

ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILES 8672
2704 SCOMM 122: COMMISSION ON PRIVATIZATION. . . , 1999

the political fallout of canceling this program, as suggested in the report, could be very high. As such, we have not considered canceling the camping pass for Alaskan residents.

Parks also agrees with another of the strategies suggested in the privatization report, that all campgrounds must have an onsite presence. The report suggests that this can only be efficiently achieved with paid staff. We disagree. Parks has a vibrant and successful volunteer program where volunteer campground hosts are recruited, trained, paid a small stipend, and put to work in our campgrounds doing exactly the same tasks the report suggests as only possible with a paid staff. Parks is currently providing most of these services with volunteers.

One service we do not currently provide is reservations. We were evaluating a reservation system for the Kenai Peninsula when we doubled the price of the non-resident camping pass three years ago. The resulting drop in non-resident pass purchases and subsequent drop in non-resident visitation left more campsites open for Alaskans. Complaints dropped off significantly. With the complete cancellation of the non-resident camping pass next summer, we anticipate even more campsites will be available for Alaskans. This would alleviate the expense of a reservation system and the probable ill will caused by having Alaskans call an out-of-state phone bank to make an Alaskan reservation.

Reasons why privatization of certain areas of the Division of Oil and gas is not in Alaska's best interest:

Note: The numbers in brackets (#) refer to numbered sections in the report and the **Bold** section names correspond to those in the report.

(2) Resource Evaluation. Although the report correctly notes that privatizing the resource section would cause inefficiencies, likely raise not decrease costs, and create conflicts of interest it still concludes that "Amount Potential for Privatization" is \$200,000. Except for mentioning "potential leverage of outside knowledge" this privatization amount is not explained. What exactly is being privatized? Following are some comments appropriate to this section, whatever the intent of the report:

- ◆ The Resource Evaluation relies on confidential information regarding exploration and development plans and proposals provided by the private sector. There would be a natural reluctance by operators to reveal such information to a private contractor. The data collected and used is confidential. If a private firm handles the confidential data how will it be protected? Won't the private firm need to set up groups almost identical to the division's existing groups to do the same work? The Resource Evaluation section deals almost exclusively with proprietary confidential data supplied by permittees under stringent protective rules. Industry would not be willing to deal with an out-sourced contractor.
- ◆ The public data would end up in the hands of only one private party. Presently access to public data is not controlled or manipulated by a for-profit entity. Who will maintain the existing public info on the department's digital databases?
- ◆ In leasing, permitting and unitization decisions there is a negotiated balancing of economic and environmental benefits and costs. It is not appropriate for a private for-profit firm to make these decisions. Will the private firm have the engineers, geologists, geophysicists, lawyers, and technicians to do the job correctly?

- ♦ Determinations of what is or what is not in the state's best interest would end up in private hands. What is to prevent them from looking out for their own best interests and profit? Can the commissioner contract away his statutory obligation to make decisions in the state's best interest? Will another state, federal or local agency be willing to negotiate with a private firm who now represents DNR's interests?
- ♦ Appeals—who will defend/support the appeal and who will the appeal be made to?
- ♦ Fees and revenue - we seriously question whether money will be saved. The private firm will have to replicate or even increase staff relative to the division to maintain the same expertise. How will the two entities interact and can they form the believed synergies?

(3) Leasing/Tech Support

Areawide leasing and exploration licensing—the report completely confuses the two programs and misstates the effect of the added programs. We are doing more, not less. We are now offering more acres than ever before, and we are offering these acres in regularly scheduled sales each year. The statement in the report "the Oil & Gas Development unit has had one major change in recent years that required adjustments in how they complete new development" (emphasis ours) has no meaning that we can decipher.

In addition, the results of the current outsourcing of the best interest finding for the Copper River area are less than satisfactory. Hopefully, the outsourcing process and work product/performance of the contractor can be improved.

The reason we issue a Five Year Leasing Program report is because it is required by law —AS 38.05.180(b). It is issued every OTHER year (at the beginning of each new Legislature).

(4) Revenue Development

As explained below, we see no benefit, either in service or cost, provided by an out-of-state consultant. We agree the opinion that outsourcing may lead to increased costs.

Revenue Development expertise needs to be maintained in-house

1. Royalty settlement agreements, TAPS settlements, lease contracts, and other agreements made with industry are numerous, complex and arcane. Outside consultants are unlikely to have the expertise on hand and would have to make a considerable investment to develop this knowledge.
2. Issues arise abruptly and outside the control of the division. In order to successfully anticipate the state's need for timely analysis, outside consultants would have to be retained on an ad-hoc basis with little opportunity for any real savings.
3. The division must retain a sufficient staff to preserve the division's institutional memory. Without an institutional memory the state would pay dearly each time it hired a consultant and had to educate him on the complex issues with which we deal routinely.
4. In a practical sense, the division has already privatized. When very important and potentially costly disputes arise, the division relies on outside consultants. Through our representation by the Department of Law, expert economists, lawyers, and analysts are hired to conduct the research and support the state's position in these situations. The small staff in the Revenue Development acts as an informed buyer for the state when these services are hired. This staff also collaborates with the outside consultants by contributing its unique expertise.
5. The various settlements and contracts with industry are often intertwined. Sometimes trade-offs are made in one agreement based on the trade-offs made in previous agreements. Sometimes the state's interests in an agreement are affirmed in later agreements. Outside consultants hired on a case-by-case basis cannot represent the state's best interest without this knowledge.

6. In every issue where Revenue Development participates in the division's decision making, confidential data is acquired from industry. Providing this data to outside consultants creates a potential security lapse.
7. The division may also be severely restricted in what data may be revealed to its consultants, e.g., data received from one lessee may be relevant in determining the best interests of the state in an issue involving another lessee. Sharing these data with an outside consultant is probably illegal.

(5) Units Although privatization of the Units section is not contemplated in this report there are some very serious misconceptions put forward in the "General Opinion" section. The question is posed "Would not the producers establish agreements to maximize production if left to their own vices?" Perhaps they would, but that is not the point.

Assume a Unit composed of four leases. Three of the leases have a royalty rate of 20% and the fourth has a royalty rate of 12.5%. Where do you think industry "left to its own vices" will allocate the majority of the oil? Tract allocation is an essential and important role in unitization. Further, the crucial staff to determine equitable allocation are the very geologists being "privatized" in section (2). The state is not a merely "facilitator" as stated in the report, it is an OWNER of a percentage of the resource and as such must act to protect its interest.

(6) Lease Administration/Royalty Accounting

There is significant concern on the part of lessees about the use of confidential reported data and especially in the case of confidential economic and market data. With the implementation of the new royalty reporting standards, more of the price (value per bbl) data has been requested to be held confidential by the lessees.

There is a significant liability should confidential data be leaked to non-authorized entities. Lessees look upon the state as the guardian of the data provided, and would probably raise concerns about the access to such data by any outside companies. Should such work and analysis be farmed out to a private company, bonds should be required to cover those liabilities in the case of inappropriate uses of confidential data.

The other observation is that Royalty Accounting is very complex. The new automated system provides tremendous support for tracking many of the complexities. Even so, efficiencies can be provided through a stable work force that retains historical knowledge about the requirements and procedures associated with the multitude of lessees, leases, units and royalty valuation formulas.

Fees are also in place to reimburse the state where inefficiencies are due to non-responsive lessees. If a lessee fails to provide required information in a timely fashion, which in turn increases the state's administrative costs, administrative fees can be charged to cover situations where the lessee impacts the administrative burden beyond the normal daily expected costs.

Automation of many of the procedures to administer accounting of royalties for the state are increasing all the time. Will a private firm support these systems so audits can be performed in an efficient way?

MMS Oil & Gas Audit

This makes no sense to us. There is no cost to the state to have the benefit of an in-house auditor for federal issues. Production from some North Slope federal properties will start as early as next year (Northstar) and will continue in the years following (Liberty, NPRA). The "reasoning" stated in the report certainly does not outweigh the obvious benefits of having a close working relation between state and federal auditors. Moreover, it is unlikely the federal government would approve outsourcing this position. If we don't get their approval then the funding for the position is lost.

In conclusion, while privatization may make good sense in some situations (as in "privatizing" SOME parts of our Best Interest Findings) it certainly cannot be applied without careful scrutiny by knowledgeable people. Destroying the symbiosis that has been developed in this division over a number of years to fulfill some broad policy objective simply is without merit. It is particularly objectionable if there are, in fact, no benefits—monetary or otherwise.

We appreciate the author's summary conclusion that "The overall budget of the Oil & Gas BRU is not excessive considering the revenue it provides for the state". We agree, and in addition to providing revenue we also provide a number of highly technical services at much lower than industry cost. We also appreciate and agree with the author when he talks about the uncertainties created by the BP-Amoco—ARCO merger. One thing that is certain—the amount of work this division will need to do will increase dramatically over the next year or so.

Ideas for the privatization task force on budget efficiencies for the Department of Natural Resources (DNR):

Recorder's Office

A big time saver would be to film all the old recording books located in all our fourteen (14) offices and the three (3) Court Offices. The reasons:

1. It saves lots of space which will allow us to reduce our total square footage in leased offices.
2. The public will be in and out of our office more quickly as they can look up the records on micro-fiche or maybe digital information once it is converted.
3. The recorder's office staff will be able to handle a larger workload if they do not have to pull the old books and supervise the research.

We are asking the Governor for a Capital Improvement Project (CIP) in Fiscal Year (FY) 2001 to do the filming - the project is called: Recorder's Office Records Preservation Filming/Efficiency Project, at a cost of \$300.0 over two years.

The new Uniform Commercial Code (UCC) legislation House Bill (HB) 239 sponsored by Rep. Murkowski may have the potential of creating operational efficiencies. It is part of a nationwide attempt to make the Uniform Commercial Code more UNIFORM!

A big issue is the Mining Claim size of 40 acres. If we could record these parcels in larger sizes, that would create efficiency. This would require a change in the law and the Miners remain divided on this idea.

Land Records Information Section (LRIS)

The DNR Internet Commerce initiative (Land & Mining Data Base Integration/Efficiency Project) envisions several efficiencies between the various data bases within DNR and with Federal Bureau of Land Management (BLM). The efficiencies within DNR will be saving data entry and the general public will receive more timely updates of the public records and more efficient processing of the data which will reduce the amount of time the public is required to be within the government offices.

In general imaging technology could greatly contribute to office efficiencies as well.

Specifically, the Land & Mining Data Base Integration/Efficiency Project has two goals: 1) introduce major efficiencies in the way we conduct routine business, and 2) make life much more convenient for our customers.

Goal #1: DNR's public record on resource disposals is more than a year out of date. We have been working with the federal government to drastically improve this situation in the mining area. In FY 2000 the federal government allocated DNR \$450.0 to improve the process and the record of mining claims in Alaska. The old process works as follows:

All new mining claims must be recorded as a public document in the Recorders Office. This requires a manual process of input of data in the Recorder's office system
LRIS/continued

If the claims are on state land, the Division of mining receives the information and manually inputs the data in the Department's Land Administration System (LAS). (The LAS tracks ownership of land, any DNR decisions on a piece of land, and is also the revenue and billing system for DNR).

The same information would be given to our LRIS Section so they could update the Geographic Information System (GIS) for mapping of the mining claims. This information would be input a third time.

This project would eliminate two manual processes by connecting the Recorder's Office system with the LAS and the GIS and eliminate most of the redundant data manipulation as a mining claim moves through the system..

By eliminating redundancy in the manual process, DNR can cut six (6) months of cycle- time in updating the public record. Where we are over a year behind presently, the goal is to become current.

This system would also lay the foundation for conducting all manner of business transactions over the Internet. This project provides the means for accepting credit card payments for any bills generated by DNR's Revenue and Billing System.

The Fiscal Year (FY) 2001 Capital Improvement Request (CIP) for this project would add a general fund (GF) component to expand the benefits of this mining system to other areas in which the DNR conducts business. These include permits, leases, material sales, and other actions that require adjudication and payment. By using the foundation laid by the mining claim system, many additional applications could directly benefit.

Goal #2 is focused on the public: Currently, if a Miner wants to find out if a piece of land already has a claim on it, he or she must check to see if it is located on federal land or state land, then search files at either the federal building or DNR. With this new system, DNR could connect the state and federal mining claim information bases and provide an "on-line" information system for the public to use.

This project would provide more efficient data collection systems that lead to current public records and make it easy for the public to obtain information for resource development. DNR could also complement this approach with document images from the State Recorder's Office. Between 6% to 10% of all recorded documents deal with mineral property.

The general fund portion of this request allows DNR to, concurrently with the federally supported mining claim system, make the same kinds of changes to other DNR processes. The federal money supports the initial infrastructure changes under the mining claim processes. With some general fund moneys DNR could efficiently expand the initial project to eliminate manual and repetitive processes associated with water allocation programs, and land-use planning and land-use permitting programs.

Parks

1. Alaska State Parks has an ongoing program of "contract management." Given that only 34% of the park system operating budget is provided by user fees, state park facilities are not able to generate revenue to cover a majority of expenses. Many of the facilities and recreation opportunities Alaska State Parks provides to the public are free. In our experience to date, however, we have identified several types of facilities that do generate an income stream capable of providing for daily operations...campgrounds, historic buildings, and nature centers. But even with these facilities we retain the obligation and liability of larger maintenance needs. For example, contractors are expected to fix a latch on an outhouse door, but the state is responsible for fixing the outhouse if it should be vandalized or simply wear-out. In the Mat-Susitna Area, where we have five campgrounds operated by private contractors, we have a maintenance man assigned half-time to supporting those facilities. So we are NOT privatizing our facilities, but merely finding local businessmen and citizens interested in contracting for the day-to-day operation of our facilities, while we retain the larger maintenance responsibilities.,

Campgrounds contracted to date:

Squirrel Creek State Recreation Site (SRS)

Little Tonsina SRS

Liberty Falls SRS

Dry Creek SRS

Porcupine Creek SRS - up for renewal this year

Montana Creek SRS - up for renewal this year

Blueberry Lake SRS

Historic Sites contracted to date:

Big Delta State Historic Site (SHS) - also known as Rika's Roadhouse

House of Wickersham SHS

Other facilities contracted to date:

Eagle River Nature Center/Chugach State Park

Kenai Trail System

Within the next year or two, we are anticipating contracting management of the following facilities:

Eagle River Campground/Chugach State Park

Worthington Glacier SRS

King Mountain SRS

Long Lake SRS

Matanuska Glacier SRS

Lake Louise State Recreation Area (SRA)

Note: We are still evaluating options in the Fairbanks, Southeast, and Kenai areas.

We are also working on an extensive concession contract for private operation of the historic buildings at Independence Mine State Historic Park. We have made the determination to move forward with contract/concession operations. However, it was also determined that the economic viability of such a project is dependent upon securing title to the underground mine tunnels to provide for underground mine tours as a key component of the concession package. Parks is currently surveying and appraising the necessary properties to facilitate this exchange with a willing trader.

Parks/continued

2. We have learned in our five years of contract management that it takes oversight to ensure that contracts are implemented and terms followed. To successfully manage contracts, there must be management level staff available to meet regularly with contractors and inspect the sites. These sites are still units of the state park system and minimum standards are required. In addition, as mentioned previously, the state retains primary responsibility for anything other than light maintenance.

An example of problems caused by our inability to adequately oversee a contract is provided by our experience at Tok. We had contracted three campgrounds at Tok, but when the contractor chose not to renew after two years we reassumed management. At that far distance from the Area office in Fairbanks and the District office in Delta, we were unable to regularly meet with and inspect the facilities. As a result, after only two years, the contracted facilities were in significant disrepair and complaints were heard at other state park facilities around the state about both the deplorable condition of the state's "gateway" campgrounds and the unfriendly and pushy attitude of the contractors. We determined this is not the first impression we want visitors to have of both Alaska and the State Park System.

3. One of the biggest impediments to successfully contracting operations is the high degree of deferred maintenance at our campground sites. Since Parks retains primary maintenance responsibility, contracting some park units simply makes no sense. We are spending so much time on maintenance in some units, it is only realistic to continue managing them ourselves. Other units could be contracted if they were brought up to a standard whereby potential private operators would see they are taking over a valuable asset rather than a broken park. Run-down campgrounds take excessive time, effort, and attention just to keep at a minimal level of safe and well maintained operations. Contractors have expressed their dismay at the sorry condition of our campgrounds.

Another impediment is the lack of compliance at many of our sites with the federal Americans With Disabilities Act (ADA). As funding is made available, we are improving sites to provide for ADA access. However, our funding to date has been primarily for roadside facilities, such as trailheads, picnic areas, and scenic overlooks and has not been for campgrounds. There is a significant need for ADA improvements in state park campgrounds in order to be in compliance with the federal law.

One mechanism for improving the campgrounds and making contract management more attractive is to allow parks to keep any program receipts collected above their operating budget authorization in a parks capital improvement fund (in the Capital Budget) to be used to rebuild campgrounds. This would allow park receipts to be reinvested into parks to reduce the \$35 million of identified backlog of deferred maintenance.

