

HB

821

COMMITTEE REPORT

HOUSE

2/14/78

FURTHER: FINANCE

Date: April 10, 1978

Mr. Speaker:

The Committee on RESOURCES has had HE 821

"An Act making a special appropriation to the Department of Fish and Game to plan for and construct a chum salmon demonstration hatchery on the Noatak River; eff. date."

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass                      ( ) recommends it do not pass
- ( ) recommends it do pass with attached amendment(s)
- ( ) recommends it be replaced with CS for \_\_\_\_\_

and \_\_\_\_\_  new title change ( ) same title

- AND attaches a Letter of Intent                      ( ) New Fiscal Note
- ( ) reports it back without recommendation
- ( ) and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

J. Malone Do Pass  
Mark H. Under DO PASS  
DeLorenzo " "  
Joe H. ...  
W. H. ...  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

OTHER RECOMMENDATIONS:

\_\_\_\_\_ " "  
 \_\_\_\_\_ " "  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
Chairman



LETTER OF INTENT

The Honorable Hugh Malone  
Speaker of the House

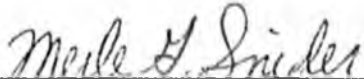
Dear Mr. Speaker:

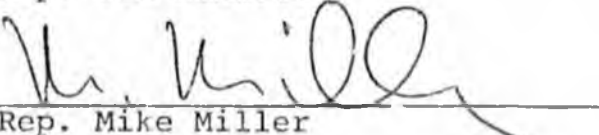
By reporting HB 821 out of the House Resources Committee it is the intent of the Committee that the State take immediate steps to develop fisheries rehabilitation programs in Northern and Western Alaska and that the best place to begin such a program is in the Kotzebue Sound area as referred to in HB 821.


The appropriation contains money for the studies required for the site and other environmental considerations in the construction of the hatchery, as well as an appropriation for an estimated amount to take approximately one year minimum. Due to this, the Finance Committee should consider the appropriateness of alternate funding, including a direct appropriation during this Legislative session, as contained in this bill, general obligation bonds, and possibly an appropriation during the next Legislature.

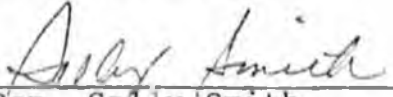
Regardless of the most appropriate funding source for the construction, the Department of Fish and Game and the Legislature must give attention to this area of the State in developing the fisheries resource to become a more significant element in the economy of the State.

  
Rep. Alvin Osterback, Chairman

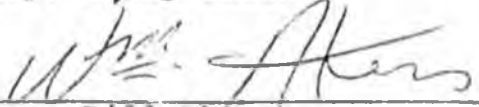
  
Rep. Merle Snider, Vice-Chairman

Rep. Don Bennett  
  
Rep. Mike Miller

Rep. Dick Eliason  
  
Rep. Rick Urion

  
Rep. Sally Smith

Rep. Hugh Malone

  
Rep. Bill Akers

Introduced: 2/14/78  
Referred: Resources and  
Finance

CS

1 IN THE HOUSE

BY SCHAEFFER

2 HOUSE BILL NO. 821

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Department  
7 of Fish and Game to plan for and construct a chum salmon  
8 demonstration hatchery on the ~~Noatak River~~ <sup>in the Kaly Sound area</sup>; and pro-  
9 viding for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 \* Section 1. The sum of ~~\$2,000,000~~ <sup>\$3,750,000</sup> is appropriated from the general fund  
12 to the Department of Fish and Game for use by the division of fisheries  
13 rehabilitation, enhancement and development to plan for and construct a chum  
14 salmon demonstration hatchery on the ~~Noatak River~~ <sup>in the Kaly Sound area</sup>.

15 \* Sec. 2. This Act takes effect ~~July 1, 1978,~~ <sup>immediately</sup>

*Handwritten notes:*  
- "in the Kaly Sound area" (written above line 14)  
- "immediately" (written above line 15)  
- "Alternative / Construction" (written diagonally across lines 18-25)

29

#

CS

AMENDMENT #1 by Schaeffer

Amendment to House Bill #821

PAGE 1 LINE 6 Thru 15

Delete all material and insert the following:

: FOR AN ACT ENTITLED: "An Act making a special appropriation to the Department of Fish and Game and to the Department of Transportation and Public Facilities and providing for an effective date."

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

\* Section 1. The sum of \$616,147 is appropriated from the general fund to the Department of Fish and Game for use by the Division of fisheries rehabilitation, enhancement and development to plan for a chum salmon hatchery in the Kotzebue Sound Area.

