

HPB

181

2D SS HB 181 - An Act relating to the maintenance of vessels of the Alaska Marine Highway System.

Chairman Adams said the bill would require ferries be maintained at Alaska ports if it could be done at competitive prices. He said the sponsor was proposing to expand the bill to cover all state vessels, not just ferries. He noted that the Department of Transportation and Public Facilities was currently unable to estimate the cost of the bill. He informed members the bill would be placed in a subcommittee consisting of Representatives Szymanski, chair; Duncan and Uehling.

REPRESENTATIVE TAYLOR said the purpose of the legislation is to ensure that the \$77 million already invested by the state in maintenance facilities will be utilized. He discussed the difficulties faced by the Ketchikan and Seward facilities in trying to develop the capital infrastructure necessary to become competitive in the area of vessel repair. He discussed the 5% Alaska bidder preference in relationship to the bill and the bill as an Alaskan hire bill which could legally and constitutionally be enforced. He said there are several large vessels owned by different departments within the state which would not fall within the jurisdiction of the bill. For this reason, Representative Taylor said he would suggest language change to read "all state owned vessels".

REPRESENTATIVE CATO encouraged the Committee's support of the proposed changes to HB 181. She said originally she and Representative Taylor wanted a vehicle to require the state ferry system to utilize marine repair facilities in Seward and Ketchikan. She discussed state investments in the two facilities which had been made to date. According to Representative Cato, a University of Alaska vessel, based in Seward, had been sent to Seattle for prop repair instead of checking and utilizing the facility across the bay in Seward. She said the facility was capable of repairing the vessel; however, since no requirement existed requiring the vessel to first utilize state facilities, \$50,000 was spent in fuel.

Representative Cato said there are skilled laborers available and passage of the bill would serve as an additional incentive for hiring and training of laborers to service the vessels. She noted the economic advantages to the communities of Ketchikan and Seward should the bill become law.

(Tape change, 86-28, Side 1)

Representative Larson referred to line 14 of the Transportation CS which states "that there is no facility in the state able and available to perform the maintenance at competitive prices" asking if it should not read able or available. Representative Cato said it should read "or" instead of "and".

RON GARZINI, MANAGER, CITY OF SEWARD, said he had been traveling in an effort to secure private venture capital in the Seward Marine industrial center. He advised members that in addition to the \$74 million contributed by the state to develop the two facilities, the City of Seward had spent \$4.6 million to develop their facility. He said this year they would do approximately \$1.5 million private sector work, operating the facility on a short-term interim basis. Mr. Garzini informed members of inquiries made during their marketing efforts with regard to possible maintenance by the Seward facility of the state's vessels. He said it had been determined that the Seward facility could maintain 95% of the vessels in the Gulf of Alaska, and provide an asset to fisheries development and offshore oil and gas development in the Gulf. Mr. Garzini discussed their need for investment capital to complete the facility and concurrent need for a commitment by the state with regard to in-state maintenance of state vessels.

MIKE MEEHAN, VICE MAYOR, CITY OF SEWARD, reiterated Mr. Garzini's comments with regard to efforts made by the City of Seward to secure private investment emphasizing the need for state support. He urged the Committee to support the bill.

DON CUBLEY, REPRESENTING THE KETCHIKAN GATEWAY BOROUGH, CITY OF KETCHIKAN, CITY OF SAXMAN, INLAND BOATMANS UNION OF THE PACIFIC, AND MASTERS, MATES AND PILOTS UNION, testified in support of the bill. He said it is essential for the state to concentrate on diversification of the state's economy to new industries and revenue sources trying to revitalize traditional renewable resource industries. Mr. Cubley said new industries would create new jobs for Alaskans and keep revenues in-state. According to Mr. Cubley, the marine maintenance facilities in Ketchikan and Seward provide an excellent opportunity in diversifying the state's economy and reducing its dependence upon oil.

The bill was HELD in committee and assigned to a subcommittee consisting of Representatives Szymanski, chair; Duncan and Uehling.

ADJOURNMENT

The meeting adjourned at 2:50 p.m.

(Tape HFC 86-27, Side 1, #512-end)
(Tape HFC 86-27, Side 2)
(Tape HFC 86-28, Side 1, #000-#387)

SENATOR JAN FAIKS, SPONSOR OF THE BILL, said the bill would allow the Department of Health and Social Services to accept the JCAH inspections in lieu of yearly inspections. She said there are 14 hospitals in the state which pay for and receive JCAH inspections. She said this represents a slight duplication of effort. Senator Faiks said should the Department be allowed to receive the accreditation in lieu of their own inspections it would save the state time, effort, and money.

