

HAB

102

Alaska State Legislature



Speaker of the House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3720

Official Business

February 12, 1983

To: Rep. Mitch Abood
Chairman-State Affairs Committee

From: Rep. Joe Hayes
Speaker

Re: HB 102/ Supplemental appropriation to Department of
Environmental Conservation

HB 102 by Lacher which appropriates \$28 million as a supplemental appropriation to DEC for statewide water and sewer projects is currently in your committee.

I would appreciate your scheduling this bill as soon as possible for a hearing so that it may move through the committee process and be brought to the floor of the House.

There are many projects statewide which could begin this spring, including \$10-12 million in Anchorage projects if the bill is approved. Since one of the Coalition's stated priorities is to address basic statewide needs, we need to move this bill through the process as rapidly as possible.

Thanks.

RECEIVED
FEB 14 1983



Official Business

Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

TO: House State Affairs Committee
Attention: Carol

FROM: Representative Barbara Lacher
House C & R A Committee

SUBJECT: House Bill 102, supplemental appropriation to the
Department of Environmental Conservation.

HB 102 is a companion bill to SB 15. The attached materials were prepared by various agencies with regard to SB 15. Rather than ask each agency to reproduce their documents and reflect HB 102 as the subject, I am simply sending you copies of their comments on SB 15.

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

BILL SHEFFIELD, GOVERNOR

FEB 2 1983

POUCH D - JUNEAU 99811

January 31, 1983

The Honorable Barbara Lacher
House of Representatives
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Lacher:

As a co-sponsor of HB 102 which would appropriate \$28 million supplemental to the Department of Environmental Conservation, I thought you might be interested in recent events concerning your bill.

I have enclosed a copy of the Department's testimony before the Senate Community and Regional Affairs Committee on SB 15, along with a list of potential projects that could be funded from the supplemental appropriation. The list was prepared after a careful review of the projects contained in our FY 84 capital budget submittal. The capital budget contained over \$230 million in eligible grants; therefore, it is obvious that many worthwhile projects cannot appear on the abbreviated list. In developing the new list, our main concern was to include priority projects that would be ready to proceed with construction this summer. These are projects where design has generally been completed and where the project could be bid and constructed in 1983, if funding were available by approximately March 1.

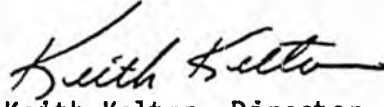
We anticipate that this list will be dynamic with new projects replacing those of a lower priority as the appropriation request is reviewed by the various committees. We will be happy to work with you or your staff to review projects for potential inclusion on the list.

We have discussed the \$28 million supplemental with the Administration and have received an initial favorable reaction. However, passage of the supplemental would most likely result in a request to reduce the Department's capital budget. If additional funding were to remain in the capital budget, we would most likely fund the projects remaining in our capital budget request in their order of priority.

We are appreciative of your confidence in our criteria system and our ability to select priority projects for construction. I assure you that while we will be unable to completely satisfy all competing demands, we will strive to achieve a fair balance between need and equity of project distribution.

Please feel free to call me at 465-2610 if I may provide any information on the status of the supplemental.

Sincerely,



Keith Kelton, Director
Facility Construction
and Operation

P.S. SB 15 was passed from C&RA Committee to Senate Finance with a do-pass recommendation on January 25.

Enclosure

cc: Emil Notti
Lennie Boston

POSITION PAPER ON SENATE BILL 15
by the
DEPARTMENT OF ENVIRONMENTAL CONSERVATION
Before the
SENATE COMMUNITY REGIONAL AFFAIRS COMMITTEE
January 25, 1983

Senate Bill 15 provides for a \$28.0 million supplemental appropriation to the Department of Environmental Conservation for municipal grants to construct water, sewage, and solid waste facilities. As you are aware, the Department, as authorized by AS 46.03.030, awards these grants at a current 50 percent match to incorporated municipalities.

This program did not receive funding last year due to the veto of the proposed bond proposition by Governor Hammond. In fact, the program has been essentially out of funds since January 1982. At the present time there are a significant number of projects ready for construction this summer for which no funding is available. A list of the projects we are familiar with that are of high priority and are ready to proceed is attached for your information.

