

AK LEGISLATURE FINANCE COMMITTEES FILES 2007-2008 3323

FY2007 REGULAR SUPPLEMENTAL REQUESTS

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1	Sec. No.	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds	LFD Notes
16	2(a)	Administration	Retirement and Benefits	The Division of Retirement and Benefits contracted with a tax consultant to assist with obtaining Internal Revenue Service code qualified status for the defined contribution plan. The cost of this work was not included in the original fiscal note for SB 141. This request for a GF increase will be offset with a \$80.0 GF reduction from the Elected Public Officers Retirement System (EPORS - (50.0)) and the Unlicensed Vessel Participant Annuity Retirement Plan (UVPARP - (30.0)) allocations.	80.0				80.0	Existing PERS/TRS reserve balances can't be used for this purpose because expenditures relate to the new Defined Contribution plan. The defined contribution reserve fund has not yet built a significant reserve balance. (the original SB 141 fiscal note required GF for the same reason) Although the department links this increase to an offsetting decrease in subsections 2(d), there is no required link.
17	2(b)	Administration	Retirement and Benefits	This request is for the purpose of zero balancing the Division of Retirement and Benefits fund allocations. Their cost allocation plan was reviewed by a tax consultant, resulting in allocation changes that affect the FY2007 budget.				(153.3) PERS (133.7) TRS 160.3 Bene Sys 85.5 JRS 85.4 NGNMRS (44.2) FICA	0.0	This section complies with the recommendation of the federal cost allocation plan consultant.
18	2(c)	Administration	Retirement and Benefits	This is a fund source adjustment for the PERS/TRS litigation appropriations made in sec. 24(a) and (b), ch. 82, S.L.A. 2006, from the original \$200.0 from each retirement system fund to 72% and 28%, respectively, per the division's cost allocation plan. The appropriation from PERS changes from \$200.0 to \$288.0 and the TRS amount changes from \$200.0 to \$112.0.					0.0	
19	2(d)	Administration	Unlicensed Vessel Participant Annuity Retirement Plan	Plan adjustment for reduced current year obligation.	(30.0)				(30.0)	Although the department links this decrease to an offsetting increase in subsection 2(a), there is no required link
20	2(d)	Administration	Elected Public Officers Retirement System Benefits	Plan adjustment for reduced current year obligation.	(50.0)				(50.0)	Although the department links this decrease to an offsetting increase in subsection 2(a), there is no required link
21	2(e)	Administration	Office of Public Advocacy	Current year caseload increase estimate based on the agency's current expenditures and projections. The agency was not fully funded in FY2007, based on their FY2006 supplemental roll forward and caseload projections. There are excess guardianship fees receipts in FY2007.			200.0	Statutory Designated Program Receipts	200.0	OPA has frequently requested GF supplementals in the past. SDPR is collected from clients who have the ability to pay, but OPA does not have authorization to spend all receipts. This request provides authority to spend receipts. This increases OPA's FY07 SDPR to \$406.5 (from \$206.5) FY06 Supplementals totaled \$2,568.0 (\$2,550 GF + \$18.0 Fed Rcpts)
22	2(f)	Administration	Public Defender Agency	Current year caseload increase estimate based on the agency's current expenditures and projections. The agency was not fully funded in FY2007, based on their FY2006 supplemental roll forward and caseload projections.	240.0				240.0	The Public Defender Agency provides constitutionally mandated defense services for indigent clients and they are required by statute to accept all Court appointed cases. The statewide increase in felonies impacts this agency and they have little control over their caseload.
23	3(a)	Corrections	Out-of-State Contractual	FY07 budget was based on 900 prisoners to be sent to Arizona. The current number of prisoners in Arizona is 1060 and the department anticipates the need for a total of 1,250 beds to assist in meeting the growing prisoner population.	1,338.5				1,338.5	The FY06 Supplemental was \$217.6 GF The Governor's FY08 budget includes \$8.1 million to increase the number of contract beds from 900 to 1250

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24	3(b)	Corrections	Institution Director's Office	<p>1) Correctional officer overtime is taking place due to vacant correctional officer positions and facilities overcrowding. When the offender population exceeds the emergency capacity in the facility, it becomes necessary to employ additional security staff for public safety and protection. \$2,096.5</p> <p>2) The facilities are also dealing with costs resulting directly from prisoner overcrowding and the increased costs of goods and services. This is attributable to setting up crisis overflow beds. \$2,000.0</p> <p>3) Electrical costs have also increased in all institutions. \$300.0</p> <p>4) Funding transfer from Statewide Probation and Parole to offset increased costs in the institutions.</p>	4,496.5				4,496.5	The funding transfer from Statewide Probation and Parole is \$100.0 GF.
25	3(c)	Corrections	Institution Director's Office	Unpaid invoices from vendors from FY2006, including an unpaid RSA with the Department of Transportation for State Equipment Fleet charges of \$12.6 and an unpaid RSA with the Department of Administration for training charges of \$2.5.	63.1				63.1	
26	3(d)	Corrections	Inmate Transportation	More prisoner transports between Alaska and Arizona due to management of the increased inmate population in the state.	90.0				90.0	The number of contract beds increased from the budgeted 900 to 1060 in FY07--resulting in an increase in prisoner transportation costs.
27	3(e)	Corrections	Anchorage Correctional Complex	Revenue shortfall in federal manday billings is due to the reduction in federal detainees and the number of days these prisoners are held in this facility.	1,000.0				1,000.0	<p>A decline in the number of federal prisoners (and the number of days federal prisoners are incarcerated) reduces federal receipts, but costs have not declined--hence a request for GF to fill the gap.</p> <p>This subsection is linked to subsection 3(f), below. According to subsection 3(f), if federal funds received exceed \$2,508.2 (which is \$1 million below the FY07 authorization), this appropriation is reduced accordingly.</p>
28	3(f)	Corrections	Anchorage Correctional Complex	If manday billings are greater than anticipated, the appropriation in 4(f) is reduced by an equivalent amount.					0.0	This subsection is linked to subsection 3(e), above. According to this subsection, if federal funds received exceed \$2,508.2 (which is \$1 million below the FY07 authorization), the appropriation made in subsection 3(e) is reduced accordingly.
29	3(g)	Corrections	Hiland Mountain Correctional Center	The facility's well water system did not meet the EPA and DEC standards and therefore was decommissioned and demolished. The new system was connected to the Anchorage Water and Wastewater Utility system. Funding is needed for the increased costs of the new water system.	84.1				84.1	<p>Water system was connected in January and is expected to cost \$14,000/month.</p> <p>The FY08 budget includes an increment request for \$90.0.</p>
30	3(h)	Corrections	Fairbanks Correctional Center	The 50% increase in the prisoner population in Fairbanks created the need to expand staffing at the facility to maintain public safety. Funding is requested for the 19 new permanent full-time positions that have been established in FY2007.	729.9				729.9	<p>These positions were established in the FY07 management plan.</p> <p>The FY08 budget includes an increment request for \$1,255.5 GF (and 19 positions).</p>
31	3(i)	Corrections	Fairbanks Correctional Center	Unpaid FY2006 water and sewer bills.	18.7				18.7	This request is to pay Golden Heart Utility Company FY06 invoices.

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	3(j)	Corrections	Existing Community Residential Centers	Funding is needed to pay contractors for housing offenders at the Community Residential Centers (CRCs) for the remainder of the fiscal year. The department has professional service contracts with CRC providers to help meet the security and residential needs of adult offenders. Part of the increase is based on the CPI rate for the community in which the CRC is located and due to two re-negotiated contracts.	553.5				553.5	Increase is partly due to the renegotiated contracts with Tundra and Glacier CRCs as of 12/1/06.
32	3(k)	Corrections	Statewide Probation and Parole	Transfer to Institution Director's Office to assist in meeting the institutions' increased costs. Funding is available due to lag time in creating and filling probation officer positions in FY2007.	(100.0)				(100.0)	The FY08 budget includes this transfer.
33	4(a)	Education	School Finance & Facilities	Cost to pay trial work already provided for the Moore v State lawsuit, which pertains to adequate funding levels for school districts.	100.0				100.0	Moore vs. State went to trial in October 2006. The judge's decision is expected sometime later this year. The Department notes that this will be the last funding request unless the case goes to appeal.
34	4(b)	Education	Mt. Edgecumbe Boarding School	Cost of one-time payment of the FY2005 Teachers' Education Association of Mt. Edgecumbe arbitration award.	107.9				107.9	This is a one-time payment for an arbitration award issued on March 4, 2005. Although Mt. Edgecumbe is currently paying the correct amount, these funds are for those who were on payroll at the time of the complaint.
35	5(a) and (b)	Fish and Game	Wildlife Conservation	Fund source switch for the Harlequin Duck Population Dynamics project in Prince William Sound, that is measuring the recovery from the Exxon Valdez Oil Spill.			0.0	30.0 EVOS (30.0) Statutory Designated Program Receipts	0.0	The SDPR decrement is unrelated to the project--it simply makes the supplemental appear to be a net zero. The SDPR is unlikely to be collected.
36	6(a)	Health & Social Services	Pioneer Homes	Receipt supported services authority to cover 1) nurses' salaries \$86.9; 2) funds to offset uncollectible federal revenues \$231.0; and 3) safety, sanitation and operating costs \$182.1			800.0	Receipt Supported Services	800.0	The receipts are derived from payments by Pioneers who live in the homes.
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	6(b)	Health & Social Services	Behavior Health Medicaid Services	Cost recovery of overpayments to comply with provisions of SB 41 (CII 66, SLA 03) related to audits.			600.0	Statutory Designated Program Receipts	600.0	The legislation requires annual audits and the collections of overpayments from providers. In calendar year 2006, the department collected \$579.8 in recovered overpayments for the Medicaid program. On a department-wide basis, the total cost recovery for Medicaid overpayments in the FY07 supplemental request is \$2.2 million.
38	6(c)	Health & Social Services	Children's Medicaid Services	Cost recovery of overpayments to comply with provisions of SB 41 (CII 66, SLA 03) related to audits.			100.0	Statutory Designated Program Receipts	100.0	
39	6(d)	Health & Social Services	Medicaid Services	Alaska Regional Hospital Medicaid Rate Settlement for 1991 through 2000. Settlement agreement has been signed.	3,393.6	4,606.4			8,000.0	According to the department, the settlement is eligible for reimbursement through Medicaid at the regular FMAP of 57.58% for SFY 2007. The Department of Law is recommending settlement of this long standing rate dispute.
40	6(e)	Health & Social Services	Medicaid Services	Cost recovery of overpayments to comply with provisions of SB 41 (CII 66, SLA 03) related to audits.			1,000.0	Statutory Designated Program Receipts	1,000.0	\$700.0 is for overpayment recoveries. \$300.0 is for School Based Services--The school based services allows schools to bill and receive Medicaid reimbursement for health services provided in the school situation. The school is responsible to pay the match portion of this, which is received as SDPR. The request will allow the Medicaid program to collect and expend the receipts above the current authorization.
41	6(f)	Health & Social Services	Probation Services	Court ordered costs. The legislature has directed the department to bring the costs forward in a supplemental each year.	206.5				206.5	The FY2005 supplemental totaled \$194.1 The FY2006 supplemental totaled \$295.4
42	6(g)	Health & Social Services	Adult Public Assistance	Formula program reduction. Savings are from a combination of continued savings in Interim Assistance from nurse reviews and payment size per client decreases as clients have more pension income.	(750.0)				(750.0)	
43	6(h)	Health & Social Services	Senior Care	Caseload reduction, people are not applying for the pharmacy benefit as much as anticipated.	(1,500.0)				(1,500.0)	
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45	6(i)	Health & Social Services	Senior and Disabilities Services Appropriation	The Senior and Disabilities Services appropriation decreases by \$5,000.0 from \$334,174.2 to \$329,174.2 because of the allocation change below:					0.0	
46	6(j)	Health & Social Services	Senior and Disabilities Medicaid Services Allocation	Savings in the personal care attendant program due to implementation of regulations which did such things as requiring medical determinations by department staff or designee (had been done by the provider), limiting hours of service, limiting to one attendant a household with more than one person qualifying for PCA, and other cost savings.	(5,000.0)				(5,000.0)	According to the Department, a 4% reduction is expected in FY08 for PCAs, bringing the projected costs down to \$77 million (vs. \$80.0 million in FY07). FY08 increment of \$21.7 million is included in the FY08 request.
47		Health & Social Services	Senior and Disabilities Medicaid Services	Cost recovery of overpayments to comply with provisions of SB 41 (CH 66, SLA 03) related to audits.			800.0	Statutory Designated Program Receipts	800.0	Legislation passed in 2003 requiring the State to bill agencies to collect Medicaid overpayments. Through an audit process, it may be discovered that there was a claiming discrepancy or an incorrect eligibility determination. annual audits and the collections of overpayments from providers. In calendar year 2006, the department collected \$579.8 in recovered overpayments for the Medicaid program. On a department-wide basis, the total cost recovery for Medicaid overpayments in the FY07 supplemental request is \$2.2 million.
48	7(a)	Law	Civil Division, Deputy Attorney General	Judgments and Settlements Amount is \$92,509.85 as of February 1, 2007.	92.6				92.6	
49	7(b)	Law	Civil Division, Deputy Attorney General	The amount necessary to pay additional judgments awarded against the state before June 30, 2007.					0.0	
50	7(c)	Law	Administrative Services	FY2006 Unpaid Miscellaneous Bills - \$6,254.47 Funding to pay prior year bills not received in time for payment by the department. Employee moving expenses - \$1,581.05; employee mileage reimbursement - \$17.80; consulting contracts - \$1,200.00; hotel rooms for employee travel - \$349.28; copier maintenance \$76.25.	6.3				6.3	
51	8(a)(1)	Natural Resources	Claims, Permits & Leases	Implementation of geologists class study effective June 2006.	79.1				79.1	Sec. 6 Ch. 33, SLA 2006 requires that reclassifications be paid from the amounts originally appropriated *Funding for 4 PFT positions are requested in the FY08 Governor's budget for "Special Projects" and funded with Interagency Receipts (\$97.3) and SDPR (\$276.1)
52	8(a)(2)	Natural Resources	Geological Development	Implementation of geologists class study effective June 2006	114.8				114.8	Sec. 6, Ch. 33, SLA 2006 requires that reclassifications be paid from the amounts originally appropriated The federal grant could not be modified in time to reflect increased FY07 costs
53	8(b)	Natural Resources	Capital	Funding from the Mat-Su Borough for development of the South Denali Visitors Center Interpretive Plan.			100.0	Statutory Designated Program Receipts	100.0	\$30.0 will be spent in FY07 \$70.0 will be spent in FY08

