

HB

149

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/19/01

FURTHER:

DATE TURNED IN TO OFFICE: 27 April 01

Finance Committee considered

CS FOR HOUSE BILL NO. 149(FIN)(title am)

PRIVATE PRISON IN KENAI

"An Act expressing legislative intent regarding correctional facility space; relating to correctional facility space; authorizing the Department of Corrections to enter into an agreement to lease facilities for the confinement and care of prisoners within the Kenai Peninsula Borough; and providing for an effective date."

and recommends:

be replaced with S CS HB 149 (FIN)

adopt previous CS CS ()

attached amendment(s) forthcoming

adopt Letter of Intent by _____ Committee

further referral to _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical title

new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Revenue	4/10/01	20.0		

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Corrections	7/14/01	165.5		#2

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
COCHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>			
COCHAIR: <i>[Signature]</i>			<input checked="" type="checkbox"/>	

APR 26 2001

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSHB 149 (FIN)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title: Private Prison in Kenai BRU: Revenue Operations
Component: Treasury
Sponsor: Representative Chenault
Requester: House Finance Component Number: 121

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel	20.0	10.0				
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	20.0	10.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match	20.0	10.0				
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	20.0	10.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared by: Deven Mitchell, State Debt Manager Phone 465-3750
Division: Treasury Date/Time April 10, 2001, 5 p.m.
Approved by: Larry Persily, Deputy Commissioner Date 04/10/2001
Agency: Department of Revenue

For distribution information, call the Governor's Legislative Office

Department of Revenue

Fiscal Note for CSHB 149 (FIN) April 10, 2001

This legislation authorizes the Department of Corrections to enter into an agreement with the Kenai Peninsula Borough to lease facilities for the confinement and care of prisoners. The lease would be for at least 20 years and provide at least 800 prison beds with no statutory limitation on cost of the facility or cost of prisoner care. The lease must provide for an agreement between the Kenai Peninsula Borough and a private third-party contractor to construct and operate the facility. The legislation provides no requirement in statute to use tax-exempt financing, no maximum lease term, no maximum annual lease payment amount, and no maximum project size in either dollars or number of prisoners to be housed at the facility.

Additional concerns that should be addressed in the legislation:

- No maximum capital expenditure for the facility is established.
- No maximum lease term is specified.
- No maximum lease payments are identified.

While the state's lease payments will be the security for the bonds, there is no specific provision in this legislation for the State Bond Committee to participate in structuring the financing. The state's credit is involved as purchasers of the bonds look to the underlying source of revenues for bond payments when determining risk. As the source of revenues will be the lease payments of the state to the borough, the "credit trail" leads to the state and its ability to make future lease payments. The foundation upon which the state has built credit ratings has been the centralized control of the state's credit through the State Bond Committee. To the extent we deviate from this policy, continued strong ratings of the state become more difficult to retain.

Accordingly, similar to the Anchorage jail transaction, it is anticipated that the State Bond Committee will actively participate in structuring the transaction with the Kenai Peninsula Borough. In addition to the staff travel costs stated in the fiscal note, it is anticipated that between \$50,000 and \$80,000 of bond proceeds (depending upon the size of the bond issue) would be used to pay the state's financial adviser, bond counsel and other expenses in this transaction.



Official Business

Alaska State Senate

Senate Finance Committee

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: 26 April 01 TIME: 8:55 pm

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 1

FROM: MINDY ROWLAND
SENATE FINANCE COMMITTEE SECRETARY
PHONE: 465-4935
FAX: 465-2187

NOTES: Final Finance SCS for HB 149

22-LS0436\W 4/26/01

no changes

Thanks

Mindy

22-LS0436\W
Luckhaupt
4/26/01

SENATE CS FOR CS FOR HOUSE BILL NO. 149()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES CHENAULT, Scalzi

A BILL

FOR AN ACT ENTITLED

1 "An Act expressing legislative intent regarding correctional facility space; relating to
2 correctional facility space; authorizing the Department of Corrections to enter into an
3 agreement to lease facilities for the confinement and care of prisoners within the Kenai
4 Peninsula Borough; and providing for an effective date."

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

6 * Section 1. The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 LEGISLATIVE INTENT. It is the intent of the legislature to secure additional
9 correctional facility space through a privately operated correctional facility in Alaska. The
10 legislature expects the Department of Corrections to contract with the Kenai Peninsula
11 Borough for private prison services similar to those currently purchased for medium-security
12 Alaska prisoners in a private prison outside the state. The legislature anticipates a privately
13 operated correctional facility will bring competitive management styles and operations to
14 Alaska. The legislature expects that the initial per diem cost at a private facility (excluding

1 costs related to major medical, prescription medication, and transportation of prisoners and
2 other services excluded in contracts for Alaska prisoner care and custody in private facilities
3 outside the state but including the capital costs for construction of the facility, including debt
4 service) will be 18 - 20 percent less than the current average per diem rate for all state
5 facilities as reported to the federal government for reimbursement purposes; should be
6 approximately \$89 in current dollars; and, from the passage of this Act, should be adjusted
7 annually for changes in the cost of operations as measured by an appropriate cost-of-living
8 index.

9 * Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 AUTHORIZATION TO LEASE CORRECTIONAL FACILITY SPACE WITH
12 THIRD-PARTY CONTRACTOR OPERATION. (a) The Department of Corrections may
13 enter into an agreement with the Kenai Peninsula Borough to lease space within a correctional
14 facility located within the Kenai Peninsula Borough that will house persons who are
15 committed to the custody of the commissioner of corrections. The agreement must provide
16 that the state agrees to lease the space for a minimum of 20 years.

17 (b) The agreement to lease entered into under this section is predicated on and must
18 provide for an agreement between the Kenai Peninsula Borough and one or more private
19 third-party contractors under which private, for profit or nonprofit third-party contractors
20 construct and operate the facility by providing for custody, care, and discipline services for
21 persons held by the commissioner of corrections under authority of state law. The
22 commissioner of corrections shall require in the agreement with the Kenai Peninsula Borough
23 that the Kenai Peninsula Borough procure one or more private third-party operators through a
24 competitive procurement process. A municipality exercising its powers under
25 AS 29.35.010(15) for procurement of land, design, construction, and operation of a facility,
26 that follows its municipal ordinances and resolutions and procurement procedures, satisfies
27 the procurement requirements of this subsection.

28 (c) The authorization given by (a) of this section is subject to the following
29 conditions:

30 (1) the lease must have a minimum of 800 prison beds, and the lease payments
31 must be sufficient to cover

1 (A) the cost for the development and construction of the facility; and
2 (B) the operating costs for a minimum of 800 prison beds in the
3 facility for a period of five years, less a reasonable period to achieve full occupancy;

4 (2) the agreement to lease must contain terms providing that the commissioner
5 of corrections may direct the Kenai Peninsula Borough to terminate its contract with a private
6 third-party contractor operating the facility in accordance with the provisions of (b) of this
7 section if the commissioner finds that the private third-party contractor has failed to provide
8 or cause to be provided the degree of custody, care, and discipline required by terms of the
9 lease agreement;

10 (3) the commissioner may not enter into the lease if the commissioner finds
11 that the Kenai Peninsula Borough is unable to provide or cause to be provided a degree of
12 custody, care, and discipline similar to that required by the laws of the state.

13 * Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

15 **APPLICABILITY.** The provisions of AS 33.30.031(a) do not apply to an agreement
16 to lease a correctional facility in accordance with the provisions of sec. 2 of this Act. This
17 applicability section does not affect the authority of the commissioner of corrections to
18 designate the correctional facility to which a prisoner is assigned.

19 * Sec. 4. Section 4, ch. 15, SLA 1998, and sec. 6, ch. 35, SLA 1999, are repealed.

20 * Sec. 5. This Act takes effect June 1, 2001.

AMENDMENT

OFFERED IN THE SENATE
To: CSHB 149(FIN)(title am)

By: Sen. Olson

Page 1, line 13, following "facility":

Insert "procured by competitive bids open to private, for profit or nonprofit contractors"

Page 2, line 23:

Delete "operators"
Insert "contractors"

Page 2, lines 24 - 28:

Delete "similar to the procedures established in AS 36.30 (State Procurement Code). The adoption, by the Kenai Peninsula Borough exercising its powers under AS 29.35.010(15), of ordinance No. 2000-59, for procurement of land, design, construction, and operation of a facility on a request-for-qualification basis satisfies the procurement requirements of this subsection."

Insert "in which bids are submitted so that a comparison of costs can be made and the low qualified bidder is then selected on the basis of those bids."

SENATE FINANCE COMMITTEE
~~2000~~ **COMMITTEE ACTION**

4/26/01

Bill Number	HB 149		
Amendment	#1		
Motion	adopt		
<u>Motion by</u>	Olson		
<u>Objection by</u>	Ward		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Leman			
Senator Olson			
Senator Ward			
Senator Wilken			
Senator Austerman			
Senator Green			
Senator Hoffman			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
<u>MOTION</u>	WITHDRAWN		

SENATE FINANCE
COMMITTEE

Amendment Number: #2

Bill Number: HB 149

Sponsor: Olson Date: 4/26/01

Logged In By: Mindy

AMENDMENT

NOT
OFFERED

By Olson

OFFERED IN THE SENATE

To: CSHB 149(FIN) draft W

Page 1, line 13, following "facility":

Insert "procured by competitive bids open to private, for profit or nonprofit contractors"

Page 2, line 23:

Delete "operators"

Insert "contractors"

Page 2, lines 24, after "process":

Insert "in which bids are submitted so that a comparison of costs can be made and the low qualified bidder is then selected on the basis of those bids."

Page 2, lines 24 - 27:

Delete "A municipality exercising its powers under AS 29.35.010(15) for procurement of land, design, construction, and operation of a facility, that follows its municipal ordinances and resolutions and procurement procedures, satisfies the procurement requirements of this subsection."

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 17, 2001

SUBJECT: Review by the Attorney General of CSHB 149(FIN)
(CSHB 149(FIN))

TO: Representative Mike Chenault
Attn: Sue Wright

FROM: Gerald P. Luckhaupt 
Legislative Counsel

You have provided me with a review of CSHB 149(FIN) by Assistant Attorney General Marjorie L. Vandor addressed to the chair and members of the House Rules Committee and have asked me to comment on the review. Having just received the review and considering the time limitations placed upon me, my comments will be brief and not as definitive as I would like.

The review raises two issues: (1) that the CS(FIN) may violate the prohibition against local and special legislation; and (2) that the CS(FIN) may unconstitutionally intrude on the powers of the executive branch to execute the laws. Both issues relate to a provision of the CS(FIN) that the commissioner of corrections shall require in an agreement with the Kenai Peninsula Borough for the construction and operation of a prison that the borough select an operator through the prison by a competitive process. The CS(FIN) then declares that the procurement requirements are satisfied by the borough's actions in adopting a particular ordinance that addressed the "procurement of land, design, construction, and operation of a facility on a request-for-qualification basis." I will examine the latter issue first.

Frankly, I am not impressed with the opinion expressed in the review on this issue. I do not necessarily have any quibbles with the law cited in the review, but I fail to discern how the provision amounts to a constitutional violation as alleged. While the questioned provisions of the bill are odd or unusual at best, I do not see it amounting to the legislature performing the separate powers of the executive. The legislature is merely setting the conditions under which the executive may exercise its authority and appears to have found that the actions of the borough have satisfied the requirement that must be placed in the agreement. The executive branch still retains the authority to decide whether to enter into an agreement with the Kenai Peninsula Borough.¹ While it may

¹ Bill sec. 2(a) provides:

Representative Mike Chenault
April 17, 2001
Page 2

have been less awkward for the legislature to have noted the actions of the Kenai Peninsula Borough and then not included competitive process requirements (at least as to any initial agreement with the borough), the fact that the legislature proceeded as it did, in my opinion, does not amount to an infringement of the powers of the executive.

The local and special legislation issue causes me some consternation but my unease does not amount to a belief that the CS(FIN) may violate the constitution as alleged in the review. Again I have no complaints with the law cited in the review. But the reviewer is bothered by the legislature's reference to the ordinance passed by the borough apparently believing that this specificity violates Art. II, § 19, Constitution of the State of Alaska. Since the legislation only allows the executive branch to enter into an agreement with the Kenai Peninsula Borough, I fail to see why the language crafted by the legislature relating to whether the competitive process requirements have been met must be neutral as the reviewer apparently believes. The legislature could have omitted the competitive process requirement language and observed that the borough has already engaged in a competitive process through the passage of the ordinance. Stating things as done in the CS(FIN), while cumbersome, in my opinion does not make the bill any more likely to be struck down as local and special legislation.

GPL:jhb
01-044.jhb

The Department of Corrections may enter into an agreement with the Kenai Peninsula Borough to lease space . . ."

DEPARTMENT OF CORRECTIONS
Cost of Care
Arizona private vs. Kenal private
vs. Kenal state prison

DESCRIPTION	See Notes	ARIZONA OUT OF STATE COST OF CARE	See Notes	Kenal Bcrough Private Operated COST OF CARE		See Notes	Kenal Prison State Operated COST OF CARE	
				Private Cost	Private Cost		State Cost	State Cost
Design and Construction Cost				\$70,000,000.00	\$100,000,000.00	*1	\$77,000,000.00	\$110,000,000.00
Per-Diem Capitalization Cost				Capitalization Cost \$21.40	Capitalization Cost \$30.44		Capitalization Cost \$23.51	Capitalization Cost \$33.48
Per Diem Operating Cost		\$54.57		\$67.80	\$58.56	*2	\$65.92	\$65.92
Subtotal:		\$54.57		\$89.00	\$89.00		\$89.43	\$89.40
Inmate Programs		Incl. In Contract		Incl. In Contract	Incl. In Contract		\$2.96	\$2.96
Inmate Medical	*3	\$2.79	*4	\$10.99	\$10.99	*4	\$10.99	\$10.99
Transportation	*3	\$1.76	*5	\$1.59	\$1.59	*5	\$1.59	\$1.59
Gratuities		\$1.85		\$1.85	\$1.85		\$1.85	\$1.85
Probation Staff		\$0.77		\$0.77	\$0.77		Incl. In Per Diem	Incl. In Per Diem
Misc. Other Expenditures		\$0.37		\$0.37	\$0.37		Incl. In Per Diem	Incl. In Per Diem
Contract Monitor		\$0.31		\$0.31	\$0.31		N/A	N/A
Estimated Comprehensive Cost of Care for Institution		\$62.42		\$104.88	\$104.88		\$106.82	\$116.79

*1 Assumes all bonds issued at 6% and assumes 10% increase for State build

*2 This is a speculative number, based on the actual \$65.92 FY00 per prisoner costs for Wildwood (capacity of 370). The institutional costs for the new Anchorage Jail will be \$88.00 per prisoner (400 bed capacity).

*3 Based on FY 00 actuals for Arizona

*4 Based on FY 00 Medical Costs in-state less administration and mental health

*5 Based on FY00 average of statewide actuals

*6 Does not include a CPI adjustment, which has been 1-2% annually in Anchorage; at 1%, this would add an approximate \$300,000 a year increase to the contract costs.

Alaska State Legislature

Interim:

Legislative Affairs Agency, LIO
145 Main St. Loop, Second Floor
Kenai, AK 99611
Phone: (907) 283-7223



Session:

State Capitol, Room 432
Juneau, AK 99801-1182
Phone: (907) 465-3779
Fax: (907) 465-2833

Representative Mike Chenault District 9

SPONSOR STATEMENT FOR HOUSE BILL 149

House Bill 149 was introduced simply to transfer the authority to construct a private prison from Ft. Greely/Glennallen area to the Kenai Peninsula Borough.

This will create a construction project worth an estimated *67 Million Dollars*, (this is a sponsor staff estimate) and will provide the Kenai/Nikiski area with an additional stable economic base. In addition the State of Alaska has been supplementing the economy of Florence, Arizona upwards of 20 million dollars per year. It would only make sense to bring those dollars back to Alaska.

Currentiy I am putting together the specific cost multiplier benefits that will occur when the facility is constructed in Kenai. Future direct economic impacts as a result of stable economic development will be an important portion of the study that will be available in a few days.

Thank you for your time and consideration. If you have any questions please call Sue in my office at 465-3779.

REVISED 03/03 10 A.M.

SECTIONAL ANALYSIS

HOUSE BILL 149

An Act relating to correctional facility space and to authorizing the Department of Corrections to enter into an agreement to lease facilities for the confinement and care of prisoners within the Kenai Peninsula Borough.

Section 1: This section states the purpose of the bill as it relates to authorization for the Kenai Peninsula Borough and the Department of Corrections to enter into an agreement for leased correctional space. It also imposes a minimum time for the lease.

Section 1 (b) specifies the conditions which the Kenai Peninsula Borough may enter into an agreement with a private third-party contractor using a competitive procurement process.