\* Sec. 2. The sum of \$2,500,000 is appropriated from the general fund to the Department of Transportation and public facilities to design and construct a chum salmon hatchery in the Kotzebue Sound Area.

\* Section 3. Sec. 2 shall lapse into the general fund if it is not incumbered by June 30, 1979.

\* Sec. 4. This act takes effect immediately in accordance with AS 01.10.-070 (c).

NORTHERN HATCHERY

1st year Investigation on Operational Budget for FY79

LEGISLATIVE INTENT: House Bill No. 821 amended

PAYROLL - 100

1 Range 20 Engineer-Salary + Benefits = \$ 44,773  
1 Range 18 Fish Biologist III-Salary + Benefits = 41,596  
24 man-months (FC II range) Temp.-Salary + Benefits-OT = 43,778  
TOTAL.....\$130,147

TRAVEL -200

Airline Fares - 30 trips @\$500.00 = 15,000  
120 days per diem for 2 people @50/day = 12,000  
Charter flight for 4, 60 days @ \$200/day = 12,000  
TOTAL..... 39,000

CONTRACTUAL - 300

Topographic Surveys, Geological and Hydraulic, Geothermal survey,  
Land acquisition investigation. 2 sites @\$200,000 = 400,000  
Office Space - 8 months @ \$1,000 and \$2000 rental  
equipment = 10,000  
TOTAL.....410,000

SUPPLIES -400

Office supplies plus arctic clothing, calculators and tape  
recorders = 3,000  
TOTAL..... 3,000

EQUIPMENT - 500

Instruments to measure water velocity and temperature,  
soil type and temperature plus overland transport  
vehicle or snow machine = 10,000  
TOTAL..... 10,000

*7/10/79  
K. S. ...*

NORTHER HATCHERY

International symposium on the bio-economic aspects of a salmon  
hatchery design and operation in arctic alaska to be held in Kotzebue  
August 21,22,23,24,25 with participants from USA,Alaska,Japan,Canada,Russia

