

2/01/11

PRESENTA-

TION:

DENALI

COMMISSION

<TARGET><BILL></BILL><SUBJECT>2-01-11 PRESENTATION
DENALI COMMISSION</SUBJECT><COMM>HCRA27</COMM></TARGET>



DENALI COMMISSION

Sustainable Rural Communities
Joel Neimeyer, Federal Co-Chair



DENALI COMMISSION



Appalachian
Regional
Commission
1965

Denali
Commission
1998

Delta Regional
Commission



**APPALACHIAN
REGIONAL
COMMISSION**



Regional Commission Model For Government



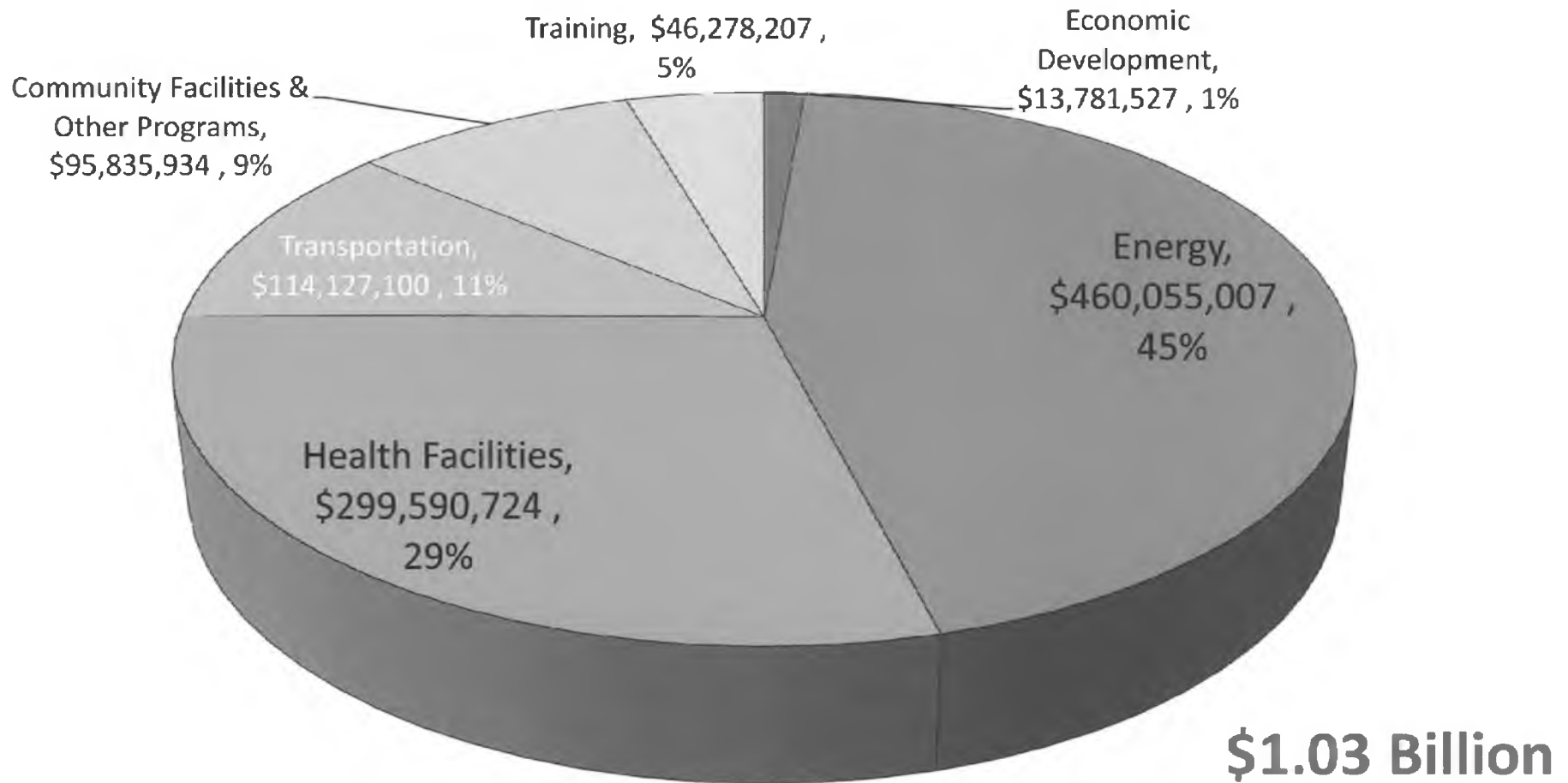
DENALI COMMISSION



- **Denali Commission – An independent Federal Agency**
- **Created in 1998 – Denali Commission Act**
- **Governing Principles:**
 - Small staff
 - Limited overhead costs
 - Numerous program partners
 - Shared resources; common vision
 - Transparency
 - Decisions made in Alaska