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	9	Public Safety	Capital	The U.S. Department of Justice has awarded the Council on Domestic Violence and Sexual Abuse a Violence Against Women Act Stop grant of \$5 million for prevention of domestic violence and sexual assault in Alaska. The funding will be used for services provided by the Departments of Law, Public Safety and Alaska Court System and for victim services.		5,000.0			5,000.0	The CDVSA sunset on June 30, 2006 and is in it's 1-year wind down period. Funding will be distributed as follows: Dept of Law, 25% --\$1,250.0 Dept. of Public Safety, 25%--\$1,250.0 AK Court System, 5%--\$250.0 Victim Services, 30%, \$1,500.0 Discretionary, 15%--\$750.0
54	10(a)	Revenue	Tax Division	1) \$210.5 - Cruise tax Initiative implementation costs: Three positions and contractual expenses for hearings for public notice, legal advice on regulations, advertising, training and development of online data filing system. 2) \$15.0 - Corporate Income Tax Litigation The Tax Division is working on a high-level corporate income tax case with a potential for hundreds of millions of dollars in settlement. Funding is requested to begin the casework with the Department of Law. Additional funding will not be required in FY2008.	255.5				255.5	2) Major corporate income tax lawsuit with one of Alaska's largest tax payers, potential recovery in the \$100's of millions - this funding will pay the difference from part-time to full time for a DOL attorney for preparation for this case.
55	10(b)	Revenue	Permanent Fund Dividend Division	1) \$70.0 - Increased MyAlaska costs - DOA did not charge for service before FY07. The Division did not know when preparing the FY07 budget that DOA would be charging for the service in FY07. 2) \$60.0 - Department of Administration's (DOA) Office of Administrative Hearings costs are higher than anticipated due to high rates. 3) \$220.7 - Data Loss and Recovery. Ongoing recovery efforts are beyond division's capability to absorb.			350.7	Permanent Fund Dividend Funds	350.7	
56	10(c)	Revenue	Child Support Services	Unanticipated federal incentive funding due to performance during FFY 05.		181.7		Fed Incentive Payments	181.7	
57	10(d)	Revenue	Child Support Services	Reduction in receipt supported services funding due to unanticipated federal incentive funding due to performance during FFY 05.			(181.7)	Receipt Supported Services	(181.7)	The estimated carryforward of unexpended RSS will be increased by this amount.
58	10(e)	Revenue	Alaska Mental Health Trust Authority, Long Term Care Ombudsman	The Long Term Care Ombudsman's Office (LTCO) receives its funding from DHSS/Senior and Disabilities Services Administration, mostly from a federal grant (Title 3 and Title 7). This year DHSS has reduced the amount of the grant due to unavailable federal funding, so additional general funds are necessary.	38.3		(38.3)	Interagency receipts	0.0	
59	11(a)	Transportation	Measurement Standards and Commercial Vehicle Enforcement	1) \$55.0 for costs associated with data acquisition, storage and transfer to meet federal reporting requirements. 2) \$15.0 for annual membership in the North American Preclearance and Safety System (NORPASS) to continue deployment of weigh station screening systems equipment.			70.0	Receipt Supported Services	70.0	An increment of \$55.0 GF for CVIEW software updates is in the FY08 budget. Expect an amendment changing the fund source to RSS
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	11(b)	Transportation	Southeast Region Facilities	1) \$38.7 for Repairs/Maintenance - Backlog of deferred maintenance issues that need addressed at facilities throughout Southeast. 2) \$5.0 for travel to inspect facilities. 3) \$36.8 for contractual increases for facility janitorial services at the 7-Mile Complex, AMHS Reservations Building and Ketchikan Court and Office Building.	80.5					80.5	1) All of the funding for Facilities Deferred Maintenance in the capital budget is allocated for other purposes. 3) Janitorial service contract increases are not addressed in FY08 budget. Potential for Governor's amendment.
61	11(c)	Transportation	Central Region Highways and Aviation	1) State Equipment Fleet Cost Increases - \$288.5 - Central Region Highways and Aviation is experiencing higher than anticipated costs of commodities and overruns in other areas of the budget and cannot absorb this increase within the existing FY07 budget. 2) Anchorage Snow Haul - \$503.0 - Safety issue as roads are one lane, there is poor visibility associated with large snow piles and pedestrians are forced to walk in road as sidewalks are full of snow. 3) Anchorage Street Sweeping - \$274.0 - Must be done per EPA Air Quality Standards in the spring after snow melts and roads are full of sand and chemicals creating air quality issues for Anchorage residents. 4) Avalanche Artillery Purchase and Equipment Repair - \$26.0 5) Funding for Law Enforcement Officers at state-owned Kodiak Airport - \$20.0 - from March 1 through June 30 due to Transportation Security Administration (TSA) non-negotiable requirement. TSA has warned that flights in and out of Kodiak will be prohibited if Law Enforcement Officers not in place by March 1. Funds are needed to decrease emergency response time to 15 minutes or less per TSA rules. Current airport emergency response time is greater than 15 minutes which is unacceptable to TSA. The department has no choice but to incur this expense.	1,111.5					1,111.5	1) The FY07 SEF rates were set during the budget development and it was originally thought that Central Region could absorb the increase. However, the Region did not receive full funding of its FY07 request, so the costs cannot be absorbed. In effect, this supplemental request is due to commodity prices and overtime pay. 2) A funding increment request for Anchorage snow haul has occurred the last several years with no funding appropriated. Last year it was stated that the cost of each snow haul is approximately \$175.0. This request is for \$503.0 for two snow hauls. 3) Determined by the MOA that the state was not paying its full share of the costs associated with the MOA sweeping state roads. Potential for governor amendment to FY08 budget. 5) This funding basically covers one quarter of the fiscal year. A gov amendment may be expected for a full fiscal year on the order of \$80.0 for FY08.
62	11(d)	Transportation	Northern Region Highways and Aviation	Funding for Law Enforcement Officers at state-owned Cordova Airport from March 1 through June 30 due to Transportation Security Administration (TSA) non-negotiable requirement. TSA has warned that flights in and out of Cordova will be prohibited if Law Enforcement Officers not in place by March 1. Funds are needed to decrease emergency response time to 15 minutes or less per TSA rules. Current airport emergency response time is greater than 15 minutes which is unacceptable to TSA. The department has no choice but to incur this expense.	20.0					20.0	see note 5 in preceding line
63	11(e)	Transportation	Southeast Highways and Aviation	1) \$208.5 - Overtime resulting from extreme winter weather. Personnel costs associated with plowing, application of materials used for highways and airports this winter. 2) \$24.5 - Paint for road striping. Paint being ordered now for spring/summer application.	233.0					233.0	
64	11(f)	Transportation	Marine Highway System - Marine Vessel Operations	Unpaid vendors from FY06, including state agencies - Total is \$532,786.91 Outside Vendors: Chevron - \$7,985.03; Glacier Family Medicine - \$208.00; Murray Pacific - \$753.91; Worksafe - \$1,517.50; Sea Level Transport - \$65,800.00; Southeast Extinguisher Services - \$240.00; Stanley - \$327.25; Tyler - \$823.20; Otis - \$1,035.34; Port of Bellingham - \$1,233.30; Petro Marine - Seward - \$35,485.43 State Agencies: State equipment Fleet (DOI) for June - \$16,652.33; Law Bills (DOI) - \$12,695.62; Retirement & Benefits (DOA) - \$25,196.00; Labor Training (AVHC) - \$9,300.00; Tok Ferry Reservations (Commerce) - \$53,200.00; Laundry Services (Corrections) - \$103,561.77; UAS Training - \$87,990.00; Southeast DOI Inventory Adjustment - \$6,850.94; AMHS Travel & Incidentals not processed - \$68,931.29	532.8					532.8	
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	11(g)	Transportation	Marine Highway System - Marine Vessel Operations	1) \$3,600.0 - FY07 operating marine highway fund anticipated cash shortfall. Collection of revenues is anticipated to be \$51.0 million and expenditures are anticipated to be \$54.6 million. 2) \$300.0 - Chenega crew training after winter lay-up and warranty overhaul. U.S. Coast Guard requirement to operate vessel. 3) \$3,900.0 - Under projected vessel operations costs for vessel employee overtime and leave. 4) \$2,300.0 - Fairweather unbudgeted winter service.	10,100.0				10,100.0	1) This supplemental request was expected. The agency interpreted intent language as "live within authorization" rather than "live within revenue." However, the intent of the legislature was "if you can earn it, you can spend it." AMHS had no reason to expect revenue as high as the level of authorization, but spent as if the full authorized level would be collected. 2) Upon lay-up of the Chenega, the crew was assigned to other vessels. After lay-up, an entirely new crew was hired which needed to be trained and certified by the USCG. 3) The cost model used for the FY07 business plan was determined to be under projecting leave and overtime costs for three vessels. 4) The Fairweather was budgeted for winter lay-up. However, it was determined that service in southeast was at less than the minimal level. Additional disregard for legislative intent "to operate within their budget" is demonstrated. see also fund transfers - Section 12(c)
66	11(h)	Transportation	Capital	New: Cantwell Maintenance Station Remodel and Electrical Repair OSHA inspection found unsafe electrical and building code violations. Electrical service is located in a low lying area that is prone to flooding and the entrance/exit to the building is through the boiler room. Department received an OSHA compliance order for this and is mandated to fix the violation no later than June of 2007.	250.0				250.0	
67	11(i)	Transportation	Capital	New: Thompson Pass Refueling Station OSHA inspection found fuel dispensing machines located inside the maintenance station, creating an unsafe work environment. Fuel dispensing machines must be moved outside of building. Department received an OSHA compliance order for this and is mandated to fix the violation no later than November of 2007. Funds are needed to begin work in FY07 in order to comply with the deadline.	150.0				150.0	
68	11(j)	Transportation	Capital - Marine Highway System	Amend FY07 Project: Alaska Marine Highway System - Vessel and Terminal Overhaul and Rehabilitation Unforeseen problems that needed to be repaired during annual overhaul. Unforeseen problems included steering systems, replacing corroded steel decking, life boat and davit refurbishment, turbo charger repair, bow thruster work and electrical generator repair. Without the repairs, vessels would not have been certified for operations during FY07. Repaired vessels include LaConte, Matanuska, Columbia, Kennicott, Taku, and Fairweather.	1,944.0				1,944.0	
69	11(k)	Transportation	Capital - Airport Improvement Program Appropriation	The Airport Improvement Program appropriation will increase by \$11,500.0 from \$31,857.1 to \$353,357.1 because of the allocation changes below:					0.0	
70	11(l)	Transportation	Capital - Airport Improvement Program Allocation	Amend FY07 Project: Atka Airport Extension and Resurfacing Project includes runway extension and minor realignment, a new taxiway and apron, paving of operational surfaces, medium intensity runway lighting, a double bay snow removal equipment building, other related improvements and land acquisition. The department plans to advertise in April.		4,000.0			4,000.0	
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72	11(m)	Transportation	Capital - Airport Improvement Program Allocation	New: Nightmute Airport Reconstruction Project includes expanding the runway, constructing a runway safety area, taxiway and safety area, relocating and expanding the apron, constructing two single bay snow removal equipment buildings, rehabilitating the airport access road, and acquiring land for airport improvements. The department plans to advertise in June.		3,000.0			3,000.0	
73	11(n)	Transportation	Capital - Airport Improvement Program Allocation	New: Nunapitchuk Airport and Access Improvements Project includes extending the runway, installing runway and taxiway lights, improving the airport access road, relocation of the apron, and constructing two single bay snow removal equipment buildings. The department plans to advertise in May.		1,500.0			1,500.0	
74	11(n)	Transportation	Capital - Airport Improvement Program Allocation	Amend FY07 Project: Platinum Airport Relocation Project includes relocating the airport, constructing a new runway, installing airport lighting, constructing a new apron and taxiway, constructing an airport access road and equipment storage building. The department plans to advertise in May.		3,000.0			3,000.0	
75	11(o)	Transportation	Capital - Airport Improvement Program Allocation	Scope change from Stony River: Airport Rehabilitation (ch. 61, SLA 2001, page 32, line 3) to Stony River: Airport Relocation and Airport Improvements. Project includes constructing a new airport south of the existing airport to include a new runway, lighting, safety area, apron, taxiway, support area, and an equipment storage building.		0.0			0.0	
76	12(a)	Fund Transfers	Disaster Relief Fund	Additional funding needed for: 2006 Hooper Bay Fire \$4,844.1 2006 Southcentral Flood \$6,118.4 2006 Southern Storm \$6,463.2 2006 Kivalina Sea Wall \$233.8	17,659.5				17,659.5	
77	12(b)	Fund Transfers	Debt Retirement Fund	Reduce general fund capitalization necessary to fund School Debt Reimbursement due to a \$709.7 increase in the amount of School Fund receipts (cigarette tax) available and a decrease of \$4,855.9 in the amount needed for FY2007 School Debt Reimbursement.	(5,565.6)				(5,565.6)	
78	12(c)	Fund Transfers	Alaska Marine Highway System Fund	Eliminate the ending FY06 / beginning FY07 negative fund balance of \$10,732,284.58. The negative fund balance is indicative of under collection of unrestricted revenues to support the amounts appropriated from the fund for operation of the system.	10,732.3				10,732.3	This is a problem of cash vs accrual. The marine highway receives and expends cash revenue prior to the year it is accrued (e.g. - summer travelers purchase tickets in the winter months - cash received one year, services rendered the next). This is legal because they have an appropriation (expenditure authority) which allows them to expend funding collected regardless of the year it is accrued.
79	13	Debt	School Debt Reimbursement	Reduce total School Debt Reimbursement by 4,855.9 from \$93,935.0 to \$89,079.1. Debt Retirement Fund decreases by \$5,565.6 from \$66,935.0 to \$61,369.4 and the School Fund increases by \$709.7 from \$27,000.0 to \$27,709.7.			(4,855.9)		(4,855.9)	
80	Regular Supplemental Bill Total				51,393.3	41,588.1	5,506.1		98,487.5	
81										
82		Ratification	Department	AR Number and Name						
83	14(a)	Ratification	Natural Resources	AR37313-06 Fire General Fund	6,406,509.85				6,406,509.85	
84	14(b)(1)	Ratification	Education	AR17720-04 Quality Schools	51,621.56				51,621.56	
85	14(b)(2)	Ratification	Education	AR17720-05 Quality Schools	107,601.48				107,601.48	
86	14(b)(3)	Ratification	Health & Social Services	AR23020-05 Behavioral Health Medicaid	3,051,774.30				3,051,774.30	
87	14(b)(4)	Ratification	Health & Social Services	AR2301-05 Medicaid Services	2,606,666.14				2,606,666.14	

FY2007 REGULAR SUPPLEMENTAL REQUESTS

	A	B	C	D	E	F	G	H	I	J
1	Sec. No.	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds	LFD Notes
88	14(b)(5)	Ratification	Health & Social Services	AR23551-05 Senior and Disabilities Medicaid	349,170.66				349,170.66	
89	14(c)	Ratification	Corrections	Internal department: RSA from Administration and Support (AR50560-06) to Institutional Facilities (AR50580-06) to cover inmate costs.	600,807.0				600,807.00	
90	15(a)	Lapse of Appropriations - capitalization of funds								
91	15(b)	Lapse of Appropriations - capital projects								
92	15(c)	Lapse of Appropriations - multi-year appropriation								
93	16	Effective date of March 16, 2007 for sec. 1, time sensitive requests								
94	17	Effective date of May 16, 2007								

