

**HB**

**1005**

**HFIN**

**FILE**

**FY96/97 ALL FUNDS FISCAL SUMMARY**

(in millions of dollars)

*From Rep Healey*

	FY96 Authorized			FY97 Legislative Actions to date				
	GF/CBR	Federal	Other	Total	GF/CBR	Federal	Other	Total
<b>REVENUES</b>								
Unrestricted General Fund	2,000.6			2,000.6	1,910.1			1,910.1
Revenue Adjustments	101.7			101.7	35.8			35.8
AIIFC Transfer to General Fund	70.0			70.0	50.0			50.0
AIDEA Transfer to General Fund					16.7			16.7
From Constitutional Budget Reserve	316.6			316.6	402.7			402.7
Federal and Other Funds		1,085.1	3,716.0	4,801.1		1,090.8	2,134.0	3,224.9
<b>TOTAL AVAILABLE</b>	<b>2,488.9</b>	<b>1,085.1</b>	<b>3,716.0</b>	<b>7,290.0</b>	<b>2,415.3</b>	<b>1,090.8</b>	<b>2,134.0</b>	<b>5,640.2</b>
<b>EXPENDITURES</b>								
Operating								
Agency Operations (Non-Formula)	1,144.0	427.9	716.0	2,287.9	1,114.5	421.0	731.7	2,267.2
Formula Programs	1,074.1	301.6	155.3	1,531.0	1,064.5	307.5	117.5	1,519.5
New Legislation					6.9	2.0	2.5	11.4
Debt Service	109.4		36.8	146.2	94.7		31.9	126.7
Capital	116.0	343.4	121.2	580.6	100.1	353.0	187.6	640.7
Loans	1.5	7.6		9.1	1.5	7.3		8.8
Specials & Fund Transfers (3)	17.1		2,678.2	2,695.3	13.9		1,032.8	1,046.7
Supplementals	24.5	4.6	8.5	37.6	17.0			17.0
RPLs FY96 to date and FY97 estimate	2.3			2.3	2.3			2.3
<b>TOTAL APPROPRIATIONS</b>	<b>2,488.9</b>	<b>1,085.1</b>	<b>3,716.0</b>	<b>7,290.0</b>	<b>2,415.3</b>	<b>1,090.8</b>	<b>2,134.0</b>	<b>5,640.2</b>
Less Duplicated Expenditures			-506.5	-506.5			-484.3	-484.3
<b>UNDUPLICATED EXPENDITURES</b>	<b>2,488.9</b>	<b>1,085.1</b>	<b>3,209.5</b>	<b>6,783.5</b>	<b>2,415.3</b>	<b>1,090.8</b>	<b>1,649.7</b>	<b>5,155.9</b>

Notes: (1) The GF/CBR columns include both general funds and direct appropriations of Constitutional Budget Reserve funds.  
 (2) Shared tax and salmon enhancement tax programs are off-budget.  
 (3) See the Specials and Fund Transfers detail attached.

May 10<sup>th</sup> 1996  
 Attachment

**FY96/97 General Fund Revenue Adjustments**  
(in millions of dollars)

<b>FY96 General Fund Revenue Adjustments</b>	
<b>GF/Program Receipts from Restricted to Unrestricted:</b>	
Operating	85.8
Capital	0.4
<b>From Unrestricted to Restricted:</b>	
Seafood Marketing	-3.0
Salmon Marketing Tax	-4.6
Marine Highway Receipts	-41.0
<b>Other Adjustments:</b>	
FY96 Executive Life/ILTF Recovery	75.9
Trans Alaska Pipeline Fund	3.6
Loan Fund Transfers to General Fund	1.1
Storage Tank Assistance Fund Receipts	0.4
Salmon Enhancement "off budget"	-5.0
Shared Taxes "off budget"	-24.5
From Debt Retirement Fund	8.3
From Mitigation Account	4.4
<b>FY96 Revenue Adjustment Total</b>	<b>101.7</b>

<b>FY97 General Fund Revenue Adjustments</b>	
<b>GF/Program Receipts from Restricted to Unrestricted:</b>	
Operating	95.5
<b>From Unrestricted to Restricted:</b>	
Seafood Marketing	-3.0
Salmon Marketing Tax	-4.6
Marine Highway Receipts	-41.0
<b>Other Adjustments:</b>	
Executive Life/ILTF Recovery	
Trans-Alaska Pipeline Fund	16.0
Loan Fund Transfers to General Fund	1.4
Storage Tank Assistance Fund Receipts	0.3
Salmon Enhancement "off budget"	-5.0
Shared Taxes "off budget"	-23.8
<b>FY97 Revenue Adjustment Total</b>	<b>35.8</b>

**FY96/97 Special Appropriations and Fund Transfers  
(in millions of dollars)**

<b>Special Appropriations/Fund Transfers</b>	<b>FY96 Authorized</b>			<b>FY97 Legislative Action to date</b>		
	<b>GF/CBR</b>	<b>Other</b>	<b>Total</b>	<b>GF/CBR</b>	<b>Other</b>	<b>Total</b>
Permanent Fund Dividends		536.2	536.2		606.7	606.7
Permanent Fund Inflation Proofing		347.6	347.6		406.0	406.0
Perm. Fund Earnings Reserve to Principal, Ch 103/95		500.0	500.0			
Perm. Fund Earnings Reserve to Principal, HCS CSSB 84(FIN)		1,288.0	1,288.0			
Four Dam Pool Transfer Fund		6.4	6.4		11.2	11.2
Surcharge Transfer to OHSR Prevention Account	9.9		9.9	13.6		13.6
Surcharge Transfer to OHSR Response Account	4.0		4.0			0.0
Storage Tank Assistance Fund Receipts	0.4		0.4	0.3		0.3
Storage Tank Assistance Fund Capitalization	2.8		2.8		2.9	2.9
Alaska Children's Trust Capitalization					6.0	6.0
<b>TOTAL</b>	<b>17.1</b>	<b>2,678.2</b>	<b>2,695.3</b>	<b>13.9</b>	<b>1,032.8</b>	<b>1,046.7</b>