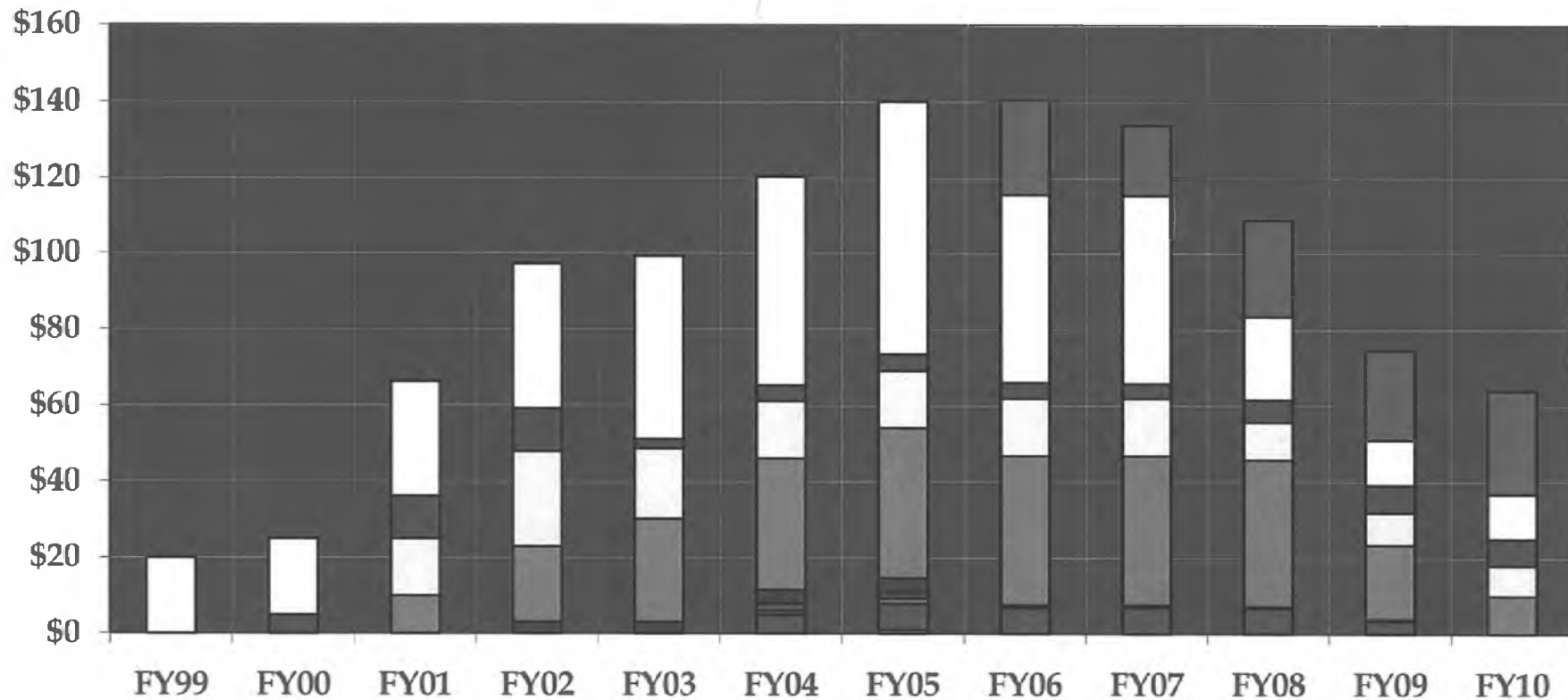
FY99 - FY10 Denali Commission Program Funding Uses





Denali Commission Funding Sources FY99 - FY10

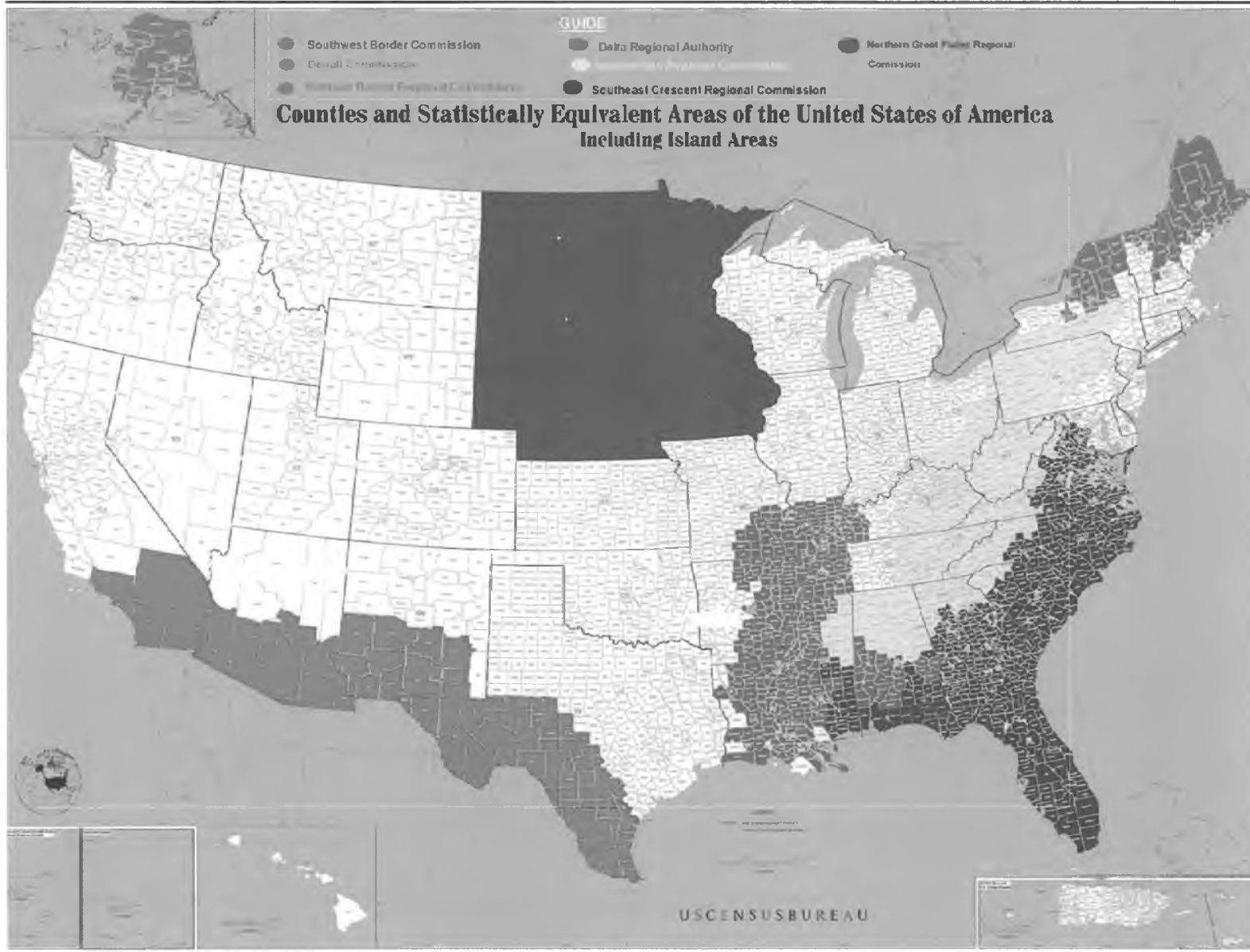
(in millions)



- Department of Transportation (FTA & FHWA)
- USDA Rural Utilities Service
- Housing & Urban Development
- Department of the Interior
- Energy & Water Appropriation
- Health & Human Services
- USDA Solid Waste
- Trans-Alaska Pipeline Liability Fund
- Environmental Protection Agency
- Department of Labor