Another avenue for fixing up the park system lies in a statewide park bond issue specifically tied to reducing the backlog of deferred maintenance. Public support for a bond issue of this type is high as shown in the recently completed Statewide Comprehensive Outdoor Recreation Plan. When asked if they would support "a statewide bond issue put on the General Election ballot advocating funding parks and outdoor recreation", 65% of Alaskans said yes.

Parks/continued

4. One aspect of contracting that must be kept in mind is that if contract management is done solely to reduce the budget, there is no incentive for the field staff to go through the many steps required in contracting. Parks currently contracts operations to shift funds from contracted sites to other sites that are in need of additional maintenance attention, more volunteer participation, better fee collection, or an increased law enforcement presence. Contracting operations of state park facilities is not a simple process and is oftentimes contentious (i.e.: the local residents often are not in favor of contracting-out State Park facilities). Staff time at Parks is limited and the incentive for putting time and attention to developing Request For Proposals (RFP's), reviewing and awarding the contract, managing the contract, and continuing to retain major maintenance responsibility, lies with the local manager who must see a benefit to the remainder of their park units by releasing funds for redirection to other priorities. Loss of this incentive (if all contract management savings were cut from the budget) would significantly reduce the success of park unit contract management.

Legislation ideas associated with bringing efficiencies to DNR:

Water Allocation Program:

Currently the Water Management Unit is required to adjudicate water right applications, which are a property right necessary to establish legal standing against future water users and current water users who have never applied for a water right. Adjudication includes many steps which are time consuming and expensive. During the last legislative session the Water Management Unit received budget reductions that make it impossible to carry out many of the requirements associated with the adjudication procedures established in Alaska Statute (AS) 46.15, which is specifically related to the issuance of water rights. Therefore, it is necessary to design a new water right system that protects Alaska's people and the water resources, but is much more streamlined and efficient. New legislation must change many of the water right statutes to allow use of a passive user-initiated system so that the remaining staff can focus upon water withdrawals that are the most likely to cause significant impacts.

Streamlining DNR's Appeal process:

Currently DNR's appeal process is overly complex. Seemingly similar decisions have different appeal tracks with different requirements and timelines. As a result, the public are often confused and staff resources are wasted on a complex process. Currently, DNR regulations allow a person to appeal a non-disposal decision to the director, then to the Commissioner, then (through reconsideration) to the Commissioner again. Changes in DNR regulations could eliminate all by the last two steps. However, current law allows an appeal to the Commissioner and then a request for the Commissioner's reconsideration. This multiple analysis of the same decision takes staff time we do not have and frustrates the public.

DNR's legislative proposal solves this problem with respect to disposals by giving eligible people the right to appeal the decision to the commissioner, or ask for the commissioner's reconsideration, but not both. After the commissioner issues an appeal decision, the next step is to go to court. DNR thinks this process makes sense for all of its decisions. DNR's proposed legislation would allow only one opportunity for appellants to make their case to the commissioner. DNR would also change its regulations to eliminate intermediate appeals to division directors; all appeals would go straight to the commissioner.

Commercial Setnet Fishing Sites (Shore Fisheries)/Self-Registration Program: Currently the Shore Fishery Leasing Program (under AS 38.05.082) is required to adjudicate shore fishery lease applications. Adjudication includes many steps which are time consuming and expensive and in last years legislative session the program's budget was cut by two-thirds. These budget reductions make it impossible to carry out many of the requirements associated with the adjudication procedures established in Alaska Statute. Therefore, it is necessary to repeal AS 38.05.082 and replace it with a streamlined self-registration system that would not require agency review and processing steps. The new proposal would simply require that a registrant fish a particular site for three years without challenge by a competitor, after with the registrant would have use privileges to the exclusion of other commercial setnetters. Challenges would be settled by arbitration or by the courts. Registration would not be mandatory, but would provide an orderly way to secure a set net fishing site and the means to resolve conflicts peacefully. Existing shore fishery site leases would be honored for their full ten-year term even after the legislation was repealed and a new program (for new applicants) was instituted. After the ten year period lapsed, existing lessees could then convert to the new registration system without the challenge period.

PARKS
Member: Del Moss



COMMISSION ON PRIVATIZATION
Department of Natural Resources

Subcommittee on Parks

October 25, 1999

Leo Mark Anthony, Chairman
Privatization Commission Subcommittee of Department of Natural Resources
1010 W. Fireweed Street
Anchorage, AK 99503

Dear Chairman Anthony:

Since our meeting last week, I have taken the liberty to "quantify" my statements about SB 55 and program receipts. I have done so by incorporating Senate committee hearing comments on SB 55 when it was being considered in 1997 and by showing in hard numbers what this means in Parks & Recreation's budget in FY'00 as compared to FY'84.

Also, on October 13th I met with Anna Plager, Director of the northern regional offices of the Division of Parks and Recreation. I have inserted a section in this report about that meeting.

I have been somewhat of a silent participant in the privatization committee process because I am a writer not a speaker. I must emphasize that I think a major portion of state parks could be privatized, but time does not allow us to even scratch the surface and, so far, I feel the people that are cooperating with this commission are not cooperating. I was amazed at the extent to which our parks division is a landlord for pristine cabin rentals.

There has been no comparison of duplication of services between the federal government and the State of Alaska. While the federal government controls two-thirds of Alaska's land, the federal government has one-third of our state tied up in parks, wildlife refuges, and national forests. Another 40 million acres is in the private ownership of native corporations and villages as a result of the Alaska Native Claims Settlement Act. Much of this land is closed to hunting and fishing. Others of this land are accessible for a gate fee such as the \$10.00 annual fee charged to non-natives to cross native-owned lands to subsistence fish at Chitna.

It is quite possible that many of the remote areas we are renting to elitists, should be made available for homesteading. What is the reasoning for homesteader versus land sales? The answer is quite simple. The rich and the government already have access to remote areas of Alaska. Those people who want to live off the land and make sacrifices of comfort to own land and build a home don't have access. Those people who want to be frontiersmen like Davy Crockett and find real freedom don't have access. Those people do not have the money to buy land, but they have the sweat and determination to become settlers of the last frontier. Unfortunately, these productive citizens have not had access for more than thirty years.

I have been watching the alliance between the Parks Division, the Department of Transportation and Public Facilities, the Department of Fish & Game, and the environmental alliance for close to twenty years and I believe there is a motive for each action they take. Under our Statehood Compact we had a 90-10 agreement with the federal government for returns on our resources. Our natural resources such as our fish and wildlife have been managed with a 10 - 90 formula: 10% consumption and recreation and 90% preservation for the elitists.

I believe that our access to our parks and our fish and game have been thwarted by the "Kings Deer" mentality of our state and federal governments. Because of that belief, I am recommending a direction to go that will unwrap their anti-hunting, anti-fishing management package.

While I believe that the process of looking at privatization is necessary, I feel that the time constraints will not allow us to do a sufficient job of accomplishing some worthwhile changes. It is obvious that the park service will continue to develop new havens for the rich and the powerful, so the words "cut and gut" come to mind.

I have been hunting and fishing since I was four years old. I can assure you that my opinions are shared by thousands of Alaskans like myself that hunt and fish to provide for our families. The people that I run across are already to the point that they don't care about your rules and regulations. There is a deep-seeded hatred in these people who feel they are being forced to live with the unreasonable laws imposed by the "King's Men".

I thank you for the opportunity to submit my recommendations and hope some of the leaders of this state today, those who did enjoy the freedoms of homesteading and following a dream, will realize we can not let government take this away forever.

Sincerely,

Del Moss, Subcommittee Member

Recommendation #1: The Park Service needs to stop any further funding of developed facilities and should eliminate existing "developed facilities" that are comprised of outhouses.

In recent years the Department of Transportation & Public Facilities as well as the Parks & Recreation Division have received millions of dollars in federal funding to provide off-road rest areas and outhouse to supposedly facilitate tourism in Alaska. What the process has accomplished is to shut down many prime-hunting areas for Alaskan residents who depend on hunting to provide food for the families.

State laws prevent hunting or the discharge of a firearm within a ½ mile radius of a developed facility. Chena Hot Springs Road was once a prime hunting area for moose. This area was a hunting area for Fairbanks residents who don't own four-wheelers, airplanes, airboats, and riverboats. This area was the hunting ground for low-income families in the urban area of the Fairbanks North Star Borough who are dependent on moose to feed their families. Since the initiation of roadside "developed" facilities on Chena Hot Springs Road, twenty miles of prime moose hunting areas is now closed to hunting because of outhouses being installed along the road.

According to the Knowles' Administration, the purpose of placing "developed facilities" along the highway system of Alaska is to accommodate and enhanced tourism in Alaska. My response to that is "bullcrap"!

The tourist who come to the State of Alaska are driving motor homes that cost \$50,000 to \$80,000 and all of them are equipped with bathrooms that far exceed the capabilities of the roadside outhouses.

Knowing Knowles' commitment to the environmental lobby of the State, I would say that our Governor has found a way to reduce hunting and increase the wasted spending of federal dollars for unneeded facilities that require maintenance at the cost of taxpayers.

Recommendation #2: Eliminate the authority of parks to set user fees for the funding of the division.

The Parks Division has decided to operate as a profit making entity that provides no new services unless there is a profit. The legislature set this frame of mind in state agencies when it passed SB 55 in 1997. This legislation not only moved general fund revenue sources to "Other Funds" as a means to reduce the general fund spending, it set a precedent to allow state agencies to set user fees to fund their operations.

SB 55 was the latest in a series of legislative revisions that moved several programs off budget and moved them in the budgeting process from the general fund to other funds. The legislature passed SB 55 despite strong objections from both legislative finance and legislative budget and audit.

During a Senate Labor & Commerce Committee meeting on February 4, 1997, Annalee McConnell, Director of the Office of Management and Budget, said SB 55 was introduced at the request of the Governor and it was intended to deal with an accounting "catch 22". She said that some items in their budget expenditures "could grow and actually are in the economic development area and are seen as a real positive." There was concern, however, that "the increase in the expenditures counts as an increase in the total budget."

SB 55 reclassified "designated programs" and "restricted fees" in the budget process so that they are no longer treated them as part of the unrestricted general funds category but set them into a different category funding column, "Other Funds".

Ms. McConnell said OMB would continue to show these in the budget as "Other Funds" so everyone was well aware of them. *"The key point in all of this is that you can have an increase in these arenas, mostly economic development, without increasing the fiscal gap."*

Later is that same committee meeting Senator Tim Kelly asked how this affects the fiscal gap? Ms. McConnell explained that *"as expenditures go up revenues increase by the same amount. Therefore, there is no increase in the fiscal gap."* This statement is in direct contradiction to Ms. McConnell's key point for enacting SB 55.

Senator Kelly asked if they would increase the program receipts and take them off budget. Ms. McConnell said they wouldn't be off budget; they would still be appropriated by the legislature. Instead of being in the column along with unrestricted general funds, there is a separate category "Other Funds" for designated program receipts. Several of the Senators in the discussion acknowledged that this bill does place program receipts and additional designated funds off budget.

On April 7, 1997, the Senate Finance Committee heard SB 55. Concerns were voiced about proper supervision by the legislature over program receipts set by the pioneer homes and Alaska Housing Finance Corporation.

Senator Pearce said that what happens when program receipts are put off of the budget the Legislature tends to not look as closely at the program during the budget process. Senator Drue Pearce stated at that committee meeting that Mike Greany, Director, Legislative Finance and Randy Welker, Legislative Auditor had real concerns about pushing too many program receipts off budget. She said they would prefer program receipts be brought back in as straight general fund receipts and not try to account for them separately.

The Senate Finance Committee heard SB 55 again on April 16, 1997. They adopted a committee substitute that added the children's trust, commercial fisheries test fishing operations, and the public utilities commission to the list of fund receipts.

"Mike Greany, Director, Legislative Finance Division, described the bill and the columns of appropriations. He informed the committee that SB 55 would move some of the general fund appropriations to the other funds column and they would no longer be counted as general fund. It would move about \$55 million of designated receipts from the general fund and move them off budget. He expressed concerns about moving closer to a form of dedicated funds and away from the notion that the majority of receipts the state takes in are not dedicated and are available for appropriation by the legislature.

The actual impact of SB 55 to moving general fund money on the FY '00 budget is close to \$59 million:

1005 GF/Prgm	49,933,800
1098 Children's Trust Earnings	379,700
1109 Test Fish	3,970,500
1110 APUC Receipts	4,699,200
	58,983,200

What has been the impact of creative accounting to the Parks & Recreation operations of the State? I have put together a comparison of the FY'84 and FY'00 Budgets for the division by funding source.

FY'00 BUDGET	1002 Fed Rcpts	1003 G/F Match	1004 Gen Fund	1005 GF/Prgm	1007 I/A Rcpts	1061 CIP Rcpts	1108 Stat Desig	REVENUE ES
State Historic Preservation Parks Management Parks Access	332,300	285,500			224,000	414,600		1,256,400
			3,464,500	1,947,300	74,300		56,700	5,542,800
TOTALS	622,700				871,900	1,009,000		2,503,600
	955,000	285,500	3,464,500	1,947,300	1,170,200	1,423,600	56,700	9,302,800

FY'84 BUDGET	1002 Fed Rcpts	1003 G/F Match	1004 Gen Fund	1005 GF/Prgm	1007 I/A Rcpts	1028 Pre90PR GM	TOTAL REVENUE ES
Historic Resource Mgmt.			153,100				153,100
Park Design/Development			311,000				311,000
Park Maintenance & Operations			3,914,500			20,000	3,934,500
Parks Administration			464,100				464,100
Direct Charge CIP					954,900		954,900
Overhead CIP					153,400		153,400
Youth Employment Program			400,000				400,000
			5,242,700		1,108,300	20,000	6,371,000

Total expenditures in FY'84 were \$6,371,100. The two basic funding sources were the general fund at \$5.2 million and inter/agency receipts at \$1.1 million. There was no federal funding.

In FY'00, the revenues totaled \$9,302,800. That is an increase in spending by almost \$3 million or 50% in sixteen years. Personal services accounts for \$2.5 million of the increased spending. The main funding sources have increased from two sources to seven sources in sixteen years. Inter/agency receipts have increased only \$61,900 in 16 years. . One added revenues source is federal receipts, which amounted to \$955,000 in FY'00. With that in mind, one would conclude that general fund spending has increased by approximately \$2 million dollars over the same 16-year period. In actuality, because the four new remaining funding sources result from an expansion in the "Other Funds" column, general fund spending has decreased by \$1.8 million. Program receipts from user fees in the FY'00 budget total \$1.95 million.

If user fees are to be set, they should be set by the legislature allowing the DNR to make recommendations to the legislature and allowing public input to the process. This is a delegation of the constitutional authority for the legislature to appropriate that should be reversed. Increasing fees through the regulatory process allows for little public input because the general public does not, nor can it keep up with this bureaucratic process.

Recommendation #3: Promote private ownership of state lands through homesteading.

The federal government established thousands of national parks, national monuments, and national preserves in Alaska that has absorbed close to 140 million acres of Alaska's most pristine lands for preservation to enable the citizens of the United States to have access to. The concept is worthy of mention but the goal is not access; it is the inaccessibility to our natural resources by anyone that would become a productive citizen.

The federal government is trying to force Alaska to relinquish states' rights by forcing federal management of fish and game. If our governor and legislature allow the feds to take over on federal lands (they already manage wildlife on federal lands), there will be little land left for private citizens to hunt and fish on. Opening state lands for homesteading would allow people who hunt and fish to get closer to the resources, as well as, getting public lands into private hands to develop the resources and create resource-based jobs instead of making government jobs Alaska's leading industry.

Recommendation #4: Build more roads and trails into remote areas of Alaska.

Fish & Game recently said they were going to study why the number of resident hunting and fishing licenses has been reducing in recent years, while the number of out-of-state licenses has increased. The answer is quite simple - money and access. The hunting areas in close proximity of populated areas have been closed due to parks and "developed facilities" and wildlife are not getting in close to populated areas because the wildlife is being harvested by big game guides, rich out-of-state trophy hunters, and the wolves.

If you want to fish in the Fairbanks area and keep what you catch, you are pretty much forced to go to a State Park facility that charges you to use the facility and catch the stocked fish. The rest of the area is catch and release, which is a contradiction in itself.

There is no access to remote areas where the fish and wildlife is unless you are wealthy or have an airplane. State Parks, Fish & Game, and the Knowles Administration have not managed fish and game for human consumption. TO do so, they need to construct a network of road, even if they are gravel roads, into remote areas of the state. Give people access to the land, so they can use the resources.

Recommendation #5: Demand that Governor Knowles challenge Title VIII of ANILCA in the U.S. Supreme Court.