*From Rep. Hanley*

**FY96/97 Duplicated Expenditure Adjustments  
(in millions of dollars)**

<b>FY96 Duplications</b>	
<b>Operating:</b>	
Interagency Receipts	192.3
Highway Working Capital Fund	22.6
Debt Retirement Fund	109.4
Oil & Hazardous Rel Resp & Prev	12.0
Interagency Oil/Haz	2.0
Capital Improvement Project Receipts	79.6
Marine Highway System Fund	28.3
Information Services Fund	21.6
<b>Operating - subtotal</b>	<b>467.8</b>
<b>Capital:</b>	
Reforestation Fund	0.1
Highway Working Capital Fund	11.8
Oil & Hazardous Rel Resp & Prev	3.9
Capital Improvement Project Receipts	1.5
Information Services Fund	1.4
Municipal Capital Matching Fund	18.3
Unincorporated Capital Matching Fund	1.7
<b>Capital - subtotal</b>	<b>38.7</b>
<b>FY96 Duplicated Expenditures Total</b>	<b>506.5</b>

<b>FY97 Duplications</b>	
<b>Operating:</b>	
Interagency Receipts	197.6
Highway Working Capital Fund	22.4
Debt Retirement Fund	94.7
Oil & Hazardous Rel Resp & Prev	11.7
Interagency Oil/Haz	2.1
Capital Improvement Project Receipts	75.9
Marine Highway System Fund	28.3
Information Services Fund	20.2
<b>Operating - subtotal</b>	<b>453.0</b>
<b>Capital:</b>	
Highway Working Capital Fund	11.8
Oil & Hazardous Rel Resp & Prev	2.7
Capital Improvement Project Receipts	1.5
Information Services Fund	0.4
Municipal Capital Matching Fund	13.3
Unincorporated Capital Matching Fund	1.7
<b>Capital - subtotal</b>	<b>31.3</b>
<b>FY97 Duplicated Expenditures Total</b>	<b>484.3</b>

**Additional Spending Requested by Governor During Special Session  
(HB1005/SE1005)**

	General fund	Other funds	Total funds
Supplemental operating appropriations associated with implementation of the monetary terms of collective bargaining agreements for FY96 Sections 3, 4, 5, 6	2,138,660	45,463	2,184,123
FY97 operating appropriations associated with implementation of the monetary terms of collective bargaining agreements Sections 10, 11, 12, 13, 14, 15, 16	10,923,800	4,826,589	15,750,389
FY97 operating appropriations Sections 8, 9(c), 35	12,052,000	5,000,000	17,052,000
New Legislation	1,270,300	811,300	2,081,600
FY97 Capital appropriations and grants Section 37	2,994,000	8,100,000	11,094,000
Section 24(b)		750,000	750,000
Supplemental capital appropriations Section 7, Copper River Highway Litigation Consent Decree	720,000		720,000
Repeal/reappropriation and lapse date extension items Section 9(a), 9(b), 17, 18, 19, 20, 22, 23, 25, 26, 27, and 29.	0	0	0
Capitalization of the Alaska Children's Trust Section 21		2,500,000	2,500,000
<b>Bill Total</b>	<b>30,098,760</b>	<b>22,033,352</b>	<b>52,132,112</b>

**TONY KNOWLES**  
Governor



*Mary C.*

P.O. Box 110001  
Juneau, Alaska 99811-0001  
(907) 465-3500  
Fax (907) 465-3532

**STATE OF ALASKA**  
**OFFICE OF THE GOVERNOR**  
**JUNEAU**

**MEMORANDUM**

To: Annalee McConnell  
From : Marilyn Heiman, Special Assistant  
Re: Kenai River Center Reappropriation  
Date: May 9, 1996

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Attached is information on the Kenai River Center. It is a project we have worked collaboratively on with the Kenai Peninsula Borough and the Congressional Delegation and the local groups. The project money will be used for providing a visitor/interpretive facility in addition to the already established multi-agency Kenai River Center that is the subject of the attached MOU between the Borough and the State. This center is presently operating in a leased facility. The facility will also provide interpretive and educational displays and information regarding where and how to use the Kenai River responsibly for both visitors and residents, specifically school children. It will also enhance the educational opportunities associated with the "Caring for the Kenai" program.

## MEMORANDUM

State of Alaska  
Department of Law

DRAFT

TO: Jim Ayers  
Chief of Staff  
Governor's Office

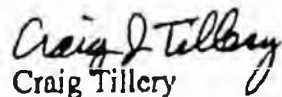
DATE: April 25, 1996

FILE NO.:

TEL. NO.: 269-5274

SUBJECT: Kenai River Center

FROM:

  
Craig Tillery  
Assistant Attorney General

You have asked for an estimate of the costs of funding construction of the physical building for the proposed Kenai River Center. There are currently no detailed plans for such a building or even a consensus on its exact scope. Thus the numbers provided below are rough estimates based on the assumptions stated.

**Kenai River Center scope:** There is a general consensus that the Kenai River Center should provide certain core governmental services relating to the Kenai River. Those include one stop service for issuance of permits relating to the Kenai River and providing educational information about the river, species that use it and their habitat, how to avoid damaging that habitat and how to restore habitat already damaged. Some have suggested that other river related permits, such as boat registration, should be located in the Center. There is also interest in having traditional visitor center activities located in the Kenai River Center, such as providing information on where to catch fish, the availability of guides and charters, lodging and so forth. Several non-profit groups which place a significant emphasis on the Kenai River have expressed interest in having office space in the Center, or at least information kiosks. Obviously the size and price of the building will depend on what activities are ultimately included. For purposes of this estimate we will address two alternatives: (1) a minimal building focused on core government agency permitting and educational activities and (2) a building which can house not only the core activities, but also visitor center related activities.

