

**ALASKA STATE LEGISLATURE**  
**HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE**

March 17, 2016  
8:05 a.m.

**MEMBERS PRESENT**

Representative Cathy Tilton, Chair  
Representative Paul Seaton, Vice Chair  
Representative Shelley Hughes  
Representative Benjamin Nageak  
Representative Lora Reinbold  
Representative Harriet Drummond  
Representative Dan Ortiz

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

HOUSE BILL NO. 209

"An Act relating to an Alaska Water and Sewer Advisory Committee; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 240

"An Act relating to the reinstatement of Native corporations; and providing for an effective date."

- BILL HEARING CANCELED

**PREVIOUS COMMITTEE ACTION**

BILL: HB 209

SHORT TITLE: WATER AND SEWER ADVISORY COMMITTEE

SPONSOR(S): REPRESENTATIVE(S) FOSTER

04/19/15	(H)	READ THE FIRST TIME - REFERRALS
04/19/15	(H)	CRA, FIN
03/17/16	(H)	CRA AT 8:00 AM BARNES 124

**WITNESS REGISTER**

PAUL LABOLLE, Staff  
Representative Neal Foster

Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented HB 209 on behalf of Representative Foster, prime sponsor.

BILL GRIFFITH, Manager  
Facility Programs  
Division of Water  
Department of Environmental Conservation (DEC)  
Anchorage, Alaska

**POSITION STATEMENT:** Responded to questions, during the hearing on HB 209.

#### **ACTION NARRATIVE**

[8:05:09 AM](#)

**CHAIR CATHY TILTON** called the House Community and Regional Affairs Standing Committee meeting to order at 8:05 a.m. Representatives Seaton, Reinbold, Ortiz, and Tilton were present at the call to order. Representatives Drummond, Hughes, and Nageak arrived as the meeting was in progress.

#### **HB 209-WATER AND SEWER ADVISORY COMMITTEE**

[8:05:59 AM](#)

CHAIR TILTON announced that the only order of business would be HOUSE BILL NO. 209 "An Act relating to an Alaska Water and Sewer Advisory Committee; and providing for an effective date."

[8:06:42 AM](#)

PAUL LABOLLE, Staff, Representative Neal Foster, Alaska State Legislature, explained that HB 209 would establish a water/sewer advisory committee with the primary intent of reviewing and recommending how to best apply the available state and federal funds to the needs of rural communities. Currently, the available, combined state and federal funding stands at approximately \$51.5 million; however, the outstanding need, estimated as of 2011, is \$410 million. The sponsor does not expect that further funding will be made available and, as such, proposes that a task force be convened to make determinations on how to cost effectively approach the rural sanitation problems. It is proposed that the committee be seated with nine members, which would include: two members from the House of

Representatives, two members from the Senate, one federal agency member, one state agency member, one public civil engineer, and two public members residing in rural Alaska. The committee members would be serving on a volunteer basis and, he pointed out, receive no reimbursements for per diem or travel expenses; the use of electronic communications methods would be encouraged. He said the committee would generate a report for presentation to the legislature. He directed attention to HB 209 as introduced in 2015, to indicate the timeline which would need to be revisited in the final bill draft, which are: page 3, line 2, report due date of 12/31/16; page 3, line 4, report availability on the first day of the 2017 regular legislative session; and page 4, line 5, the repeal date would need to conform with all other date adjustments.

[8:10:01 AM](#)

REPRESENTATIVE REINBOLD asked for clarity regarding the funding level and the outstanding need estimate.

MR. LABOLLE explained that an annual amount of approximately \$51 million has been available via a state match of federal funds. Each year the state has made a minimal payment to receive the federal dollars. To a follow-up question he said that the funds are for statewide use, as provided through the Department of Environmental Conservation (DEC), and the projects are run by Village Safe Water (VSW) and the Alaska Native Tribal Health Consortium. The \$410 million represents an outdated total for outstanding needs, and he deferred to the department for further response.

[8:11:45 AM](#)

BILL GRIFFITH, Manager, Facility Programs, Division of Water, Department of Environmental Conservation (DEC), said the department collaborates with the consortium to maintain a list of all water and sewer needs in rural communities. The list is updated each year, and the 2016 total is in the midst of being finalized. The numbers are available for 2015, he said, and reported that the current figure for what is considered critical human health related projects stands at \$850 million.

[8:12:40 AM](#)

REPRESENTATIVE REINBOLD expressed shock at the substantial increase.

MR. GRIFFITH indicated that the figure has been on a steady increase each year. The annual funding shortfalls leave a continually expanding gap, as well as needs that remain unaddressed.

[8:13:09 AM](#)

REPRESENTATIVE SEATON referred to the sponsor statement and paraphrased from paragraph 6, which reads [original punctuation provided]:

There are emerging systems and new technologies that will need to be part of the answer. We need a comprehensive look at which solutions are available and which ones fit our conditions. We also need to ensure that we are not building ourselves a financial burden that cannot be sustained.

REPRESENTATIVE SEATON asked for examples of the emerging systems and technologies referred to, and if any are currently in use in Alaskan communities.

MR. LABOLLE responded that only a few exist. The North Slope uses AWWS [Advanced WasteWater Specialists, LLC] with frequency, he reported. Whether a system such as AWWS is advisable for application in situations larger than man-camps, he said, is the sort of thing that the committee would review.