To think that our governor and a large portion of our legislature would be willing to decide the fate of fundamental rights like states' rights at the ballot box instead of the U.S. Supreme is treasonous. We need to demand immediate action to resolve this federal intrusion immediately. The fate of all of Alaska's resources will not be known until the states' rights issue is resolved.

Meeting with Anna Plager, Director Northern Region Division of Parks and Recreation.

On October 13th, I met with Anna Plager, a park ranger, and my wife, Rynnieva Moss, legislative aide for Representative John Coghill. We talked about the parks and recreation operations in Northern Alaska. I expressed my concerns about the "developed facilities" and further closure of popular and accessible hunting and fishing areas. Although Ms. Plager listened, I did not sense any willingness on her part to change. The park ranger seemed more interested in out-of-state people using Chena Hot Springs Road for a catch and release paradise than enhancing what is left of the hunting area in the Chena Hot Springs Recreation Area.

A couple of areas we came out of the meeting agreeing to follow up on are:

1. **Obtain an exemption from the Alaska Public Utilities Board for solid waste disposal for the Division or obtain a statutory exemption.** Currently Parks is paying twice the garbage pick up fees that the Fairbanks North Star pays because the borough as a municipality is exempt, but a state agency is not. The same vendor provides the service.
2. **Expand Chena Hot Springs Road northwest to connect to the Steese Highway at Eagle Summit.** One impediment to increased use of the Park area and the attraction of tourists is that it is a dead end road. Plager said that this had been discussed in years passed but no one has seriously pursued it. Ms. Plager made a big pitch that the CHS Recreation area had 165,000 visitors last year. Those numbers eliminated only 10% of the traffic for local use. I feel that number is completely bogus. Chena Hot Springs Resort is the biggest attraction to traveling the road in the summer and winter and in the fall, moose hunting accounts for most of the traffic. There may be a lot of vehicles going through the CHS Recreation Area, but I don't think many of them are stopping to use the recreation area. Extending the road would make a more scenic route for tourism and would provide more access for local residents to use the recreation area.
3. **Contract parks in clusters allowing for sole concessionaire clauses in the contract.** Ms. Plager said that there are parks such as the one on University Avenue that are big revenue providers, while most of the parks are operated at a loss. She said it is difficult to attract park managers when a profit can not be made. She has been looking at the possibility of clustering profitable parks with parks that break even or lose money. Rynnieva Moss said that one way to make a park profitable is to allow concessions selling commodities and services. Plager said that had been explored but if the division allows one person to set up a concession stand, they can't control ten others selling concessions in the park. Rynnieva said that the way to control the number of concessions and to get contractors to accept users with season permits is to include language in the contract to include concession rights for the parks being contracted to that specific contractor.
4. **Increase interagency planning for multiple use in parks.** Using the Chena Hot Springs Recreation Area as an example, we discussed the need for the Division to work closer with Division of Forestry, DOTPF, and Fish & Game to develop parks areas that are rich in resources for everyone. This must include hunters and fisherman who have relied on these areas in the past for subsistence purposes. I discussed how the traditional use of Chena Hot Springs Road for hunting and fishing has been destroyed by closing fishing for consumption and implementing a catch and release policy, and by reducing the hunting area by building developed facilities. One way to do this would be for the Division of Forestry to let timber sale in close proximity of

the recreation area in the remote edges of the park. The loggers would build roads to the timber (at no cost to the State) and there would be increased access into remote areas of the park. Fish and Game should work more closely to ensure that remote lakes and streams have fish stock for consumption, and should begin to manage fish and wildlife resources for consumption, making the parks more attractive to tourists, hikers, photographers, and consumptive users. DOTPF is receiving tens of millions of dollars from the Federal Highway Administration for trails and roadside facilities. The Parks Division should be involved in decided how that money is spent so as not to be duplicative and to be cooperative. DOTPF's focus in building a road system is too build modern paved highways. DOTPF should leave part of the Last Frontier for tourists to see. This would free up funding to build secondary gravel roads into remoter areas, providing access to public land for multiple use and to private land for resource development. Ms. Plager said she thought this was a good idea and would discuss it with the Administration.

Ms. Plager appears to be running a tight ship in her division, however, all of her actions revolve around the buck. If the potential is not there to make a buck, her agency is not going to make those resources available to the public. I emphasize that she appears to be running a tight ship, because many things appear to one way until you take a closer look at things. I suspect that this is this case with the Chena Hot Springs Recreation area. I think her claim that 165,000 vehicles visited the Chena Rec facilities in one year is bogus. She is concluding that of the 183,333 vehicles crossing Parks' traffic counter in one year, 165,000 are tourists. That's an incompetent conclusion.

Legitimate reasons for traffic on Chena Hot Springs Road:

Residents

Local users of Chena Hot Springs Resort

Conventions and meetings at Chena Hot Springs Resort

Angel Creek

Yukon Quest

Cabin owners near Resort

Boy Scout Camp

Target Practice

Hunters

I. Agency & Department Name

This is the privatization summary for the Division of Parks & Outdoor Recreation in the Department of Natural Resources.

BRU and Component Names as listed in state budget

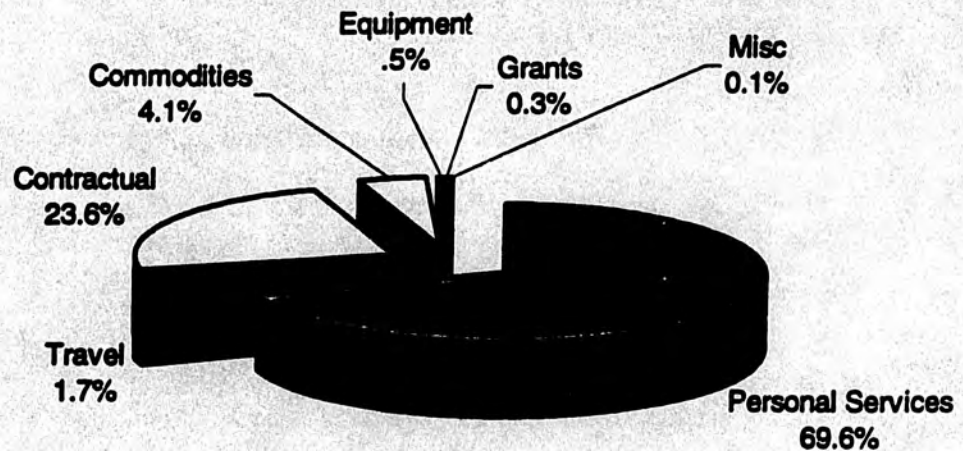
The BRU is the Division of Parks and Outdoor Recreation. It has three components: State Historic Preservation, Parks Management, & Parks Access. The Division has 77, full-time employees, 58 permanent part-time employees, and 57 temporary employees.

This division maintains state park facilities located on state lands.

Total Budget, all funds

The total budget for Parks & Recreation is \$9,302,800. The division spends \$6,475,200 on personal services, \$161,300 on travel, \$2,198,200 on contractual services, \$385,300 on commodities, \$48,300 on equipment, \$25,000 on grants, and \$9,500 on miscellaneous expenses.

FY'00 Budgeted Expenses

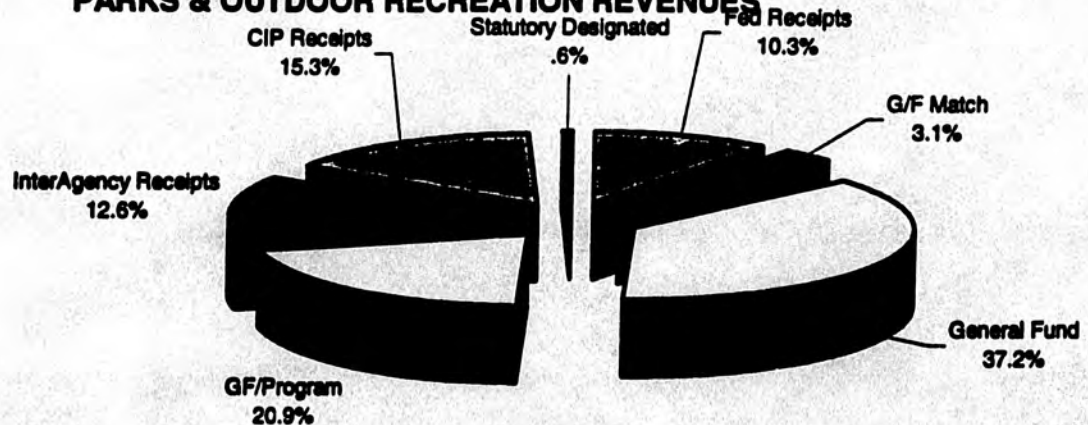


\$ 9,302,800

Total Revenue derived:

The total revenues for the Division of Parks and Outdoor Recreation total \$9,303,000. Federal receipts for this program total \$955,000 or 10.5% of the component revenues.

PARKS & OUTDOOR RECREATION REVENUES



**\$ 9,302,800
FY'00**

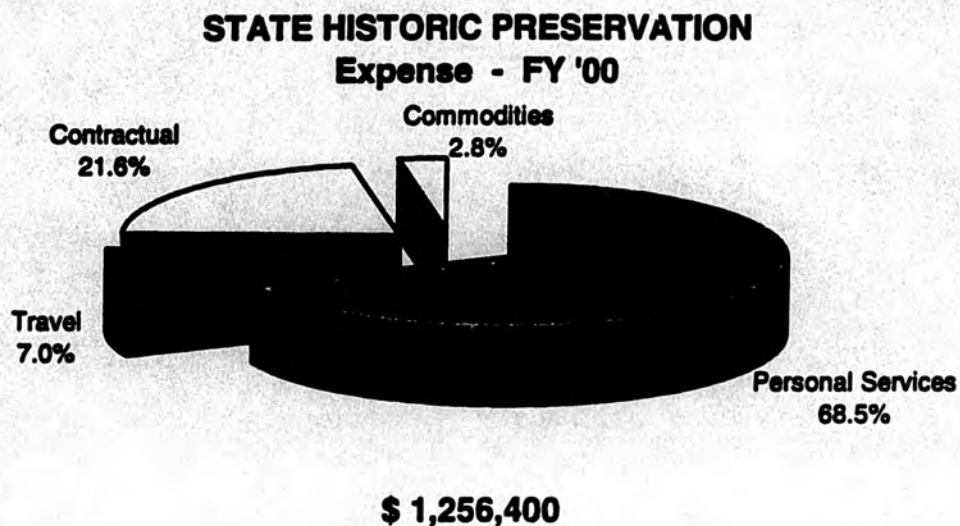
STATE HISTORIC PRESERVATION:

Goals & Objectives: The Alaska Office of History and Archaeology carries out the responsibilities of the State Historic Preservation Office. The National Historic Preservation Act of 1966 set up the position of State Historic Preservation Officer (SHPO) for each state, to be appointed by the Governor. In Alaska, the Governor has designated the Chief of the Office of History and Archaeology as the SHPO. Judith E. Bittner is the Alaska SHPO. The responsibilities of the SHPO under the National Historic Preservation Act include:

- Statewide historic preservation planning
- Statewide survey and inventory of historic properties
- Nominating properties to the National Register of Historic Places
- Administering the federal historic preservation grants-in-aid program
- Assisting local governments in developing historic preservation programs and in becoming certified to participate in the national program
- Advising and assisting in federal, state, and local historic preservation projects
- Participating in the review of federal, state, and local undertakings that may affect historic properties (Section 106 Review)
- Providing public information, education, training, and technical assistance in historic preservation, and
- Performing rehabilitation tax credit project reviews

Budget for FY'00:

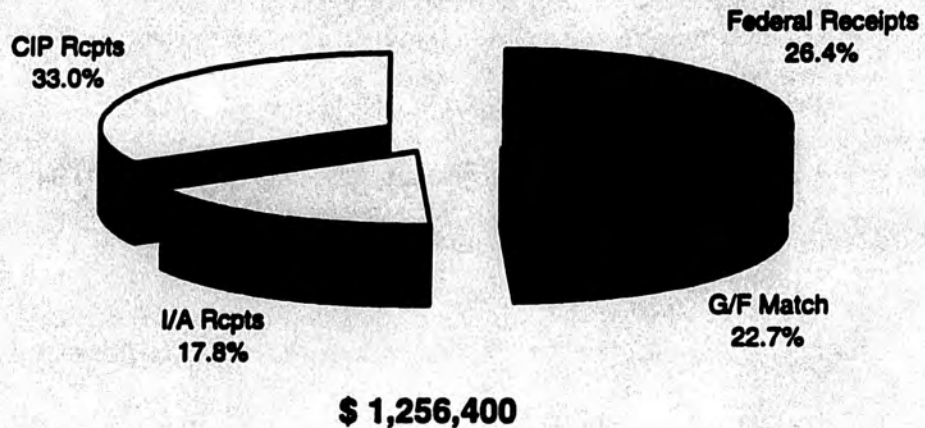
This division has a budgeted expense of \$1,256,400, which is an increase of \$4,000 from FY'99. The increase is in the personal service component, which would indicate an increase in salary and benefits.



Revenues for FY'00:

Revenues for the State Historic Preservation component total \$1,256,400: \$332,300 in federal receipts, \$285,500 in general fund-matching funds, \$224,000 in interagency receipts, and \$414,600 in CIP receipts.

**STATE HISTORIC PRESERVATION REVENUES
FY '00**



Parks Management:

Goals & Objectives: To provide park facilities to Alaskans and to enhance the attraction of tourists to Alaska. The objective is to increase park facilities.

Anchorage Area

Chugach State Park

Kachemak Bay State Park and State Wilderness Park

Prince William Sound State Marine Parks

Totem Bight State Historical Park

Interior Alaska

Chena River State Recreation Area

Delta Junction Area Parks

Fairbanks Area Parks

Tok Area Parks

Valdez Area Parks

Kenai Peninsula

Anchor River State Recreation Area

Caines Head State Recreation Area and Resurrection Bay State Marine Parks: Out of the town of Seward, on the Kenai Peninsula, there are six remote coastal park units.

Captain Cook State Recreation Area: At the northern end of the Kenai Peninsula, this 3,460 acre park sits at the end of North Kenai Road along Cook Inlet and offers a variety of recreational activities.

Clam Gulch State Recreation Area: This park is on the Kenai Peninsula near Ninilchik.

Deep Creek and Ninilchik State Recreation Areas

Kasilof Area Parks

Kenai River Special Management Area: This park on the Kenai Peninsula, south of Anchorage, offers some of the best salmon fishing in Alaska.

Kodiak Area State Parks:

There are six state parks in the Kodiak area - four on the road system or near the town of Kodiak, and two remote parks on the islands of Afognak and Shuyak.

Matanuska and Sustina Valleys

Denali State Park: This park is approximately half way between Anchorage and Fairbanks and is adjacent to Denali National Park.

Independence Mine State Historical Park: This gold mine turned historic park sits on the tundra in the Hatcher Pass area north of Anchorage.

Nancy Lake State Recreation Area: This 22,685 acre park, 67 miles north of Anchorage, has canoe trails, ski and snowmachine trails, cabins and more.

Southeast Alaska

Alaska Chilkat Bald Eagle Preserve: Thousands of bald eagles winter over in this park near Haines in Southeast Alaska

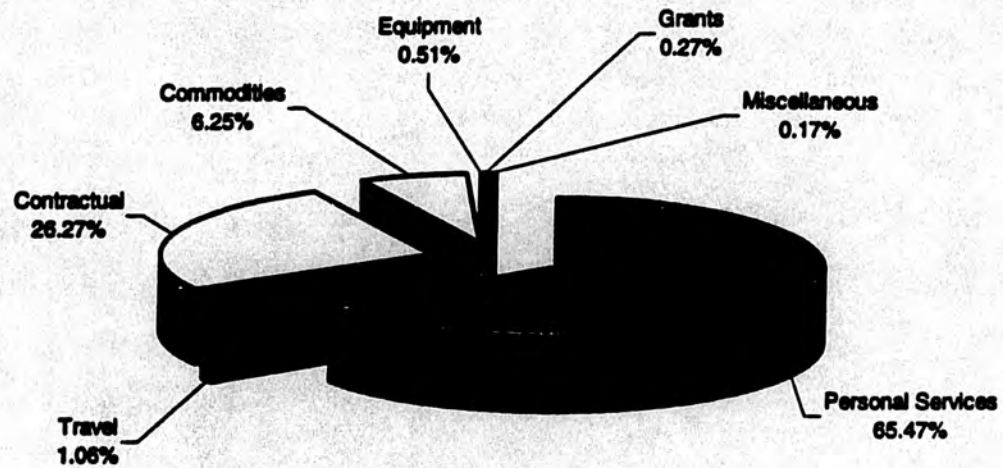
Point Bridget State Park: 40 miles north of Juneau, this 2,850-acre park offers over 10 miles of scenic trails through meadows and open forest.

Southwest Alaska

Wood-Tikchik State Park: This is our largest state park and the only state park located in the western half of the state.