**Building size:** The temporary Kenai River Center building will contain about 2,700 square feet. However, this is considered larger than needed for the core activities. We estimate that 2,000 square feet will be needed for the core activities and an additional 1,000 square feet for visitor center related activities.

**Price:** ADOT/PF estimates that new construction in the Soldotna area, including design and permitting will have an upper limit cost of about \$170/square foot. Using this number, the core activities building will cost \$340,000 (2,000 sq ft x \$170/sq ft) and the more expansive building \$510,000 (3,000 sq ft x \$170/sq ft). These numbers are in the same range, but more

Jim Ayers, Chief of Staff  
cc: Kenai River Center

**DRAFT**

April 25, 1996  
Page 2

conservative than the current estimates for the proposed Valdez visitor center (5,500 sq ft for \$750,000). We assume that the land will be provided at no charge and without need for environmental cleanup.

**Operating costs:** The attached draft appropriation language contemplates using AS 37.05.315 (grants to municipalities) as the vehicle for getting the money to the Kenai Peninsula Borough which would do the actual construction and own the building. This statute requires the recipient to covenant that it will not "look to the state to operate or maintain the facility or to pay for its operation or maintenance". Currently the Kenai Peninsula Borough plans to cover operating costs estimated at \$95,000 per year, of which about \$25,000 is for rent. If building construction costs were paid by the state, some of the rent would be unnecessary. Thus a contribution by the state of capital costs could be viewed as prepayment of a share of operating expenses.

**Conclusion:** There is much to be said for having the visitor center component in the same building as the core activities. Such an arrangement will result in more people using the building which will result in more people being exposed to educational activities designed to help protect the habitat along the river. We do not know if there is some reason that the Borough or Chamber of Commerce may want to keep the visitor activities separate though we have been told that separate buildings are currently planned. This would need to be investigated further if a tentative decision is made to go ahead with this project. The core governmental activities directly relate to the restoration of natural resources injured by the Exxon Valdez oil spill and are clearly eligible for funding from the Exxon Valdez oil spill criminal restitution money. Because of the relation to restoration of services lost or diminished by the oil spill, we believe that funding the visitor center component would also be permissible. Attached to this memorandum is draft legislation for an appropriation for the combined function building.

cc: Bruce M. Botelho  
Marilyn Heiman

# STATE OF ALASKA

DEPARTMENT OF FISH AND GAME  
OFFICE OF THE COMMISSIONER

## MEMORANDUM

*Kenai River MOU*  
TONY KNOWLES, GOVERNOR

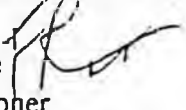
P.O. BOX 25526  
JUNEAU, AK 99802-5526  
PHONE: (907) 465-4100  
FAX: (907) 465-2332

COMMISSIONER'S OFFICE  
JUNEAU

JAN 12 1996

DEPARTMENT OF  
NATURAL RESOURCES

TO: Marty Rutherford  
Deputy Commissioner  
Department of Natural Resources

FROM: Frank Rue   
Commissioner

DATE: January 5, 1996

SUBJECT: Kenai River Memorandum of Understanding

Enclosed is the Kenai River Center Memorandum of Understanding, which I have signed on behalf of the Alaska Department of Fish and Game.

Please note that I am forwarding the MOU to Diane Mayer first, as she is presently in Juneau, and this should save an additional mailing.

Thank you for the opportunity to review the MOU. I presume I will receive a copy with all signatures.

cc: Lisa Parker, Planning Director, Kenai River Borough  
Diane Mayer, Division of Governmental Coordination, Juneau  
Lance Trasky, Division of Habitat and Restoration, ADF&G

RECEIVED

JAN 23 1996

OFFICE OF THE COMMISSIONER

OFFICE OF  
MANAGEMENT & BUDGET

JAN 05 1996

GOVERNMENTAL  
COORDINATION

## MEMORANDUM OF UNDERSTANDING

Between

STATE OF ALASKA  
Department of Natural Resources  
Division of Governmental Coordination  
Department of Fish and Game

and

KENAI PENINSULA BOROUGH

This Memorandum of Understanding made and entered into between the Alaska Department of Natural Resources, Division of Governmental Coordination, Department of Fish and Game, and the Kenai Peninsula Borough, hereinafter referred to as Agencies, outlines the functions of a resource facility hereinafter referred to as the "Kenai River Center." This agreement reflects the guidelines within which the four agencies agree to promote an increased awareness of the various environmental, social, and economic components of the Kenai River system.

In further implementing this Memorandum of Understanding, it is agreed that the Department of Natural Resource's Commissioner's Office and the Department of Fish and Game's Habitat and Restoration Division shall serve as co-representatives for the State of Alaska, and the Kenai Peninsula Borough Planning Department shall serve as the representative for the Borough.

The Agencies hereby agree the basic functions of the Kenai River Center will be to:

1. Accept permit applications, help determine permit requirements, provide technical assistance and assist the general public with projects within the river corridor;
2. Provide information regarding regulations and policies applicable to the Kenai River;
3. Serve as a central location to display and disseminate information on restoration and rehabilitation methods;
4. Provide a central location for education reports and studies pertaining to the Kenai River; and
5. Provide an office for State and Borough officials to focus on data collection and ecosystem research.

The Agencies further agree to collectively form a working group for the purpose of creating a operational plan for the development and operation of the Kenai River Center. Representatives of each of the four agencies will participate in the working group.

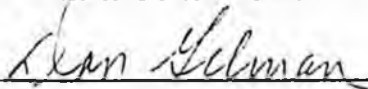
The operational plan will:

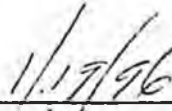
1. Identify the roles, functions and responsibilities of each of the Agencies in the development phase as well as the operational phase, including a list of key personnel contacts for each agency.
2. Identify additional contracts to be developed between the Agencies to carry out specific functions of each phase.
3. Outline short and long-term budget responsibilities of each of the Agencies.