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	A	B	C	D	E	F	G	H	I
1	Sec. No.	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
2	1(a)	Commerce	ASMI	Increase the Alaska Seafood Marketing Institute's National Consumer Campaign promoting Alaskan seafood, as more than anticipated was received from industry assessment.			2,000.0	Receipt Supported Services	2,000.0
3	1(b)	Commerce	Regulatory Commission of Alaska	Outside council for litigation at the Federal Energy Regulatory Commission (FERC) to defend RCA's jurisdiction over intrastate rates on the Trans-Alaska Pipeline (TAPS); and for other TAPS-related litigation at the Supreme Court of Alaska involving RCA.			750.0	RCA Repts	750.0
4	1(c)	Corrections	Inmate Health Care	The funding is needed to meet the medical obligations for the aging and increased offender population. The driving factors are the sharp increase in the number of offenders needing treatment, the cost of dialysis and cancer treatments and the growing number of life-threatening cases. The department will potentially run out of funds as early as March 2007 and not be able to pay vendors for services provided. \$439.0 of this request is related to nurses' market-based pay increase.	3,903.4				3,903.4
5	1(d)	Corrections	Anchorage Correctional Complex	The Anchorage Correctional complex is housing 50 offenders in crisis overflow beds in the gym due to overcrowding in the facility. This request is for required overtime for an additional security post which translates into four positions. The projected expenditures indicate that the component will run out of funds by the middle of April.	1,082.7				1,082.7
6	1(e)	Environ Cons	Water Quality	The cruise ship head tax ballot initiative was adopted by voters during the August 2006 primary election. Passage of the initiative, however, did not result in an appropriation for the program. DEC needs a current year appropriation to cover costs that are being incurred in order to make a good faith effort to implement the program within the initiative's timeline. FY2007 expenditures are occurring to establish the program.			811.3	CPVEC Fund	811.3
7	1(f)	Health & Social Services	Capital	Fairbanks Virology Laboratory Completion. Costs have risen over what was originally determined, particularly the costs of steel, transportation, and petroleum based products. The miscellaneous receipts come from interest earnings on the Certificate of Participation (COP) which is being used to fund the majority of the project. The original appropriation was \$24.2 million in FY06.	3,500.0		3,000.0	Miscellaneous Receipts	6,500.0
8	1(g)	Health & Social Services	Capital	Title change: "Juneau Pioneer Home Roof Replacement" to "Pioneer Homes Roof Repair and Replacement". The department would like to use excess funds from the original project to repair Sitka Pioneer Home roof.					0.0
9	1(h)	Transportation	Capital - Airport Improvement Program Appropriation	The Airport Improvement Program appropriation increases by \$2,000.0 from \$341,857.1 to \$343,857.1 because of the increase in the allocation below:					0.0
10	1(i)	Transportation	Capital - Airport Improvement Program Allocation	Amend FY07 Project - Ketchikan: Snow Removal Equipment/Sand/Urea Building Construction - Project includes constructing a new snow removal equipment, sand and chemical mixing and storage building to house all of the airport's emergency response and snow removal equipment. Project is ready to bid as soon as funding is available.		2,000.0			2,000.0
11	1(j)	Transportation	Capital - Surface Transportation Program Appropriation	The Surface Transportation Program appropriation increases by \$18,300.0 from \$337,095.2 to \$355,395.2 because of the allocation changes below:					0.0
12	1(k)	Transportation	Capital - Surface Transportation Program Allocation	New: Anchorage: Eagle River Road Rehabilitation - Milepost 5.3 to 12.6 - Project includes widening shoulders, improving visibility, and repaving. The department plans to advertise as soon as funding is available.		1,750.0			1,750.0
13	1(k)	Transportation	Capital - Surface Transportation Program Allocation	Amend. Anchorage: Eagle River Loop Road Reconstruction - Old Glenn Highway to Eagle River Road - Project includes reconstructing shoulders, turn lanes, pedestrian facilities, lighting and landscaping. The department plans to advertise in March.		2,000.0			2,000.0

FY2007 REGULAR SUPPLEMENTAL REQUESTS

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1	Sec. No.	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
14	1(l)	Transportation	Capital - Surface Transportation Program Allocation	New: Anchorage: Potter Marsh Trailhead and Access Improvements - Project includes enhancing parking lot, provide new boardwalk connections, and connect the Bird Treatment Learning Center on the Old Seward Highway to the existing boardwalk. The department plans to advertise in March.		550.0			550.0
15	1(m)	Transportation	Capital - Surface Transportation Program Allocation	New: Unalaska South Channel Bridge Construction - Project includes replacing existing bridge with a concrete deck bridge. Increased funding required as low bid was greater than existing legislative authority for project.		14,000.0			14,000.0
16	2(a)	Administration	Retirement and Benefits	The Division of Retirement and Benefits contracted with a tax consultant to assist with obtaining Internal Revenue Service code qualified status for the defined contribution plan. The cost of this work was not included in the original fiscal note for SB 141. This request for a GF increase will be offset with a \$80.0 GF reduction from the Elected Public Officers Retirement System (EPORS - (50.0)) and the Unlicensed Vessel Participant Annuity Retirement Plan (UVPARP - (30.0)) allocations.	80.0				80.0
17	2(b)	Administration	Retirement and Benefits	This request is for the purpose of zero balancing the Division of Retirement and Benefits fund allocations. Their cost allocation plan was reviewed by a tax consultant, resulting in allocation changes that affect the FY2007 budget.				(153.3) PERS (133.7) TRS 160.3 Bene Sys 85.5 JRS 85.4 NGNMRS (44.2) FICA	0.0
18	2(c)	Administration	Retirement and Benefits	This is a fund source adjustment for the PERS/TRS litigation appropriations made in sec. 24(a) and (b), ch. 82, SLA 2006, from the original \$200.0 from each retirement system fund to 72% and 28%, respectively, per the division's cost allocation plan. The appropriation from PERS changes from \$200.0 to \$288.0 and the TRS amount changes from \$200.0 to \$112.0.					0.0
19	2(d)	Administration	Unlicensed Vessel Participant Annuity Retirement Plan	Plan adjustment for reduced current year obligation.	(30.0)				(30.0)
20	2(d)	Administration	Elected Public Officers Retirement System Benefits	Plan adjustment for reduced current year obligation.	(50.0)				(50.0)
21	2(e)	Administration	Office of Public Advocacy	Current year caseload increase estimate based on the agency's current expenditures and projections. The agency was not fully funded in FY2007, based on their FY2006 supplemental roll forward and caseload projections. There are excess guardianship fees receipts in FY2007.			200.0	Statutory Designated Program Receipts	200.0
22	2(f)	Administration	Public Defender Agency	Current year caseload increase estimate based on the agency's current expenditures and projections. The agency was not fully funded in FY2007, based on their FY2006 supplemental roll forward and caseload projections.	240.0				240.0
23	3(a)	Corrections	Out-of-State Contractual	FY07 budget was based on 900 prisoners to be sent to Arizona. The current number of prisoners in Arizona is 1060 and the department anticipates the need for a total of 1,250 beds to assist in meeting the growing prisoner population.	1,338.5				1,338.5
24	3(b)	Corrections	Institution Director's Office	1) Correctional officer overtime is taking place due to vacant correctional officer positions and facilities overcrowding. When the offender population exceeds the emergency capacity in the facility, it becomes necessary to employ additional security staff for public safety and protection. \$2,096.5 2) The facilities are also dealing with costs resulting directly from prisoner overcrowding and the increased costs of goods and services. This is attributable to setting up crisis overflow beds. \$2,000.0 3) Electrical costs have also increased in all institutions. \$300.0 4) Funding transfer from Statewide Probation and Parole to offset increased costs in the institutions	4,496.5				4,496.5
25	3(c)	Corrections	Institution Director's Office	Unpaid invoices from vendors from FY2006, including an unpaid RSA with the Department of Transportation for State Equipment Fleet charges of \$12.6 and an unpaid RSA with the Department of Administration for training charges of \$2.5	63.1				63.1

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1	Sec. No.	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
26	3(d)	Corrections	Inmate Transportation	More prisoner transports between Alaska and Arizona due to management of the increased inmate population in the state.	90.0				90.0
27	3(e)	Corrections	Anchorage Correctional Complex	Revenue shortfall in federal manday billings is due to the reduction in federal detainees and the number of days these prisoners are held in this facility.	1,000.0				1,000.0
28	3(f)	Corrections	Anchorage Correctional Complex	If manday billings are greater than anticipated, the appropriation in 4(j) is reduced by an equivalent amount.					0.0
29	3(g)	Corrections	Hiland Mountain Correctional Center	The facility's well water system did not meet the EPA and DEC standards and therefore was decommissioned and demolished. The new system was connected to the Anchorage Water and Wastewater Utility system. Funding is needed for the increased costs of the new water system.	84.1				84.1
30	3(h)	Corrections	Fairbanks Correctional Center	The 50% increase in the prisoner population in Fairbanks created the need to expand staffing at the facility to maintain public safety. Funding is requested for the 19 new permanent full-time positions that have been established in FY2007.	729.9				729.9
31	3(i)	Corrections	Fairbanks Correctional Center	Unpaid FY2006 water and sewer bills.	18.7				18.7
32	3(j)	Corrections	Existing Community Residential Centers	Funding is needed to pay contractors for housing offenders at the Community Residential Centers (CRCs) for the remainder of the fiscal year. The department has professional service contracts with CRC providers to help meet the security and residential needs of adult offenders. Part of the increase is based on the CPI rate for the community in which the CRC is located and due to two re-negotiated contracts.	553.5				553.5
33	3(k)	Corrections	Statewide Probation and Parole	Transfer to Institution Director's Office to assist in meeting the institutions' increased costs. Funding is available due to lag time in creating and filling probation officer positions in FY2007.	(100.0)				(100.0)
34	4(a)	Education	School Finance & Facilities	Cost to pay trial work already provided for the Moore v State lawsuit, which pertains to adequate funding levels for school districts.	100.0				100.0
35	4(b)	Education	Mt. Edgecumbe Boarding School	Cost of one-time payment of the FY2005 Teachers' Education Association of Mt. Edgecumbe arbitration award.	107.9				107.9
36	5(a) and (b)	Fish and Game	Wildlife Conservation	Fund source switch for the Harlequin Duck Population Dynamics project in Prince William Sound, that is measuring the recovery from the Exxon Valdez Oil Spill.			0.0	30.0 EVOS (30.0) Statutory Designated Program Receipts	0.0
37	6(a)	Health & Social Services	Pioneer Homes	Receipt supported services authority to cover 1) nurses' salaries \$86.9; 2) funds to offset uncollectible federal revenues \$231.0, and 3) safety, sanitation and operating costs \$482.1			800.0	Receipt Supported Services	800.0
38	6(b)	Health & Social Services	Behavior Health Medicaid Services	Cost recovery of overpayments to comply with provisions of SB 41 (CH 66, SLA 03) related to audits.			600.0	Statutory Designated Program Receipts	600.0
39	6(c)	Health & Social Services	Children's Medicaid Services	Cost recovery of overpayments to comply with provisions of SB 41 (CH 66, SLA 03) related to audits.			100.0	Statutory Designated Program Receipts	100.0
40	6(d)	Health & Social Services	Medicaid Services	Alaska Regional Hospital Medicaid Rate Settlement for 1991 through 2003. Settlement agreement has been signed.	3,393.6	4,606.4			8,000.0
41	6(e)	Health & Social Services	Medicaid Services	Cost recovery of overpayments to comply with provisions of SB 41 (CH 66, SLA 03) related to audits.			1,000.0	Statutory Designated Program Receipts	1,000.0
42	6(f)	Health & Social Services	Probation Services	Court ordered costs. The legislature has directed the department to bring the costs forward in a supplemental each year.	206.5				206.5

FY2007 REGULAR SUPPLEMENTAL REQUESTS

1	A Sec. No.	B Department	C RDU or Component or Capital	D Supplemental Need	E General Funds	F Federal Funds	G Other Funds	H Fund Source	I Total Funds
43	6(g)	Health & Social Services	Adult Public Assistance	Formula program reduction. Savings are from a combination of continued savings in Interim Assistance from nurse reviews and payment size per client decreases as clients have more pension income.	(750.0)				(750.0)
44	6(h)	Health & Social Services	Senior Care	Caseload reduction; people are not applying for the pharmacy benefit as much as anticipated.	(1,500.0)				(1,500.0)
45	6(i)	Health & Social Services	Senior and Disabilities Services Appropriation	The Senior and Disabilities Services appropriation decreases by \$5,000.0 from \$334,174.2 to \$329,174.2 because of the allocation change below:					0.0
46	6(j)	Health & Social Services	Senior and Disabilities Medicaid Services Allocation	Savings in the personal care attendant program due to implementation of regulations which did such things as requiring medical determinations by department staff or designee (had been done by the provider), limiting hours of service, limiting to one attendant a household with more than one person qualifying for PCA, and other cost savings.	(5,000.0)				(5,000.0)
47	6(k)	Health & Social Services	Senior and Disabilities Medicaid Services	Cost recovery of overpayments to comply with provisions of SB 41 (CH 66, SLA 03) related to audits.			800.0	Statutory Designated Program Receipts	800.0
48	7(a)	Law	Civil Division, Deputy Attorney General	Judgments and Settlements Amount is \$92,509.85 as of February 1, 2007.	92.6				92.6
49	7(b)	Law	Civil Division, Deputy Attorney General	The amount necessary to pay additional judgments awarded against the state before June 30, 2007.					0.0
50	7(c)	Law	Administrative Services	FY2006 Unpaid Miscellaneous Bills - \$6,254.47 Funding to pay prior year bills not received in time for payment by the department. Employee moving expenses - \$1,581.05; employee mileage reimbursement - \$47.89; consulting contracts - \$1,200.00; hotel rooms for employee travel - \$349.28; copier maintenance \$76.25.	6.3				6.3
51	8(a)(1)	Natural Resources	Claims, Permits & Leases	Implementation of geologists class study effective June 2006.	79.4				79.4
52	8(a)(2)	Natural Resources	Geological Development	Implementation of geologists class study effective June 2006.	114.8				114.8
53	8(b)	Natural Resources	Capital	Funding from the Mat-Su Borough for development of the South Denali Visitors Center Interpretive Plan.			100.0	Statutory Designated Program Receipts	100.0
54	9	Public Safety	Capital	The U.S. Department of Justice has awarded the Council on Domestic Violence and Sexual Abuse a Violence Against Women Act Stop grant of \$5 million for prevention of domestic violence and sexual assault in Alaska. The funding will be used for services provided by the Departments of Law, Public Safety and Alaska Court System and for victim services.		5,000.0			5,000.0
55	10(a)	Revenue	Tax Division	1) \$210.5 - Cruise tax Initiative implementation costs. Three positions and contractual expenses for hearings for public notice, legal advice on regulations, advertising, training and development of online data filing system. 2) \$45.0 - Corporate Income Tax Litigation The Tax Division is working on a high-level corporate income tax case with a potential for hundreds of millions of dollars in settlement. Funding is requested to begin the casework with the Department of Law. Additional funding will not be required in FY2008.	255.5				255.5