Budget for FY'00:

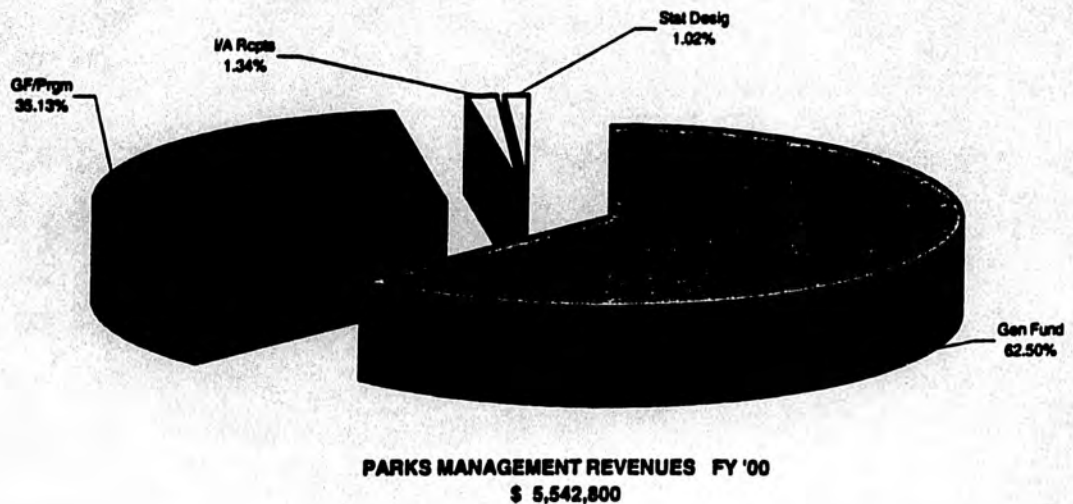
This division has a budgeted expense of \$5,542,800: \$3,628,800 for personal services; \$58,900 for travel; \$1,455,900 for contracts; \$346,400 for commodities; \$28,300 for equipment; \$15,000 for grants; and \$9,500 for miscellaneous expenses.



PARKS MANAGEMENT EXPENDITURES - FY'00
\$ 5,542,800

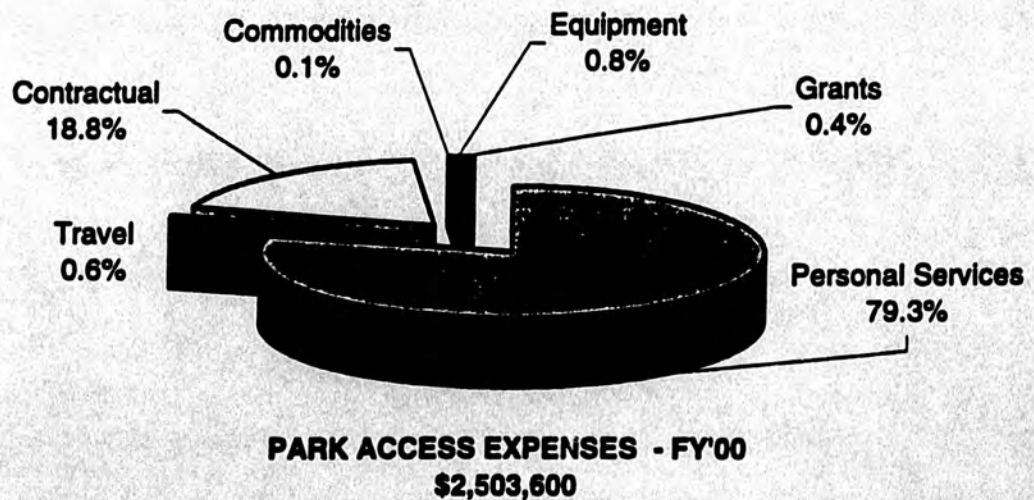
Revenues for FY'00:

The Parks Management component was appropriated \$5,542,800 for FY'00 operations. Funding sources are \$3,464,500 from the general fund, \$1,947,300 from general fund program receipts, \$74,300 in interagency receipts, and \$56,700 from statutory designated funds.



PARKS ACCESS COMPONENT

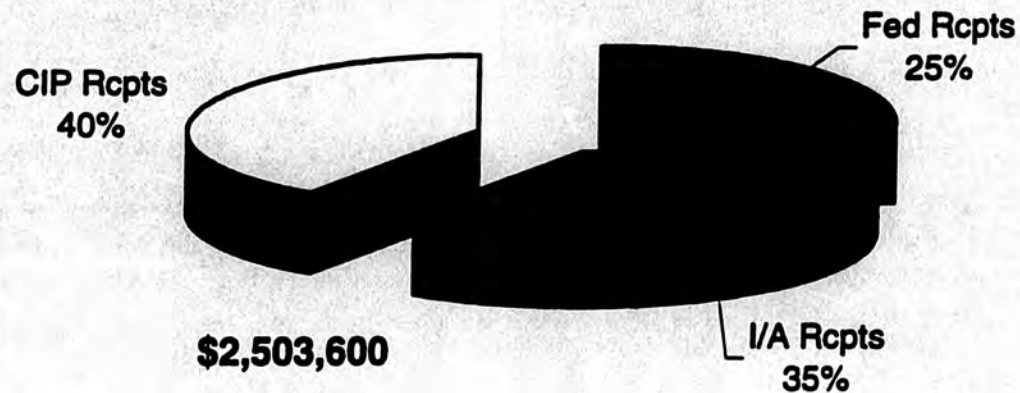
Budget for FY'00: The Parks Access component has a budgeted expense of \$2,503,600: \$1,985,300 for personal services; 13,900 for travel; \$470,800 for contracts; \$3,600 for commodities; \$20,000 for equipment; and \$10,000 for grants.



Revenues for FY'00:

The Parks Access component was appropriated \$2,503,600 for FY'00 operations. Funding sources are \$622,700 from federal receipts, \$871,900 in interagency receipts, and \$1,009,000 from CIP receipts.

PARK ACCESS REVENUES - FY'00



The following is a solicitation from the Parks webpage on the State of Alaska Homepage:

Encompassing over 3 million acres, the Alaska State Parks System is the largest state park system in America. More than recreational sites or hiking trails, Alaska's parks are living museums that hold the best of the natural and historic resources that make up the "Great Land". Many opportunities to enjoy Alaska's state parks are ready and waiting, but are hindered by lack of funds. Your support is needed now more than ever.

The Alaska State Parks Foundation, incorporated in 1993, is a non-profit organization able to accept tax-deductible gifts of cash, land and other property. The mission of the Foundation is to enhance public enjoyment of Alaska State Parks today, while protecting and preserving our parks for future generations. The Foundation can work with individuals, organizations and companies to effectively match their donations with key needs and opportunities throughout the Alaska State Park system.

Our goal is simple - to have the best park system we can have.

The Foundation serves as a common link between all those who appreciate our wonderful state parks, whether their primary interest is recreation, resource protection, or the economic revenues their community receives from the many residents and tourists attracted to the parks.

The question has to be asked: How much money is being raised by the Alaska State Parks Foundation and how is it being spent? If the foundation is providing money to the Division of Parks, it is not reflected in the budget. If the foundation accepts contributions and spends the money directly, then the organization should not be soliciting money on the State of Alaska Homepage.

State functions should be transferred to the private sector or contracted out;

There are some areas of the Parks Service that could be replaced with private sector accommodations. One area is the rental of cabins and icehouses.

The following is information available on the Parks web page:

Public Use Cabins

Alaska State Parks offers more than 40 recreational cabins for use by the public. The cabins are located along trails and near remote lakes, streams, and saltwater beaches. Most cabins are accessible year 'round, by floatplane, wheelplane, boat, or trail. Only four cabins are accessible by road. Hikers should prepare for backcountry travel and to provide emergency shelter if they are unable to reach their cabin.

State park cabins sleep from three to eight persons and are equipped with wooden sleeping platforms, a wood stove for heating only, a table, chairs or benches, and a nearby latrine. Designs vary. Only the Shuyak Island cabins have dishware, a propane stove, and lights.

Ice Fishing Huts - Northern Area

During the winter months, State Parks offers day use ice fishing huts for rent at two parks. The Department of Fish and Game constructed these huts as part of the Federal Aid in Sport Fish Restoration Program. These huts are for fishing only. There are no sleeping accommodations in them. They have a wood heating stove and four fishing holes. All other equipment and supplies must be provided by the user. Firewood is not provided, so please bring your own. Latrines on shore are open for use. Checkout time is 12:00 midnight.

Quartz Lake State Recreation Area (near Delta Junction)

Quartz Lake SRA is known for its excellent sport fishing. Rainbow trout, silver salmon and arctic char are stocked in Quartz Lake. Nearby Lost Lake is not stocked. There is a public use cabin for rent at Quartz Lake SRA as well.

- Ice Hut D8 (8' X 12')
- Ice Hut D9 (8' X 12' Bottom of Form 2)
- Ice Hut D10 (8' X 12' Bottom of Form 3)
- Ice Hut D11 (8' X 12' Bottom of Form 4)

Birch Lake State Recreation Site (near Fairbanks)

Birch Lake SRS is a little-developed area with summer activities of camping, picnicking, swimming, fishing and boating. There is a parking lot, toilet and undeveloped campsites.

- Ice Hut D2 (8' X 12')
- Ice Hut D3 (8' X 12' Bottom of Form 6)

Reservation Information

Reservations can be made up to six (6) months in advance of the first day of intended use. Reservations can be made in person or by mail at the offices below. When a reservation is accepted, a combined receipt and permit to use the cabin is issued. Permits are issued for non-commercial purposes only, and on a first-come, first-served basis. A permit-day begins at 12:00 noon on the assigned day and ends at 12:00 noon on the following day. A detailed map and information pertaining to the specific cabin rented will be available upon making a reservation. Maximum stay limits vary from 3 to 7 consecutive nights. Cabin capacity varies from 3 to 8 people.

CABIN FEES	
Cabin Location	Fee
Afognak Island, near Kodiak	\$35 per night
Birch Lake, near Delta Junction	
Ice fishing huts	\$15 per day
Byers Lake, near Trapper Creek	\$35 per night
Caines Head, near Seward	\$50 per night
Chena River, near Fairbanks	\$25 or \$35 per night
Chugach State Park, near Anchorage	\$40 per night
Fielding Lake, near Delta Junction	\$25 per night
Grindall Island, near Ketchikan	\$25 per night
Kachemak Bay, near Homer	\$50 per night
Nancy Lake, Wasilla	\$35 per night
Oliver Inlet, near Juneau	\$25 per night
Point Bridget, near Juneau	\$35 per night
Quartz Lake, near Delta Junction	
Cabin	\$25 per night
Ice fishing huts	\$15 per day for
Salcha River, near Fairbanks	\$25 per night
Shoup Bay, near Valdez	\$50 per night
Shuyak Island, near Kodiak	\$50 per night
Thumb Cove, near Seward	\$50 per night

** Service fee to change or cancel a reservation \$5 per reservation

LAND OWNERSHIP and LAND ACCESS

Another area of government that should be privatized is land ownership. The federal government has locked up hundreds of millions of acres of land. This land is not available for hunting, for fishing, for homesteading or for viewing pristine nature. It is locked up for the use of rich environmentalist and bureaucrats that travel on our dime.

Alaskans continue to battle for the right to access to public lands and land ownership. Alaska has been locked up for use by a small segment of society. The users are a group of elite bureaucrats, congressmen, environmentalists, and the wealthy who can afford to hire guides and pay to go to remote areas, including the remote cabin sites that are rented out by the State Parks Division and the Department of Interior.

List problems or barriers to implementing.

The one barrier to containing the Parks division is the environmental movement within the Knowles Administration. Those who have doubts should look at the funding Tony Knowles has supplied to non-profit environmental organizations.

The federal government recently imposed Title VIII of ANILCA and directed the State of Alaska to recognize and accept the federal regulations for managing fish & wildlife. It is of my opinion that these people do not know how to read or how to understand constitutional law. If we do not challenge the federal government and chase their hindends out of Alaska's wilderness, hunters, fishermen, miners, farmers, and people who want to live off the land can kiss their butts good-bye.

OIL AND GAS
Member: Randy Ruedrich

ALASKA OIL AND GAS CONSERVATION COMMISSION

Privatization Considerations from DNR Subcommittee

The AOGCC Services are

- Approve drilling and workover operations**
- Inspect drill rigs and wells**
- Witness safety valve, mechanical integrity, and blowout preventer tests**
- Approve casing, cementing, and well completion operations**
- Approve and monitor gas flaring**
- Approve and monitor plans for oil pool development and plans for enhanced oil recovery**
- Monitor and enforce well spacing rules, production rates, injection well pattern, gas/oil/water ratios, and pressure maintenance efforts**
- Issue Pooling rules and conservation orders**
- Administer Alaska's Underground Injection Control (UIC) program and the annular waste disposal program**
- Collect and maintain all oil and gas production records**
- Collect and maintain all well history files and well log records**
- Witness meter proving, calibration, and oil quality test**

Let's move into the future with benefits of the present.

This Commission developed to regulate petroleum production practices in 1970's. The commission has provided useful services to the industry.

The well services group

- Approve drilling and workover operations**
- Inspect drill rigs and wells**
- Witness mechanical integrity, and blowout preventer tests**
- Approve casing, cementing, and well completion operations**
- Collect and maintain all well history files and well log records**

And the production services group

- Approve and monitor gas flaring**
- Witness safety valve, and mechanical integrity tests**
- Collect and maintain all oil and gas production records**

need to viewed in terms of the petroleum industry today.

Operator Operational Assurance Plans are designed to certify that drilling, well services and production operations are properly designed, implemented and verified. At most, the present AOGCC role in their services is secondary verification. The state should simply require the lease or unit operator certify compliance with its Petroleum Code and related Regulations. The state should periodically (every 5 to 7 years) engage a petroleum operations consultant to ensure that the Code reflects state of the art technology and practice. This change would eliminate at least the four inspector positions.

The oil and gas production records, well history files and well logs should be filed electronically and posted on a website for easy access. The process should be run on an outsourced computer system. The state should load all old exploratory well data on the website. A historical sample of roughly 30% of development well histories and all logs from

unitized platform or drillsite wells should be on the website. At least one technician position would be eliminated.

The bulk of the services focus on asset development

Approve and monitor plans for oil pool development and plans for enhanced oil recovery

Monitor and enforce well spacing rules, production rates, injection well pattern, gas/oil/water ratios, and pressure maintenance efforts

Issue Pooling rules and conservation orders

Administer Alaska's Underground Injection Control (UIC) program and the annular waste disposal program

These four services and the related professional commission staff should be transferred to the Department of Natural Resources Division of Oil and Gas. The services are directly link to many DOG functions. One stop shopping for the industry would become result.

The remaining service

Witness meter proving, calibration, and oil quality test

is the critical link in determining the volume and value of the crude oil and gas produced from state lands. This position should be outsourced to a professional organization in the petroleum measurement certification business. The function could be placed in either the Department of Revenue or the Department of Natural Resources.

In summary the AOGCC can be distributed as shown above with elimination the five positions cited above as well as the three commissioners and their executive assistant for the elimination of at least nine state positions. The cost reduction in terms of staff, burden and facilities should approach \$1,050,000 annually. The contracted data management and metering certification cost is estimated at \$250,000. The estimated benefit to the State is more than \$800,000.

APPENDICES

**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the
Department of Natural Resources**

Appendix N

L. Mark Anthony Initial Notes

INITIAL SUBCOMMITTEE MEETING ON PRIVATIZATION OF DNR
MY NOTES

1. We are not here to tell anyone how to run the government. The political decisions are for the Commission, Legislature, and Administration. We are here to suggest privatization of government, if it is reasonably cost effective.
2. We are all volunteers out of civic duty.
3. We have asked and continue to ask for mission statements and costs, because we believe good statements and costs are good government. The lack of statements and poor ones are areas to be investigated for privatization.
4. Privatization must be done carefully and the savings to government demonstrated. Perhaps the best approach is to test it by examination.
5. Garbled government missions or mixed ones should be broken down to aliquot parts. Otherwise, much of the cost may be viewed as overhead.
6. In an attempt to breakdown the cost structure and come up with some cost/benefit analysis, I am distributing 2 forms.
7. Hopefully, we will be able to determine total costs for many items such as: \$/mbf lumber, \$/paying park visitor, \$/sq. mi. geologic mapping, \$/ use permit, etc.

Leo Mark Anthony



**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the
Department of Natural Resources**

Appendix O

Possible DNR Study Forms

DNR Unit

Contacts

Researcher

1. What function(s)? (Break it down as far as possible.)

2. Total Costs?

3. Cost / Unit of Productivity?

4. Overlaps, if any?

5. Are there any productivity studies available?

6. Suggestions for improvement, if any?

7. Suggested test for change, if any?

DNR Unit

Costs

Researcher

Personnel

What they do.