The Agencies agree to develop the operational plan by February 28, 1996.

The general provisions in Attachment 1 are incorporated and made a part of this agreement.

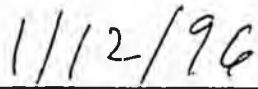
KENAI PENINSULA BOROUGH

  
\_\_\_\_\_  
Don Gilman, Mayor

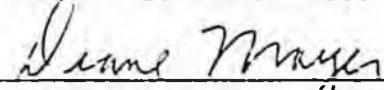
  
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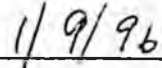
STATE OF ALASKA  
Department of Natural Resources

  
\_\_\_\_\_  
John Shively, Commissioner

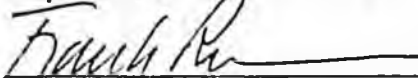
  
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Date

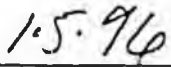
STATE OF ALASKA  
Division of Governmental Coordination

  
\_\_\_\_\_  
Diane Mayer, Director

  
\_\_\_\_\_  
Date

STATE OF ALASKA  
Department of Fish and Game

  
\_\_\_\_\_  
Frank Rue, Commissioner

  
\_\_\_\_\_  
Date

## ATTACHMENT 1. GENERAL PROVISIONS

1. Nothing in this agreement shall obligate any party in the expenditure of funds, or for future payments of money, in excess of appropriations authorized by law.
2. Each party agrees that it will be responsible for its own acts and omissions including those of its officers, agents, and employees, and each party shall indemnify, defend and hold harmless the other, to the maximum extent allowed by law, from any claim of, or liability for error, omission or negligent act of whatever kind, including attorney fees, for damages to property or injury to persons occasioned by each party's own acts or omissions in connection with the terms of this agreement.
3. All parties agree to comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.
4. Each party will comply with all applicable laws, regulations, and executive orders relative to Equal Employment Opportunity.
5. Nothing herein is intended to conflict with federal, state, or local laws or regulations. If there are conflicts, this agreement will be amended at the first opportunity to bring it into conformance with conflicting laws or regulations.
6. Policy and position announcements relating specifically to this cooperative program may be made only by mutual consent of the agencies.
7. The effective date of this agreement shall be the date of final signature.
8. Any signatory agency may terminate its participation in this agreement by providing to all parties notice in writing 30 days in advance of the date on which its termination becomes effective.
9. This agreement may not be amended except by mutual written consent of the parties.
10. Nothing in this agreement is intended to enlarge or diminish the responsibilities and statutory authority of the Department of Natural Resources, Department of Fish and Game, the Kenai Peninsula Borough or any other party over the management of lands or resources in the Kenai River drainage.

*Kenai River Center*

State of Alaska  
**Office of the Governor**

**TONY KNOWLES**  
Governor  
P.O. Box 110001  
Juneau, Alaska 99811-0001  
**NEWS RELEASE**



Bob King  
Press Secretary  
Claire Richardson  
Deputy Press Secretary  
907-465-3500  
FAX: 907-465-3533

FOR IMMEDIATE RELEASE: January 25, 1996

96-016

**KNOWLES, BOROUGH ESTABLISH KENAI RIVER CENTER**

Following months of discussions, Governor Tony Knowles and Kenai Borough Mayor Don Gilman today announced agreement for establishment of the Kenai River Center. Pending concurrence by the borough assembly, the center, designed provide assistance and information to Kenai River landowners, will open soon.

"Awareness and compliance are the keys to maintaining the Kenai River as a unique, productive, and scenic watershed," Knowles said. "The Kenai River Center is a critical element in promoting increased awareness of the steps we all need to take to protect the habitat that nurtures this great river. It will also help compliance by streamlining the permitting process, and allowing 'one-stop shopping' for people needing state and local permits."

"Establishment of this center marks a new era of cooperation between the state and local government," Mayor Gilman said. "I am very pleased to see the commitment from the Alaska Departments of Fish and Game and Natural Resources to work with the Kenai Peninsula Borough at this center."

The Kenai River Center will house offices of the Kenai Peninsula Borough, Alaska Department of Fish and Game, and Department of Natural Resources. Among the functions of the center are:

- providing technical assistance to property owners;
- providing information regarding regulations and policies affecting landowners;
- accepting permit applications for floodplain and river projects, and,
- to serve as a central location for educational reports, studies, displays, and other information on habitat protection, restoration, and rehabilitation.

Pending approval of funding by the borough assembly, a site will be located and the Kenai River Center should be open and ready for business by April 1.

