudicatory claims relating to the DEC lab, from which mediation and other legal expenses totaling approximately \$36.1 were paid or obligated. The remainder of the appropriation was lapsed. The case continued into FY98 with the administrative hearing held in November. This supplemental request consists of a) \$180.0 for hearing costs from July 1, 1997 through January 9, 1998 which must be reimbursed to the Department of Law, b) \$20.0 for the contracted hearing officer, and c) \$15.0 to the Department of Law to write the post hearing brief.

Leasing and Facilities Shortfall

Part II of the request is \$1,198.0 GF for the estimated leasing obligation shortfall. When the FY 98 leasing budget was prepared, a total lease obligation of \$24,777.7 GF was anticipated. The conference committee adopted the Senate's version of \$23,094.2 GF. We estimate the current need for Leasing and Facilities to be approximately \$24,292.2, resulting in a projected GF shortfall of approximately \$1,198.0. This request is \$485.5 less than the original leasing obligation estimated for FY98, and is the net result of changing conditions since the FY98 budget was prepared over a year ago, i.e. savings in some leases and increased costs in others.

1(k)

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1 (k) 1/22/98

Cash Flow Problem

Remaining FY98 monthly lease payments will be in the range of \$2.5 to \$2.8 million. At this rate, supplemental funding will have to be in place by April 23 to make timely payments and avoid penalties.

MEMORANDUM

State of Alaska

Department of Administration
Division of Administrative Services

To: Annalee McConnell
Director
Office of Management & Budget

Date: February 10, 1998

From: Sharon Barton
Director



Phone: 465-5655

Subject: FY98 Supplemental

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Office of Public Advocacy	265,400 GF	2(a)(1)
Public Defender	351,000 GF	2(a)(2)
Pioneers' Homes	250,000 GF	(250,000) GF/Pr 2(c)
Leases	1,413,000 GF,	1(k) 223.4 + 2(a)(3) 343.0
Miscellaneous Claims	26,396 GF	1(b)(a)

The supplemental funding for Leases will need to be in place by April 23, 1998 in order for the May lease payments to be made timely.

Detailed request information is attached. If you need additional information, please call.

cc: Mark Boyer
Alison Elgee
Dugan Petty
Brant McGee
Barbara Brink
Jim Kohn
Guy Bell
Eric Swanson

2(a)(1) - 2(c)

MEMORANDUM

State of Alaska

Department of Administration
Division of Administrative Services

To: Annalee McConnell
Director
Office of Management & Budget

Date: February 10, 1998

From: Sharon Bartlett
Director

Phone: 465-5655

Subject: FY98 Supplemental

The Department of Administration is requesting FY98 supplemental appropriations as follows:

EPORS	59,700 GF	2(b)	
Office of Public Advocacy	265,400 GF	2(a)(1)	
Public Defender	351,000 GF	2(a)(2)	
Pioneers' Homes	250,000 GF	(250,000) GF/Pr	2(c)
Leases	1,413,000 GF,	1(k) 229.00	+ 2(a)(3) 343.00
Miscellaneous Claims	26,396 GF	13(a)	

The supplemental funding for Leases will need to be in place by April 23, 1998 in order for the May lease payments to be made timely.

Detailed request information is attached. If you need additional information, please call.

cc: Mark Boyer
Alison Elgee
Dugan Petty
Brant McGee
Barbara Brink
Jim Kohn
Guy Bell
Eric Swanson

This cover memo includes several items in various sections

MEMORANDUM

State of Alaska

Department of Administration

To: Sharon Barton
Director
Division of Administrative Services

Date: February 10, 1998

From: Brant McGee
Director
Office of Public Advocacy

Subject: FY98 Supplemental

The Office of Public Advocacy (OPA) has recently completed its mid fiscal year analysis of expenditure and caseload trends. Our projections indicate a need for \$265.4 in order to pay the bills of contractors and other court appointed professionals throughout the state. This estimate is down from our initial estimate in June of 1997 (see attached).

Because it cannot control the number and type of appointments it receives, OPA cannot make long-term projections of the costs it will incur in meeting its statutory mandate to provide legal guardian and guardian ad litem representation to over 11,000 Alaskans each year.

Failure to pay billings would mean the violation of a legal obligation and would result in litigation against the state, undue hardship on providers of vital state services, and increased difficulty for OPA in recruiting professionals to provide services.

2(a) (1)

MEMORANDUM

State of Alaska

Department of Administration

To: Sharon Barton
Director
Division of Administrative Services

Date: June 16, 1997

From: Brant McGee
Director
Office of Public Advocacy

Subject: FY98 Supplemental

The Office of Public Advocacy (OPA) estimates its need for an FY 98 supplemental at \$441.1 at this time. This estimate is subject to a potentially substantial revision on September 17, 1997, after the agency has evaluated its FY 97 caseload and cost data. The following information is presented in the order requested:

1. Amount requested in Governor's budget--\$7,726.1.
2. Action by the House--\$7,592.2.
3. Action by the Senate--\$7,676.8.
4. Action by the Conference Committee--\$7,555.6 + \$33.9 (COLA) = \$7,589.5 + \$66.0 (parental consent for abortion fiscal note from SB 24) = \$7,655.5.
5. Cost containment measures during FY 98 will include the following:
 - a. Coordinate with Alaska Court System to implement the recommendations of the Indigent Appointment Committee to limit OPA appointments.
 - b. Assist efforts by private organizations in seeking to enjoin implementation of the parental consent for abortion statute.

2(a)(1)

- c. Continue travel restrictions.
 - d. Expand Court Appointed special Advocate (CASA) recruitment to create more volunteer assistance for both staff and contract guardians ad litem for abused children.
 - e. Continue close scrutiny of legal services billings by at least three staff members.
 - f. Expand staff defense representation in rural areas to save contractual costs.
6. The Office of Public Advocacy's FY 98 supplemental need estimate is based on a shortfall of \$197.4 from the need estimated in November 1996 plus a \$20.0 reduction in the travel budget, a \$50.0 miscellaneous reduction, and a \$98.0 shortfall in the parental consent for abortion (SB 24) fiscal note. The estimate also includes a projected shortfall of \$75.7 in personal services funds, which represents a 3% vacancy factor of our 100 line budget of \$2,524.7. This calculation is essential in order to fully acknowledge that OPA rarely experiences staff turnover and has little realistic opportunity to hold open positions.

MEMORANDUM

State of Alaska

Department of Administration

To: Sharon Barton
Director
Division of Administrative Services

Date: February 10, 1998

From: Barb Brink
Director
Public Defender Agency

Subject: FY98 Supplemental

PROBLEM

The Public Defender Agency has a projected shortfall of \$351.0. While \$351.0 is a marked reduction from the initial \$650.0 anticipated deficit, a supplemental appropriation of \$351.0 is necessary to provide service to the end of FY 98.

CAUSE

FY 97 Actuals were \$8,891.5. Total FY 98 Authorized is only \$8,684.5 and caseload has continued to increase as predicted. In FY 96, 17,623 new cases were assigned to the PDA. In FY 97, 18,463 new cases were assigned, an increase of 4.8%. The half year caseload count for FY 98 projects 19,111 new cases for FY 98, an increase of 3.5%.

While reported crime may be on the decrease, arrests and prosecutions and therefore Public Defender assignments are increasing. Federal dollars continue to support community policing and increases in the Anchorage Police Department, the Alaska State Troopers and the assignment of village public safety officers to rural locations. Additionally, our high levels of population growth, transient population, and subsistence communities, contribute to a high percentage of "indigency" findings by the court. Finally, in the child protection arena, recent policy changes by DFYS have dramatically increased the number of new court cases filed as Child in Need of Aid petitions and again increased Public Defender appointments.

CONTAINMENT

The prospect of a \$650.0 shortfall required PDA to take drastic action in our personal services line as 90% of the Public Defender budget is personal services. Four permanent full time positions have been maintained as vacancies for the entire fiscal year thus far. However, these cost-saving measures are temporary fixes at best and cannot continue.

The four permanent full time positions were an attorney position in Fairbanks, an attorney position in Barrow, an attorney position in Bethel, and an investigator position in Dillingham.

2.(a) (2)
2. (b) (2)

The Fairbanks position became vacant when one of our long-time Public Defenders retired. The intention had been to move that position to Nome, a single-lawyer office which handles in excess of 750 cases per year. The Nome office has two District Attorneys. That Nome position has not been filled but it is reaching crisis proportions. The Barrow position has been maintained as a vacancy throughout the fiscal year because Barrow had voted itself to go dry, that is to ban possession of any alcohol. However, in November of last year a new vote was taken and Barrow has done "damp". Recent statistics cited by the Barrow police and the Alaska State Troopers indicate that arrests have doubled for November and December. Domestic incidents are up 140%, drunk driving charges are up 140%, criminal trespasses are up 180%.

While Barrow can be and was a one-attorney office when crime plummeted, it again is becoming unmanageable for a single attorney. The Bethel vacancy has been maintained by supplying partial services from Anchorage. An Anchorage attorney travels to Bethel once a week to conduct court business on Thursday and meet with clients, social workers and guardians ad litem on Friday. This was a workable solution when the Attorney General also traveled from Anchorage. However, the Department of Law has placed a full time AG and a full time staff person in Bethel. The caseload has increased and the clients are getting less service than other locations, having to meet their lawyer for the first time in court and conducting much business telephonically. Additionally, a recent policy change at DFYS in Anchorage has resulted in a doubling of the new cases filed per month in Anchorage, making the weekly travel impossible.

Finally, the Dillingham investigator position was designed again to help a single-lawyer office cope with an ever-increasing caseload. Last year the attorney handled over 450 cases with just one receptionist/secretary. Investigative services to interview witnesses, gather information and investigate crime scenes was provided by flying out investigators from Anchorage. Again, these temporary fixes have gotten to the point where they can no longer be maintained.

A ten-year survey of Public Defender caseload and staffing indicates that while the overall caseload has increased 53%, we have experienced only a 23% increase in attorneys. We are approaching the breaking point in terms of cases an attorney can handle per year. The vacancies in these rural court locations must be filled to meet these ever-increasing numbers.

Efforts have also been made in our other lines to reduce costs. For example, efforts have been made to further restrict travel despite the fact that Public Defender attorneys are required to travel to 44 remote court locations to process cases. More and more of these proceedings are being handled telephonically which, while reducing travel costs, has increased our contractual line and has diminished the quality of our service. Further centralization and telephonic communication is inconsistent with local community involvement and effective attorney/client relationships.

CONSEQUENCES

Supplemental funds are necessary to pay for personal services and contractual obligations to the Department of Law for discovery, increased telephone charges, and other related services of legal representation. Failure to pay any of these travel, contractual or equipment billings will certainly invite litigation against the state to enforce those valid legal obligations. The agency in the past tried to delay payment to private business providers of essential goods and services. Late charges added to our increased costs, credit was revoked, and the ability to conduct business within the state was severely compromised. Failure to sufficiently fund our personal services line results in

a reduced quality of service, severe delays in processing of cases, increased complaints from prosecutors, victims, witnesses and members of the judiciary, morale problems and ineffective claims and malpractice suits.

Should the supplemental be reduced or not funded our least onerous option will be to shut down the agency in June for as many days as necessary to make up the shortfall. This will profoundly affect the PD staff, clients, criminal and family courts, prosecutors, Department of Corrections, victims, witnesses and the Office of Public Advocacy will all be profoundly affected. Any other approach is even more disruptive to the criminal justice system.

2(a)(2)
~~2(a)(2)~~

MEMORANDUM

State of Alaska

Department of Administration
Division of Administrative Services

To: Annalee McConnell
Director
Office of Management & Budget

Date: February 10, 1998

From: Sharon Barton
Director

Phone: 465-5655

Subject: FY98 Supplemental

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This item is combined
with 1(K) for a total
of 1,413,000

2(a)(3) 383.6

MEMORANDUM

State of Alaska

Department of Administration

To: Sharon Barton
Director
Division of Administrative Services

Date: February 10, 1998

From: Dugan Petty
Director
Division of General Services

Subject: FY98 Supplemental

The Leasing and Facilities BRU, Department of Administration, requests an FY98 supplemental appropriation of \$1,413.0 General Fund. We request this appropriation in two separate allocations as described below. 2(a)(3)

DEC Lab Claim Settlement

Part I of the request totals \$215.0 GF to defend against a legal claim concerning an issue that arose several years ago relating to the lease of the building that houses the Department of Environmental Conservation lab in Juneau. We received a supplemental appropriation in FY97 of \$75.0 for costs associated with adjudicatory claims relating to the DEC lab, from which mediation and other legal expenses totaling approximately \$36.1 were paid or obligated. The remainder of the appropriation was lapsed. The case continued into FY98 with the administrative hearing held in November. This supplemental request consists of a) \$180.0 for hearing costs from July 1, 1997 through January 9, 1998 which must be reimbursed to the Department of Law, b) \$20.0 for the contracted hearing officer, and c) \$15.0 to the Department of Law to write the post hearing brief.

Leasing and Facilities Shortfall

Part II of the request is \$1,198.0 GF for the estimated leasing obligation shortfall. When the FY 98 leasing budget was prepared, a total lease obligation of \$24,777.7 GF was anticipated. The conference committee adopted the Senate's version of \$23,094.2 GF. We estimate the current need for Leasing and Facilities to be approximately \$24,292.2, resulting in a projected GF shortfall of approximately \$1,198.0. This request is \$485.5 less than the original leasing obligation estimated for FY98, and is the net result of changing conditions since the FY98 budget was prepared over a year ago, i.e. savings in some leases and increased costs in others.

2(a)(3)
~~2(a)(2) 203.6~~
~~1(k) 1,029.4~~

Cash Flow Problem

Remaining FY98 monthly lease payments will be in the range of \$2.5 to \$2.8 million. At this rate, supplemental funding will have to be in place by April 23 to make timely payments and avoid penalties.

Xtra page?
no
duplicated on
2/10/98 memo from
D. Petty

MEMORANDUM

State of Alaska

Department of Administration
Division of Administrative Services

To: Annalee McConnell
Director
Office of Management & Budget

Date: February 10, 1998

From: Sharon Barton
Director



Phone: 465-5655

Subject: FY98 Supplemental

The Department of Administration is requesting FY98 supplemental appropriations as follows:

EPORS	59,700 GF	2(b)
Office of Public Advocacy	265,400 GF	2(a)(1)
Public Defender	351,000 GF	2(a)(2)
Pioneers' Homes	250,000 GF	(250,000) GF/Pr 2(c)
Leases	1,413,000 GF,	1(F) 229.1 + 2(a)(3) 383.0
Miscellaneous Claims	26,396 GF	3(a)

The supplemental funding for Leases will need to be in place by April 23, 1998 in order for the May lease payments to be made timely.