Representative Taylor said he strongly supported the bill.

Representative Ringstad MOVED AND ASKED UNANIMOUS CONSENT to report out of Committee House Committee Substitute for Committee Substitute for SB 45 (Judiciary) with a zero fiscal note. There being NO OBJECTION, it was so ordered and HCS CS SB 45 (Judiciary) was reported out of Committee with a "do pass" recommendation and zero fiscal note.

2dSS HB 181

2dSS HB 181 - An Act relating to maintenance of vessels of the Alaska Marine Highway System.

Chairman Adams informed members the bill had been assigned to a subcommittee consisting of Representatives Szymanski, chair; Duncan and Uehling. He advised members the subcommittee had drafted a proposed Finance Committee Substitute for their consideration.

Representative Szymanski explained the title was changed to include all marine vessels, language added to consider investment within the state of Alaska to marine repair facilities, and examination by the Commissioner of DOTFF concerning amount of state funds invested along with amortization, direct and indirect benefits to the economy, and state labor force. According to Representative Szymanski an exemption under AS 37.05.230, provisions relating to competitive bidding, would be allowed for contract awarded for the maintenance of marine vessels owned by the state of Alaska if the contract is awarded to an in-state facility.

In response to a question from Representative Pourchot concerning competitive bidding, Representative Taylor said it would be easy for the two major ship repair facilities in the Pacific Northwest to be able to under bid significantly work on Alaska's highway system for the first year or so. He said this could totally destroy the viability for the start of any business for either the Seward or Ketchikan site, consequently destroying the cost savings to the state of Alaska which would result. There was discussion concerning the estimated length of contracts.

Representative Larson referenced line 13 of the proposed Committee Substitute which read able "and" available recommending that it be changed to read able "or" available.

Representative Szymanski MOVED AND ASKED UNANIMOUS CONSENT to adopt the work draft dated 4/7/86 for 2d SS HB 181 as the Finance Committee Substitute for the bill. There being NO OBJECTION, it was so ordered.

Representative Larson MOVED to delete the word "and" on line 13 and reinsert the word "or" after able. There being NO OBJECTION, it was so ordered.

Representative Szymanski MOVED AND ASKED UNANIMOUS CONSENT to report out of Committee CS 2d SS HB 181 (Finance) with a zero fiscal note. There being NO OBJECTION, it was so ordered and CS 2d SS HB 181 (Finance) was reported out of Committee with a "do pass" recommendation and zero fiscal note.

HB 552

HB 552 - An Act relating to setting speed limits and neighborhood speed zones.

Chairman Adams said the bill would require that the Department of Transportation and Public Facilities take into account neighborhood concerns before setting speed zones and speed limits on state highways and roads. He said the bill had no fiscal impact until prior to the meeting at which time DOTPF submitted a request for \$40,000 to hold public hearings required by the bill. Chairman Adams felt the hearings could be easily absorbed within the Department's budget therefore had prepared a zero fiscal note.

REPRESENTATIVE UEHLING, SPONSOR OF THE BILL, said the bill would require DOTPF to consider the presence of neighborhood schools, parks and pedestrian traffic when setting speed limits. He said state law charges DOTPF with setting speed limits; however, the Legislature has never really given DOTPF any indication of what factors should be considered when setting speed limits. According to Representative Uehling, speed limits are set according to internal policy called the "85th percentile". He informed members the Department almost solely relies upon the use of the 85 percentile, meaning they set speeds at the rate at which 85 percent of the drivers are currently driving. He said HB 552 would give local areas an initiative to help establish reduced speed limits in neighborhoods and help keep them low when new roads go in. He noted there are 12 co-sponsors on the bill and it had generated a number of inquiries from interested individuals.

Representative Pourchot cited an example of an arterial road in Anchorage which runs by schools, through residential areas, contains pedestrian crosswalks, etcetera. He asked if the bill would supersede what might otherwise be placed as a speed based on engineering and design. Representative Uehling said the bill would simply require the Department to consider resident's concerns as expressed through the hearing process.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No.: CS For 2d Sponsor Sub. HB 181
 Title: "...maintenance of vesseis of the Alaska Marine Highway System."

Sponsor: Taylor, Sund and Goll
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: DOT&PF - AMHS
 BRU: Marine Operations

Components: 1) SE Vesseis operations and Overhaul 2) SW Vesseis operations and Overhaul.

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached.