Unit Cost

Travel Costs

Purpose

Overhead

Department

Division

Section

Other

Cost/Service Unit

P

**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the
Department of Natural Resources**

Appendix P

Senate Bill #169

CS FOR SENATE BILL NO. 169(FIN) am H
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Amended: 5/16/99

Offered: 5/10/99

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to missions and measures to be applied to certain expenditures
2 by the executive branch of state government and the University of Alaska from
3 the state operating budget for the fiscal year ending June 30, 2000; and providing
4 for an effective date."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1. Legislative purpose.** The purpose of this Act is to state the missions, when
7 expending money appropriated by the operating budget for the fiscal year 2000, for the
8 departments of state government and for those divisions within departments that the legislature
9 reviewed in 1999 and, in some cases, to set out performance measures for divisions or
10 programs within divisions.

11 **Article 1. Department of Administration.**

12 * **Sec. 2. Department of Administration.** The mission of the Department of
13 Administration is to

14 (1) facilitate the operations of state government by providing cost-effective

- 1 business management and information technology support services to state agencies;
- 2 (2) provide equitable legal and advocacy services for indigent Alaskans;
- 3 (3) provide quality programs that promote the dignity, security, and
- 4 independence of Alaska's seniors;
- 5 (4) provide efficient and accessible vehicle licensing and registration services
- 6 to the public; and
- 7 (5) provide administrative support to those commissions assigned to the
- 8 department.

9 *** Sec. 3. Admin - Division of Administrative Services.** The mission of the Division of
10 Administrative Services is to provide

- 11 (1) cost-effective business management and information technology support;
- 12 and
- 13 (2) effectively administer state municipal grants programs.

14 *** Sec. 4. Admin - Information Technology Group.** The mission of the Information
15 Technology Group is to

- 16 (1) assist state agencies in accomplishing their missions by providing
- 17 innovative and cost effective technology support; and
- 18 (2) make government more accessible to the public through on-line information
- 19 and services; and
- 20 (3) provide an essential piece of the state's information infrastructure by
- 21 efficient use of Alaska's satellite-based public communications system ensuring the delivery
- 22 of educational programs, children's programs, news, and information material, and emergency
- 23 warnings throughout the state.

24 *** Sec. 5. Admin - Division of Personnel.** The mission of the Division of Personnel is to
25 contribute to the efficiency and effectiveness of government by working in partnership with
26 state agencies to hire and retain a qualified and productive workforce in accordance with state
27 and federal rules.

28 *** Sec. 6. Admin - Division of Finance.** The mission of the Division of Finance is to
29 uphold the public's trust in the security, integrity, and stability of the state's financial system
30 through sound policies and compliance with fiscal rules, laws, and generally accepted
31 accounting principles.

1 successful citizens.

2 (b) The legislature intends to measure the success of the youth corps in achieving its
3 mission by considering the percentage of

4 (1) graduates who receive their GED or reenter high school;

5 (2) students increasing English or math comprehension one grade level or
6 more;

7 (3) enrollees who graduate from the youth corps program;

8 (4) graduates working, in school, including continuing education, or training
9 one year after graduation from the youth corps program.

10 **Article 12. Department of Natural Resources.**

11 * **Sec. 102. Department of Natural Resources.** The mission of the Department of
12 Natural Resources is to develop, conserve, enhance, and make available natural resources for
13 present and future Alaskans.

14 * **Sec. 103. DNR - Division of Support Services.** The mission of the Division of Support
15 Services is to provide effective and efficient administrative services to departmental employees
16 and programs in order to maximize public service.

17 * **Sec. 104. DNR - Division of Oil and Gas.** The mission of the Division of Oil and Gas
18 is to encourage maximum responsible oil and gas exploration and development.

19 * **Sec. 105. DNR - Division of Agriculture.** The mission of the Division of Agriculture
20 is to promote and encourage development of an agriculture industry in the state.

21 * **Sec. 106. DNR - Division of Land.** (a) The mission of the Division of Land is to
22 provide for maximum use and settlement of state land consistent with the public interest.

23 (b) The legislature intends to measure the success of the Division of Land in achieving
24 its mission by considering

25 (1) the percentage of total entitlement acres that were acquired during the year;

26 (2) the percentage of trespass actions resolved;

27 (3) the percentage of Bureau of Land Management conveyance to third parties
28 contested;

29 (4) the number of amendments to existing area plans;

30 (5) in regions without area plans, the number of site-specific plans as a
31 measure of changing land classification and land use requirements;

- 1 (6) the dollar amount of revenue from material sales;
- 2 (7) the ratio of commercial land use permits as percent of the total land use
- 3 permits;
- 4 (8) the ratio of leases with significant economic benefit (that is, those that
- 5 create 20 or more jobs) as percent of total;
- 6 (9) the commercial rights-of-way as percent of total rights-of-way;
- 7 (10) the number of land sales held and percent of preference rights conveyed
- 8 versus applications;
- 9 (11) with respect to municipal entitlement requests and applications, the
- 10 number of applications received from municipalities and the number of acres;
- 11 (12) percentage of entitlement remaining to process considered by the number
- 12 of acres;
- 13 (13) the percentage of remaining entitlement selected, considered both by
- 14 number and by acres;
- 15 (14) the number of parcels of entitlement that are expedited, considered both
- 16 by number and by acres;
- 17 (15) the percentage of municipal selections approved by the division but
- 18 waiting for municipal survey, considered both by number and by acres.

19 * Sec. 107. DNR - Division of Forestry. (a) The mission of the Division of Forestry is
 20 to develop, conserve, enhance, and manage the state's forests to provide a sustainable supply
 21 of forest resources for Alaskans.

22 (b) The mission of forest management and development in the Division of Forestry
 23 is to

24 (1) manage state forests and forested state lands, for which forestry is an
 25 identified use, sustainably for the many public uses of forest resources;

26 (2) administer the Alaska Forest Resources and Practices Act on state,
 27 municipal, and private lands in a manner that maximizes sustainable forest resources and
 28 economic enterprises that rely on forest resources; and

29 (3) provide support to nonindustrial private forest landowners to ensure health
 30 and productivity of Alaska forests.

31 (c) The mission of the statewide fire suppression in the Division of Forestry

1 (1) as to fire suppression, is to manage wildland fire for the safety of Alaskans
2 and protection of property and to maintain a healthy forest;

3 (2) as to pre-suppression, is to reduce human caused fires and maintain fire
4 fighting resources in a state of operational readiness to manage wildland fires for the safety
5 of the state's forest resources and to maintain a healthy forest.

6 (d) The legislature intends to measure the success of the Division of Forestry in
7 achieving the mission set out in (b)(1) of this section by considering

8 (1) the distribution and abundance of forest types and stand ages;

9 (2) the volume of timber offered annually, including volume of timber offered
10 in-state, and value-added processing;

11 (3) the volume of timber offered over a five-year period, by year; this measure
12 is a measure of stability;

13 (4) the percentage of harvest acres of state land meeting reforestation
14 requirements established by AS 41.17 or by regulations adopted under AS 41.17 (Forest
15 Resources and Practices Act);

16 (5) the volume offered and number of jobs resulting from timber sales sold
17 under value-added sales (AS 38.05.123).

18 (e) The legislature intends to measure the success of the Division of Forestry in
19 achieving the mission set out in (b)(2) of this section by considering

20 (1) the level of compliance with best management practices, as measured by
21 implementation monitoring program.

22 (2) the continued productivity of fish habitat, as measured by effectiveness
23 monitoring studies;

24 (3) the continued protection of water quality, as measured by implementation
25 monitoring program;

26 (4) the continuation of certification for federal Clean Water Act and coastal
27 zone compliance in accordance with AS 41.17 or with regulations adopted under AS 41.17
28 (Forest Resources and Practices Act);

29 (5) the compliance with requirements for reforestation on private, municipal,
30 and non-DNR state land.

31 (f) The legislature intends to measure the success of the Division of Forestry in

1 achieving the mission set out in (b)(3) of this section by considering

2 (1) the percentage of nonindustrial forest land covered by forest stewardship
3 plans;

4 (2) the percentage and number of communities with organized community
5 forestry activities;

6 (3) the equipment and amounts provided to highest priority fire departments;

7 (4) the percentage of total forested acres included in the annual insect and
8 disease report;

9 (g) The legislature intends to measure the success of the Division of Forestry in
10 achieving the mission set out in (c) of this section by considering

11 (1) the percentage of fires in full and critical protection categories held at less
12 than 10 acres;

13 (2) the percentage of the total cost that was used to obtain personnel and
14 equipment from out of state;

15 (3) the percentage of total fire departments with cooperative agreements
16 between wildland fire protection and structural protection providers;

17 (4) the percentage of fires that result from human actions, whether as a
18 function of population growth or of other causes;

19 (5) the extent and characteristics of damage to structures after wildland fire.

20 * Sec. 108. DNR - Division of Mining and Water Management. (a) The mission of the
21 Division of Mining and Water Management is to facilitate the development and stewardship
22 of the state's

23 (1) mineral and coal resources; and

24 (2) water resources.

25 (b) The legislature intends to measure the success of the Division of Mining and
26 Water Management in achieving the mission of the mining section with respect to

27 (1) public safety by considering the percentage of abandoned mines on state
28 land considered hazardous;

29 (2) rights and development by considering the number of

30 (A) new leases and claims compared to the total number of leases and
31 claims;

1 (B) closed leases and claims compared to the total number of leases
2 and claims; and

3 (C) federal claims compared to the total number of leases and claims;

4 (3) permitting by considering the

5 (A) adverse audit findings compared to total audit findings;

6 (B) dollar value and number of jobs associated with mineral
7 exploration, development, and mine operations, by commodity, over time;

8 (C) number of active mines over time;

9 (D) dollar value and number of mineral exploration credits over time;

10 and

11 (E) aged rentals and royalties received by commodity over time; and

12 (4) compliance by considering the

13 (A) percentage of active mines without violations;

14 (B) acres reclaimed compared to acres designated for reclamation
15 (activity measure); and

16 (C) number and type of permit violations.

17 (c) The legislature intends to measure the success of the Division of Mining and
18 Water Management in achieving the mission when measuring the division's performance with
19 respect to public safety by considering the percentage of dams inspected and found in
20 compliance.

21 (d) The legislature intends to measure the success of the Division of Mining and
22 Water Management in achieving the mission when measuring the division's performance with
23 respect to water rights by considering

24 (1) the percentage change in total inventory;

25 (2) the average processing time of water rights.

26 (e) The legislature intends to measure the success of the Division of Mining and
27 Water Management in achieving the mission set out in (a)(2) of this section when measuring
28 the division's performance with respect to dam development by considering

29 (1) the percentage change in total inventory and use authorization;

30 (2) the average processing time of authorization.

31 (f) The legislature intends to measure the success of the Division of Mining and Water

1 Management in achieving the mission set out in (a)(2) of this section when measuring the
2 division's performance with respect to ownership by considering

3 (1) water rights and authorizations with complaints compared to total water
4 rights and authorizations by type, such as residential, municipal, business, federal reserved
5 water rights, and instream flows;

6 (2) the percentage of resource development projects applying for water permits
7 receiving permits within appropriate time frame.

8 (g) The legislature intends to measure the success of the Division of Mining and
9 Water Management in achieving the mission set out in (a)(2) of this section when measuring
10 the division's performance with respect to data by considering the percentage of

11 (1) data requests satisfied within appropriate time frame, where data is
12 available;

13 (2) times data is compatible with other users.

14 * Sec. 109. DNR - Division of Geological and Geophysical Surveys. The mission of the
15 Division of Geological and Geophysical Surveys is to determine

16 (1) the potential of Alaska land for production of metals, minerals, fuels, and
17 geothermal resources;

18 (2) the locations and supplies of groundwater and construction material;

19 (3) the potential geologic hazards to buildings, roads, bridges, and other
20 installations and structures.

21 * Sec. 110. DNR - Division of Parks and Outdoor Recreation. The mission of the
22 Division of Parks and Outdoor Recreation is to provide

23 (1) outdoor recreation opportunities and conserve and interpret natural, cultural,
24 and historic resources; and

25 (2) services designed to encourage the development of local park and
26 recreational facilities and programs.

27 **Article 14. Department of Public Safety.**

28 * Sec. 111. Department of Public Safety. The mission of the Department of Public
29 Safety is to ensure and maintain a safe, orderly, and positive environment in the state. This
30 commitment is delivered through statewide police, resource protection, emergency response,
31 fire safety, and other vital public safety services.



Q

**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the
Department of Natural Resources**

Appendix Q

DNR Actual Operating Budget Totals 1999

Agency Totals - FY00 Operating Budget

Agency: Department of Natural Resources

	FY98 Act	FY99 CC	FY99Auth	Gov Amd	House	Senate	ConfComm	FY99Auth to ConfComm	
Totals for Agency	86,682.2	63,521.4	64,468.2	67,280.6	65,607.6	64,838.8	64,986.8	618.6	0.8%
Objects of Expenditure:									
Personal Services	48,633.4	42,104.6	42,463.5	43,478.3	43,006.0	41,838.6	42,634.5	171.0	0.4%
Travel	1,172.1	1,240.1	1,280.3	1,304.0	1,312.0	1,232.2	1,235.2	-45.1	-3.5%
Contractual	30,287.5	16,834.6	17,247.9	19,244.5	19,156.6	19,064.4	19,139.9	1,892.0	11.0%
Commodities	4,329.1	2,313.0	2,320.6	2,530.2	2,477.6	2,475.6	2,477.6	157.0	6.8%
Equipment	2,079.7	865.3	865.3	698.6	698.6	698.6	698.6	-166.7	-19.3%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	%
Grants, Claims	180.4	290.6	290.6	25.0	25.0	25.0	25.0	-265.6	-91.4%
Miscellaneous	0.0	-126.8	-0.0	0.0	-1,068.2	-497.6	-1,224.0	-1,224.0	%
Funding Sources:									
1002 Fed Rcpts	12,380.4	10,685.3	10,693.7	11,429.3	11,429.3	11,429.3	11,429.3	735.6	6.9%
1003 G/F Match	407.0	407.9	409.4	409.4	409.4	409.4	409.4	0.0	0.0%
1004 Gen Fund	51,950.8	31,272.8	31,598.3	32,049.8	30,114.5	28,998.6	29,220.1	-2,378.2	-7.5%
1005 GF/Prgm	7,297.5	7,437.0	7,529.3	7,829.3	7,321.3	7,379.3	7,157.8	-371.5	-4.9%
1007 I/A Rcpts	5,349.6	2,305.2	2,314.6	4,174.1	4,165.8	4,174.1	4,174.1	1,859.5	80.3%
1018 EVOSS	1,425.2	2,112.6	2,114.0	2,114.0	2,114.0	2,114.0	2,114.0	0.0	0.0%
1021 Agric Loan	1,477.9	1,780.8	1,785.4	1,785.4	1,785.4	1,785.4	1,785.4	-0.0	-0.0%
1053 Invt Loss			51.5	-0.0	-0.0	0.0	-0.0	-51.5	-100.0%
1055 I/A/OIL HAZ	115.7	64.5	64.5	82.5	82.5	82.5	82.5	18.0	27.9%
1061 CIP Rcpts	2,685.1	3,016.1	3,028.9	2,427.6	2,427.6	2,427.6	2,427.6	-601.3	-19.9%
1066 Pub School			432.5	0.0	0.0	0.0	0.0	-432.5	-100.0%
1092 MHTAAR	661.3	890.0	892.1	938.5	892.1	892.1	892.1	0.0	0.0%
1105 PFund Rcpt					600.0	1,044.3	1,044.3	1,044.3	%
1108 Stat Desig	2,931.7	3,549.2	3,554.0	4,040.7	4,265.7	4,100.2	4,250.2	696.2	19.6%
Positions:									
Perm Full Time	555.0	556.0	556.0	578.0	569.0	559.0	568.0	13.0	2.3%
Perm Part Time	240.0	247.0	247.0	243.0	243.0	243.0	243.0	-4.0	-1.6%
Non-Perm	815.0	816.0	816.0	78.0	78.0	78.0	78.0	-738.0	-90.4%