Erosion Assessment  
at  
Bethel, Alaska  
1995  
DRAFT

*Alaska Department of Transportation  
and  
Public Facilities*



*Central Region*

October 19, 1995

By: \_\_\_\_\_  
W. F. (Skip) Barber  
Regional Hydrologist

Senator Lyman Hotrman

## SUMMARY OF EVENTS, MEETINGS AND CORRESPONDENCE

- March 30, 1995 The U. S. Army, Corps of Engineers requested that the City of Bethel provide the 25% matching funds for the Bethel Bank Stabilization Contract. The amount requested was \$1,500,000.
- March 30, 1995 The City of Bethel makes that Department of Transportation and Public Facilities release the committed funds in the amount of \$1,296,000 for the Bethel Bank Stabilization Contract.
- March 31, 1995 The City of Bethel informed the U. S. Army, Corps of Engineers that the Department of Transportation and Public Facilities would be processing a payment of \$1,296,000 for the Bethel Bank Stabilization Contract. The City further indicated that they were processing a check in the amount of \$204,000 to make up the balance requested in the U. S. Army, Corps of Engineer's March 30, 1995 letter.
- May 23, 1995 The U. S. Army, Corps of Engineers makes a field inspection of the damage to the Bethel Port Facility. Their report is attached in the appendices.
- The City of Bethel approved a resolution to declare a local state of disaster emergency at the Bethel City Dock. The Department of Transportation and Public Facilities leases the facility to the City of Bethel.
- May 26, 1995 The Bethel Bank Stabilization Contract awarded by the U. S. Army, Corps of Engineers to Bering Pacific/Red-Samm Construction Corporation.
- May 30, 1995 Ruth A. Carter, Assistant State Coastal Engineer, Department of Transportation and Public Facilities, drafts a report on the condition of the Bethel Port Facility (see appendices).
- June 1, 1995 Ruth Carter transmits her assessment on the condition of the Bethel Port Facility (see appendices).
- May 31, 1995 In a letter, the City Manager itemized and quantified the type and amount of requested State assistance requested. In summary, \$127,100 were spent by the City to replace the emergency rock supplies, pay the contractual fees associated with hauling the stockpiled rock, rent special equipment, purchase replacement rock for the stockpile, additional rock material, and pay labor costs.
- July 3, 1995 The City of Bethel informed the U. S. Army, Corps of Engineers, the Department of Transportation and Public Facilities, and the Alaska Division of Emergency Services that the Mission Road area is eroding away at an accelerated rate, and that First Street and the State Highway are being threatened.
- The Department of Transportation and Public Facilities was requested to provide assistance in the form of "super sacks" to shore up the toe of the eroding bluff directly downstream from the Bethel Sea Wall.
- W. F. (Skip) Barber, Regional Hydrologist, Department of Transportation and Public Facilities, discussed the erosion problem with Carl Borash, Project Manager, U. S. Army, Corps of Engineers, for the Bethel Bank Stabilization Contract in an effort to insure that there was a coordinated effort between both State and Federal government agencies.

The U. S. Army, Corps of Engineers contractor acknowledged receipt of the notice to proceed. The total amount of the contract is \$10,937,000. The required match is on a State/Federal, 25%/75% match. The contract completion dates is set for on January 8, 1998.

July 4, 1995

The U. S. Army, Corps of Engineers sent out Alan Jefferies, Hydraulic Engineer, to do preliminary estimate of the extent of erosion and slope stability failure.

The U. S. Army, Corps of Engineers awarded a construction contract in May 1995 for the Erosion Control Project. The scope of this project includes erosion protection from the Bethel City Port Facility to the Bethel Bulk Fuel Terminal about 6,500 feet downstream.

Red-Samm Construction Company began making arrangements to use the only material available in Bethel. There was approximately 1,800 tons rock which is substantially smaller than the design stone for the project.

July 5, 1995

The U. S. Army, Corps of Engineers were in the process of signing the contract modifications directing their contractor Red-Samm Construction Company to proceed with work on the Bethel Banks Stabilization Contract.

Red-Samm Construction Company begins looking for a barge to haul rock from Saint Paul Island.

July 6, 1995

The Department of Transportation and Public Facilities, and Alaska Division of Emergency Services made their first field trip out to Bethel to assess the situation.

During this trip W. F. (Skip) Barber, Regional Hydrologist, Department of Transportation and Public Facilities met with the U. S. Army, Corps of Engineers to discuss the various options which the two agencies had. It was agreed that the Bethel Port Facility was at an un-expectable risk of a catastrophic failure. Therefore, the decision was made that all the existing rock in Bethel should be used at the Bethel Port Facility.

The U. S. Army, Corps of Engineers began the placement of approximately 5,000 tons of gravel and rock that was in Bethel.

W. F. (Skip) Barber, Regional Hydrologist, Central Region, Department of Transportation and Public Facilities, stressed the importance of making sure that all of the governmental agencies work together to insure a coordination of resources.

Red-Samm Construction Company begins looking for rock and a barge.

Department of Transportation and Public Facilities, and the U. S. Army, Corps of Engineers begin discussions on the possible alternatives.

1. Discussion centered around the an expectable degree of risk for the Bethel Port Facility. Issues such as how can project management insure that the limited resources available during the 1995 construction season are used in the publics best benefit.
2. What effect wil' the 1995 erosion have on the total project. The U. S. Army, Corps of Engineers indicated that they were in negotiations with Red-Samm Construction Company on the costs which would be incurred because of the early mobilization, and changes required to get actual construction done in Bethel as soon as possible.

3. The additional costs to the Bethel Bank Stabilization Contract will be about \$3,200,000. This will mean that there will be a requirement of an additional match from the State of Alaska, or the City of Bethel of about \$800,000.

July 7, 1995 Department of Transportation and Public Facilities delivered 130 super sacks to Bethel. The sacks were used in the Mission Road area. Total cost \$4,440.00.

The Department of Transportation and Public Facilities, and U. S. Army, Corps of Engineers met to discuss possible solutions for both the Bethel Port Facility and Mission Road area.

- 1.. The U. S. Army, Corps of Engineers estimated that they would have their first barge actually off loading rock in Bethel on July 15 or 16, 1995. This barge will have a total of 4,000 tons of rock for placement. The decision was made at that time that the rock should be placed at the Bethel Port Facility because it is subjected to the highest degree of risk of failure.
2. The U. S. Army, Corps of Engineers indicated that they would have their contractor continue to work in the Mission Road area on a regular 10 hour day between now and when the first barge arrives.

July 8, 1995 The U. S. Army, Corps of Engineers continues to place material at the Bethel Port Facility. Cross sections were taken to determine if the material was remaining in place. Department of Transportation and Public Facilities delivered 625 super sacks to Bethel. The sacks were used in the Mission Road area. Cost \$24,000.00 or \$28,440.00 for a total of super-sacks 755.

The U. S. Army, Corps of Engineers, Alaska District representatives, and the Department of Transportation and Public Facilities held an informational meeting with part of the Bethel City Council.

July 9, 1995 The U. S. Army, Corps of Engineers begins using super sacks to protect the Mission Road area.

July 10, 1995 The Department of Transportation and Public Facilities, and the U. S. Army, Corps of Engineers met in Anchorage to discuss various alternatives and possible solutions.