Prepared by: Joe D. Camp, Deputy Commissioner

Division: Alaska Marine Highway System

Phone: 465-3950

Date: 3/19/86

Approved by Commissioner: [Signature]

Agency: DOT/PF

Date: 3/18/86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CS For 2d Sponsor Substitute for HB 181

There are eventualities relating to the maintenance of vessels of the Alaska Marine Highway System within the State of Alaska that could be positive or negative in impact. At this point in time it is not possible to assess the fiscal-impact of the presently written bill.

There is the possibility that the higher costs of doing business in an "Alaskan Shipyard" could be somewhat offset by the savings generated from an interport differential or cost of delivery of a vessel to and from Alaska. On the other side, it would be less desirable for crewmembers to live outside Alaska and more would likely move back resulting in higher COLA payments.

The fiscal impact will remain unknown until some experience is generated in vessel repairs in Alaska.

April 3, 1986

Representative Al Adams
Chair, House Finance Committee
Alaska State Legislature
Juneau, AK 99811

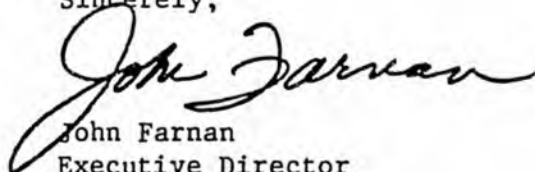
Dear Representative Adams:

The Southeast Conference supports 2D SSHB 181 (relating to the maintenance of vessels) as it is now written. It is our opinion that interport differential and the Alaska bidder preference should allow the Ketchikan shipyard to bid competitively within the West Coast Ship repair market.

The Southeast Conference believes that the Ketchikan shipyard will have the ability to economically serve the Alaska Marine Highway and other potential customers. The shipyard will provide local employment and will benefit the State of Alaska.

We request that the House Finance Committee do pass this bill.

Sincerely,



John Farnan
Executive Director
Southeast Conference

cc: House Finance Committee Members

Southeast Conference Position



Dept. of Transportation & Public Facilities

Position Paper

BILL NO: 181 (2nd Sponsor Substitute)

APPROVED:



R. J. Krapp
Commissioner

TITLE: An Act relating to the Maintenance of Vessels of the Alaska Marine Highway System DATE:

The department agrees with the concept that Alaska Marine Highway System (AMHS) vessels should be repaired in Alaska.

However, we disagree with this bill as written as it removes the competitive process from repair contracts. In effect, this bill gives a "blank check" to the private shipyard operator to charge AMHS whatever he pleases since he would have a captive market.

AMHS has made a conscious effort to reduce repair costs and thus make more of the limited budget available for operations. One undesirable result of enactment of this bill, as written, could be an unreasonable increase in the cost of repairs which would be paid out of operating funds with the net result being a reduction in service to Alaskan communities.

Market economic factors favor the operator of the Ketchikan Shipyard. He will have three distinct economic advantages over outside shipyards.

1. He will have minimal capital costs to recover in his repair pricing.
2. He will have an Alaska bidders preference.
3. Any outside bidder will have an "interport differential" added to their bid in the evaluation process.

(Interport differential is the cost of positioning a vessel to another repair port. It includes full, crew repatriation, per diem, and any other identifiable direct cost of the positioning/repositioning. It is calculated for each vessel at each overhaul but would be in the neighborhood of \$50,000.00 for a mainline vessel.)

The department recommends that the bill be modified by adding the words "at competitive prices" on line 15 following the word maintenance.

For further information call Susan Fleischhauer at 465-3900.

DOT Position on Bill Before Floor Amend.

HOUSE
COMMITTEE REPORT

(11)

Date referred: 3/19/86

FURTHER REFERRALS:

DATE: 4-7-86

The FINANCE Committee has considered 2d SSHB 181

"An Act relating to the maintenance of vessels of the Alaska marine highway system.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS for 2^d SS HB 181 (FIN) same title
- new title

and recommends do pass

further referral to the _____ Committee

- and attaches: letter of intent
- first fiscal note
- new fiscal note
- ~~zero~~ fiscal note (indeterminate amount \$: 57)

SIGNING DO PASS:

[Signature]

[Signature]

[Signature] ALASKA jobs and more jobs?

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

SIGNING OTHER RECOMMENDATIONS:

[Signature] NO REC

[Signature] No Recommendation

[Signature] NO REC.