Section 1 (c) allows for certain criteria to be met in the lease agreement.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 149
() Publish Date: 2/26/01

Title: An Act relating to correctional facility space and to authorize the DOC to enter into agreement.....
Sponsor: _____
Requester: State Affairs/ Finance

Dept. Affected: CORRECTIONS
BRU: Administration and Operations
Component: Office of the Commissioner
Component Number: 694

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	71.0	71.0	71.0	326.0	255.0	255.0
Travel	5.0	5.0	5.0	5.0	0.0	0.0
Contractual	85.0	75.0	75.0	95.0	90.0	90.0
Supplies	1.5	1.5	1.5	1.5	0.0	0.0
Equipment	3.0	0.0	45.0	0.0	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous				1,210.4	477.5	477.5
TOTAL OPERATING	165.5	152.5	197.5	1,637.9	822.5	822.5

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	165.5	152.5	197.5	1,637.9	822.5	822.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	165.5	152.5	197.5	1,637.9	822.5	822.5

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time	1	1	1	10	10	10
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill allows the Commissioner of the Department of Corrections to enter into a Ten-Year agreement predicated on an agreement with a private third-party contractor who will construct and operate the facility by providing for custody, care, and discipline for persons held by the commissioner of corrections under authority of state law. The agreement must be for a minimum of 800 prison beds and contain terms providing the commissioner of corrections may terminate for cause, and the commissioner may not enter into an agreement with an agency unable to provide or cause to be provided a degree of custody, care, and discipline similar to that required by the laws of Alaska.

DOC will require a Long-term Project position- Facilities Manager I to interface with the local government project during design and construction phases and through 1st year operations. Position costs \$71.0 per year through FY2005 and requires an additional \$14.5 of support costs for FY2002 and \$11.5 for FY2003-2005.

(CONTINUED ON PAGE 2 of 2)

Prepared by: Candace Brower Phone 465-4652
Division: Administrative Services Date/Time 3/14/2001 3:45PM
Approved by: Margaret M. Pugh, Commissioner Date 3/14/01
Agency: Department of Corrections

For distribution information, call the Governor's Legislative Office

House Bill 149

"An Act relating to correctional facility space and to authorize the DOC to enter into agreement..."

Publish Date: 2/26/01

Page 2

As Corrections Group North has noted, "Management problems in private prisons are the result of poorly drafted contracts [and] lack of oversight." The Department of Corrections (DOC) requires funds to enable the Agency to hire a professional who will negotiate the necessary prisoner care and operational contracts with the Kenai Peninsula Borough and its third party Representative. These contracts are to ensure they provide a degree of custody, care, and discipline similar to that required by the laws of this state. Estimate approximately \$185 per hour X 430 hours = \$79,950 or \$80.0. This is the estimated amount that the Municipality of Anchorage spent on their contract negotiations for the New Anchorage Jail. The Department assumes that all necessary contracts would be completed in FY2002.

The DOC also requires funds to enter into a professional service agreement for contract compliance monitoring services for the new Kenai Jail. The DOC must be assured that the Third-Party Operator of the facility complies with all of its contractual requirements to prevent and defend against potential litigation and/or liability for the State of Alaska. Monitoring services would include development of the monitoring instrument to include all aspects of correctional practice, on-going monthly monitoring, and reporting requirements. The Department estimates approximately \$100 per hour X 700 hours per year = \$70.0 per year beginning in FY2003.

State oversight of the new Kenai Facility will require the following additional 4 Permanent full-time state staff in the Department's budget for the life of the contract: (Assume that staff will begin work FY2005)

Two Probation Officer II's @ \$65.0 per year = \$130.0
1 Nurse II @ \$65.0 per year
1 Internal Auditor II @ \$60.0 year
Support costs for 4 Positions @ \$5.0 per position = \$20.0

Data processing equipment will be needed to support DOC oversight staff and to interface with the new Kenai Jail with the Department's Management Information System. Data processing PC's, office equipment, miscellaneous equipment including the WAN/LAN connection. \$45.0 in FY2004

The DOC Transportation Section will require: four (4) additional Prisoner Transportation Officers based at the Kenai Jail (\$65.0 each X 4 = \$260.0) and one Officer in the Anchorage Central Office (\$60.0); safety and operating equipment for the five officers (\$14.9 Total One-Time); a new Van to transport prisoners back and forth from the Kenai Jail (\$30.0 one-time); travel and transportation funds to move prisoners from out of state to Kenai (one-time expenses of \$688.0); travel and transportation costs to handle routine needs at the facility (annual expenses estimated at \$12,500 per month X 12 months = \$150.0); and contractual services funds for miscellaneous equipment to support new officers, such as radios and weapons. (\$7.5).

Cost: \$1,210.4 (\$477.5 Annually starting in FY2005 and \$732.9 One-Time in FY2005.)

The DOC cannot presently calculate the new contractual service funds that will be needed to pay for the prisoner beds at the new Kenai Jail because sufficient information is not yet available. HB 149 only addresses the need for 800 beds for a minimum of 20 years agreement. We cannot speculate what the costs per day would be for each of the 800 beds. Thus, we can only submit an indeterminate amount for these services.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 149
(H) Publish Date: 3/22/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title: Private Prison in Kenai BRU: Revenue Operations
Component: Treasury
Sponsor: Representative Chenault
Requester: House State Affairs Component Number: 121

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared by: Deven Mitchell, State Debt Manager Phone 465-3750
Division: Treasury Date/Time March 14, 2001, 1 p.m.
Approved by: Larry Persily, Deputy Commissioner Date 03/14/2001
Agency: Department of Revenue

For distribution information, call the Governor's Legislative Office

Department of Revenue
Fiscal Note for HB 149

This legislation authorizes the Department of Corrections to enter into an agreement with the Kenai Peninsula Borough to lease facilities for the confinement and care of prisoners. The lease would be for at least 20 years and provide at least 800 prison beds with no limitation on cost of the facility or cost of prisoner care. The lease must provide for an agreement between the Kenai Peninsula Borough and a private third-party contractor to construct and operate the facility. The legislation provides no requirement to use tax-exempt financing, no maximum lease term, no maximum annual lease payment amount, and no maximum project size in either dollars or number of prisoners to be housed at the facility.

The bill as drafted would make it quite unlikely that the facility could be financed on a tax-exempt basis. This means that any financing will carry interest rates approximately 2% higher than rates the state normally pays for financing public facilities. Based on the project estimates of \$60 million to \$125 million, paying a taxable rate of interest would increase the cost of the project financing from \$16 million to \$32 million. In order to minimize the cost to the state (reducing interest expense), the legislation should be redrafted in a way that would permit the use of tax-exempt financing. The current draft does not sufficiently circumscribe the role of the private third-party contractor to permit the borough to comply with "private use" and "management contract" guidelines of the Internal Revenue Service.

Additional concerns that should be addressed:

- No maximum capital expenditure for the facility is established.
- No maximum lease term is specified.
- No maximum lease payments are identified.

While the state's lease payments will be the security for the bonds, there is no specific provision in this legislation for the State Bond Committee to participate in structuring the financing. The state's credit is involved as purchasers of the bonds look to the underlying source of revenues for bond payments when determining risk. As the source of revenues will be the lease payments of the state to the borough, the "credit trail" leads to the state and its ability to make future lease payments. The foundation upon which the state has built credit ratings has been the centralized control of the state's credit through the State Bond Committee. To the extent we deviate from this policy, continued strong ratings of the state become more difficult to retain.

Accordingly, similar to the Anchorage jail transaction, it is anticipated that the State Bond Committee will actively participate in structuring the transaction with the Kenai Peninsula Borough. While costs are not specified in this fiscal note, it is anticipated that between \$50,000 and \$100,000 of bond proceeds (dependent upon size) would be used to pay the state's expenses in this transaction.



TONY KNOWLES
GOVERNOR
governor@alaska.gov

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU
October 30, 2000

P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532
www.gov.state.ak.us

The Honorable Dale Bagley
Mayor of the Kenai Peninsula Borough
144 North Binkley
Soldotna, AK 99669

Dear Mayor Bagley:

Thank you for your letter regarding the private prison proposed near Kenai. I know you have begun meetings with Commissioner Margaret Pugh on this matter, and I appreciate your interest in learning more about the possibilities and the issues involved.

Early on, my Administration developed an approach to prison expansion based on five principles:

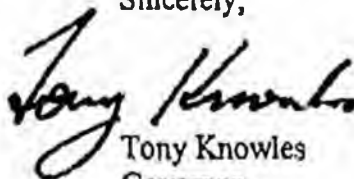
- Protecting the public's safety;
- Addressing statewide and regional needs;
- Consistency with best correctional practices;
- Community participation through government-to-government transactions; and
- Cost-effectiveness.

The Kenai private prison idea may meet those important objectives. I'm sure there is plenty of discussion to come, and I hope you will keep Commissioner Pugh informed of the latest developments. I know she has offered to facilitate meetings with state experts to discuss bonding and other financial matters. Those discussions also are important.

In the meantime, it is clear the Legislature's intent in House Bill 53 was to develop a private prison at the Fort Greely site. The state has been working to do so ever since. There is no doubt any change of focus or development of a new private prison plan will involve legislative action.

My Administration looks forward to further discussion of Alaska's prison needs.

Sincerely,


Tony Knowles
Governor

cc: Commissioner Margaret Pugh, Department of Corrections ✓

POM for Representative Chenault



From: Mr. Roger C Laber
319 Riverside Dr

Telephone: -

Soldotna, AK 99669

NON Constituent

Registered Voter: V

Email:

Bill: HB 149 Title: PRIVATE PRISON IN KENAI
Message:

Please support HB 149. The Soldotna City Council is opposed to the private prison. This does not reflect the views of most citizens of Soldotna who overwhelmingly support the private prison concept. Could we also agree that the community college be tasked to train local citizens to work at the new prison industry?

Entered in SOL on 4/16/01 POMID: 1220

Distribution: 5

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Message 1 out of 20.

Subject: Private Prison Project

Date: Thu, 22 Mar 2001 21:46:41 -0900

From: "Susan Wells" <susiewells@gci.net>

To: <Representative_Mike_Chenault@legis.state.ak.us>

Dear Representative Chenault,

I am in support of, and would like to thank you for your support of, the private prison project that the Kenai Peninsula Borough is working on. It will provide an economic boost to the Peninsula, providing jobs and a quality facility for those Alaskans who are serving their time out of State. I believe it will save the State of Alaska money in the longrun.

I believe it is possible for the private sector to build and operate a safe and secure prison that the State can be proud of. When I hear the opposition to "private prisons" I have to wonder, if private prisons are so bad, why does the State contract with a private prison in Arizona to house our prisoners?

Please support HB 149.

Thank you,

Susan Wells
37305 Cetacea Lane
Kenai, Alaska 99611

Subject:

Date: Fri, 06 Apr 2001 07:32:33 -0000

From: "Michael Carpenter" <mwcarpenter59@hotmail.com>

To: Representative_Mike_Chenault@legis.state.ak.us

Dear Representative Chenault,

I'm writing in support of the proposed private prison for Kenai. I believe it will:

- benefit the residence of the Peninsula, directly and indirectly;
-
- will reduce the cost of incarceration of Alaskan inmates;
-
- bring those who are housed in the Lower 48 private prisons home and optimize the rehabilitation for those Alaskans;
-
- provide the needed beds for prisoners in the State of Alaska;
-
- provide meaningful jobs for Alaskan and Peninsula residents;
-
- will be the means to provide top quality training at the local college;
-
- provide an industry to supplement the fishing and tourism industries;
-
- provide an additional base for new retail businesses in the area;
-
- will bring additional professionals to the area;

I believe the proposed site on Wildwood is the most logical place to put a new prison and will compliment the existing facility.

Please support the HB 149 to build a private prison on the Kenai Peninsula.

Thank you,

Michael W. Carpenter

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Senator
WARD*



Anchorage Daily News

Michael J. Sexton
President and Publisher

Patrick Dougherty
Editor

Steve Lindbeck
Associate Editor

Founded in 1946 by Norman C. Brown

Fuller A. Cowell, Publisher, 1993-1999 Katherine Fanning, Editor and Publisher, 1971-1983
Gerald E. Gilly, Publisher, 1984-1993 Lawrence Fanning, Editor and Publisher, 1967-1971

COMPASS: *Points of view from the community*

Prison plan warrants backing

By FRANK PREWITT

In uncharacteristically blunt fashion, Byron Mallot recently condemned acts of violence against Alaska Natives and the failure of state policymakers to look directly into the face of racism in Alaska. It seems most Alaska Natives have patiently trusted that equal distribution of justice and resources would eventually find its way to the Native community. Finally, in the shadow of violence, the sleeping giant of self-determination appears to be waking.

Frozen paint balls of bias first burst in the face of the Kenai Natives Association last summer, when the skeleton of inequality tumbled from a closet in the state justice system. Rick Segura, president and CEO of the Kenai Natives Association, was exploring business opportunities for his small Native corporation, when he discovered that only 7 percent of Alaska's general population are Native males, but 37 percent of Alaska's prison population are Native men. A few phone calls later, Rick learned that over 300 Alaska Natives are imprisoned in the desert of Arizona, far from the cultural and behavioral support systems necessary for rehabilitation, victims of a stop-gap measure to relieve in-state prison overcrowding, now inexcusably in its seventh year.

While these men have committed serious crimes, Rick found that few Alaska Native prisoners fit conventional patterns of criminal behavior and most do not respond to conventional correctional programs. His research confirmed what Rick had always suspected: Except for the ravage of alcohol, most Native prisoners would have led and can, again, lead productive lives.

How tragic to commit a violent crime, harbor little or no recollection of the event, and live in exile with only pain and remorse as your cellmates.



The economic benefits for all Alaskans are many: local consumption of materials, goods and services associated with a major construction project; over 300 construction jobs; roughly 250 permanent prison jobs; and over \$20 million annually spent in Alaska, rather than Arizona.

Rick doesn't excuse his brothers' behavior, but he is concerned that the state seems ill-equipped or unable to break the cycle of destruction. The Alaska Judicial Council and University of Alaska Justice Center have repeatedly reported on cultural bias in our judicial system. Yet, simply put, we Alaskans continue to incarcerate more of our indigenous neighbors, per capita, than any other state, by overwhelming margins.

The Kenai Natives Association cannot fix the state justice system, but their board of directors has decided that they can commit their limited resources to reducing recidivism among Alaska Natives.

This month the Kenai Natives Association teamed with Cornell Companies and the Kenai Peninsula Borough to offer the state an alternative to out-of-state incarceration. The borough intends to sell bonds to finance a privately built and operated prison on Kenai Natives Association land adjacent to the existing, state-operated, Wildwood Correctional Center. The prison will be built to the highest standards of the industry and meet, or exceed, the security standards of the state Department of Corrections. Beyond conventional programs offered by the state, KNA's vision is to offer the Alaska Native community the opportunity to take responsibility for programs designed to target and eliminate the re-

volving door of Native incarceration.

The economic benefits for all Alaskans are many: local consumption of materials, goods and services associated with a major construction project; over 300 construction jobs; roughly 250 permanent prison jobs; and over \$20 million annually spent in Alaska, rather than Arizona.

The social benefits for all Alaskans are even more compelling: empowering Alaska Natives as stakeholders in the healing of their fathers, sons and brothers, as well as returning all Alaskan offenders imprisoned in Arizona nearer to the support systems necessary to effect life changing behavior.

On Dec. 19, 2000, the board of directors of the Alaska Federation of Natives passed a resolution which states, in part: "The AFN Board of Directors does fully endorse and support the Kenai Natives Association Inc. in the development of their private prison project."

As neighbors, we can all take a small step toward reconciliation by supporting the Kenai Natives Association. As a society, we have nothing to lose and everything to gain by seeking new solutions to old problems.

■ Frank Prewitt is an Anchorage attorney and former commissioner of the Department of Corrections under Walter J. Nickel. He consults for Cornell Corrections and the Kenai Natives Association.

ALASKA FEDERATION OF NATIVES, INC.

1577 C Street, Suite 300, Anchorage, Alaska 99501
907-274-3611 Fax 907-276-7989

**Board of Directors
Board Resolution 00-07**

TITLE: IN SUPPORT OF A PRIVATE PRISON ON KENAI NATIVE ASSOCIATION, INC. (KNA) WILDWOOD PROPERTY

WHEREAS: the Kenai Native Association, Inc. (KNA) has undertaken the development of a private prison to be located on their Wildwood property; and

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WHEREAS: the State of Alaska spends over \$18 million per year to keep these prisoners in Arizona when the funds would be better spend supporting a private Alaskan prison at Wildwood; and

WHEREAS: the proposed private prison facility being developed by KNA would be more adept at meeting the cultural and rehabilitative needs of the Alaska Native prisoners; and

WHEREAS: the completion of this facility will assist in the effort to bring our people home from confinement in Arizona;

NOW THEREFORE BE IT RESOLVED that the Alaska Federation of Natives Board of Directors does fully endorse and support the Kenai Native Association, Inc. in the development of their private prison project.

Adopted this 19th day of December, 2000.

Corporate Seal:



Julie E. Kitka
Julie E. Kitka, President

NINILCHIK TRADITIONAL COUNCIL

P.O. BOX 39070
NINILCHIK, ALASKA 99639
PH.: (907) 567-3313 • FAX: (907) 567-3308



August 18, 2000

Richard Segura, President/CEO
Kenai Native Association, Inc.
215 Fidalgo Ave., S. 101
Kenai, AK 99611

Dear President Segura:

We were pleased to hear that the Kenai Natives Association, Inc. is developing a private prison project and we would like to express our support for your efforts.

An inordinate amount of Native people compromise the general prison population. That they be incarcerated in their Native land seems preferable to the current alternative.

The economic boost to the Peninsula is very much needed in light of the current fishing, oil, and logging industries.

We consider this a very worthwhile project and respectfully request the Governor to offer his full support.