[8:14:20 AM](#)

REPRESENTATIVE NAGEAK ascertained that the current capital budget contains \$51.5 million available for use, and asked for the estimated cost of the least expensive project.

MR. LABOLLE deferred.

[8:15:16 AM](#)

MR. GRIFFITH answered that the current database contains between 700-800 projects. The high end projects are specific to provide first time running water and sewer to communities and the cost range is \$20-\$40 million. The lower end projects involve activities such as improvements to bring a water treatment plant into full regulatory compliance or improving a damaged water source, which range upwards from about \$100,000.

REPRESENTATIVE NAGEAK reported that [District 40] suffers a range of disparity from outdated water/sewer projects, which are reflective of Third World conditions; conditions he has witnessed throughout the state. He conjectured that there is funding for the road system communities but not for rural Alaska, and pressed for a means to identify how to approach and adjust for this problem.

[8:18:53 AM](#)

REPRESENTATIVE ORTIZ asked whether the annual \$51 million has been utilized each year without the benefit of an advisory committee.

MR. LABOLLE responded, "Yes," and added that VSW runs a very competent program. He elaborated that the committee would review the system, and identify ways and means to best approach each project, thus maximizing the use of the available resources and minimizing the short fall on completed projects.

REPRESENTATIVE ORTIZ requested an estimate of the number of communities, including populations, which are listed at the project entry stage; lacking running water or established sewage systems.

MR. LABOLLE indicated that the figure he has does not break out the entry stage population from communities which are awaiting upgrades and deferred further comment.

[8:20:55 AM](#)

MR. GRIFFITH stated that an annual report is routinely completed, which indicates that about 3,600 homes are lacking water/sewer service, representing a population of approximately 11,000, and situated in 30 communities. Some of the homes are located in communities with water/sewer service but are not hooked-up, while the remainder are found in areas lacking a community system.

[8:21:45 AM](#)

CHAIR TILTON inquired as to the availability of a written report.

MR. GRIFFITH noted that a number of handouts are available and offered to provide the committee with copies.

CHAIR TILTON asked whether information describing the 800 projects is documented and transferable.

MR. GRIFFITH offered to send a summary of each project to the committee, based on the available database.

[8:23:14 AM](#)

CHAIR TILTON directed attention to the bill packet and the handout dated 3/15/2016, with the header line reading, "Article 7 - Health, Education and Welfare," to ask how the bill relates to the Alaska Constitution.

MR. LABOLLE turned to the proposed bill page 1, line 9, and paraphrased the language, which read as follows [original punctuation provided]:

In an effort to protect the public health and welfare of the state's citizens and promote healthy communities, the legislature finds that it is the responsibility of the legislature to ensure that safe and sustainable water and sewer systems are provided for all communities of the state.

MR. LABOLLE said public safety and welfare is established under Article 7 of the Alaska Constitution, to wit:

Section 4. Public Health: The legislature shall provide for the promotion and protection of public health.

Section 5. Public Welfare: The legislature shall provide for public welfare.

[8:24:37 AM](#)

REPRESENTATIVE SEATON referred to the proposed bill page 1, line [11], and paraphrased the language, which read as follows:

... ensure safe and sustainable water and sewer systems are provided for all state residents.

REPRESENTATIVE SEATON expressed an interest in amending this language to read "all communities," to alleviate the state from the responsibility of providing safe water/sewer to someone who chooses to live privately off the grid. He maintained that the

state's responsibility is to the public, as the public, and not to private citizens.

MR. LABOLLE assured that such an amendment would be welcomed by the sponsor.

8:25:51 AM

REPRESENTATIVE HUGHES offered personal appreciation for the sponsor's intent for the bill, and recounted the five years she lived off the grid in Seward, including handwashing cloth diapers, and later in Bethel where she experienced life with honey buckets. These conveniences are greatly appreciated when you have gone without, she opined, but agreed with Representative Seaton that some people choose to live off the grid removed from state responsibility.

8:27:27 AM

CHAIR TILTON asked about recommendations for the make-up of a Bush caucus, to be seated on the committee.

MR. LABOLLE said the bill was originally drafted by Senator Kookesh, with language indicating that the committee members, "shall be made by the Bush caucus." The Bush caucus is defined in HB 209 but lacks a concise definition. He suggested that the committee consider clarifying the language, and added that the appointments could be made by a single entity, such as the Senate President, Speaker of House, or a commissioner.

8:28:39 AM

REPRESENTATIVE NAGEAK returned to Representative Seaton's comments, and stated his belief that it's necessary to look into providing services in areas where people don't have the means to do anything. Getting safe water to every village and eradicating the use of honey buckets, would reduce sickness, he opined, and stressed the need to make in-roads for improving the lives of rural Alaskans.

8:31:33 AM

CHAIR TILTON directed attention to the proposed bill page 3, line 30, which reads as follows [original punctuation provided]:

(i) In this section, "bush caucus" means a group of legislators that represents rural areas of the state.

CHAIR TILTON said her office would assist in drafting language to clarify this section of the bill.

[HB 209 was held over.]

[8:32:40 AM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 8:33 a.m.