We respectfully request they not be named in the appropriation bill. Variability in local government funding priorities will certainly result in some of these projects being delayed. If the appropriation does not list the specific projects, the Department will have the flexibility to move unused funds to other projects.

Thank you for the opportunity to comment. I will be happy to respond to any questions you may have.

January 21, 1983

<u>Project</u>	<u>Grant Request</u>
<u>ANCHORAGE</u>	
1. Brown LID 121 S81(20)	\$ 103,000
2. Stella LID 133 S81(22)	107,900
3. Library LID 131 S81(23)	301,200
4. Abbott Loop Manor LID 132 S81(26)	292,700
5. Shackleton LID 79 S82(1)	70,500
6. Alpine Village LID 135 S82(2)	238,200
7. Zodiak LID 85 S82(3)	60,300
8. Windemere Upgrade S82(8)	28,700
9. W. 44th Sewer Extension S82(9)	34,600
10. C-3 Trunk - North of Sand Lake S82(10)	150,900
11. Knik Interceptor CMP Upgrade S82(11)	589,600
12. Zurick LID 137 S82(12)	117,900
13. Rosewood LID 138 S82(13)	140,200
14. Juanita Loop/Santa Maria Drive S82(14)	369,500
15. A/B Street E. 56th Extension S82(16)	8,200
16. Dowling Road/New Seward to Petersburg W81(13)	101,000
17. Broadmoor Estates Upgrade W82(9)	14,000
18. Barbara Street Extension W82(10)	55,200
19. 10-11 Alley "N" to "P" Street Upgrade W82(11)	22,000
20. Manor Street Upgrade W82(13)	28,400
21. W. 44th Place Extension W81(15)	25,700
22. Abbott Loop 30" Tudor to 68th W82(16)	537,300
23. Juanita Loop/Santa Maria Drive W82(17)	300,800
24. Atkins WID 316 W82(18)	19,400
25. 10 MG Reservoir Grant Increase W80(6)	360,000
26. Eagle River System Inter-ties	220,000
27. C-5-2 Trunk	264,000
28. S.E. Interceptor/Roy to Huffman	1,250,000
29. West Interceptor, Phase II	2,125,000
30. Distribution Reservoir Eagle River	180,000
31. Production Well #14	180,000
32. Chugach W. /Arctic to Spenard Road	136,000
33. Woodstave Line Replacement	153,000
34. 8th Avenue Diversion Upgrade	37,500
35. Spruce Street/Lore Road to 68th Avenue	128,000
36. 80th Avenue Ease of Lake Otis	40,000
37. Lake Otis/Abbott Road to O'Malley	375,000
38. E-1A Trunk	240,000
39. E-4C Trunk	216,000
40. S.E. Interceptor, Huffman to DeArmoun	600,000
<u>ANIAK</u>	
41. Community Sewer System	500,000

<u>Project</u>	<u>Grant Request</u>
<u>BRISTOL BAY BOROUGH</u>	
42. Naknek Sewage Facility	\$ 574,800
<u>CORDOVA</u>	
43. Morpac Parallel Water Line	60,000
44. Power Creek Booster Station	400,000
45. Small Boat Harbor Water Line	221,300
<u>FAIRBANKS</u>	
46. Sludge Disposal Facility, Phase II	187,500
47. NE Water Transmission	1,980,000
<u>HAINES</u>	
48. Mud Bay Road Water Line	35,000
49. 4th Avenue & Mathias Water Line Improvements	40,000
<u>HOMER</u>	
50. Cooper S/D	285,000
51. Mattox Water and Sewer	62,500
<u>HOUSTON</u>	
52. Houston Sanitary Landfill	70,000
<u>HYDABURG</u>	
53. Water and Sewer Upgrade	2,250,000
<u>JUNEAU</u>	
54. Salmon Creek Connection	1,050,000
<u>KAKE</u>	
55. Water Supply Tank	125,000
<u>KENAI</u>	
56. Candlelight/Lindwood/Aurora	535,000
57. Evergreen/Haller Water and Sewer	700,000
<u>KENAI PENINSULA BOROUGH</u>	
58. Ninilchik Landfill	100,000