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1	Sec. No.	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
56	10(b)	Revenue	Permanent Fund Dividend Division	<p>1) \$70.0 - Increased MyAlaska costs - DOA did not charge for service before FY07. The Division did not know when preparing the FY07 budget that DOA would be charging for the service in FY07.</p> <p>2) \$60.0 - Department of Administration's (DOA) Office of Administrative Hearings costs are higher than anticipated due to high rates.</p> <p>3) \$220.7 - Data Loss and Recovery. Ongoing recovery efforts are beyond division's capability to absorb.</p>			350.7	Permanent Fund Dividend Funds	350.7
57	10(c)	Revenue	Child Support Services	Unanticipated federal incentive funding due to performance during FFY 05.		181.7		Fed Incentive Payments	181.7
58	10(d)	Revenue	Child Support Services	Reduction in receipt supported services funding due to unanticipated federal incentive funding due to performance during FFY 05.			(181.7)	Receipt Supported Services	(181.7)
59	10(e)	Revenue	Alaska Mental Health Trust Authority, Long Term Care Ombudsman	The Long Term Care Ombudsman's Office (LTCO) receives its funding from DHSS/Senior and Disabilities Services Administration, mostly from a federal grant (Title 3 and Title 7). This year DHSS has reduced the amount of the grant due to unavailable federal funding, so additional general funds are necessary.	38.3		(38.3)	Interagency receipts	0.0
60	11(a)	Transportation	Measurement Standards and Commercial Vehicle Enforcement	<p>1) \$55.0 for costs associated with data acquisition, storage and transfer to meet federal reporting requirements.</p> <p>2) \$15.0 for annual membership in the North American Preclearance and Safety System (NORPASS) to continue deployment of weigh station screening systems equipment.</p>			70.0	Receipt Supported Services	70.0
61	11(b)	Transportation	Southeast Region Facilities	<p>1) \$38.7 for Repairs/Maintenance - Backlog of deferred maintenance issues that need addressed at facilities throughout Southeast.</p> <p>2) \$5.0 for travel to inspect facilities.</p> <p>3) \$36.8 for contractual increases for facility janitorial services at the 7-Mile Complex, AMHS Reservations Building and Ketchikan Court and Office Building.</p>	80.5				80.5
62	11(c)	Transportation	Central Region Highways and Aviation	<p>1) State Equipment Fleet Cost Increases - \$288.5 - Central Region Highways and Aviation is experiencing higher than anticipated costs of commodities and overruns in other areas of the budget and cannot absorb this increase within the existing FY07 budget.</p> <p>2) Anchorage Snow Haul - \$503.0 - Safety issue as roads are one lane, there is poor visibility associated with large snow piles and pedestrians are forced to walk in road as sidewalks are full of snow.</p> <p>3) Anchorage Street Sweeping - \$274.0 - Must be done per EPA Air Quality Standards in the spring after snow melts and roads are full of sand and chemicals creating air quality issues for Anchorage residents.</p> <p>4) Avalanche Artillery Purchase and Equipment Repair - \$26.0</p> <p>5) Funding for Law Enforcement Officers at state-owned Kodiak Airport - \$20.0 - from March 1 through June 30 due to Transportation Security Administration (TSA) non-negotiable requirement. TSA has warned that flights in and out of Kodiak will be prohibited if Law Enforcement Officers not in place by March 1. Funds are needed to decrease emergency response time to 15 minutes or less per TSA rules. Current airport emergency response time is greater than 15 minutes which is unacceptable to TSA. The department has no choice but to incur this expense.</p>	1,111.5				1,111.5
63	11(d)	Transportation	Northern Region Highways and Aviation	Funding for Law Enforcement Officers at state-owned Cordova Airport from March 1 through June 30 due to Transportation Security Administration (TSA) non-negotiable requirement. TSA has warned that flights in and out of Cordova will be prohibited if Law Enforcement Officers not in place by March 1. Funds are needed to decrease emergency response time to 15 minutes or less per TSA rules. Current airport emergency response time is greater than 15 minutes which is unacceptable to TSA. The department has no choice but to incur this expense.	20.0				20.0

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1	Sec. No.	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
64	11(e)	Transportation	Southeast Highways and Aviation	1) \$208.5 - Overtime resulting from extreme winter weather. Personnel costs associated with plowing, application of materials used for highways and airports this winter. 2) \$24.5 - Paint for road striping. Paint being ordered now for spring/summer application.	233.0				233.0
65	11(f)	Transportation	Marine Highway System - Marine Vessel Operations	Unpaid vendors from FY06, including state agencies - Total is \$532,786.91 Outside Vendors: Chevron - \$7,985.03; Glacier Family Medicine - \$208.00; Murray Pacific - \$753.91; Worksafe - \$1,517.50; Sea Level Transport - \$65,800.00; Southeast Extinguisher Services - \$240.00; Stanley - \$327.25; Tyler - \$823.20; Otis - \$4,035.34; Port of Bellingham - \$1,233.30; Petro Marine - Seward - \$35,485.43 State Agencies: State equipment Fleet (DOT) for June - \$46,652.33; Law Bills (DOL) - \$12,695.62; Retirement & Benefits (DOA) - \$25,196.00; Labor Training (AVTEC) - \$9,300.00; Tok Ferry Reservations (Commerce) - \$53,200.00; Laundry Services (Corrections) - \$103,561.77; UAS Training - \$87,990.00; Southeast DOT Inventory Adjustment - \$6,850.94; AMHS Travel & Incidentals not processed - \$68,931.29	532.8				532.8
66	11(g)	Transportation	Marine Highway System - Marine Vessel Operations	1) \$3,600.0 - FY07 operating marine highway fund anticipated cash shortfall. Collection of revenues is anticipated to be \$51.0 million and expenditures are anticipated to be \$54.6 million. 2) \$300.0 - Chenega crew training after winter lay-up and warranty overhaul. U.S. Coast Guard requirement to operate vessel. 3) \$3,900.0 - Under projected vessel operations costs for vessel employee overtime and leave. 4) \$2,300.0 - Fairweather unbudgeted winter service.	10,100.0				10,100.0
67	11(h)	Transportation	Capital	New: Cantwell Maintenance Station Remodel and Electrical Repair OSHA inspection found unsafe electrical and building code violations. Electrical service is located in a low lying area that is prone to flooding and the entrance/exit to the building is through the boiler room. Department received an OSHA compliance order for this and is mandated to fix the violation no later than June of 2007.	250.0				250.0
68	11(i)	Transportation	Capital	New: Thompson Pass Refueling Station OSHA inspection found fuel dispensing machines located inside the maintenance station, creating an unsafe work environment. Fuel dispensing machines must be moved outside of building. Department received an OSHA compliance order for this and is mandated to fix the violation no later than November of 2007. Funds are needed to begin work in FY07 in order to comply with the deadline.	150.0				150.0
69	11(j)	Transportation	Capital - Marine Highway System	Amend FY07 Project: Alaska Marine Highway System - Vessel and Terminal Overhaul and Rehabilitation Unforeseen problems that needed to be repaired during annual overhaul. Unforeseen problems included steering systems, replacing corroded steel decking, life boat and davit refurbishment, turbo charger repair, bow thruster work and electrical generator repair. Without the repairs, vessels would not have been certified for operations during FY07. Repaired vessels include LeConte, Matanuska, Columbia, Kennicott, Taku, and Fairweather.	1,944.0				1,944.0
70	11(k)	Transportation	Capital - Airport Improvement Program Appropriation	The Airport Improvement Program appropriation will increase by \$11,500.0 from \$341,857.1 to \$353,357.1 because of the allocation changes below:					0.0

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1	Sec. No.	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
71	11(l)	Transportation	Capital - Airport Improvement Program Allocation	Amend FY07 Project: Atka Airport Extension and Resurfacing Project includes runway extension and minor realignment, a new taxiway and apron, paving of operational surfaces, medium intensity runway lighting, a double bay snow removal equipment building, other related improvements and land acquisition. The department plans to advertise in April.		4,000.0			4,000.0
72	11(m)	Transportation	Capital - Airport Improvement Program Allocation	New: Nightmute Airport Reconstruction Project includes expanding the runway, constructing a runway safety area, taxiway and safety area, relocating and expanding the apron, constructing two single bay snow removal equipment buildings, rehabilitating the airport access road, and acquiring land for airport improvements. The department plans to advertise in June.		3,000.0			3,000.0
73	11(n)	Transportation	Capital - Airport Improvement Program Allocation	New: Unapitchuk Airport and Access Improvements Project includes extending the runway, installing runway and taxiway lights, improving the airport access road, relocation of the apron, and constructing two single bay snow removal equipment buildings. The department plans to advertise in May.		1,500.0			1,500.0
74	11(n)	Transportation	Capital - Airport Improvement Program Allocation	Amend FY07 Project: Platinum Airport Relocation Project includes relocating the airport, constructing a new runway, installing airport lighting, constructing a new apron and taxiway, constructing an airport access road and equipment storage building. The department plans to advertise in May.		3,000.0			3,000.0
75	11(o)	Transportation	Capital - Airport Improvement Program Allocation	Scope change from Stony River. Airport Rehabilitation (ch. 61, SLA 2001, page 32, line 3) to Stony River: Airport Relocation and Airport Improvements. Project includes constructing a new airport south of the existing airport to include a new runway, lighting, safety area, apron, taxiway, support area, and an equipment storage building.		0.0			0.0
76	12(a)	Fund Transfers	Disaster Relief Fund	Additional funding needed for: 2006 Hooper Bay Fire; \$4,844.1 2006 Southcentral Flood \$6,118.4 2006 Southern Storm \$6,463.2 2006 Kivalina Sea Wall \$233.8	17,659.5				17,659.5
77	12(b)	Fund Transfers	Debt Retirement Fund	Reduce general fund capitalization necessary to fund School Debt Reimbursement due to a \$709.7 increase in the amount of School Fund receipts (cigarette tax) available and a decrease of \$4,855.9 in the amount needed for FY2007 School Debt Reimbursement.	(5,565.6)				(5,565.6)
78	12(c)	Fund Transfers	Alaska Marine Highway System Fund	Eliminate the ending FY06 / beginning FY07 negative fund balance of \$10,732,284.58. The negative fund balance is indicative of under collection of unrestricted revenues to support the amounts appropriated from the fund for operation of the system.	10,732.3				10,732.3
79	13	Debt	School Debt Reimbursement	Reduce total School Debt Reimbursement by 4,855.9 from \$93,935.0 to \$89,079.1. Debt Retirement Fund decreases by \$5,565.6 from \$66,935.0 to \$61,369.4 and the School Fund increases by \$709.7 from \$27,000.0 to \$27,709.7.			(4,855.9)		(4,855.9)
80	Regular Supplemental Bill Total				51,393.3	41,588.1	5,506.1		98,487.5
82		Ratification	Department	AR Number and Name					
83	14(a)	Ratification	Natural Resources	AR37313-06 Fire General Fund	6,406,509.85				6,406,509.85
84	14(b)(1)	Ratification	Education	AR17720-04 Quality Schools	51,621.56				51,621.56
85	14(b)(2)	Ratification	Education	AR17720-05 Quality Schools	107,601.48				107,601.48
86	14(b)(3)	Ratification	Health & Social Services	AR23020-05 Behavioral Health Medicaid	3,051,774.30				3,051,774.30

FY2007 REGULAR SUPPLEMENTAL REQUESTS

	A	B	C	D	E	F	G	H	I
1	Sec. No.	Department	RDU or Component or Capital	Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
87	14(b)(4)	Ratification	Health & Social Services	AR23301-05 Medicaid Services	2,608,668.14				2,606,666.14
88	14(b)(5)	Ratification	Health & Social Services	AR23551-05 Senior and Disabilities Medicaid	349,170.68				349,170.66
89	14(c)	Ratification	Corrections	Internal department RSA from Administration and Support (AR50560-06) to Institutional Facilities (AR50580-06) to cover inmate costs.	600,807.0				600,807.00
90	15(a)	Lapse of Appropriations - capitalization of funds							
91	15(b)	Lapse of Appropriations - capital projects							
92	15(c)	Lapse of Appropriations - multi-year appropriation							
93	16	Effective date of March 16, 2007 for sec. 1, time sensitive requests							
94	17	Effective date of May 16, 2007							
95									

Change Record Detail With Description
Dept of Commerce, Community, & Economic Development

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Alaska Seafood Marketing Institute (393)
 RDU: Alaska Seafood Marketing Institute (126)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
National Consumer Campaign												
	Suppl	2,000.0	0.0	0.0	2,000.0	0.0	0.0	0.0	0.0	0	0	0
1156 Rcpt Svcs	2,000.0											
<p>The Alaska Seafood Marketing Institute (ASMI) received \$2,000,000 more than anticipated from its industry assessment (Alaska Seafood Marketing Assessment) in April 2006. Of that amount, \$1,400,000 was recovered from the Department of Revenue after an audit revealed the under allocation of fisheries taxes that determine the amount of the Alaska Seafood Marketing Assessment. The remaining \$600,000 increase resulted from a higher than anticipated industry assessment.</p> <p>Since the \$2,000,000 additional revenue was not received until April 2006, the increase is not reflected in ASMI's fiscal year 2007 budget. The intent is to spend the additional monies expanding ASMI's National Consumer Campaign promoting Alaska seafood by increasing cable television and print media advertising. ASMI's Board of Directors sanctioned this plan at its October 2006 board meeting.</p> <p>Approval of this increase is necessary in order for the fishing industry to be able to spend its assessment on fishing related activities as intended.</p>												
Totals		2,000.0	0.0	0.0	2,000.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 1(a)

Change Record Detail With Description
Dept of Commerce,Community,& Economic Development

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Regulatory Commission of Alaska (2417)
 RDU: Regulatory Commission of Alaska (399)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
Legal Costs												
	Suppl	750.0	0.0	0.0	750.0	0.0	0.0	0.0	0.0	0	0	0
1141 RCA Rcpts	750.0											
Unanticipated legal costs resulting from 1) a petition to the Federal Energy Regulatory Commission (FERC) by the Trans-Alaska Pipeline System (TAPS) carriers challenging the jurisdiction of the Regulatory Commission of Alaska (RCA) and its authority to regulate oil tariffs; and 2) RCA TAPS related litigation in the Supreme Court of Alaska.												
RCA anticipates total litigation costs for FY07 could exceed \$1 million, thus the need for this supplemental.												
Totals		750.0	0.0	0.0	750.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 1(b)

Change Record Detail With Description

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Inmate Health Care (705)
 RDU: Inmate Health Care (520)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

FY2007 Supplemental - Governor

Increased Inmate Health Care Costs and Nurses Market-Based Pay 2nd Range

	Suppl	3,903.4	439.0	0.0	3,464.4	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		3,903.4										

Increased health care costs:

The department is requesting a supplemental of \$3,464.4 for increased inmate health care costs. The funding is needed to meet the department's obligations of medical care for the aging and increased population of offenders and for the sharp increase in the number and the cost for inmates needing dialysis, cancer treatment and the growing number of life-threatening cases.

A deficit is projected in the in-state medical fee for services, as well as, in the non-contract medical fee for services for inmates located at the Arizona contract facility. Approximately 40% of the inmates housed at the Arizona contract facility are geriatric offenders. The department is required by law to provide and pay health care services for all offenders. Nonpayment could create a lapse of medical services for inmates and ultimately increase the severity of health related issues.

The department is expected to run out of funds available in the Inmate Health Care RDU to pay contract and medical providers as early as March 2007. It is imperative that the department be able to pay vendors for services provided in a timely manner in order to promote good relations, avoid potential lapses of services, abide by contractual agreements and avoid incurring interest charges.

2nd Range for Market-Based Pay increase for Nurses:

A market-based pay study was completed by the Department of Administration, Division of Personnel on the Nursing job classifications. As the result of this study eighty-three positions received a two-range increase in the Department of Corrections. The department received funding for the anticipated one-range increase in the FY 2007 budget. The department is now requesting \$439.0 additional funding to provide for the second range increase.

