

SB

105

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSSB 105(TRA)
(S) Publish Date: 3/23/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
Title Reimbursement for Municipal Debt RDU Community Assist & Ec Dev (405)
Component Community Advocacy
Sponsor Hoffman
Requester Senate Transportation Component No. 2703

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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 ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation amends AS 29.60.700 (a) to extend from July 1, 2007 to July 1, 2012 the date by which the Department of Transportation and Public Facilities may reimburse municipalities for debt incurred on certain projects. This legislation has no fiscal impact on the operations of division.

Prepared by: Mike Black, Director
Division: Community Advocacy
Approved by: Emil Notli, Commissioner
Agency: Commerce, Community, and Economic Development

Phone 907.269.4535
Date/Time 3/19/07 5:09 PM
Date 3/19/2007

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSSB 105(TRA)
(S) Publish Date: 3/23/07

Revision Date/Time (Note if correction): _____ Dept. Affected: DOT&PF
Title Reimbursement for Municipal Debt RDU Administrative Services
Component Commissioner's Office
Sponsor Sen. Hoffman
Requester Senate TRA Component No. 530

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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 ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill will have no fiscal impact on the Department of Transportation and Public Facilities as debt reimbursement is a separate appropriation. The cost of passing the funding through to municipalities is negligible.

Prepared by: Mary Siroky, Special Assistant
Division: Commissioner's Office
Approved by: Leo von Scheben, Commissioner
Agency: Department of Transportation and Public Facilities

Phone 465-4772
Date/Time 3/19/07 9:00am
Date 3/19/2007

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Labor & Commerce
Legislative Council
World Trade & State/Federal Relations

SENATOR LYMAN F. HOFFMAN

SPONSOR STATEMENT

Senate Bill 105

Reimbursement for Municipal Debt for a Small Boat Harbor

The legislature passed HB 528 in 2002 as debt reimbursement for certain capital projects. Included in the list of projects was a small boat harbor in Unalaska approved for a \$5 million dollar debt reimbursement through the Department of Transportation and Public Facilities, and it has been delayed due to exhaustive permitting requirements. The permitting process started in 1996 and was just completed in 2006.

The Corps of Engineers Civil Branch is responsible for the construction and maintenance of the outer breakwaters for the project, and the city is responsible for construction of the inner harbor improvements and providing the utilities for the project. As a Corps of Engineers sponsored project, it must be authorized within the Water and Resource Development Act through Congress. The first Environmental Assessment (EA) resulted in an inability to sign a FONSI or "Finding of no significant impact". A second EA resulted in the same failure due to claims by the US Fish and Wildlife Service that the Corps had not followed the National Environmental Protection Act and demanded an Environmental Impact Statement (EIS) be accomplished. The Corps undertook and completed an EIS in 2004 but the Record of Decision was not signed until six months ago due to staff retirements in Washington DC. The total cost of permitting was well over \$3 million dollars.

The cost estimates for the Corps' responsibility, or outer breakwaters, is \$12 million dollars. The City cannot construct any part of the inner harbor improvements until the outer breakwaters are constructed. Delays in the Corps permitting process and delays in obtaining congressional appropriations have kept the City of Unalaska from obligating these funds. The required funds for the City's portion of the project are \$13 million and that money is set aside with the \$5 million dollar debt reimbursement in question as part of this financing package.

The City of Unalaska is prepared to move forward the minute that the Corps of Engineers gets the funding, however, the deadline for the debt reimbursement is June 30, 2007. SB 105 will allow the City to complete the design, prepare bid documents, and obligate the funds in time to complete the small boat harbor project.