Detailed request information is attached. If you need additional information, please call.

cc: Mark Boyer
Alison Elgee
Dugan Petty
Brant McGee
Barbara Brink
Jim Kohn
Guy Bell
Eric Swanson

2(b)

~~2(b)~~

MEMORANDUM

State of Alaska

Department of Administration

To: Sharon Barton
Director
Division of Administrative Services

Date: February 10, 1998

From: Guy Bell
Director
Division of Retirement & Benefits

Subject: FY98 Supplemental

FY98 Supplemental Request for EPORS

As of January, 1998, the Elected Public Officers Retirement System has 43 members; 33 are currently receiving a monthly pension benefit. Two members retired in FY98. The \$59.7 identified in this supplemental budget request includes all known costs as of January 1, 1998.

General funds must be appropriated to pay benefits to EPORS retirees per AS 39.37.110. A shortfall in the amount of \$59.7 GF is projected for this component for the remainder of FY98. Funds appropriated will be used to pay health insurance premiums and monthly pension benefits to EPORS retirees.

2(b)

2(b)

MEMORANDUM

State of Alaska

Department of Administration

To: Sharon Barton
Director
Division of Administrative Services

Date: February 10, 1998

From: Jim Kohn
Director
Alaska Longevity Programs

Subject: FY98 Supplemental

The Division of Alaska Longevity Programs, Pioneers' Homes component, requests supplemental funding of \$250.0 GF, with an offsetting decrease in GF/Program Receipts, due to an unanticipated GF/Program Receipts revenue shortfall and the necessity to underwrite the creation and operation of a central pharmacy.

Background

In the spring of 1997, after the FY98 budget was completed, the Anchorage Pioneers' Home pharmacy contractor informed the Division of Alaska Longevity Programs (ALP) that it was not interested in renewing the expiring pharmacy contract. This prompted ALP management to begin moving toward a centralized in house pharmacy for all the Pioneers' Homes. The central pharmacy was recommended to ALP management by a geriatric consultant as a way of reducing costs to residents and the state and as a way of providing better medical care. It was also becoming evident that problems with the delivery of medication were putting the patients and the state increasingly at risk. It also became the only alternative in some other locations as contractors began advising the Homes that they were not interested in continuing to provide medication to the Homes.

Problem

At the time the decision was made to move forward with the central pharmacy, it appeared that the additional cost of the pharmacy could be absorbed. Additional costs include purchasing and maintaining the medication inventory of approximately \$100.0, the cost of building the pharmacy in the Anchorage Pioneers' Home which amounted to approximately \$20.0, and the cost of two full-time pharmacists and two full-time clerical positions needed to operate the pharmacy, which amounted to approximately \$130.0. However, an overall under collection of Pioneers' Home rent receipts, currently projected

to be approximately \$261.1, have made absorption of the pharmacy cost impossible.

Solution

DOA is requesting a supplemental appropriation of \$250.0 GF with an offsetting reduction of \$250.0 GF Program Receipts.

Central Pharmacy Results

Evidence of both cost savings and better care as the result of the central pharmacy are currently being seen. We are now certain that the new pharmacy program has decreased monthly medication costs to individual residents by 45 to 75%. That reduction in medication costs will also have the effect of some increased future rent collections as funds previously used by residents to pay for high cost medications can now be used to pay more rent.

Epilogue:

Last week at the Anchorage Home a community spouse of a resident spoke to the Home Administrator, John Vowell, about the new pharmacy program. The lady, the community spouse, is trying to pay the full charges each month for her husband and wondered how the new pharmacy program would effect her ability to continue to pay. John compared her husband's December pharmacy bill from a local pharmacy with the January bill from the division pharmacy and for the same medications the cost was reduced by a full 70%. The lady broke down in tears when she saw the savings and couldn't thank John enough for helping her reduce her husband's medication costs.

MEMORANDUM OFFICE OF MANAGEMENT & BUDGET STATE OF ALASKA

JAN 28 1998

TO: Annalee McConnell, Director
Office of Management and Budget
Office of the Governor

DATE: Monday, January 26, 1998

FILE NO.:

FROM: Tom Lawson, Director
Division of Administrative Services
Department of Commerce and
Economic Development

PHONE NO.: 465-2505

SUBJECT: FY 98 Supplemental Request

The Department of Commerce and Economic Development (DCED) requests the following supplemental appropriation for FY 98:

DCED Hearing Examiner Support \$50.3 This supplemental request is for \$50.3, \$28.7 for the Division of Insurance and \$21.6 for the Division of Banking, Securities and Corporations. The Division of Occupational Licensing (DOL) has provided hearing examiner support to the Division of Insurance (DI) and the Division of Banking, Securities and Corporations (DBSC). In FY 96 and FY 97 the amount charged to DI and DBSC was insufficient to cover actual costs. DOL absorbed approximately \$50.3 hearing examiner costs that should have been paid by DI and DBSC. A Division of Legislative Audit audit report on *Occupational Fee Setting Policies and Regulatory Costs* dated October 3, 1997 made the following recommendation:

3(a)
3(b)

Recommendation No. 2
The directors of the Division of Administrative Services (DAS) and Occupational Licensing (OccLic) must take corrective action for hearing officer costs charged to the wrong appropriation. Further, improved billing procedures must be implemented to ensure future hearing officers' costs are charged to the proper appropriation.

The department's response stated:

The department agrees with this recommendation. Occupational Licensing staff have compiled the FY 96 and FY 97 times sheets for the Hearing Office, and have determined that the combined undercharge to the Division's of Banking, Securities and Corporations (BSC) and Insurance (DOI) is \$50,263. Because both fiscal years have been closed to expenditure transactions, we submit a supplemental budget request to the Office of Management and Budget for consideration during the 1998 legislative session.'

3(a)
3(b)

MEMORANDUM

State of Alaska
Community & Regional Affairs

TO: Annalee McConnell, Director
Office of Management and Budget

DATE: February 9, 1998

FILE NO:

TELEPHONE: 465-4700

AK
FROM: Remond Henderson, Director
Administrative Services Division

SUBJECT: FY 98 Supplemental Request

The purpose of this memorandum is to convey the Department of Community and Regional Affairs' official request for supplemental appropriations in FY 98, as set forth below:

Project	GF	Fed	Other	Total
Power Cost Equalization	\$ -	\$ -	\$ 1,700,000	\$ 1,700,000
Bristol Bay/Kuskokwim Economic Disaster	\$ 1,875,000	\$ 7,000,000	\$ -	\$ 8,875,000
Head Start Quality, Health, and Safety	\$ 500,000	\$ -	\$ -	\$ 500,000
Total 98 Supplemental	\$ 2,375,000	\$ 7,000,000	\$ 1,700,000	\$ 11,075,000

7(a)

7(b)

1.0

2.3

Attached are backup documents providing detailed information for each supplemental request.

cc: Traci Carpenter, Budget Analyst, DAS

4(a)
4(b) 4 x 1.0

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services
Department of Education
State of Alaska

MEMORANDUM OFFICE OF STATE OF ALASKA
MANAGEMENT & BUDGET

JAN 26 1998
TO: Annalee McConnell, Director
Office of Management and Budget
Office of the Governor

DATE: Monday, January 26, 1998

FILE NO.:

FROM: Tom Lawson, Director
Division of Administrative Services
Department of Commerce and
Economic Development

PHONE NO.: 465-2505

SUBJECT: FY 98 Supplemental Request

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3(a)
3(b)

Our approach will be to request an FY 98 supplemental appropriation of BSC and DOI general fund/program receipts to the Division of Occupational Licensing, which will offset current OccLic expenditures and allow OccLic to carry forward the equivalent amount of revenue into FY 99. This assumes that the Legislature will allow OccLic to carry revenue and/or authorization forward into FY 99.

To prevent this from occurring in the future, Occupational Licensing staff will ensure that the divisions are appropriately billed (by reimbursable services agreement) for hearing officer services.

This supplemental request, if appropriated, would be offset by a restriction of \$50.3 in the DOL FY 98 operating budget to be supplanted by interagency receipts from DI and DBSC. Your approval is requested to bring this audit exception into compliance.

C.C.: Pat Davidson, CPA, Acting Legislative Auditor
Division of legislative Audit

3(a)
3(b)

MEMORANDUM

State of Alaska

Community & Regional Affairs

TO: Annalee McConnell, Director
Office of Management and Budget

DATE: February 9, 1998

FILE NO:

TELEPHONE: 465-4700

pk
FROM: Remond Henderson, Director
Administrative Services Division

SUBJECT: FY 98 Supplemental Request

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Total 98 Supplemental	\$ 2,375,000	\$ 7,000,000	\$ 1,700,000	\$ 11,075,000

Attached are backup documents providing detailed information for each supplemental request.

cc: Traci Carpenter, Budget Analyst, DAS

4(a)
4(b) 4 a do)

POWER COST EQUALIZATION

FY98 Supplemental -- \$1.7 Million

	<u>(\$ Millions)</u>	
FY98 appropriation	\$17.0	
Projected funding requirement (at 85% of formula)	18.7	4 (a)
Supplemental needed to stay at 85%	1.7	4 (b)

The full PCE demand, if paid at the 100% level, would be \$22.0 million. Program statutes, AS 42.45.110 (i), require that if the annual appropriation is not sufficient for payment in full, the amount paid to each utility is reduced on a pro-rata basis.

The 85% pro-rata level is a continuation of the level paid in FY97. This lower payment level was selected to protect the corpus of the Power Cost Equalization and Rural Electric Capitalization Fund ("PCE Fund") that has been the funding source of the PCE program since FY95. The PCE Fund is expected to be depleted by the end of FY99 (see table below). The 85% level was intended to hold down the program funding requirement while solutions are developed to extend the life of PCE past FY99.

If a supplemental appropriation is not forthcoming, the PCE payment level should be reduced below 85% as soon as possible. If the payment level is not reduced, the available funds will run out and zero PCE payments will be issued for the last month of FY98. If the payment level is reduced effective April 1, 1998, PCE would be paid at 54.1% for the remainder of FY98.

Funding the FY98 supplemental from the General Fund or other funding sources would help protect the corpus of the PCE Fund. The table below, however, assumes that the supplemental is appropriated from the PCE Fund.

PCE PROJECTIONS
(\$ Millions)

	<u>FY98</u>	<u>FY99</u>
PCE Fund at beginning of fiscal year	\$31.5	\$16.4
Revenue		
PCE Fund investment income	1.5	.7
40% of Four Dam Pool debt svc	2.1	2.0
PCE Fund - Amount Available	<u>35.1</u>	<u>19.1</u>
Expenditure		
PCE at 85% of formula	18.7	19.1
PCE Fund at end of fiscal year	<u>16.4</u>	<u>0</u>
Amount needed at 100% of formula	22.0	22.6

4 (a)
4 (b)

FY 99 Options proposed by Division of Energy to reduce formula requirement:

1) Lowering monthly cap for residential customers. \$3.7 million

- Residents can now claim PCE credit for up to 700 kWh per month.
- Average usage per PCE eligible resident is 349 kWh per month.
- Lowering cap to 350 kWh per month would cut \$3.7 million from formula.

2) Remove commercial customers from PCE eligibility \$2.4 million

- State and federal offices and facilities are already ineligible.
- As a class, commercial customers (excluding schools) are better able than residential customers to absorb cost increases. Given:
 - i) maximum monthly usage under the PCE program of 700 kWh / mo.
 - ii) average PCE subsidy of 14.7 cents / kWh
- a commercial customer would face increased cost of about \$100 / month.
- Also removing schools from eligibility would cut an additional \$0.2 million.

3) Limit eligibility of community facilities \$1.0 million

- Limit eligibility to those community facilities that are essential for life, health and safety. These would include water and sewer, public outdoor lighting, washeteria, firehall, health clinic, and village public safety office.
- Savings based on rough estimate of 25% cut in community facilities.

Total Reduction in Formula Requirement from these cuts (excluding schools) is therefore estimated to be **\$7.1 million**, reducing the FY99 formula requirement from \$22.6 million to \$15.5 million. If the PCE is prorated to 85% of the reduced formula requirement, the funding level would be \$13.2 million.

4(a)
4(b)

MEMORANDUM

TO: Annalee McConnell, Director
Office of Management and Budget

DATE: February 10, 1998

THRU: *Dwayne B. Peoples*FROM: Dwayne Peoples, Director
Division of Administrative Services

SUBJECT: FY98 Supplemental Request

The Department of Corrections request the following items be considered for supplemental funding in FY98.

Supplemental #1

Inmate Health Care: \$2,500.0 GF 5(c)

Inmate Health Care currently has considerable medical cases beyond the norm, with bills estimated at \$1,984.0 as of January 28, 1998. Final bills for some of these cases have not been received and other cases, which are not yet closed, are estimated. A few very current cases were not calculated in these totals, therefore, the best total estimate through year-end is \$2,500.0.

Supplemental #2

Institutions: (Correctional Facilities) \$661.0 GF 5(b)
\$ 60.0 GF/PR
\$721.0

The supplemental need for Institutions is being driven by several factors, primarily due to overcrowding. Overtime is high due to overcrowding, inmate medical transports and hospital coverage, and shift coverage for Correctional Officer I's attending the Correctional Academy for six weeks.

The projected deficit in the personal services line for all twelve institutions is \$1,485.0. This projected deficit is being reduced to \$1,166.0 by holding the line on expenditures in non-personal services lines. The DOC is further reducing the deficit by processing revised programs to move funding from the Division of Community Corrections to the Division of Institutions.

The legislature appropriated \$650.0 in Federal Funds and \$65.0 in General Fund Match for a total of \$715.0 in FY98 to the Office of the Commissioner in anticipation of receiving funds from a Federal Truth in Sentencing program. The Department was notified that the State of Alaska does not qualify for the Federal Truth in Sentencing program and will not receive a federal grant. The Department proposes that the \$65.0 General Fund Match appropriated to the project be used to partially offset the Institutions supplemental need.

The DOC Institutions collects \$2.00 per meal from anyone eating a meal prepared and served by the Institution. These funds are collected primarily from DOC staff. Historically these funds have been deposited into the general fund. A program receipt supplemental for \$60.0 of these funds would assist with the requested supplemental.

