

**S B**

**341**

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SB 341

SPONSOR Adams

BILL TITLE Disaster Relief Fund

DATE REFERRED 1-8-90

HEARING SCHEDULED 1-19-90

FISCAL NOTE PREPARED: Appropriation

SPONSOR CONTACTED ✓

INTERESTED PARTIES CONTACTED

- ✓ Marla - Adams 3707 - Request for speedy hearing.
- ✓ Jeff Morrison - 4600 (out of town til 1-18) Radive Garrison
- ✓ Mike Deppner - 4600
- ✓ Steve Hole - 2800 - D.O.E
- Ervin Martin<sup>249</sup> - 1370 - Div of Emer. Services - May attend
- ✓ Sue Miller - 2865 - D.O.E.
- ✓ Alison Elgee - OMB - 3568 Paul Sterling - will not testify
- Linda Rexwinkel - Aveh. Muni
- ✓ Mitch Gravo - JNO: 272-6474 - won't attend - will
- ✓ Marla - Kawai Borough - 262-4441 C Fax

OTHER

Susie

Please call Jeff Morrison  
4600, on SB 341.

James

P H O N E	TO	Susie	DATE	1/18	TIME	4:35	AM
	FROM	Mila	AREA CODE				PM
	OF	Kenar	NO.	262-4441			
			EXT.	EXT 280			
M E S S A G E	<del>262-5515</del>						
	SIGNED <i>[Signature]</i>						
	<input checked="" type="checkbox"/> PHONED	<input checked="" type="checkbox"/> CALL BACK	<input checked="" type="checkbox"/> RETURNED CALL	<input type="checkbox"/> WANTS TO SEE YOU	<input type="checkbox"/> WILL CALL AGAIN	<input type="checkbox"/> WAS IN	<input type="checkbox"/> URGENT

sb341.txt

SB 341: Adams Disaster Relief Fund

NOTIFIED; \* indicates who will testify

\*Senator Adams

\*Erv Martin or Diana Alcantra: Div. of Emergency Services

Jeff Morrison/Radine Garrison: Military Affairs: available for questions

Steve Hole or Sue Miller: D.O.E. available for questions

OMB: Paul Sterling, won't be testifying

Muni. of Anchorage: Mitch Gravo. will send info, won't be testifying

Kenai Borough: Marla Hess, will teleconference, will send info.

F.Y.I.

1. Appropriations: To Disaster Relief Fund	\$7,411,452
From Disaster Relief Fund to:	
Dept of Military and Vet Affairs =	- \$4,187,098
(for flood relief and 25% pay-back to Feds)	
Dept. of Education =	- <u>\$1,224,354</u>
(grant towards replacing Stebbins School)	
Fund balance (for remainder FY 90 projected needs)	\$2,000,000

2. Stebbins School: estimated 8.8 million. They are requesting a total of 5.3 in legislative funds and expecting 3.5 in insurance money. The facility proposed is a K-12 School, it was the high school only that burned. The elementary school is being characterized as a "temporary" facility. DOE says approximately 130 K-12 students impacted.

Offered: 1/17/90  
Referred: State Affairs, C&RA, HESS and Finance

6-1627H

Funding Information: General Fund \$7,411,452  
Other Funds -0-  
\$7,411,452

BY SEN. ADAMS

1 IN THE SENATE

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 341

3 IN THE LEGISLATURE OF THE STATE OF ALASKA.

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making an appropriation to the disaster  
7 relief fund; making appropriations from the disaster  
8 relief fund for relief of flooding and replacement of  
9 a high school; and providing for an effective date."

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

11 \* Section 1. The sum of \$7,411,452 is appropriated from the general  
12 fund to the disaster relief fund (AS 44.19.048).