[Signature] DO NOT PASS

[Signature]
Chairman

Alaska State Legislature

COMMITTEES:
VICE-CHAIRMAN
HEALTH, EDUCATION & SOCIAL SERVICES
JUDICIARY
FINANCE SUB-COMMITTEE
ON COURT SYSTEM
JOINT COMMITTEE ON
FOREIGN TRADE



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(907) 465-4905

House of Representatives

ROBIN L. TAYLOR

March 31, 1986

TO: Representative Al Adams
Chairman, House Finance Committee

From: Representative Robin L. Taylor

A handwritten signature, likely "RT", in dark ink.

Subject: Committee Substitute for 2nd Sponsor Substitute for
House Bill 181 (Transportation)

As you know, House Bill 181 will be before the House Finance
Committee on April 3, 1986. I would like to offer the
following ammendment to include all state owned vessels:

Section 19-65.030 is ammended to read:

All state owned vessels [a vessel of the Alaska Marine
Highway System] may not be transported outside of the state
for purposes of maintenance unless the Commissioner of
Transportation and Public Facilities determines that there is
no facility in the state able and available to perform the
maintenance at competitive prices.

cc: House Finance Committee Members

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No.: CS for 2d Sponsor Sub. HB 181
 Title: "...maintenance or vessels of the Alaska Marine Highway System."

Sponsor: Taylor, Sund and Goll
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: DOT&PF - AMHS
 BRU: Marine Operations

Components: 1) SE Vessels Operations and Overhaul 2) SW Vessels Operations and Overhaul.

EXPENDITURES/REVENUES : (Thousands of Dollars)

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PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	/	/	/	/	/	/

CAPITAL	/	/	/	/	/	/
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND	/	/	/	/	/	/
FEDERAL FUNDS	/	/	/	/	/	/
OTHER	/	/	/	/	/	/
TOTAL	/	/	/	/	/	/

POSITIONS :

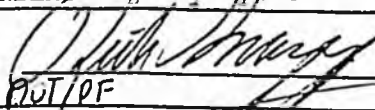
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached.

Prepared by: Joe D. Camp, Deputy Commissioner
 Division: Alaska Marine Highway System

Phone: 465-3950
 Date: 3/18/86

Approved by Commissioner: 
 Agency: DOT/DF

Date: 4/2/86

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CS For 2d Sponsor Substitute for HB 181

There are eventualities relating to the maintenance of vessels of the Alaska Marine Highway System within the State of Alaska that could be positive or negative in impact. At this point in time it is not possible to assess the fiscal impact of the presently written bill.

There is the possibility that the higher costs of doing business in an "Alaskan Shipyard" could be somewhat offset by the savings generated from an interport differential or cost of delivery of a vessel to and from Alaska. On the other side, it would be less desirable for crewmembers to live outside Alaska and more would likely move back resulting in higher COLA payments.

The fiscal impact will remain unknown until some experience is generated in vessel repairs in Alaska.

Offered: 4/8/86
Referred: Rules

Original sponsors: Taylor, Sund,
Goll, and Szymanski

1 IN THE HOUSE BY THE FINANCE COMMITTEE
2 CS FOR 2d SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181 (Finance) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the maintenance of marine vessels
7 of the state; and providing for an expiration of the
8 Act."

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

10 * Section 1. AS 36.20 is amended by adding a new section to read:

11 Sec. 36.20.020. MAINTENANCE OF STATE MARINE VESSELS. (a) A
12 marine vessel owned by the state may not be transported outside of the
13 state for the purpose of maintenance or repair unless the commissioner
14 of transportation and public facilities determines that there is no
15 facility in the state able to perform the maintenance at a price that
16 is in the state's best interests. In making this determination, the
17 commissioner shall consider, and document through written findings

18 (1) the amount of money the state has granted to, or other-
19 wise invested in, marine vessel maintenance facilities in the state;

20 (2) the amortization, overhead, and start-up costs of the
21 facilities in the state; and

22 (3) the direct and indirect benefits to the economy and
23 labor force of the state that may be obtained by contracting with a
24 facility in the state.

25 (b) AS 37.05.230 and the competitive bidding provisions of any
26 other law do not apply to a contract for the maintenance or repair of
27 a marine vessel owned by the state if the contract is awarded to a
28 facility in the state.