July 10, 1995 The City of Bethel transmits Resolution 95-39, a resolution of the Bethel City Council declaring a state of disaster emergency in Bethel due to the damage to the City Dock facilities, sew wall and riverbank. In this resolution the City of Bethel pledged the sum of \$50,000 towards the repairs of the facilities described in the resolution (see appendices).

July 10-16, 1995 The U. S. Army, Corps of Engineers authorized Red-Samm Construction Company to work seven days a week. The placement of the super-sacks appears to have reduced the rate of erosion at Mission Road.

July 14, 1995 Department of Transportation and Public Facilities delivered 625 super-sacks to Bethel. The sacks were used in the Mission Road area. Cost \$24,000.00 or a total cost of \$52,440 for a total of 1,380 super-sacks.

July 16, 1995 The U. S. Army, Corps of Engineers first barge arrives in Bethel and begins off loading 43,600 tons of rock. This rock is a little smaller than Class "B" (3" to 12" diameter).

Gene Kulawik, Director of Maintenance and Operations, Department of Transportation and Public Facilities, and W. F. (Skip) Barber, Regional Hydrologist, Department of Transportation and Public Facilities traveled to Bethel to review the progress being made by the U. S. Army, Corps of Engineers.

The first barge was in the process of being off loaded at the Bethel Port Facility. Discussions with the U. S. Army, Corps of Engineers representative in Bethel indicated that they planned a second barge load of rock on July 21, 1995.

July 20, 1995 The U. S. Army, Corps of Engineers informed W. F. (Skip) Barber, Regional Hydrologist, Department of Transportation and Public Facilities via phone that they have decided to place a portion of the rock from the second barge at the Mission Road area.

They estimated that it would require approximately 50,000 additional tons of rock to construct a permanent Mission Road dike. The U. S. Army, Corps of Engineers were in negotiations with Red-Samm Construction Company on costs to complete the Mission Road area prior to this winter. Indications are that the additional costs to the Bethel Bank Stabilization Contract, to be about \$3,200,000. This would require an additional local match of about \$800,000.

July 20, 1995 *The U. S. Army, Corps of Engineers receives a letter from the law firm of Jermain Dumagan and Owens, regarding possible damage to the Bethel Native Corporation land directly downstream from the Bethel Sea Wall.*

July 21, 1995 The Department of Transportation and Public Facilities informs the City of Bethel that the Department of Transportation and Public Facilities has concerns regarding the placement of utilities in the Bethel Port Facilities.

July 23, 1995 Soundings taken by the U. S. Army, Corps of Engineers indicate that the Bethel Port Facility is now at an expectable risk where resources can be channeled to the Mission Road area.

July 24, 1995 The U. S. Army, Corps of Engineers and Red-Samm Construction Company hold the Pre-Construction Conference in Bethel for the Bethel Bank Stabilization Contract.

The meetings Pre-Construction Conference Minutes are from the U. S. Army, Corps of Engineers, Alaska District Office, and are attached in the appendices.

Red Samm placed the first full barge load of material in the Mission Road area. They placed an estimated 4,400 tons in the Mission Road area.

Representatives from the U. S. Army, Corps of Engineers, and the Department of Transportation and Public Facilities met with Marc D. Stemp, President and Chief Executive Officer, for Bethel Native Corporation to brief him on the changes in the Bethel Bank Stabilization Contract, because of the accelerated erosion of the Mission Road area. Mr. Stemp indicated that the Bethel Native Corporation was concerned with the loss of the river bank, and express the Corporation's appreciation for the quick response of the U. S. Army, Corps of Engineers, and their contractor.

July 24, 1995 The City of Bethel request assistance in obtaining funding for the required match to complete the repairs to the Bethel Port Facility, Bethel Sea Wall, and Bethel Native Corporation land. They also provided a summary of funds expended as part of the Bethel Bank Stabilization Contract.

July 25, 1995 Status report from the U. S. Army, Corps of Engineers, Project Office:

Quantity	Unit	Description	Estimated increase to the total project cost.
		<b>Bethel Port Facility</b>	
8,100	tons	Rock placed to date.	
50	each	Super-sacks placed to date.	
0	tons	Additional rock to be placed during the 1995 construction season.	
		<b>Mission Road Area</b>	
6,970	tons	Rock placed to date.	
1,650	each	Super-sacks placed to date.	
49,000	tons	Rock that will be placed during the 1995 construction season.	
1,000	each	Super-sacks that will be placed during the 1995 construction season.	
90,000	tons	Sand required to back fill the eroded area at Mission Road. Work to be done during the 1996 construction season.	
		Total increase to the Bethel Banks Stabilization Contract is estimated to be.	\$3,200,000.00

Note: The above estimate is based on preliminary data. Therefore, it should be used for the purposes of planning purposes only.

This would mean that the "local" match required by the City of Bethel would be between \$500,000 to \$750,000.

July 24, 1995 *The Bethel Native Corporation indicated their complete support to the efforts made by the U. S. Army, Corps of Engineers, and the Department of Transportation and Public Facilities in their efforts contain the erosion and scour problems in Bethel. And further indicated that they have recinded the letter from Jermain Dunnagan and Owens.*

August 2, 1995 The City of Bethel, U. S. Army, Corps of Engineers, and the Department of Transportation and Public Facilities held an informational meeting for the public in an effort to keep the community informed on to progress of the emergency repairs to the Bethel Port Facility and the Mission Road area.

At this meeting the U. S. Army, Corps of Engineers indicated that they were having problems obtaining a crane mounted barge. But they estimate that they should have one in Bethel by the end of August.

The U. S. Army, Corps of Engineers also indicated that they were having problems getting rock to Bethel, because of bad weather conditions in Saint Paul.

August 9, 1995 The U. S. Army, Corps of Engineers only has about 100 feet of unprotected bank in the area near Mission Road.