	<u>Project</u>	<u>Grant Request</u>
	<u>KETCHIKAN</u>	
59.	Mental Health Water and Sewer	\$ 34,600
60.	Hawkins - Carlanna	90,700
61.	Heath Addition	196,700
62.	Washington Park Addition	303,500
	<u>KETCHIKAN PUBLIC UTILITIES</u>	
63.	Fairview-Jackson Water	161,600
	<u>ROME</u>	
64.	Phase II Water and Sewer (Belmont Pt.)	307,500
65.	Phase II Water and Sewer (Water Reservoir)	500,000
	<u>NORTH POLE</u>	
66.	Water Treatment	780,200
	<u>PETERSBURG</u>	
67.	Water Storage Facility	294,000
	<u>SAND POINT</u>	
68.	Meadows S/D, Phase I	1,867,800
	<u>SCAMMON BAY</u>	
69.	Water and Sewer	111,000
	<u>SEWARD</u>	
70.	Terminal Addition Water and Sewer	1,562,700
	<u>SITKA</u>	
71.	Solid Waste Disposal System	1,750,000
	<u>SOLDOTNA</u>	
72.	Redoubt Avenue Water and Sewer	187,600
73.	Water Reservoir and Transmission	750,000
74.	Wilson Lane Water and Sewer	11,000
75.	Binkley Street Water and Sewer	74,500
	<u>UPPER KALSKAG</u>	
76.	Water and Sewer System	250,000

	<u>Project</u>	<u>Grant Request</u>
	<u>VALDEZ</u>	
77.	North Harbor/Kennicot/South Harbor Dr. W & S	\$ 650,000
78.	Landfill Improvements	100,000
79.	Old Landfill Reclamation	51,000
	<u>WASILLA</u>	
80.	Water Utility Extension	60,600
81.	Sewer Utility Extension	60,600
	<u>WRANGELL</u>	
82.	Evergreen Water and Sewer Extension	<u>1,046,000</u>
	TOTAL ALL PROJECTS	<u>\$30,599,400</u>

STATE OF ALASKA

Bill Sheffield, Governor

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700

Position Paper

Re: SB 15

Sponsor: Senator Gilman

Program Effects of Bill

Makes a \$28,000,000 appropriation to fund water, sewer and solid waste facility construction under a Department of Environmental Conservation program (AS 46.03.030).

Comments

This supplemental appropriation will fund the State's matching requirement for the construction of local water, sewer and solid waste disposal facilities. The Public Facilities Construction Program has been one of the most effective capital support programs for local communities. Project funds are not set aside until engineering and costing studies are complete and local financing for construction, maintenance and operation. Thus completed projects are well planned and are financed for their full life cycle.

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

JAY S. HAMMOND, GOVERNOR

POUCH 0 - JUNEAU 99811

November 23, 1982

The Honorable Donald Gilman
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Gilman:

During the Alaska Municipal League meeting in Fairbanks, my staff and I were approached by several municipal officials concerned about the shortage of State funding for water and sewerage projects. These officials requested we investigate the possibility of a supplemental appropriation to insure construction of vital sanitation improvements this coming summer.

As you are aware, we are currently out of funding but we have submitted a \$231 million capital budget request. It is extremely unlikely that more than \$30-\$40 million will be recommended by Budget and Management. In addition, these funds, if approved by the Legislature, will probably be too late to allow much construction to proceed during 1983. A supplemental appropriation, if expedited, could provide funding for priority projects ready to proceed during the 1983 construction season as well as supplement the total supply of funding available.

To prevent a supplemental from becoming a "Christmas tree" bill, it appears desirable to introduce legislation, which does not designate funds to specific projects. Rather, a lump sum appropriation to DEC would allow the Department to obligate funds to priority projects that are ready to proceed with construction during the summer of 1983. The capital budget submittal requests funds earmarked for specific projects and should provide the vehicle for individual legislative support. If we are to avoid missing two construction seasons in a row, it is imperative that an appropriation be introduced and passed early in the session.