13 \* Sec. 2. The sum of \$5,411,452 is appropriated from the disaster  
14 relief fund (AS 44.19.048) to the following departments in the amounts and  
15 for the purposes that follow:

16 Department of Military and Veterans' Affairs

17 for the 1986 Southcentral flood disaster \$1,874,530

18 Department of Military and Veterans' Affairs

19 for payment as grants under AS 44.19.048 for

20 the 1989 statewide spring flood disaster 1,011,888

21 Department of Military and Veterans' Affairs

22 for payment as a grant under AS 44.19.048 to

23 the Municipality of Anchorage for the 1989

24 Anchorage flood disaster 805,100

25 Department of Military and Veterans' Affairs

26 for payment as a grant under AS 44.19.048 to

27 the Kenai Peninsula Borough for the 1989

28 Kenai Peninsula Borough flood disaster 495,580

29 Department of Education for payment as a  
S

1 grant to the Bering Straits School District  
2 to replace the Stebbins High School de-  
3 stroyed by fire in 1989 1,224,354

4 \* Sec. 3. The appropriations made by secs. 1 and 2 of this Act are for  
5 capital projects and are subject to AS 37.25.020.

6 \* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).  
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SB 341

Sue Miller — 2865  
D.O.E.

School:

Est. 8.8 million building

Proposal

To build New K-12  
building:

Berwig Straits

Asking 5.3 legislature  
— 3.5 insurance

30 Kids impacted.

Speed important

SB 341

376-0219

ERV. Martw: Supplemental Info sent to ADAMS

3 mil to make state's commitment  
to Feds for 25% match

Supplemental \$  
2 mil to give operating \$ for fund.

Ask D.O.E. Stebbins School insured? Ask Steve  
Planning, Engineering, BluePrints

Steve Hole: approaching right way  
wrong #'s  
combination elementary / secondary  
school.

376-0219

FAX

DISTRICT OFFICE

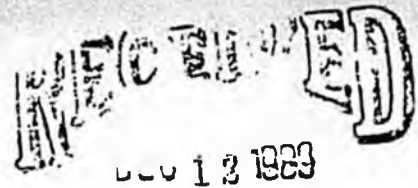
# BERING STRAIT SCHOOL DISTRICT

P.O. BOX 225

UNALAKLEET, ALASKA 99811

(907) 624-3611

December 6, 1989



GOVERNOR'S OFFICE

The Honorable Steve Cowper  
Governor of the State of Alaska  
Office of the Governor  
Third Floor, State Capitol  
P.O. Box A  
Juneau, Alaska 99811

BREVIK MISSION

COUNCIL

DIOMEDE

ELIM

GAMBELL

GOLOVIN

KOYUK

SAINT MICHAEL

SAVOCNGA

SHAKTOOLIK

SHISHMAREF

STEBBINS

TELLER

UNALAKLEET

WALES

WHITE MOUNTAIN

Dear Governor Cowper:

On the morning of October 17, 1989, the Bering Strait School District's High School in Stebbins, Alaska, was totally destroyed by fire. As a result, the only educational facility remaining in the community is a 14-year-old BIA elementary school originally constructed as a "temporary" facility. This "temporary" elementary school is in poor condition with many code deficiencies and is totally inadequate for even the current elementary school population, much less a combined elementary and secondary population. That "temporary" facility has been high on both the District's and Department of Education's CIP request for many years.

On behalf of the Bering Strait School District, I am therefore making this emergency request for (a) a \$5.3 million capital appropriation for the construction of a new K-12 school in Stebbins, Alaska and (b) an immediate appropriation of a \$500,000 planning grant to be credited against the \$5.3 million appropriation, so that the District can immediately begin the planning and design of the K-12 facility.

The District estimates the total cost of that new facility to be approximately \$8.8 million. The additional, anticipated \$3.5 million needed for construction is expected from the fire insurance proceeds payable to the District by its insurance carriers as a result of the total destruction by fire of the Stebbins High School.

By pooling the District's insurance settlement with emergency funding from the Legislature, instead of separate elementary and secondary schools being built, possibly years apart, one K-12 educational facility can be constructed in a cost effective and efficient manner, and designed to serve the educational population of Stebbins, Alaska for many, many years into the future.