Supplemental #4

Transportation and Classification \$240.0 GF 5(d)

The increased prisoner population for FY98, averaging about 20% above Cleary Emergency capacity, has required significant prisoner transports be accomplished by the five (5) Prisoner Transportation Officers in the Transportation and Classification Section, both in-state and out-of-state. Accomplishing this involves heavy overtime usage and increased transport expenses. To make it through the fiscal year, an addition of \$120.0 personal services is required to cover the costs of premium pay for the prisoner transportation officers and an additional \$120.0 of travel funds are necessary to cover the transportation needs of moving these huge numbers of prisoners. As one aspect of the Department's plan for handling these increased prisoner levels, an additional 120 prisoners will be moved to our Central Arizona contract facility by the end of March. The Department needs these supplemental funds to accomplish this out-of-state action and to continue to meet ongoing in-state prisoner transport needs for the remainder of the fiscal year.

Supplemental #5

Existing Community Residential Centers	\$886.0	1 (c)
Supplemental GF/PR Auth. (25% Wages)	\$600.0	GF/PR
Supplemental GF/PR Auth. (DWI Collections)	\$ 50.0	GF/PR
Supplemental GF	\$236.0	GF
Supplemental Request	\$886.0	

The Department started the fiscal year with 586 general funded Community Residential Center (CRC) beds at eight contract facilities. Five of the providers base contracts expired on November 30, 1997 and had to be resolicited. This resolicitation has resulted in an overall cost increase of \$886.0, which requires a supplemental. In addition, as part of the agreement to spend newly appropriated Federal Funds toward new CRC beds, the Department was obligated to maintain the original 586 beds. To reduce the impact of the supplemental, however, we estimate that \$650.0 of this need could be funded by increasing the general fund/program receipt authority and allowing the DOC to utilize collections in excess of our current authorization for DWI cost of care and Inmate 25% Wages cost of care reimbursement. This supplemental request is time sensitive due to the expiration dates of existing contracts. Some contracts will expire March 31, 1998. The DOC can not implement contracts to continue these beds if funding is not available at that time.

Supplemental #6

Alaska Board of Parole \$50.0 GF 5(a)

The workload of the Alaska Board of Parole has increased significantly as prisoner populations have expanded across the entire State of Alaska. To process discretionary and mandatory parole hearings, parole revocation hearings, preliminary hearings, etc., on a timely basis, additional travel, transportation, and contractual service funds are required. Maintaining parole board activities to return eligible parolees to the community will free up institutional beds.

5(a)(b)(c)(d)
5(a)(b)(c)

Supplemental #7

Kids Package

\$100.0 GF 12 (d)(17)

This request is for capital funds to purchase vehicles and life safety equipment necessary to implement the Sexual Predators program.

cc: Margaret Pugh, Commissioner
Joseph Reeves, Deputy Director, Administrative Services
Sharleen Griffin, Program Budget Analyst

5(a)(b)(c)(d)
~~5(a)(b)(c)(d)~~

Inmate Health Care
Supplemental
(as of 1/28/98)

5(c)

Date	Medical Condition - Diagnosis	Actual Cost to Date	Additional Projected Cost	Total Projected Cost
07/01/97	Crush injury, knees	40,826	0	40,826
07/09/97	Stroke	125,390	0	125,390
07/10/97	Blood Clot	16,781	0	16,781
07/21/97	Blood Clot	34,521	0	34,621
07/22/97	Ulcerative Colitis led to ruptured bowel	181,031	0	181,031
07/29/97	Drug induced seizures	43,588	0	43,588
07/31/97	Dissecting aorta required open heart surgery	147,622	0	147,622
08/05/97	Gallbladder surgery - pneumonia	22,391	0	22,391
08/16/97	Suicide attempt	23,834	0	23,834
09/12/97	Kidney failure	27,474	15,726	43,200
09/20/97	Massive coronary	52,952	0	52,952
09/22/97	Malignant tumor of the throat	32,444	217,556	250,000
10/07/97	Malignant orbital tumor - Sinuses - eye removed	11,725	0	11,725
10/09/97	Aortic Valve replacement	174,128	0	174,128
10/09/97	Mallory-Weiss tear - gastrointestinal bleeding	15,685	0	15,685
10/29/97	Coronary angiogram	91,496	38,504	130,000
11/11/97	Tripod fracture with a subdural	99,268	8,732	108,000
11/11/97	Abscess of large bowel	26,384	23,616	50,000
11/16/97	Cirrhosis of the liver - bulimia - renal failure	32,618	27,382	60,000
12/07/97	Ulcerative Colitis - Remove large intestine	41,886	78,114	120,000
01/05/98	Infection of fatty tissue & muscle of buttocks	326	39,674	40,000
01/05/98	Perforated duodenum - developed abscess	180	74,820	75,000
01/12/98	Stroke	2,190	UTE	2,190
01/13/98	Malignant abdominal mass	3,289	116,711	120,000
	Hemophiliac with aids (hospitalized)	5,000	UTE	5,000
	Monthly medications for hemophiliac with aids	15,000	75,000	90,000
	TOTAL	1,268,129	715,835	1,983,964

*UTE NOTE: Unable to Estimate costs

(P)(C)(X)(P) 5

MEMORANDUM


STATE OF ALASKA

Department of Military & Veterans Affairs Administrative Services Division

TO: Annalee McConnell, Director
 Office of Management & Budget
 Office of the Governor

DATE: February 9, 1998

TELEPHONE: 465-4730

FROM: 
 Carol Carroll
 Director

SUBJECT: FY98 Budget
 Supplemental
 DMVA

The Department of Military & Veterans Affairs requests the following supplementals for FY98:

1. Disaster Relief Fund (DRF) - \$2.0 million general funds 6

This \$2.0 million supplemental funding to the DRF to capitalize the fund, will allow the DRF to meet its projected obligations for the next 12 months. The cash balance of the fund as of January 20th was \$50.0. We have outstanding obligations of \$1.3 million on state disasters, and a projected need for the Shismareff disaster of \$265.2. The balance will be used for future disasters. The average annual state disaster expenditures for the past five years have been \$3.0 million in general funds.

2. Alaska National Guard Counterdrug Support program - \$100.0 federal funds 11

The Counterdrug Support Program within the Alaska National Guard (ANG) allows for participation in the U.S. Department of Justice (USDOJ) Forfeiture Program. This federal program's primary purpose is to deter crime by depriving criminals of profits and proceeds from their illegal activities. State expenditure of these funds would be made in the area of technological support supplies and equipment for the ANG. We request that this be set up as a capital project budget as the funding will cross state fiscal years. We expect to receive \$26.0 in the next month or so. The federal guide for spending these funds is available to those interested in receiving a copy. The program and staff are paid for by the federal government to do such functions as aerial surveillance and reconnaissance, cargo inspection, photo reconnaissance, training, ground radar, etc. Any moneys recovered from the sale of forfeiture items are distributed among the participating agencies. The federal government cannot use these funds unless they are appropriated through the state budget process. Additional information is attached.

3. Youth Corps Facilities Repairs and Upgrades at Camp Carroll - \$230.0 GF 12 (JK15)

The Youth Corps Program is housed in barracks at Camp Carroll on Fort Richardson. This funding will allow for the replacement of 12 furnaces and 16 roofs, as well as adding siding and insulation. These barracks were intended to be temporary training facilities for the military and are now used on a year-round basis by the Youth Corps. The repairs and upgrades will be used in lieu of rent.

6
H

Carol Carroll, Director

2/11/98

Page 2

We appreciate your consideration. If you have any further questions feel free to contact me, or our budget contact Nico Bus, at 465-2406.

Attachments

cc: Roger Schnell
Juno Char.ce
Nico Bus
Bob Heavilin

Counterdrug Support Program

Section 11

MISSIONS:

- #1: Counterdrug Coordination, Liaison, and Management
- # 2: Technical Support including: Linguist Support, Intelligence Analyst Support, Operational/Investigative Case Support, Communications Support, Engineer Support, and Subsurface/Diver Support
- # 3: General Support including: Domestic Cannabis Suppression/Eradication Operations, Transportation Support, Maintenance/Logistical Support, and Cargo/Mail Inspection
- #4. Counterdrug-related Training
- # 5. Reconnaissance/Observation- surface and aerial
- #6. Demand Reduction Support that is: Community Based, Educational, Informational, Leadership Development oriented and aimed at Coalition Development



The National Guard provides support to the Alaska State Troopers, local Police Departments, United States Marshal Service, Postal Service, Drug Enforcement Administration, the Customs Service, Federal Aviation Administration, and Federal Bureau of Investigation. Photo by GDS.

COUNTERDRUG SUPPORT PROGRAM

The Alaska National Guard's Counterdrug Support Program continues to play an exceedingly significant role in the war on drugs, a war that was once the sole responsibility of local and federal law enforcement agencies.

This program was formed in 1989 with the mission of supporting Local, State, and Federal law enforcement agencies in combating the ever increasing epidemic of drugs in America.

Alaska's specially trained National Guardsmen work side-by-side with Alaska State Troopers and Municipal Law Enforcement throughout the state.

The Alaska National Guard provides additional support to law enforcement agencies with assets such as Blackhawk helicopters, C-130

Hercules transport aircraft, specialized equipment, and training facilities.

Financed under special congressional appropriation, there is no cost to the State of Alaska for the full-time Counterdrug Support program or for on-call support specialists. The total budget expended by the Counterdrug Support program during FY'96 was \$1.4 million with a projected increase to \$1.6 million in FY'97. To date this program has assisted in over 1500 operations.

Section
4



Domestic Cannabis (Marijuana) suppression is one of the main missions of the CDS program. Photo by CDS.

Total Seizure in FY'96

<u>Item</u>	<u>Amount</u>	<u>Total Value</u>
Arrests	289	
Currency		\$384,570.00
Cocaine	64.5 pounds	\$5,533,000.00
Heroin	3.8 pounds	\$1,688,000.00
Marijuana Plants	12,677	\$56,954,000.00
Marijuana Processed	83 pounds	\$375,149.00
Methamphetamine	0.5 pounds	\$500.00
Property		\$509,600.00
Vehicles	22	\$241,400.00
Weapons	88	\$24,375.00

6

MEMORANDUM

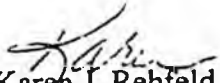
State of Alaska
Department of Education

To: Annalee McConnell, Director
Office of Management & Budget

Date: February 12, 1998

Phone: 465-8650

File: 98 Supplemental Memo.doc


From: Karen J. Rehfeld, Director
Education Support Services

Subject: FY98 Supplemental Request

Attached is back up documentation supporting the Department of Education's FY98 Supplemental Request, by section. Please contact me if you have any questions.

* *Section 7*

AVTEC – Pell Grants federal receipts \$75,000.00

Section 12(d)(2)

Mt. Edgecumbe High School – Powerhouse Demolition Project \$158,300.00

Section 13

Miscellaneous Claims \$3,633.00

Section 15

Business Enterprise Program - Ratifications \$28,143.50
\$17,674.30

Section 16

Records Storage - Management Fees and Costs \$0.0

/attachments

Section 7

AVTEC – Pell Grants federal receipts

\$75,000.00

AVTEC recently received certification from the U.S. Department of Education to participate in the Student Financial Assistance Programs under Title IV, in particular, PELL Grants. Post-secondary schools participate in the Federal Student Aid program. Students apply for PELL Grants directly to the U.S. Department of Education. The funds are held in trust by the participating schools and distributed to the enrolled students.

This is the first year these grants have been available for enrolled students. The grants are passed through to the student to provide funding for any educational expenses. There is a cap of \$2,700 per student. There is no cap as to the number of students receiving grants per year.

Students must meet certain criteria in order to be eligible to receive PELL grants, including income level or Expected Family Contribution (EFC). The amount of the grant award is based on the EFC, the cost of attendance, and the length of enrollment.

The PELL grant program has no impact on the general fund. There are no requirements for matching funds. No positions will be funded with this request. These are strictly flow through funds that will be distributed to the eligible students by AVTEC.

AVTEC was not certified to distribute PELL Grant funds when the FY98 budget was written. The department will request a budget amendment for FY99 to include this additional authorization.

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

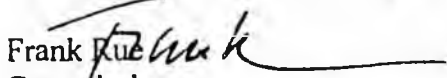
DEPARTMENT OF FISH AND GAME

DIVISION OF ADMINISTRATION

P.O. BOX 25526
JUNEAU, AK 99802-5526
PHONE: (907) 465-5999
FAX: (907) 465-6078

MEMORANDUM

TO: Annalee McConnell
Director
Office of Management and Budget

FROM: Frank 
Commissioner
Department of Fish and Game

DATE: February 11, 1998

SUBJECT: FY98 Supplemental Request--ADF&G

The Department of Fish and Game requests approval of the following FY98 supplemental appropriation requests for inclusion in the supplemental bill. Included in this list are three items which normally would be submitted as RPLs to the Legislative Budget & Audit Committee.

Commercial Fisheries Test Fish Receipts

\$463,800

8(b)

The department submitted an RPL for the Sitka Herring Roe-on-Kelp test fishery to be held this spring. At its December meeting, the LB&A committee determined that they did not have authority to approve additional test fish receipts. The department was instructed by the committee to use existing test fish receipt authority for this fishery and to submit a supplemental appropriation request for approval by the full Legislature.

Commissioner's Office Federal Receipts

\$25,000

8(f)

The National Marine Fisheries Service has made funding available for Alaska representatives to participate in bilateral discussions with the Russian government on Bering Sea "Doughnut Hole" issues, the Russian Maritime boundary, and pollack conservation. Participants will include three to four state employees and five to ten non-employees representing industry, coastal communities and conservation interests.

Wildlife Conservation EVOS Receipts

\$80,000

8(e)

At its January meeting, the EVOS Trustee Council approved an additional \$114.8 for the Prince William Sound Harbor Seal Monitoring Project. Since this project will cross the fiscal year and the increase was unknown at the time the FY99 budget was prepared, a budget amendment will be submitted for the FY99 portion.

8(a) - 8(f)

Sikusuilag Hatchery

\$56,800

8(a)

The department operated the Sikusuilag hatchery on the Noatak River north of Kotzebue for approximately fifteen years until June 30, 1995. Subsequent to closure of the hatchery, soil contamination from diesel fuel was discovered at the site and a capital appropriation (SLA 1997, Chapter 100, page 51, line 22) for \$350.0 was made from the Oil Spill Response Fund to clean up the site. This request will reinstate land lease payments of \$1,456.27 per month from July 1, 1995 through September 30, 1998, when the site clean up is expected to be complete.

Division of Subsistence

\$56,000

8(d)

The division's general fund budget has been reduced by nearly forty percent (\$632.8) since FY94 and \$171.6 for FY98 alone. This comes at a time when subsistence is heating up as one of the most critical issues facing the state today. The division has absorbed most of the FY98 reductions through layoffs, forced seasonal leave without pay, and the RIP program. This supplemental will cover the remaining shortfall and enable the division to carry out its statutorily required functions.