TRAVEL- 200

Travel and Per diem and lodging = 16,000  
TOTAL..... 16,000

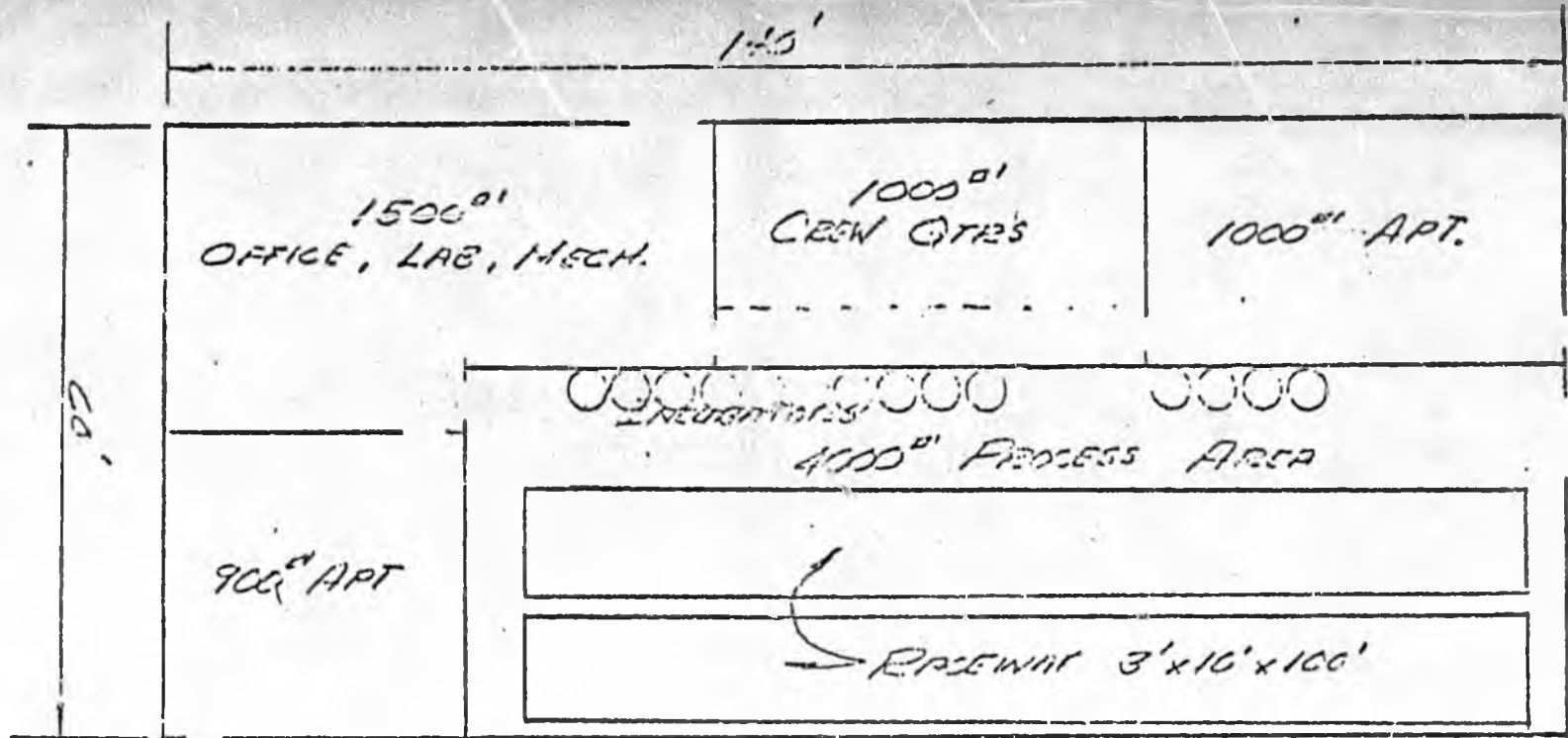
CONTRACTUAL -300

Consultant fees = 8,000  
TOTAL.....8,000

TOTAL BUDGET \$616,147

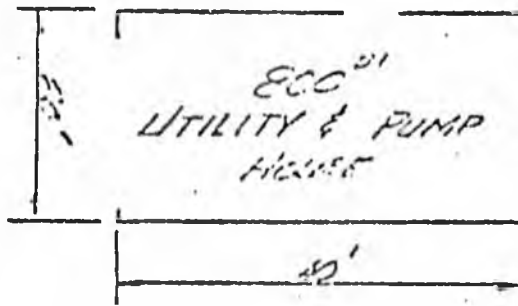
Legislative Intent:: House Bill No. 821 amended

It is the intent of the legislature that Sec. 2 , of the bill be used for design and construction of a Chum Hatchery at a site selected in consultation with the Division of Fisheries, rehabilitation, enhancement and development and in consultation with the recommendation of the International symposium on the bio-economic aspects of a salmon hatchery in arctic alaska. Any non-incumbered funds shall be lapsed into the general fund should it be found that the project is not feasible or practical. The design of the facility is to capture the best utilization of the facility for the rehabilitation, enhancement and development of the chum salmon and minimize facility space for staff & employees, office space, Lab., crew qtrs.



CONCEPT

- 10 Million Eggs
- 1200 gpm Spring Water for Incubation
- 14 FRED Incubators
- 2 - 100 x 10 x 3 Raceways
- 2500 gpm (desirable) for Rearing



HATCHERY LAYOUT

ALASKA DEPARTMENT OF FISH AND GAME			
SUPPORT BUILDING		JUNEAU, ALASKA	
<u>NORTHERN HATCHERY</u>			
DRAWN BY P.L.	CHECKED BY	DATE 3-10-78	SHEET OF
APPROVED BY		SCALE 1" = 20'	NUMBER

KOTZEBUE SOUND AREA FISHERIES COOPERATIVE  
KOTZEBUE, ALASKA 99752

*Please*

HB 821

The Honorable Representative Al Osterback  
Pouch V.  
Juneau, Alaska

Dear Mr. Osterback,

The Kotzebue Sound Area Fisheries Cooperative would like to go on record supporting HB 821, an Act making a special appropriation to the Department of Fish and Game to plan and construct a chum salmon demonstration hatchery on the Noatak River.

The Board feels very strongly that a hatchery facility in this area would enhance stability in our commercial fishing industry, which I might add, is the only viable economic base in the Kotzebue Area. Since the beginning of our Commercial fishing in the summer of 1962, the numbers of fish caught have varied tremendously because of climatal conditions affecting the spawning areas. We cannot control the climate but we can control the future stock through the hatchery system.

The commercial fishing industry, although seasonal, is a million dollar industry in the Kotzebue area. When all the oil and minerals are extracted from this, the fish will always return to provide millions of dollars to the residents of the Kotzebue Area presently and in the years to come. Thank you for your concern and support for protecting and promoting our renewable resources.