August 18, 1995 The U. S. Army, Corps of Engineers reported that they had completed the placement of the super sacks in the Mission Road area and that the erosion and bank degradation appears to have been stabilized.

As of this date the U. S. Army, Corps of Engineers has placed approximately 14,400 tons of rock from Saint Paul in the Mission Road area.

Finish up on the sand bags and the bank seems quite stable.

The U. S. Army, Corps of Engineers estimates that the barge mounted crane will be in Bethel next week.

Redd-Sam is currently trying to get a third barge to haul rock on because the weather appears to be closing in at Saint Paul and they would like to get about 22,000 tons of rock in Bethel before the winter closes in.

August 22, 1995 Mr. William Hatley has requested that the Bethel Bank Stabilization project be extended downstream from the Bethel Fuel Dock to the Kink Construction barge landing area (about 2,000 feet).

This request would require additional authorization, and funding from Congress. The current authorized Bethel Bank Stabilization Project at one time included about 300 feet of additional bank protection that was deleted from the project when Bethel was unable to acquire the required land from Mr. Hatley.

River bank erosion on the outside bends of the Kuskokwim River is a natural process in which the river migrates through a meander zone during a long period of time. Erosion rates at Bethel during the past 130 years have ranged from 2 to 25 feet per year along various parts of the Bethel waterfront. The area between the Bethel Fuel Dock and Mission Road has eroded about 16 feet per year on the average. Based on measurements taken off historical drawings, the erosion rate downstream from the Bethel Fuel Dock has been about 5.6 feet per year over the past 130 years. Assuming that natural rate of erosion will continue during the next 50 years, about 280 feet of riverbank will be naturally lost to erosion.

The most obvious benefit of erosion protection would be preventing natural loss of about 280 feet of riverbank during the next 50 years. About 560,000 square feet of land would be lost. As erosion progresses, it is possible that the barge landing at Knik Construction may be impaired which could affect the cost of construction materials delivered to Bethel. This might also reduce the usefulness of the Knik Construction site as an optional cargo or fuel handling area if the City Dock or the Fuel Dock were damaged by fire, flood, or any other problem. Several businesses lease land from Mr. Hatley and some of these may be affected by erosion thus reducing their income and Mr. Hatley's. The monetary benefits for erosion control on Mr. Hatley's property have not been determined and a detailed evaluation would be necessary before any project extension could be recommended.

The current contract price for erosion protection between the Bethel Fuel Dock and Mission Road is averaging about \$1,620.00 per foot of river front. Assuming a similar price would apply to extending the project downstream, the estimated cost to add 300 feet of erosion protection is \$486,000.00. The additional 1,700 feet requested by Mr. Hatley would cost about \$2,754,000.00. The total cost for extending the project 2,000 feet would be about \$3,240,000.00. The local share would be 25 percent which is about \$810,000.00 in addition to the costs which have been incurred during the 1995 emergency repairs.

We believe erosion will continue approximately at the historical rate of 5.6 feet per year during the 50 year project life on Mr. Hatley's property. Wherever the Bethel Bank

Stabilization Project ends, there will be some perceived risk of increased erosion as the river transitions back to its natural flow characteristics. We do not however, expect any accelerated erosion to occur on Mr. Hatley's property because the river bend is relatively gentle in this area and the Bethel. Plus the Bethel Fuel Dock erosion protection installed in 1966 and 1987. On site data indicates that there has been no measurable increased erosion Mr. Hatley's property.

August \*\*, 1995 Governor Tony Knowles transmitted a letter to the City of Bethel showing his administrations support for the additional funding (see appendices).

### SUMMARY OF FUNDING SINCE 1980

Date	Source	Description	State of Alaska	Federal	City of Bethel
1974	DOT/PF	Bethel Port Facility			
1983	DOT/PF	Bethel Sea Wall Phase I	\$5,000,000		
1983	DOA	Petroleum Dock Facility	\$1,438,000		
1984	DOA	Bethel Sea Wall Phase II	\$5,000,000		
1985	COE	Section 14 Emergency	\$61,625	\$246,500	
1985	DOA	Bethel Sea Wall Phase III	\$605,000		
1985	DOA	Bethel Sea Wall repairs	\$2,200,000		
1986	COE	Section 14 Emergency Senator Stevens)	\$134,250	\$537,000	
1986	DOT/PF	Emergency repairs toe protection	\$200,000		
1986	ADES	Emergency repairs to Bethel Sea Wall	\$475,507		
1987	DOA	Bethel Sea Wall repairs toe protection	\$4,000,000		
1987	DOA	Bethel Sea Wall repairs toe protection	\$400,000		
1989	ADES	Emergency repairs to Bethel Sea Wall	\$115,109		
1990	ADES	Emergency repairs to Bethel Sea Wall	\$594,202		
1990	ADES	Emergency repairs to Bethel Fuel Facility	\$121,850		
1991	ADES	Emergency repairs to Bethel Sea Wall	\$49,420		
1995	COE/DOA/PF	Bethel Bank Stabilization	\$1,296,000	\$8,216,000	\$2,388,000
1995	DOT/PF	Emergency repairs to Mission Road area	\$60,000		
1995	ADES	Emergency repairs to Bethel Port Facility	\$127,100		
1995	City of Bethel	Emergency repairs to Bethel Port Facility		\$50,000	
		Total by funding source to date	\$21,878,063	\$9,049,500	\$2,388,000
		Grand total (all sources) to date	\$33,315,563		
1995	Not known at this time	Emergency Repairs to Bethel Port Facility and Sea Wall	\$800,000	\$2,400,000	

Date	Source	Description	State of Alaska	Federal	City of Bethel
		Total by funding source	S22,678,063	S11,449,500	S2,388,000
		Grand total (all sources)	S36,515,563		



# CITY OF BETHEL

P.O. Box 388 Bethel, Alaska 99559

907-543-2297

FAX # 543-4171

Senator Lyman Hoffman  
Alaska Legislature  
Room 7, State Capital  
Juneau, AK 99801-1182

Dear Lyman:

You are well informed about the City of Bethel's ongoing attempts to obtain the physical stabilization of the Kuskokwim River, and I appreciate your many efforts to help us with this vital project.