Miscellaneous Claims

\$1,748

13(a)

Under the provisions of AS 37.25.010, the department cannot pay invoices that are more than two years old. In such instances, it is necessary to ensure sufficient funds were lapsed and to obtain supplemental funding before these bills can be legally paid. The Department is currently aware of four miscellaneous claims which are over two years old. A copy of each invoice is attached for your backup.

Fairbanks Shooting Range Fund Source Change

The department received a \$2 million appropriation (SLA 1996, Chapter 123, page 52, line 18) for this project that was funded by federal funds (50%) and fish and game funds (50%). Due to a shortage of federal funds available in the Hunter Education project, the department requests that the federal portion be lowered to \$500.0 and the fish and game fund portion be increased to \$1.5 million. Intent language on line 21 referring to the original funding split should also be amended or deleted to reflect the revised funding.

8(c)

Thank you for your assistance in this matter. If you have any questions or require additional information, please contact me or Kevin Brooks at 465-5999.

Attachments

Cc: David Benton, Rob Bosworth, Division Directors

8(a) - 8(f)

5.000 - 2.000

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF FISH AND GAME

DIVISION OF ADMINISTRATION

P.O. BOX 25526
JUNEAU, AK 99802-5526
PHONE: (907) 465-6085
FAX: (907) 465-6078

May 25, 1995

Mr. Theodore T. Booth Sr.
PO Box 1071
Kotzebue, AK 99752

Realty Program
Maniilaq Association
P.O. Box 256
Kotzebue, Alaska 99752

re: Lease No. Nome 81-1

Dear Mr. Booth:

The Department of Fish and Game will no longer operate Sikusuilaq Hatchery after June 30, 1995. This letter is to inform you of our plans, which at this time include surplusizing the hatchery to the Northwest Arctic Borough. It is our understanding that a fishermen's regional association is in the process of forming for the Kotzebue Sound fishing districts and sub-districts. It is our hope that if the hatchery is transferred intact to the Northwest Arctic Borough, the Borough will work with you, as land owner, and the new regional aquaculture association as it is formed, to continue the operation of Sikusuilaq Hatchery.

If the Borough does not agree to accept the surplusized hatchery and/or if we can not surplus the facility to some other governmental agency, we will move equipment from the hatchery that can be used elsewhere by the Department and surplus the remainder in a general public surplus sale.

Please consider this letter to be official notification that as of July 1, 1995, the State is quitting its lease of the lands upon which the Sikusuilaq Hatchery is constructed. A final payment for the month of June 1995 will be made to you.

Again, I would like to take this opportunity to thank you for your involvement with the State in the Sikusuilaq Hatchery project and express my hope that the relationship has been beneficial to you.

Sincerely,


Ernest Greek
Procurement Officer

8(a)

cc: Diane Kochendorfer
Johnny Holland

8(a)

MEMORANDUM

State of Alaska

Department of Environmental Conservation
Division of Spill Prevention and Response
Contaminated Sites Remediation Program

TO: Earnest Greek
Division of Administrative Services
Department of Fish & Game
P.O. Box 25526
Juneau, Alaska 99811-5526

DATE: August 6, 1997

RECEIVED
AUG 08 1997
DIV. OF ADMIN.

TELEPHONE NO: 269-7547

FROM: Dennis Harwood 
Contract Manager

SUBJECT: Contamination cleanup of Sikusuilaq
Fish Hatchery

As a result of the combined Capital Improvement Project (CIP) budget request submitted last fall to the Office of Management and Budget (OMB) under our Memorandum of Agreement (MOA), \$350,000.00 has been appropriated to Fish & Game by the Legislature to conduct the cleanup of Sikusuilaq Fish Hatchery. Our department is amenable to taking the lead on conducting this cleanup primarily due to our experience and expertise in conducting contaminated site assessment and remediation projects.

A Scope of Work (SOW) outlining the required actions at the Sikusuilaq Hatchery site has been prepared by our staff. The enclosed Request For Proposal (RFP), which contains the SOW, can be attached to a Reimbursable Services Agreement (RSA) form. Fish & Game will need to initiate the RSA in order to authorize DEC to use the money appropriated. The RSA will then be signed by DEC and forwarded to OMB for approval.

Upon approval of the RSA, the RFP will be submitted to DEC term contractors requesting a proposed cost estimate. One of the three term contractors will be selected, based on their proposed methods to conduct the work and their estimated dollar amount. All work accomplished by our term contractors is based on time and materials, plus expenses and overhead. Upon selection of a contractor, Fish & Game will be notified in order to coordinate access to the property and identify any special concerns. Please identify all Fish & Game points of contact for this matter.

A copy of the final report will be forwarded to your office upon completion of this project.

Marianne McNair informed me that Representative Joules' office expressed an interest in using local residents to work on the remediation process of this project. Most of the work to be done on this site will require qualified, trained, and experienced technical staff; however, the term contractor selected for this project will be encouraged to hire local residents to the extent possible.

8(a)
5(2)

Regarding the question of whether Mr. Theodore could be compensated for lost income using the CIP/Response Fund appropriated money; I would say no, not from the Response Fund. It is my understanding that Response Fund money can only be used for assessing and cleaning up releases or discharges of oil and hazardous substances. Removal of buildings or debris or compensation for losses would need to be addressed separately.

I look forward to working on this project with you and your department. Please feel free to contact me if there are any questions.

Attachments

cc: Jim Frechione, DEC/Anchorage
Geoff Kany, DEC/Juneau

G:\CS\ITES\SIKUS\LIL\MEM

8(a)
8(a)

During Session:
Alaska State Capitol
Juneau, Alaska 99801-1182
(907) 465-4833
Fax (907) 465-4586
1-800-782-4833

representative_reggie_joule@legis.state.ak.us



During Interim:
P.O. Box 673
Kotzebue, Alaska 99752
(907) 442-3380
Fax (907) 442-3022

Alaska State Legislature
REPRESENTATIVE REGGIE JOULE

September 18, 1997

Commissioner Frank Rue
Department of Fish & Game
P.O. Box 25526
Juneau, AK 99802-5526

RECEIVED
SEP 22 1997
DIV. OF ADMIN.

Dear Commissioner Rue:

As you are aware, this past legislative session an appropriation of \$350,000 was made to the ADF&G for clean-up of the Sikusilaq Springs hatchery. The land that the hatchery is on belongs to a constituent of mine, Mr. Theodore Booth. Mr. Booth and the state had entered into a lease agreement for the use of the property for the hatchery. Subsequent to the closure of the hatchery, the state has not continued the lease.

Because of the need to clean up the contamination around the hatchery site, Mr. Booth has not been able to lease the property to another entity. It is my understanding that the Northwest Arctic Borough was interested in leasing the property, but decided against leasing the property until and unless the contamination is cleaned up. This has placed a financial hardship on Mr. Booth who has been without lease income since the state stopped leasing the property. It seems to me that the state has some obligation to make Mr. Booth whole for the loss of income he has suffered due to the contamination on his property.

As you are aware, the Kotzebue IRA is working with Mr. Booth on this matter. I would appreciate any assistance you could provide in not only seeing that the contamination is cleaned up in an expeditious and efficient manner, but also in attempting to see that Mr. Booth is adequately compensated for his inability to lease the property.

Please do not hesitate to contact me should you wish to discuss this situation. I look forward to your response.

Sincerely,

A handwritten signature in cursive script that reads "Reggie Joule".

Representative Reggie Joule
District 37

cc: Commissioner Michelle Brown, DEC
Attorney General Bruce Botelho, Department of Law
Kevin Brooks, Director of Administrative Services, ADF&G
Pete Schaeffer, Executive Director, Kotzebue IRA
Abraham Snyder, Rights Protection Officer, Kotzebue IRA
Theodore Booth

8(a)
8(a)

2ND ADDENDUM
TO ORIGINAL LEASE NO. NOME 61-1
AS RECORDED IN BOOK 18, PAGES 470-475
AND
1ST ADDENDUM
AS RECORDED IN BOOK 31, PAGES 277-279

The State of Alaska Department of Fish and Game has notified the Maniilaq Association Realty Services Program that they wish to exercise the renewal option of Provision No. 14 of the Lease Addendum.

1. The term of the renewal is 5 years with option to renew for two additional 5 year periods.

Notification of said exercise of option shall be in writing at least 180 days prior to the lease termination date, which is February 28, 1996.

2. The provisions of this renewal lease will be the same as the original lease and it's first addendum except for the following:

PROVISION NO. 7(A) RENTAL ADJUSTMENT

This provision no. 7 has been considered and the rental rate has been adjusted to read:

The new rental rate agreed upon by both LESSOR and LESSEE and which LESSEE agrees to pay monthly directly to LESSOR is \$1,456.27 per month. This equals to an annual rate of \$17,475.24. The first payment being due on March 1, 1991.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hand on this 8th day of July 1991.

LESSOR:

LESSEE:



Theodore T. Booth Sr.
Theodore T. Booth Sr.

[Signature]
State of Alaska Department of Fish and Game, Director, Division of Administration

Realty Program
Maniilaq Association
P.O. Box 256
Kotzebue, Alaska 99752

To Be Recorded At Kotzebue Recording District

Native Village of Kotzebue Kotzebue IRA

Post Office Box 296, Kotzebue, Alaska 99752-0296

Tribal government serving the Inupiaq people of Qikiqtagruk



August 20, 1997

Mr. Kevin Brooks
ADF&G, Division of Administration
P.O. Box 25526
Juneau, Alaska 99802-5526

Dear Mr. Brooks:

I am writing on behalf of our client Mr. Theodore Booth, Sr., who as you are aware is the owner of the property which the State of Alaska leased, built and operated the Sikusuilag Springs Hatchery. The intent of this letter is to seek due compensation to Mr. Booth relative to the non-marketability of his property as a result of environmental concerns. Concern identified apparently during the proposed transfer of the facility to the Northwest Arctic Borough and subsequent environmental testing by Montauk Environmental Engineering.

Our client believes that the State of Alaska should be held accountable for the environment problems as well as financial obligations to continue the lease until such time the environmental issues are resolved. To support this claim we offer the following background information documenting the intent to secure a lease. The property rental payments to the landowner ceased upon failure of the legislature's funding appropriation and realignment of the State's ADF&G's priorities. With this an effort to transfer the facility to the Northwest Arctic Borough was initiated. In August of 1995 Mr. Booth wrote to myself indicating his desire to enter into a lease with the Northwest Arctic Borough (NAB) and wanted us to begin the process. Our client agreed to this arrangement knowing he would continue to receive income from his land. This is confirmed in a letter from Mayor Chuck Greene of the Northwest Arctic Borough dated September 11, 1995. Mayor Greene indicates in this letter "The Northwest Arctic Borough would like to enter into a long term lease with Theodore Booth on the Sikusuilag Springs Hatchery". In preparation the State of Alaska began drawing up a property transfer agreement between the State of Alaska and the NAB. This agreement contained language the NAB was concerned about extending liability for potential environmental contamination.

This became more of an issue upon the NAB's preliminary site review including video documentation of the facility, inventory and environmental concerns. Specific attention in the video was directed at documenting possible environmental contamination, relating to petroleum products associated with the hatchery operation. With this information provided from the NAB our Kotzebue IRA Realty and Rights Protection programs initiated a preliminary environmental assessment of Mr. Booth's property.

Negotiation and discussion regarding the transfer of the hatchery facility to the NAB continued in length. Jim Paulin, KOTZ Radio News Director announced through the associated press that the NAB took no action in their April 29, 1996 meeting, therefore rejecting the State's offer to sell. The press release went on to discuss Borough Attorney David Case's concerns mentioning "The Borough would be responsible for moving all the buildings, as well as assuming responsibility for any environmental cleanup from fuel that

PHONE: (907) 442-3467

FAX: (907) 442-2162

TOLL FREE: 1-800-442-3467

8(a)
[Handwritten signature]

may or may not be spilled at the site". Prior to this decision Northwest Arctic Borough Mayor Chuck Groene decided to terminate the borough interest in a lease pending an agreement resolution is made between the Mr. Booth and the State of Alaska.

In fall of 1996 the Bureau of Indian Affairs arranged an environmental analysis to be conducted by Montauk Environmental Engineering. The results of the Preliminary Investigation Report were provided to the Alaska Department of Fish & Game and further resulted in the State Legislatures appropriation of \$350,000.00 earmarked for the Sikusilaq Springs Hatchery Site. Since the documentation of environmental contamination we have been unable to get a recent fair market rental / lease rate appraisal. And with the condition of the property it is unlikely that we can even get any transactions secured until the environmental problems are resolved.

With that our contention is that had the Borough assumed ownership of the facility Mr. Booth would have been able to secure a lease. As a result of the environmental concerns Mr. Booth has not been able to market the facility and has experienced substantial loss of income. We believe that the State of Alaska must be held accountable and request that the State's lease be reinstated. Please notify us in writing of the proper procedures to reinstate this lease retroactive to the dated of its termination.

Your prompt attention and action in this matter is appreciated. If there are any question you may contact Abraham Snyder, Right Protection Officer or myself at (907) 442-3467. Thank You.