The enclosed letter and attachments were sent to all the communities who responded to our questionnaire. These projects were prioritized by the Department for both FY 84 and 85. A list of projects as prioritized by each community is also enclosed. The total request for FY 84 is \$109 million. The majority of these projects will not be ready to proceed with construction in 1983 but will require grant funds to begin design. Only those projects which can actually go to construction in 1983 need to be considered in supplemental appropriation. We estimate that 46 projects requiring approximately \$28 million will be ready for construction this next summer.

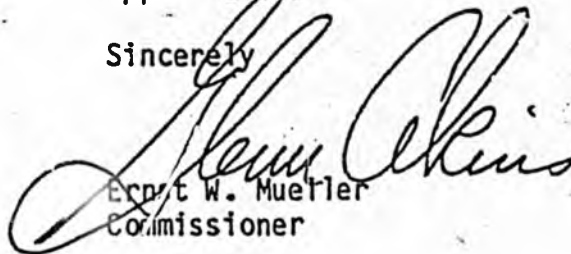
The Honorable Donald Gilman

-2-

November 23, 1982

I would appreciate your thoughts on this suggested approach to funding and would be happy to meet with you to discuss its viability. If you agree that the supplemental appropriation is desirable, your willingness to act as a sponsor to the legislation would be appreciated.

Sincerely



Ernst W. Mueller
Commissioner

Enclosures

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Alaska MUNICIPAL League

TELEPHONES
907 586-1325
586-6526

204 N. FRANKLIN ST.
JUNEAU, ALASKA 99801

AML 1983 POLICY PRIORITIES

Municipal Supplemental. The League supports the supplemental appropriation of (a) \$25.1 million FY 83 Municipal Assistance revenues to fully fund the entitlement at the amount had not the method of taxation of the petroleum industry been changed during the 1981 state legislative session; and (b) \$3.5 million FY 83 Section 89 State Revenue Sharing for roads, health facilities and hospitals, and volunteer fire departments to fully fund the entitlement at the level authorized by state statutes. The League further encourages the Legislature to appropriate and the Governor to approve the aforementioned supplemental appropriation by April 15, 1983 so that local governments can use the additional funding in setting their 1983 mill levies.

Educational Supplemental. The League urges the approval of a \$33.7 million education supplemental for FY 83 because of costs connected with the state take-over of BIA schools, unprecedented increases in school population throughout the state, and unanticipated reductions in the public school foundation program funding last year, and urges the approval of a \$12 million supplemental to fund the shortfall in the school construction reimbursement fund

Consolidation of Municipal Assistance and Revenue Sharing. The League endorses the consolidation of the current Municipal Assistance and State Revenue Sharing programs with adequate and predictable funding so that municipalities can continue to provide important needed services while holding down local taxes.

Water/Sewer/Solid Waste Construction Grants Program. The League strongly endorses the concept of the state paying at least 75% for sewerage, solid waste facilities, and water systems constructed by municipalities under the State of Alaska Construction Grants Program and that the replacement of out-moded systems be grant eligible in the same manner as the installation of the new systems. The League strongly supports appropriation levels to meet statewide needs, including a supplemental appropriation of \$28 million.

Fiscal Notes/State Mandates. The League supports enactment of legislation requiring preparation of notes assessing the fiscal impact on local governments of any proposed bill or regulation, including pass-through grants. The League urges passage of legislation which would require the state to reimburse municipalities for costs they incur in programs or activities mandated by the State of Alaska.

SB 17

SB 21

SB 15

HB 102



Official Business

Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

TO: House State Affairs Committee
Attention: Carol

FROM: Representative Barbara Lacher
House C & R A Committee

SUBJECT: House Bill 101, an act relating to grants for water supply, sewerage, and solid waste facilities.

HB 101 is a companion bill, identical to SB 21. The attached materials were prepared by various agencies in support of SB 21. Rather than ask each agency to reproduce their documents and reflect HB 101 as the subject, I believe it more rational to provide to you copies of their products.

The Department of Environmental Conservation position paper makes reference to SB 252 which was vetoed by Governor Hammond. A copy of the veto letter is included; you will find none of the cited objections in HB 101.

The following persons may be contacted for further information or to appear as witnesses:

Keith Kellton, DEC, Juneau
Ginny Chitwood, Alaska Municipal League, Juneau
City Manager of Juneau