Component Summary - FY00 Operating Budget

Agency: Department of Natural Resources

Page	Budget Component	FY98 Act	FY99 CC	FY99Auth	Gov Amd	House	Senate	ConfComm	FY99Auth to ConfComm	
Management and Administration										
1	Commissioner's Office	661.3	495.7	507.5	583.7	507.5	507.5	507.5	0.0	0.0%
2	Administrative Services	2,166.5	2,098.1	2,103.8	2,103.8	2,103.8	2,103.8	2,103.8	0.0	0.0%
3	Trustee Council Projects	1,425.2	2,112.6	2,114.0	2,114.0	2,114.0	2,114.0	2,114.0	0.0	0.0%
4	Unallocated Reduction						-448.4	-448.4	-448.4	0.0%
	* BRU Total	4,253.0	4,704.4	4,725.3	4,801.5	4,725.3	4,276.9	4,276.9	-448.4	-9.5%
Information/Data Management										
5	Recorder's Office/UCC	2,272.3	2,299.1	2,314.3	2,614.3	2,306.3	2,314.3	2,314.3	0.0	0.0%
6	Information Resource Mgmt.	2,326.9	2,432.1	2,441.3	2,632.5	2,382.5	2,407.5	2,407.5	-33.8	-1.4%
7	Interdept. DP Chargeback	334.9	353.1	353.1	498.4	523.1	531.4	531.4	178.3	50.5%
	* BRU Total	4,934.1	5,084.3	5,108.7	5,745.2	5,211.9	5,253.2	5,253.2	144.5	2.8%
Resource Development										
8	Oil & Hazardous Waste Spill Rs	119.4	68.5	68.5	66.5	66.5	66.5	66.5	18.0	26.3%
9	Mental Health Lands Admin	661.3	890.0	892.1	938.5	892.1	892.1	892.1	0.0	0.0%
10	Development - Special Projects	498.1	500.0	500.0	500.0	500.0	500.0	500.0	0.0	0.0%
11	EFF Non-Emergency Projects		250.0	250.0	250.0	250.0	250.0	250.0	0.0	0.0%
	* BRU Total	1,278.8	1,708.5	1,710.6	1,775.0	1,728.6	1,728.6	1,728.6	18.0	1.1%
Land Development										
12	Land Development	8,130.3	7,720.1	8,334.7	8,189.2	7,639.0	7,180.7	7,705.7	-629.0	-7.5%
	* BRU Total	8,130.3	7,720.1	8,334.7	8,189.2	7,639.0	7,180.7	7,705.7	-629.0	-7.5%
Forest Management and Development										
13	Forest Management & Develop	9,579.0	8,831.2	8,885.9	8,623.3	8,423.3	8,623.3	8,448.3	-437.6	-4.9%
	* BRU Total	9,579.0	8,831.2	8,885.9	8,623.3	8,423.3	8,623.3	8,448.3	-437.6	-4.9%
Oil and Gas Development										
14	Oil & Gas Development	4,402.1	4,374.3	4,414.6	4,589.6	4,389.6	4,289.6	4,289.6	-125.0	-2.8%
15	Pipeline Coordinator	2,945.0	3,340.0	3,346.5	3,665.0	3,665.0	3,665.0	3,665.0	318.5	9.5%
	* BRU Total	7,347.1	7,714.3	7,761.1	8,254.6	8,054.6	7,954.6	7,954.6	193.5	2.5%
Mining, Geological, Water Development										
16	Mining Development	2,870.9	1,995.7	2,028.0	2,053.0	2,003.0	2,003.0	2,003.0	-25.0	-1.2%
17	Geological Development	2,702.0	4,041.0	4,048.3	3,855.5	3,855.5	3,855.5	3,855.5	-192.8	-4.8%
18	Water Development	1,043.5	1,217.9	1,223.1	1,223.1	1,088.1	1,098.1	998.1	-225.0	-18.4%
	* BRU Total	6,616.4	7,254.6	7,299.4	7,131.6	6,946.6	6,956.6	6,856.6	-442.8	-6.1%

Component Summary - FY00 Operating Budget

Agency: Department of Natural Resources

Page	Budget Component	FY98 Act	FY99 CC	FY99Auth	Gov Amd	House	Senate	ConfComm	FY99Auth to ConfComm	
	Parks and Recreation Management									
19	State Historic Preservation	1,163.0	1,252.4	1,256.4	1,256.4	1,256.4	1,256.4	1,256.4	0.0	0.0%
20	Parks Management	5,921.5	5,481.2	5,500.1	5,533.3	5,533.3	5,542.8	5,542.8	42.7	0.8%
21	Parks Access	2,098.5	1,818.3	1,827.2	2,503.6	2,503.6	2,503.6	2,503.6	676.4	37.0%
	* BRU Total	9,183.0	8,551.9	8,583.7	9,293.3	9,293.3	9,302.8	9,302.8	719.1	8.4%
	Agricultural Development									
22	Agricultural Development	1,632.3	1,157.2	1,159.8	1,158.4	1,183.4	1,158.4	1,058.4	-101.4	-8.7%
23	N. Latitude Plant Material Ctr	792.5	1,449.5	1,453.9	1,803.9	1,803.9	1,803.9	1,803.9	350.0	24.1%
	* BRU Total	2,424.8	2,606.7	2,613.7	2,962.3	2,987.3	2,962.3	2,862.3	248.6	9.5%
	Agr Revolving Loan Pgm Admin									
24	Agr Revolving Loan Pgm	545.0	637.8	638.6	691.3	691.3	691.3	691.3	52.7	8.3%
	Admin									
	* BRU Total	545.0	637.8	638.6	691.3	691.3	691.3	691.3	52.7	8.3%
	Statehood Defense									
25	Citizen's Advisory Commission	92.0		93.2	-0.0	93.1	93.2	93.2	-0.0	-0.0%
26	RS 2477 Assertions & Litigatio	115.0	115.0	115.0	115.0	115.0	115.0	115.0	0.0	0.0%
	* BRU Total	207.0	115.0	208.2	115.0	208.1	208.2	208.2	-0.0	-0.0%
	Facilities Maintenance									
27	Facilities Maintenance				1,100.0	1,100.0	1,100.0	1,100.0	1,100.0	%
28	Fbks. Office Bldg. Chargeback	103.6	103.6	103.6	103.6	103.6	103.6	103.6	0.0	0.0%
	* BRU Total	103.6	103.6	103.6	1,203.6	1,203.6	1,203.6	1,203.6	1,100.0	1081.8%
	Statewide Fire Suppression									
29	Fire Suppression	32,080.1	8,489.0	8,494.7	8,494.7	8,494.7	8,494.7	8,494.7	-0.0	-0.0%
	* BRU Total	32,080.1	8,489.0	8,494.7	8,494.7	8,494.7	8,494.7	8,494.7	-0.0	-0.0%
	*** Total Agency Expenditure	88,682.2	63,621.4	64,488.2	67,280.6	66,607.6	64,836.8	64,886.8	618.6	0.8%
	Federal Funds	12,380.4	10,685.3	10,693.7	11,429.3	11,429.3	11,429.3	11,429.3	735.6	6.9%
	General Funds	59,655.3	39,117.7	39,537.0	40,288.5	37,845.2	36,787.3	36,787.3	-2,749.7	-7.0%
	Other Funds	14,646.5	13,718.4	14,237.5	15,562.8	16,333.1	16,620.2	16,770.2	2,532.7	17.8%

**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the
Department of Natural Resources**

Appendix R

DNR Division Mission Statements

Parks**Parks Management—GF 3464.5/GFPR 1,947.3/ I/A 74.3/ SDFR 56.7 Total \$5,542.8****Maintain Park Facilities**

Deferred maintenance—staff months (fix when fall apart)

Clean facility—Janitorial contracts

Law Enforcement and search and rescue

Collect Park Fees

Manage Volunteer program

Issue permits to commercial operators

Public Education/information—Displays, Brochures, Jr. Park Ranger Program, Presentations

Contract Operation of Selected Parks—manage contracts

Support Local Park Advisory Boards—public meetings

Park Access—Fed 622.7/I/A \$71.9/CIP 1009.0 Total \$2,503.6

Upgrade Park Facilities—planning in house construction contracted

Park Development Planning

Federal Symms Trail Grants

Support Alaska Trail System—site plans, comprehensive plans site development

Historic Preservation—Fed 332.3/GFMatch 285.5/I/A 224/CIP 414.6 Total \$1,256.4**Forest Management and Development—Fed 1,141.0/ GF 6961.9/GFPR14.8/ I/A 49.9/ CIP 280.7 Total \$8,448.3****Forest Management 4.7 million acres of productive forest land**

Stampage fees FY 99 \$1.2 million

Design, offer, and administer timber sales

Reforest harvested areas—survey acreage, scarify acres, collect spruce cones, plant trees (all contractual)

Monitor private acres

Maintain & enhance forest health & wildlife habitat—controlled burning and habitat manipulation

Forest Planning—State forest mgmt plans, 5 year use plans, public communications

Cooperative Forestry Program

Provide technical forestry assistance to public, municipalities, landowners— forest stewardship plans, insect/disease forestry assistance, technical assistance to mill owners, loggers, public, private & municipal contracts

Support statewide and local forestry groups—information, grants, public meetings (federal)

Support rural Community Fire Protection—Local Fire Dept grants

Survey and research insect/disease problems—annual disease survey and publication

Forest Practices

Review Plans of operations on private municipal, and non DNR state land—documentation harvest/road plans are compatible

Field inspections on private, muni and non-dnr land—document compliance and approve/deny harvest of variation trees

Monitor operations to ensure that FRP is implemented and effective

FRP Training—landowners and timber operators

FRP enforcement—directives, notices of violations, stop-work orders and fines

Fire Suppression

Provide training in Incident Command systems— emergency fire fighters, crew boss training, safety training

Certify fire fighter—red card training

Strengthen local/state/fire response—provide excess federal property

Fire fighting readiness—pre-position personnel, inspections, equipment inventory, contracted fire support

Activate aviation fuel sites, helibases. Conduct fire readiness inspections

Provide for joint fire response—VFD trained, interagency fire courses

Promote fire prevention—publications, news bulletins, school appearance, public meetings

Reduce loss of structures—defensible space workshop

Develop and maintain interagency fire management plan

Fire Suppression—Fed 5,319.6/ GF 3,175.1 Total \$8,494.7

Rapid and aggressive response to wildland fires consistent with the plan-personnel, communications, logistics, warehouse and aviation

Implement cooperative agreements with local structural fire fighting organizations

Develop and maintain wildland fire information—weather reports, fuel conditions, local, regional and national fire situations

Contract with local business for equipment and personnel—fire equipment, fixed-wing aircraft and helicopters, commodities and services, Avgas, Jet fuel, aircraft maintenance and retardant.

Mining and Water—FED 697.8/ GF Match 123.9/GF 738.5/ I/A 96.4 Total \$2,003.0**Mineral Property Management**

Establish and maintain property right records—claims, prospecting sites, property transfers, mineral lease disposal sales (50,000 claims and leasehold locations; 10,000 prospecting sites; 60 upland mining leases; 36 coal leases; 53 offshore prospecting permits; 8 offshore mining leases)

Manage and ensure rental and royalty revenue owed is received—annual filings, labor requirements, coal leases, exploration incentive credits applications

Coal Surface Mining—abandoned mine land

Eliminate public hazards at abandoned mines—contract for services in this area—federal funds

Large Mine Permitting

Issue Mining permits—feasibility discussions and permitting

Permit compliance—inspections

Coal Surface mining regulatory

Issue Mining permits—existing, new; explorations

Permit compliance—inspections etc

General Mine Permitting—Placer Mines

Issue permits

Administer the reclamation bond pool

Inspections

Water Development—FED 21.5/ GF 661.0/ GFPR 135.1/ I/A 188.5 Total \$998.1

Hydrologic support-water permits

Hydrologic investigation/ report and data collection

Technical assistance well logs

Dam inspections and permitting

Division of Land—Fed 49.8/ GF 5,052.4/GFPR 1,656.8/ I/A 512.7/ CIP 70.9/SDPR 363.1 Total \$7,705.7**Facilitate use and settlement**

Material Sales—gravel sales for drilling pads and roads

Leases—industry support facilities; setnet fishing sites, shellfish farmsites; roads and docks for timber and mining industry and log transfer sites; boat launches, ramps and docks

Permits—guide camps, ski areas, floating lodges

Rights-of-way—oilfield gathering lines; roads and communications

Title reports for oil and gas leasing

Appraisals—contract appraisals, reviewed in-house

Review survey plats

Temporary use permits of state land

Convey land to municipalities

Convey tidelands to municipalities

Maintain land sale contracts

Land sales to private citizens—contract for surveys and appraisals

Improve effectiveness of public information

PIC—receive land payments, recreations cabin reservations, land status maps etc

Manage LDAs and Special Use areas—over 8 million acres

Review planning actions in unorganized borough, ACMP reviews

Site Specific plans to allocate uses of state land

Process mineral order requests
 Secure clear title from BLM etc
 Assert and defend state interests—native allotment actions by BLM; BLM ANSCA decisions and 17 (b) easements, complete title reports to determine ownership and 3rd party rights; issue conveyances;
 Maintain land title records—mining industry etc

RS 2477/Navigability Assertions and Litigation Support—GF 115.0

Ensure state rights of access to and along public waterways—review federal and local management actions
 Assert RS 2477 rights

Joint Pipeline Office—FED 165.0/ GFPR 429.9/ I/A 58.5/ SDPR 3011.6 Total \$3,665.0

Manage leases, amendments and renewals on petroleum pipeline infrastructure
 Permit and authorize material sales and construction plans
 Monitor construction and maintenance by surveys, engineering reports and assessments
 Public meetings, briefings, interviews, etc—outreach

Agriculture

Agricultural Development—FED 219.4/ GFPR 145.8/ I/A 57.5/ ARLF 636.7 Total \$1,058.4

Land Disposal—contract appraisals

Manage Title 38 land—29 grazing leases, land use permits

Inspections—military produce sales, meat grading, grain and egg grading, bee pest control

Marketing—marketing assistance to 520 farms, Alaska Grown

Soil and Water Conservation—review of plans and support to local Soil and Water Districts

Ag Revolving Loan Fund—ARLF 638.6/ CIP 52.7 Total \$691.3

Process loans

Manage loans

Collect delinquencies, settlements

Manage assets—inspections, leases use permit

Collateral inspections—report condition to the Board

Plant Material Center—FED 1153.4/ GFPR 14.4/ I/A 66.2/ ARLF 511.1/ SDPR 58.8 Total \$1,803.9

Produce breeder and foundation seed—new and traditional crops

Develop and transfer new technology

Assist govt agencies with botanical and ag advice—land restoration/erosion control, demonstration areas

Geological Development—Fed 1,454.7/ GF 2,051.3/ GFPR 54.9/ CIP 84.6/ SDDPR 210.0 Total \$3,855.5

Geologic Data development—hazards maps/reports, volcano information updates and instrumented

Generate new mineral data—field information gathered; some analysis is contracted (radiocarbon, isotope)

Geologic communication of Alaska mineral, oil and gas, coal and construction materials through maps, reports, Annual mineral industry reports

Archive and maintain oil, mineral and coal related geologic reference materials

Generate new commercial energy geologic data—map new areas of the state to encourage development

Generate new information in rural areas to promote rural energy creation—shallow gas deposits etc.

Oil and Gas—Fed 91.9/ GF 3084.3/ GFPR 48.5/ I/A 5.5/ CIP 15.1/ PF 1044.3 Total \$4,289.6

Oil and Gas Lease Sales

Oil and Gas exploration licenses

Manage oil and gas rights—monitor compliance with leases; permit and approve plans, field visits, seismic exploration permits, plans for drilling and exploration activity

Form new units and manage existing units

Collect revenue—audit industry revenue determinations and confirm value determinations

Convey oil and gas rights—best interest findings, lease and licenses, Royalty in Kind contracts

Promote oil and gas development—technical studies, Assistance to industry and public
 Maintain historical information
 Baseline data collection—contractual as needed
 Resource evaluations

LRIS—Fed 160.2/GF 1766.9/ GFPR 49.6/ I/A 180.8/ CIP 250.0 Total \$2,407.5

Provides all computer related data base development, connectivity, network support, and communications
 Graphic public land record,
 historical land record storage, retrieval and management data:
 email, file sharing, security, user support;
 revenue and billing system (oil and gas, mining, land sales etc);
 Geographic Information system on-line data bases (resource analysis, inventory maps for oil and gas,
 mining claims, land sales, ROWs etc)
 oil and gas royalty accounting ;
 recorders office system;
 fire reporting system—tracks status of forest fires & resources assigned to fires
 emergency fire fighter payroll
 mining claims and land ownership maps—18,000 land ownership & transaction maps
 parks cabin reservation system
 RS2477 database
 Forest Health Atlas
 Custom Mapping capabilities
 LDA/Borough Boundary Records

**Recorders Offices-14 rural and urban communities \$2,314.3 GFPR operating;
 \$2.2million to the general Fund**

Examine, record/file, receipt and process original documents—deeds, mortgages, liens, tax liens, mining documents, powers of attorney—200,000 documents
 Maintain and update grantor/grantee and location indices for retrieval of documents
 Provide searches and copies of recorded and filed Uniform Commercial code documents
 Return original documents to customers
 Assist customers in use of library facilities
 Maintain permanent archival record to preserve the history of land transactions in Alaska
 Offices in FBKS, Nome, Bethel, Anchorage, Palmer, Kenai, Kodiak, Homer, Juneau, Sitka and Ketchikan.
 Court systems staffs office in Valdez, Glennallen and Seward.