29 Sec. 2. The provisions of this Act expire six years after the date it

SUMMARY OF ALASKA MARINE HIGHWAY EXPENDITURES

DIVISION OF ALASKA

ROADS

FY 76 - FY 85

	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85	TOTAL	
SUBMIT	2,672,791	2,926,822	3,566,406	6,027,483	4,308,541	5,760,868	5,275,662	4,820,657	5,615,427	4,945,234	45,917,891	84%
SUBMITTANT	733,742	645,768	818,828	677,379	754,132	922,636	1,047,574	1,010,674	1,029,075	1,045,927	8,685,945	16%
STATE	3,494,533	3,572,770	4,385,234	6,704,822	5,062,673	6,083,494	6,323,236	5,831,331	6,644,502	5,991,161	54,603,836	100%

DOT DEPT. BUDGET

	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85	TOTAL
AUTHORIZED BUDGET	29,164,700	33,856,600	36,791,200	38,020,000	47,157,000	52,197,100	56,559,600	60,616,000	63,279,600	65,415,585	483,062,200
EXPENDED	28,706,200	33,566,800	34,410,400	37,978,400	45,920,000	51,129,700	56,233,100	60,563,621	62,262,082	65,310,294	476,100,800

% of AMHS
To Total Dept

16.7% 10.6% 12.7% 17.6% 11% 13% 11.2% 9.6% 10.7% 7.2% 11.5%

Alaska State Legislature

COMMITTEES:

VICE-CHAIRMAN
HEALTH, EDUCATION & SOCIAL SERVICES

JUDICIARY

FINANCE SUB-COMMITTEE
ON COURT SYSTEM

JOINT COMMITTEE ON
FOREIGN TRADE



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While in Juneau
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(907) 465-4905

House of Representatives

ROBIN L. TAYLOR

April 23, 1986

TO: Senator Jack Coghill
FROM: Representative Robin L. Taylor
RE: CS For 2nd SS HB181

R.L.T.

CSSSHB181 in my estimation is one of the strongest local hire legislation. Its effect is not only going to be felt in Ketchikan and Seward but throughout the surrounding areas.

In the past ten years the state of Alaska has spent in excess of 54 million dollars in the area of marine vessel maintenance outside the state of Alaska (see attached). That is 54 million dollars that could have stayed in the state had we had a law such as the one proposed in the above bill.

The state of Alaska has invested 36 million dollars in the Seward ship yard facility and 38 million dollars in the Ketchikan facility. Unless we generate and encourage the use of these facilities, not only would we have wasted over 74 million dollars, but we will continue to send very much needed money and job opportunities outside of the state. In these days of declining revenues, we can not allow that to happen.

The result of this bill if it becomes law, will be the creation of approximately 200 jobs in Ketchikan and numerous jobs in Seward.

Therefore because of the above stated reasons, I urge you to give this bill your most positive consideration and if I can provide anymore information please do not hesitate to ask. I appreciate your prompt attention and dedication to the idea of state monies being spent within the state.



Dept. of Transportation & Public Facilities

Position Paper

BILL NO: CH For 2nd Sponsor Substitute for
House Bill No. 181 (Finance)

APPROVED: *R. J. Knapp*
Commissioner

TITLE: Maintenance of Marine Vessels
of the State

DATE: 4/23/86

The Department of Transportation and Public Facilities fully supports the performance of maintenance of Alaska public vessels within the state but believes that the economic factors of the market place will cause that to take place without waiving the competitive bidding provisions of AS 37.05.230. For instance, in the case of Alaska Marine Highway System (AMHS) vessels, an interport differential would be added to the bid of shipyards outside Alaska for the purpose of evaluation. Interport differential is defined as the extra costs such as fuel, crew transportation, per diem, pilotage, etc., that are incurred as a result of taking a vessel from the repair yard nearest to the vessel's operating area (Alaska) to any other yard. As an example, the current interport differential between Seattle and Portland on the contract for M/V COLUMBIA bow thruster installation is \$32,500. Were the Ketchikan Shipyard now in operation, the interport differential between Ketchikan and Seattle on that contract would be at least \$50,000, and between Ketchikan and Portland at least \$77,000.

The economic advantage of interport differential to Alaska Shipyards is significant enough alone to provide a strong margin in favor of any Alaska Shipyard. In addition, the operators of Shipyards in Alaska (all private) also will have the advantage of reduced capital costs and the Alaska bid preference.

The disadvantage to the State of Alaska of waiving AS 37.05.230 or any other competitive bidding law is that such a waiver will in effect offer a blank check to the private operator of any shipyard located in Alaska. AMHS is appropriated a fixed amount annually to both maintain and operate the vessels. A conscious effort has been made to maximize funds spent for operations and to minimize funds spent on maintenance and repairs, consistent with safety and good engineering practices. The result of CS for 2nd SS for HB 181 as currently written would likely be an increase in the amount of money spent on maintenance and repairs and a decrease in the amount of money available for operations, resulting in less service to the public who depend on the AMHS for basic transportation needs.