DENALI COMMISSION





DENALI COMMISSION

Partners

Our Program Partners Include:

Federal

- FEDERAL HIGHWAY ADMINISTRATION, WESTERN FEDERAL LANDS HIGHWAY DIVISION
- U.S. DEPARTMENT OF AGRICULTURE, FOREST SERVICE, RURAL DEVELOPMENT AND RURAL UTILITIES SERVICE
- U.S. DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION
 - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
- U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, INDIAN HEALTH SERVICE
 - U.S. DEPARTMENT OF INTERIOR, BUREAU OF INDIAN AFFAIRS
 - U.S. DEPARTMENT OF LABOR



Indian Health Service

The Federal Health Program for American Indians and Alaska Natives

State

- ALASKA DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
 - ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION
 - ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES
- ALASKA DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
 - ALASKA DEPARTMENT OF PUBLIC SAFETY
- ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
 - ALASKA ENERGY AUTHORITY
 - ALASKA HOUSING FINANCE CORPORATION
 - ALASKA MENTAL HEALTH TRUST AUTHORITY
 - ALASKA STATE LEGISLATURE
 - UNIVERSITY OF ALASKA

Other

- ALASKA FEDERATION OF NATIVES
 - ALASKA GROWTH CAPITAL
 - ALASKA MUNICIPAL LEAGUE
- ALASKA NATIVE TRIBAL HEALTH CONSORTIUM
 - ALASKA PUBLIC BROADCASTING, INC.
- ALASKA REGIONAL FOR-PROFIT CORPORATIONS
 - ALASKA REGIONAL HEALTH BOARDS
- ALASKA REGIONAL NON-PROFIT CORPORATIONS
 - ALASKA REGIONAL HOUSING AUTHORITIES
 - ALASKA VILLAGE ELECTRIC COOPERATIVE
- ASSOCIATED GENERAL CONTRACTORS OF ALASKA
 - FIRST ALASKANS INSTITUTE
 - RASMUSON FOUNDATION
- RURAL ALASKA COMMUNITY ACTION PROGRAM, INC.





DENALI COMMISSION

Partnerships Make It Happen

2006 - 2010

Commission funding:	\$478M
State of Alaska funding:	\$106M
Leveraged funding:	\$461M

Total of 899 Commission projects funded
State provides Project Management for 412



DENALI COMMISSION



Collaborative Programming

2005 - 2010

\$4 : \$1

State of Alaska
\$2.4 Billion

Denali Commission
\$0.6 Billion



DENALI COMMISSION

Denali Commission Programs

- Energy Program
- Health Facilities Program
- Transportation Program
- Training Program
- Government Coordination



DENALI COMMISSION

Energy Program





DENALI COMMISSION



Health Program





DENALI COMMISSION



Transportation Program



DENALI COMMISSION



Training Program





DENALI COMMISSION

Legislative/Commission Discussion Points

- \$3 Million State Funding
- Transportation Program – FY11 Projects
- Health Program – Suite of Four projects
- Energy Program – Emerging Technologies & FY11
- Sustainable Rural Communities
- Role of the Denali Commission – Listening Sessions



State \$3 Million Partnership Grant

- Completion Funding for 7 Proposed Power Generation Projects:

Angoon \$300K
Hoonah \$470K
Igiugig \$150K
Karluk \$60K
McGrath \$200K
Pelican \$300K
Yakutat \$160K

Total, \$1.64M

- Mooring Projects (up to 17 communities)
- 20% Match Funding (\$1.36M) to Federal Funding (\$7M)

Akiachak, Goodnews Bay, Kongiganak, Napaskiak, Upper Kalskag, Crooked Creek, Lower Kalskag, Buckland, Fort Yukon, Galena, Kiana, Noorvik, Nulato, Savoonga, Stevens Village, Tanana, and White Mountain



DENALI COMMISSION



**US Army Corps
of Engineers**
Alaska District

**ALASKA BARGE LANDING
SYSTEM DESIGN
STATEWIDE
PHASE 1**

Various Locations, Alaska

FINAL REPORT



JANUARY 2009

Barge Landings & Mooring Designs



DENALI COMMISSION

Chevak Mooring





DENALI COMMISSION

FFY 11 Transportation Program

<u>Funding Type</u>	<u>Amount</u>	<u>Match</u>
Waterfront	\$12.4 Million	Secured
Roads	\$14.2 Million	\$500K Needed
Waterfront or Roads	\$3.9 Million	Secured



DENALI COMMISSION

Health Program and State Legislative Changes

Suite of Four Behavioral Health projects: (no new funding)

- Yukon-Kuskokwim Elder Assisted Living Facility
- Tundra Women's Coalition
- Nugen's Ranch
- Seeds of Change

Working with State OMB, A-DHSS and Alaska Mental Health Trust Authority



DENALI COMMISSION

Energy Program & proposed Federal Cost Share Requirements

FFY11 President's budget proposes cost share match to the Commission's base budget:

- 20% economically distressed communities
- 50% non-distressed communities
- Range of match needed: \$4.5M to \$15M
- Should know by March 2011 (CR is the key)



DENALI COMMISSION



Government Coordination





DENALI COMMISSION

Sustainable Rural Communities

- Phase I – Sustainable Rural Communities report by federal partners.





DENALI COMMISSION

Findings

- Lead Agency
- Focus on Community
- Solutions in Partnership at the Federal Level
- Regional Approach