Cordially


Grant Hildreth
Acting Executive Director

CC: Client file
Senator Al Adams
Representative Reggie Joule

/gh

1 Department of Environmental Conservation (cont.)				
	Appropriation		General	Other
	Allocations	Items	Fund	Funds
4	Craig - Wastewater System	618,000		
5	Upgrade (ED 9)			
6	Homer - Skyline Water Storage	500,000		
7	Tank (ED 7)			
8	Hoonah - Water Treatment	413,000		
9	Facility (ED 5)			
10	Juneau - Auke Bay Wastewater	138,000		
11	Treatment Plant Expansion			
12	(ED 4)			
13	Kenai - Wastewater Plant	152,000		
14	Design (ED 9)			
15	Kenai - Wellhouses 1 and 2	100,000		
16	Upgrades (ED 9)			
17	Blawock - Landfill Design	75,000		
18	(ED 5)			
19	Kodiak Island Borough -	1,000,000		
20	Landfill Leachate Treatment			
21	(ED 6)			
22	Kenai - Water and Sewer	95,000		
23	Extension Design (ED 14)			
24	Nome - Joint Utility System	1,050,000		
25	Wooden Utilidor Replacement,			
26	Phase II (ED 18)			
27	Palmer - Wastewater Treatment	520,000		
28	Expansion (ED 26-28)			
29	Petersburg - Scow Bay Water	1,547,000		
30	Project, Phase Ia (ED 2)			
31	Sand Point - Landfill Design	134,000		
32	(ED 40)			
33	Sitka - Drinking Water	321,000		
34	Corrosion Control (ED 2)			
35	Soldotna - Water Storage Tank	840,000		
36	(ED 8)			
37	Unalaska - Landfill, Phase I	1,400,000		
38	Development (ED 40)			

1 Department of Environmental Conservation (cont.)				
	Appropriation		General	Other
	Allocations	Items	Fund	Funds
4	Wrangell - Water Filtration	1,400,000		
5	Plant, Phase II (ED 2)			
6	Wrangell - Zimovia Highway	1,290,000		
7	Sewer and Water, Phase III			
8	(ED 2)			
9	Yakutat - Wastewater	200,000		
10	Treatment Plant (ED 5)			
11	*****	*****		
12	***** Department of Fish and Game	*****		
13	*****	*****		
14	Statewide - Facilities Repair,	400,000	400,000	
15	Maintenance, and Replacement			
16	(ED 99)			
17	Fisheries Resource Assessment	250,000	250,000	
18	Vessels and Aircraft Maintenance			
19	and Repair (ED 99)			
20	Maintain Research Survey and	100,000		100,000
21	Support Aircraft (ED 99)			
22	Sikukuilag Hatchery -	350,000		350,000
23	Contaminated Site Clean Up			
24	(ED 17)			
25	Public Access Development (ED 99)	2,200,000		2,200,000
26	Hunter Education Electronic	80,000		80,000
27	Shooting System (ED 10-25)			
28	Sport Fish Hatchery Repair,	200,000		200,000
29	Renovacion and Maintenance			
30	(ED 99)			
31	Dall Sheep Management and	160,000		160,000
32	Research Project (PMANS Auction			
33	Proceeds) (ED 99)			
34	Fairbanks - Indoor Shooting	500,000		500,000
35	Range and Hunter Education			
36	Facility (ED 29-34)			
37	Rabbit Creek Rifle Range (ED 10-	70,000		70,000
38	25)			

STATE OF ALASKA

TONY KNOWLES, GOVERNOR


P.O. BOX 25526
JUNEAU, AK 99802-5526
PHONE: (907) 465-6158
FAX: (907) 465-2604

DEPARTMENT OF FISH AND GAME Commercial Fisheries Management and Development Division

MEMORANDUM

TO: Kevin Brooks, Director
Division of Administration

DATE January 16, 1998

FROM:  Betty Abel, Administrative Manager
Commercial Fisheries Management
and Development Division

SUBJECT: Request for Supplemental

Your approval is requested to establish additional test fish receipt authority, in the amount of \$463.8, for the Commercial Fisheries Management & Development BRU, Special Projects component. This additional receipt authority was originally requested under RPL 11-98-0193 submitted on November 20, 1997. The Legislative Budget & Audit Committee determined they were not authorized to act on this request. For this reason, this request for additional test fish authority is being submitted as part of the supplemental funding request.

This request is the result of a proposed regulatory change presented to the Alaska Board of Fisheries by a group of Sitka Sound herring purse seine sac roe limited entry permit holders. The regulatory proposal generated numerous legal, policy, technical fishery management, and socioeconomic questions. To better understand the implications of adopting such a proposal, the Alaska Board of Fisheries asked the department to conduct an experimental open platform herring fishery in Sitka Sound. The Sitka Sound herring fishery will be conducted in the spring of 1998 (FY98).

The existing test fishery receipt authority currently available in the Commercial Fisheries Management & Development BRU is allocated to other projects throughout the state. The authority for this project is being requested for the Special Projects component and at the current time, it will be a 2 year project (FY98 and FY99). This project is in our FY99 budget request as an increment in the Special Projects component.

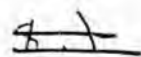
I am attaching a copy of our preliminary project plan which will give you more detailed information.

Thank you for your consideration of this request. If you have any questions or require additional information, please contact me.

Attachment

cc: Bob Clasby
Monty Norvell

8 (b)



Department of Fish & Game
Commercial Fisheries Management & Development Division, Special Projects Component

Subject of RPL: **Sitka Herring Roe-on-Kelp Test Fishery**
Amount requested: **\$463.8**
Funding source: **1109 Test Fish Receipts**

ADN/RPL # **11-98-0193**

Appropriation Authority: **Ch 98 SLA 97 Sec 39 pg 28 ln 21**

Statutory Authority: **AS 16.05.050(15)**

SUMMARY:

The Alaska Board of Fisheries has asked the Alaska Department of Fish & Game Commercial Fisheries Management and Development Division to conduct an experimental open platform herring fishery in Sitka Sound.

FUNDING INFORMATION

This request is to increase the test fish receipt authority in FY98. This project will be conducted over a two-year period. The funding needs for the second year will be incorporated into the FY99 budget request. This RPL will fund existing seasonal positions, primarily fish and wildlife technicians and fishery biologists. The increased costs for personnel will be through additional months of funding to pay for these positions, but the majority of cost associated with this project is for a vessel charter contract. The reason for requesting the additional authority at this time is because of the preparation involved in completing a request for proposal, reviewing bid proposals and making an award for the vessel charter. The department does not have the resources to carry out the broad scope of work required for this project with existing funding and personnel.

PROGRAM INFORMATION

This project was not included in the FY98 budget because the request to complete the project was received after the budget was submitted. This request is the result of a proposed regulatory change presented to the Alaska Board of Fisheries by a group of Sitka Sound herring purse seine sac roe limited entry permit holders. The regulatory proposal generated numerous legal, policy, technical fishery management, and socioeconomic questions. To better understand the implications of adopting such a proposal, the Alaska Board of Fisheries asked the department to conduct an experimental open platform herring fishery in Sitka Sound. Not approving the request, or delaying its approval will delay this project until FY99-2000. The Sitka Sound Herring fishery will be conducted in the spring of 1998 (FY98) and it is necessary to have a contract in place and other preparations made prior to commencement of the fishery.

DRAFT

SITKA SOUND OPEN PLATFORM ROE-ON-KELP HERRING TEST FISHERY

Statement of Problem and Background

At the January meeting of the Alaska Board of Fisheries (board), a group of Sitka Sound herring purse seine sac roe limited entry permit holders proposed a regulatory change that would have allowed permit holders the option of fishing open platforms to harvest herring roe-on-kelp. This regulatory proposal generated numerous legal, policy, technical fishery management, and socioeconomic questions. To better understand the implications of adopting such a proposal, the board asked the Alaska Department of Fish and Game, Commercial Fisheries Management and Development Division (department) to conduct an experimental open platform herring fishery in Sitka Sound. The purposes of this experimental fishery are to:

- Answer outstanding fishery management issues;
- Develop a proposed management plan;
- Generate revenue to fund the above activities.

The department does not have the resources to carry out the broad scope of work outlined in this document. However, the department is able to work with those interested in developing this fishery to oversee a project done under test fish contract to answer the outstanding questions. In this document we have outlined the scope of work that is needed to guide those interested in doing the work to prepare a bid proposal for consideration by the department.

Fishery Management Issues

Basis for Allocating Harvest

Reliable information on conversion rates of herring roe-on-kelp product to herring biomass must be obtained if the board is to develop allocation guidelines between permit holders fishing purse seines for sac roe product and those fishing open platforms for roe-on-kelp product. For example, the board could consider the following options: 1) allocate the harvest according to weight of product, 2) reserve a portion of the annual Sitka Sound herring quota for the open platform fishery, 3) limit the number of open platforms, or 4) limit the amount of kelp used. Information on conversion rates is also needed to evaluate the relative impact of open platform harvests on the herring population and to estimate kelp demand.

Kelp Demand

High quality *Macrocystis* kelp is needed to produce herring spawn-on-kelp. Demand for *Macrocystis* has increased in recent years due to the creation of closed pound fisheries in Craig and Hoonah Sound. With the potential for yet another fishery to harvest spawn-on-kelp, the

0000002

8(b)

DRAFT

department feels that following questions regarding management of the *Macrocystis* resource should be addressed:

- What is the expected demand for *Macrocystis* kelp in Southeast, considering the status of herring stocks that support existing fisheries in Craig, Hoonah Sound, and Prince William Sound? What is the expected new demand that would be created by allowing a fishery to occur in Sitka Sound?
- Where are the beds of *Macrocystis* needed to support these fisheries and what is the annual production from these beds?
- How much kelp should be harvested from each area? Are the methods and means currently defined in regulation adequate to conserve the kelp resource?
- What are the potential conflicts between existing users and new users of the kelp resources considering such factors as availability, distance from herring fishing areas and transportation centers? What are the options for resolving the conflicts?
- Is there a need for on-the-grounds monitoring of the kelp harvest? If so, what would this monitoring program costs?
- Options for regulating kelp blades range from unlimited use per platform to some lower amount dictated by either conservation or allocation concerns. Provisions for open platform fishers to harvest additional kelp if they miss the spawn or get poor quality product would need to be considered.

Conflicts with Other Users

A major concern expressed regarding the proposed herring open platform fishery is the potential impact on local subsistence users. In recent years, many subsistence users have complained about their inability to harvest herring roe on hemlock branches in their traditional areas. In addition, there are potential land use and vessel traffic issues that need to be evaluated. As a result, it will be important to gain information during the test fishery on locations where pounds could be located. Ultimately, the board might want to set aside areas where open platforms could be operated based on the need to minimize impacts on subsistence users, landowners, and the sac roe purse seine fishery.

Management Costs

Current funding levels are inadequate to pay for management and stock assessment of the existing purse sac roe fishery. In recent years, the department has been generating revenue through test fishing to make up the shortfall. The addition of another gear type is expected to increase annual operating and personnel costs by a significant, but as yet undetermined, amount. The test fishery conducted under this RFP should provide more information on these additional management costs.

Enforcement

The creation of another fishery and gear type in Sitka Sound would also result in additional fishery enforcement needs and costs. The proposed RFP open platform fishery should be designed to evaluate the enforceability of potential management measures and determine the need for and costs of any additional enforcement measures.

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Basic Structure of the RFP

Scope of the RFP and Suggested Timeline

The department believes that the Open Platform Test Fishery should be conducted over a two-year period (Phase I and Phase II). During the first year, the main focus of the test fishery would be to answer as many fishery management issues as possible. During the second year, the emphasis would shift to obtaining baseline resource survey information on *Macrocystis* kelp abundance and distribution, and focus on developing a proposed management plan for the open platform fishery.

This stepwise approach would minimize the department's and contractor's operational and manpower costs by spreading cost recovery efforts over a longer period of time. This in turn would reduce the annual impacts of the test fishery on the herring and kelp resource and would, consistent with board direction, minimize impacts on local subsistence uses. In addition, the board and the public would have the opportunity to review the results of the test fishery on an annual basis and suggest possible changes in the scope or methods of operation of the project.

PHASE I

ADF&G Work Products:

- Project planning and test fishery contract development
- Select contractor, issue and administer contract(s)
- Hire and train technicians
- Set up and maintain communications with contractor(s)
- Monitor and document kelp harvest amount, location, and area.
- Compile historical records of kelp harvest amounts by statistical area for PWS, Hoonah Sound, and Craig spawn-on-kelp fisheries. Project amount of kelp needed to sustain a spawn-on-kelp fishery in Sitka Sound at various levels of participation.
- Monitor draining, weighing, trimming, and grading of spawn-on-kelp product. Amount by grade to be recorded on ADF&G fish ticket at the time of landing.
- Sample various grades of spawn-on-kelp product, drain, weigh, and preserve and ship to ADF&G herring lab in Ketchikan, AK. Sample any discarded grades. Sample weights of fresh and preserved product.
- Analyze product samples for numbers of herring eggs per unit weight of sample.
- Sample sac roe herring test sets for fecundity and send to lab for analysis.
- Calculate biomass of herring needed to produce eggs on product from each fishing platform. Determine average conversion rate for allocation purposes
- Maintain confidential log of any conflicts or complaints.
- Develop budget for management, research, and enforcement of the spawn-on-kelp fishery.
- Prepare a comprehensive video documentary outlining various stages of the fishery.
- Prepare a Phase I written report and present summary of report to the Board of Fisheries.
- Travel to San Francisco to observe spawn-on-kelp fishery, interview managers, fishermen, and processing company representatives.

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Contractor Work Products:

- Purchase, ship, and assemble materials to construct suitable open pound harvest platforms.
- Locate suitable kelp beds and report to ADF&G personnel the time and location of planned kelp harvesting.
- Monitor herring spawn activities for suitable time and location to deploy platforms.
- Placement of kelp from platform - move and re-anchor pound as needed.
- Maintain detailed records of quantity of kelp harvested by location, and log on ADF&G kelp harvest permit.
- Harvest of spawn-on-kelp product. Drained total weight of product harvested by grade to be recorded on ADF&G fish ticket sold on ADF&G gear card.
- Weigh and record all unsold product as landed discards
- Report planned times and locations of landing, sorting, grading, and preservation of product to allow observation and documentation of these activities and sampling of product.
- Report transport of product from Alaska and sale to domestic or foreign buyers.
- Report of acceptance from Japanese wholesalers. Market impact statement.
- Report number of crewmembers employed in each phase of fishery.
- Prepare detailed summary report of fishing activities and outcome. Responses to fishery management issues identified in the test fish contract.
- Other activities identified in the proposal and contract shall be completed.
- Suggested management measures should the fishery proceed.

PHASE II

Note: The work products listed above for Phase I, except sampling and lab work by the department to determine spawn-on-kelp to herring conversion rates, will also be required of the department and the contractor during the second year if the test fishery continues. Some of the work requirements may be modified upon mutual consent of the department and the contractor.

ADF&G Work Products:

- Initiate new test fish contract for Phase II and issue new contracts following progress report to Board of Fisheries and identification of specific needs for additional research.
- Monitor second year experimental fishery based on new objectives similar to Phase I monitoring as described above.
- Develop management options for a spawn-on-kelp fishery.
- Present management options at Public meetings in Sitka, Ketchikan, Petersburg, and Juneau.
- Choose preferred management options based on public input.
- Develop draft regulations for Sitka spawn-on-kelp fishery and present to Board of Fisheries for consideration. Coordinate review by Department of Law, CFEC and other agencies
- Identification and quantification of macrocystis kelp bed availability in selected area(s).

Contractor Work Products:

- Complete second spawn-on-kelp experimental test fishery.
- Complete additional contract objectives for Phase II as required.

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Evaluation of Proposals

A committee will evaluate proposals submitted by contractors according to the following criteria:

- Appropriateness and technical merit of experimental design.
- Credentials of contractor to undertake planned work.
- Amount of product the contractor needs to harvest in order to cover department costs and contractor costs.