The Department of Transportation and Public Facilities opposes CS for 2nd SS for HB 181 as currently written for the above stated reasons.

For further information call Susan Fleischhauer at 465-3900.

POSITION PAPER

Bill No. CH For 2nd Sponsor Substitute for House Bill 181
(Finance)

However, we are in favor of the overall objectives, and propose the following as an alternative.

- A. Expand Alaska bidder preference factor from 5% to 15% on all marine repair contracts.
- B. If qualified competition exists in state restrict bids to Alaska firms.
- C. If qualified competition does not exist in state advertise as necessary taking into account Alaska bidder preference plus interport differentials.

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

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JUNEAU, ALASKA 99811
907-465-3800

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Transportation Committee, 3/18/1986, 7:00 am

MEMORANDUM

State of Alaska

TO: Joe Camp
Deputy Commissioner
Department of Transportation
and Public Facilities

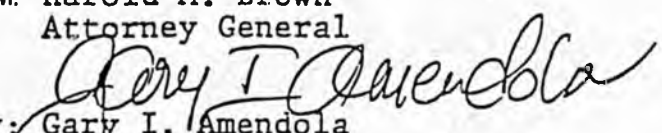
DATE: March 20, 1986

FILE NO:

TELEPHONE NO: 465-3603

FROM: Harold M. Brown
Attorney General

SUBJECT: Legislative Intent
for CS for 2nd SSHB
181 (Trans)

By: 
Gary I. Amendola
Assistant Attorney General
Transportation Section-Juneau

You have asked for language to clarify the legislative intent of CS for 2d SSHB 181 (Trans), which amends AS 19.65 by adding a new section to read:

Sec. 19.65.030. MAINTENANCE OF ALASKA MARINE HIGHWAY SYSTEM VESSELS. A vessel of the Alaska marine highway system may not be transported outside of the state for the purpose of maintenance unless the commissioner of transportation and public facilities determines that there is no facility in the state able and available to perform the maintenance at competitive prices.

Draft language of legislative intent could be as follows:

The transportation committee supports the concept of using facilities located in the State of Alaska for the repair and maintenance of Alaska marine highway system vessels. The committee also recognizes, however, that the Alaska marine highway system is required under AS 37.05.230 to award a contract for the maintenance or repair of its vessels on the basis of competitive bidding. The committee does not intend this legislation to conflict with the provisions of AS 37.05.230 nor does it intend by this legislation to relieve the Alaska marine highway system of its obligation to award contracts for the maintenance or repair of its vessels except by competitive bid.

GIA:prm

Alaska State Legislature

House of Representatives

Committee on Transportation



Rep. Bette Cato, Chairman

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4858

LETTER OF INTENT
FOR
CS FOR 2D SSHB 181 (TRSP)

The House Transportation Committee supports the concept of using facilities located in the State of Alaska for the repair and maintenance of the Alaska Marine Highway system vessels. The Committee also recognizes, however, that the Alaska Marine Highway System is required under AS 37.05.230 to award a contract for the maintenance or repair of its vessels on the basis of competitive bidding. The Committee does not intend this legislation to conflict with the provisions of AS 37.05.230 nor does it intend by this legislation to relieve the Alaska Marine Highway System of its obligation to award contracts for the maintenance or repair of its vessels except by competitive bid.

CONCUR

OTHER

<u>Bette Cato</u>	-----
<u>Adolph Herrman</u>	-----
<u>John Turner</u>	-----
<u>Mike De</u>	-----
<u>A. J. M. M. M.</u>	-----
<u>Dick Slattery</u>	-----
<u>Motivallari</u>	-----

Bette Cato
CHAIRMAN

Alaska State Legislature



House of Representatives

REPRESENTATIVE
BETTE CATO

DISTRICT 6
BOX 775

VALDEZ, ALASKA 99686
(907) 835-4568

WHILE IN JUNEAU
P.O. BOX V

JUNEAU, ALASKA 99811
(907) 465-4858
(907) 586-2660

COMMITTEES

CHAIRMAN
HOUSE TRANSPORTATION

MEMBER
RESOURCES
STATE AFFAIRS

DATE: 20 March 1986
TO: Representative Robin Taylor
FROM: Representative Bette Cato *BC*
RE: CS 2d HB 181 (TRSP)

Would you please consider amending CS 2d HB 181 (TRSP) to include all state vessels instead of only vessels of the Alaska Marine Highway System?

I understand several state agencies have vessels which should also be maintained in-state whenever possible. I believe we could simply change language to cover all state vessels and leave the responsibility of determination with the Commissioner of Transportation.

