

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB369(RES)
 () Publish Date: _____

Identifier (file name): CSHB369(RES)-DNR-MLW-03-16-10 Dept. Affected: Natural Resources
 Title IN-STATE PIPELINE MANAGER/TEAM/COMMITTEE RDU Resource Development
 Component Title Acquisition and Defense
 Sponsor Rep. Chenault Claims, permits and leases
 Requester House FIN Component Number 2459 / 2460

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES							
Personal Services	465.7						
Travel	35.0						
Contractual	52.0						
Supplies	38.0						
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	590.7	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES							
CHANGE IN REVENUES ()							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts	590.7						
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	590.7	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time	10						
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary.)

The bill establishes a joint in-state Gasline Development Committee consisting of the commissioner of DOTPF, the CEO of the Alaska Railroad Corporation, the CEO of the Alaska Natural Gas Development Authority, and the in-state gasline project manager (also created in this bill). The legislation provides this committee the authority to manage and develop an in-state gasline, mandates construction to begin by July 1, 2011, and authorizes any action that would enable gas to flow down the pipeline by 2015. While the joint in-state Gasline Development Committee is granted broad powers and authorities under the bill certain basic functions must still be performed by MLW.

Prepared by: Dick Mylius Phone 269-8600
 Division Mining, Land and Water Date/Time 3/16/10 12:00 AM
 Approved by: Tom Irwin, Commissioner Date 3/16/2010
Natural Resources

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CSHB 369 (RES)

ANALYSIS CONTINUATION

In the preparation of this fiscal note certain assumptions have been made:

- 1) that DNR/DMLW will be required to prepare a title report regarding state owned lands in the pipeline ROW,
- 2) that DNR will not be required to transfer title to any state lands to DOT/PF,
- 3) that DOT/PF will be responsible for all title or ROW acquisitions from entities other than DNR managed state lands including lands owned by private persons, boroughs, ANCSA corporations, native allotments, and the federal government,
- 4) that DNR/DMLW will review and approve all land surveys associated with granting an in-state gasline ROW and developing an in-state gasline across state land,
- 5) DNR DMLW will participate in the ROW planning effort to some degree across state land, the review of the AS 38.35 R/W lease to be prepared by SPCO for issuance to DOT/PF, and the ACMP review of the ROW, and
- 6) SPCO will issue AS 38.35 ROW across state lands to DOT/PF.

The costs to DMLW would include expenses related to preparation of the land title report and preparing and reviewing land transfer documents, executing material sales and reviewing land and project surveys in an expedited manner by July 1, 2011. It should also be noted that focusing DNR's time and resources on such a high priority, short deadline project as conceived in this legislation would significantly impact and curtail DLWM's abilities to perform its other statutorily required functions. These costs are high in part due to the extremely tight time frames set out in the bill.

PERSONAL SERVICES COST - \$465.7 total (for 12 months)

LAND TITLE ACTIONS

Four positions Anchorage; for land title review and report preparation and document review and processing.
-three Natural Resource Specialist (NRS) III (range 18) - total 6 months each at \$7.24/month= \$130.32
-one Natural Resource Specialist (NRS) II (range 16) - - total 6 months each at \$6.40/month = \$38.4

\$168.72 for FY 11 Total

LAND SURVEY REVIEW

Two positions Anchorage; for reviewing land and project surveys .
-Two land surveyor II (LS) III (range 22) - 1 year each at \$109.1/year

\$218.2 for FY 11 Total

MATERIAL SALES

Two positions; for preparing and executing material sales for use in pipeline R/W.
- One Natural Resource Specialist (NRS) III (range 18) - total 12 months at \$89.2/year for Northern Region Office Fairbanks = \$89.2
- One Natural Resource Specialist (NRS) III (range 18) - total 12 months at \$86.4/year for SouthCentral Region Office Anchorage = \$86.4

\$175.6 for FY 11 Total

Cont.

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ANALYSIS CONTINUATION

PROJECT REVIEWS

One position; to participate in the R/W planning effort, the review of the AS 38.35 ROW lease , and the ACMP review of the R/W.

- One Natural Resource Specialist (NRS) III (range 18) - total 8 months each at \$86.4/year for SouthCentral Region Office Anchorage = \$57.6

\$86.4 for FY 11 Total

TRAVEL, CONTRACTUAL, SUPPLIES - \$143.0 total (for 12 positions)

Travel would be for land survey review purposes, preparation of material sales, and planning, ROW and ACMP review. \$35.0 in FY11

Other contractual costs include \$52.0 for office space, telephones, core service charges and related expenses for the new positions in FY11 at a rate of \$5.2 per new position.

Supplies are budgeted at \$38.0 per year FY11, and includes one-time start-up costs for new computers and office equipment of \$3.8 per each new position.