Right of Rejection

The department will reserve the right to reject a proposal because of:

- Deficiencies in technical merit or appropriateness of design.
- Amount of product requested.
- Costs that are judged to be excessive.
- Inadequate credentials of contractor and employees.

Contract Amount

All product harvested will be sold on the department's test fishery permit card. After dispersing costs according to the contract, excess funds if any, will be relinquished to the department. The contractor will bid the amount of herring roe-on-kelp product considered necessary to pay the department for the management and stock assessment costs to evaluate this new fishery and to recover costs for satisfying the reporting requirements of this test fish contract including harvesting and marketing the product.

Surety Deposit

A performance bond in an amount equal to the department's costs must be posted to the department at the time the contract is awarded. This is to ensure that the department is reimbursed for its incremental expenses in conducting the project.

Contractor's Records and State's Right to Audit

All books, records, correspondence, accounting procedures and records, information and any other supporting evidence relating to the resulting contract, including information on sales of herring roe-on-kelp product in the U.S.A and abroad, shall be open to inspection and subject to audit and or reproduction during normal working hours. The department reserves the right to deny payment for any expenses that is unreasonable, unrelated or not identified in the contract.

Oversight of Test Fishing Operations

Two fishery technicians will be hired to monitor the experimental open platform fishery, to collect information on kelp harvest, pound anchoring and relocation, kelp placement in pounds,

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harvest, sorting, grading, weighing, packing, and shipping of product, and conducting interviews with concerned members of the public. Additional fishery technician lab time will also be needed to analyze samples used to obtain information on egg to herring conversion rates. Operational costs associated with these activities will be covered by proceeds to the department from the sale of spawn-on-kelp product. The preliminary estimates of the total personnel and operational cost associated with test fishery oversight, monitoring, and laboratory analysis is approximately \$64,000 for Phase I (see attached project description and budget) and \$53,000 for Phase II.

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Project Number: FM-

Project Title: Sitka Herring Fishery Research

Region	1	Ledger Code
Fishery Unit	Southeast Herring	
Component		
Location		
Program Element	Area Management	Legislative District 3
Funding Level		Region Priority

Fisheries Affected: Sitka Sound Sac Roe Herring

Species Affected: Pacific Herring

Project Description:

The Alaska Board of Fisheries (Board) has requested that ADF&G carry out an experimental herring fishery in Sitka Sound using open platform gear to commercially harvest herring spawn-on-kelp. At the January meeting in Sitka, the Board deferred action on a regulatory proposal that would have allowed limited entry sac roe permit holders in Sitka Sound the option of fishing this alternate gear until the department could conduct an experimental fishery. This project would allow for a limited experimental fishery to occur, and would allow the department to monitor the fishery and report findings back to the Board.

Project Objectives:

The department will issue a test fishery bid solicitation request for proposals and award between a contract(s) to operate between three and ten herring open platforms to produce specified quantities of spawn-on-kelp product. Proceeds from sales of product would be used to cover department costs and pay contractors for their services. The department will monitor: 1) kelp harvest, 2) construction of fishing platforms, 3) placement and relocation of fishing platforms, 4) deployment of kelp blades, and 5) harvest of spawn on kelp product. The department will determine product quantity, quality, and value and develop methods for allocating the harvestable surplus between sac roe and spawn-on-kelp. The department would summarize findings and recommend management measures in a report to the Board of Fisheries.

Budget Manager: 11-1008 Bill Davidson Title: Sitka Area Management
Biologist

Budget Detail

	<u>FY 98</u>	<u>FY 99</u>
100 Personnel Services	51.3	41.2
200 Travel	3.2	5.3
300 Contractual	405.5	406.5
301 Commodities	3.8	3.5
500 Equipment	0.0	0.0
Project Total	463.8	456.5

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Project Funding -- Program Receipts 463.8 (FY 98) and 456.5 (FY 99) -- Requesting
Increased Authorization

Staff Months

12.0 FTE

9 FTE

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Project Number FM- Project Title: Sitka Herring Fishery Research

Project Description: Sitka Herring Spawn-on-Kelp Experimental Fishery
Phase I--(1997-98 FY)

100 Personnel Services

PCN	Title	RS	Location	Months	Rate/M	Amount
11-1008	Fish Bio III	18D	Sitka	1	5,430.64	5,430.64
11-1367	Fish Bio II	16F	Sitka	1	5,103.99	5,103.99
	Fish Tech III	11E	Sitka	1	3,620.00	3,620.00
	Fish Tech III	11E	Sitka	1	3,620.00	3,620.00
	Fish Tech III	11F	Ketchikan	2	3,719.53	7,439.06
	Fish Tech II	10E	Ketchikan	2	3,426.05	6,852.10
	AC III	10B	Sitka	0.5	3,165.74	1,582.87
	AC II	8A	Sitka	0.5	2,785.49	1,392.75
	HQ-Admin	18D	Juneau	3	5,430.64	16,291.92

100 Total 12 FTE \$51,333

200 Travel

2 RT to San Francisco to observe herring fishery 2,200.00
2 RT airfare to report to Board of Fisheries 1,000.00

Total \$3,200

300 Contractual

Test Fishery Contract - Test fishery receipts 400,000.00
Charter or lease skiff 15 days @ 200 3,000.00
Compile and edit video documentation 1,000.00
Aircraft charter 6 hours @250 1,500.00

Total \$5,500

400 Commodities

Photo and video supplies 800.00
Office supplies 500.00
Marine fuel 1,000.00
Lab supplies 500.00
Miscellaneous 1,000.00

Total \$3,800

500 Equipment

None 0

Total \$0

100-500 TOTAL PROJECT COST PHASE I

\$463,833

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Project Number FM- Project Title: Sitka Herring Fishery Research II

Project Description: Sitka Herring Spawn-on-Kelp Experimental Fishery
Phase II-(1998-99 FY)

100 Personnel Services

PCN	Title	RS	Location	Months	Rate/M	Amount
11-1008	Fish Bio III	18D	Sitka	0.5	5,430.64	2,715.32
11-1367	Fish Bio II	16F	Sitka	0.5	5,103.99	2,551.95
	Fish Bio IV	20?	Juneau	0.5	6,000.00	3,000.00
	Fish Bio III	18?	Petersburg	0.5	5,700.00	2,850.00
	Fish Tech III	11E	Sitka	1.5	3,620.00	5,430.00
	Fish Tech III	11E	Sitka	1.5	3,620.00	5,430.00
	AC III	10B	Sitka	0.5	3,165.74	1,582.87
	ACII	8A	Sitka	0.5	2,785.49	1,392.75
	HQ-Admin	18D	Juneau	3	5,430.64	16,291.92
100 Total				9 FTE		\$41,245

200 Travel

2 RT to British Columbia to observe herring Fishery	2,200
7 RT to Sitka, Ketchikan, Petersburg, Juneau	2,100
2 RT airfare to report to Board of Fisheries	1,000
Total	\$5,300

300 Contractual

Test Fishery Contract - test fishery receipts	400,000
Charter or lease skiff 25 days @ 200	5,000
Aircraft charter 6 hrs @ 250	1,500
Total	\$6,500

400 Commodities

Photo and video supplies	500
Marine fuel	1,500
Office supplies	500
Miscellaneous	1,000
Total	\$3,500

500 Equipment

None	0
Total	\$0

100-500 TOTAL PROJECT COST PHASE II

\$456,545

TOTAL PROJECT COST OVER 2 YEARS

\$920,378

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Chapter 123

1 Department of Fish and Game (cont.)	Appropriation		General	Other
	Allocations	Items	Fund	Funds
2 Statewide Facilities Repair,	400,000	400,000		
3 Maintenance and Replacement				
4 (ED 99)				
5 Commercial Fisheries Vessel and	425,000	425,000		
6 Aircraft Repair and Maintenance				
7 (ED 99)				
8 Replace and Enhance Salmon	300,000	300,000		
9 Escapement Sonar Systems (ED 99)				
10 Statewide Recreational Boating	1,700,000		1,700,000	
11 and Sport Fish Access Projects				
12 (ED 99)				
13 Anchorage Regional Office Animal	110,000		110,000	
14 Autopsy Laboratory Construction				
15 (ED 99)				
16 Fairbanks Indoor Shooting Range	2,000,000		2,000,000	
17 and Hunter Education Facility				
18 Construction (ED 25-34)				
19 This project is funded with 50% State Fish and Game Funds and 50% Federal Fish and				
20 Game Funds.				
21 Ruffed/Sharp Tailed Grouse	200,000		200,000	
22 Transplant/Habitat Enhancement				
23 Projects - Kani Beninaula/Delta				
24 Region/Copper River and Sustna				
25 Valleys (ED 99)				
26 Creaser's Refuge Waterfowl	250,000		250,000	
27 Enhancement (ED 99)				
28 Alaska Fur Market/Hunting	240,000		240,000	
29 Promotion - Video Development				
30 and Production and Trapper/				
31 Hunter Education Material/				
32 Newsletter (ED 99)				
33 Demonstration Project - Post	400,000		400,000	
34 Logging Revegetation and				
35 Wildlife Habitat Enhancement				
36 (ED 99)				

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Chapter 123

1 Department of Fish and Game (cont.)	Appropriation		General	Other
	Allocations	Items	Fund	Funds
2 Potters' Marsh/Rabbit Creek	100,000			100,000
3 Rifle Range - Facility				
4 Improvements and Volunteer				
5 Project (ED 99)				
6				
7				
8				
9				
10				
11 Americans with Disabilities Act	250,000		250,000	
12 Facility Modification (ED 99)				
13 Criminal Justice Information	966,678		966,678	
14 System Integration (ED 99)				
15				
16				
17				
18 Yukon Kuskokwim Health	7,333,000	1,000,000		6,333,000
19 Corporation/State Community				
20 Health Services Building Design				
21 and Construction (ED 15)				
22 Renewal, Deferred Maintenance,	1,118,000		1,000,000	118,000
23 Replacement and Equipment (ED 99)				
24 Adoption and Foster Care	475,000			475,000
25 Analysis Reporting System (ED 99)				
26 Electronic Benefit Transfer and	2,000,000			2,000,000
27 System Enhancements (ED 99)				
28 Grants to Homeless Residents				
29 (AM 37.05.310)				
30 Kodiak Island Hospital	900,000		900,000	
31 Completion (ED 6)				
32 Access Alaska, Inc. Community	125,000			125,000
33 Living Support for the				
34 Developmentally Disabled (ED 99)				
35				
36				
37				

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STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF FISH AND GAME

DIVISION OF WILDLIFE CONSERVATION

P.O. BOX 25526
JUNEAU, AK 99802-5526
PHONE: (907) 465-4190
FAX: (907) 465-6142

MEMORANDUM

TO: Kevin Brooks
Director
Division of Administration

FROM: Diana Ground *Diana*
Administrative Manager
Wildlife Conservation

DATE: February 5, 1998

SUBJECT: FY98 Supplemental Request

In January 1998 the EVOS Trustee Council authorized an additional \$114.8 in funding for the Prince William Sound Harbor Seal Monitoring project. As the availability of this additional funding was unknown at the time the FY98 budget was submitted, the legislative authorization for the EVOS Restoration Projects component of our budget is less than the available funds authorized by the Trustee Council.

Based on projected expenditures for all EVOS Restoration projects through 6/30/98, we will need an additional \$80.0 in FY98 receipt authority for the EVOS Restoration Projects Component (#2118).

*§(d) included in
cover memo*

*§(e)
§(e)*

Exxon Valdez Oil Spill Trustee Council

645 G Street, Suite 401, Anchorage, AK 99501-3451 907/278-8012 fax: 907/276-7178



RESOLUTION OF THE EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

We, the undersigned, duly authorized members of the *Exxon Valdez* Oil Spill Trustee Council do hereby certify that, in accordance with the Memorandum of Agreement and Consent Decree entered as settlement of United States of America v. State of Alaska, No. A91-081 Civii, U.S. District Court for the District of Alaska, and after public meetings, unanimous agreement has been reached to expend funds received in settlement of State of Alaska v. Exxon Corporation, et al., No. A91-083 CIV, and United States of America v. Exxon Corporation, et al., No. A91-082 CIV, U.S. District Court for the District of Alaska, for necessary natural resource damage assessment and restoration activities. The resolution includes a net zero adjustment within the 1998 Work Plan and \$1,089,000 for implementation of the 1998 Work Plan.

Federal Trustees	State Trustees
U.S. Department of Interior	Alaska Department of Fish and Game
U.S. Department of Agriculture	Alaska Department of Environmental Conservation
National Oceanic and Atmospheric Administration	Alaska Department of Law

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The monies are to be distributed according to the following schedule:

Alaska Department of Fish & Game	571,600
Alaska Department of Natural Resources	72,200
Alaska Department of Environmental Conservation	0
SUBTOTAL TO STATE OF ALASKA	\$643,800
U.S. Department of Agriculture, Forest Service	118,000
U.S. Department of the Interior	259,100
National Oceanic & Atmospheric Administration	68,100
SUBTOTAL TO UNITED STATES OF AMERICA	\$445,200
TOTAL APPROVED	\$1,089,000

By unanimous consent, we hereby request the Attorney General of the State of Alaska and the Assistant Attorney General of the Environmental and Natural Resources Division of the United States Department of Justice to petition the United States District Court for the District of Alaska for the withdrawal of the sum of \$1,089,000 from the Court Registry Account established as a result of the governments' settlement with Exxon Corporation. Of this amount \$445,200 shall go to the United States and \$643,800 shall go to the State of Alaska.