DENALI COMMISSION



Sustainable Rural Communities

- Phase II – Public Comment





ANNUAL REPORT 2010

THE JOURNEY CONTINUES : THE NEXT DECADE OF THE DENALI COMMISSION



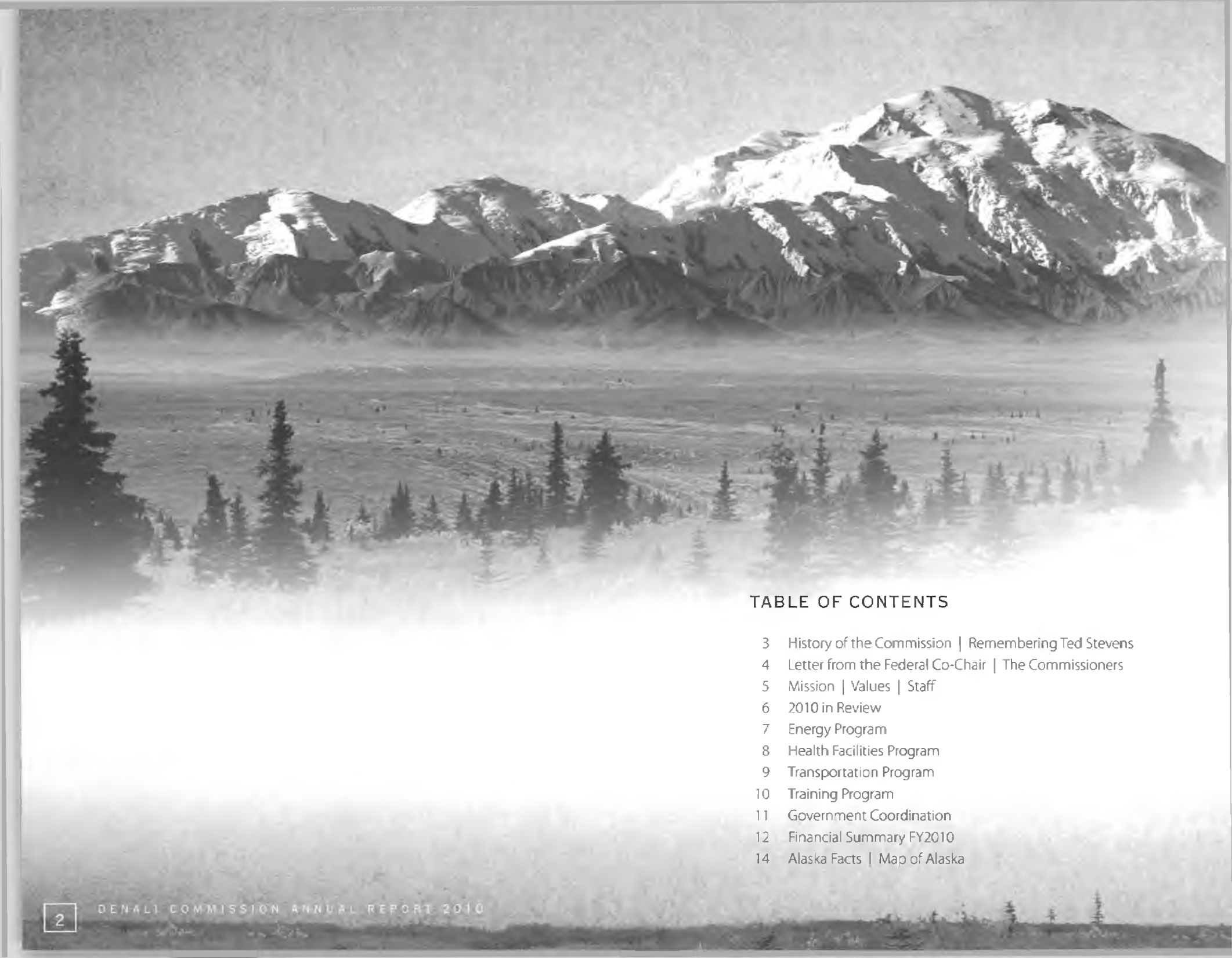


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HISTORY OF THE COMMISSION

Denali Commission (Commission) is an innovative independent federal-state partnership designed to provide critical utilities, infrastructure and support for economic development in Alaska by delivering federal services in the most cost-effective manner possible.

The Commission was created to find solutions, both immediate and long-term, to the inequities between rural Alaska and the rest of America. Initially, the Commission's primary objective was to provide reliable power and healthcare to every community while securing contamination threats to the environment.

Since inception in 1998, the Commission has been extraordinarily effective at accelerating the delivery of badly needed infrastructure projects. The Commission is widely regarded as efficient and necessary by the people in rural Alaska and by private sector and government partners.

The Commission has a lengthy history that demonstrates the agency's ability to not only respond to critical infrastructure needs, but also provide innovative solutions that work in rural Alaskan environments. Examples include the installation of efficient and reliable generators and switchgear equipment that power schools, homes and healthcare facilities. The Commission has replaced or repaired fuel storage facilities so they have appropriate, code compliant capacity. The Commission's work in the Health Facilities Program has enabled communities to design and construct clinics throughout the entire state and has made an enormous impact in the lives and health of rural Alaskans. The Commission has built roads and provided harbor access for rural communities which serve as the essential lifeblood of a thriving community. To help ensure that these projects are sustainable, the Commission has initiated job training and economic development projects to complement its investment in infrastructure.

We invite you, in the following pages, to see the past work of the Commission and reflect on a government agency that is making dramatic progress in the nation's least developed area. The Denali Commission is a model of effective, innovative government. In these pages, witness our vision for a better Alaska, and a stronger America.

Denali Commission Act - (Title III of Public Law 105-277, 42 USC 3121)



In Memory of
Senator Ted Stevens
1923 - 2010

*"My future is in God's hands. The
future of Alaska, however, is in your hands."*

In 1998 Senator Ted Stevens focused national attention on the immense infrastructure and economic challenges faced by rural Alaskan communities when he authored the Denali Commission Act. The Act became law on October 21, 1998. The Denali Commission, with its unique scope and breadth of services, has helped change the face of rural Alaska.



JOEL NEIMEYER
Federal Co-Chair, Denali Commission

THE JOURNEY CONTINUES: THE NEXT DECADE OF THE DENALI COMMISSION

Change is upon us at the Denali Commission (Commission) as we embark on our second decade of critical infrastructure development in Alaska. For twelve years the Commission has administered over \$1 billion dollars in basic infrastructure, training, and economic development projects in Alaska's remote communities. The Commission's funding, along with all the leveraged funding from other program partners, has improved the standard of living across the state and has provided rural residents with access to fundamental facilities and opportunities that many urban residents take for granted. Over these past twelve years, the Commission has:

- Completed 97 code compliant bulk fuel tank farms and 55 rural power system upgrades in rural Alaska communities.
- With numerous partners, including the State of Alaska, we are engaged in the development and construction of alternative and renewable energy projects, including wind turbines, hydro, geothermal and biomass.
- Completed 114 clinics with an additional 11 clinics currently under construction. The Commission has 27 health facility projects that are in the conceptual planning or design phases.
- Completed 33 road projects and 42 waterfront development projects. Eighty-two road and waterfront development projects are currently in the planning, design or construction phase.
- Partnered with numerous agencies, including the State of Alaska, and leveraged millions of dollars. Since 2006, for example, the Commission's \$478 million in program dollars were matched by the State of Alaska with \$106 million and an additional \$460 million from other funding sources.