Thank you.

ds for Sincerely,
Jack Kvasnikoff, Jr.
Jack Kvasnikoff, Jr.
President/Chairman

c: file

Kenai Peninsula Borough Private Prison Proposal

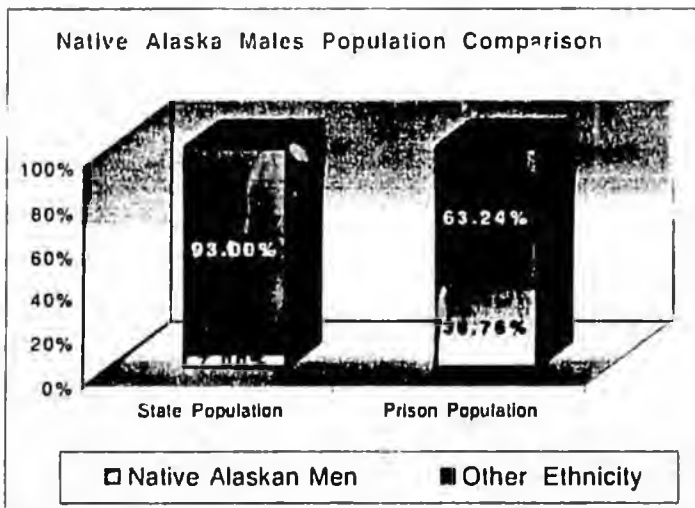
LEGISLATIVE HISTORY

In 1995 all of Alaska's prisons and jails were at, or over emergency capacity. The State was found in contempt of court and the Department of Corrections was ordered to reduce inmate populations to court approved levels. As a stopgap measure, the Department entered into a contract to house Alaska prisoners in a privately owned and operated prison in Arizona. Today, more than 900 Alaska prisoners are housed in Arizona, resulting in an annual loss to the Alaska economy of \$18 million in operating funds and roughly 250 jobs.

The social cost to Alaska is even more significant. More than 300 of the prisoners housed in Arizona are Alaska Natives. Many of these offenders are from remote regions of Alaska, far removed from the cultural support systems necessary for rehabilitation.

This hardship affects all Alaskan prisoners housed "outside", but the disparate impact upon Native Alaskans calls into question a problem of grave social consequence: Alaska Native males make up only seven percent of Alaska's general population, yet Alaska Native men comprise a tragic thirty-seven percent of Alaska's prison population. These offenders do not fit conventional patterns of criminality and they do not respond to standard correctional programs. Except for the ravages of alcohol, most Alaska Native offenders could lead productive lives.

The problem of out-of-state incarceration is compounded by the extraordinarily high cost of building and staffing State operated prisons and jails. The Alaska Legislature confronted these issues head on in 1998 and 1999 by authorizing the construction and operation of a private prison



in Alaska, on Fort Greely, near Delta Junction (HB53, SB 141). The enabling legislation was intended to bolster the economy of that region, after base closure, by returning the prisoners housed in Arizona.

The Delta prison plan enabled the Department of Corrections to petition the Superior Court for relief from monitoring imposed by the Cleary Final Settlement Agreement. The Department submitted a plan citing the Delta Junction prison as the centerpiece of its prison population management strategy. The court approved the Department's plan to return the prisoners held in Arizona to Alaska by 2003. The court released the Department from Cleary oversight after seventeen continuous years of monitoring and litigation.

Fort Greely will officially close in July 2001, but complications associated with the transition of the base facilities as well as uncertainties associated with the proposed National Missile Defense System have derailed any hope of developing a prison on Fort Greely for the foreseeable future.

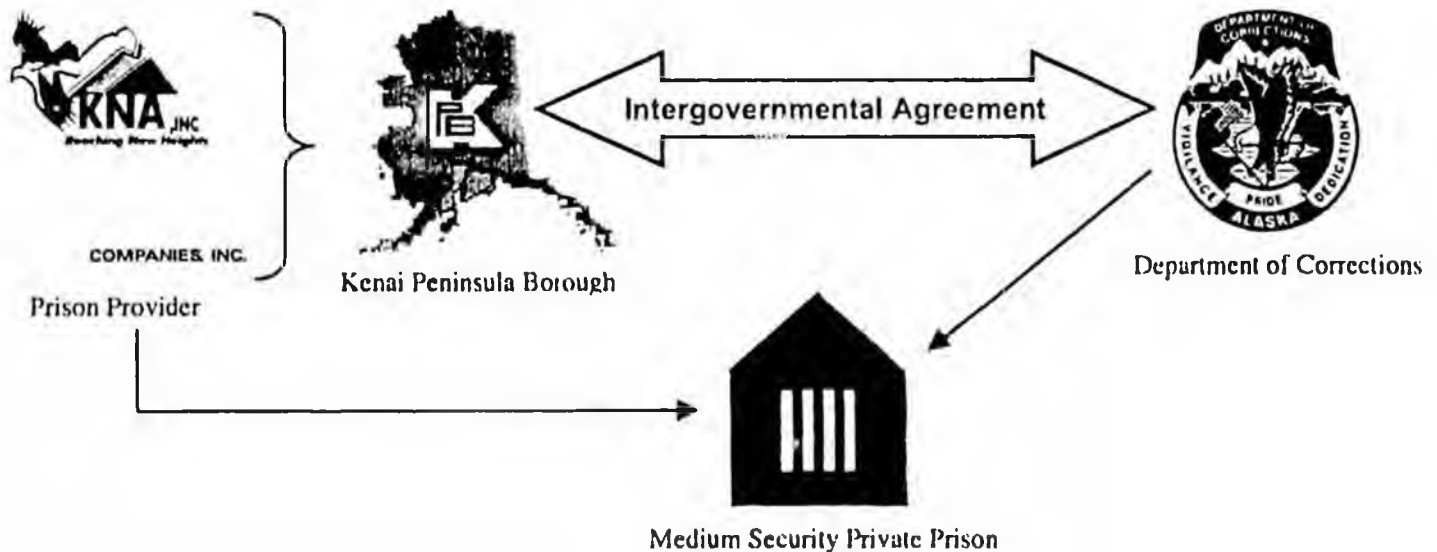
The Issue

Failure of the Delta Junction prison leaves serious matters of social and economic policy unresolved and exposes the State of Alaska to the possible, if not probable, risk of:

- ★ Renewed court monitoring of the Department of Corrections.
- ★ Renewed court sanctions for prison overcrowding.
- ★ Class action or individual lawsuits for impairing the rehabilitation rights of Alaska prisoners housed in Arizona.
- ★ Class action or individual lawsuits for disparate treatment of Alaska Native prisoners.

The Proposal

The Kenai Natives Association and their partner Cornell Companies have teamed with the Kenai Peninsula Borough to offer the State Department of Corrections a viable alternative to the Delta Junction prison plan.



The Plan

The Kenai Peninsula Borough (KPB) has completed a competitive procurement similar to the procedures established in the State Procurement Code to select a private, third party contractor to promote, design, build and operate the prison for the first five years.

Having one private entity provide the design, construction and operation of the prison

minimizes the financial risk to the State. Design/build contracts avoid the risk of contractor claims arising from cost overruns by

transferring the responsibility for design and construction to one private entity. Having the same entity responsible for operation ensures that the private party bears the risk of operating the prison under the reimbursement budget created by the intergovernmental agreement between the State and the Borough. Allocating

that risk to one developer imposes proper market incentives to make cost effective decisions in design and construction that will lower operating expense (e.g. maintenance, staffing efficiency, materials).

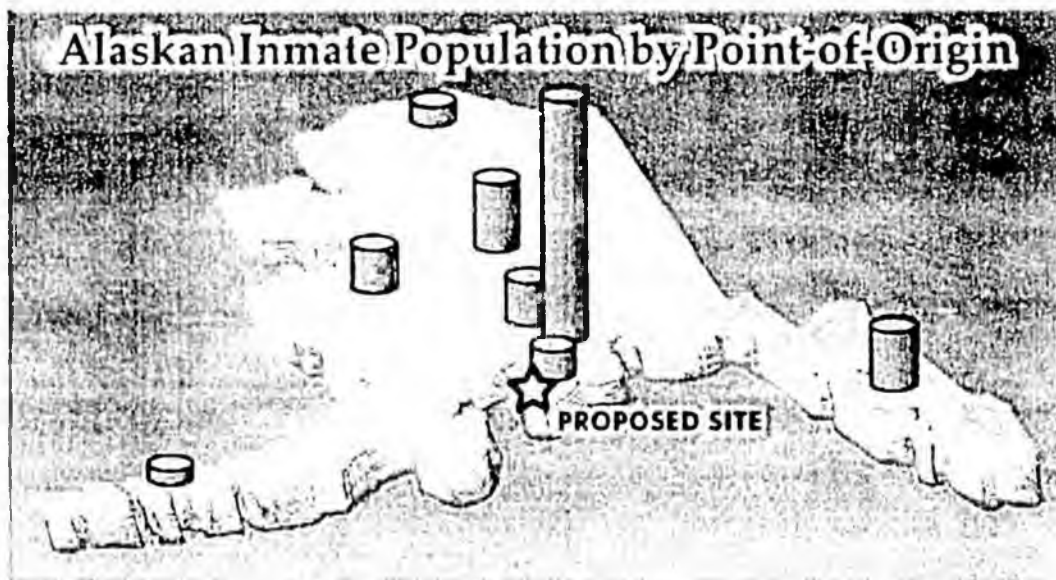
The KPB will finance construction through the sale of tax exempt bonds. The bonds will be secured by an intergovernmental agreement to

lease eight hundred prison beds for a period of twenty years.

The prison will be located on Kenai Natives Association land adjacent

to the existing state operated Wildwood Correctional Center. Cornell Companies of Alaska will operate the prison during the first five-year term with indigenous, culturally relevant programs augmented by the Kenai Natives Association in cooperation with other Native corporate and tribal stakeholders.

When one private company is responsible for designing, building and operating a prison, financial risk to the State is minimized.



Located in the Kenai / Soldotna area, the site provides convenient and readily accessible resources for medical care, rehabilitation programs, transportation, food/goods, and services. These efficiencies will provide further savings to the State.

The Mission

The proposed prison will be built and operated to the highest standards of the correctional industry, as well as existing standards unique to the Alaska Department of Corrections. But the guiding intent and mission of this facility is to

exceed the general security and program requirements of the DOC by offering the Alaska Native community the opportunity to take responsibility for programs designed to reduce recidivism among Alaska Native peoples.

Economic and Social Benefits

- ★ Materials, goods and services for an 800 bed prison construction project;
- ★ 300-400 prevailing wage construction jobs;
- ★ 250 ± permanent Alaska prison jobs;
- ★ \$18 million per year returned to the Alaska economy;
- ★ Diminished State exposure to legal liability;
- ★ Alaska Native Empowerment;
- ★ Economic and social benefits of reduced recidivism among Alaska Natives; and
- ★ Enhanced opportunity for rehabilitation of all Alaska prisoners returned from Arizona.

ALASKA FEDERATION OF NATIVES, INC.

1577 C Street, Suite 300, Anchorage, Alaska 99501
907-274-3611 Fax 907-276-7989

Board of Directors
Board Resolution 00-07

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Adopted this 19th day of December, 2000

Corporate Seal

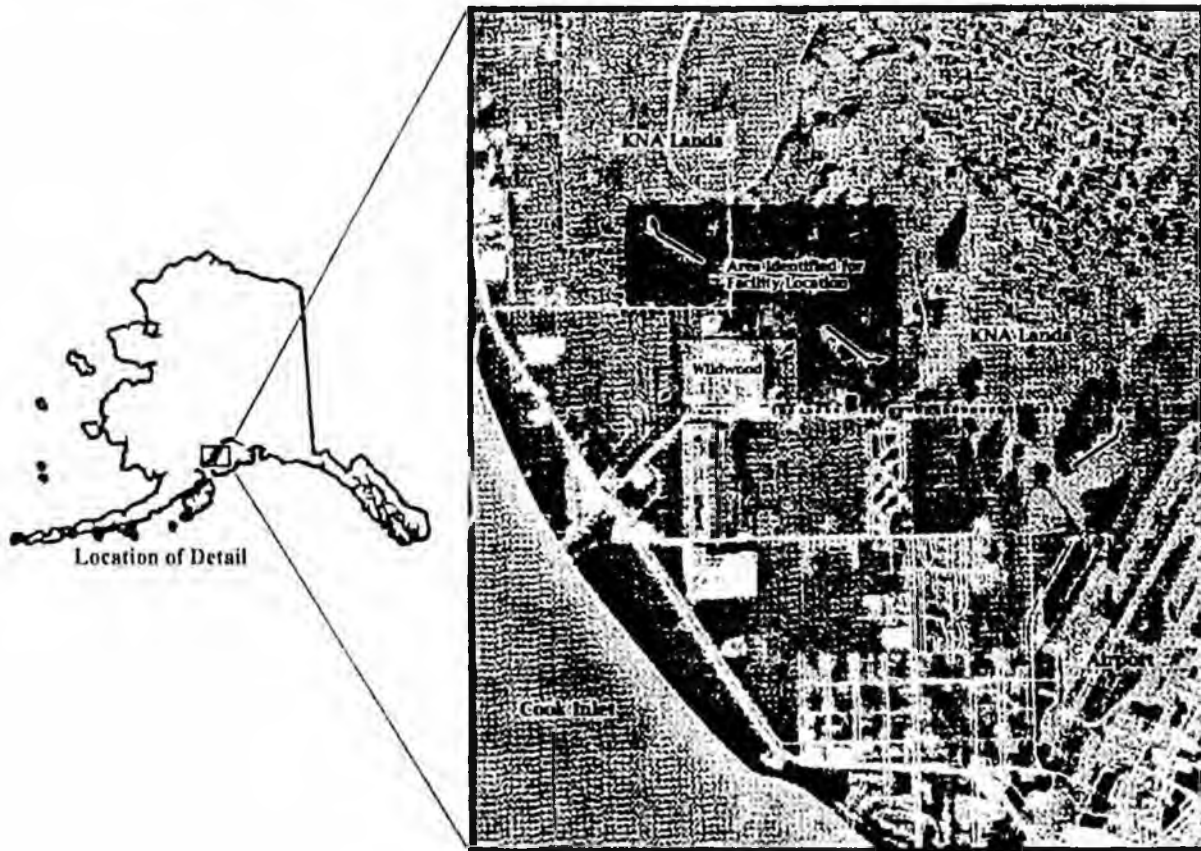


J. E. Kitka
Julie E. Kitka, President

The Site

The Kenai Natives Association owns several hundred acres of land abutting the Kenai Airport and Wildwood Correctional Center. Sixty to one hundred acres near the Wildwood Correctional Center will be used for the new prison. The Kenai Natives Association land has been identified as meeting and, in many cases exceeding, State and national site criteria for

prisons. If a proposed road from the airport to the site is approved, inmates can be transported to and from Wildwood and the new facility without entering the City of Kenai. Co-locating the new facility in close proximity to the existing State operated facility will facilitate program, operational and security efficiency.



Site Advantages

Adjacent to Wildwood Correctional Center

- Public Acceptance
- Potential Sharing of Services with WCC
- Security Back-up

Existing Utilities

Close to Community Services

Accessibility

- Secure Access to Airport
- Easy Highway Access

Readily Developable Site

Large Parcel Allows Optimum Security

The Operator

Cornell Companies of Alaska will operate the proposed prison for the initial first five-year term of the contract with the State. Cornell is the largest private company currently providing correctional services in Alaska. Cornell is one of the top three private corrections companies in the United States and the only company offering

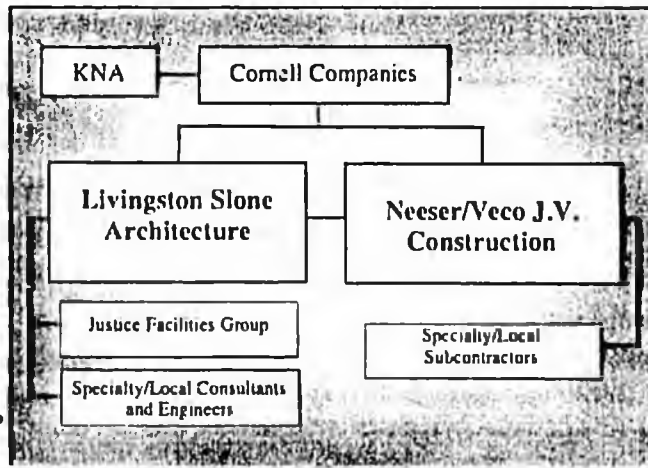
juvenile and adult secure, pre-release and treatment programs.

Cornell operates 72 facilities in 13 states and the District of Columbia with a total service capacity of 14,845 prison, jail, pre-release and treatment beds



The Design and Construction Team

The principal design and construction contractors will be three Alaska corporations: Livingston Slone Inc., VECO Alaska, Inc. and Neeser Construction, Inc. Each company has individually, and through joint ventures, participated in the design, construction and project management of many of



Alaska's largest public projects including the new Anchorage Jail, The Elmendorf Military Mall and the Alaska SeaLife Center. The prime contractors will subcontract services from local companies as well as correctional facility design specialists Justice Facilities Group of Olympia, Washington.