The job classifications used for this calculation include: Nurse I, II, III, IV; Nurse (Psych) II, III, IV; Licensed Practical Nurse, and Quality Assurance and Utilization Review Nurse.

Totals		3,903.4	439.0	0.0	3,464.4	0.0	0.0	0.0	0.0	0	0	0
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Sec. 1(a)

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Anchorage Correctional Complex (2713)
 RDU: Institutional Facilities (524)
 Title: Increase for One Correctional Officer Post in the Anchorage Correctional Complex

Decision: None
 Category: None
 Subcategory: None

New GF Revenue:
 New Other Revenue:
 Short Title:

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
	Suppl	1,082.7	1,082.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1,082.7										
The Anchorage Correctional Complex is housing 50 additional offenders in a crisis overflow dorm set up in the facilities gym. This configuration required overtime for an additional security post which requires five correctional officers that are stationed continuously around the clock.												
	Totals	1,082.7	1,082.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 1(d)

Change Record Detail With Description
Department of Environmental Conservation

Scenario: FY2007 Supplemental - Governor (5770)

Component: Water Quality (2062)

RDU: Water (210)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP

FY2007 Supplemental - Governor

Implementation of Passenger Vessel Ballot Initiative

	Suppl	811.3	41.2	4.0	680.9	85.2	0.0	0.0	0.0	2	0	0
1166 Vessel Cor	811.3											

A cruise ship ballot initiative (Ballot Measure 2) revising state statutes regulating commercial passenger vessels became effective in December, 2006. The measure requires implementation of a new permit and establishment of "Ocean Rangers" on cruise ships to assure compliance with state and federal environmental protection regulations and statutes.

The Department needs to develop permits and the Ocean Rangers program immediately. Lead time is necessary for contracting out services and beginning to put logistics in place to have ocean rangers on board vessels this cruise season. Cruise vessels coming to Alaska for the 2007 season register before March 1, 2007. The first vessels arrive in Alaska ports by mid-May 2007. There must be a viable permit and Ocean Rangers program in place before the end of FY2007 to be responsive to the new statute passed by Alaskan voters.

The cost of implementation of the ocean ranger program for FY2007 is high. No funding is available in the FY2007 budget to pay these costs. The measure established a new fee (\$4/berth) for implementation of the program (to be deposited to the Commercial Passenger Vessel Environmental Compliance Fund) and revenue from that fee is expected within the current fiscal year. A supplemental appropriation from estimated FY2007 revenue is necessary to fund the implementation costs of the program.

Totals		811.3	41.2	4.0	680.9	85.2	0.0	0.0	0.0	2	0	0
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Sec. 1(e)

Fairbanks Virology Laboratory Completion

FY2007 Request: ^{26.114} \$6,500,000
 Reference No: 38900

AP/AL: Appropriation

Project Type: Construction

Category: Health/Human Services

Location: Fairbanks Areawide

Contact: Janet Clarke

House District: Fairbanks Areawide

Contact Phone: (907)465-1630

Estimated Project Dates: 04/15/2007 - 06/30/2012

Brief Summary and Statement of Need:

Design is currently underway for a new virology lab in Fairbanks to be located on the West Ridge of the University of Alaska campus. Due to the extreme and unanticipated escalation of construction costs in Alaska during the past several years, combined with the increase of transportation costs and petroleum based products, additional funds are necessary in order to award the construction contract for this project. If this funding is received timely, we will be able to meet construction deadlines.

Funding:	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	Total
COPs	\$24,200,000						\$24,200,000
Gen Fund		\$3,500,000					\$3,500,000
Misc Earn		\$3,000,000					\$3,000,000
Total:	\$24,200,000	\$6,500,000	\$0	\$0	\$0	\$0	\$30,700,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	125,000	0
One-Time Startup:	0	
Totals:	125,000	0

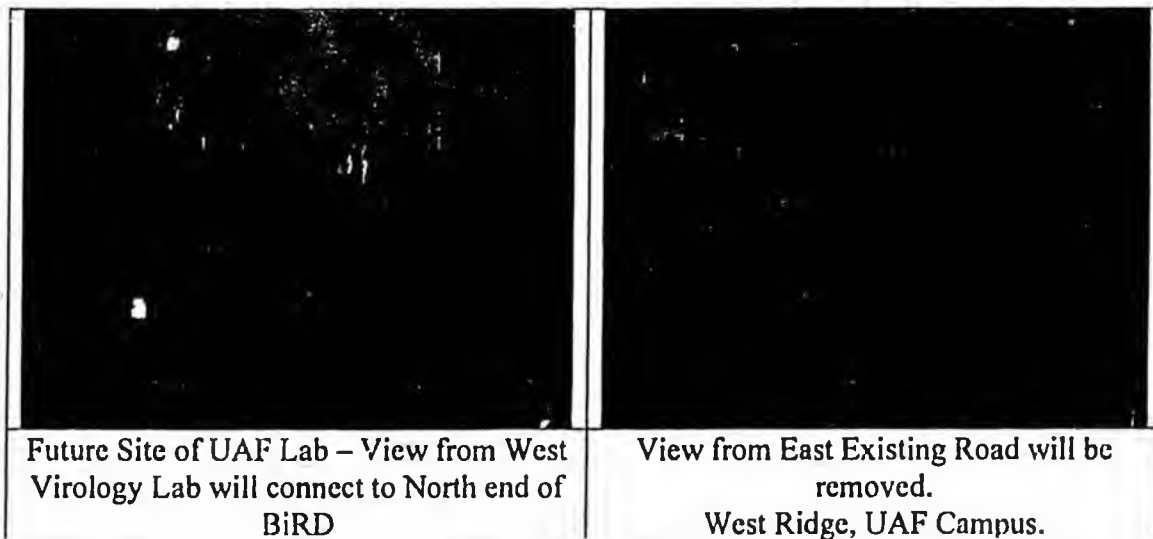
Additional Information / Prior Funding History:

CH3/SLA05/P56/L26 \$24,200.0 Certificates of Participation

Project Description/Justification:

The additional funds will enable the department to complete the project. Detailed information is included in the packet.

Department's Mission: *To promote and protect the health and well being of Alaskans.* This project supports the Department's mission by allowing the virology lab to continue operations. The services performed at the laboratory promote health through the diagnosis and prevention of human disease. The end result to which this project contributes is "Healthy people in healthy communities."

**Unanticipated Need**

The basis for the original request of \$24.2 million came from the concept study which was completed in September 2004. Unfortunately, the study did not anticipate the rate at which construction costs are escalating, nor was the amount for UAF utility costs and lab equipment accurately identified.

These costs, in addition to escalating construction costs are the primary reasons for this request. The basis for this request is broken down into the following 4 categories:

Original Budget

DHSS Share:	\$24,200.0
UAF Share:	\$1,500.0
Total Original Budget:	\$25,700.0

This Request:	\$6,500.0
Total Revised Budget:	\$32,200.0

Justification for this Request:

- Higher Estimated Construction Cost: **\$3,635.0**
 - Prior feasibility study did not escalate costs to scheduled construction midpoint (May 2008),
 - Escalation has proven strong and persistent in the marketplace, averaging 10% per year (especially copper, aluminum, zinc and stainless steel), and;
 - With scope of laboratory trimmed to bare minimum, further reduction in project scope, and therefore cost, is not possible.
- Increase of Construction-Related "Soft Costs": **\$1,200.0**
 - Feasibility study "multiplier" (ratio of total project cost to construction estimate) inadequate at a value of 1.32. For laboratories a value of 1.63 is warranted (DEC Food Lab multiplier: 1.63, DPS Crime Lab multiplier: 1.61)
 - "Soft Costs" include construction administration and inspection, 1% for art, 2% for overhead, and contingencies. All these items increase as the cost of the project increases.

3. Fees to Connect to UAF Utility Infrastructure: **\$1,000.0**
- Required to ensure UAF utilities infrastructure can support new laboratory. Cost of this magnitude was not included in feasibility study.
4. Lab Equipment: **\$665.0**
- Feasibility study under budgeted the cost for the lab equipment. The amount budgeted was \$635.0 and the total amount needed is \$1,300.0.
- Total Amount Needed: \$6,500.0**

At the time of the original request of \$24.2 million, the Department had no way of predicting that construction costs in Alaska and in Fairbanks particularly, would increase at such a rate that it would jeopardize the budget. In an effort to minimize the additional amount that will be needed, the Department has taken the following actions:

- Reduced the DHSS square footage from 26,000 GSF to 18,000 GSF. Any further reduction would make the lab unworkable.
- Tightened up the project schedule. The earlier the construction contract is awarded, the lower the cost.
- Compact design with a single foundation system. The facility will include 3 levels. This requires less excavation.
- Using the Construction Manager/General Contractor procurement method. This process allows the construction contractor to come on board during design and to work with the design team to identify cost saving features and scenarios.

Project Schedule:

Certificates of Participation sold: September 2005
 Design Consultant: Livingston Stone Inc.
 General Contractor: GHEMM Company, Inc.
 Scheduled Start of Construction: May 2007
 Scheduled Project Completion: December 2009

Procurement Method: Construction Manager General Contractor (CMGC)
 Both the design firm and construction contractor are currently on contract with DOT/PF.

The Department has done everything to bring this project within budget. However, the factors that have contributed to the increased cost for this facility are simply out of the Department's control. When the cost of oil increases, so does the cost of construction. Two years ago when the original request was approved, there was no way to predict that the cost of oil would rise to record levels, that the hurricanes that hit the southeast coast of the United States would effect availability of construction materials, or that world economics would impact the demand for raw materials. As a result, the escalation rate for construction costs is 10% to 15% per year.

Consequence of not Funding

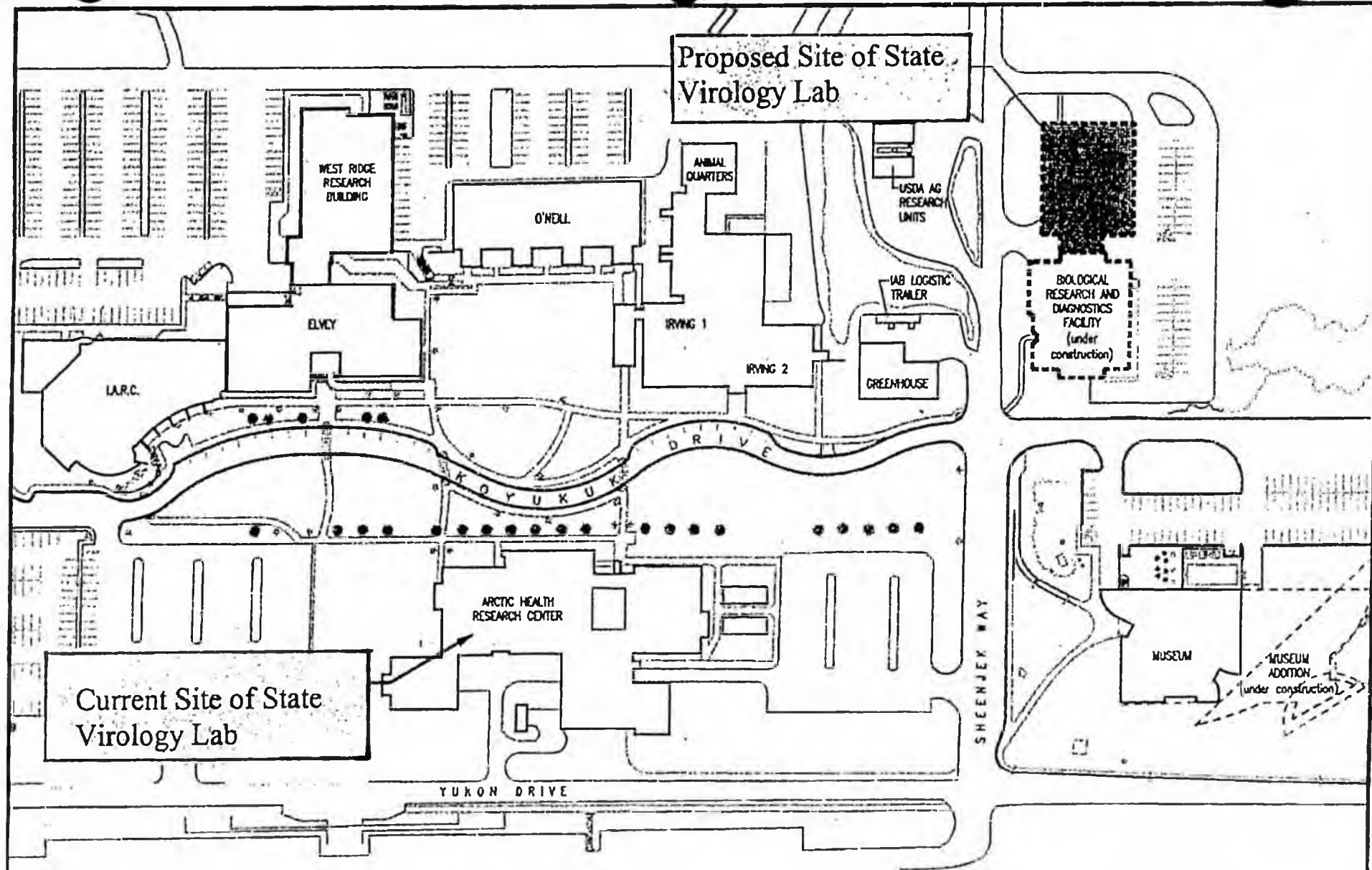
If this request is not funded, the lab project will not be able to move forward to construction. As a result, IRS code will restrict the construction fund, and could possibly require the defeasance of the bonds to avoid negative action up to and including the possibility of declaring the bonds

taxable. According to the IRS code, proceeds of a bond sale must be at least 85% expended within 3 years from the time the certificates are sold. In order to adhere to this requirement, this additional request is needed now. Sec. 1(f)

Additionally since the basement of this facility will be occupied by the University, they are expecting construction to begin in the early summer of 2007. This construction date is critical since it has been coordinated with the construction of an underground walkway that will connect the lab with the planned University's Bio-Science facility, which is located on the opposite side of Sheenjek Way.

Equally important, the contractor has already been selected and has been assisting with the design team in reconciling construction cost estimates for the project. This contractor was selected based on performance of other projects in Alaska that are similar in nature, and the contractor's proven ability to keep projects on schedule and within budget. To lose this contractor at this point of the project would be devastating to the successful outcome of the lab.

For every year construction is delayed, the Department can expect the project cost to increase by 10% to 15% per year, based on the current escalation rate of construction costs in Alaska, which includes the cost of transportation of materials due to the increase cost of fuel. This could be as much as \$3.8 million per year, based on a total project cost of \$30.7 million. The escalation rate is based on the Building Cost Index, which is widely accepted in the construction industry.



Proposed Site of State Virology Lab

Current Site of State Virology Lab

**UAF WEST RIDGE
PROPOSED SITE of STATE VIROLOGY LAB**



UAF
UNIVERSITY OF ALASKA
FAIRBANKS
FACILITIES SERVICES
Division of Design & Construction
February 2005

See 1(E)

Capital Supplemental Request
AR 26136 – Juneau Pioneer Home Roof Replacement
SLA 2005, Ch. 3, p. 56, lines 29-30

Section 1(g)

The Department of Health and Social Services is requesting a scope change to expand the use of funds appropriated in SLA 2005, ch. 3, p. 56, lines 29-30. The Department was appropriated \$1,000.0 for Juneau Pioneer Home Roof Replacement in 2005. This amendment would allow for funds to be used at other pioneer homes that are in immediate need of roof repairs.