The Commission is in its next decade and its next phase of growth. While we have accomplished much in our first decade, we recognize there are many rural communities still waiting for code compliant bulk fuel tank farms, roads, small boat harbors, clinics and training opportunities.

Although our funding has decreased in the past four years, the relevance and necessity of the Commission is clear. The need for partnerships, leveraging of dollars and collaboration are all the more apparent in this economy. This is the very foundation the Denali Commission was built upon years ago and it will be the foundation of our future efforts as we adjust in these changing times. This coming year the Commission will look at reauthorization opportunities, review organizational restructuring models and work to continue the necessary project development activities in which we have excelled for over a decade. We are excited about our future prospects and our future course as we work with program partners on rural development issues.

I am proud to share this annual report which showcases the work of the Commission in FY2010. The next decade holds challenges for the agency which will highlight our strengths and adaptability as we continue to serve Alaska.

Joel Neimeyer
Federal Co-Chair

COMMISSIONERS

The Denali Commission Act teams seven leading Alaska policy makers together. Commissioners meet at least twice a year to develop and monitor an annual work plan that guides the Commission's activities. Commissioners draw upon community-based comprehensive plans as well as comments from individuals, organizations, partners and staff to guide funding decisions. This approach helps provide basic services in the most cost-effective manner by moving the problem solving resources closer to the people best able to implement solutions.

JOEL NEIMEYER
Federal Co-Chair
Denali Commission

KAREN REHFELD
State Co-Chair
Director of the Office of Management & Budget, State of Alaska

VINCE BELTRAMI
Executive President, Alaska AFL-CIO

LORETTA BULLARD
Director, Alaska Federation of Natives

PATRICK K. GAMBLE
President, University of Alaska

JOHN MACKINNON
Executive Director
Associated General Contractors of Alaska

KATHIE WASSERMAN
Executive Director, Alaska Municipal League

MISSION

The Denali Commission works with partners to develop basic public infrastructure, opportunity, and quality of life in Alaska communities.

VALUES

CATALYST FOR POSITIVE CHANGE

The Commission will be an organization through which agencies of government, including tribal governments, may collaborate, guided by the people of Alaska, to aggressively do the right things in the right ways.

RESPECT FOR PEOPLE AND CULTURES

The Commission will be guided by the people of Alaska in seeking to preserve the principles of self-determination, respect for diversity, and consideration of the rights of individuals.

INCLUSIVE

The Commission will provide the opportunity for all interested parties to participate in decision making and will carefully reflect their input in the design, selection, and implementation of programs and projects.

SUSTAINABILITY

The Commission will promote programs and projects that meet the current needs of communities and provide for the anticipated needs of future generations.

ACCOUNTABILITY

The Commission will set measurable standards of effectiveness and efficiency for both internal and external activities. Priority will be generally given to projects with substantial cost sharing.

STAFF

MONICA ARMSTRONG
Operations Administrator

KATHY BERZANSKE
Program Manager, Teacher Housing &
Deputy Program Manager, Health Facilities Program

DENALI DANIELS
Senior Program Manager, Energy Program

TESSA DELONG
Director of Programs

CORRINE EILO
Director of Administration

JODI FONDY
Deputy Program Manager, Energy Program

JAMILIA GEORGE
State Co-Chair's Representative

JANET HALL
Program Manager, Community Planning
(Detail from RurAL CAP)

SABRINA HOPPAS
Assistant to the Federal Co-Chair

KAREN JOHNSON
Program Manager, Training Program

LINDSEY JOLLY
Finance Specialist

GENE KANE
Program Manager, Solid Waste Program
(Detail from USDA-Rural Development)

SHARON GUENTHER LIND
Program Manager, Government Coordination
& Public Information Officer

MIKE MARSH
Inspector General

NANCY MERRIMAN
Senior Program Manager, Health Facilities Program

JOEL NEIMEYER
Federal Co-Chair

BOB PAWLOWSKI
Legislative Liaison
(Detail from The Alaska Legislature)

JENNIFER PRICE
Finance Administrator

ADISON SMITH
Program Assistant

PAYTON SNIDER
Information and Technology Administrator

BETTY SORENSEN
Grants Administrator

2010 IN REVIEW



OVERVIEW OF THE DENALI COMMISSION

Modeled after the Appalachian Regional Commission, Congress created the Denali Commission twelve years ago with a vision to deliver the services of the federal government in the most cost-effective manner, provide job training and other economic development services in rural Alaska communities and promote rural development by meeting basic infrastructure needs. This small, independent federal agency is charged to move quickly to tackle systemic issues of rural development by listening to rural Alaskan's concerns, and working with the State of Alaska, local communities and tribes to build basic community infrastructure and sustain rural economies.

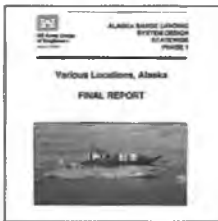
The Denali Commission's infrastructure projects throughout the state proceed in an efficient, transparent manner with the involvement of the people they serve. Over 2,100 projects have been funded by the Denali Commission in nearly every Alaskan community in numerous program areas.



DENALI COMMISSION ADVISORY COMMITTEES

The Denali Commission has used an Advisory Committee model to review and update policies, guide the Commission, and provide more robust program outcomes. These committees have formed and developed over the years and continue to play a critical role in advising Commissioners, the Federal and State Co-Chairs and program staff.

Health Steering Committee / 1999
Transportation Advisory Committee / 2006
Economic Development Advisory Committee / 2007
Energy Advisory Committee / 2007
Training Advisory Committee / 2007
Federal Financial Management Advisory Committee / 2007



BARGE LANDING STUDY COMPLETED

The Denali Commission completed the 2009 Barge Landing Study (BLS) with the help of the U.S. Army Corps of Engineers. The BLS will provide rural communities, barge operators, and state as well as federal agencies with a catalog of existing barge landing facilities, and an improvement needs list by community. The catalog also provides users with potential design solutions that can address basic infrastructure needs.