Governor Steve Cowper  
December 6, 1989  
Page Two

On behalf of the District, professional engineers are in the process of preparing sound and solid historical and factual data to support the District's emergency request. You will have it within ten days. That data will clearly demonstrate among other things, (1) the absolute inadequacy of the old BIA "temporary" elementary school facility in Stebbins from the prospective of fire and safety code deficiencies and space inadequacies considering current elementary student population and Department of Education square footage guidelines; (2) the cost savings and efficiency that will accrue by constructing one large facility instead of two smaller facilities; and (3) the credibility of the \$8.8 million estimated cost of a K-12 facility.

Your prompt attention to the District's emergency request is urgently needed.

Sincerely,



Edwin T. Gonion  
Superintendent

cc: Mike Irwin, Special Staff Assistant - Office of the Governor  
John Antonnen, Director, DOE Educational Finance & Support Service  
Alison Elgee, Division Director for Budget Review - Office of  
Management & Budget

## Stebbins School Advance Funding

### Requirements

Advance funding is required to allow for the design of the K-12 facility and to install foundations. We expect the insurance companies to provide payment for the replacement cost of the previous high school by the end of February 1990. The total settlement will be approximately \$3.5 million, and the first payment \$2.8 million. The balance of payment will come when we have expended construction funds past the \$2.8 million level. I assume that this would be prorated between the two funding sources and that a 82% combined expenditure would be required before final release of funds. The insurance settlement will represent only about 30% of the total funds required to complete the programmed K-12 facility.

The request for advance funding from the Legislature is intended to cover the design and foundation cost for the 70% balance of the budget. The total funds requested from the State of Alaska are \$8.5 million. Design and foundation cost for that portion of the work are detailed below.

Design cost thru bid documents estimated	\$ 521,754.00
Foundation cost	522,000.00
Education Specification	45,600.00
BSSD Administration & Task Force	80,000.00
Cost for settlement evaluations	<u>55,000.00</u>
Minimum total request for advance funding	\$1,224,354.00

If the award of the remainder of the State funding is delayed past the first of May 1990, it may be necessary to request additional advance funding. Those funds would be required to pre purchase framing material that would have to make the May barge sailing. A \$2 million dollar request for advance funding could be easily justified.

*JM*

TO: Alison Elgee, Director  
 Division of Budget Review  
 Office of Management & Budget

DATE: December 29, 1989

FILE NO.: SUPP90-1

THRU:

TELEPHONE NO.: 465-4600

SUBJECT: FY90 Supplemental:  
 Disaster Relief Fund

*J Morrison*  
 FROM: Jeff Morrison, Director  
 Administrative & Support  
 Services Division  
 Department of Military &  
 Veterans Affairs

The Department of Military and Veterans Affairs requests a general fund supplemental appropriation in the amount of \$6,187,098, to provide funding for the Disaster Relief Fund to meet funding for disaster emergency needs occurring to date and projected through the end of FY90.

The amount of <sup>6,187,098</sup>~~\$6,072,098~~ is composed of the following elements:

- |  |                  |
|--|------------------|
| 1. Additional funding for 1986         |                  |
| Southcentral Flood disaster            | 1,874,530        |
| 2. Additional funding for 1989         |                  |
| Spring Flood disaster (statewide)      | 1,011,888        |
| 3. Additional funding for 1989         |                  |
| Anchorage flood disaster               | 805,100          |
| 4. Additional funding for 1989         |                  |
| Kenai Peninsula Borough Flood disaster | 495,580          |
| 5. Projected additional need for       |                  |
| funds in the Disaster Relief Fund      |                  |
| for FY90                               | 2,000,000        |
| <b>TOTAL REQUEST</b>                   | <b>6,187,098</b> |

In each of the first three disasters listed above, the state allocation from the Disaster Relief Fund totaled \$1,000,000, the maximum amount allowed by law without legislative authorization. Because of this, we believe it is necessary to specify the purpose of the funds in the appropriation section.