Elmendorf Military Mall

The New Anchorage Jail

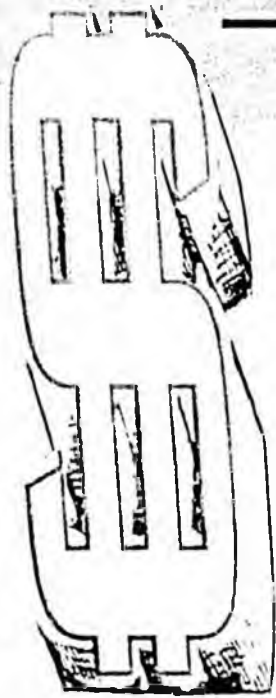
The Alaska SeaLife Center

The Cost

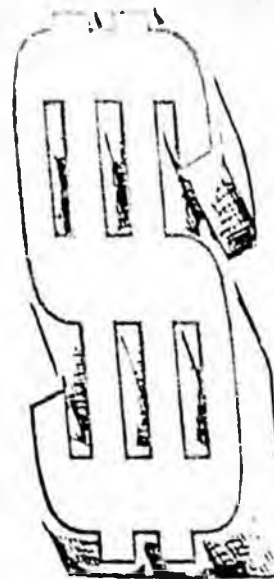
The savings in a private facility includes debt service, a cost never factored into the average daily operating cost of State prisons and jails. A publicly financed, privately built and

operated facility will save the State from fifteen to twenty percent of the cost of similar facilities operated by the State.

Inmate Costs Per Bed, Per Day



State Run Facility



Private Prison

15% -
20%
SAVINGS
TO STATE

Debt Service is included in the savings of a private prison facility. Debt Service is never factored into the average daily operating cost of State prisons and jails.

Kenai Peninsula Borough Private Prison Proposal

March 9, 2001



Produced by:

**LIVINGSTON
SLONE**

ALASKA FEDERATION OF NATIVES, INC.

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907-274-3611 Fax 907-276-7989

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Adopted this 19th day of December, 2000.


John E. Kirka, President.

Corporate Seal:



ALASKA FEDERATION OF NATIVES
BOARD OF DIRECTORS

Revised 7/1/00

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TIMOTHY TOWARAK

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Secty Pat O'Neill's E-mail: poneill@ciri.com

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CC: Robert Loescher/Sealaska

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E-mail: the13threg@earthlink.net

Revised 10/30/00

AFN Board of Directors
- Page 3 -

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AFN Board of Directors

- Page 2 -

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Alternate: Ida Roehl, POB 434,
Dillingham, AK 99576, Phone: 842-4181
CC: Terry Hoeffler / BBNA
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E-mail: jwells@maniilaq.org

STEVE GINNIS

Tanana Chiefs Conference
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452-8251 Fax: 459-3850
E-mail: nfulten@tananachiefs.org

4

August 10, 2000

Governor Tony Knowles
State of Alaska
P.O. Box 110001
Juneau, AK 99811-0001

Dear Governor Knowles,

As you are aware, the State of Alaska's prison overcrowding problem is also a problem for the U.S. Marshalls and Immigration and Naturalization Service. While I have proposed \$7.9 million to plan for a federal facility to address this need, I have recently been made aware of the Kenai Natives Association, Inc.'s., plan to privately finance, build and operate a prison on KNA land adjacent to the existing Wildwood Correctional Center.

Since it would be more cost effective to satisfy the limited Federal need for beds as part of a larger project, I would like to redirect the \$7.9 million to support the KNA prison, guaranteeing Federal prison bed space.

Because of the uncertainty associated with the proposed prison at Fort Greely and the immediate need for State and Federal prison beds, I urge the State to support the Kenai Natives Association and Kenai Peninsula Borough's timely prison plan.

Sincerely,

Senator Tod Stevens
United States Senate

6

SALAMATOF TRIBAL COUNCIL

August 4, 2000

Richard Segura,
President
Kenai Natives Association, Inc.
215 Fidalgo Avenue, Suite 101
Kenai, AK 99611

Re: Letter of Support

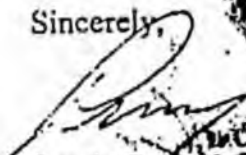
Dear Mr. Segura,

The Salamatof Tribal Council offers our sincere letter of support for the Kenai Natives Association, Inc. for your efforts to build a prison on your Wildwood property. We believe this is a significant step toward improving the overcrowding that exists in the Alaska system.

It is a sad fact that many of the inmates in the Alaska system are Natives and a number of them are currently housed out of state in Arizona. Hopefully this will help bring them back to the state. Your efforts will surely make this a more viable option.

We applaud your efforts to improve this project completely.

Sincerely,



Penny Carly
President
Salamatof Tribal Council

150 N Willow St. Suite 29 Kenai, Alaska 99611

Printed on recycled paper 

NINILCHIK TRADITIONAL COUNCIL

P.O. BOX 39070
NINILCHIK, ALASKA 99639
PH.: (907) 567-3313 • FAX: (907) 567-3308



August 18, 2000

Richard Segura, President/CEO
Kenai Native Association, Inc.
215 Fidalgo Ave., S. 101
Kenai, AK 99611

Dear President Segura:

We were pleased to hear that the Kenai Natives Association, Inc. is developing a private prison project and we would like to express our support for your efforts.

An inordinate amount of Native people compromise the general prison population. That they be incarcerated in their Native land seems preferable to the current alternative.

The economic boost to the Peninsula is very much needed in light of the current fishing, oil, and logging industries.

We consider this a very worthwhile project and respectfully request the Governor to offer his full support.

Thank you.

Ali for Sincerely,
Jack Kvasnikoff, Jr.

Jack Kvasnikoff, Jr.
President/Chairman

c: file

8



Alaska Native Brotherhood Camp 2

12 December 2000

The Honorable Tim Navarre, President
Kenai Peninsula Borough Assembly
144 North Binkle Street
Soldotna, AK 99669

Dear Honorable Navarre:

This is to encourage you and the Assembly to approve the proposal provided by the Kenai Native Association, Inc. to construct, administer and operate a medium security private prison to be located on the Kenai Peninsula.

I understand the question "Why would an organization located in Juneau support a proposed project in Kenai?" This is a good question and here is why?

First, the Alaska Native Brotherhood Camp 2, received a grant from the United States, Department of Health and Human Services for a project titled "Cultural Justice Spirit Camp and Healing Center." The project is to develop a culturally oriented corrections program in Hoonah, Alaska.

Second, our research has shown that when the native community takes responsibility for restoration and rehabilitation, recovery is successful and recidivism is reduced. We know that the proposed private prison is not for Native inmates only but we also know that approximately 800 prisoners are sent to Arizona with a majority of those being sent to this private facility are Native without any understanding of culture, traditions or customs of Native people. The primary prisons all have culturally oriented projects and programs helping self-acceptance.

Third, the benefit of providing culturally related corrections, (1) acceptance of oneself; (2) respecting oneself; (3) respecting your fellow-man and nature; (4) taking responsibility for your own actions; and (5) making amends for the wrong done to a victim (s) places a person on a healthy road of healing. Using the cultural approach provides an objective way of addressing conflicts and wrongdoing. These values apply to all people not only Natives.

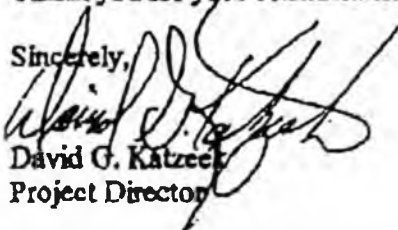
Finally, documentation is being established on the success of Native people taking the responsibility of working with the offender and victim. The community of Kake is an example. Their community worked with their own people using the culture to correct problems that kept offenders on a repetitive "gerbil wheel" of offenses.

We realize that what is being proposed is the construction of a medium security private prison, however, we strongly believe that the Kenai Native Association, Inc. will be positive toward programs that will not only save money for the State of Alaska but also help the inmate.

In conclusion we encourage you to support the Kenai Native Association's proposal because it is logical for the State of Alaska and the Kenai Peninsula. The economics are positive with construction, with employment (construction, administrative and operations). This includes an increase in consumer sales (purchases of commodities by inmates) and an increase in property values.

Thank you for your consideration.

Sincerely,


David G. Katzev
Project Director

Cc: Rick Sequra, President
Mike Slegak, COO
Kenai Native Association



RESOLUTION 2000-15
Council of the Native Village of Tyonek
An Indian Chartered Corporation

WHEREAS, Native Alaskan men comprise 35 percent of Alaska's prison; and

WHEREAS, Native Alaskan men comprise only 7 percent of the Alaska general population; and

WHEREAS, The disproportionate incarceration of Native Alaskan men has been recognized as the most critical challenge to the Alaska System of Criminal Justice; and

WHEREAS, Large number of Native Alaskan and Alaskan men are incarcerated in Arizona, far from the support systems necessary for rehabilitation; and

WHEREAS, The State Department of Corrections' plan to return prisons to a privately built and operated prison on Fort Greely in 2003 appears to be failing; and

WHEREAS, The Kenai Natives Association, Inc., is developing a plan to build and operate a 1,000 bed private prison adjacent to the existing, state operated, Wildwood Correctional Center; and

WHEREAS, The Kenai Peninsula Borough has agreed to contact with the Kenai Natives Association, Inc., to sell the prison services to the State of Alaska, Department of Correction through an intergovernmental agreement; and

WHEREAS, the Kenai Natives Association, Inc., has in turn, agreed to cooperate with the Kenai Peninsula Borough to expand the Kenai Airport across KNA lands; and

WHEREAS, The prison project and airport expansion will substantially benefit the economy of the Kenai Peninsula Borough with hundreds of construction related and permanent jobs; and

//

WHEREAS, The prison is intended to offer the highest standards of security and correctional programs, as well as special remedial programs for Native Alaskan offenders not currently offered in Alaska State Prisons; and

WHEREAS, The proposed prison will benefit all incarcerated Alaskan Offenders of every race, creed, and religion by providing enough beds to serve sentences in the State of Alaska;

NOW, THEREFORE, BE IT RESOLVED BY THE Native Village of Tyonek IRA Council.

SECTION 1: The Native Village of Tyonek IRA Council, supports the Kenai Natives Association, Inc., and Kenai Peninsula Boroughs' proposal to build and operate a private prison on KNA lands adjacent to the Wildwood Correctional Center.

SECTION 2: The Native Village of Tyonek IRA Council, urges Governor Tony Knowles to enter into an intergovernmental agreement to purchase prison services that result from the Kenai Natives Association, Inc., and effort to build a private prison on KNA lands.

CERTIFICATION

For	<u>5</u>
Against	<u>0</u>
Abstain	<u>0</u>
Present	<u>6</u>
Absent	<u>3</u>

BY Angela Sandstul on September 15, 2000.

Peter Meryman
Peter Meryman, President

Angela Sandstul
Angela Sandstul, IRA Secretary

TONY KNOWLES, GOVERNOR

DEPARTMENT OF CORRECTIONS
*Commissioner's Office*240 Main Street, Suite 700
Juneau, AK 99801
PHONE: (907) 465-4852
FAX: (907) 465-3390

July 31, 2000

Richard Segura
President, Kenai Natives Association, Inc.
215 Fidalgo Ave, Suite 101
Kenai, Alaska 99611

Dear Mr. Segura:

Thank you for your interest in working with the State of Alaska to meet our need for prison facilities within the state. The Governor's Office asked me to respond to your letter, in which you indicate that the Kenai Peninsula Borough and the Kenai Natives Association want to explore the feasibility of developing a privately operated prison on Native land near the existing Wildwood Correctional Center.

During his first term in office, Governor Knowles presented the legislature and Alaskans with his plan to address our statewide lack of adequate prison and jail facilities. His plan included the construction of a new jail in Anchorage, as well as the expansion of existing regional facilities.

In 1998, the Legislature took a first step in implementing the Governor's plan by passing HB 53. This legislation authorized the construction of a new jail in Anchorage, which is now well underway; indeed, the jail is anticipated to open in early 2002. Recognizing the state's lack of adequate prison space, HB 53 also authorized the Department of Corrections to enter into a government-to-government relationship with the City of Delta Junction to convert the existing buildings at Fort Greely into a privately operated prison. This was done as an alternative to the Governor's plan of expanding existing facilities.

The Department of Corrections appreciates your concern that the Fort Greely project may not come to fruition; however, that decision is far from final and the Department is committed to remaining on the road to "yes" as mandated by the legislature with the passage of HB 53.

Even with a prison at Fort Greely, the state would continue to need additional jail and prison beds. If you would like, we would be pleased to meet with you to discuss the Governor's statewide plan and how your proposal might fit within it. As we have stated

Kenai Natives Association, Inc. President
July 31, 2000

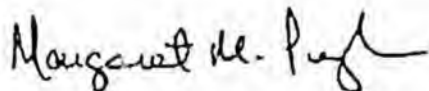
Page 2 of 2

in many forums, all proposals for the expansion or new construction of jail and prison facilities in Alaska must be measured on the basis of five crucial factors. These are:

- Safety,
- Comprehensively meeting statewide and regional needs,
- Consistency with best correctional practices,
- Involving community participation (government to government), and
- Cost-effectiveness.

We appreciate your interest in this important area. Please feel free to contact me at any time.

Sincerely,



Margaret M. Pugh
Commissioner

Cc: Bruce Scandling, Office of the Governor
Dale Bagley, Kenai Peninsula Borough Mayor

14



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907)262-1892

August 16, 2000

DALE BAGLEY
MAYOR

Mr. Richard Segura
President and CEO
Kenai Native Association, Inc.
215 Fidalgo Avenue, Suite 101
Kenai, Alaska 99611

Dear Rick:

I would once again like to affirm the Kenai Peninsula Boroughs support in the private prison project that you brought to our attention recently. We look forward to a strong working relationship for many years ahead.

During the meeting with Mike Slezak, I mentioned that people have concerns with the float plane operators that are conducting flight operations from the many lakes scattered throughout the Borough. There have also been numerous discussions and meetings with assembly members and concerned property owners.

Sometime in the future, I would like to see a major expansion at the current float plane basin, as well as an east-west pond, which would extend on Kenai Natives Association land. This would provide a central location for commercial flight operations as well as private float plane operators. This is where we need the help of the Kenai Natives Association, Inc., and the City of Kenai.

I will be talking with the City of Kenai soon, and if you are receptive to this project I would like to commence preliminary discussions in the near future.

Sincerely,

Dale Bagley
KPB Mayor

DB/bd

cc: Mayor John Williams
KPB Assembly

**KENAI PENINSULA BOROUGH**

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907) 262-1892

DALE BAGLEY
MAYOR

September 21, 2000

The Honorable Tony Knowles
Office of the Governor
Post Office Box 110001
Juneau, Alaska 99811-0001

Dear Governor Knowles:

We have only briefly had the opportunity to speak regarding the private prison proposal near Kenai. We are still very interested in the project. I am sending you this letter with some additional information.

Recently, Borough Assembly President Bill Popp and I had the opportunity to discuss the private prison proposal with Commissioner Pugh and several of her staff. At that meeting, the Department of Corrections raised two problems they felt mitigate moving our proposal forward:

1. The Commissioners office felt it was the legislatures intent to use Delta Junction and is still proceeding with the Delta Junction proposal.
2. The Kenai Peninsula Borough/Kenai Natives Association proposal was different than the Delta Junction proposal in that we did not anticipate State or Borough ownership of the prison.

I have taken the time to reflect on the Department's concerns and offer the following observations:

The Commissioner is authorized to purchase prison beds from the city of Delta Junction after converting the Fort Greely facilities into a prison. The language of the legislation appears discretionary rather than obligatory by use of the word "may" rather than "shall". Circumstances have also changed in Delta Junction since you signed HB 53 into law. The City is now embroiled in a lawsuit with its contractor. They have asked the Army for another year to develop their plan. The City Council and Mayor have expressed reservations about proceeding under current conditions. Finally, the National Missile Defense System has placed an indefinite cloud over Fort Greely's availability. It seems clear that there will be a long delay in a prison

Governor Knowles
Re: Kenai Peninsula Prison Project

September 21, 2000
Page 2 of 2

proposal from Delta Junction, or no prison proposal at all. In the meantime, we send nearly 750 prisoners and \$20 million to Arizona each year.

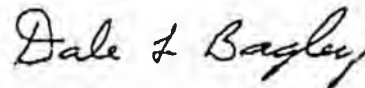
With regard to the government question, the Kenai Peninsula Borough would prefer that the State contract directly with the Kenai Natives Association. The Kenai Natives Association would build and run a privately owned prison in the true sense of the word. If, however, government ownership is a requisite to a government-to government relationship with the State, we are optimistic that we can come up with a plan. The Kenai Peninsula Borough wants the jobs and economic advantages currently being enjoyed by Arizona, as well as returning Alaskan offenders to be nearer their families and support systems.

The advantage our proposal has over Delta Junction is that we can deliver the beds to the State faster. The military base closure process does not encumber our project. We offer a superior, central location that can serve the Department of Corrections more effectively with the efficiencies and security associated with new construction.

Governor, I would deeply appreciate it if you would assign someone in your office to help facilitate a 'problem solving' dialogue concerning our proposal. This project is very important to the Kenai Peninsula Borough and the Kenai Natives association, as well as beneficial to the state as a whole. I hope that you agree.

I look forward to hearing from you as soon as your schedule allows.

Sincerely,



Dale Bagley
Borough Mayor

Cc: Kenai Natives Association
City of Kenai
KPB Assembly



First National Bank
of Anchorage

D.H. Cuddy
President

August 17, 2000

George Wright
Kenai Natives Association, Inc.
215 Fidalgo Avenue, Suite 101
Kenai, Alaska 99611

Dear Mr. Wright,

I was pleased to learn of the Kenai Natives Association's project of taking over the Wildwood Prison property. It has been a shame that this facility has gone vacant for so many years when the need for such facilities is so great in our state. Certainly it will be a materialized benefit to the State of Alaska and your Association should you renovate and operate this prison facility.