Mental Health Trust Authority—MHTAAR 892.1

Lease, sell, permit rights-of-way, contract for land use
 Manage assets
 Inspect land
 Monitor contracts, leases etc

Administrative Services-GF 1,540.2/I/A 563.6 Total \$2,103.8

Process payroll
 Receipt revenue
 Vendor payments
 Revenue billing (federal government, other entities)
 State Financial reports
 IRS 1099s
 Budgets
 Financial Status Reports

Procurements
Property Inventory
Employee Management

Trustee Council Projects—EVOSS \$2,114.0

Data Process Chargeback—GF 353.1/ I/A 128.3/ SDPR 50 Total 531.4

Amount paid to the Department of Administration for mainframe computer, statewide network and telecommunications

Oil and Hazardous Waste Spill Response Program—I/A/Oil Haz 82.5

Development Special Projects—SDPR 500.0

Special projects such as large mine development that are funded exclusively by industry

Emergency Firefighters Non-Emergency Projects—CIP 250.0

Citizens's Advisory Commission of Federal Areas—GF 93.2

This program was identified for deletion in response to the legislature's unallocated reduction

Facilities Maintenance—I/A 1,100.0

Fairbanks Office Building Chargeback—GF 103.6

Support to DOTPF for maintaining DNR State office

Commissioner's Office—GF 507.5

Unallocated Reduction—GF (\$448.4)

Reduction in general funds not specifically identified by the Legislature

Revenue Source abbreviations used

Fed—Federal receipts

GF Match—general fund match required to access federal funds

GF—general fund—taxes and royalties from all sources

GF/PR—general fund program receipts—user fees, sales etc

I/A—interagency receipts—when one agency contracts with another for a particular purpose

EVOSS—Exxon Valdez

ARLF—Agricultural Revolving Loan Fund

IA.OIL HAZ—\$.03 tax on barrels of oil produced deposited in special fund

CIP—Capital Improvement Project costs

MHTAAR—Mental Health Trust funds

PF—Permanent Fund Receipts

SDPR—statutory designated program receipts—those funds from third parties that pay for a discrete service such as special development projects



**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the
Department of Natural Resources**

Appendix S

Information and Data Management Attachments

Attachment 1



Alaska State Legislature

July 22, 1998

Mr. Nico Bus
Administrative Services Manager
Department of Natural Resources
400 Willoughby Avenue, 4th Floor
Juneau, Alaska 99801-1724

Dear Mr. Bus:

Thank you for informing us about the Department's plan to phase out the State Recorder's contractor for computerizing the Recorder/UCC index systems and phasing in an in-house system. We appreciate your letting us know about this but we do not acquiesce to this plan for several reasons which will become apparent at our next round of hearings.

We believe we've been clear that legislative funding for the Recorder's Office enhancements is conditional on maintaining reliance on private sector services. The direction we prefer to go is towards privatization, not toward governmental centralization. The Department's current course of action is contrary to what you indicated to us. We will deal with this matter in an oversight hearing and during the budget process in the next regular session.

Yours truly,

John J. Cowdery *Con Bunde* *Norm Rokeberg*
Rep. John J. Cowdery Rep. Con Bunde Rep. Norm Rokeberg

Eldon Mulder *Vic Kohring* *Joe Ryan*
Rep. Eldon Mulder Rep. Vic Kohring Rep. Joe Ryan

Loren Leman *Jerry Sanders* *Jerry Ward*
Sen. Loren Leman Rep. Jerry Sanders Sen. Jerry Ward

Gary Wilken *Randy Phillips* *Robin L. Taylor*
Sen. Gary Wilken Sen. Randy Phillips Senator Robin Taylor

Attachment 2 - page 1

DNR Y2K Network Upgrade for Recorder's Office

FY1999 Request: \$225,000

Reference No: 32333

AP/AL: Allocation

Project Type: Information Systems

Historical Category: Development

Location: Statewide

Contact: Nico Bus

Election District: Statewide

Contact Phone: (907)465-2406

Estimated Project Dates: 7/1/1998 - 12/31/1999

Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:

Purchase of hardware and software for Recorder's Office to replace equipment dedicated to SNA transmission. This is necessary to keep the Recorder's Office Y2K critical system operational, as DOA is dropping dedicated SNA support beginning 7/1/99.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	\$225,000						\$225,000

Total:	\$225,000	0	0	0	0	0	\$225,000
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☐ State Match Required	☒ One-Time Project	☐ Phased Project	☐ On-Going Project
☐ 0% = Minimum State Match % Required	☐ Amendment	☐ Mental Health Bill	

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DNR Y2K Network Upgrade for Recorder's Office Cont.

Recorder's Office Year 2000 Network Upgrade

This CIP Project will purchase hardware and network connections needed to run the Recorder's Office System on the statewide WAN using TN3270 emulation. Recorder's Office equipment dedicated to SNA transmission must be replaced. This change is required to keep this Y2K critical system operational.

These purchases are required to keep the Recorder's Office System operational through the year 2000. The Department of Administration is dropping dedicated SNA support beginning July 1, 1999. This policy change by DOA will eliminate redundant systems and eliminates hardware that is not Year 2000 compliant. DNR must replace the SNA hardware and network connections used by the Recorder's Office System. The change will result in a year 2000 compliant network setup for the Recorder's Office System.

If not funded this mission critical Y2K application will not be ready for the year 2000. In addition, proposed rate increases for SNA service may be too expensive to operate in remote offices. This would effectively close those offices.

What is the purpose of the project?

This project will eliminate the SNA network used by the Recording Office and replace it with TN3270 emulation on the statewide WAN.

How does this project solve the agency's Y2K problems?

The Recorder's Office System has been identified as a mission critical system for the Year 2000. The Department of Administration has directed departments to migrate off SNA and begin using TN3270 to improve service (faster response time) and to reduce telecommunication costs by eliminating the dual data circuits required supporting both services. The projected increase in costs to continue using SNA is expected to put the system at risk due to the proposed increased costs for SNA services.

Is this request on your agency's Y2K work plan?

Yes. The task described is rewriting the Recorder's Office System. This is a subtask of that project.

Has this project been previously approved by TIC/TAC?

No.

Project cost past/present/future?

Historically, SNA has only cost the department between \$15,000 and \$25,000 per year for the Recorder's Office System. Circuit costs for SNA were included in DOA's rate structure for all departments. With SNA usage falling, circuit costs for SNA usage will only be applied to those departments using SNA. DNR will be expected to help pay for circuit costs of \$6,000 to \$9,000 per month to each remote site in the state using SNA. This will eventually increase DNR's chargeback costs by \$10,000 to \$30,000 per month unless the conversion to TN3270 is made. Actual costs will be dependent on the number of other departments continuing to use SNA and the cost of each SNA circuit. Under TN3270, the chargeback costs now being incurred will continue.

Is this a new systems development project, upgrade, or enhancement?

It is a system upgrade. The conversion to the wide area network will be coordinated with other state agencies active in the remote office cities.

What specific hardware/software/consulting/etc. will be purchased?

The following costs will be incurred to install network hardware and PCs into seven Recording Offices. Three of the offices are in the Department of Administration.
Project Page 2

Attachment 2 - page 3

DNR Y2K Network Upgrade for Recorder's Office Cont.

already have access to existing routers, DSUs, and data circuits. The offices being upgraded are Ketchikan, Sitka, Nome, Kodiak, Homer, Palmer, and Bethel. This funding request will also replace SNA terminals and printers in Fairbanks, Anchorage, Juneau, and Kenai.

Projected Costs

Routers (4 @ \$3,100)	\$12,400
3500 Codex DSUs (4 @ \$540)	\$2,160
Total Project Data Install Costs	\$2,000
Contract to run cable at 7 offices	\$7,000
WAN Install Fee (7 * 1,979)	\$13,853
IP Address Fee (7 * 100)	\$700
Projected Installation Labor - (Step 18) * 50 days)	\$13,820
Per Diem	\$2,500
Air Fare	\$4,000
PCs and Printers (65 total)	\$162,500
Total	\$220,933

How will service to the public improve if this project is funded?

System response time at public access terminals will improve from 10 to 20 seconds to less than 5 seconds in most offices. Data entry on the new system will be faster because of the WAN's speed. Delays in posting recordings will be reduced or eliminated giving the public access to the most current information nearly immediately.

How does project fit into the department's long-range technology plans?

The department has been working to eliminate SNA usage for three years. Nearly 350 terminals have already been converted. Conversion to TN3270 and WAN usage is a shared technology goal for DNR and DOA. This upgrade is in line with state goals to prepare for the Year 2000 and to connect to the state mainframe using the WAN.

How does this project fit into the technology goals of the Knowles/Ulmer administration? (They are: Improve public access to information; Maximize service to the public through voice, video and data systems; Optimize government efficiencies; Explore innovative and cost-effective services that meet Alaska's challenges; Stimulate the development of private and public services.)

System response time at public access terminals will improve from 10 to 20 seconds to less than 5 seconds in most offices. Data entry on the new system will be faster because of the WAN's speed. Delays in posting recordings will be reduced or eliminated giving the public access to the most current information nearly immediately.

Does this project affect the way in which other public agencies will conduct their business?

State offices that purchase access to Recording Office information will now be able to access the information online from DNR at no cost other than the existing chargeback fees assessed by DOA. This will reduce their costs and give them improved access to the information found in the Recording Office System.

What, if any, impacts are anticipated to ITG services?

This should reduce costs for ITG and the state by allowing SNA circuits to be deactivated eliminating duplicate costs with TN3270 services.

What happens if the project is not approved?

DNR's limited funding availability will delay completion of this project for several years. This will increase telecommunication costs incurred by the state as duplicate services continue to be purchased to support TN3270/WAN services and SNA. Potential closure of remote recording offices if billing rates become exceptionally high.

Department of Administration
Project Page: 3

Attachment 3

10/22/99

RECORDING OFFICE STATISTICS

1

DOCUMENT COUNT BY MONTH WITHIN FISCAL YEAR

ALL DISTRICTS PLUS UCC CENTRAL COMBINED

FIS-YR	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
1973	6757	8628	7289	7745	8627	7006	7002	5825	6982	7423	8674	8617	90575
1974	9289	9455	7833	8387	7285	5980	6737	6044	6942	8974	11223	10093	98242
1975	10567	10819	9860	9671	8373	8280	7299	6918	7950	10485	10855	11560	112437
1976	12066	12298	12392	11846	11719	10242	8583	7922	10833	10930	11592	13155	133678
1977	12633	13972	15659	13362	13176	11766	10338	9463	13267	12892	14077	16028	156653
1978	14120	16270	15926	16647	17747	15088	12758	10374	14519	12473	16512	16786	179220
1979	15077	18481	18846	19591	15329	14401	13491	10118	11432	12512	13514	12690	175482
1980	12911	15762	13675	16570	12132	12665	10173	10034	10469	16373	12987	12817	156568
1981	13037	14271	14452	18719	12465	14324	11544	10415	13630	15257	14277	18965	171356
1982	17165	17582	22070	18492	16669	15689	12304	11382	15845	15825	13805	18391	195219
1983	15469	16779	17313	17216	18292	17789	15474	14497	17857	20298	19269	22117	212370
1984	22028	25056	23193	23922	23880	23131	19706	18228	20151	20812	24026	22322	266455
1985	22220	24727	19485	24254	22596	19641	18759	16534	17622	20230	21588	20070	247726
1986	21525	21075	20057	21579	19747	20117	17137	15344	15970	18881	19142	19852	230426
1987	22478	22128	21043	21259	19596	21379	19165	18071	18308	20258	17749	18894	240328
1988	18080	18277	17422	19205	17302	15843	13579	14740	17044	16147	16980	17402	202021
1989	16523	18185	18928	19179	20300	19234	16256	16379	16960	16300	17390	16281	211915
1990	14391	17072	14938	15948	15764	14428	14534	12367	14058	14680	14576	14288	177044
1991	14134	15017	13771	16222	12897	12345	11971	10113	12308	13718	14241	13995	160732
1992	14970	15208	13089	15998	12964	15106	13053	10794	12821	14457	13789	15342	167591
1993	14144	13905	14454	15269	14375	15144	11813	12336	15551	16142	15526	18657	177316
1994	17637	18225	17757	19055	19600	19418	18355	16267	19209	20104	20750	18743	225120
1995	16453	17793	15848	15444	14523	15330	13456	12417	14812	12658	15499	16628	180861
1996	14660	17521	16042	17121	15598	14829	13771	13620	14148	16030	17540	15934	186814
1997	17512	17358	15549	17056	15863	17683	14199	11926	14275	17285	17459	17866	194031
1998	17993	17399	18138	19728	19289	17999	14730	14398	16853	19418	19635	21128	216708
1999	20234	21139	19092	22074	20683	21349	17712	17111	20119	19166	17069	19514	235262
2000	19648	18617	18435	12718	0	0	0	0	0	0	0	0	69418

Volume/Revenue Comparison

Volume				
LOCATION	FY95	FY96	FY97	FY98
JUNEAU	9,588	10,271	10,444	10,033
KETCHIKAN	7,525	7,747	7,447	7,915
SITKA	2,494	2,479	2,222	2,441
ANCHORAGE	68,265	67,893	69,457	80,903
KODIAK	3,240	2,998	3,027	3,080
SEWARD	2,235	2,491	2,551	2,250
HOMER	4,786	5,154	5,104	5,275
VALDEZ	1,864	1,837	1,780	1,425
KENAI	9,970	10,744	10,619	11,547
PALMER	19,928	22,302	23,719	26,919
CHITINA	1,337	1,358	1,033	1,394
BETHEL	2,998	3,102	3,215	3,103
NOME	1,595	2,014	2,137	2,306
FAIRBANKS	29,796	31,841	36,343	42,095
SUBTOTAL	165,621	172,031	179,098	200,686
UCC CENTRAL	22,913	21,146	20,801	20,741
TOTAL	188,534	193,177	199,899	221,427

STAFFING FTE*	38.75	38.75	38.75	37.75
DOCS/EMPLOYEE	4,865	4,985	5,159	5,866
% INCR OVER FY95		2.5%	6.0%	20.6%

(Note: Statistical information principally taken from Motznik database; does not reconcile with Revenue and Billing statistics due to varying R&B cutoff dates and other adjustments.)

* Staffing numbers exclude Archives and Admin personnel but include office supervisors who assist with front line recording as needed.

**Lease expense paid by DOA not included in calculation.

ADDITIONAL
EXPLANATION
FORM

AGENCY NATURAL RESOURCES

BRU INFORMATION/DATA MANAGEMENT

COMPONENT RECORDER'S OFFICE/UCC #802

Revenue				
LOCATION	FY95	FY96	FY97	FY98
JUNEAU	\$164,275	\$187,019	\$189,696	\$188,626
KETCHIKAN	\$129,793	\$135,881	\$129,148	\$145,424
SITKA	\$41,340	\$41,377	\$36,473	\$42,549
ANCHORAGE	\$1,180,759	\$1,175,794	\$1,212,020	\$1,516,953
KODIAK	\$53,164	\$50,874	\$51,455	\$56,007
SEWARD	\$34,265	\$38,582	\$39,303	\$41,864
HOMER	\$93,486	\$90,301	\$93,729	\$100,681
VALDEZ	\$25,145	\$24,558	\$32,255	\$23,904
KENAI	\$166,090	\$184,127	\$180,364	\$205,861
PALMER	\$343,442	\$390,626	\$416,373	\$497,224
CHITINA	\$19,708	\$18,824	\$18,488	\$23,452
BETHEL	\$39,774	\$41,903	\$44,118	\$42,169
NOME	\$23,810	\$29,842	\$32,524	\$37,193
FAIRBANKS	\$509,768	\$547,389	\$626,995	\$754,150
SUBTOTAL	\$2,804,819	\$2,957,097	\$3,102,941	\$3,676,057
MISC FEES	\$381,240	\$415,036	\$416,848	\$539,645
UCC CENTRAL	\$250,017	\$230,750	\$228,465	\$224,937
TOTAL	\$3,436,076	\$3,602,883	\$3,748,254	\$4,440,639

OPERATING BUDGET	\$2,311,000	\$2,311,000	\$2,265,900	\$2,274,100
"PROFIT"	\$1,125,076	\$1,291,883	\$1,482,354	\$2,191,539

Page 10 of 10

Revised Date:

FY00



MEMORANDUM

STATE OF ALASKA

Department of Natural Resources

Support Services Division

Attachment 5

TO: Connie Nesgoda, Budget Analyst
Office of the Governor - Budget Review

DATE: February 12, 1999

FILE NO:

TELEPHONE: 465-2406

FROM: 
Nico Bus
Administrative Service Manager

SUBJECT: FY99 Recorder's
Office Supplemental
\$92.0 GF PR

The Recorder's/UCC component is seeking FY99 supplemental funding in the amount of \$92.0 in Program Receipts in order to address increased expenditures associated with a significantly larger workload during this fiscal year (see attached statistics). For the first six months of the current fiscal year, recording volumes have been setting a near record pace in recording offices throughout the state. The most significant increases have occurred in our Palmer, Anchorage and Fairbanks offices.

