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54

HOUSE COMMITTEE REPORT

(9)

Date Referred: February 12, 1990

FURTHER REFERRALS:

Date of Committee Action: 3/12/90

The RESOURCES Committee considered:

HCR 54

HOUSE CONCURRENT RES. NO. 54

ALASKA YOUTH REFORESTATION CORPS

Relating to the Alaska Youth Reforestation Corps.

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
[] have attached amendment(s) [] a new title
[X] do pass
[] do not pass
[] no recommendation
[] individual recommendations
[] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

[X] fiscal impact DNR-DIV. OF FORESTRY

[] fiscal note(s) _____

[] zero fiscal note _____

[] zero fiscal note(s) _____

[] zero with analysis _____

[] zero fn/analysis _____

SIGNING DO PASS:

[Signature]

[Signature]

[Signature]

[Signature]

SIGNING:

(Check approp. column)

	Do Not Pass	No Rec	Amend
<u>[Signature]</u>		<input checked="" type="checkbox"/>	
<u>[Signature]</u>		<input checked="" type="checkbox"/>	

[Signature]
Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Relating to the Alaska Youth
Reforestation Corps
 Sponsor: _____
 Requestor: House Resources

Agency Affected: Natural Resources
 BRU: Forest Management
 Components: Forest Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	36.5	36.5	37.6	37.6	38.7	38.7
TRAVEL	8.0	4.0	4.0	4.0	4.0	4.0
CONTRACTUAL	40.0	40.0	41.0	41.0	42.0	42.0
SUPPLIES	6.0	6.0	6.5	6.5	6.5	6.5
EQUIPMENT	100.0		2.0		2.0	
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	190.5	86.5	91.1	89.1	93.2	91.2

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	190.5	86.5	91.1	89.1	93.2	91.2
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

POSITION TYPE	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: George K. Hollett
 Division: Forestry
 Approved by Commissioner: [Signature]
 Agency: _____

Phone: 762-2503
 Date: 3/13/90

Date: _____

Distribution (by preparer):

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

3/6/90

Revised Cost Estimator - Local Youth Reforestation Corps
 Alternative to 2/14/90 memo on YRC under HCR 54

Objective: Train local youth for employment by reforestation contractors at least cost to State.

<u>First Year</u>		
Forest Technician III (Extend existing Technician?)	\$ 12,000	(3 months)
5 each Temporary For. Tech I/II (Anchorage rates used)	32,250	(2½ months @ \$25)
6 passenger pickup	20,000	
Mileage/Replacement	8,000	
Recruiting, etc.	2,000	
Support Funds (200-400)	5,000	
Equipment	<u>5,000</u>	
	<u>\$ 84,250</u>	

<u>Subsequent Years</u>		
For. Tech. III	\$ 12,000	(3 months)
5 each Temporary For. Tech I/II	32,250	(2½ months @ \$25)
Vehicle Mileage/Replacement	8,000	
Recruiting, etc.	1,000	
Support Funds (200-400)	5,000	
Equipment Replacement	<u>1,000</u>	
	<u>\$ 59,250</u>	

NOTE: If welfare reform program workers were substituted at no cost to the reforestation program the costs for each crew would become \$52,000 the first year but only \$27,000/year subsequently.

Seedling Production Site Analysis

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Eagle River

Present Facility Capable of 800,000 Trees/year
 Substantial investment at present site (\$1 million min. to replace)
 Ready access to commercial air + ground transportation
 Natural gas greatly saves on heat bills?
 Site has room to add greenhouses up to 5.0 mm annual level
 Inmates from Anchorage close by
 Maintenance facility / tools / equipment on site.
 Limited wind exposure
 Rare extreme cold temperatures
 Dedicated cone/seed processing building in place.

Topsoil needed for bare root production
 Palmer inmates far away
 No on-site seed production capacity
 No dedicated building for operations.

Fairbanks

Most of seedlings will be planted in the Tanana Vicinity
 Researchers based at UAF
 Soils physically suitable for bare-root nursery

Facility would have to be built from $\bar{\sigma}$
 No natural gas
 Extreme cold - high utility costs.
 Extended use of "grow lights"
 Bare root trees only for local use
 Unknown actual space availability.

Plant Materials
 Center - Palmer

Existing plant researchers on-site
 120 acres of land unused
 Bare root production physically possible
 Near Palmer inmates
 Seed orchard possible in the future

No natural gas present / likely
 Unused acreage is an island
 High winds likely to cause bare root losses.
 Far away from Anchorage inmates
 High greenhouse maintenance
 Facility would have to be built from $\bar{\sigma}$
 Extreme winds / temps.

Seedling Production Site Analysis

3/6/90

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PT. McKenzie

More than adequate acreage for:
Buildings (Work/Maintenance)
Greenhouses (nearly unlimited)
Bare-root production
Seed orchards
Provenance testing

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Facility would have to be built from "0"
Lengthy commute for all labor/inmates
Requires new maintenance equipment/tools
Subject to extreme temps/winds.
Removes agricultural land from production
Requires well for water
No natural gas?

Experimental Farm
on Trunk Road

This site has not been thoroughly investigated that I am aware of. The individual who would know is on leave all this week. This is what I would guess to be the case:

Near Palmer inmates
Natural gas available?
Central location to ground transportation

Limited level land available
Facility would have to be built from "0"
Anchorage inmates far away
High wind exposure/temp. extremes

3/6/90

Highest Benefit-Cost Scenario - Same or Higher level of production.