Sincerely,

*Bobby*

Bobby Schaeffer, President

*Copied +  
appropriately  
filed*

# STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

JAY S. HAMILTON, GOVERNOR

SUPPORT BUILDING - JUNEAU 99801

March 29, 1978

The Honorable John C. Sackett  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

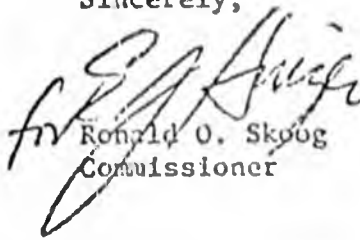
Dear Senator Sackett:

The cost estimates for salmon hatchery development in Northwestern Alaska are enclosed per your recent request. The estimate for site investigations is for one year's activity only, with a goal to select two of the best sites in the region. A second year of investigation at the two sites will be necessary prior to hatchery design and construction. The estimate of total development costs is for the hatchery layout shown. The total cost may vary drastically from this estimate because of unknowns at the site to be selected.

The funding of investigations for a chum salmon hatchery in Northwestern Alaska will indicate a major commitment for the State to fully assess the potential and to proceed with hatchery development as soon as artificial propagation appears economically feasible there.

The data necessary for an evaluation of the economic feasibility of chum salmon hatcheries in Northwestern Alaska is currently not available to us. The high value of the large chum salmon in the Kotzebue area together with potential spring water sources adjacent to the highway system near Nome are optimistic indicators for the feasibility of hatcheries in the area.

Sincerely,

  
for Ronald O. Skoog  
Commissioner

HATCHERY PROJECT BUDGET

EY 79 OPERATIONAL FUNDS

Project Name: NORTHERN HATCHERY Number:       

SITE INVESTIGATION

Notes: General investigation plus water studies for  
2 chum salmon hatcheries in region from Kotzebue  
Sound to Kaktovik Bay.

ACTIVITY	CODE	BUDGET	REMARKS
BIOLOGY		103,000	
Payroll	001-100	60,000	1-FB3 + temporaries...
Travel	001-200	20,000	per diem, airline, charter.
Fees	001-300	10,000	office + water samples.
Equipment	001-400	3,000	
	001-500	10,000	portable invest. equip.
ENGINEERING		490,000	
Payroll	002-100	70,000	1-CE 2 + temporaries
Travel	002-200	20,000	per diem, airline, charter.
Fees	002-300	400,000	2-water investigations
PROJECT TOTAL		593,000	

NORTHERN HATCHERY

1st Year Investigation on Operational Budget

Payroll - 100

1 Range 20 Engineer - Salary + Benefits	= \$ 44,773
1 Range 18 Fish Biologist III - Salary + Benefits	= 41,596
24 man-months (FC II range) Temp. - Salary, O.T. + Benefits	= <u>45,778</u>
Line 100 Total	= \$130,147
	Say \$130,000

Travel - 200

Airline Fares - 30 trips @ \$500.00	= \$ 15,000
120 days per diem for 2 people @ \$50/day	= 12,000
Charter flight for 4, 60 days @ \$200/day	= <u>12,000</u> ✓
Line 200 Total	= \$ 39,000
	Say \$ 40,000

Contractual - 300

<sup>5</sup> Topographic Surveys, Geological and Hydraulic Investigations. 2 sites @ \$200,000	= \$400,000 <i>Geological Survey, Land Investigation.</i>
Office Space - 8 months @ \$1,000 and \$2,000 rental equipment	= <u>10,000</u>
Line 300 Total	= \$410,000

Supplies - 400

Office supplies plus arctic clothing, calculators, and tape recorders.....	\$ 3,000
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Equipment - 500

Instruments to measure water velocity and temperature, soil type and temperature plus overland transport vehicle or snow machine.....	\$ 10,000
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NORTHERN HATCHERY

10 MILLION F.P.Y.

Mobilization & Site Preparation	<u>400,000</u>
Incubation Space <u>4000</u> Sq.Ft. @ <sup>\$</sup> <u>120</u>	<u>480,000</u>
<u>14</u> Incubators @ <sup>\$</sup> <u>1500</u> plus <u>OPERATING EQUIPMENT</u>	<u>260,000</u>
Support Space <u>5200</u> Sq.Ft. @ <sup>\$</sup> <u>150</u>	<u>780,000</u>
Furnishing	<u>40,000</u>
Water Supply, Distribution & Waste	<u>800,000</u>
Power Generation	<u>300,000</u>

CONST INFLATION

Contract Total	<u>3,400,000</u>
Engineering & Contingencies @ <u>10%</u>	<u>340,000</u>
Design & Administration @ <u>10%</u>	<u>340,000</u>
Investigations <u>1st year</u> <u>2nd year</u>	<u>920,000</u>
593,000 327,000	
Total Project Cost	<u>\$ 5,000,000</u>