

SB

142

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 142
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title: Lease-Purchase Spring Creek BRU: Revenue Operations
Component: Treasury
Sponsor: Senator Torgerson
Requester: Senate Judiciary Committee 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 (Marketing & Selling Boards)	10.0					
Contractual	8.0	7.0	7.0	7.0	7.0	7.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Debt Service		1,368.8	1,365.7	1,365.4	1,368.3	1,369.0
TOTAL OPERATING	18.0	1,375.8	1,372.7	1,372.4	1,375.3	1,376.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	18.0	1,375.8	1,372.7	1,372.4	1,375.3	1,376.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Project Fund Investment Earnings						
TOTAL	18.0	1,375.8	1,372.7	1,372.4	1,375.3	1,376.0

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)

This legislation authorizes a lease-purchase agreement with the City of Seward for the construction of an addition to the Spring Creek Correctional Center. As with earlier financings for the Spring Creek Correctional Center, the State Bond Committee would issue State of Alaska Certificates of Participation in conjunction with the City of Seward to fund the construction.

Assuming an interest cost of 6.05% (approximately 100 basis points above current rates), and a 20-year term, annual debt service would be approximately \$1.38 million beginning in fiscal year 2003, with a total repayment of approximately \$26 million.

Due to the uncertainty in predicting future interest rates, the above-market rate of 6.05% is used for purposes of establishing a maximum payment amount. It is anticipated, however, that the actual payments would be somewhat less than the amounts in this fiscal note. If bonds were issued at today's interest rate, the annual debt service payments would be approximately \$110,000 less per year and total payments would be \$2.2 million less over the 20-year term.

Prepared by: Deven Mitchell Phone 465-3750
Division: Treasury Date/Time March 16, 2001, 2 p.m.
Approved by: Larry Persily, Deputy Commissioner Date 03/16/2001
Agency: Department of Revenue

For distribution information, call the Governor's Legislative Office



ALASKA STATE LEGISLATURE

SENATOR JOHN TORGERSON

- ◆ CHAIR, SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
- ◆ CHAIR, SENATE RESOURCES COMMITTEE

Session:

State Capitol, Room 427, Juneau, AK 99801
Telephone 907/465-2828 Fax 907/465-4779

District:

45457 Kenai Spur Hwy.; Suite 101B, Soldotna, AK 99669
Telephone 907/260-3042 Fax 907/260-3044

SB 142 - LEASE-PURCHASE SPRING CREEK CORRECTIONAL Sponsor Statement

This bill authorizes a lease-purchase agreement with the City of Seward for the construction of an addition to the Spring Creek Correctional Center for secure classroom facilities and prisoner housing.

The State of Alaska has certain constitutional and statutory duties to provide educational opportunities to prisoners for eventual reintegration of those prisoners into society. Spring Creek Correctional Center has operated a successful pilot program that is intended to accomplish those duties.

This legislation would provide space for an educational program, a vocational training program, and housing for the inmates in those programs. Additionally, some work will need to be accomplished on the site although the core area of the facility is sufficient to accommodate the proposed expansion.

JT/mj: SB 142 (S-JUD) SS: 3-19-01

REPRES

Anchor Point Bear Creek Clam Gulch Cooper Landing C
Kusilof Lowell Point Mouse Pass Nauyasuk Nikoluevsk

INSULA

Halibut Cove Homer Hope Kachemak City Kachemak Selo
SPONSOR STATEMENT Seward Seldovia Soldotna Stariski Sterling Voznesenka



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SB 142 - LEASE-PURCHASE SPRING CREEK CORRECTIONAL Sectional Analysis

Section 1. Purpose and Findings sections, stating

(a) Findings as:

- (1) the state and commissioner of corrections have certain constitutional and statutory duties to prisoners for educational and other opportunities;
- (2) Spring Creek Correctional Center (SCCC) has a pilot program to achieve the goals;
- (3) School age by statute extends until 20 years of age when person has not completed the twelfth grade; and
- (4) More than 400 inmates state wide under 21 years of age that would benefit from educational programs.

(b) Purpose as:

To provide educational opportunities for prisoners, especially prisoners of school age through the pilot program at SCCC.

Section 2. Adds new section to uncodified law that:

- (a) Authorizes Department of Administration to enter into a lease-purchase agreement with the City of Seward for the construction of a facility and provide secure classroom facilities and housing for prisoners transferred to SCCC; project approval subject to limitations:

- (1) total constructions and related costs not to exceed \$15 million;
- (2) total lease payments not to exceed \$28,320,000 and annual rental obligation not to exceed \$1,621,200;
- (3) State owns facility at end of lease-purchase agreement;
- (4) Addition design and construction must provide secure classroom facilities and housing, not fewer than 140 beds.