James A. Wolfe Dated 12/19/97
PHIL JANIK
 Regional Forester
 Alaska Region
 USDA Forest Service

Craig J. Tillery Dated 12/23/97
BRUCE M. BOTELHO
 Attorney General
 State of Alaska

Deborah L. Williams Dated 12/23/97
DEBORAH L. WILLIAMS
 Special Assistant to the Secretary for Alaska
 U.S. Department of the Interior

Steven Pennoyer Dated 12/22/97
STEVEN PENNOYER
 Director, Alaska Region
 National Marine Fisheries Service

Frank Rue Dated 12.22.97
FRANK RUE
 Commissioner
 Alaska Department of Fish and Game

Michele Brown Dated 12/22/97
MICHELE BROWN
 Commissioner
 Alaska Department of Environmental
 Conservation

EXXON VALDEZ TRUSTEE COUNCIL
1998 Federal Fiscal Year Project Budget
October 1, 1997 - September 30, 1998

Agency	Cooperating Agency(s)	Project Number	Project Title	First CR#29 1998 Court Request	Second CR#31 1998 Court Request
ADEC	All	98100	Administration, Science Management and Public Information	81.2	
ADEC Total				81.2	0.0
ADF&G		98001-CLO	Recovery of Harbor Seals From EVOS: Condition and Health Status	51.1	
	USFS/DOI/NOAA	98025	Mechanisms of Impact and Potential Recovery of Nearshore Vertebrate Predators (NVP)	407.3	
		98052A	Community Involvement	232.1	
		98052B	Traditional Ecological Knowledge	81.3	
		98064	Monitoring, Habitat Use, and Trophic Interactions of Harbor Seals in Prince William Sound	150.0	122.5
	All	98100	Administration, Science Management and Public Information	1,872.6	
	ADNR/DOI/USFS	98126	Habitat Protection and Acquisition Support	18.7	19.0
		98127	Tatitlek Coho Salmon Release	10.5	
		98131	Chugach Native Region Clam Restoration	82.1	208.0
		98139A1-CLO	Little Waterfall Barrier Bypass Improvements	13.4	
		98139A2	Port Dick Creek Tributary and Development Project	85.8	
		98162	Investigations of Disease Factors Affecting Declines of Pacific Herring Populations in Prince William Sound	465.7	52.0
	NOAA/DOI	98163L	APEX: Historical Data Review	35.0	
		98165-CLO	Genetic Discrimination of Prince William Sound Herring Populations	56.0	
		98166-CLO	Herring Natal Habitats	42.3	
	ADNR/USFS	98170-CLO	Isotope Ratio Studies of Marine Mammals in Prince William Sound	108.8	
		98180	Kensal Habitat Restoration & Recreation Enhancement	181.2	
		98186-CLO	Coded Wire Tag Recoveries From Pink Salmon in Prince William Sound	120.2	
		98188	Otolith Thermal Mass Marking of Hatchery Reared Pink Salmon in Prince William Sound	141.1	
		98190	Construction of a Linkage Map for the Pink Salmon Genome	229.4	
		98191A	Field Examination of Oil-Related Embryo Mortalities in Pink Salmon Populations in Prince William Sound	159.4	
		98196	Genetic Structure of Prince William Sound Pink Salmon	130.2	

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EXXON VALDEZ CLEANUP TRUSTEE COUNCIL
1998 Federal Fiscal Year Project Budget
October 1, 1997 - September 30, 1998

Agency	Cooperating Agency(s)	Project Number	Project Title	First CR#29 1998 Court Request	Second CR#31 1998 Court Request
		98210	Youth Area Watch	160.2	
		98225	Port Graham Pink Salmon Subsistence Project	73.5	
		98244	Community-Based Harbor Seal Management and Biological Sampling	84.7	
	ADNR/USFS/DOI/NOAA	98247	Kamatlook River Coho Salmon Subsistence Project	14.9	
	ADNR/USFS/DOI/NOAA	98250	Project Management	282.7	
		98250	Project Management/NOAA IPA	106.3	
		98252	Investigations of Genetically Important Conservation Units of Rockfish and Walleye Pollock	209.1	
	USFS	98254-CLO	Delight and Desire Lakes Restoration	11.7	
		98256B	Sockeye Salmon Stocking at Solf Lake	7.3	
		98263	Assessment, Protection and Enhancement of Salmon Streams in Lower Cook Inlet		107.0
		98273	Surf Scoter Life History and Ecology	170.4	
		98274	Documentary Film on Subsistence Use of Herring, Herring Spawn and Resources in the Nearshore Ecosystem in Prince William Sound	89.6	
		98311	Pacific Herring Productivity Dependencies in the Prince William Sound Ecosystem Determined with Natural Stable Isotope Tracers	119.3	
	NOAA	98320E	SEA: Salmon and Herring Predation	320.1	
	NOAA	98320G	SEA: Phytoplankton and Nutrients	108.7	
	NOAA	98320H	SEA: Role of Zooplankton	106.1	
	NOAA	98320R	SEA: Trophodynamic Modeling and Remote Sensing	160.5	
	NOAA	98320T	SEA: Juvenile Herring Growth and Habitats	646.7	
	NOAA	98320T-SUPP	SEA: Supplement - Herring Traditional Ecological Knowledge	25.1	50.8
	NOAA	98320U	SEA: Somatic Energetics	105.8	
	NOAA	98320Z	SEA: Synthesis and Integration	64.0	
		98325	Assessment of Injury to Intertidal and Nearshore Subtidal Communities: Preparation of Manuscripts	43.4	
	DOI	98327	Pigeon Guillemot Restoration Research at the Alaska SeaLife Center	6.9	
		98329	Synthesis of the Toxicological Impacts on Pink Salmon		12.3
		98340	Toward Long-Term Oceanographic Monitoring of the Gulf of Alaska Ecosystem	77.1	
		98341	Harbor Seal Recovery: Controlled Studies of Health and Diet	162.2	

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EXXON VALDEZ CLEANUP TRUSTEE COUNCIL

EXXON VALDEZ TEE COUNCIL
 1998 Federal Fiscal Year Project Budget
 October 1, 1997 - September 30, 1998

Agency	Cooperating Agency(s)	Project Number	Project Title	First CR#29 1998 Court Request	Second CR#31 1998 Court Request	
ADNR	USFS/DOI All ADF&G/USFS/DOI DOI ADF&G/USFS ADNR/USFS/DOI/NOAA	98348	Responses of River Otters to Oil Contamination: A Controlled Study of Biological Stress Markers and Foraging Success	245.4		
		98427-CLO	Harlequin Duck Recovery Monitoring	78.3		
		ADF&G Total			7,989.1	671.6
		98007A	Archaeological Index Site Monitoring	88.3		
		98100	Administration, Science Management and Public Information	557.8		
		98126	Habitat Protection and Acquisition Support	287.8	51.0	
		98149	Archaeological Site Stewardship	40.6		
		98180	Kenai Habitat Restoration & Recreation Enhancement	262.3		
		98250	Project Management	24.8		
		98300	Synthesis of the Scientific Findings from EVOS Restoration Program	81.3		
		98339	Prince William Sound Human Use and Wildlife Disturbance Model		21.2	
		ADNR Total			1,342.9	72.2
		USFS	ADNR/DOI ADF&G/DOI/NOAA All ADF&G/ADNR/DOI ADF&G/ADNR ADF&G/ADNR/DOI/NOAA ADF&G	98007A	Archaeological Index Site Monitoring	28.9
98025	Mechanisms of Impact and Potential Recovery of Nearshore Vertebrate Predators (NVP)			28.5		
98043B	Monitoring of Cutthroat Trout and Dolly Varden Habitat Improvement Structures			24.0		
98100	Administration, Science Management and Public Information			70.8		
98126	Habitat Protection and Acquisition Support			205.5		
98145-CLO	Cutthroat Trout and Dolly Varden: Relation Among and Within Populations of Anadromous and Resident Forms			120.7		
98180	Kenai Habitat Restoration & Recreation Enhancement			68.4		
98220-CLO	Eastern PWS Wildstock Salmon Habitat Restoration			11.9		
98250	Project Management			33.4		
98256B	Sockeye Salmon Stocking at Sulf Lake			88.2		
98302-CLO	Prince William Sound Cutthroat Trout/Dolly Varden Char Inventory	4.1				
98348	Publication of an Indexed Bibliography of the Genus Ammodytes (Sand Lance)	5.4				

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REC-100 / 1997
 BY DIRECTOR JNU 1111 NLM GBRUERO
 98000 / 000

Brooks, Kevin

From: Ground, Diana
To: Brooks, Kevin
Subject: EVOS Funding
Date: Wednesday, February 04, 1998 8:38AM

Need a recommendation on how to proceed. The Trustee Council authorized an additional \$114.8 in EVOS funding for the PWS Harbor Seal project in EVOS FY98. That is over what we requested and were authorized under the FY98 budget. After the July-September expenditures are deducted from our original FY98 allocation we are left with \$298,790 to cover the October - June expenditures. The Trustee Council allocations come to \$181.1 more than that amount.

I have gotten projections from my oil spill project leaders for anticipated costs thru 6/30/98 for these projects. Based on those projections we are going to spend \$50.0 to \$80.0 more than we have authorized for FY98.

I know that FY98 supplemental budget requests were to have been turned in a while back. Is it too late to get something to OMB requesting additional receipt authority under our EVOS Component? Or is there another way to do this?

Diana

g(e)

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

OFFICE OF
DEPT. OF HEALTH AND SOCIAL SERVICES
MANAGEMENT & BUDGET

FEB 11 1998

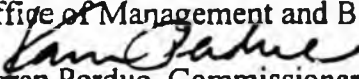
OFFICE OF THE COMMISSIONER

P.O. BOX 110601
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030
FAX: (907) 465-3068

MEMORANDUM

OFFICE OF
MANAGEMENT & BUDGET

FEB 11 1998

DATE: February 10, 1998
TO: Annalee McConnell, Director
Office of Management and Budget
FROM: 
Karen Perdue, Commissioner
SUBJECT: FY98 Supplemental Request

The Department of Health and Social Services requests an FY98 Supplemental for a number of operating and capital programs within the Department. The following items have been attached as supporting documentation:

FY98 Supplemental Spreadsheet

FY98 Operating Summaries

FY98 Miscellaneous Claims Documentation 13(a)

Automated Budget System (ABS) Summaries of Capital Projects

If you have any questions, please contact Janet Clarke at 465-3082.

Attachments

cc: Jay Livey, Deputy Commissioner
Russ Webb, Deputy Commissioner
Janet Clarke, Director, Administrative Services
Lisa Emerson, Budget Analyst, Administrative Services
Elmer Lindstrom, Special Assistant, Commissioner's Office

FY98 D Supplemental

BRU/COMPONENT	DESCRIPTION	Federal	GF	GF/PR	GF/Match	GF/MH	Other	Total Funds
Operating								
Public Assistance / ATAP	Alaska Temporary Assistance Program (ATAP) Savings from Welfare Reform				(1,500.0)			(1,500.0)
Medical Assistance/ Medicaid Non-Facilities	Federal Medical Assistance Percentage (FMAP)	(3,797.8)			3,797.8			0.0
Medical Assistance/ Medicaid Facilities	Federal Medical Assistance Percentage (FMAP)	(3,358.9)			3,358.9			0.0
Medical Assistance/ Waivers Services	Federal Medical Assistance Percentage (FMAP)	(613.4)			613.4			0.0
Medical Assistance/ General Relief Medical	Entitlement Growth		1,484.3					1,484.3
Medical Assistance/ Medicaid State Programs	School Based Claims - Adoption Backlog Project	866.7						866.7
Medical Assistance/ Indian Health Service	Medical Assistance Entitlement Growth & IHS Reimbursement	12,018.4						12,018.4
Medical Assistance/ Indian Health Service	School Based Claim	1,306.6						1,306.6
Purchased Services / Foster Care Base Rate	Foster Care Augmented Rate		355.6					355.6
Family & Youth Services/ southcentral Region	Title XX Block Grant shortfall		46.6					46.6
Family & Youth Services/ Northern Region	Title XX Block Grant shortfall		48.8					48.8
Family & Youth Services/ Southeast Region	Title XX Block Grant shortfall		23.9					23.9
Youth Facility Svcs/ McLaughlin Youth Center	Youth Facilities - Population Increases		160.0					160.0
Youth Facility Svcs/ Johnson Youth Center	Youth Facilities - Population Increases		130.0					130.0
State Health Services/ Maternal Child & Family Health	Specialty Clinics			100.0				100.0
State Health Services/Bureau of Anchorage & Fairbanks Vital Statistics	Vital Statistics Office Lease Space			18.0				18.0
Administrative Services / Health Planning & Facilities M.S.	Public Health Lab Reimbursable CIP Costs						180.0	180.0
Administrative Services / Administrative Support Svcs	Miscellaneous Claims		4.1					4.1
Operating Total		6,421.6	2,253.3	118.0	6,270.1	0.0	180.0	15,243.0

p(a) - q(h)

FY98 Supplemental

BRU/COMPONENT	DESCRIPTION	Federal	GF	GF/PR	GF/Match	GF/MH	Other	Total Funds
Capital								
Reappropriation / Language Change	Bethel Regional Public Health Center \$1,000.0 GF - Section 100, Ch. 100, SLA 96, Lines 18-21							0.0
	30122 Family Services - Fkld, Safety, Office & Transportation Equipment		337.7		72.5			410.2
	30125 McLaughlin Heat and Ventilation Control System		450.0					450.0
	26668 McLaughlin Youth Detention Unit Addition		5,297.0					5,297.0
	30140 Kenai Health Center		1,705.0					1,705.0
	26666 Mat-Su Detention and Support Facilities (Phase 1)		4,100.0					4,100.0
	26604 Department-wide Client Data Integration Project	200.0	400.0				200.0	800.0
	30148 Alcohol and Drug Abuse Management Information System Upgrade		392.0					392.0
	26669 Ketchikan Youth Facility		1,518.3					1,518.3
	30152 Family and Youth Services Technology Improvements	225.0			225.0			450.0
	30173 Section of Nursing Communications		400.0					400.0
	30192 Americans Disabilities Act Upgrades - Competitive Grants for Trust Beneficiary Facilities					100.0	100.0	200.0
	31370 Competitive Grants for Statewide Facility Inhalant Treatment Program		800.0					800.0
Capital Total		425.0	15,400.0	0.0	297.5	100.0	300.0	16,522.5
FY98 Supplemental Total		6,846.6	17,653.3	118.0	6,567.6	100.0	480.0	31,765.5

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Alaska Temporary Assistance Program (ATAP)

<u>Component</u>	<u>FY98 Auth</u>	<u>Change</u>	<u>Revised</u>
Alaska Temporary Asst. Program	112,458.0	-1,500.0	110,958.0

9(a)

<u>Component</u>	<u>Federal GF Match</u>	<u>GF/MH</u>	<u>GF</u>
Alaska Temporary Asst. Program		-1,500.0	

The Department is submitting an FY98 delete supplemental of \$1,500.0 general fund match because the projected number of ATAP families receiving Temporary Assistance each month will be below the FY98 authorized levels.

On July 1, 1997, the Alaska Temporary Assistance Program (ATAP) replaced the Aid to Families with Dependent Children (AFDC) program. Temporary Assistance expands the traditional focus of the state's public assistance program for needy families from an entitlement to one that is temporary and stresses family self-sufficiency through employment.

The combination of mandating work-focused activities and increasing incentives to work reduce the amount needed for monthly benefits. Additional policy changes reduce benefit amounts by basing payments on household shelter expenses, eliminating additional assistance for second parents, and providing for a seasonal benefit reduction for two-parent families receiving assistance during July through September. Reductions in the number of families receiving assistance and in the amount of monthly benefits received has resulted in significant ATAP savings in FY98.