Secretary of Commerce Gary Locke (L)
with Joel Neimeyer, Federal Co-Chair.

NEW FEDERAL CO-CHAIR IN 2010

Joel Neimeyer became the first Alaska Native Federal Co-Chair at the Denali Commission on January 2010. "I'm excited to be a part of the Commission's next decade. This new decade brings new challenges and I look forward to being a part of this dynamic organization", stated Neimeyer.



RIGHTSIZING CLINICS IN RURAL ALASKA

As energy and construction costs have risen over time, it became apparent that the smallest of the Denali Commission health clinic prototypes was not "right-sized" for communities in Alaska with fewer than 100 residents. The partners of the Health Program are meeting this challenge through the development of new prototype clinic designs that are less than 1,000 square feet in size. The new designs can accommodate energy efficiencies and alternative energy methods as they become proven and cost-effective for rural Alaska. The first pilot of the small clinic design will be deployed in the spring of 2011.



DENALI COMMISSION'S 100TH CLINIC PROJECT

The Dahl Memorial Clinic in Skagway marked the completion of the Denali Commission's 100th clinic project in June 2010. At the close of FY10 the Denali Commission has contributed to the construction of 114 clinics statewide. See more on the Skagway project on the Health Facilities Program page.



FINANCE LINE OF BUSINESS

The Commission has worked diligently to improve and enhance our program delivery internally. On October 1, 2009 the Commission implemented the Financial Line of Business through the Administrative Resource Center, Bureau of Public Debt, U.S. Treasury. This significant change has enhanced controls over financial reporting and provided Federal Managers' Financial Integrity Act compliance. Implementation of these types of important procedures enhances the Commission's program delivery and strengthens Commission grants management practices.

ENERGY PROGRAM

The Denali Commission's Energy Program began in 1999. The primary goals of this program are to address environmental compliance issues while also improving energy efficiency, decreasing diesel consumption, and exploring alternative-renewable options. Projects for bulk fuel tank construction and rural power system upgrades (RPSU) are identified from statewide deficiency lists. The Commission continues to comply with the Administration's initiative to reduce dependence on foreign oil by investigating renewable energy projects across Alaska such as wind, hydro, geothermal and emerging technologies. Specifically, the area of emerging technologies is a priority for the Commission.

TOTAL PROGRAM FUNDING USES FY1999 - 2010



PROJECTS FUNDED

- Bulk Fuel Storage
- Community Power Generation and Rural Power System Upgrades
- Energy Cost Reduction Projects
- Renewable, Alternative, and Emerging Energy Technologies
- Power Line Interties

PROGRAM STAFF

Denali Daniels *Senior Program Manager*
Jodi Fondy *Deputy Program Manager*

EAGLE HYDROKINETIC TURBINE PROJECT



The Commission provided funding to the Alaska Power and Telephone Company (APT) for a demonstration project in Eagle, Alaska. The hydrokinetic in-river turbine mirrors fish wheels used by villagers to harvest salmon, but instead captures natural energy produced by the majestic Yukon River. The turbine's four blunt-edged blades are suspended by an anchored pontoon barge and spins at a rate of just 22 revolutions per minute. Energy is transferred to a power line beneath the river floor onto shore where the electricity is distributed to the power grid for the community.

In the summer of 2010, the turbine produced 15 to 17 kilowatts which could supply about a quarter of Eagle's electricity needs. Efforts are underway to address potential impacts on fish, (which, so far, are thought to be minimal), managing debris during times of heavy rain fall and inoperability during winter months when the river is frozen.

Alternative and renewable energy continues to be a priority for the Commission in addressing the challenges of small remote communities off the electrical grid and road systems.

KWETHLUK RURAL POWER SYSTEM UPGRADE



The Commission, in partnership with the State of Alaska, Alaska Energy Authority (AEA), funded a new power plant in Kwethluk, Alaska. The community of nearly 800 residents lies at the junction of the Kuskokwim and Kwethluk Rivers in western Alaska and is accessible by air year round and by barge or boat during the summer months. The new power plant includes three energy efficient generators, a control panel with automatic load sensing and paralleling capabilities to ensure the most efficient combination of generation is utilized, heat recovery to the high school, and remote monitoring to allow trouble shooting from AEA's office in Anchorage. The new power plant was completed and brought on line in February 2010 and immediately achieved over 12% efficiencies, which equated to a savings of nearly 6,000 gallons of diesel between February and June 2010. In addition, it is estimated that the school district will save 12,000 gallons of diesel through use of the heat recovery system, which will eliminate approximately 134 tons of CO₂ emissions, in 2010.

HEALTH FACILITIES PROGRAM

The Health Facilities Program is a collaborative effort which methodically invests in regional networks of primary care clinics across Alaska. In addition to clinic design and construction, the program has expanded to support infrastructure needs in behavioral health, dental care, domestic violence facilities, elder housing, primary care in hospitals, emergency medical services equipment and hospital designs.

Since the inception of this program, the Denali Commission has made a monumental impact in the lives and health of rural Alaskans by contributing to the conceptual planning, business planning and design and construction of needed health facilities throughout the state.

TOTAL PROGRAM FUNDING USES FY1999 - 2010

29.1%
HEALTH FACILITIES

PROJECTS FUNDED

Primary Care Facilities
Behavioral Health Facilities
Elder Housing/Assisted Living Facilities
Primary Care in Hospitals

PROGRAM STAFF

Nancy Merriman *Senior Program Manager*
Kathy Berzanske *Deputy Program Manager*

THE NEW AKHIOK CLINIC



Collaboration led by the Kodiak Area Native Association (KANA) brought the Akhiok clinic to completion in September 2009. KANA collaborated with the City of Akhiok, the Akhiok Tribal Council, the Denali Commission, the Alaska Native Tribal Health Consortium and the Indian Health Service to bring this 1,500 square foot clinic to completion in a year's time. The previous clinic was located in a two-bedroom home not adequately equipped for medical care delivery. Rightsizing clinics for smaller communities in rural Alaska is a priority of the Denali Commission Health Facilities Program.