My best wishes to you.

Sincerely,

D.H. Cuddy
President & Chairman

18



Kenai Chamber of Commerce
402 Overland
Kenai, Alaska 99611

(907) 283-7989
(907) 283-7183 (Fax)

September 7, 2000

Richard Segura
Kenai Native Association, Inc.
215 Fidalgo Ave., Suite 101
Kenai, AK 99611

Dear Mr. Segura,

Thank you for your letter dated August 9, 2000 requesting the support of the Kenai Chamber of Commerce for the private prison project you are developing at the Wildwood Facility.

Based on the limited information we have available today, the Chamber Board supports the concept of developing an expanded prison facility at the Wildwood location in Kenai that has the support of the community. The Board applauds your effort to expand our local economy with a project that appears to have great potential for adding long term jobs to our area. As your project develops, the Chamber Board would appreciate learning more about the specifics of your proposal.

On behalf of the Chamber, I would also like to extend an invitation to present your project proposal to the Chamber membership at our weekly member luncheon. The meetings are held every Wednesday from 12PM - 1PM at Paradisos Restaurant. Please contact Ms. Amy Favretto, Executive Director of the Chamber, and she will work with you to arrange a suitable time that meets your schedule.

I look forward to learning more about your proposal as you move forward.

Sincerely,

Fred Braun, President
Kenai Chamber of Commerce

AFFIDAVIT OF RON BLOOMSTRAND

STATE OF ARIZONA)
 : ss
PINAL COUNTY)

I, Ron Bloomstrand, first being duly sworn upon oath, deposes and states the following:

1. I have personal knowledge of the facts set forth herein.

2. I am an Alaskan prisoner housed here at Corrections Corporation of America ("CCA"), doing business as, Central Arizona Detention Center ("CADC") under a contract that CCA/CADC has with Alaska Department of Corrections ("DOC").

3. At all times relevant to the incident described in this affidavit, said incidents took place at CCA/CADC.

4. On November 9th, 2000, at about 10:00 am, I went to the prison library to make photo-copies of legal paperwork that I need to litigate my present and future claims.

5. At this time I was instructed by CCA/CADC employee FIORINI that I could not make photo-copies of my legal paperwork and that I would have to come back the following week.

6. On November 14th, 2000, at approximately 10:00 am, I went back to the prison library to make my needed photo-copies of my legal paperwork.

7. At this time I was once again told by CCA/CADC employee Fiorini that I could not make this needed photo-copies and was told to come back the following week on my library day.

8. I went back to the prison law library and on my way, I saw Mr Samberg and explained my problem to him. Mr Samberg told me that he had not heard of such a rule and further told me to take my legal paperwork to my Case Manager and have him copy it for me.

9. On November 21st, 2000, at approximately 10:00 am, I once again went to the prison library to make photo-copies of other legal paperwork concerning litigation of my present and future claims.

10. At this time I was told by CCA/CADC employee Fiorini that I would only be allowed to make my legal copies on my scheduled library day which is Wednesday of each week.

11. At this time I told CCA/CADC employee Fiorini that I would come back tomorrow which would have been November 22nd, 2000.

12. CCA/CADC employee Fiorini informed me that Wednesday, November 22nd, 2000, the library would be closed for the holidays and that I would have to come back next week after the holidays since every thing would be closed until November 28th, 2000.

13. On Tuesday, November 27th, 2000, at approximately 10:00 am, I went back to the prison library in hopes of being able to make phot-copies of my greatly needed legal paperwork because I was not able to make these legal copies for over ten (10) days at this time and for the fact that my scheduled library day for the week prior was closed for the holidays.

14. At this time CCA/CADC employee Fiorini informed me that I would have to come back on Wednesday, November 29th, 2000.

15. On Wednesday, November 29th, 2000, at approximately 9:00 am, I went back to the prison law library to try to make my legal copies since this was my scheduled library day.

16. At that time I was informed by CCA/CADC employee Fiorini that the library was closed and that I would have to come back at 1:00 pm.

17. On Wednesday, November 29th, 2000, at approximately 1:00 pm, I again went back to the prison law library to try and make photo-copies of my legal paperwork.

18. At that time, I was informed by CCA/CADC employee Fiorini that the library was still closed and that I would have to come back next week on my scheduled library day to get my legal paperwork photo-copies.

19. Since I was sent to CCA/CADC in March of 1998, as a general rule, the policy for prisoners to make legal photo-copies was that the prisoner was allowed to make these copies when the prison library was open.

20. In the affiant's belief, on November 14th, 2000, at approximately 10:00 am when I was returning from being denied my legal photo-copies, I had a conversation with Mr Samberg, who is Warden of CCA/CADC, about the policy at CCA/CADC in regards to the photo-copying of legal paperwork.

21. I brought to Mr Samberg's attention the fact that CCA/CADC employee Fiorini had been denying me access to make my legal photo-copies unless it was my library day.

22. I asked Mr Samberg if there had been a change in the policy on how legal photo-copies are made to where I can only go make them on my scheduled library day?

23. Mr Samberg stated that he was not aware of any policy change in this matter.

24. Mr Samberg also asked me who my Case Manager was and told me to have the legal papers that I needed to make photo-copies of to have my Case Manager make the legal photo-copies for me.

25. Mr Carrier is my Case Manager. I told him what Mr Samberg said and at that time he went and made the legal photo-copies that I needed at that time.

26. Because of the conflicting views on the policy here at CCA/CADC at this time about the photo-copying of legal paperwork, I submitted three (3) prisoner information request ("copout") form to find out what the policy and procedure that is to be followed in this matter.

27. On November 29th, 2000, I submitted these three (3) "Copouts" to Michael Samberg, Warden of CCA/CADC, Ms Judy Gette, Alaska Probation Officer, and the Chief of Security, CCA/CADC.

28. Because of the copout submitted to the Chief of Security, CCA/CADC, I was threaten by an employee of CCA/CADC, Lt Grammer.

29. This took place on November 30th, 2000, at the noon meal because I was not able to eat my meal since I was told to report immediately to the Security Office in 700 Unit.

30. When I arrived (700 Unit, Security Office) there I looked into the the office, at which time I observed Lieutenant Grammer in the office, I asked if this was the Chief of Security's office? (Here is what transpired to the best of my memory).

Lieutenant Grammer (hereafter Lt Grammer)

"What is your name?"

Ron Bloomstrand (hereafter affiant)

"Bloomstrand"

Lt Grammer

"Ya, you come in here!"

Affiant

"What is this all about?"

Lt Grammer

"Is this your copout?"

Affiant looked at copout

"Yes"

Lt Grammer looks at copout

"This is about the library isn't it?"

Affiant

"Yes it is about my legal copies that I need to have copies at the library."

Lt Grammer

"When is your library day?"

Affiant

"Wednesday"

Lt Grammer

"That is when you make your legal copies, Wednesday, every Wednesday."

Affiant

"Well I have been going on Monday, Tuesday, Wednesday, Thursday, and Friday to get my legal copies. You know, whenever I needed to make legal copies. When did they change all of this? I have seen no memo to this effect."

Lt Grammer (Yells)

"Who the fuck do you think you are?! We are suppose to jump because you want copies now?! That doesn't work like that around here!! Where in the hell do you come off insulting us like this, you son of a bitch!!"

Affiant

"What do you mean, I am not trying to insult anybody."

Lt Grammer (Yells)

"Shut your God Damn mouth!!" (Points to copout)

"It's right here, PRIVATE CITIZEN!!"

"Who the fucking hell do you think you are to insult us like that?!!"

Affiant

"Under Arizona Public Safety Board, you have to have a badge number."

Lt Grammer (Yells)

"We are certified correctional officers, you son of a bitch!!"

"From now on to you we are correctional officers or C.O.s"

And don't forget that!!"

Affiant

"In Alaska I have a case going in court."

Lt Grammer (Before I could finish my sentence, Yelled)

"You ain't got fuck all going in Alaska!!"

"All you Alaskans got your case dismissed!!"

"We didn't ask you fucking Alaskans to come down here. But we're stuck with you, and you will address us as correctional officers or C.O.s from now on!!"

31. At this point I thought Lt Grammer was going to beat me up because He was standing up yelling at me this whole time and sticking his finger in my face.

32. I was extremely fearful because I remember Lt Grammer from the yard incident that happened on August 30th, 1998, when I watched Lt Grammer beating Alaskan prisoners. There was also another CCA/CADC employee in the room while this exchange was taking place. I do not know this employee's name but he was standing behind and off to my left side throughout this whole incident. This is why I was in fear for my life at this time.

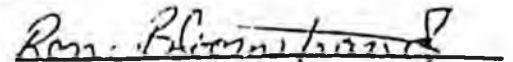
Affiant

"The same copout you got in your hand. Warden Samberg has one, and Judy Gette, the Alaskan P.O. has one."

Lt Grammer (Looks at copout, then throws it back at me)

"It is verbally answered, get the fuck out!!"

33. I understand that a false statement in this affidavit will subject me to the penalties of perjury.



Ron Bloomstrand

I declare under the penalty of perjury pursuant to Title 28, U.S.C. § 1746, and Alaska Statute 09.63.020, that the foregoing information contained herein this affidavit is true and correct to the best of my belief and knowledge, and that a Notary Public or other official empowered to administer oaths is unavailable.

Executed at Florence, Arizona on this 5th day of
December, 2000.

Ron Bloomstrand

Ron Bloomstrand

Alaska Prisoners
Complaint Summary

Alexia Bernie

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Edward Bruce

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture. Found labels indicating that they were fed meat, which was sold for test purposes only. Employment was terminated because of this.

Ernest Baker

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Ron Bloomstrand

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture. Believes he is being mistreated by the staff, also being denied his prisoner rights, complains about rotten food, and how the correctional officers treat him.

Eddie Barr

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Mitch Carlo

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Kevin Scott Charlie

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Andrew Dayton

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Jayson Dennis

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture. Complains about being served rotten uncooked food, and being allowed only two rolls of toilet paper per week.

Larry Frey

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Robert Flemming

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

William Howarth

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Joseph Placide

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Bobby John

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture. Complains about not getting enough to eat, breathing recirculated air, and not getting the correct medical treatment.

Milford Knight

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture. Also had two eagle feathers taken away that were used for religious purposes.

Adam Kochutin

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Ben Lozano

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Edward Nicholai

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

James Price

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture. He was also diagnosed with psoriasis of the liver and needs to go back to go through preparation to get a liver transplant when his liver fails.

Harry Pavila

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Dean Painter

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

John Charles Richart

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture. Also complains about being attacked for no reason, and not receiving the proper medical treatment.

Richard Silas

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Max Sovalik

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Jonah Talcak

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture. Also complains that he has been discriminated by the medical staff, and has been served bad food.

Andrew Thane

complaint: Was sent out of Alaska against his will. Being housed out of Alaska prevents or hinders personal contact with family, and separates him from his Alaskan Native culture.

Alaskan Natives who didn't send a form

Josepl. Hunt	Paul Ivanoff	Daniel Kiyuklook
Mathew Melton	Johnny Ningeok	Floyd Okpeaha
Hugh Tazruk	Alfred Tuckle	Hoover Adams
Whitlam Adams	James Ankivgak	Peter Ballot
Walter Sacceus	Paul Herbert	John Iyapana Jr.
Ryan Peetook	Pete Bernard	Dwayne Ekak
Harold Saker	Edward Smith	Peter Quick
Folger Andrew	Gregory Gross	Oliver Gregory
Raymond Smallwood	Bobby Leffe	Timothy Joseph
Ostlund William	Leo Pritchard	Alexie Salcar
Walter Fields	Joe Mark	Pete Zaukar
Charles Fawcett	Andrew Adams	Frederick Loon
Johnny Joseph	Kevin Slats	Clinton Williams
George Martin	Alec Ansoak	Charles Samuel
James Alkiugak	Frederick Johnson	Allen Downey
Robert Keelick	Bryan Joseph	Peter Moses
Robert Kaskatok	James Anderson	Johnny Waters
Wilson Downey		



Alaska Native Brotherhood Camp 2

320 W. Willoughby Avenue, Suite 100*Juneau, AK 99801* 907-586-2049*fax: 586-3301*email anbcamp2@gci.net

April 2, 2001

Kenai Native Association
Attn: Rick Segura, Pres.
215 Fidalgo
Kenai, Alaska 99611

Dear Rick:

As you are aware, Alaska Native Brotherhood Camp #2 has been inquiring as to the health and safety of our people incarcerated at the prison in Florence Arizona. We have found that the basic living conditions are deplorable.

We had our legal personnel go to Arizona and interview some of our Alaska Native prisoners. They found that there is a high rate of physical abuse, mistreatment, very bad drinking water; food is very bad (please see the attached). Alaska Native Brotherhood is receiving over 100 letters & phone calls from families and prisoners about wanting to file a class action lawsuit to bring our people home. Duke Law University published a law review article that supports a foundation for such a class action. "More Than Just a Private Affair: Is the Practice of Incarcerating Alaska Prisoners in Private out-of-state prisons unconstitutional." Cited 17 Alaska L. Rev. 319. Alaskan Natives who are sent out of the state receive virtually no visitation with family members and even the cost of phone contact is prohibitively high for these families. Most experts seem to agree that visitation is the most important factor to any possibility of effective rehabilitation.

It is our belief that this issue should be addressed and that the President of the AFN should include the complaints in her federal investigation of hate crimes and human rights.

Prisoners' were being mistreated has been a concern with the Dept. of Corrections. Alaskan Natives compose of 52% of the inmate deaths that occurred while in prison. However, Alaskan Natives compose only 37% of the whole prison population. Alaska Native prisoners have been largely forgotten and we pray to bring their plight to the attention of our leaders.

Sincerely,

Ralph Knudson, V.P.

Alaska Native Brotherhood Camp Nos. 2, Inc.

**Alaska State Legislature
Public Opinion Messages**

Is. Judith C Wright,
O Box 61617
airbanks, AK 99706
Phone: 479-9012
E-mail: judiwright@mosquitonet.com

Subject/Bill HB 149 Supports

We believe this bill should be passed. Overcrowding and out-of-state inmate issues will be solved in a timely and economically manner by this approach.

Date Sent: 04/17/2001

Constituency: N
Distribution: 60
Affiliation:
Reg Voter: Y

**Alaska State Legislature
Public Opinion Messages**

Mr. Don Wright,
O Box 61617
airbanks, AK 99706
Phone: 479-9012
E-mail: judiwright@mosquitonet.com

Subject/Bill HB 149 Supports

We believe this bill should be passed. Overcrowding and out-of-state inmate issues will be solved in a timely and economically manner by this approach.

Date Sent: 04/17/2001

Constituency: N
Distribution: 60
Affiliation:
Reg Voter: Y



First National Bank
of Anchorage

D.H. Cuddy
President

August 17, 2000

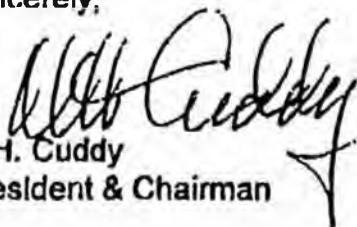
George Wright
Kenai Natives Association, Inc.
215 Fidalgo Avenue, Suite 101
Kenai, Alaska 99611

Dear Mr. Wright,

I was pleased to learn of the Kenai Natives Association's project of taking over the Wildwood Prison property. It has been a shame that this facility has gone vacant for so many years when the need for such facilities is so great in our state. Certainly it will be a materialized benefit to the State of Alaska and your Association should you renovate and operate this prison facility.

My best wishes to you.

Sincerely,


D.H. Cuddy
President & Chairman

Dear Representatives,

I'm writing in support of the proposed private prison for Kenai. I believe it will:

- benefit the residence of the Peninsula, directly and indirectly;
- will reduce the cost of incarceration of Alaskan inmates;
- bring those who are housed in the Lower 48 private prisons home and optimize the rehabilitation for those Alaskans;
- provide the needed beds for prisoners in the State of Alaska;
- provide meaningful jobs for Alaskan and Peninsula residents;
- will be the means to provide top quality training at the local college;
- provide an industry to supplement the fishing and tourism industries;
- provide an additional base for new retail businesses in the area;
- will bring additional professionals to the area;

I believe the proposed site on Wildwood is the most logical place to put a new prison and will compliment the existing facility.

Please support the HB149 to build a private prison on the Kenai Peninsula.

Thank you,
Michael W. Carpenter
Kenai, Alaska

24

American Correctional Association offers reliable prison comparison

I write in response to Mr. James Price's recent letter criticizing Cornell Companies and the private delivery of correctional services. Mr. Price states "the private prison industry has a much higher level of serious deficiencies than our public system." Mr. Price is philosophically opposed to privatization.

While he is entitled to his opinion, the only reliable sources for public and private sector comparison is the American Correctional Association and the annually published Corrections Yearbook. We invite the public to

consult these sources.

Cornell Companies operates 71 adult and juvenile correctional facilities with a total bed capacity of 14,845 (twice as many prison beds as the Alaska Department of Corrections). Cornell has a proven history of successful partnerships with local, state and the federal government.

Managing prisons is a complex undertaking. American Correctional Association publications and the Corrections Yearbook report little distinction between private prison management and their public counterparts. The key is a solid working relationship with the state Department of Corrections and being a responsible neighbor; Cornell is committed to both.