The Juneau Pioneer Home Roof Replacement project was completed in 2007. The cost for the design was substantially less than originally estimated. Similarly, the type of roof installed (PVC) was less than the built up mineral cap roofed that was originally specified. As a result, an estimated balance of \$400.0 remains in this project. The Sitka Pioneer home currently has 17 leaks in the north and south wing. This amendment would allow the Department to use this balance to address leaks in the Sitka Pioneer Home, and other home if necessary.

Amend SLA 2005, Ch. 3, p. 56, lines, and 29-30 to read:

	Appropriation	General	Other
	Items	Fund	Funds
29	<u>Alaska [Juneau] Pioneer Homes Roof</u>	1,000,000	1,000,000
30	<u>Repair and Replacement [(HD3-4)] (HD 1-40)</u>		



Juneau Pioneer Home Roof Replacement

FY2006 Request: ^{Sec. 1(g)} \$1,000,000
 Reference No: 40224

AP/AL: Appropriation **Project Type: Deferred Maintenance**
Category: Health/Human Services
Location: Juneau Areawide **Contact: Larry J. Streuber**
House District: Juneau Areawide **Contact Phone: (907)465-1870**
Estimated Project Dates: 07/01/2005 - 06/30/2010

Brief Summary and Statement of Need:

The 32,000 square foot roof was installed during the original construction of the Juneau Pioneer Home in 1985. It is nearly 20 years old, is failing in numerous locations and is in need of replacement.

Funding:	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	Total
Bond Funds	\$1,000,000						\$1,000,000
Total:	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$1,000,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
<u>One-Time Startup:</u>	<u>0</u>	<u>0</u>
Totals:	0	0

Prior Funding History:

This is the first year of the project.

Project Description/Justification:

The Juneau Pioneer Home roof was installed during the original construction in 1985. It is nearly 20 years old, has surpassed its life expectancy and is in need of replacement. The roof consists of an Inverted Roof Membrane Assembly (IRMA). This consists of a single ply membrane that is covered with insulation and cement pavers. The Department has invested \$10,000 thus far this year in repairing leaks. Leaks in this facility are more problematic because they often occur in the residents' rooms.

A report conducted by USKH Architects recommends that the roof be replaced as soon as possible. The design will be complete this fiscal year and the project will be bid as soon as construction money comes available. The cost for construction, administration and project management is estimated at \$1,000,000. This is based on construction beginning in the spring of 2006.

If this project is not funded now, the Department can expect to invest \$30,000 per year for temporary repairs to the membrane until the roof is replaced. Considering this facility is a 24-hour facility that houses Alaska Pioneers, the Department doesn't consider this an option due to the adverse effects the leaks have on the residents. Temporary repairs are expensive because the work is labor intensive and the leaks in the existing system can be difficult to locate. Based on current project schedules, the Department will need to continue to maintain the existing roof through the winter of 2005, at which time the roof can be replaced.

Department's Mission: *To promote and protect the health and well being of Alaskans.* This project supports the Department's mission by providing a safe functional roof for the residents and employees of the home. Alaska Pioneer homes promote health and well being through the service they provide for Alaska's Seniors.

	Appropriation		General
	Allocations	Items	Funds
1			
2			
3	Governor's House	100,000	100,000
4	Maintenance (HD 3-4)		
5	Pacific Coastal Salmon	24,000,000	24,000,000
6	Recovery Fund (HD 1-40)		
7	Statewide Accessible Voting	992,500	992,500
8	Equipment (HD 1-40)		
9	*****		*****
10	***** Department of Health and Social Services *****		
11	*****		*****
12	Bethel Youth Facility 26130	233,900	233,900
13	Security Improvements (HD		
14	38)		
15	Deferred Maintenance, 26131	950,000	750,000 200,000
16	Renovation, Repair and		
17	Equipment (HD 1-40)		
18	Denali Commission Grants 26132	25,000,000	25,000,000
19	for Health Care Facility		
20	Improvements (HD 1-40)		
21	E-Grants (HD 1-40) 26133	66,400	33,200 33,200
22	Emergency Medical Services 26134	425,000	425,000
23	Ambulances and Equipment		
24	Statewide - Match for Code		
25	Blue Project (HD 1-40)		
26	Fairbanks Virology 26135	24,200,000	24,200,000
27	Laboratory Replacement (HD		
28	7-11)		
→ 29	Juneau Pioneer Home Roof 26136	1,000,000	1,000,000
30	Replacement (HD 3-4)		
31	Master Client Index (HD 26137	500,000	150,000 350,000
32	1-40)		
33	McLaughlin Youth Facility - 26138	14,800	14,800

Ketchikan: Snow Removal Equipment/Sand/Urea Building
Construction

FY2007 Request: ^{Sec. 1(i)} \$2,000,000
Reference No: 40270

AP/AL: Allocation

Project Type: Construction

Category: Transportation

Location: Ketchikan

Contact: John Torgerson

House District: Ketchikan

Contact Phone: (907)269-0724

Estimated Project Dates: 04/01/2007 - 06/30/2012

Appropriation: Airport Improvement Program

Brief Summary and Statement of Need:

This project amends an existing FY2007 project. Expand or construct a new snow removal equipment, sand and chemical mixing and storage building with adequate capacity to house all of the airport's emergency response and snow removal equipment and ice control operations. This project contributes to the Department's Mission by reducing injuries, fatalities and property damage and by improving the mobility of people and goods.

Funding:	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	Total
Fed Rcpts	\$2,000,000						\$2,000,000
Total:	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$2,000,000

<input checked="" type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
5% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

FY2007 - \$1,125,000; FY2006 - \$2,875,000

Project Description/Justification:

Ketchikan International Airport operates in a marine environment, which is corrosive to equipment. Protection of emergency response and snow removal equipment is critical to maintaining a reliable, safe and efficient airport. This project includes design and construction of a new equipment and materials building to replace the existing building that no longer meets the airport's needs. The equipment bays in the old building are too narrow and short to accommodate current equipment. The building does not provide adequate space for equipment maintenance, and it limits the effectiveness of airfield maintenance. The additional funding request is based on the most recent engineer's estimate taking into account additional building requirements, recently identified additional excavation, and general construction cost increases we have experienced with other projects. According to the Engineering News-Record Building Cost Index, a national estimate of inflation for building construction, the cost of similar projects has increased over 27% since the original planning estimates were prepared for this building.

We are requesting that additional funding authorization be included in the supplemental budget in order to allow us to advertise the project and award a contract prior to the start of the 2007 summer construction season. This will enable a contractor to begin work this summer, and we hope it will result in lower actual project costs.

This project is scheduled to be advertised in April 2007.

Anchorage: Eagle River Road Rehabilitation - Milepost 5.3 to 12.6

FY2007 Request: ^{Sec. 1(k)} \$1,750,000
Reference No: 40392

AP/AL: Allocation

Project Type: Construction

Category: Transportation

Location: Anchorage Areawide

Contact: John MacKinnon

House District: Anchorage Areawide

Contact Phone: (907)465-6973

Estimated Project Dates: 03/15/2007 - 06/30/2012

Appropriation: Surface Transportation Program

Brief Summary and Statement of Need:

This is a new FY2007 project. Upgrade Eagle River Road from Milepost 5.3 to Milepost 12.6 with widened shoulders, improved visibility, and repavement. This project contributes to the Department's Mission by reducing injuries, fatalities and property damage and by improving the mobility of people and goods.

Funding:	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	Total
Fed Rcpts	\$1,750,000						\$1,750,000
Total:	\$1,750,000	\$0	\$0	\$0	\$0	\$0	\$1,750,000

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input checked="" type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
9% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

FY2006 - \$1,400,000.

Project Description/Justification:

The PMS (Pavement Management System) targets locations for pavement rehabilitation. Eagle River Road is one of the high priority locations of the PMS to receive pavement rehabilitation.

The estimated cost to purchase the rights-of-way have increased.

Right-of-Way acquisition is ready to be obligated as soon as funds are available.

Anchorage: Eagle River Loop Road Reconstruction - Old
Glenn Highway to Eagle River Road

FY2007 Request: ^{Sec. 1(k)} \$2,000,000
Reference No: 42030

AP/AL: Allocation

Project Type: Construction

Category: Transportation

Location: Anchorage Areawide

Contact: John MacKinnon

House District: Anchorage Areawide

Contact Phone: (907)465-6973

Estimated Project Dates: 03/15/2007 - 06/30/2012

Appropriation: Surface Transportation Program

Brief Summary and Statement of Need:

This amends an existing FY2007 project. Reconstruct to arterial standards including shoulders, turn lanes, pedestrian facilities, lighting and landscaping. This project contributes to the Department's Mission by reducing injuries, fatalities and property damage and by improving the mobility of people and goods.

Funding:	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	Total
Fed Rcpts	\$2,000,000						\$2,000,000
Total:	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$2,000,000

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input checked="" type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
9% = Minimum State Match % Required	<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill		

Operating & Maintenance Costs:

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	10,000	0
One-Time Startup:	0	
Totals:	10,000	0

Additional Information / Prior Funding History:

FY2007 - \$10,200,000.

Project Description/Justification:

Eagle River Loop Road is a narrow two-lane road with no shoulders or pedestrian facilities. There has been substantial residential development on the east side of the roadway in recent years which has greatly increased traffic on Eagle River Loop Road. This project is needed to provide for safe turning movement, improve traffic flow and provide pedestrian facilities.

Operating and maintenance costs will be approximately \$10,000 per year beginning in FY2009.

The cost estimate for this project has increased to reflect inflation in the construction industry.

This project is scheduled to be advertised in March 2007. Delay in receipt of authorization until end of session would mean the contract couldn't be awarded until mid-July, which would result in a loss of half of the construction season and the ability to accomplish meaningful construction in one season.

Anchorage: Potter Marsh Trialhead and Access Improvements

FY2007 Request: ^{Sec. 1 (1)} \$550,000
 Reference No: 43246

AP/AL: Allocation
 Category: Transportation
 Location: Anchorage Areawide
 House District: Anchorage Areawide
 Estimated Project Dates: 03/15/2007 - 06/30/2012
 Appropriation: Surface Transportation Program

Project Type: Construction
 Contact: John MacKinnon
 Contact Phone: (907)465-6973

Brief Summary and Statement of Need:

This is a new FY2007 project. Project will enhance parking lot, provide some new boardwalk connections at Potter Marsh Critical Habitat Area, and connect the Bird Treatment Learning Center on the Old Seward Highway to the existing boardwalk. This project contributes to the Department's Mission by reducing injuries, fatalities and property damage and by improving the mobility of people and goods.

Funding:	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	Total
Fed Rcpts	\$550,000						\$550,000
Total:	\$550,000	\$0	\$0	\$0	\$0	\$0	\$550,000

State Match Required One-Time Project Phased - new Phased - underway On-Going
 9% = Minimum State Match % Required Amendment Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

None.

Project Description/Justification:

This project will provide enhancement improvements to the traveling public. The project will be completed in phases, and private contributions from Conoco Phillips through the Department of Natural Resources will support this project.

This project is scheduled to be advertised in March 2007. Delay in receipt of authorization until end of session would mean the contract couldn't be awarded until mid-July, which would result in a loss of half of the construction season and the ability to accomplish meaningful construction in one season.

Unalaska: South Channel Bridge Construction

FY2007 Request: ^{Sec. 1(m)} \$14,000,000
 Reference No: 34684

AP/AL: Allocation **Project Type:** Construction
Category: Transportation
Location: Unalaska **Contact:** John MacKinnon
House District: Bristol Bay/Aleutians **Contact Phone:** (907)465-6973
Estimated Project Dates: 03/15/2007 - 06/30/2012
Appropriation: Surface Transportation Program

Brief Summary and Statement of Need:

This is a new FY2007 project. Replace the existing bridge with a concrete deck bridge on a parallel alignment. Bridge design is to be sufficient so as to permit pedestrian use. Construction of roadway approaches will be included. This project contributes to the Department's Mission by reducing injuries, fatalities and property damage, by improving the mobility of people and goods and by increasing private investment.

Funding:	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	Total
Fed Rcpts	\$14,000,000						\$14,000,000
Total:	\$14,000,000	\$0	\$0	\$0	\$0	\$0	\$14,000,000

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input checked="" type="checkbox"/> Phased Project	<input type="checkbox"/> On-Going
20% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

FY2006 - \$3,500,000; FY2005 - \$7,500,000; FY2002 - \$2,200,000; FY2000 - \$2,300,000; FY1999 - \$2,800,000.

Project Description/Justification:

The existing bridge is over 20 years old and was originally designed to accommodate an Annual Average Daily Traffic (AADT) of 100 vehicles. It is founded on liquifiable soils, rather than bedrock. Today, this bridge provides a critical link on the Unalaska road network for the movement of fish products and freight, has an AADT approaching 5,000, is seismically vulnerable and is very expensive to maintain. There are several deficiencies: the steel box girders have been overstressed; the webs are deformed; the historical settlement problems on the west end have required the bridge to be shimmed over one foot; the piers are on piles; the abutments are on spread footings; and, the paint system has failed. Even if the bridge were rehabilitated rather than replaced, the bridge would have a very high seismic vulnerability and would continue to be very expensive to maintain. During an earthquake the ground near the existing bridge site would liquefy and the roadway approach would likely slide into the channel, completely collapsing the bridge.

The increase in funding is necessary to award the recent low bid contract.