Please give Rhonda Cargill of our Transportation Committee staff a call and let her know what you decide, as I will be out of town until Sunday night. Rhonda will be more than happy to gather data to substantiate this amendment if you are agreeable to the idea.

Thanks so much for your consideration and assistance.

Cato Memo that asks for All vessels to be covered



ALASKA STATE LEGISLATURE
 HOUSE OF REPRESENTATIVES
 RESEARCH AGENCY

Pouch Y, State Capitol
 Juneau, Alaska 99811
 (907) 465-3991

April 2, 1986

MEMORANDUM

TO: Representative Bette Cato
 ATTN: Rhonda Cargill
 FROM: Deb Pomeroy, Administrative Officer *DP*
 RE: Vessels Owned by the State of Alaska
 Research Request 86-155

You requested information on the number of boats larger than 16 feet that are owned by various departments of the State. I contacted Bob Head, Property Manager with the Division of General Services and Supply in the Department of Administration (DOA). He was able to provide computer printouts on vessels owned by all the State agencies with the exception of the University of Alaska.¹ The attached table contains the data on boats larger than 16 feet by department.

In addition to the nine ferries owned by the Marine Highway System, the State of Alaska owns 173 boats larger than 16 feet. The following is a breakdown of the size and ownership:

<u>Size</u>	<u># of boats</u>	<u>Ownership</u>
> 45'	13	8--DF&G; 5--DPS
26' - 45'	26	12--DF&G; 12--DPS; 1--DOE; 1--Surplus
17' - 25'	130	96--DF&G; 27--DPS; 1--Corr.; 1--DEC 1--H&SS; 1--DNR; 2--DOT/PF; 1--Surplus
Unknown	6	4--DPS; 1--DNR; 1--Surplus

I hope this information answers your questions. If you have any questions or would like additional information, please contact this agency.

DP

Attachments

¹This printout is on file at House Research if you would like to see it. Julie Mipes with the University of Alaska in Fairbanks will be sending information on the U of A's vessels in the next week. I will forward that information to you as soon as it is received.

STATE OF ALASKA
VESSELS OVER 16 FEET

DEPARTMENT	VESSEL LENGTH	CLASS DESCRIPTION
Fish & Game	91' Patrol	Metal Enclosed Inboard Power
	72' M/V Kittiwake	Boat, General
	70' (21' Beam) M/V Steller	Metal Enclosed Inboard Power
	70' Schooner	Metal Enclosed Inboard Power
	66' Crabber/Troller	Metal Enclosed Inboard Power
	65' Steel Hull T-Boat	Metal Enclosed Inboard Power
	58' Seine Boat	Metal Enclosed Inboard Power
	48' X' 24 Cataaaran Fish Trap	Barge, Metal Power
	40' Utility	Metal Enclosed Inboard Power
	36' M/V O'Merka	Plastic Enclosed Inboard Power
	34' M/V Cutthroat	Plastic Enclosed Inboard Power
	32' M/V Swolt	Plastic Enclosed Inboard Power
	32' M/V Puffin (Fiberglass)	Plastic Enclosed Inboard Power
	32' M/V Iliaska (Cruiser)	Plastic Enclosed Inboard Power
	31' M/V Clupea	Plastic Enclosed Inboard Power
	31' MV 09Kisutch	Plastic Enclosed Inboard Power
	31' Blind Slough	Barge, Metal Power
	31' Blind Slough	Barge, Metal Power
	30' Alum Boat	Metal Open Outboard Power
	26' J&C Radar	Metal Open Outboard Power
	25' Bristol Bay Drift Skiff	Wood Enclosed Outboard Power
	25' Boston Whaler	Plastic Open Outboard Power
	24' X 9' Wood Arctic Queen	Boat, General
	24' X 8' Scow Flat	Plastic Open Outboard Power
	24' X 40' Manigan Float House	Wood Barge
	24' Gussic Ventures	Metal Open Outboard Power
	23' Dories Interceptor	Metal Enclosed Outboard Power
	23' Commercial Cuddy	Plastic Enclosed Outboard Power
	22' X 25' Boothouse	Wood Barge
	22' ORCA Workboat	Plastic Open Outboard Power
	22' Marine Fiberglass	Plastic Open Outboard Power
	21' Woolridge	Metal Open Outboard Power
	21' Woodridge	Metal Open Outboard Power
	21' Silver Streak	Metal Open Outboard Power
	21' Munson	Metal Open Outboard Power
	21' Glassoly	Plastic Enclosed Inboard Power
	21' Gaspar Ventura	Plastic Enclosed Outboard Power
	21' Boston Whaler	Plastic Open Outboard Power
	21' Boston Whaler	Plastic Open Outboard Power
	21' Boston Whaler	Plastic Open Outboard Power
	21' Boston Whaler	Plastic Open Outboard Power
	21' Alum	Metal Open Outboard Power
	20' Wood Plank	Boat, General
20' Smokercraft	Metal Open Outboard Power	
20' Quachita	Metal Open Outboard Power	
20' Quachita	Metal Open Outboard Power	
20' Fiberform	Plastic Enclosed Outboard Power	
20' Custom Made	Metal Open Outboard Power	
20' Boston Whaler	Plastic Open Outboard Power	
20' Boston Whaler	Plastic Open Outboard Power	
20' Boston Whaler	Plastic Open Outboard Power	
20' Boston Whaler	Plastic Open Outboard Power	
20' Boat	Boat, General	
20' Alunaweld	Metal Open Outboard Power	