The component's previous high year of this decade was FY94 when low interest rates triggered an unprecedented flurry of refinance activity and inundated recording offices with more than a quarter of a million documents. If the current year activity continues on the same pace as the first six months, it is projected that recording volumes will again exceed the quarter of a million mark. Other than the isolated occurrence in FY94, the recording system has not seen such growth in recording volumes since the early 1980's. For the first six months of FY99, volumes totaled 126,974, up sharply from the 101,567 documents recorded for that time frame in FY97 and the 112,829 documents recorded for the same time frame in FY98. Some offices have experienced higher volume increases than others. For example, Anchorage recorded 47,456 documents in the first six months of FY99, up 33 per cent in the past two years!

Revenue projections, based on the first six months' activity, are expected to exceed \$5 million for the first time in the component's history. The component has generated more than \$2.6 million in the first six months of FY99. Year-to-date revenues are running 19 per cent over the same period of FY98, and 15 per cent over the first six months of FY97. In fact, the revenues generated by the component in the first six months alone exceed its entire fiscal year operational budget (\$2,314.3).

Not only has the number of documents increased significantly, but the average size of recorded documents has increased 158 per cent in the past five years. This document size increase has had a dramatic impact on the component's entire operation, from the front counter processing phase (longer documents take more time to examine and record; require more paper and other resources to process conformed and certified copies) to the filming phase (longer documents require more film, more staff time, and higher processing costs) to the return of original documents to customers as required by statute (returning larger documents

10/22/99

RECORDING OFFICE STATISTICS

1

AVERAGE NUMBER OF PAGES PER RECORDED DOCUMENT BY FISCAL YEAR

FIS-YR	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
1973	1.65	1.64	1.70	1.72	1.58	1.73	1.60	1.66	1.82	1.77	1.69	1.64	1.68
1974	1.57	1.68	1.59	1.68	1.73	1.75	1.81	1.92	1.80	1.77	1.60	1.64	1.69
1975	1.65	1.63	1.63	1.67	1.76	1.71	1.75	1.81	1.67	1.75	1.79	1.76	1.71
1976	1.73	1.66	1.62	1.75	1.67	2.03	1.80	1.80	1.70	1.76	1.75	1.76	1.74
1977	1.74	1.61	1.57	1.60	1.65	1.71	1.69	1.77	1.77	1.79	1.86	1.79	1.71
1978	1.76	1.75	1.68	1.64	1.81	1.80	1.77	1.72	1.70	1.79	1.71	1.77	1.74
1979	1.79	1.69	1.64	1.63	1.79	1.72	1.72	1.74	1.89	1.77	1.96	1.88	1.76
1980	1.94	1.75	1.77	1.84	1.93	1.89	1.71	1.88	1.78	1.55	1.80	1.76	1.77
1981	1.74	1.75	1.79	1.69	1.82	1.81	1.81	1.81	1.78	1.71	1.77	1.81	1.77
1982	1.79	1.76	1.60	1.82	1.90	1.90	1.87	1.85	1.76	1.86	1.94	1.87	1.82
1983	1.91	1.96	2.07	2.12	2.19	2.15	2.18	2.03	1.99	2.04	2.08	2.09	2.07
1984	1.99	2.08	2.07	2.03	1.99	1.99	2.05	2.01	2.04	2.10	2.00	2.17	2.04
1985	2.06	1.91	2.03	1.93	1.91	2.04	1.96	2.01	2.08	2.06	2.03	1.94	1.99
1986	1.95	1.97	1.89	1.94	1.93	2.07	1.99	2.03	1.98	2.01	2.16	2.14	2.00
1987	2.08	2.02	1.94	2.02	1.91	2.08	1.88	1.95	1.91	1.88	1.93	1.93	1.97
1988	1.92	1.85	1.88	1.80	1.82	1.94	1.95	1.89	1.92	1.90	1.92	2.00	1.89
1989	1.95	2.04	2.04	2.00	2.04	2.14	2.00	1.95	2.10	1.92	1.95	2.02	2.01
1990	1.99	1.88	1.92	1.99	1.90	2.06	1.93	2.00	2.02	2.07	2.16	2.38	2.02
1991	2.13	2.15	2.21	2.21	2.22	2.15	2.01	2.11	2.00	2.17	2.21	2.38	2.17
1992	2.10	2.14	2.28	2.06	2.08	1.91	2.15	2.17	2.23	2.24	2.27	2.28	2.15
1993	2.30	2.30	2.36	2.26	2.24	2.37	2.27	2.23	2.41	2.96	2.63	2.61	2.43
1994	2.64	2.62	2.66	2.54	2.58	2.77	2.51	2.57	2.51	2.45	2.43	2.26	2.54
1995	2.20	2.25	2.20	2.23	2.15	2.98	2.16	2.15	2.16	2.35	2.37	2.37	2.30
1996	2.44	2.35	2.31	2.26	2.29	2.25	2.22	2.36	2.53	2.61	2.44	2.40	2.37
1997	2.44	2.33	2.37	2.28	2.36	2.08	2.18	2.44	2.43	2.45	2.45	2.60	2.37
1998	2.50	2.53	2.43	2.51	2.15	2.48	2.55	2.82	2.79	2.85	2.87	2.81	2.60
1999	2.59	2.42	2.61	2.58	2.74	2.67	2.51	2.39	2.37	2.50	2.65	2.61	2.55
2000	2.52	2.47	2.31	2.37	.00	.00	.00	.00	.00	.00	.00	.00	2.42

Attachment 6

Attachment 7

Budget Impacts

We recently sent you an update on the Recorder's/UGC Office and its struggle to get additional funding for much needed staffing to support workload increases in Palmer and other offices. Included was a list of possible adverse impacts we may have to consider if the workload continues to increase without budgetary support.

Our operating budget is now in the hands of the House Finance Committee. The House Finance Subcommittee is seeking even deeper cuts than we had anticipated, recommending a \$400,000 reduction from our FY99 authorization. With our growing workload and a budget reduction of this magnitude, one option we will have to reluctantly consider is transfer of the Palmer recording operations to Anchorage and closure of the Palmer office, in addition to one or more of the following impacts that were announced earlier:

- Reduced public hours or weekly closures of one day or more in our larger recording offices.
- Delayed reception reports and daily indexing.
- Delayed return of original documents to customers.
- Delayed completion of UGC searches.
- Delayed receipt of film images for public research.
- Delayed production of conformed and certified copies.

If the proposed reduction is allowed to stand, we would carefully evaluate each and every one of these options with our key users. Public input on our operating budget is critical if we are to avoid these types of detrimental impacts. The House Finance Committee will be considering HB50 this week and is accepting public testimony beginning today at 4 p.m.. The Legislature needs to hear YOUR opinions on our program and these potential impacts on basic service.

A listing of legislators is attached, including fax numbers. You may also send a Public Opinion Message through your local Legislative Affairs Office. Or you may e-mail your legislators, using names from the attached list, at:

Senator_First Name_Last Name@legis.state.ak.us

or

Representative_First Name_Last Name@legis.state.ak.us

Attachment 8

UPDATE ON RECORDER'S OFFICE

The FY00 operating budget for the Recorder's/UCC Office is undergoing review by the Legislature. Our focus continues to be on improving service to our customers. As you know, we recently implemented an in-house indexing system that includes many new and expanded research features requested by the public.

The FY00 budget includes a request for additional funding to enable us to continue to provide basic recording services under a rapidly growing workload. This budget request would provide additional front-line staffing for our Fairbanks, Palmer, Anchorage and Kenai offices to assist with the examination, stamping, indexing, processing and return of recorded documents. It also covers contractual and supply increases (including paper, envelopes, film and increased postage and courier costs) related to workload growth, as well as annual operating costs for our indexing system.

It is hard for us to ask for additional funding at a time when the state is facing such a massive deficit. Nevertheless, we believe that user fees from the recording system should, at the very least, be used to preserve and maintain BASIC recording services to the public. (The recording system is expected to generate excess revenues of more than \$2 million this year alone.) If the workload continues to increase without budgetary support, basic services to the public will be adversely impacted during FY00 (July 1999 through June 2000). Such impacts may include the following:

- Reduced public hours or weekly closures of one day or more in Anchorage, Fairbanks, Palmer and Kenai recording offices.
- Delayed reception reports and daily indexing.
- Delayed return of original documents to customers.
- Delayed completion of UCC searches.
- Delayed receipt of film images for public research.
- Delayed production of conformed and certified copies.

The Legislature needs to hear YOUR opinions on our program and these potential impacts on basic service. As the Legislature contemplates our budget needs, public input will be critical in order to avoid the types of impacts noted above. You may also want to consider supporting a flexible staffing model that would enable us to more easily fluctuate staffing to respond to cyclical workflows.

A listing of legislators is attached, including fax numbers. You may also send a Public Opinion Message through your local Legislative Affairs Office. Or you may e-mail your legislators, using names from attached list, at:

Senator_First Name_Last Name@legis.state.ak.us

or

Representative_First Name_Last Name@legis.state.ak.us

Attachment 9

Voice of The Ti

The Anchorage Times

Publisher: BILI J. ALLEN

"Believing in Alaskans, putting Alaska first"

Editors: DENNIS FRADLEY, PAUL JENKINS, WILLIAM J. TOBIN

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Empire building

EVER WONDER how it is that state government now spends more than \$6 billion a year, when it wasn't too long ago that a few hundred million dollars was more than enough?

The explanation can be found in one word: bureaucracy. State employees who hold lifetime jobs with government are forever looking for ways to expand their jobs, their offices, their staffs, and most of all, their annual budgets.

Take for example the State Recorder's Office in the Department of Natural Resources. The bureaucrats who work there keep track of all real estate transactions, mortgages, rights of way, deeds and other public records on file with the state.

Up until the first of this year, the state paid nothing for the computer programming and processing necessary to maintain the index of all these records. The service was provided for free by an anchorage commercial computer services company.

Motznik Computer Services had done the job since 1986, apparently without a hitch. Title companies, financial institutions and others requiring access to public records were on record being satisfied with the services Motznik provided. So was the state.

But not the chief bureaucrat of the State Recorder's Office, Sharon Young. She wanted all the computer work done in her shop, and over a number of years campaigned to take it away from the Anchorage commercial vendor. Her argument was that greater efficiencies and savings would result for the state if the process were all together under one office — hers.

So, as of the first of the year, the contract was taken away from Motznik. The result? Within weeks, the Recorder's Office submitted an urgent request for more money. It needed \$300,000 to \$400,000 to hire a half-dozen or more new employees. At the same time, many of the users of the public records began complaining that what previously was good service was becoming difficult.

The other day, in an urgent message to title companies and financial institutions across the state, the State Recorder asked people to call and write their legislators. She needed support for additional funds, she said, because the work was just too much now that her office had taken on the computer services that once were provided for free.

"If the workload continues to increase without budgetary support, basic services to the public will be adversely impacted," the bulletin warned. It said the public could anticipate lengthy delays in processing records unless the additional funding is provided.

So, presumably, legislators are now hearing from constituents lobbying on behalf of an increased budget and staff for the Recorder's Office.

So you can quit wondering why that \$6 billion budget continues to grow.

Clinton cynical

By CHARLES KRAUTHAMMER

"[NATO] strikes continue to cause serious damage to the FR Yugoslavia (Serb) military and will further degrade their capability to commit atrocities against the Kosovo Albanian population."

- NATO military spokesman Giuseppe Marani, April 17.

"We are also seeing increased evidence of ethnic cleansing...."

- Same spokesman, same briefing, same day, one minute later.

And you thought things got surreal during Monicaagate.

If it were not so tragic, the standard Clinton/NATO line on Kosovo would be farcical. Every day they report how we are "degrading" Slobodan Milosevic's ability to carry out war crimes.

Within minutes, they then report a fresh new set of war crimes.

In Monicaagate, the surreality was merely silly. In Kosovo, it is serious. NATO proudly announces target after target hit under what might be called the "better lighting" theory of warfare. Attack the enemy where the lighting is best — nice big shiny buildings in downtown Belgrade. They make for good video — while hundreds of miles to the south the Kosovar Albanians, in whose defense we are presumably doing all this, are being savaged.

This disconnection between means and ends is more than simply a military failure. It constitutes a colossal moral failure.

This war, after all, is a humanitarian mission. Attempts to portray it as anything else are risible, as when Clinton told a union group the day before the bombing began that it is about, among other things, selling American goods to Europe.

But if your ends are humanitarian, you are obliged to supply the means to save those you propose to save. It is not enough to salve your conscience with the plea of NATO's secretary general that "we have shown we have the will to try," while the very people we are supposedly defending are terrorized, killed or driven from their homes.

The single most remarkable fact about this "war" is this: Not one allied soldier engaged in this operation has even been seriously injured in the first four weeks. Has there ever been such a war anywhere? What kind of humanitarianism is it that makes its highest objective ensuring

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Attachment 10

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

Support Services Division

WALTER J. HICKEL, GOVERNOR

State Recorder's Office
3601 C Street, #1180
Anchorage, AK 99503

(907) 762-2437

November 22, 1993

Janie Dalton
Western Microfilm
1530 Gambell
Anchorage, AK 99501

Dear Ms. Dalton:

It has come to my attention that the original film checkout requests submitted over the past several months by Western Microfilm have pertained to the latest jacketed books generated for Anchorage and other outlying districts. It is also my understanding that you have already captured these images on film and provide various requestors with some form of film or paper duplicate on an ongoing basis.

Duplicating microfiche is a standard service available through the Recorder's Office, and we are authorized by the Alaska Administrative Code (11 AAC 05.010(a)(14)(K)) to collect \$3.00 for each microfiche or aperture card duplicated. There is also a loss or damage risk associated with allowing our working masters to leave the premises without an agreement documenting the need for, and the outsourcing of, this service which we are presently capable of providing in-house.

This letter is to notify you that effective December 1, 1993, the Recorder's/UCC Section will no longer release original jacketed 16mm microfiche to your custody. We will provide duplicates on request, but will be required to charge you the standard duplication fee in the process. In no event will original archival rolls of this microfiche period (1977-current) be released for duplication purposes.

Please contact me if you have any questions.

Sincerely,

Sharon Young

Sharon Young
State Recorder

cc: Vicky Backus, SC Regional Manager

Attachment 11

CONTINUATION OF FORM: P2

The component recorded/filed more than 221,000 documents into the public record during FY98, an increase of more than 11 percent over FY97. Effective July 1996, new recording legislation (SB 283) took effect repealing the restrictive list of document types which were eligible for recording, streamlining the document review process and enabling staff to devote energy to other workload demands. Prior statutory language required recorders to frequently step beyond their ministerial duties to read and interpret the intent of documents submitted for recordation. The new legislation eliminated the need for such subjectivity. The new legislation also mandates that the component maintain a location index in addition to the grantor/grantee index. Document review is now limited to the following specific criteria:

1. DOCUMENT EXAMINATION. As amended, AS 40.17.030 requires that a document: 1) contain original signatures; 2) be legible and capable of being copied into legible form by a machine used in the recording office; 3) be capable of being copied by the method used in the recording offices (sufficient to generate certified copies or legible conformed copies), 4) contain a title; 5) be accompanied by or include the necessary indexing information; 6) refer to the book and page information of the original document that any amendment, correction, extension, modification, assignment or release, partial or full, affects; 7) contain the name and address of the person to whom the document is to be returned; 8) contain the mailing addresses of all person who grant or acquire an interest in the property; 9) identify the name of the recording district; 10) be accompanied by the proper fee. 11 AAC 06.040 further requires that recorded documents: 1) be executed in English; 2) contain a legal description of the property affected except when not required by other law; 3) not exceed 8.5x14 paper stock or that plats of survey, subdivision plats, or record of surveys not exceed 32x36 inches; 4) include capacity of signing parties; 5) comply with the acknowledgment requirements defined by AS 09.63.060 - 09.63.100; 6) contain a verification of oath of the claimant which, if required, complies with AS 09.63.040(c); 7) reference and contain identified exhibits as attachments. Certified copies are also acceptable for recording if they are of the type identified in 11 AAC 06.030 and if specific regulatory requirements are met. And finally, original documents which are otherwise recordable on their own, may not be included as an attachment to another document.

2. RECORDATION OR REJECTION. Once the document has been examined and found to meet minimum recording criteria, the recording information which incorporates it into the public record is affixed (serial number, date/time stamp and book and page information). The appropriate funds are then collected and receipted, including recording fees as well as any conformed, certified or library copy fees. The original document is then added in sequence to the day's workload and will not be returned to the appropriate party for approximately 4-6 weeks while the necessary indexing and microfilming is completed.

In the event the document is found lacking in one or more of the minimum acceptability requirements, a component rejection form letter is completed documenting the date and time of rejection as well as the specific reasons for rejection. The original rejection letter and document are then returned to the submitted party. A copy of the rejection letter and the document as submitted are retained for a period of one year.

ADDITIONAL
EXPLANATION
FORM

AGENCY NATURAL RESOURCES

BRU INFORMATION/DATA MANAGEMENT

Page 2 of 3

Revised Date:

FY00