Attached to this memo is a draft of the suggested language. In keeping with the indications that the Governor plans to remove the funding of the Disaster Relief Fund from the DMVA budget, we have not specified that the appropriation would be made to DMVA in the draft language. This language would also provide that the unobligated balance of the Disaster Relief Fund on June 30, 1990 would not lapse into the general fund, but be continued in the DRF for future allocations to disasters.

The current unobligated balance of the Disaster Relief Fund is \$515,825.

Attachment

cc: MG John W. Schaeffer, The Adjutant General  
 Ervin Paul Martin, Director, ADES  
 Raydene Garrison, Fisca. Officer, DMVA

# MEMORANDUM

State of Alaska

TO: Jeff Morrison, Director  
Administrative Services  
Support Division

DATE: December 27, 1989

FILE NO: DRF

TELEPHONE NO: 376-2337

*SPM*  
FROM: Ervin Paul Martin, Director  
Division of Emergency Services  
Department of Military  
and Veterans Affairs

SUBJECT: FY 90 DRF Supplemental

Please pass the following information to Alison Elgee, OMB.

The Division of Emergency Services will require an additional \$6,187,098.00 in the Disaster Relief Fund (DRF) to fund projects through June 30, 1990. \$4,187,098.00 represents additional funding requirements for federal and State declared disasters. An additional \$2,000,000.00 contingency in the DRF is required for typical disaster incidents, January 1, 1990, through June 30, 1990.

Multiple events throughout the calendar year 1989, including the Statewide Cold declaration, 1989 Spring Floods along the Yukon and Kuskokwim Rivers, Exxon Valdez Oil Spill, Southcentral flooding in Anchorage and the Kenai Peninsula Borough, and most recently, Mt. Redoubt eruption have severely impacted both the DRF and the Division's operation funds. In addition, the DRF was reduced from an annual appropriation of \$6,000,000.00 to \$2,000,000.00 for fiscal year 1990 leaving insufficient funds available to meet the state's obligation of 25% match for approved federal public assistance projects and individual and family grants and the administration of two major disasters declared by the President. In agreeing to accept the federal disaster assistance provided by these declarations, the Governor obligated the State to provide it's share of the cost.

Also requiring additional State authorization is the Kenai Peninsula Borough Major Disaster declared by the President in 1986.

I also recommend that the funds available at June 30, 1990, be left in the DRF for contingency purposes rather than lapsed to the general fund.

A breakdown of funding requirements for each event is attached.

DA:ps

cc: MG Schaeffer

Suggested language for FY90 Disaster Relief Supplemental Appropriation:

\* Sec. \_\_\_\_ (a) The sum of \$6,072,098 is appropriated from the general fund to the disaster relief fund for the following purposes:

Additional funding for 1986	
Southcentral Flood disaster	1,874,530
Additional funding for 1989	
Spring Flood disaster (statewide)	1,011,888
Additional funding for 1989	
Anchorage flood disaster	805,100
Additional funding for 1989	
Kenai Peninsula Borough Flood disaster	495,580
Projected additional need for funds in the Disaster Relief Fund	2,000,000

(b) The appropriation made by this section is for capital projects and lapses under AS 37.25.020.

# MEMORANDUM

## State of Alaska

TO: Jeff Morrison, Director  
Administrative Services  
Support Division  
Department of Military  
and Veterans Affairs

DATE: January 9, 1990

FILE NO: DRF

TELEPHONE NO: 376-2337

FROM: Ervin Paul Martin, Director  
Division of Emergency Services  
Department of Military  
and Veterans Affairs

SUBJECT: Supplemental for 1986  
KPB Disaster

The Presidentially declared Kenai Peninsula Borough flooding disaster of 1986 requires legislative approval to exceed the \$1,000,000.00 authorization from the Governor. An additional \$1,874,530.00 is required to fund the following:

Additional 25% match for federal approved DSR's:	261,250
25% match for federal Individual and Family Grant Program:	43,280
100% State funded DSR's (denied by feds, borough bridge replacement):	1,500,000
100% State funded administration required by FEMA:	70,000