- (b) Subsection (a) provides notice and approval required by AS 36.30.085.

JT/mj: SB 142 (S-JUD) SS: 3/19/01

REPRESENTING THE PEOPLE OF THE STATE OF ALASKA

Anchorage Point Barrow Creek Clam Gulch Cooper Landing C
Kasilof Lowell Point Moose Pass Nanwalek Nikoluevsk

Sectional Analysis

INSULA
Halibut Cove Homer Hope Kachemak City Kachemak Selo
Seward Seldovia Soldotna Stariski Sterling Voznesenka

Project Budgets for Expansion of Spring Creek Correctional Center's Youthful Offender Program

	For Youthful Offenders Unit Capacity of 150
Educational Space	\$6,210,000
Vocational Training Space	\$2,530,000
Housing	\$10,960,000
Site Development & Utilities	\$2,430,000
Totals	\$22,130,000

EDUCATIONAL SPACE PROGRAM

	For Youthful Offenders Unit Capacity of 150		
	Quantity	Size, Sq.Ft.	Sq.Ft.
Classrooms (linkable in pairs)	5	800	4,000
Library/Study Hall	3	500	1,500
Computer Lab(s)	2	500	1,000
Inmate Toilets	1	225	225
Staff Toilet(s)	2	50	100
Storage	6	150	900
Staff Offices	7	90	630
Staff Workroom	1	150	150
Counseling Room(s)	4	225	900
Culinary Skills Kitchenette	1	275	275
Chapel Space	1	1500	1,500
Sub-Total Net Space Requirement			11,180
Net-to-Gross Factor			1.7
Total			19,006
Estimated Construction Cost/S.F.			230
Project Budget Factor			1.42
Estimated Cost			\$6,210,000

VOCATIONAL TRAINING SPACE PROGRAM

For Youthful Offenders Unit Capacity of 150			
Size,			
	Quantity	Sq.Ft.	Sq.Ft.
Material Storage/Staging	1	1800	1,800
Sallyports	2	200	400
Workshop(s)	1	4000	4,000
Office(s)	2	90	180
Toilet(s)	1	225	225
Classroom	2	250	500
Sub-Total Net Space Requirement			7,105
Net-to-Gross Factor			1.32
Total			9,379
Estimated Construction Cos/S.F.			190
Project Budget Factor			1.42
Estimated Cost			\$2,530,000

HOUSING SPACE PROGRAM

	For Youthful Offenders Unit Capacity of 150		
	Quantity	Size, Sq.Ft.	Sq.Ft.
Double-Occupancy "Wet" Cells	64	100	6,400
Single-Occupant "Wet" Max Cells	22	90	1,980
Single-Occupant "Wet" Seg. Cells	10	90	900
Showers	1	400	400
Dayroom(s)	2	2750	5,500
Control Room(s)	1	250	250
Sallyports	1	150	150
Serving Kitchen	1	300	300
Production Kitchen			0
Staff Offices	5	90	450
Staff Toilet(s)	2	50	100
Nurse's Office & Exam Room	1	300	300
Conference Room(s)	1	200	200
Control Room(s)	1	250	250
Mini-Library(s)	2	150	300
Property Storage	150	5	750
General Storage	3	100	300
Sub-Total Net Space Requirement			18,530
Net-to-Gross Factor			1.7
Total			31,501
Estimated Construction Cost/S.F.			245
Project Budget Factor			1.42
Estimated Cost			#####

Site Development & Utilities

	For Youthful Offenders Unit Capacity of 150
	Allowance
Excavation, Backfill, Grading	250,000
Expand Perimeter Fence Route	350,000
Expand Perimeter Detection Zones	175,000
Expand Patrol Road, Lighting	125,000
Sewage Collection Piping	50,000
Water Distribution Piping	40,000
Electrical Distribution	40,000
Heating Fuel Storage Tankage, Piping	40,000
Industries Product Warehousing	350,000
Expand Parking Lot	90,000
Outdoor Recreation Yard, Covered	200,000
Total	\$1,710,000
Project Budget Factor	1.42
Estimated Cost	\$2,430,000

SB 142 Offender Data

Sentenced Felons - One Year Or More to Serve				
	25 & Under	24 & Under	23 & Under	22 & Under
AGE	Offenders			
25	30			
24	29	29		
23	30	30	30	
22	17	17	17	17
21	33	33	33	33
20	21	21	21	21
19	12	12	12	12
18	6	6	6	6
17	0	0	0	0
TOTAL	178	148	119	89

Additionally, there are **388 UNSENTENCED** felons in the system age 25 or younger.