STATE OF ALASKA
VESSELS OVER 16 FEET

DEPARTMENT	VESSEL LENGTH	CLASS DESCRIPTION
Corrections	18' Valco	Metal Open Outboard Power
Education	30' Utility Boat	Boat, General
Environmental Cons	19' Boston Whaler	Plastic Enclosed Outboard Power
H&SS	20' R.R. Hewes Craft	Metal Open Outboard Power
Natural Resources	16'7" Boston Whaler Silverline MDL Hilo	Plastic Enclosed Outboard Power Plastic Enclosed Outboard Power
Transportation	Bartlett Tustanena Chilkat Matanuska Columbia Taku Malaspina LeConte Aurora 16' X 30' Paint Float 20' Aluminum	Ferries Ferries Ferries Ferries Ferries Ferries Ferries Ferries Ferries Metal Barge Metal Open Outboard Power
Surplus Warehouse	Glasply 2600 Escort 17' Glasply 26' Cabin Skiff Barricuda	Plastic Enclosed Inboard Power Plastic Enclosed Outboard Power Wood Enclosed Outboard Power

Prepared by the House Research Agency, April 1986.



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y. State Capitol
Juneau, Alaska 99811
(907) 465-3991

April 18, 1986

MEMORANDUM

TO: Representative Bette Cato

ATTN: Rhonda Cargill

FROM: Deb Pomeroy, Administrative Officer *DP*

RE: Vessels Owned by the State of Alaska
Research Request 86-155 (Supplemental Information)

Attached is the list of vessels over 16 feet owned by the University of Alaska which I received today. This brings the number of State-owned vessels over 16 feet to 309. If you would like this information incorporated into the table I delivered to you on April 4, please let me know.

DP

Attachment

University of Alaska

DESCRIPTION	POWER	LENGTH	LOCATION
LUND, ALUMINUM, OPEN	OUTBOARD	16	UAJ - JUNEAU
BOSTON WHALER, FIBERGLASS, OPEN	NONE	17	UAJ - JUNEAU
LUND, ALUMINUM, OPEN	OUTBOARD	16	UAJ - JUNEAU
GLASPLY, FIBERGLASS, CABIN	OUTBOARD	23	UAJ - JUNEAU
UNIFLITE, PLYWOOD/GLASS, CABIN	INBOARD	23	UAJ - JUNEAU
SABRECRAFT, PLYWOOD/GLASS, CABIN	INBOARD	26	UAJ - JUNEAU
RESEARCH VESSEL, WOOD, "MAYBESO"	INBOARD DIESEL	47	UAJ - JUNEAU
LAKE BOAT, ALUMINUM	UNKNOWN	16	FAIRBANKS
BOSTON WHALER	UNKNOWN	16	SEWARD
BOSTON WHALER	UNKNOWN	16	SEWARD
DURACRAFT RIVER BOAT	UNKNOWN	20	FAIRBANKS
RIVER BOAT	UNKNOWN	24	FAIRBANKS
MONARK RIVERBOAT	UNKNOWN	20	FAIRBANKS
RIVERBOAT	UNKNOWN	30	FAIRBANKS
GRUMMAN CANOE	UNKNOWN	17	FAIRBANKS
GRUMMAN CANOE, SQUARE STERN	UNKNOWN	19	FAIRBANKS
ZODIAK INFLATABLE RUBBER RAFT	OPTIONAL	16	FAIRBANKS
BOAT SKIFF WOOD	UNKNOWN	24	KODIAK
BOAT METAL	UNKNOWN	24	GALENA