

ALASKA STATE LEGISLATURE
SENATE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

May 7, 2004

2:03 p.m.

TAPE (S) 04-16

MEMBERS PRESENT

Senator Bert Stedman, Chair
Senator Thomas Wagoner, Vice Chair
Senator Gary Stevens

MEMBERS ABSENT

Senator Kim Elton
Senator Georgianna Lincoln

COMMITTEE CALENDAR

CS FOR HOUSE BILL NO. 561(FIN)

"An Act providing for and relating to the issuance of general obligation bonds in a principal amount of not more than \$93,280,000 for the purpose of paying the cost of state transportation projects; and providing for an effective date."

MOVED SCS CSHB 561(CRA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 561

SHORT TITLE: G.O. BONDS FOR TRANSPORTATION PROJECTS

SPONSOR(S): FINANCE

04/29/04	(H)	READ THE FIRST TIME - REFERRALS
04/29/04	(H)	FIN
04/30/04	(H)	FIN AT 8:30 AM HOUSE FINANCE 519
04/30/04	(H)	Heard & Held
04/30/04	(H)	MINUTE(FIN)
05/04/04	(H)	FIN RPT CS(FIN) NT 6DP 1NR
05/04/04	(H)	DP: MEYER, HAWKER, CHENAULT, FATE,
05/04/04	(H)	FOSTER, WILLIAMS; NR: STOLTZE
05/04/04	(H)	TRANSMITTED TO (S)
05/04/04	(H)	VERSION: CSHB 561(FIN)
05/04/04	(H)	FIN AT 8:30 AM HOUSE FINANCE 519
05/04/04	(H)	Moved CSHB 561(FIN) Out of Committee
05/04/04	(H)	MINUTE(FIN)
05/05/04	(S)	READ THE FIRST TIME - REFERRALS
05/05/04	(S)	CRA, FIN

05/07/04

(S)

CRA AT 2:00 PM FAHRENKAMP 203

WITNESS REGISTER

James Armstrong
Aide to Representative Bill Williams
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Introduced CSHB 561(FIN)

John MacKinnon
Deputy Commissioner of Transportation
Department of Transportation &
Public Facilities
3132 Channel Dr.
Juneau, AK 99801-7898
POSITION STATEMENT: Commented briefly on CSHB 561(FIN)

ACTION NARRATIVE

TAPE 04-16, SIDE A

CHAIR BERT STEDMAN called the Senate Community and Regional Affairs Standing Committee meeting to order at 2:03 p.m. Present were Senators Wagoner, Gary Stevens, and Chair Stedman.

CSHB 561(FIN)-G.O. BONDS FOR TRANSPORTATION PROJECTS

CHAIR BERT STEDMAN announced HB 561 to be up for consideration. He asked Mr. Armstrong to come forward.

JAMES ARMSTRONG, aide to Representative Bill Williams, stated that the bill closely mirrors a proposal the 2002 Legislature adopted authorizing \$226 million in general obligation (GO) bonds. This bill would authorize \$93.28 million in GO bonds to pay for state transportation projects.

CHAIR STEDMAN asked whether he had an amendment to offer.

MR. ARMSTRONG distributed copies of the sponsor's amendment 1:

Amendment 1

Delete

Page 2, Line 16-17
Anchorage - Abbott Loop Road Upgrade (68th Avenue
15,000,000

to Abbott Road)

Insert

Page 2, Line 16

Anchorage - Abbott Loop Road Upgrade (68th Avenue

11,000,000

to Abbott Road)

Delete

Page 3, Line 25

Jewel Lake Road and Strawberry Road signalization

1,100,000

Insert

Page 3, Line 25

Anchorage - Jewel Lake Road and Strawberry Road signalization

2,000,000

Insert

After Line 27

Anchorage - Dowling Road Upgrade (Laurel Street to Abbott

3,100,000

Loop Road)

Delete

Page 2, Line 31

Fairbanks - Steese Highway corridor safety and capacity

7,500,000

Insert

Page 2, Line 31

Fairbanks - Parks Highway rehabilitation (Ester to Fairbanks)

7,500,000

Delete

Page 3, Line 18

Wrangell - Heritage Harbor renovation

1,400,000

Insert

Page 3, Line 18

Wrangell - Heritage Harbor construction

1,400,000

SENATOR GARY STEVENS asked for an explanation for changing the Wrangell project from renovation to construction.

JOHN MACKINNON, deputy commissioner of transportation, Department of Transportation & Public Facilities, explained that the Wrangell Heritage Harbor is the one currently under construction. There is an option to add to the project by including floats so it is construction and not renovation.

SENATOR THOMAS WAGONER asked if that is an option from the preexisting bid.

MR. MACKINNON said yes.

CHAIR STEDMAN asked if this changed the total.

MR. MACKINNON said no.

SENATOR WAGONER made a motion to adopt amendment 1. There being no objection, it was so ordered.

CHAIR STEDMAN noted there was a second amendment.

SENATOR GARY STEVENS made a motion to adopt amendment 2.

Amendment 2
CS HB 561 (FIN)

Modifications

Page 2, Line 14:

Federal earmark match lowered from \$15 million to \$5 million

Page 3, Line 17:

Petersburg Middle Harbor renovation increased from \$1.2 million to \$2.2 million to fully fund this requirement

Page 3, Line 18:

Replaced "renovation" with "construction". Wrangell's Heritage Harbor project hasn't begun.

Additions:

The following projects have been added beginning on Page 3, Line 28 and continuing to Page 4, Line 3:

City of Seward - travel lift replacement and dock rebuild
275,000
City of Soldotna - road improvements
500,000
Wrangell - Bradfield Canal Road planning and design
500,000
Sitka - Overlay Halibut Point Road
1,000,000
Southeast regional freight consolidation/cold storage
construction 2,000,000

Result:

These changes lower the total bonding authority of the bill by \$4,725,000 to \$88,555,000 and lower the amount allocated to the state bond committee for expenses from \$466,400 to \$442,775.

CHAIR STEDMAN explained the changes and noted that the proposed change on page 3, line 18 was already incorporated in amendment 1.

SENATOR GARY STEVENS asked if he wanted a motion to delete that portion of the amendment.

CHAIR STEDMAN indicated that he would like a motion.

SENATOR GARY STEVENS made a motion to amend amendment 2 by deleting:

Page 3, Line 18:

Replaced "renovation" with "construction". Wrangell's Heritage Harbor project hasn't begun.

CHAIR STEDMAN said, "Hearing no objection, that is deleted." He then mentioned the five projects that were added and read the result of the changes, which was to "lower the amount allocated to the state bond committee for expenses from \$466,400 to \$442,775."

SENATOR WAGONER moved amendment 2 as amended and there was no objection.

CHAIR STEDMAN asked for a motion.

SENATOR GARY STEVENS made a motion to move CSSB 387(CRA) from committee with individual recommendations and attached fiscal note. There being no objection, it was so ordered.

CHAIR STEDMAN adjourned the meeting at 2:15 pm.