Mr. Price from a philosophical perspective is willing to forgo the economic opportunity that a private prison could bring to this community. Local businesses and people who are looking for full-time employment may have a different perspective. What this community needs is jobs, jobs, jobs!

Regarding economic impact, the private prison means a capital construction project in excess of \$80 million with 300 construction jobs. It means up to 300 permanent jobs with starting wages and benefits comparable to those provided by oil service companies.

There is another public hearing scheduled at 7 p.m. Tuesday at the Kenai Senior Center. I urge you to participate in the public process and tell the Kenai Peninsula Borough Assembly that you support the economic development that this private prison project will bring to the community.

Blaine D. Gilman
Kenai

Support House Bill 149

Fax

To: All Alaska State Senators From: SANDRA ANDERSON

Fax: Date:

Phone: Pages: 1

Re: House Bill 149 CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Sandra Anderson

Address: 2905 Park Street View #11

City: Kenai Alaska 99611

Phone: 907 536 0944

Support House Bill 149

Fax

To: All Alaska State Senators From: MICHAEL CLARK
Fax: Date:
Phone: Pages: 1
Re: House Bill 149 CC:
 Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: ~~Michael Clark~~ Michael Clark

Address: PO Box 2607

City: Kenai AK 99611

Phone: 776-8537

Support House Bill 149

Fax

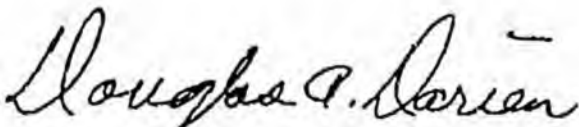
To: All Alaska State Senators	From: Douglas Darien
Fax:	Date: April 20, 2001
Phone:	Pages: 1
Re: House Bill 149	CC:
<input checked="" type="checkbox"/> Urgent <input type="checkbox"/> For Review <input type="checkbox"/> Please Comment <input type="checkbox"/> Please Reply <input type="checkbox"/> Please Recycle	

Dear Senators:

I SUPPORT Kenai Peninsula Borough's building and operating a private prison in our area. I believe this project will benefit the Borough economically as well as the State.

I urge you to VOTE YES on HB 149 as it is written and thereby, support the Kenai Peninsula Borough's efforts in this project.

Thank you for your support.



Douglas Darien

Anchorage, Alaska

279-2645

Support House Bill 149

Fax

To: All Alaska State Senators From: MARGARET POLCHAK

Fax: _____ Date: _____

Phone: _____ Pages: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Margaret Polchak

Address: Box 3

City: Kenai, AK 99611

Phone: _____

Support House Bill 149

Fax

To: All Alaska State Senators From: EMIL DOLCHOK
Fax: Date:
Phone: Pages: 1
Re: House Bill 149 CC:
 Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Emil Dolchok

Address: P.O. Box 3

City: Kenai AK. 99611

Phone: (907) 283-7782

Support House Bill 149

Fax

To: All Alaska State Senators From: CAROL DOLAN

Fax: Date: 4-20-2001

Phone: Pages: 1

Re: House Bill 149 CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Carol Dolan

Address: Box 687, P.O. 611

City: Kenai, Alaska

Phone: 907-283-7995

Support House Bill 149

Fax

To: All Alaska State Senators From: ROBERT DULAN

Fax: _____ Date: 4-20-2001

Phone: _____ Pages: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Robert C. Dulan

Address: P.O. Box 687

City: Kenai, Alaska 99611

Phone: 907-283-7995



Fax

To: All Alaska State Senators From: GREG FROSTAD

Fax: _____ Date: 4-20-2001

Phone: _____ Page: 1

Re: House Bill 149 CO: _____


Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: GREGORY G. FROSTAD 

Address: P.O. Box 605

City: SOLDOTNA, AK. 99669

Phone: 1-907-262-9038

Support House Bill 149

Fax

To: All Alaska State Senators From: ROBERT HAAG

Fax: Date:

Phone: Pages: 1

Re: House Bill 149 CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Robert Haag

Address: 44350 Spur Hwy

City: Kenai

Phone: 283 - 8407

Support House Bill 149

Fax

To: All Alaska State Senators From: Keene Hendryx

Fax: _____ Date: 4-23-2001

Phone: _____ Pages: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Keene Hendryx

Address: 618 Fir dr.

City: Kenai AK 99611

Phone: 283-3716

Support House Bill 149

Fax

To: All Alaska State Senators	From: Everett Jones
Fax:	Date: April 20, 2001
Phone:	Pages: 1
Re: House Bill 149	CC:
<input checked="" type="checkbox"/> Urgent <input type="checkbox"/> For Review <input type="checkbox"/> Please Comment <input type="checkbox"/> Please Reply <input type="checkbox"/> Please Recycle	

Dear Senators:

I am a resident of the Kenai Peninsula Borough. I am in support of the Borough building and operating a private prison in our area. I believe this project will benefit the Borough economically as well as the State.

I urge you to VOTE YES on HB 149 and support the Kenai Peninsula Borough's efforts in this project.

Thank you for your support.

Everett Jones

Kenai, Alaska

283-1499



Support House Bill 149

Fax

To: All Alaska State Senators	From: Maria Stacy Juliussen Jones
Fax:	Date: April 20, 2001
Phone:	Pages: 1
Re: House Bill 149	CC:

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

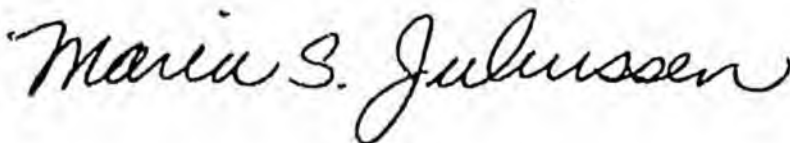
Dear Senators:

I am a resident of the Kenai Peninsula Borough. I am in support of the Borough building and operating a private prison in our area. I believe this project will benefit the Borough economically as well as the State.

I urge you to VOTE YES on HB 149, support the Kenai Peninsula Borough's efforts in this project.

Thank you for your support.

Maria S. Juliussen Jones



Support House Bill 149

Fax

To: All Alaska State Senators From: AGRAFENA JULIUSSEN
Fax: _____ Date: _____
Phone: _____ Pages: 1
Re: House Bill 149 CC: _____
 Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Agrafena M. Juliusen
Address: P.O. Box 3301
City: Kenai, AK 99611
Phone: 283-5421

Support House Bill 149

Fax

To: All Alaska State Senators From: MIKE JULIUSSEN

Fax: Date:

Phone: Pages: 1

Re: House Bill 149 CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Mike Julissen

Address: P.O. Box 2834

City: Kenai, AK 99611

Phone: 283-9550

Support House Bill 149

Fax

To: All Alaska State Senators From: MICHAEL R. JULIUSSEN, SR.
Fax: Date:
Phone: Pages: 1
Re: House Bill 149 CC:
 Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Michael R. Juliusen
Address: P.O. Box 3301
City: Kenai, AK. 99611
Phone: (907) 283-5421

Support House Bill 149

Fax

To: All Alaska State Senators From: DONNA LANDFORD

Fax: _____ Date: _____

Phone: _____ Pages: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Donna Landford

Address: PO Box 2607

City: Kenai AK 99611

Phone: 776-8537

Support House Bill 149

Fax

To: All Alaska State Senators From: GREGORY LORENZO
Fax: Date:
Phone: Pages: 1
Re: House Bill 149 CC:
 Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Gregory James Lorenzo
Address: 110. 1301 34
City: Kenai, Alaska 99611
Phone: 907 263-3146

Support House Bill 149

Fax

To: All Alaska State Senators From: SAMUEL LORENZ

Fax: _____ Date: _____

Phone: _____ Pages: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Samuel Lorenz

Address: P.O. Box 34

City: Kenai, AK 99611

Phone: (907) 283-3146

Support House Bill 149

Fax

To: All Alaska State Senators From: MARK MEZLO

Fax: Date:

Phone: Pages: 1

Re: House Bill 149 CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Mark Mezlo

Address: 1707 4TH AVE

City: Kenai AK 99611

Phone: 283-0712

Support House Bill 149

Fax

To: All Alaska State Senators From: JILL NAYBACK

Fax: Date:

Phone: Pages: 1

Re: House Bill 149 CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: JILL MARIE NAYBACK
Address: P.O. Box 974
City: KENAI, ALASKA 99611
Phone: 776 - 8657

Support House Bill 149

Fax

To: All Alaska State Senators From: _____
Fax: _____ Date: _____
Phone: _____ Pages: 1
Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Bill W. Michael
Address: PO Box 2963
City: Kenai, ALASKA 99611
Phone: (907) 283-6044

Support House Bill 149

Fax

To: All Alaska State Senators **From:** Ray O'Neill

Fax: **Date:** 4-23-2001

Phone: **Pages:** 1

Re: House Bill 149 **CC:**

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Ray O'Neill

Address: P.O. Box

City: Soldotna, AK 99669

Phone: 907-262-4116

Support House Bill 149

Fax

To: All Alaska State Senators From: JANICE PARICK

Fax: _____ Date: _____

Phone: _____ Pages: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Janice Parick

Address: 2903 Coast Lakes View Dr B-4

City: Kenai AK

Phone: 907-9079

Support House Bill 149

Fax

To: All Alaska State Senators From: SCOTT PETRIE

Fax: Date:

Phone: Pages: 1

Re: House Bill 149 CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: SCOTT PETRIE

Address: 505 PENN AV

City: KENAI

Phone: 283-8494

Support House Bill 149

Fax

To: All Alaska State Senators From: JOHN RASMUSSEN

Fax: Date:

Phone: Pages: 1

Re: House Bill 149 CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: John A. Rasmussen

Address: 1707 4TH AVE

City: KENAI, ALASKA 99611

Phone: 262-2121

Support House Bill 149

Fax

To: All Alaska State Senators

From: David Ring

Fax:

Date: 4-20-2001

Phone:

Pages: 1

Re: House Bill 149

CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: DAVID RING

Address: 1615 TANAGA CIR.

City: KENAI, AK. 99611

Phone: 907-283-2235

Support House Bill 149

Fax

To: All Alaska State Senators From: CHRISTINA RIFREDI
 Fax: _____ Date: 4-21-2001
 Phone: _____ Pages: 1
 Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Christina Rifredi
 Address: Palmer 1057
 City: Kenai AK
 Phone: 282-7995

Support House Bill 149

Fax

To: All Alaska State Senators From: JEANENNE SANDEL

Fax: _____ Date: _____

Phone: _____ Pages: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Jeanenne Sandel

Address: 508 Henlock Avenue

City: Kenai, AK

Phone: 283-0600

Support House Bill 149

Fax

To: All Alaska State Senators From: GARY STERLING
Fax: Date:
Phone: Pages: 1
Re: House Bill 149 CC:
 Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: GARY Sterling Sr.
Address: 44350 K SH
City: Kenai
Phone: 283-8407

Support House Bill 149

Fax

To: All Alaska State Senators From: VIRGINIA TRENTON

Fax: Date:

Phone: Page: 1

Re: House Bill 149 CC:

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: E. J. [Signature]
Address: P.O. Box 8688
City: W. K. [Signature] AK
Phone: 776-7082

Support House Bill 149

Fax

To: All Alaska State Senators From: ALEC R. WIK

From: _____ Date: _____

Name: _____ Page #: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Alec R Wik

Address: P.O. Box 2616

City: Kenai Alaska

Phone: 907-283-6768

Support House Bill 149

Fax

To: All Alaska State Senators From: Sandra Wilson

Fax: _____ Date: 4-23-2001

Phone: _____ Page: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Sandra Wilson

Address: 1502 4th Ave.

City: Kenai, AK 99611-7487

Phone: (907) 283-8387

Support House Bill 149

Fax

To: All Alaska State Senators	From: Susan Wells
Fax:	Date: April 20, 2001
Phone:	Pages: 1
Re: House Bill 149	CC:
<input checked="" type="checkbox"/> Urgent <input type="checkbox"/> For Review <input type="checkbox"/> Please Comment <input type="checkbox"/> Please Reply <input type="checkbox"/> Please Recycle	

Dear Senators:

I **SUPPORT** Kenai Peninsula Borough's building and operating a private prison in our area. I believe this project will benefit the Borough economically as well as the State.

I urge you to **VOTE YES** on HB 149 as it is written and thereby, support the Kenai Peninsula Borough's efforts in this project.

Thank you for your support.



Susan Wells

Kenai, Alaska

Support House Bill 149

Fax

To: All Alaska State Senators From: Craig R. Wells

Fax: _____ Date: 4-21-2001

Phone: _____ Pages: 1

Re: House Bill 149 CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

Dear Senators:

I SUPPORT the efforts of the Kenai Peninsula Borough in their project to build and operate a private prison in our area. I believe this project will be of great economical benefit to the Borough, as well as the State of Alaska.

I urge you to VOTE YES on HB 149 as it is written.

Thank you for your support.

Name: Craig R. Wells

Address: Box 2072

City: Seldovia, Alaska 99669

Phone: 283-9409

KENAI NATIVES ASSOCIATION, INC.

215 FIDALGO AVENUE, SUITE 101
KENAI, ALASKA 99611

TANGENT BUILDING

www.knainc.com

OFFICE: (907) 283-4851

FAX: (907) 283-4854

April 20, 2001

All Alaska State Senators

VIA FAX

Re: HB 149/Prison

Dear Senator:

As you are aware, the above bill recently passed the House and is now before the Senate. My family and I have lived in Kenai for approximately 23 years. We raised our family here, our two small grandchildren live in Kenai, and we own a small business in town. We want to stay in Alaska and the Kenai area and hopefully be able to keep our business open. At times we have wondered if we could remain in Kenai because of the poor economy/lack of employment. Kenai has always relied heavily on the oil industry, and when the oil industry is not doing well Kenai is not doing well. We need other employment opportunities besides oil. The private prison would be a great addition to our area. Not only would it provide employment, it is a fact that our prisons are overcrowded. We need more prisons! Also, it would provide housing for Alaskan prisoners that are incarcerated in Arizona. The proposed site is perfectly located right outside of Kenai next to the existing Wildwood Correctional Complex—away from residential areas. The site is close to town, courthouse, and airport. Kenai needs this "shot in the arm". We need more job opportunities for our residents, and building a visitors center and space center does not provide ample employment--they only look pretty and cost a lot of money to build. This prison project is one of the best opportunities Kenai has had since the oil companies came to town (not many left). I strongly urge you to support the private prison for Kenai.

Sincerely,

Mrs. Jane Ring
1615 Tanaga
Kenai, AK 99611

/jr

Susan Wells

From: Susan Wells <susiewells@gci.net>
To: Senator Donald Olson <Senator_Donny_Olson@legis.state.ak.us>
Sent: Monday, April 23, 2001 3:43 PM
Subject: Re: address

Dear Senator Olson:

Thank you for contacting me. I was going by the information given me at the local LIO office and your name is listed at Donald.

I have been wanting to communicate to you with regards to the Private Prison Project in Kenai, House Bill 149.

I am in support of this prison in our community. The Kenai Peninsula Borough Assembly, as well as Mayor Bagley, have researched this project and have brought it before the community on numerous occasions. They have had special meetings for public input and have provided the residents with ample opportunity to express their concerns.

The majority of the comments at the meetings that I have attended have been in support of the project and the site selected for it. When concerns have been voiced, the Borough has clarified and answered those concerns. One such concern of late is the "sole-sourcing" that some believe has happened. I know that the Borough put out an RFQ and had several teams respond. They spend many hours listening to presentations by the applicants, and had the top three make additional presentations. The Borough used a qualifications-based selection process as explained by the Borough Assembly President and two other Assembly members at the Assembly meetings, on our local "Sound Off" radio call-in program and in the newspapers. They chose the top ranked team who they felt will be the best to work in and for our community.

Other concerns I heard voiced were with regards to "an undesirable influx of single parent families" into our areas that would "follow" the inmates incarcerated in the new prison. I lived in Kenai when the Wildwood prison was opened, and have since, and there has not been a negative impact from the Wildwood prison. It was brought up at one of the Borough Assembly meetings by a speaker from Seward, I believe, that the Seward facility had not created an influx of undesirable residents in the Seward area. I believe he said there was no growth in the population attributed to the prison industry.

I also heard concern about a negative impact on the school system. I am a public school teacher and happen to know that our District Superintendent has stated that she would welcome an influx of students into our system. I believe we have an excellent School District and that we would be a strong support to a family coping with the unfortunate circumstance of a parent

04/25/2001

incarcerated. But, as with Wildwood and the Seward prisons, I don't believe that the families of the prisoners uproot their families and relocate to the town where their loved-one is in jail. I believe they may travel to see them, but not relocate.

I recently read a POM from our former borough mayor. I was very surprised that he would include the "majority of the Kenai Borough residents" as opposed to the prison. I never saw him at a Borough Assembly meeting and, again, I did attend them. My impression of the meetings, the local radio call-in show and letters to the editor, that there is a great deal of support for this project.

Another comment that I've heard is that this project is being "crammed down the throats" of local residents. As I stated before, the Borough Assembly has had many meetings and taken extra time to insure that anybody that wants to say anything about this project is heard.

The Kenai Peninsula had relied on commercial fishing (I'm also a fisherman), the refinery and tourism as our economic base. Those who are concerned that another prison will harm our tourism industry have forgotten that Wildwood is here. Wildwood Correctional Facility is tucked away, out of sight, on the old Wildwood Air Force Base property, currently owned by the Kenai Natives. Most people who visit are not aware that we have a prison. The same would be true for the new facility.