ADMINISTRATION

Department of Administration

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Retirement and Benefits (64)
 RDU: Centralized Administrative Services (13)
 Title: FY07 SB 141 Fiscal Note increment for Tax Consultant

Decision: None
 Category: None
 Subcategory: None

New GF Revenue:
 New Other Revenue:
 Short Title:

Brief Description:

Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
									PFT	PPT	NP
Suppl	80.0	0.0	0.0	80.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	80.0										
Retirement and Benefits contracted with a tax consultant to assist with obtaining Internal Revenue Service code qualified status for the defined contribution plan. The cost of this work was not included in the original fiscal note for SB 141. This request for a GF increase will be offset with a \$80.0 GF reduction from the Elected Public Officers Retirement System (EPORS) and the Unlicensed Vessel Participant Annuity Retirement Plan (UVPARP) appropriation.											
Totals	80.0	0.0	0.0	80.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 2(a)

Department of Administration

Scenario: FY2007 Supplemental - Governor (5770)

Decision: None

Component: Retirement and Benefits (64)

Category: None

RDU: Centralized Administrative Services (13)

Subcategory: None

New GF Revenue:

Title: Net Zero Fund Source Allocation Adjustment per Cost Allocation Plan

New Other Revenue:

Short Title:

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1017 Ben Sys	160.3											
1023 FICA Acct	-44.2											
1029 P/E Relire	-153.3											
1034 Teach Ret	-133.7											
1042 Jud Relire	85.5											
1045 Nat Guard	85.4											
<p>This request is for the purpose of reallocating our fund authorization allocations based on the current Retirement and Benefits cost allocation plan. This is in compliance with the recommendation of the federal cost allocation plan consultant.</p>												
Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 2(b)

Department of Administration

Scenario: FY2007 Supplemental - Governor (5770)

Component: Retirement and Benefits (64)

RDU: Centralized Administrative Services (13)

Title: FY2007 PERS/TRS Fund allocation correction

Decision: None

Category: None

Subcategory: None

New GF Revenue:

New Other Revenue:

Short Title:

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										P-T	PPT	NP
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1029 P/E Retire	88.0											
1034 Teach Ret	-88.0											
The appropriation of \$400.0 made in Section 24(a) and 24(b), Ch 82, SLA 2006, for investigation into the work of a former actuary was funded equally from PERS and TRS. The allocation of funding sources needs to be changed to reflect our cost allocation plan split of 72% PERS and 28% TRS. PERS will now contribute \$288.0 and the TRS share is \$112.0.												
Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 2 (c) + (d)

Change Record Detail With Description

Department of Administration

Scenario: FY2007 Supplemental - Governor (5770)

Component: Unlicensed Vessel Participant Annuity Retirement Plan (2557)

RDU: Special Systems (299)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Dobt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
UVPARP authorization reduction												
	Suppl	-30.0	0.0	0.0	0.0	0.0	0.0	-30.0	0.0	0	0	0
1004 Gen Fund		-30.0										
UVPARP authorization is reduced to more accurately reflect projected FY2007 costs.												
Totals		-30.0	0.0	0.0	0.0	0.0	0.0	-30.0	0.0	0	0	0

Sec. 2(e)

Change Record Detail With Description

Department of Administration

Scenario: FY2007 Supplemental - Governor (5770)

Component: Elected Public Officers Retirement System Benefits (964)

RDU: Special Systems (299)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
FY07 EPORS authorization reduction												
	Suppl	-50.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0	0	0	0
1004 Gen Fund		-50.0										
EPORS authorization is reduced to more accurately reflect projected FY2007 costs.												
Totals		-50.0	0.0	0.0	0.0	0.0	0.0	-50.0	0.0	0	0	0

See 2(c)

Change Record Detail With Description

Department of Administration

Scenario: FY2007 Supplemental - Governor (5770)

Component: Office of Public Advocacy (43)

RDU: Legal and Advocacy Services (11)

Scenario/ Change Record	Trans Title Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Dobt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
Caseload Costs												
	Suppl	200.0	100.0	0.0	100.0	0.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig	200.0											
<p>Additional funding is needed for projected case load levels for the remainder of FY2007. Actual expenditures and current expenditure projections are higher by \$200.0 than the amount of expenditure authorization. Caseload projections, based on data collected from the court system for Fiscal Years 2003, 2004, 2005, and 2006, indicate that for FY2007 statewide felonies will increase 13% and Anchorage felonies 29%.</p> <p>It is important to note that OPA has also had a number of extraordinarily expensive cases going to trial this year, including a seven co-defendant murder case and a four co-defendant murder case, with most defendants going to trial separately. There have also been a number of multi-party children's' cases with extensive litigation.</p> <p>There are excess guardianship fees receipts in FY2007 to pay for these increased expenditures.</p>												
Totals		200.0	100.0	0.0	100.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 2(F)

Change Record Detail With Description

Department of Administration

Scenario: FY2007 Supplemental - Governor (5770)

Component: Public Defender Agency (1631)

RDU: Legal and Advocacy Services (11)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
Caseload Costs												
	Suppl	240.0	120.0	0.0	120.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	240.0											
Additional funding is needed for projected caseload levels for the remainder of FY2007. Actual expenditures and current expenditure projections are higher by \$240.0 than the amount of expenditure authorization. Caseload projections, based on data collected from the court system for Fiscal Years 2003, 2004, 2005, and 2006, indicate that for FY2007 statewide felonies will increase 13% and Anchorage felonies 29%.												
Totals		240.0	120.0	0.0	120.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 2(g)

DEPT. OF
CORRECTIONS

Change Record Detail With Description

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)

Component: Out-of-State Contractual (704)

RDU: Administration and Support (223)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
Arizona Contract Increase from 900 to 1,250 Beds												
	Suppl	1,338.5	0.0	0.0	1,338.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	1,338.5											
<p>The department is requesting additional funding in order to increase the number of beds from 900 to 1,250 in the Arizona contract facility to assist management in dealing with growing prisoner population.</p> <p>The FY 2007 bed rate of \$59.34 per prisoner per day does not change with an anticipated prisoner population of 1,250.</p> <p>The out-of-state prisoner population at the end of October 2006 was in excess of 920 and in-state population exceeded 110% of the institutional emergency capacity. With increased law enforcement by local and state agencies, the department has no expectation of any decline in the offender population and anticipates placing additional prisoners in the Arizona contract facility.</p>												
Totals		1,338.5	0.0	0.0	1,338.5	0.0	0.0	0.0	0.0	0	0	0

Sec. 3(a)

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Institution Director's Office (1381)
 RDU: Institutional Facilities (524)

Decision: None
 Category: None
 Subcategory: None

New GF Revenue:
 New Other Revenue:
 Short Title:

Title: Meet funding shortfalls due to offender population increase

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
	Suppl	4,396.5	2,096.5	0.0	1,122.1	1,177.9	0.0	0.0	0.0	0	0	0
1004 Gen Fund	4,396.5											
<p>Facility Electrical \$300.0: The department is facing extreme energy cost challenges due to the increased price of electricity needed to maintain many of the 24/7 correctional centers statewide.</p> <p>Over the last several years efforts resulted in accommodating these price increases to the extent existing funding levels allowed. However, no flexibility in the institutions' authorization remains to cover these rising costs for FY 2007.</p> <p>The financial strain of these escalating prices and subsequent impacts result in this request for consideration of an energy relief increase for institutional facilities. This request is not part of the fuel increase request.</p> <p>Facilities Overcrowding \$2,000.0: The department is requesting a supplemental for FY 2007 to meet higher operating costs in correctional centers directly resulting from prisoner overcrowding and the elevated cost of goods and services. The increases reside in the services and commodities expenditure lines and is also attributable to setting up specific Crisis Overflow beds in facilities.</p> <p>Correctional Officer Overtime Due to Population Increases & Position Vacancies \$2,096.5: The growth in offender population, as well as, security staff vacancies has driven the increase in correctional officer overtime. When offender population exceeds facility emergency capacity it is necessary to call in additional security staff to augment public protection. The number of vacant correctional officer positions has also had an impact on the use of over-time.</p>												
	Totals	4,396.5	2,096.5	0.0	1,122.1	1,177.9	0.0	0.0	0.0	0	0	0

Sec. 3(b)

Change Record Detail With Description

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)

Component: Institution Director's Office (1381)

RDU: Institutional Facilities (524)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
Transfer Funding from Statewide Probation & Parole to Institutions Director's Office												
	Suppl	100.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	100.0											
Funding to help offset cost increases is available to transfer to the Institutional Facilities RDU from the Probation and Parole RDU due to lag time in creating and filling new probation officer positions requested for FY 2007.												
Totals		4,559.6	2,096.5	0.0	1,285.2	1,177.9	0.0	0.0	0.0	0	0	0

Sec. 3(b)

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Institution Director's Office (1381)
 RDU: Institutional Facilities (524)
 Title: Increase for FY2006 Unpaid Invoices

Decision: None
 Category: None
 Subcategory: None

New GF Revenue:
 New Other Revenue:
 Short Title:

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
1004 Gen Fund	Suppl	63.1	0.0	0.0	63.1	0.0	0.0	0.0	0.0	0	0	0
		63.1	0.0	0.0	63.1	0.0	0.0	0.0	0.0	0	0	0

The department was unable to pay invoices in the amount of \$18.0 from FY 2006 to vendors due to funding shortfall. Also, the department was unable to pay May and June FY 2006 State Equipment Fleet charges of \$42.6 to the Department of Transportation and training fee charges of \$2.5 to the Department of Administration.

Sec. 3(e)

Change Record Detail With Description

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)

Component: Inmate Transportation (1015)

RDU: Institutional Facilities (524)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Dobt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
Increased Transport Costs Due to Increase from 900 to 1,250 beds at the Arizona Contract Facility												
	Suppl	90.0	0.0	90.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	90.0											
Additional funding is being requested in order to meet increased travel costs for transferring inmates to and from the Arizona Contract Facility. The department is requesting to increase the number of contract beds from 900 to 1,250 at the Arizona contract facility which will consequently require additional transports.												
Totals		90.0	0.0	90.0	0.0	0.0	0.0	0.0	0.0	0	0	0

See 3(d)

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Anchorage Correctional Complex (2713)
 RDU: Institutional Facilities (524)
 Title: Increase for Federal Revenue Shortfall

Decision: None
 Category: None
 Subcategory: None

New GF Revenue: 0.0
 New Other Revenue:
 Short Title:

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
	Suppl	1,000.0	1,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	1,000.0											
<p>The department continues to experience a steady upward incline in the number of incarcerated prisoners. While the total overall number of offenders has dramatically increased, the number of federal prisoners housed by the department has been declining. The reduction in the number of federal prisoners, as well as a drop in the number of days these federal prisoners are incarcerated has ascribed to the decrease in the amount of realizable federal receipts.</p> <p>Given this disproportional rate of increase between state and federal inmates residing in our institutions, the department is projecting a shortfall in the amount of federal revenue and therefore requests funds necessary to continue operations directly related to housing incarcerated inmates.</p>												
Totals		1,000.0	1,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 3(e) & (f)

Change Record Detail With Description

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)

Component: Combined Hiland Mountain Correctional Center (714)

RDU: Institutional Facilities (524)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
Combined Hiland Mountain Correctional Center Water System Annual Operating Cost												
	Suppl	84.1	0.0	0.0	84.1	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	84.1											
Funding is requested to pay annual operating costs for the new water system at the Combined Hiland Mountain Correctional Center. The correctional center's well water system was decommissioned and demolished related to standards of the Federal Environmental Protection Agency and Alaska Department of Environmental Conservation. The new water system was connected to the Anchorage Water and Wastewater Utility system in January 2007 and is expected to cost approximately \$14,000 per month.												
Totals		84.1	0.0	0.0	84.1	0.0	0.0	0.0	0.0	0	0	0

Sec. 369)

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Fairbanks Correctional Center (707)
 RDU: Institutional Facilities (524)
 Title: Personal Services Funding for 19 New Positions at Fairbanks Correctional Center

Decision: None
 Category: None
 Subcategory: None

New GF Revenue:
 New Other Revenue:
 Short Title:

Brief Description:

Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	PFT	PPT	NP
Suppl	729.9	729.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	729.9										
<p>The department is requesting funding for the 19 new permanent full-time positions that were established in the FY 2007 Management Plan. A 50% increase in prisoner population created the need for the Department to expand staffing at this facility to maintain public safety.</p> <p>Thus far, FY 2007 prisoner counts at FCC show an average of 47.51% above emergency capacity. FY 2006 prisoner counts averaged 34.56% above emergency capacity. With increased law enforcement by local and state agencies, the department has no expectation of any decline in the offender population for FY 2008, causing the need for the following positions at the FCC:</p> <ul style="list-style-type: none"> 12 - Correctional Officer I/II's 1 - Assistant Superintendent 1 - Correctional Officer IV 1 - Administrative Clerk III 1 - Criminal Justice Tech I/II 1 - Maintenance General Journey I 1 - Maintenance Electrician 1 - Food Service Lead 											
Totals	729.9	729.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 3(h)

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)

Component: Fairbanks Correctional Center (707)

RDU: Institutional Facilities (524)

Title: Increase for FY2006 Unpaid Water and Sewer Bills

Decision: None

Category: None

Subcategory: None

New GF Revenue:

New Other Revenue:

Short Title:

Brief Description:

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
	Suppl	18.7	0.0	0.0	18.7	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	18.7											
The department was unable to pay invoices from FY 2006 to the Golden Heart Utility Company due to funding shortfalls.												
Totals		18.7	0.0	0.0	18.7	0.0	0.0	0.0	0.0	0	0	0

Sec. 3(i)

Change Record Detail With Description

Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)

Component: Existing Community Residential Centers (2244)

RDU: Existing Community Residential Centers (274)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
Community Residential Center Contract Increases												
	Suppl	553.5	0.0	0.0	553.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	553.5											
<p>Funding is requested to fully pay contractors for housing offenders at Community Residential Centers (CRCs) for the remainder of FY 2007. The Department of Corrections (DOC) has professional services contracts with CRC providers to help meet the security and residential needs of adult offenders in the State of Alaska.</p> <p>Increased contract amounts are in part attributable to an added percentage based on the Consumer Price Index (CPI); a measure of the average change in the prices DOC is charged for these services. The department re-negotiated contracts with Tundra and Glacier CRC's as of December 1, 2006. This increased the regular bed rate for Tundra CRC from \$85.17 to \$108.60 per day and the per diem rate from \$10.00 to \$26.00. The increase for Glacier CRC was from \$81.13 to \$85.00 per day for the regular bed rate and from \$5.00 to \$13.00 per day for the per diem rate.</p>												
Totals		553.5	0.0	0.0	553.5	0.0	0.0	0.0	0.0	0	0	0

Sec. 35)

Change Record Detail With Description
Department of Corrections

Scenario: FY2007 Supplemental - Governor (5770)
 Component: Statewide Probation and Parole (2826)
 RDU: Probation and Parole (497)

Scenario/ Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants & Benefits	Misc./Debt Service	Positions		
										PFT	PPT	NP
FY2007 Supplemental - Governor												
Transfer Funding from Statewide Probation & Parole to Institutions Director's Office												
	Suppl	-100.0	-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-100.0										
Funding is available to transfer to the Institutional Facilities RDU from the Probation and Parole RDU due to lag time in creating and filling new probation officer positions requested for FY 2007.												
Totals		-100.0	-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Sec. 3(k)

STATE OF ALASKA

SARAH PALIN
GOVERNOR

DEPARTMENT OF CORRECTIONS *Office of the Commissioner*

P.O. Box 112000
Juneau, AK 99811-2000
PHONE: (907) 465-4652
FAX: (907) 465-3390

March 5, 2007

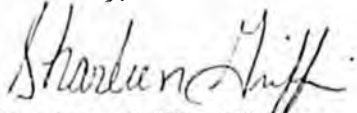
Honorable Lyman Hoffman
State Capitol
Juneau, Alaska 99801-1182

Dear Senator Hoffman:

The Senate Finance Committee requested a copy of the Prisoner Care Agreement between the State of Alaska, Department of Corrections and Municipality of Anchorage.

A copy of that document is attached.

Sincerely,



Sharleen Griffin, Director
Division of Administrative Services

Attachment

cc: Budget and Finance Section
Legislative Finance
Office of Management and Budget

PRISONER CARE AGREEMENT

This Agreement made this 18 day of MAY, 1999, is between the MUNICIPALITY OF ANCHORAGE, ALASKA ("Municipality") and the STATE OF ALASKA, acting through the DEPARTMENT OF CORRECTIONS ("State").