SKAGWAY CLINIC



Many years ago E.A. and Jenny Rasmuson spied a special site in Skagway they knew would be perfect for a future health facility. That vision became a reality in June 2010, when the health center was opened. This striking state-of-the-art health clinic is a 14,531 square foot facility and includes nine exam rooms, three urgent care rooms, space for physical therapy, audiometry, and optometry, lab, x-ray and three dental operatories. Partnerships made this a successful project – with the in-kind and funding support of Rasmuson Foundation, the City of Skagway, the State of Alaska, and the Denali Commission.

TRANSPORTATION PROGRAM

The Denali Commission Transportation Program began in 2005. This program focuses on basic road improvement needs and waterfront development connecting rural Alaskans through roads and critical waterways. The road program targets basic road improvement needs. It also looks at opportunities to connect rural communities to one another and the state highway system, and ways to enhance rural economic development. The waterfront development program addresses port, harbor and other waterfront needs for rural communities. The emerging focus areas are improvements to regional ports, and construction of barge landings and docking facilities.

TOTAL PROGRAM FUNDING USES FY1999 - 2010

11.1%
TRANSPORTATION

PROJECTS FUNDED

Local Roads and Boardwalks
ATV Roads
Community Connection and Economic Development Roads
Regional Ports and Local Small Boat Harbors
Barge Landings

PROGRAM STAFF

Tessa DeLong *Senior Program Manager*
Adison Smith *Program Assistant*

GULKANA COMMUNITY ROADS RECONSTRUCTION



The Gulkana road project is a long awaited project that reconstructs the main road into and through the village of Gulkana. In 2006, the Denali Commission partnered with the Native Village of Gulkana on this early Transportation Program project.

During the design phase of the project, it became clear that water and sewer utilities bedded in the roadway were failing. Rather than proceed with the road construction as scheduled in 2008, the Commission, the Bureau of Indian Affairs and the Native Village of Gulkana agreed to put the road project in abeyance so the community could seek utility reconstruction funds to include in an overall repair project. In 2009, USDA, Rural Utilities approved a water-sewer reconstruction project and provided funding.

This combination of funds and construction phases improves overall costs to both components of work and preempted the possibility of a water-sewer project tearing up a recently reconstructed road.

CHEVAK BARGE LANDING MOORING POINTS



Mooring points provide safe and secure anchorage for boats and barges. The necessity for mooring points in rural Alaska is prevalent and of great concern to the Advisory Committee of the Transportation Program.

In many communities, barges are held against the coast shoreline or river banks by tugs under power while transfers are completed. Transfers under these conditions create near shore environmental impacts and create safety challenges for tug and barge workers and shore-side employees.

The Chevak mooring points project is a prototype installation of a new mooring system for rural Alaska communities that is the result of two years of investigations into barge operation needs throughout western and Arctic Alaska. Safe and efficient transfer of fuel and freight in rural communities is the end goal of this important project.

TRAINING PROGRAM

The Denali Commission has established a high performing workforce in rural Alaska focused on jobs and careers in construction, energy and health care. The Commission's alignment of infrastructure development and workforce development has created hundreds of construction and allied health jobs in communities where unemployment is at critical levels. A State of Alaska Department of Labor Research and Analysis report on the Commission's Training Program shows that training has increased wages of program participants by a staggering 64.4% and shows a 12.1% increase in employment.

As the Commission funds projects for new clinics, roads, and power plants, it also builds sustainability into those projects by providing training for local residents to maintain and operate the new facilities.

TOTAL PROGRAM FUNDING USES FY1999 - 2010

4.5%

TRAINING

PROJECTS FUNDED

Allied Health Professions
Construction Trades
Facility Operations and Maintenance
Administration of Public Infrastructure

PROGRAM STAFF

Karen Johnson *Program Manager*

ALLIED HEALTH PROFESSIONS



Alaska Natives have a much higher risk of suffering from dental problems. This, in part, is due to the lack of dental health services in many rural areas of Alaska. In 2000, the Commission began integrating dental suites into many of its newly constructed health facilities which provided dedicated dental space for the first time ever. Soon after, the Commission joined other funders and regional Native health corporations to support the Alaska Dental Health Aide Therapist program (DHAT). Since 2007, DHAT has had 17 graduates who have become the designated Dental Health Aide Therapists in their home towns, providing much needed dental services including preventative care and education.

DISTANCE EDUCATION FOR RURAL ALASKANS



A young mother working in the Bethel Hospital enrolled in the University of Alaska's Limited Radiography Program; a program made available through distance learning by a Denali Commission funded initiative. This learning method allowed her to stay home in Bethel, continue working and taking care of her family. It was just a few years ago that students could only develop these skills by gaining admission into a two-year degree program in Anchorage. Now Nina Menegak could participate, even though hundreds of miles separated her from her instructors in Anchorage. Nina completed the four-course Radiology Occupational Endorsement program and the area hospital put her new skills to work. Nina's success in these courses led her to recognize her own capabilities. She gradually tackled other college courses, successfully completing the distance-delivered AAS Radiography Program while remaining in Bethel, one of the University of Alaska Anchorage's clinical sites.

GOVERNMENT COORDINATION

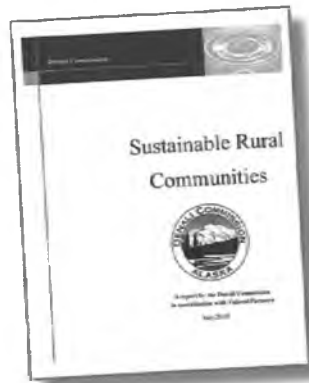


The Denali Commission (Commission) is charged with the special role of increasing government effectiveness. The Commission does so by acting as a catalyst and strategic partner for many federal and state programs in Alaska. The Commission joined others in a Memorandum of Understanding (MOU) that outlines the roles of agencies in coordinating resources and efforts in areas such as community planning, sustainability, data sharing and coordination of pre-construction activities. This MOU served as the basis for creating several multi-agency workgroups and cooperative projects that have increased overall government effectiveness. The MOU was amended in 2003 with increased participation from both state and federal partners and renewed once again in 2008. This renewed effort focuses efforts on improving the channels of communications among the leaders of all federal and state agencies with an emphasis on critical issues that affect the entire state of Alaska: the high cost of energy, outmigration, and coordination of efforts among all government agencies.