Furthermore, I believe that this project will diversify the economy on the Kenai and be a positive impact on local businesses, professional and retail. It will also mean additional opportunities for employment for our young people. There was discussion about project team working with the local college to implement training for security guards, which would mean that those wanting to work in the field would not have to leave home to get training. One young man at a Borough Assembly meeting asked, "what's wrong with bringing in an industry that would provide opportunities for work, for people like me?"

The prison project will also provide the bed-space needed by the State to house those prisoners that are presently housed Out of State. I believe that rehabilitation is more effective if it is done at home. The State needs to take responsibility for the care and rehabilitation of its public offenders.

Whoa! this is much like a filibuster! I just wanted to tell you I support the private prison on the Kenai Peninsula and ask you to vote yes for House Bill 149!

Sincerely;
Susan Wells, Kenai

----- Original Message -----

04/25/2001

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IN THE STATE OF ARIZONA)
) ss.
IN AND FOR PINAL COUNTY)

AFFIDAVIT OF EDWARD BRUCE

COMES NOW, Edward Bruce, #190221, to DEPOSE and S.

1. That I am Edward Bruce, the individual stated herei.
2. That I am currently incarcerated at C.A.D.C., a priva. corporation, located in Florence, Arizona;
3. That it is my belief that the State of Alaska, in illegally transferring me to the Central Arizona Detention Center. has effectively relinquished and lost any and all jurisdiction ar custody over my person;
4. That on or about the 11 of June 1996, I observed dozen: of empty meat cartons inside and beside the trash repository;
5. That I secured six (6) label's off empty boxes after noticing that the label's read: "NOT FOR SALE" "FOR TEST PURPOSE: ONLY;"
6. That I took these label's after reading them for Attorney and court purposes only, because I was worried about the food from these empty containers that we had eaten;
7. That after CCA employees and the Warden discovered that I had these label's, they shook down my living area and threw me in the hole;
8. That CCA employees interrogated me while in the hole, concerning where the labels were (?), who had seen them (?), etc
9. That CCA employees terminated my employment as kitchen worker because of my non-cooperation during interrogation about the label's, my only source of employment and income.

AFFLIANT SAYETH NAUGHT FURTHER

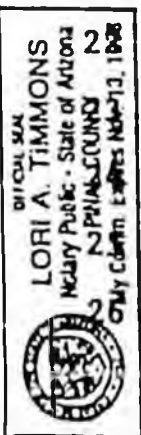
SIGNED AND DATED, this 3 day of July, 1996.

ON THIS DATE, the 3rd day of the month of July, 1996, personally appeared Edward Bruce EDWARD BRUCE before me, Edward Bruce, known to me to be the individual set forth as such, and declared the foregoing to be true and correct the best of his knowledge and belief, and made of his own free w

SWORN AND SUBSCRIBED on this 3rd day of July, 1996.

Lori A. Timmons
Notary Public - State of Arizona
PINAL COUNTY
My Comm. Expires 10-13-1998
NOTARY FOR THE STATE OF ARIZONA

Nov. 13, 1998
MY COMMISSION EXPIRES:





**DPM
FOODS**

BEEF PATTIE BULK 1 LB

INGREDIENTS: BEEF, SALT, HYDROGENATED COTTONSEED AND SOYBEAN OIL,
HYDROLYZED SOY AND CORN PROTEIN, SPICE EXTRACTIVE, DEXTROSE, SPICE
AND LESS THAN 2% SILICON DIOXIDE ADDED TO PREVENT CAKING.

**NOT FOR SALE
FOR TEST PURPOSES ONLY**

77101T

**KEEP FROZEN
NET WT. 16 LBS.**

Cargill Processed Meat Products Wichita, KS 67202

COMMITTED TO QUALITY

EXHIBIT B (Evidence)

Civ 96-0366-PHX-ROS (BGS)

Civ 96-0588-PHX-RCB (VAM)

Civ 96-0366-PHX-ROS (BGS)



Grand Camp

**Alaska Native Brotherhood
Alaska Native Sisterhood**



GCR 00-40

A Resolution Endorsing Construction of Privately owned Prison by Kenai Native Assoc.

Whereas, The Kenai Native Association, Inc (KNA) has undertaken the development of a private prison to be located on their Wildwood property on the Kenai Peninsula; and

Whereas, The State of Alaska currently sends 1500+ Alaskan prisoners, 37% of whom are Alaska Native, to a private prison in Arizona because of the overcrowding in Alaska prisons; and

Whereas, Having Alaska Native males so far from their homes and villages places undue hardship on their families and also deprives them of cultural considerations while serving their sentences; and

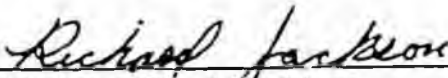
Whereas, The State of Alaska spends over \$18 million per year to keep these prisoners in Arizona while the funds could better be spent by supporting the development of the privately-owned prison at Wildwood; and

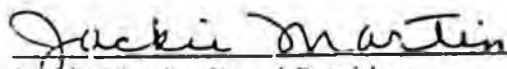
Whereas, The proposed privately owned prison facility being developed by KNA would be more adept at meeting the cultural and rehabilitative needs of the Alaska Native prisoners; and

Whereas, The completion of the facility would assist in the effort to bring our people home from confinement in Arizona; now, therefore, be it

Resolved, That the Alaska Native Brotherhood and the Alaska Native Sisterhood endorse the Kenai Native Association's proposal for a private prison at Wildwood on the Kenai Peninsula.

Approved by the ANB and ANS in convention on November 4, 2000 in Juneau, Alaska


Richard Jackson, Grand President
Alaska Native Brotherhood


Jackie Martin, Grand President
Alaska Native Sisterhood



Grand Camp

***Alaska Native Brotherhood
Alaska Native Sisterhood***



GCR 00-44

A Resolution Requesting Investigation of Disproportionate Incarceration of Alaska Natives

WHEREAS, the State of Alaska sends young men out to a private prison at Florence, Arizona run by the Corrections Corporation of America where approximately 600 indigenous inmates from many tribes are many thousands of miles distant from their tribal lands; and

WHEREAS, an Alaska Indian incarcerated in Arizona was denied medical treatment for a broken hand and is permanently maimed; and

WHEREAS, the traffic in jailing indigenous peoples away from their homelands for profit amounts to interstate commerce on human beings; now, therefore, be it

Resolved, That the Alaska Native Brotherhood and the Alaska Native Sisterhood urge the State of Alaska to form a commission of independent investigators to analyze the disproportionate incarceration of Alaska Natives and provide a full report on such analysis to Native organizations and to the International Human Rights Association of American Minorities.

Further resolved, That the Alaska Native Brotherhood and the Alaska Native Sisterhood urge that all out of state transfers of indigenous inmates be stopped immediately.

Approved by the ANB and ANS in convention on November 4, 2000 in Juneau, Alaska

Richard Jackson, Grand President
Alaska Native Brotherhood

Jackie Martin, Grand President
Alaska Native Sisterhood

Kenaitze Indian Tribe I.R.A.

P.O. BOX 988
KENAI, ALASKA 99611
(907) 283-3633
Fax (907) 283-3052

July 30, 2000

Richard Segura, President
Kenai Native Association, Inc.
215 Fidalgo, Suite #1
Kenai, Alaska 99611

Dear Mr. Segura:

Ref: Letter of Support

Please be advised that the Executive Committee/Tribal Council of the Kenaitze Indian Tribe, IRA, after careful consideration, strongly supports the efforts of the Kenai Native Association, Inc. to build a State Prison on its properties located at Wildwood, Kenai, Alaska. We believe this project would alleviate the overcrowding situation that now exists within the state system and would allow those relocated Alaskan Prisoners to return to Alaska to complete their sentencing.

Sincerely,



Rosalie Tepper
Tribal Chairperson
Kenaitze Indian Tribe, IRA

Why Should the State Spend More for Contracted Prison Beds in Alaska than in Arizona?

- Beds in Alaska mean Jobs in Alaska¹

The Kenai Prison Will Create:

Construction	553 Alaskan Jobs ² during construction
Operations	498 Alaskan Jobs ³ <u>per year for 20 years</u>

The Out-of-State Prison provides:

Construction	0 Alaskan Jobs
Operations	0 Alaskan Jobs

- Long Term Economic Benefit

Moving the Out-of-State Beds to Alaska will create lasting economic impact.

20 year projections:

Total Employment	10,640 job-years of employment
Revenue Captured	\$562.3 million

- Leverage State Expenditures

The Kenai Prison provides the greatest economic benefit when compared to other possible state expenditures.

Kenai Prison Beds	10,640 job-years of employment
Alternate State Operations	2,760 job-years of employment ⁴

There is a 3.9 to 1 benefit to spending state money on the Kenai Prison than on another Alaska project.

¹ Job and economic data from Prof. Scott Goldsmith, Professor of Economics, Institute of Social and Economic Research, University of Alaska Anchorage, March 20 & 29, 2001.

² 325 direct jobs, and 228 indirect jobs for 1.25 years

³ 250 direct prison jobs, and 248 indirect/other jobs for 20 years

⁴ Assumes the annual in-state/out-of-state cost difference is spent on state government operations.

- Economic Policy

"The state has in the past and continues to spend state financial resources for the purposes of [creating] jobs. The clearest example of this is this was the \$25 million legislative appropriation for the construction of the Healy Clean Coal Plant..."

"Job creation is the mission of the Alaska Industrial Development and Export Authority. They pursue that objective by making loans for job creation activities at rates below what the state could obtain on those funds if invested purely to maximize the financial return."

"Discussions of the possibility of offering financial incentives to the oil companies for construction of a gas pipeline represent another example of the state buying jobs by spending state resources or foregoing revenues."

"There is a clear increase in total employment that results from bringing home the corrections jobs. This is in sharp contrast with these other Alaskan examples where the substitution of one type of expenditure for another often has little or no real net effect on job creation."

"Clearly resident hire is an important issue, reflected in the annual state publications documenting the non-resident share of employment..."

"Creating job opportunities in one part of the state increases the economic base in that region and strengthens the regional economy, making it less vulnerable.... The larger market size also helps to produce economies of scale which reduces the cost of living in the region."

"The economic effects are not limited to the region where the facility would be located. Furthermore the job opportunities created by an instate prison would not be limited to the current residents of the Kenai Peninsula. These job openings would be an opportunity for Alaskans throughout the state"

Professor Scott Goldsmith, ISER, UAA
"Job Creation from Instate Housing of
Prisoners"
March 19, 2001

Daily News

ugherty
Steve Lindbeck
Associate Editor

orman C. Brown
Fanning, Editor and Publisher, 1971-1983
Fanning, Editor and Publisher, 1967-1971

OPINION

COMPASS: *Points of view from the community*

Prison plan warrants backing

By FRANK PREWITT

In uncharacteristically blunt fashion, Byron Mallot recently condemned acts of violence against Alaska Natives and the failure of state policymakers to look directly into the face of racism in Alaska. It seems most Alaska Natives have patiently trusted that equal distribution of justice and resources would eventually find its way to the Native community. Finally, in the shadow of violence, the sleeping giant of self-determination appears to be waking.

Frozen paint balls of bias first burst in the face of the Kenai Natives Association last summer, when the skeleton of inequality tumbled from a closet in the state justice system. Rick Segura, president and CEO of the Kenai Natives Association, was exploring business opportunities for his small Native corporation, when he discovered that only 7 percent of Alaska's general population are Native males, but 37 percent of Alaska's prison population are Native men. A few phone calls later, Rick learned that over 300 Alaska Natives are imprisoned in the desert of Arizona, far from the cultural and behavioral support systems necessary for rehabilitation, victims of a stop-gap measure to relieve in-state prison overcrowding, now inexcusably in its seventh year.

While these men have committed serious crimes, Rick found that few Alaska Native prisoners fit conventional patterns of criminal behavior and most do not respond to conventional correctional programs. His research confirmed what Rick had always suspected: Except for the ravage of alcohol, most Native prisoners would have led and can, again, lead productive lives.

How tragic to commit a violent crime, harbor little or no recollection of the event, and live in exile with only pain and remorse as your cellmates.



The economic benefits for all Alaskans are many: local consumption of materials, goods and services associated with a major construction project; over 300 construction jobs; roughly 250 permanent prison jobs; and over \$20 million annually spent in Alaska, rather than Arizona.

Rick doesn't excuse his brothers' behavior, but he is concerned that the state seems ill-equipped or unable to break the cycle of destruction. The Alaska Judicial Council and University of Alaska Justice Center have repeatedly reported on cultural bias in our judicial system. Yet, simply put, we Alaskans continue to incarcerate more of our indigenous neighbors, per capita, than any other state, by overwhelming margins.

The Kenai Natives Association cannot fix the state justice system, but their board of directors has decided that they can commit their limited resources to reducing recidivism among Alaska Natives.

This month the Kenai Natives Association teamed with Cornell Companies and the Kenai Peninsula Borough to offer the state an alternative to out-of-state incarceration. The borough intends to sell bonds to finance a privately built and operated prison on Kenai Natives Association land adjacent to the existing, state-operated, Wildwood Correctional Center. The prison will be built to the highest standards of the industry and meet, or exceed, the security standards of the state Department of Corrections. Beyond conventional programs offered by the state, KNA's vision is to offer the Alaska Native community the opportunity to take responsibility for programs designed to target and eliminate the re-

volving door of Native incarceration.

The economic benefits for all Alaskans are many: local consumption of materials, goods and services associated with a major construction project; over 300 construction jobs; roughly 250 permanent prison jobs; and over \$20 million annually spent in Alaska, rather than Arizona.

The social benefits for all Alaskans are even more compelling: empowering Alaska Natives as stakeholders in the healing of their fathers, sons and brothers, as well as returning all Alaskan offenders imprisoned in Arizona nearer to the support systems necessary to effect life changing behavior.

On Dec. 19, 2000, the board of directors of the Alaska Federation of Natives passed a resolution which states, in part: "The AFN Board of Directors does fully endorse and support the Kenai Natives Association Inc. in the development of their private prison project."

As neighbors, we can all take a small step toward reconciliation by supporting the Kenai Natives Association. As a society, we have nothing to lose and everything to gain by seeking new solutions to old problems.

■ Frank Prewitt is an Anchorage attorney and former commissioner of the Department of Corrections under Walter J. Mickel. He consults for Cornell Corrections and the Kenai Natives Association.

CS HB 149 (FIN)

ISSUE: Opponents to the Kenai Prison Criticize the legislation as

- 1) An end run on the competitive process.
- 2) Lacking specificity as to cost.
- 3) Not having an approved site.
- 4) Failing to accommodate Delta Junction.

FACTS:

- ◆ The Kenai Peninsula Borough (KPB) has completed a competitive procurement similar to the procedures established in the State Procurement Code to select a private, third party contractor to promote, design, build and operate the prison for the first five years.
- ◆ As regards competition between regions, any other borough or municipal government in Alaska could have gone through a similar process and offered the State a similar package.
- ◆ The Kenai Peninsula Borough and its contractor have verified through planning that an 800 bed medium security prison, meeting state standards, can be built and operated for the proposed 89 per day per diem.
- ◆ The Kenai Peninsula Borough has held public hearings on the prison site and approved the Kenai Natives Association site, next to the Wildwood Correctional Center.
- ◆ The Delta Junction prison lawsuit has been settled with parties agreeing not to pursue a prison in that community.
- ◆ Benefits: 300-400 prevailing wage construction jobs; 250 ± permanent Alaska prison jobs; \$18 million per year returned to the Alaska economy; Alaska Native Empowerment.

ANCHORAGE JAIL ANNUALIZED COSTS PROJECTED FOR FY 2003

OPERATING COSTS* (PER BED PER DAY)	
Institutional Budget	\$ 68.29 /bed/day
Inmate Health Care	\$ 16.69 /bed/day
Indirect expenses	\$ 06.23 /bed/day
Inmate Programs	\$ 05.93 /bed/day
Admin. & Support	\$ 04.08 /bed/day
Total Operating Costs	\$ 101.22 /bed/day

CAPITAL COSTS** (TOTAL CAPITAL EXPENDITURES)	
Total Amount of Bonds	\$ 60.44M
20 years Interest	<u>\$ 42.98M</u>
Subtotal Capital Costs	\$ 103.42M
$\$ 103.42M \div 20 \text{ years} = \$ 5.17M / \text{year average}$	
$\$ 5.17M / \text{year} \div (400 \text{ beds @ } 365 \text{ days}) = \$ 35.42 / \text{bed/day}$	
Total Capital Costs	\$ 35.42 /bed/day

**Daily per Bed Operating Cost of \$101.22 + Daily per Bed Capital Expense of \$35.42 =
\$136.64 /bed/day**

* Data taken from the "Anchorage Jail Monthly Budget Report" dated January 2001 and Department of Corrections "Daily Cost of Care" document dated 12/7/2000. The Institutional Budget figure is based on Department of Corrections figures prepared for FY02 and FY03 operational budget request.

** Capital Costs are from the "Municipality of Anchorage - Lease Revenue Bonds, Correctional Facility, Series 2000 - Bond Debt Service Schedule".

