

HB

948



Official Business

Alaska State Legislature

Senate

Committee on State Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

HB 948 - An Act making an appropriation to the Department of Transportation of Public Facilities for completion of the Snettisham hatchery; and providing for an effective date.

BY: House Finance Committee by Request

General obligation bonds authorized in chapter 140, SLA 1978, and approved by voters in 1978, appropriated \$6,002,000 for construction of a salmon hatchery at Snettisham, south of Juneau. The seven bids for this project were opened on January 30, 1980. The four lowest bids were grouped close together, indicating that the bids were reasonable and valid. However, the lowest bid received was approximately \$900,000 over the funds available for construction, hence the request for the appropriation in this bill.

The proposed revised budget for the Snettisham Hatchery is as follows:

Site Investigation Design and Other Preliminaries	\$626,273.
Site Preparation Contract	\$766,136.
Restricted for Equipment (RSA'd to A.D.F. & G.)	\$500,000.
Low Bid- Hatchery Construction	\$4,717,000.
Change Order Contingency	\$215,991.
TOTAL	<hr/> \$6,825,400.

Duncan

DATE: February 14, 1980

TO: Ronald Lehr, Director
Division of Budget & Management
Office of the Governor

FILE NO: RECEIVED

TELEPHONE NO: MAR 7 1980

FROM: John Bates
Acting Deputy Commissioner
Planning & Research
Department of Transportation
and Public Facilities

SUBJECT: ~~Revised Budget Request for~~
Snettisham Hatchery, Chp. 140/78

→ Info for Amend. to HB 558.
900,000 for Snettisham Hatchery

The Department of Transportation and Public Facilities requests authorization to reallocate \$900,000 from the Kotzebue Hatchery project to the Snettisham Hatchery project.

The bids were opened on January 30, 1980 for the construction of the salmon hatchery at Snettisham. There were seven bidders with the four lowest bids being close together. This indicates that the bids are reasonable and valid. The lowest bid is approximately \$900,000 over the funds presently available for construction. The latest construction cost estimate anticipated correctly the discrepancy between available funding and prices. The request for reallocation of funding was delayed until bid opening to verify the amount required.

The required funding is requested from Kotzebue Hatchery since the project is anticipated to cost less than funds allocated. The Kotzebue project fund request was based on the assumption of poor access to a difficult to develop water supply. Because a spring water supply has been found adjacent to the Noatak River both access and water supply development will be less expensive than anticipated. In addition, development on the basis of using prefabricated modular units for hatchery construction will significantly reduce costs. For these reasons the reallocation from Kotzebue to Snettisham will not adversely effect the Kotzebue project.

The proposed revised budget for the Snettisham Hatchery is as follows:

Site Investigation Design & Other Preliminaries	\$ 626,273
Site Preparation Contract	766,136
Restricted for Equipment (RSA'd to ADF&G)	500,000
Low Bid - Hatchery Construction	4,717,000
Change Order Contingency	<u>215,991</u>
TOTAL	\$6,825,400