SOUTHCENTRAL FLOOD 1986  
 Kenai Peninsula Borough  
 Funding Requirements  
 AR# 34631  
 Federal Disaster #782

	State	Federal	Total
Public Assistance			
Approved Items (DSRs)	\$1,261,250	\$3,783,750	\$5,045,000
State Funded DSRs (100%)	1,500,000		1,500,000
IFG	\$ 43,280	\$ 129,838	\$ 173,118
Administration			
State	\$ 70,000		\$ 70,000
<hr/>			
TOTALS	\$2,874,530	\$3,913,588	\$6,788,118
Appropriated	\$1,000,000	\$3,913,588	\$4,913,588
Supplemental Appropriation	\$1,874,530		

89 SPRING FLOOD  
 Funding Requirements  
 AR# 34671  
 Federal Disaster #832

	State	Federal	Total
<b>Public Assistance</b>			
Approved items (DSRs)	\$ 772,010	\$2,316,030	\$3,088,040
Items Pending (Suspended)	197,500	592,500	790,000
Projected Amendments (25%)	242,378	727,132	969,510
State Funded DSRs (100%)	250,000		135,000
<b>Individual &amp; Family Grants</b>	<b>\$ 175,000</b>	<b>\$ 525,000</b>	<b>\$ 700,000</b>
<b>Mitigation</b>	<b>\$ 225,000</b>	<b>\$ 200,000</b>	<b>\$ 425,000</b>
<b>Administration</b>			
State	\$ 150,000	\$ 161,000	\$ 311,000
Local		\$ 135,000	\$ 135,000
<hr/>			
<b><u>TOTALS</u></b>	<b>\$2,011,888</b>	<b>\$4,656,662</b>	<b>\$6,553,550</b>
<b>Appropriated</b>	<b>\$1,000,000</b>	<b>\$4,656,662</b>	<b>\$5,656,662</b>
<b>Supplemental Appropriation</b>	<b>\$1,011,888</b>		

ANCHORAGE FLOOD  
FUNDING REQUIREMENTS  
AR# 34678

	State
Public Assistance	
Approved Items (DSRs)	\$ 999,110
Items Pending Supplemental Appropriation	756,000
Administration	\$ 50,000
TOTAL	<hr/> \$1,805,100
Appropriated	\$1,000,000
Supplemental Appropriation	\$ 805,100

1989 KENAI PENINSULA BOROUGH FLOOD  
FUNDING REQUIREMENTS  
AR# 34680

	State
<b>Public Assistance</b>	
Kenai Peninsula Borough	
Approved Items	\$132,509
Items Pending	
Supplemental Appropriation	\$136,675
<b>Seward</b>	
Approved Items	\$ 96,980
Items Pending	
Supplemental Appropriation	\$344,416
<b>Administration</b>	\$ 25,000
<b>Additional Administration</b>	
Pending Supplemental	\$ 10,000
<b>TOTAL</b>	<hr/> \$745,580
<b>Appropriated</b>	\$250,000
<b>Supplemental Appropriation</b>	\$495,580

DISTRICT OFFICE

# BERING STRAIT SCHOOL DISTRICT

P.O. BOX 225

UNALAKLEET, ALASKA 99884

(907) 624-3611

December 6, 1989

The Honorable Steve Cowper  
Governor of the State of Alaska  
Office of the Governor  
Third Floor, State Capitol  
P.O. Box A  
Juneau, Alaska 99811

BREVIG MISSION

COUNCIL

DIOMEDE

ELIM

GAMBELL

GOLOVIN

KOYUK

SAINT MICHAEL

SAVOONGA

SHAKTOOLIK

SHISHMAREF

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WHITE MOUNTAIN

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Governor Steve Cowper  
December 6, 1989  
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Sincerely,



Edwin T. Gonion  
Superintendent

cc: Mike Irwin, Special Staff Assistant - Office of the Governor  
John Antonnen, Director, DOE Educational Finance & Support Service  
Alison Elgee, Division Director for Budget Review - Office of  
Management & Budget