As you are aware, our contract with the U.S. Army Corps of Engineers requires that the City provide 25% of the project costs with matching funds. The total cost of the project is estimated at \$21.6 million. Therefore, the City is required to provide \$5.4 million in matching funds. The City has implemented a fuel through-put tax on the fuel crossing the seawall, and has dedicated all possible revenues from the Port to the project. So far, we have accumulated approximately \$1 million towards the required match. In addition, the City contributed \$1.5 million to the project in FY95, and has received credit for lands in the amount of \$1.28 million. However, the source of funds for the remainder of the match has not been identified.

The City will need nearly \$1.7 million to satisfy its local match obligations, and is thereby requesting a special appropriation from the Alaska State Legislature for Fiscal Year 1997. We have adopted Resolution #95-53 to this effect, and enclose a copy with this letter.

The City would greatly appreciate any assistance you can provide in obtaining this critical appropriation from the Alaska state legislature.

Sincerely,

Ken L. Weaver, City Manager

Enclosures: Resolution #95-53

cc: Governor Tony Knowles



# CITY OF BETHEL

P.O. Box 308 Bethel, Alaska 99559  
907-543-2297  
FAX # 543-4171

Presented by: Council Member Millor  
Date: December 12, 1995  
Action: Passed  
Vote: 7-yes, 0-no

## RESOLUTION #95-53

### A RESOLUTION OF THE CITY COUNCIL OF BETHEL, ALASKA, REQUESTING LOCAL MATCH MONIES FOR THE BETHEL BANK STABILIZATION PROJECT FOR FISCAL YEAR 97

WHEREAS, the Bethel Bank Stabilization Project was authorized by Congress in section 601 of the Water Resources Development Act of 1986 (Public Law 99-662); and

WHEREAS, Bethel is the largest community in western Alaska and is the regional center of government, service and commerce for communities throughout the Yukon-Kuskokwim delta; and

WHEREAS, the U.S. Army Corps of Engineers' number one priority for civil works projects in Alaska is the Bethel Bank Stabilization Project; and

WHEREAS, the total cost of the Bethel Bank Stabilization Project including lands, easements and rights-of-way for construction of the project has increased to an estimated \$21,600,000; and

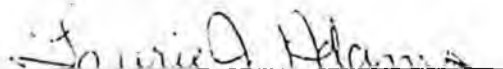
WHEREAS, the City of Bethel has already provided \$2,300,000 of the 25% or \$5,400,000 local share match required and the City of Bethel has funds available in the amount of \$1,400,000; and

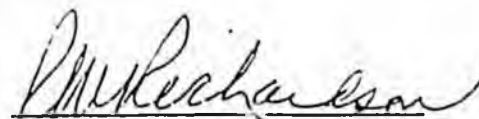
WHEREAS, the Governor of the State of Alaska is not expected to include any funds in the Administration budget in the 1997 fiscal year to match the U.S. Army Corps of Engineer projects.

**NOW, THEREFORE, BE IT RESOLVED** that the Bethel City Council requests a special appropriation of \$1.7 million for Fiscal Year 97 local match for the Bethel Bank Stabilization Project from the — Alaska State Legislature, to ensure completion of this project.

PASSED AND APPROVED THIS 12TH DAY OF DECEMBER, 1995.

ATTEST:

  
Laurie Adams, Acting City Clerk

  
Ruth M. Richardson, Mayor

City of Bethel  
Resolution #95-53  
Page 1 of 1 Page



# CITY OF BETHEL

P.O. Box 300 • Bethel, Alaska 99501

643-2287 — Area Code 907

## MEMORANDUM

**DATE:** November 9, 1995  
**TO:** Kenneth L. Weaver, City Manager  
**FROM:** Bonnie Duke, Finance Director *Bonnie Duke*  
**RE:** Match-Bethel Bank Stabilization

As we discussed yesterday, following is a brief summary of the funding for the Bethel Bank Stabilization project:

Estimated Total Project Costs \$21,600,000

<b>25% Local Match—City of Bethel</b>		<b>\$5,400,000</b>
<b>FY95 Contribution from DOT (credit for City's match)</b>	<b>\$1,296,000</b>	
<b>FY95 Cash Contribution—City of Bethel (from Designated Retained Earnings of Port Fund)</b>	<b>204,000</b>	
<b>Total FY95 Credit</b>		<b>1,500,000</b>
<b>REMAINING REQUIRED MATCH</b>		<b>3,900,000</b>
<b>Land Acquisition and Administrative Costs for non-City-Owned Real Estate (from Designated Retained Earnings of Port Fund and General Fund Contribution for Administrative Costs)</b>		<b>781,000</b>
<b>REMAINING REQUIRED MATCH</b>		<b>3,119,000</b>
<b>Estimated Credit for City-Owned Real Estate dedicated to the project (Non-cash credit from General Fund Fixed Assets Account Group)</b>		<b>400,000</b>
<b>REMAINING REQUIRED MATCH</b>		<b>2,719,000</b>
<b>Estimated Cash Contribution from Designated Retained Earnings in Port Fund (Note: All liquid assets of the Port Fund have been designated for the Bethel Bank Stabilization project. Therefore, the Port Fund is "broke" and will need to begin to accumulate future earnings to become "sanguine")</b>		<b>1,000,000</b>
<b>REMAINING REQUIRED MATCH</b>		<b>1,719,000</b>

The City will require at least \$1,710,000 in additional funding in order to complete the project. Additional funding in excess of \$1,719,000 is desirable since the designation in the Port Fund has impaired the liquidity of the Port fund, which may hamper the City's ability to properly fund future maintenance of the project.

*"Deep Sea Port and Transportation Center of the Kuskokwim"*