CITY OF SOLDOTNA
177 NORTH BIRCH • SOLDOTNA, ALASKA 99669 • PHONE: (907) 262-9107

City of Soldotna



April 24, 2001

Senator Pete Kelly
Via Fax: (907) 465-5241

Subject: HB-149

Dear Senator Kelly:

Attached you will find a copy of the City's Resolution No. 2001-27, and a copy of the City Council minutes regarding that resolution. This resolution pertains to the prison issue. I am requesting that you distribute a copy of the attached to all Senate Finance Committee members before the 9:00 am hearing on April 25th. Mr. Boedeker, Soldotna City Manager will be at our Legislative Affairs office to listen to the hearing. If you need any further information please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Langfitt".

Kathy Langfitt
Admin. Assistant to the City Manager
/kl

**CITY OF SOLDOTNA
RESOLUTION 2001-27**

**A RESOLUTION OPPOSING THE CONSTRUCTION OF A PRIVATE PRISON IN OR
NEAR KENAI, ALASKA AS CURRENTLY PROPOSED**

WHEREAS, a proposal has been advanced for construction of a privately operated prison facility in or near the City of Kenai, Alaska; and

WHEREAS, the Kenai Peninsula Borough proposes to finance construction of the facility using tax exempt bonding; and

WHEREAS, the privately operated prisons raise significant policy issues as to the method of operating and monitoring the incarceration of prisoners; and

WHEREAS, the current proposal before the Kenai Peninsula Borough Assembly combines the decisions of location, who will design, who will construct and who will ultimately operate the facility into a single selection decision; and

WHEREAS, various cost "savings" have been identified for a private vs. public operated prison, but no design or training or staffing levels have been specifically identified; and

WHEREAS, you cannot adequately analyze the projected "savings" without knowing these factors; and

WHEREAS, the City Council of Soldotna deems it in the best interest of the State that a prison should be publicly run, and decisions not be based on insuring a return to investors; and

WHEREAS, even if a privately operated facility makes sense, the proposal as now advanced provides inadequate detail to determine if it is safe or prudent or cost effective; and

WHEREAS, the City Council is supportive of the construction of a prison in the area proposed if a socio-economic analysis shows this location to be feasible and prudent; and

WHEREAS, providing public financing for a project this size within a small community area such as the central peninsula should not occur without voter approval;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOLDOTNA, ALASKA:

The Soldotna City Council supports the construction of a public rather than private prison within this area. The City Council opposes any private prison proposal unless

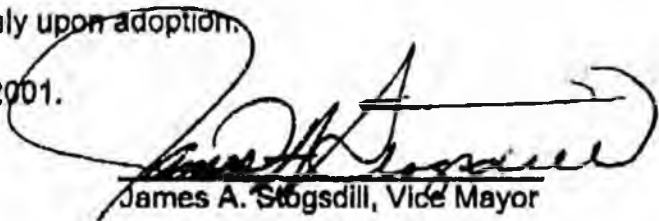
much more information is provided to evaluate the safety and cost savings projected from using a privately operated facility.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOLDOTNA, ALASKA:


The City Council does not support a private prison unless that prison meets all standards for staffing, training qualifications and security applicable to a prison operated by the State of Alaska.

This Resolution takes effect immediately upon adoption.

ADOPTED THIS 4th day of April 2001.


James A. Stogsdill, Vice Mayor

ATTEST:


Patricia C. Burdick, CMC, City Clerk

CITY OF SOLDOTNA

MINUTES OF MEETING

SOLDOTNA CITY COUNCIL7:30 PMAPRIL 4, 2001

PRESENT: Carey, Olson, Cox, Horn, Stein, Vice Mayor Stogsdill
ABSENT: None

1. **Pledge of Allegiance** – Vice Mayor Stogsdill opened the meeting at approximately 7:30 PM with the Pledge of Allegiance.
2. **Approval of Agenda Items** – The Agenda was approved as presented.
3. **Minutes of Previous Meeting: March 14, 2001** – The Minutes of the meeting of March 14, 2001 were approved as written.
4. **Public Presentations:**
 - A. **Tim Pope re: Airport Lease Rates** – Mr. Pope proposed that the increase in leases at the airport be set at 6% across the board or .069 cents per square foot. This would lower lease rates, but would help make some of the bigger lots a little more appealing by bringing them in line with other airports. He checked with various other airports and that is the going rate. He hoped it could be done this summer to help with business planning. He noted that insurance rates have increased, pinching the small business owner. Council Member Horn thought it might be discussed during the budget work sessions, which are coming up soon.
 - B. **Robert Ruffner, Kenai Watershed Forum re: Draft Water Quality Monitoring Memo of Understanding** – Mr. Ruffner, Kenai Watershed Forum Director, explained the water quality monitoring efforts they have been engaged in with the City of Soldotna. They are planning to conduct testing this summer to establish a base line. In exchange for funding for equipment, the City of Soldotna utility department staff will conduct tests on the water samples, which will be gathered by volunteers. He noted the City of Soldotna has taken a lead role in the study efforts. It is an ongoing process and the second year inquiry will take a broad look at the river.
 - C. **Assembly President Tim Navarre and Assembly Vice President Pete Sprague re: Private Prison Project** – Mr. Navarre discussed where the Assembly was on the prison issue. He explained that the Kenai Native Association came to the Borough to see what the Borough thought of the idea. They were thinking of having plans developed for a private prison, and it has evolved from there. This is the biggest thing the State has done for some time. Debate has been happening on the Assembly level as well as the private level. The Borough is encouraging our legislators. If the State is going to build a private prison, we are willing to do it. The Borough is protecting itself every step of the way. If the legislature would decide to go public, we could separate from our partners. We do want to have your input. He noted he had read the resolution and thought that he would rather the City take a position of continuing to cautiously get informed. We will try to do a better job of informing you what the legislature decided to do. The State is the one who decide to put money into it. There should be an 18 to 20% savings over the current State's numbers. They are looking at \$96 per bed, while the new jail in Anchorage is

coming in at \$130 per bed. Mr. Navarre asked that Council allow them to inform them during the process, but cautioned that the Assembly did not yet have all the information.

Mr. Sprague noted he had supported this project, but has urged caution. He was looking forward to hearing the discussion on Resolution 2001-27.

Council Member Carey noted that the timeline was extremely short and wondered what the options were. Mr. Navarre responded if everything connected, design might be started early next year with construction late in 2002 or spring of 2003 and opening the fall of 2003 or first quarter of 2004. He noted they are trying to find out if the legislature would approve the Kenai Peninsula as a site. He said early numbers did not commit them to anything. They didn't know what would happen.

Council Member Olson stated he didn't know the nature of the lawsuit between Cornell and the City of Delta Junction, but wondered how it pertained. Mr. Navarre responded that Cornell was not involved at all, but is between two other parties.

5. Consent Agenda:

A. Resolution 2001-22 – Authorizing Purchase of FY2000-2001 Calcium Chloride

B. Resolution 2001-23 – Accepting the Results and Certifying the Runoff Election of March 27, 2001

C. Resolution 2001-24 – Authorizing the City Manager to Accept a Grant of \$3,000 from the Kenai Watershed Forum and Enter into a Memorandum of Agreement with the Forum

D. Resolution 2001-26 – Authorizing the Submission of a Loan Questionnaire to the Alaska Department of Environmental Conservation for their Alaska Clean Water Fund Program

It was moved by Stein, seconded by Cox, for approval of the Consent Agenda. The vote on the motion was:

YES: Cox, Horn, Olson, Stein, Stogsdill, Carey

NO: None

ABSENT: None

Motion passed.

6. Ordinances, Public Hearings:

A. Ordinance 738 – Adopting New and Revised Budgets for Capital Projects for Fiscal Year Ending June 30, 2001 (City Transportation Study) – Vice Mayor Stogsdill opened the public hearing for Ordinance 738. No one from the public wished to be heard, and the public hearing was closed. It was moved by Carey, seconded by Stein, for enactment of Ordinance 738. The vote on the motion was:

YES: Cox, Horn, Olson, Stein, Stogsdill, Carey

NO: None

ABSENT: None

Motion passed.

7. Ordinances, First Reading:

A. Ordinance 739 – Amending Title 16 (Sign Code) of the Soldotna Municipal Code to Change the Allowable Sign Area from 81 Square Feet to 110 Square Feet (Set public hearing for April 25, 2001) – It was moved by Horn, seconded by Olson, for introduction of Ordinance 739, setting the public hearing for April 25, 2001. The vote on the motion was:

YES: Horn, Olson, Stein, Stogsdill, Carey

NO: Cox

ABSENT: None

Motion passed.

8. Resolutions:

A. Resolution 2001- 20 – Authorizing Contract Change Order No. One (1) for the East Redoubt Avenue Project (Phase 1) in the Additional Amount of \$17,563.60 – It was moved by Carey, seconded by Stein, for adoption of Resolution 2001-20. Mr. Boedeker noted this change order was to address a field change in the project, which had been negotiated for work on a blind drain in an area where the soils did not easily percolate water. The vote on the motion was:

YES: Cox, Horn, Olson, Stein, Stogsdill, Carey
NO: None
ABSENT: None

Motion passed.

B. Resolution 2001-21 – Authorizing Contract Change Order No. Two (2) for the East Redoubt Avenue Project (Phase 1) in the Additional Amount of \$99,727.50 It was moved by Stein, seconded by Cox, for adoption of Resolution 2001-21. Mr. Boedeker noted this change order was a result of an additional sum of funding for the project. The paving would be extended to the corner of Keystone and Redoubt Avenue. Continuing with the project at this time prior to Phase II will allow us to minimize grading and dust control.

The vote on the motion was:

YES: Cox, Horn, Olson, Stein, Stogsdill, Carey
NO: None
ABSENT: None

Motion passed.

C. Resolution 2001-27 – Opposing the Construction of a Private Prison in or Near Kenai, Alaska as Currently Proposed – It was moved by Horn, seconded by Carey, for Introduction of Resolution 2001-37. It was then moved by Carey, seconded by Horn, to amend the resolution by adding the words, "If a socio-economic analysis shows this location to be feasible and prudent; and", at the end of the ninth Whereas.

Council Member Carey stated the City did support the construction of a prison, but we want to see very firm data such as adequate housing for those who will move here, the need for additional schools and other economic disruptions to the area. We want to see on paper and discussed those issues so we can see it actually adds to the economic community. We do not believe a private prison is a good idea. The vote on the amendment was:

YES: Cox, Horn, Olson, Stein, Stogsdill, Carey
NO: None
ABSENT: None

Motion passed.

Vice Mayor Stogsdill remarked that no one on Council would try to minimize the economic benefits the building of a facility of this size would mean to the cities here and the borough as a whole because a number of jobs would result and we all believe those things are very important. We tried to indicate in the resolution that we are in favor of this project; however, we also believe that the penal system is a fundamental obligation of government and shouldn't be handed over into private hands, mainly because when you look for the assurances of training and pay and benefits and security, they wind up being negotiated after everything has been completed. The facility itself will be completed before you wind up in negotiations on staffing requirements, etc. I think there are a number of concerns

involving a private prison that are worrisome to a lot of people. I have heard a lot of people say they don't want a private prison, and no objections to a prison run by the state government. I think that is fundamentally our position. As I heard in a public hearing held by the borough last week the position of whether or not this prison will be operated by the state or operated privately is in the hands of the legislature. We felt it was important for us to say to the legislature that we are in favor of a prison, but not a privately run prison, and it is the obligation of the state to house and care for those who are being deprived of their freedom through convictions. He didn't think you could go through the entire judicial system which is run by the government and then when it is time to incarcerate, turn that over to a profiteer. He went on to say there are many things about private prisons that are concerning people in the area. Council's intent is to say we support your prison project. It would be a good economic thing for this area assuming all the other conditions and things work out. We do not believe a privately run prison is in the best interests of the borough, and that's what we have tried to say with this resolution. We would even be supportive of a private prison were all of these factors adhered to.

Vice Mayor Stogsdill continued that hearings were held in the finance legislative subcommittee on HB 149, the prison bill. A person from the Department of Corrections was present and he indicated to the subcommittee that the state now pays \$54.40 for each prisoner per day that is being held in Arizona by Corrections Corporation of America. There are over 800 prisoners who would be moved back here. The \$54.40 figure is compared to the \$89 figure which somebody has posted as a reasonable rate for a privately run prison here. That is a seven million dollar a year increase in the state budget. Corrections said they could operate the prison for \$90 per day. That doesn't sound like a cost savings of 15 or 20%.

Assembly President Navarre responded that he was briefed on that hearing, but didn't hear it himself. He guessed this had been a good debate for the state, and noted they should have had it for Delta Junction. The \$89 figure was the number the borough brought forward during the RFQ process. That says a lot for the team effort the borough had done up to this time. He thought the Department of Corrections would agree that they are better suited to operate a prison. The state is already in the position of using a private prison. He noted he would be presenting the city with a book with all the previous newspaper articles, resolutions, house bills and other information. He felt it would answer some of the questions. He said he would agree with some of the things Council was saying if they wanted to send a message to the legislature. Unfortunately some people will see this resolution and say the City of Soldotna is opposed to a prison. He felt they probably should have had two resolutions. We are trying to inform you of the issues you are concerned with; we need to work together. He assured Council they would be invited to future meetings so they could see where the debate has gone. He agreed a lot of things had to be fleshed out.

The vote on the motion as amended was:

YES: Cox, Horn, Olson, Steh, Stogsdill, Carey
NO: None
ABSENT: None

Motion passed.

9. Reports from Advisory Boards & Commissions:

- A. Planning & Zoning Commission Meeting of March 21, 2001 - No comments.
- B. Parks and Recreation Advisory Board Meeting of March 27, 2001 - This report will be available later.

10. Mayor's Report - Vice Mayor Stogsdill felt that the Assembly was doing an outstanding job of trying to increase the economy of the borough, even though sometimes we agree to disagree on some issues. He stated nobody could ask for better representation.



Alaska State Legislature

Please enter into the record my testimony to the

SENATE
FINANCE COMMITTEE
committee name

Committee on

HB 149 Private Prison, dated 26 Apr 2001
bill # / subject

Is there any guarantee that the prisoners housed at the proposed Kenai Prison will in fact be Alaskan inmates now housed in Arizona?

Signed:

David R. Carty, Mayor
Testifier

City of Soldotna
Representing (optional)

Box 718 Soldotna, Ak 99669
Address

260-6413
Phone number

SITE: Kenai LIO

COMMITTEE: SFIN

DATE: 4-26-01

SUBJECT OF MEETING:

HB149 Private Prison

UPDATE #: Update 2



PLEASE SIGN IN

PLEASE PRINT:

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y OR N
Mayor Dave Carey HB 149	Box 718 Soldotna, AK 99669	City of Soldotna	N
Ronald T Rozak HB149	36641 Chinulna Dr. Kenai, AK 99611	Self	Y
Marge Hays HB149	Box 2876 Soldotna, AK 99669	Self	Y
Richard Segura HB149	215 Fidalgo Ave. Suite 101 Kenai, AK 99611	KNA Inc	Y
James Price HB149	Box 7043 Nikiski, AK 99635	Self	Y
Elsie Hendryx HB149	618 Fir Kenai, AK 99611	KNA Inc	Y
Susan Wells HB 149	37305 Cetacea	Self	Y
Mike Carpenter HB 149	37305 Cetacea	Self	Y
Carol Segura HB 149	320 Thompson Pl. Kenai, AK 99611	Self	Y
Michael Slezak HB149	215 Fedalgo Ave. Ste 101 Kenai, AK 99611	KNA Inc	Y

SENATE FINANCE COMMITTEE

SIGN-IN

HB 149-PRIVATE PRISON IN KENAI

NAME: Margot Knuth Subject/Bill No: HB 149
Co./Dept./Title: Dept of Corrections Phone: 465-4338
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: FRANK PREWITT Subject/Bill No: _____

Co./Dept./Title: CONSULTANT CORNELL COMPANIES Phone: 845-7152

Address: 8500 UPPER HUFFMAN RD Zip: 99516

Do you wish to testify? Yes No Respond To Questions

Do you wish to testify?

NAME: David Katzer Subject/Bill No: HB 149

Co./Dept./Title: _____ Phone: 780-3510

Address: 10540 Glacier Hwy #149 Zip: 99801

Do you wish to testify? Yes No Respond To Questions

~~SFC-01~~ SFC-01 -1- 4/26/01

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

SFC-01 -2- 4/26/01
HB 149

SENATE FINANCE COMMITTEE

SIGN-IN

HB 149-PRIVATE PRISON IN KENAI

NAME: ~~Steve Wright~~ Subject/Bill No: 149
Co./Dept./Title: Rep Mike Cherrault Phone: 3777
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: ~~Margaret Kinnin~~ Subject/Bill No: HB 149
Co./Dept./Title: Corrections Dept Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Vern Jones Subject/Bill No: HB 149
Co./Dept./Title: Administration Dept Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Tim Navarre Subject/Bill No: HB 149
Co./Dept./Title: PRIS. KIWAH PENINSULA BOROUGH Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

SITE: Kenai LIO

COMMITTEE: SFIN

DATE: 4-23-01

SUBJECT OF MEETING:

HB149: Private Prison in Kenai

UPDATE #: 2



PLEASE SIGN IN

PLEASE PRINT:

**DO YOU WANT
TO TESTIFY?
Y or N**

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y or N
Tom Boedeker	177 N Birch St, Soldotna AK 99669	City of Soldotna	Y HB149
Marge Hays	PO Box 2876 Soldotna	self	Y HB149
Richard Van Hatten	840 Set Net Dr, Kenai AK 99611	Public Safety Empl. Assoc	Y HB149
James Price	PO Box 7043 Nikiski AK 99635	self	Y HB149