WHEREAS, the State and the Municipality are parties to a lease agreement covering the facility known as the Sixth Avenue Jail, and a Prisoner Care Agreement concerning prisoners at the Sixth Avenue Jail entered into by the Municipality and the State in August of 1989, which agreement was modified by an amendment in November of 1990;

WHEREAS, the Alaska Legislature passed HB 53, ch. 15 SLA 1998, authorizing the State to lease a new correctional facility to be built and owned by the Municipality of Anchorage;

WHEREAS, the State and the Municipality desire to terminate these old agreements and enter into this new Prisoner Care Agreement to be effective on the commencement date of the Lease;

WHEREAS, the Consumer Price Index for Anchorage has risen each year since 1989 and is expected to continue to rise;

WHEREAS, the Municipality is entitled to a credit against the payments due hereunder for promoting alternatives to incarceration, including preventative programs and practices, for its low level offenders so as to save the State costs and free up hard beds for serious, dangerous offenders; and

WHEREAS, the Municipality has been paying the costs for utilities for the Sixth Avenue Jail and under the lease for the new facility the State will be paying those costs; and

WHEREAS, the Municipality and the State are legally authorized to enter this Agreement;

W I T N E S S E T H:

In consideration of the premises and of the mutual covenants herein set forth, the parties hereto agree and covenant as follows:

ARTICLE I
Definitions and General Provisions

1.1 Definitions. The following terms shall, for all purposes of this Agreement, have the following meanings, unless the context shall clearly indicate or require some other meanings:

"Administration" means the State of Alaska, Department of Administration.

"Anchorage CPI Index" means the Anchorage Consumer Protection Index number for all Urban Consumers (CPI-U) as reported by the U.S. Department of Labor for the first half of the year.

"Anchorage Police" means the Anchorage Police Department, Municipality of Anchorage.

"Anchorage Property and Facility Management" means the Department of Property and Facility Management of the Municipality of Anchorage.

"Corrections" means the State of Alaska, Department of Corrections.

"Care" means custody, care and treatment including basic medical care, food, lodging and personal items.

"Lease" means both the Ground Lease between the Municipality and the Registrar and the Agreement of Lease between the Registrar and the State of Alaska, Department of Administration, to be entered into pursuant to the Agreement to Issue Bonds and Agreement to Lease "MOU").

"Municipal Jail" means the facility as defined in Appendix I to the MOU.

"Municipality" means the Municipality of Anchorage.

"The State" means the state government of the State of Alaska.

ARTICLE II
Provisions

Section 1. Facility

- 1.1 Subject to the terms of the Lease, Corrections shall maintain the Municipal Jail as a state correction facility to care for and house offenders confined for the violation of state or municipal law delivered by the Anchorage Police Department and such other prisoners allowed under the terms of the Lease.
- 1.2 Corrections shall have the discretion to assign prisoners to various correctional facilities as deemed appropriate according to its standard operating procedures and policies.
- The commissioner of Corrections shall designate the correctional facility to which a prisoner is to be committed to serve a term of imprisonment or period of temporary commitment.
- 1.3 Corrections shall lodge separately adult males and females.
- 1.4 The Municipality and the State have entered into an agreement whereby the Municipality will lease the Municipal Jail to the State to be used as a State correctional facility. The lease and this agreement are separate but mutually dependent and this agreement is subject to renegotiation upon termination of or material change to the lease.

Section 2. Delivery of Prisoners

- 2.1 The Municipality shall deliver prisoners to the custody of Corrections at the Municipality's own expense along with an original or duly authenticated copy of appropriate detention documents. Except as set out below, thereafter, in accordance with AS 33.30.081 and the Memorandum of Understanding executed by Corrections and the Department of Public Safety, the transportation of prisoners shall be the responsibility of Corrections and shall be performed by Corrections, and the costs shall be borne by Corrections.
- 2.2 Transportation of prisoners to and from court buildings for purposes of court appearances shall remain the responsibility of the Judicial Services Division of the Alaska Department of Public Safety.

- 2.3 Upon presentation of a written request from an appropriate authority of the Municipality, Corrections shall deliver any prisoner into the custody of the Municipality.

Section 3. Escape of Prisoners

- 3.1 Corrections shall employ all reasonable efforts to recapture any prisoner who has escaped.
- 3.2 Corrections shall notify the Municipality promptly whenever any prisoner has escaped from the Municipal Jail.

Section 4. Custody and Care of Prisoners

- 4.1 Corrections shall provide care for all prisoners delivered to it under this agreement in accordance with all applicable provisions of local, state, and federal law.
- 4.2 Corrections shall provide essential medical services at all reasonable times at all correctional facilities at which the Municipality's prisoners are lodged.
- 4.3 Whenever Corrections identifies a prisoner's need for special medical care that cannot be provided by the correctional facility medical staff, Corrections shall obtain medical services commensurate with those provided to state prisoners.

Section 5. Term

- 5.1 The term of this agreement shall be twenty (20) years beginning on the Commencement Date of the Lease as that term is defined in the Lease, with the option to renew for six (6) additional periods of five (5) years each. Each one (1) year period beginning on the Commencement Date and ending one (1) year thereafter shall be a "Payment Year."
- 5.2 The agreement for prisoner care covering and concerning the lease and operations of the jail located at Sixth Avenue and C Street in Anchorage is terminated as of the first day of the term hereof. Corrections shall have a four (4) month period from the commencement date of the lease to move prisoners and transfer all operations to the Municipal Jail. The Municipality shall not be obligated to pay Corrections the compensation for that four month transaction period under the terms of the terminated

Prisoner Care Agreement, but shall, instead, pay the compensation called for under this Agreement.

- 5.3 Should the Municipality and Corrections continue the relationship after expiration of the original term or after expiration of the term of any option period, all written provisions last agreed upon shall be held over quarter to quarter.

Section 6. Compensation

- 6.1 For the first payment year of this agreement, the Municipality shall pay Corrections for prisoner care a fixed fee of \$2,500,000 (two million, five hundred thousand dollars) annually, payable in advance in three equal quarterly payments of \$500,000 (five hundred thousand) and a fourth payment of \$1,000,000 (one million) upon receipt of billing from Corrections according to the following schedule:

March 31
June 30
September 30
December 31

The Municipality shall be credited with \$500,000 (five hundred thousand) on the fourth payment for programs and practices of the Municipality that promote alternatives to incarceration for its low level offenders so as to free up hard beds for serious, dangerous offenders. Because of the difficulty in quantifying the savings to the State, this credit shall not be subject to review or challenge. The first quarterly payment due hereunder shall be prorated as of the Commencement Date. The Municipality shall pay the difference between the amount that the Municipality has previously paid for the quarter under the provisions of the terminated Prisoner Care Agreement and the amount that is due under the payment schedule for this Agreement covering the period of time between the Commencement Date and the next payment date hereunder.

- 6.2 \$2,000,000 (two million) of the compensation paid by the Municipality to Corrections shall be adjusted every five years, commencing on the fifth anniversary of the signing of this Agreement on the basis of the Anchorage CPI Index reported for 1998. The formula to be applied to determine the five-year adjustment is the Anchorage CPI Index for the adjustment year divided by the 1998 Anchorage CPI Index, multiplied by \$2,000,000 (two million). The adjusted

compensation shall be prorated over the remainder of the quarter and the additional amount due shall be paid to the State together with the next scheduled payment. If the payment is reduced, the prorated reduction shall be repaid to the Municipality.

- 6.3 The Municipality shall pay Corrections upon receipt of billing within thirty (30) days. Thereafter, interest shall accrue on the unpaid balance at a rate of 10% per annum.
- 6.4 If during the period of this Agreement or any of its renewal periods the Alaska Legislature enacts a comprehensive measure addressing the responsibilities and obligations of the State and local governments in the provision of criminal justice services, then the compensation to be paid by the Municipality of Anchorage under this Agreement shall be renegotiated by the parties, within ninety (90) days of the effective date of the act. The inability of the parties to reach agreement on the matter shall be cause for termination of this Agreement but shall not affect the lease of the facility.

Section 7. Relationship of the Parties

- 7.1 The Municipality and Corrections shall perform their obligations as described in this agreement as independent contractors. The Municipality and Corrections shall cooperate and coordinate together in a reasonable manner on administrative, fiscal and operational matters. Nothing in this contract is intended to create an interest in or give a benefit to third persons not signing as a party to this contract.

Section 8. Nondiscrimination

- 8.1 Neither party will discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, age, sex, marital status, sexual orientation, or mental or physical handicap except as a bona fide occupational qualification. Each party will take affirmative action to ensure that employees are treated fairly during employment without regard to their race, color, religion, national origin, ancestry, age, sex, marital status, sexual orientation or mental or physical handicap except as a bona fide occupational qualification. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer;

recruitment or recruiting advertising; lay off or termination; rate of pay or other forms of compensation; and selection for training including apprenticeship. Both parties agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

- 8.2 Both parties shall state, in all solicitation or advertisements for employees to work on contract jobs, that all qualified applicants will receive consideration for employment without regard to race, color, religion, age, national origin, ancestry, sex, marital status, sexual orientation or mental or physical handicap except as a bona fide occupational qualification.
- 8.3 Both parties shall comply with the reporting requirements that the Division of Equal Employment Opportunity Contract Compliance may establish by regulation.
- 8.4 Both parties shall include the provisions of paragraphs 8.1 through 8.3 in every subcontract or purchase order under this contract, so as to be binding upon every such subcontractor or vendor of the parties under this agreement.

Section 9. Permits and Laws

- 9.1 Both parties shall acquire and maintain in good standing all permits, licenses and other entitlements necessary to its performance under this agreement. All actions taken by either party under this agreement shall comply with all applicable local, state and federal statutes, ordinances, rules and regulations.

Section 10. Availability of Funds

- 10.1 This agreement is subject to the availability of funds lawfully appropriated for its performance. The Municipality covenants that it will in good faith seek all necessary appropriations for payment of all sums due under this agreement.

Section 11. Contract Administration

- 11.1 The State of Alaska, Department of Corrections, or its designee shall administer the prisoner care agreement on behalf of the State of Alaska.

11.2 The Municipality of Anchorage, Anchorage Police Department or its designee, shall administer the prisoner care agreement on behalf of the Municipality of Anchorage.

Section 12. Termination

12.1 This agreement may be terminated:

- A. By mutual consent of the parties.
- B. For cause, by either party when the other party fails in any material way to perform its obligations under this contract.
- C. For lack of lawfully appropriated funding of either party.
- D. Termination for any reason under this section is subject to the condition that the terminating party or parties (1) writes of its intent to terminate at least 30 days prior to the effective stated date of termination, (2) states with reasonable specificity the reasons for the intent to terminate, (3) if for cause, shall allow the other party 60 days to cure the claimed deficiency or make a significant good faith effort to correct the same, whereby if the deficiency has been corrected or significant effort made to correct it by the end of the 60 days, the notice shall become null and void or if after 60 days the condition continues, the termination shall be effective and (4) notifies the other party by certified mail, the effective notification date to commence thereof upon receipt.
- E. Renegotiation of this agreement shall not be construed as an intent to terminate.
- F. If either party or both parties terminate, the Municipality shall pay Corrections at the rate agreed upon in this agreement up to the effective termination date.
- G. If either party terminates for whatever reason, neither party may claim any compensation other than that allowed in this agreement.

H. Except as provided in this section, termination by either party does not affect any other right or obligation of a party under this agreement.

Section 13. Assignment

13.1 Corrections shall not delegate its duties pertaining to prisoner care without the written consent of the Municipality, which consent shall not be withheld unreasonably.

Section 14. Modification

14.1 This Agreement and any provision therein may only be amended in writing, signed by both parties.

Section 15. Successors and Assigns

15.1 The terms, provisions and conditions of this agreement shall be binding upon the parties and their respective successors and assigns.

Section 16. Paragraph Headings

16.1 The paragraph headings in this document are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of this agreement or in any way affect its terms, provisions and/or conditions.

Section 17. Indemnification and Insurance

17.1 Corrections shall indemnify, defend, save, and hold the Municipality harmless from any claims, lawsuits or liability, including attorneys' fees and costs, arising from any wrongful or negligent act, error or omission of Corrections occurring during the course of or as a result of Correction's performance of this agreement.

17.2 The Municipality shall indemnify, defend, save, and hold Corrections harmless from any claims, lawsuits or liability, including attorneys' fees and costs, arising from any wrongful or negligent act, error or omission of the Municipality occurring during the course of or as a result of the Municipality's performance of this agreement.

17.3 Corrections shall not indemnify, defend, save, or hold the Municipality harmless from claims, lawsuits, liability, or

attorneys' fees and costs, arising solely from the wrongful or negligent acts, errors or omissions of the Municipality, its agents, employees, or contractors occurring during the course of or as a result of the performance of this agreement.

17.4 The Municipality shall not indemnify, defend, save, or hold Corrections harmless from claims, lawsuits, liability, or attorneys' fees and costs, arising solely from wrongful or negligent acts, errors or omissions of Corrections, its agents, employees, or contractors occurring during the course of or as a result of the performance of this agreement.

17.5 When claims, lawsuits, or liability, including attorneys' fees and costs, arise from the wrongful or negligent acts, errors or omissions of both the Municipality and Corrections, Corrections shall indemnify, defend, save, and hold the Municipality harmless from only that portion of claims, lawsuits or liability, including attorneys' fees and costs, that result from Correction's wrongful or negligent acts, errors or omissions occurring during the course of or as a result of Correction's performance pursuant to this agreement and the Municipality shall indemnify, defend, save and hold Corrections harmless from only that portion of claims, lawsuits or liability, including attorneys' fees and costs, that result from the Municipality's wrongful or negligent acts, errors or omissions occurring during the course of or as a result of the Municipality's performance pursuant to this agreement.

17.6 Corrections shall effect and maintain liability coverage for its performance under this contract as required of it through its self-insured State program. The Municipality shall provide insurance required of it through its self-insured program.

Section 18. Addresses

18.1 For purposes of notifications and correspondence regarding this agreement, the addresses of the parties are as follows:

The Municipality:
Anchorage Police Department
4501 South Bragaw Street
Anchorage, Alaska 99507-1599
Telephone: 786-8500

Corrections:
Department of Corrections
P.O. Box 112000
Juneau, Alaska 99811-2000
Telephone: 465-4652

Section 19. Force Majeure

- 19.1 Any failure to perform by either party due to force majeure shall not be deemed a violation or breach hereof.
- 19.2 As used in this agreement, force majeure is an act or event of substantial magnitude, beyond the control of either party, which delays the completion of this agreement, including without limitation:
- A. Any interruption, suspension or interference resulting solely from the act of the Municipality or the State or neglect of the Municipality or the State not otherwise governed by the terms of this contract.
 - B. Strikes or work stoppages.
 - C. Any interruption, suspension or interference with the agreement caused by acts of God, or acts of a public enemy, wars, blockades, insurrections, riots, arrests or restraints of governments and people, civil disturbances or similar occurrence.
 - D. An order of a court, or of an administrative agency or governmental officer other than the Municipality or the State.
 - E. The suspension, termination or interruption of a necessary governmental license, consent, authorization, or approval.

Section 20. Nonwaiver

- 20.1 The failure of either party at any time to enforce a provision of this agreement shall in no way constitute a waiver of the provision, nor in any way affect the validity of this agreement or any part hereof, or the right of such party thereafter to enforce each and every provision hereof.

Section 21. Jurisdiction; Choice of Law

- 21.1 Any civil action arising from this agreement shall be brought in the Superior Court for the Third Judicial District of the State of Alaska at Anchorage. The laws of the State of Alaska shall govern the rights and obligations of the parties under this agreement.