In February 1997, the ATAP caseload dipped below the three-year (FY94-FY96) monthly average, with the implementation of some welfare provisions. Since that time, a strong downward trend has continued along with the full implementation of the Alaska Temporary Assistance Program beginning July. Regardless of downward trend, variation in monthly caseload size will continue to reflect the seasonal nature of the state's economy. The number of families who require assistance will probably remain greater during the high unemployment winter months as compared to the summer-fall months.

The FY98 ATAP projected average monthly caseload is roughly 11% below the FY97 actual level. This delete supplemental assumes an FY98 projected ATAP formula caseload of 11,042 and program expenditures of \$94,933.0.

Regarding the state's Maintenance of Effort (MOE) requirement, it is essential to remember that according to federal law the state must maintain spending at 80 percent of the FY94 level. This establishes a floor of approximately \$52 million that must be met to comply with the federally mandated MOE. It is our intention to draw down all available ATAP component general funds to help meet the state's MOE for TANF. The balance of the federal block grant funds can be rolled-forward and made available in future fiscal years. The Department is currently planning our long-term strategy for allocating federal funds available as a result of the projected decline in the Temporary Assistance caseload and expenditures.

Alaska Temporary Assistance Program (ATAP)

FY98 ATAP Benefit Payments Component Summary

2/9/98

	(1) FY 98 ATAP Auth	(2) FY98 Auth Revised With RP	(3) FY98 Auth Revised W/Delete Supp	(4) FY98 ATAP Expend	(3) - (4) FY98 Balance
ATAP benefit expenditure	112,458.0	110,808.0	109,308.0	94,733.0	14,575.0
Funding Sources:					
Federal	52,321.4	52,321.4	52,321.4	40,087.0	12,234.4
GFM & GF/PR CSEA	48,596.0	46,946.0	45,446.0	45,446.0	0
I/A PFDHH	<u>11,540.6</u>	<u>11,540.6</u>	<u>11,540.6</u>	<u>9,200.0</u>	<u>2,340.6</u>
Total Funding	112,458.0	110,808.0	109,308.0	94,733.0	14,575.0

Notes:

Col (2) FY98 ATAP revised auth includes RP transfer of \$1,650.0 GF to APA and OAA - ALBHH.
(FY 98 ATAP \$112,458.0 - 1,650.0 = FY98 ATAP revised \$110,808.0)

Col (3) FY98 ATAP delete supplemental of \$1,500.0 GF

Col (4) The revised FY98 ATAP component authorization of \$45,446.0 GFM/GF PR are fully expended. This state effort achieves the State Maintenance of Effort (MOE) for TANF at the minimum 80% of historic (FY94) state expenditures. Project lapsing funds are Federal and I/A receipts for PFD HH.

9(a)

Alaska Temporary Assistance Program (ATAP)

AFDC/ATAP Caseload and Expenditure Summary

Source: FROST (FROST/MS/RS/ATAP)

	AFDC/ATAP Monthly Caseload										July-Jan Actual	
	FY93 Cases Actual	Percent Change	FY94 Cases Actual	Percent Change	FY95 Cases Actual	Percent Change	FY96 Cases Actual	Percent Change	FY97 Cases Actual	Percent Chg. FY97 vs. FY98	FY98 Estimated Feb-Jun 98	FY98 Estimated Feb-Jun 98
July	11,133	10.0%	12,248	3.3%	12,855	-4.7%	12,058	3.8%	12,511	-8.5%	11,442	11,442
Aug	11,164	9.1%	12,185	1.3%	12,338	-4.6%	11,789	5.6%	12,427	-10.9%	11,070	11,070
Sep	11,123	9.1%	12,140	1.6%	12,338	-4.6%	11,771	4.7%	12,330	-11.1%	10,957	10,957
Oct	11,330	7.7%	12,197	0.0%	12,199	-5.6%	11,520	5.6%	12,161	-13.2%	10,557	10,557
Nov	11,361	9.1%	12,398	-3.1%	12,008	-4.4%	11,478	3.6%	12,231	-13.9%	10,530	10,530
Dec	11,489	7.7%	12,378	-1.5%	12,194	-5.7%	11,495	5.1%	12,088	-14.7%	10,308	10,308
Jan	11,528	7.8%	12,423	0.5%	12,482	-4.0%	11,979	3.5%	12,434	-12.9%	10,800	10,800
Feb	11,887	6.4%	12,628	0.2%	12,850	-2.5%	12,337	1.6%	12,531	-11.9%	11,034	11,034
Mar	12,518	5.2%	13,175	-0.7%	13,089	-2.3%	12,784	-0.2%	12,754	-9.8%	11,499	11,499
Apr	12,753	4.2%	13,295	-2.1%	13,018	0.2%	13,045	-3.1%	12,647	-8.1%	11,821	11,821
May	12,707	3.7%	13,173	-4.5%	12,580	2.5%	12,898	-2.9%	12,518	-8.5%	11,453	11,453
Jun	12,433	3.4%	12,853	-3.5%	12,400	2.3%	12,090	-5.5%	11,987	-8.3%	11,229	11,229
FY Final	11,784	8.9%	12,591	-0.8%	12,496	-2.8%	12,152	1.9%	12,383	-10.4%	11,042	11,042
YTD Avg.												
July-Ja	11,304	8.6%	12,281	0.3%	12,316	-4.8%	11,724	5.0%	12,307	-12.2%	10,809	10,809
	YTD as of Jan 93		YTD as of Jan 94		YTD as of Jan 95		YTD as of Jan 96		YTD as of Jan 97		YTD as of Jan 98	

FY98 Projected Feb thru June 1998		
FY93-FY96 Avg Monthly Caseload	Percent Chg. FY93-96 avg vs. FY98	FY98 Projected Feb-Jun 98
12,024	-4.4%	11,442
11,664	-6.7%	11,070
11,843	-7.5%	10,957
11,812	-10.8%	10,567
11,811	-10.8%	10,330
11,688	-13.3%	10,368
12,103	-10.1%	10,800
12,371	-10.8%	11,034
12,892	-10.8%	11,499
13,028	-10.8%	11,821
12,540	-10.8%	11,453
12,569	-10.8%	11,229
12,255	-9.9%	11,042

The actual January 1998 ATAP caseload was 10.8% below the 4-year FY93-96 Jan. monthly average. This FY98 case projection assumes the rate of case reduction maintained for the months February through June 1998.

	AFDC Monthly Expenditure Summary										July-Jan Actual	
	FY93 Expend Actual	Percent Change	FY94 Expend Actual	Percent Change	FY95 Expend Actual	Percent Change	FY96 Expend Actual	Percent Change	FY97 Expend Actual	Percent Chg. FY97 vs. FY98	FY98 Estimated Feb-Jun 98	FY98 Estimated Feb-Jun 98
July	\$ 9,163.5	13.3%	10,382.0	-1.1%	10,271.5	-5.4%	9,711.9	1.1%	\$ 9,817.0	-17.1%	\$ 8,134.4	8,134.4
Aug	9,047.9	11.9%	10,121.9	-3.4%	9,776.3	-5.5%	9,339.1	3.1%	9,832.3	-20.3%	7,877.2	7,877.2
Sep	9,082.3	10.1%	10,005.9	0.0%	10,010.6	-5.5%	9,457.9	0.7%	9,518.9	-19.2%	7,693.6	7,693.6
Oct	9,389.4	5.1%	9,909.4	-0.3%	9,894.4	-8.1%	9,098.6	4.1%	9,472.7	-18.1%	7,758.8	7,758.8
Nov	9,804.1	3.0%	9,988.1	-2.1%	9,781.5	-4.8%	9,317.0	1.5%	9,457.5	-19.8%	7,588.2	7,588.2
Dec	9,427.4	6.7%	10,083.8	-1.9%	9,589.5	-6.9%	9,192.8	3.9%	9,552.2	-21.0%	7,548.4	7,548.4
Jan	9,888.4	2.6%	9,940.7	3.3%	10,242.3	-7.2%	9,520.7	2.0%	9,708.7	-20.7%	7,696.0	7,696.0
Feb	10,310.1	-0.7%	10,239.4	-0.4%	10,199.1	-5.2%	9,683.8	1.2%	9,777.0	-19.3%	7,889.7	7,889.7
Mar	10,717.2	-0.5%	10,968.5	1.2%	10,797.7	-5.1%	10,242.5	-2.7%	9,970.3	-17.5%	8,221.9	8,221.9
Apr	10,730.4	-0.9%	10,837.3	-1.2%	10,510.4	-1.2%	10,385.5	-7.5%	9,608.8	-13.5%	8,308.8	8,308.8
May	10,678.8	-1.8%	10,487.5	-3.9%	10,081.3	1.7%	10,249.6	-7.4%	9,488.7	-13.7%	8,188.8	8,188.8
Jun	10,135.9	-0.5%	10,080.9	-5.2%	9,552.3	1.0%	9,048.7	-4.6%	9,203.4	-12.8%	8,029.2	8,029.2
FY Total	\$ 117,975.4	3.8%	\$122,505.2	-1.2%	\$120,988.9	-4.3%	\$115,828.1	-0.5%	\$115,204.5	-17.8%	\$ 94,733.0	94,733.0

atap9796/projection

	FY96 ATAP Auth	FY98 ATAP Revised Auth	FY98 ATAP Estimated	FY98 Proj. Balance	
Federal TANF	52,321.4	52,321.4	40,087.0	12,234.4	The revised FY98 ATAP general fund authorization of \$45,448.0 is fully expended
General Funds	48,598.0	45,448.0	45,448.0		Maintenance of Effort (MOE) for TANF requires that state spending at 80% of
VA PFDHH	11,540.6	11,540.6	9,200.0	2,340.6	historic (FY94) state expenditures. The FY98 projected ATAP component
Total Funds	112,459.0	109,309.0	94,733.0	14,575.0	lapsing funds are \$12,234.4 Federal TANF and \$2,340.6 VA for PFDHH.

* FY98 Revised Auth includes RP of \$1,850.0 and FY96 Delete Supp of \$1,500.0 for a total CF transfer out of \$3,350.0 Gen Fund

9(a)

Bureau of Vital Statistics Lease Space

<u>Component</u>	<u>FY98 Auth</u>	<u>Change</u>	<u>Revised</u>	
Bureau of Vital Statistics	1,343.8	18.0	1,361.8	9 (b)
<u>Component</u>	<u>Federal</u>	<u>GF/PR</u>	<u>GF/MH</u>	<u>GF</u>
Bureau of Vital Statistics		18.0		

The Department is requesting \$18.0 in GF/PR for the Bureau of Vital Statistics (BVS) Anchorage and Fairbanks offices

The Bureau of Vital Statistics assumed budgetary and operational responsibility for the Anchorage vital statistics office in FY97. The Court System has notified the Department that we must vacate the Anchorage space currently provided by them at no charge. The Department is in the process of securing lease space through a Request for Proposal. It is anticipated that we will need \$10.0 for unplanned lease space for the remainder of FY98.

The Bureau assumed responsibility from the Court System for the Fairbanks vital statistics office on February 2, 1998. It is anticipated that we will need approximately \$8.0 lease space for the remainder of FY98.

Vital Statistics collects program receipts through the sale of birth and death certificates. In FY98, BVS added the issuance of marriage licenses, which was transferred from the Court System. BVS collected \$782.7 in program receipts in FY97, with authorization of \$661.5. In FY98 the BVS has collected \$392.1 of \$656.8 authorized. Current projections show that BVS will collect well over \$800.0 for the remainder of FY98.

If the supplemental is not approved and the Court System enforces its eviction notice the bureau will have to reduce services in the Anchorage and Fairbanks areas. This would include movement of some of the positions and reduced hours/days of operations in both areas with the slack taken up through phone and mail service from Juneau.

State Public Health Lab Reimbursable Costs

<u>Component</u>	<u>FY98 Auth</u>	<u>Change</u>	<u>Revised</u>
Health Planning & Facilities Management	881.0	180.0	1,061.0

<u>Component</u>	<u>Federal</u>	<u>GF/PR</u>	<u>GF/MH</u>	<u>GF</u>	<u>Stat Desg</u>
Health Planning & Facilities Management					180.0

The Department is requesting new Statutory Designated/Program Receipt authority of \$180.0 in the Health Planning and Facilities Management component for costs associated with the new Public Health Laboratory in Anchorage. The following table identifies the costs that will be covered by the additional receipt authority.

Reimbursable

<u>Department of Transportation & Public Facilities Costs</u>	
Programming and Initial Design	68,000
Foundation Drilling & Other Activities	49,000
Contract Admin/Geotechnical Drilling	<u>63,000</u>
TOTAL	180,000

The Statutory Designated receipts will come from the Alaska Legislature approved sale of Certificates of Participation (COPs) to design and construct a new Public Health Laboratory in Anchorage. These COPs were sold on January 13, 1998, and funds are available to pay allowable costs from October 27, 1997 (and possibly earlier) until completion of the project. The statutory designated funding in this request will allow expenditure of reimbursable costs above from the COPs.

Tax-exempt COP proceeds are restricted to payment for design and construction costs of the capital project. These financing proceeds may not be used for some normal project administration costs without jeopardizing US Internal Revenue Service approval of the financing.

General Relief Medical – Entitlement Growth

<u>Component</u>	<u>FY98 Auth</u>	<u>Change</u>	<u>Revised</u>
General Relief Medical	2,838.7	1,484.3	4,323.0

7 (d)

<u>Component</u>	<u>Federal</u>	<u>GF Match</u>	<u>GF/MH</u>	<u>GF</u>
General Relief Medical				1,484.3

The Department requests a \$1,484.3 in GF for the General Relief Medical program which provides emergency medical care for low-income Alaskans who do not have any other medical resources and do not qualify for Medicaid. Preliminary analysis indicates that the number of clients served in this program is up substantially between 1996 and 1997. Analysis also indicates that approximately sixty percent (60%) of the General Relief Medical eligible this fiscal year had previously been Medicaid eligible. These increases have resulted from the Congressional changes to the Social Security Insurance (SSI) disability criteria and changes in SSI eligibility for aliens.

For example, the number of individuals who were eligible for General Relief Medical has risen:

Year	July	October
1996	268	279
1997	375	388

We are continuing to analyze our data to determine the cause in changes to the GRM program. We have included an FY99 increment for this component, recognizing this increased expenditure pattern. The discontinuing of Medicaid coverage for qualified aliens estimated a cost shift of \$921.9 to GRM, which was identified in HB 153. The supplemental request is based on a three fiscal year average annual cost per recipient of \$4,935.42 and the expectation that the GRM program will serve 300 additional recipients this year.

9(d)