- Nursery —
- * Concentrate on seedling production at Eagle River Facility.
 - * Set aside acreage at Ft. McKenzie for provenance test and seed orchard.
 - * Establish provenance testing/seed orchards in Tanana Basin (Delta Ag.) and Lower Yukon River (Native cooperator a possibility).
 - * Use welfare program reform workers to supplant entry level worker need

- Reforestation —
- * Establish a nursery "intern" program utilizing six "temporary" technician positions to be filled by residents of communities near cooperators.
 - * Use contracts to do majority of site preparation and planting
 - * Cooperate with Native groups to secure local grants to enable hiring youth crews. (From BIA)
 - * Consider small, local resident crews only where DOF has road net offices. Crew size should be limited to 5 people plus a dedicated technician so that the entire crew and their equipment fits into one vehicle such as a 6 pax. pickup.
 - * Where welfare program reform allows, use crews of these individuals in lieu of "local resident" crew above. Technician still needed?

Rationale - Take advantage of existing facilities/maintenance/logistics at Eagle River. The site is large enough to accommodate any foreseeable program expansion needs. Provenance testing/seed production will identify best species for different conditions.

Train people where the activity is needed to do the work. State contracts and support for grant applications will provide a market for the individual trained to do the work. A predictable, steady flow of work will favor in-State worker use over "imported" labor.

3/6/90

REFORESTATION OVERVIEW

The question has been asked as to what the Division would do if the Governor's \$500,000 CIP for backlog reforestation was granted plus the authorization to utilize \$250,000 annually in program receipts in addition to the present operational budget funding. The following is a preliminary analysis of the activities that would occur under that scenario.

Governor's CIP Request: NOTE - House Election Districts appear in "()". The Kenai Peninsula (5&6) would accomplish contracted site preparation on 50 acres and planting 38,000 seedlings on 70 acres. The Mat-Su (16) would accomplish contracted site preparation on 50 acres and planting 50,000 seedlings on 90 acres. Tok (17) would accomplish contracted site preparation on 855 acres, direct seed 80 acres and plant 104,500 seedlings on 190 acres. Delta (17) would accomplish contracted site preparation on 220 acres, direct seed 70 acres and plant 75,000 seedlings on 150 acres. Fairbanks (18&19) would accomplish contracted site preparation on 1242 acres, direct seed 220 acres and plant 654,500 seedlings on 1190 acres. Haines (2) would accomplish contracted site preparation on 155 acres and plant 81,000 seedlings on 155 acres. In the remainder of Southeast (1-4) there would be 26,000 seedlings planted on 50 acres. The regeneration center cost for seed collection and processing, and supplies for sowing/growing the seedlings are covered under the operating budget.

No projection of fund drawdown rate has been made. The rate of expenditure would depend largely on the method of regeneration proposed, weather, seedling availability, and staffing to prepare and administer contracts. The CIP would see some 1,039,000 seedlings grown and planted on State land. This would not completely eliminate the backlog of acres needing treatment. It would allow the Fairbanks Area increase the annual sales offerings back up to 8 million board foot once the program was completed. The per cent of the site preparation, seeding and planting backlog treated will be 31.8% for Northern Region, 12.5% for Southcentral Region, and 52.6% for Southeast Region. The backlog of acres requiring regeneration surveys or prescribed burning won't be addressed by the CIP.

Program Receipts Authorization: This money would be used to provide the continued production of 800,000 seedlings per year at the existing Eagle River Regeneration Center Facility. There would have to be personal services funding for one Maintenance Worker II that would be obligated to nursery maintenance (cost \$47.4), one Forest Technician IV (Assistant Nursery Manager at a cost of \$38.2) and one Forrester Technician III (Nursery Foreman at a cost of \$34.3).

One Forester I at Fairbanks would be added to assist in contract preparation/administration (cost \$46.0) and a similar position would be added at either Delta or Tok to cover those two areas needs (cost \$47.3). One Forester I would be added to Southcentral Region to assist in contract preparation/administration (cost \$42.2). The entire amount of the projected authorization would be taken up with personal services. Actually there would be some \$255,400 allocated under this proposal. Support monies for these positions would have to come from operating budgets for other programs under this scenario.

These positions would also enable earlier determination of areas needing treatment and reduce the impact of the addition efforts on the present staff. The nursery would be maintained on a timely basis. Inmate labor would be adequately supervised and what seedlings produced would be of high quality.

Ongoing Operating Budget Reforestation Program: This program will marginally keep pace with the present harvesting activities. The cost of the nursery to produce 800,000 seedlings per year are included under this item with the notable exception of adequate staffing. In Northern Region (House Districts 17,18,19) there would be 500 acres site prepared and planted and 660 acres where regeneration surveys would be completed. In Southcentral Region House Districts 5,6,16,24,26) there would be 115 acres site prepared, 55 acres direct seeded, 52 acres planted and 390 acres receiving regeneration surveys. In Southeast Region (House Districts 1,2,3,4,6) there would be 50 acres prescribed burned, 70 acres planted and 1100 acres receiving regeneration surveys.

What won't get done under this scenario?

The regeneration center won't be producing seedlings to assist native corporations and other interested landowners in reforesting their harvested, burned over or insect ravaged lands. There won't be local community or youth training programs in place. The efforts to take care of the backlog areas on State land, particularly around Fairbanks, will take several additional years to complete due to a shortage of field help. The nursery operation will continue to be short of dependable help - that is still dependent on inmate labor. Such areas as the Kenai insect infestation or future burns on State lands will not be reforested. State lands in the Tyonek area will remain in grass rather than return to a productive forest. Private individuals must secure their seedlings from "outside" nurseries. The State will not be a participant in tree improvement efforts.