SUSTAINABLE RURAL COMMUNITIES PROJECT

The Commission plays a key role in coordinating the myriad of federal, state and tribal programs that affect rural Alaska. Through senior leadership forums, workgroups and advisory committees, we work effectively to leverage dollars, produce meaningful outcomes, and deliver innovative and sustainable projects.

As a convener and coordinator, in 2010 the Commission developed and published the Sustainable Rural Communities report.



Phase I of this project involved gathering the federal partners together to collaborate on the development of the Sustainable Rural Communities report. This document takes a hard look at the barriers to developing and maintaining sustainable rural communities, as defined by the federal partners and, in some cases, offers possible solutions to those barriers.

Phase II of this project involves input and comments from our partners and the public at-large. After comments are compiled, an addendum to the already informative document, is set to be completed by the end of 2010.

Phase III of this project begins the actual implementation of the proposed efforts outlined in the report, efforts like the Regional Forum concept. The goal of this overall effort is collaborative transparency and improved government effectiveness. Watch our website as this project unfolds.

FINANCIAL SUMMARY

At any given time Denali Commission staff and partners are engaged with several hundred grants and/or projects in various stages of planning, design and construction. Program partners range from large line agencies to small village-level organizations. The ability to deliver timely, sustainable projects with the right level and type of oversight and guidance, while also being nimble and agile, requires constant attention. Commission leadership emphasizes the paramount importance of public integrity, transparency and accountability. The Commission maintains an aggressive staff training program and uses the latest in grant processing technology through the U.S. Department of Health and Human Services. During 2010 staff received training from the Office of Management & Budget, U.S. Department of Health and Human Services and the Government Accountability Office. To keep staff size at an optimum level, the Commission contracts with other federal "lines of business" at the U.S. Department of the Treasury, Bureau of Public Debt to provide services in the areas of finance, human resources, procurement and travel. In addition, for the advancement of governmental accountability, the Commission relies on a network of federal experts through its Federal Financial Management Advisory Committee, which include members from U.S. Treasury, Office of Management and Budget and the Association of Government Accountants.

FUNDING SOURCES FY2010

Energy & Water Development Bill.....	\$ 11,965,000
Trans-Alaska Pipeline Liability Fund (TAPL)	\$ 7,142,869
USDA Rural Utilities Service Funds.....	\$ 8,000,000
U.S. Department of Health & Human Services Funds.....	\$ 10,000,000
Federal Transit Administration.....	\$ 5,000,000
U.S. Department of Transportation (Obligating Authority).....	\$ 16,337,855
Total.....	\$ 58,445,724

FUNDING USES

Energy Program	\$24,430,725
Health Facilities Program	\$9,500,000
Transportation Program	\$20,270,962
Training Program	\$1,000,000
Total.....	\$55,201,687

FY 1999 - 2010

FUNDING SOURCES (TOTAL FUNDING IN MILLIONS)

	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
	\$20.0	\$25.0	\$66.4	\$97.3	\$99.2	\$120.5	\$140.1	\$140.6	\$133.8	\$108.9	\$74.5	\$58.4
U.S. Department of Labor						\$5.0	\$6.9	\$6.9	\$6.9	\$6.8	\$3.4	
U.S. Department of the Interior							\$1.0					
U.S. Department of Transportation (FTA & FHWA)								\$25.0	\$18.4	\$25.5	\$23.5	\$21.3
Energy & Water Appropriation	\$20.0	\$20.0	\$30.0	\$38.0	\$48.0	\$55.0	\$66.5	\$49.5	\$49.5	\$21.8	\$11.8	\$12.0
U.S. Environmental Protection Agency				\$3.0	\$3.0	\$3.5	\$4.0					
U.S. Department of Health & Human Services			\$10.0	\$19.9	\$27.2	\$34.7	\$39.5	\$39.3	\$39.3	\$38.6	\$19.6	\$10.0
U.S. Department of Housing & Urban Development						\$2.0	\$1.3					
USDA Rural Utilities Service			\$15.0	\$25.0	\$18.5	\$15.0	\$15.0	\$15.0	\$15.0	\$10.0	\$8.5	\$8.0
USDA Solid Waste						\$1.0	\$1.5	\$0.7	\$0.7	\$0.4	\$0.4	
Trans-Alaska Pipeline Liability Fund		\$5.0	\$11.4	\$11.4	\$2.5	\$4.3	\$4.4	\$4.2	\$4.0	\$5.8	\$7.3	\$7.1

FUNDING USES

	Amount	Percentage
Total	\$1,029,668,499	
Community Facilities and Other Programs	\$95,835,934	9.3%
Economic Development Program	\$13,781,527	1.3%
Energy Program	\$460,055,007	44.7%
Health Facilities Program	\$299,590,724	29.1%
Training Program	\$46,278,207	4.5%
Transportation Program	\$114,127,100	11.1%

ALASKA'S UNIQUE CHARACTERISTICS

Alaska supports one of the most productive commercial fishing economies in the world. Forty-two percent of the world's harvest of wild salmon and 80 percent of the production of high value wild salmon species such as sockeye, king and coho salmon are from Alaska.

42% OF THE WORLD'S WILD SALMON
COMES FROM ALASKA

ALASKA = 375 MILLION
ACRES*

OWNERSHIP OF ALASKA IN MILLIONS OF ACRES

National Parks, Refuges, and Forests.....	151
State Land	105
Other Federal Land.....	70
Alaska Native Corporations.....	44
Individual Private	3
Municipal, University, Mental Health Trust Lands.....	2

*Excludes tidelands and inland navigable bodies of water
Source: Institute of Social and Economic Research, University of Alaska.

\$4 TO \$1
ALASKA STATE DENALI COMMISSION
\$2.4 BILLION \$.6 BILLION

During the time period 2005 - 2010, the State of Alaska appropriated almost \$4 dollars for every \$1 dollar that the Denali Commission contributed towards Alaska's rural community facilities, economic development, energy, health, training and transportation.

A Commission funded new bulk fuel storage facility was completed in Ruby, Alaska in 2010. This facility has a combined capacity of 247,000 gallons of diesel and gasoline which is used to power diesel fired generators for electricity, heating homes and for vehicles. Fuel is delivered once or twice a year, weather dependent. Environmentally safe, code compliant storage facilities like this one are the lifeblood of the community.



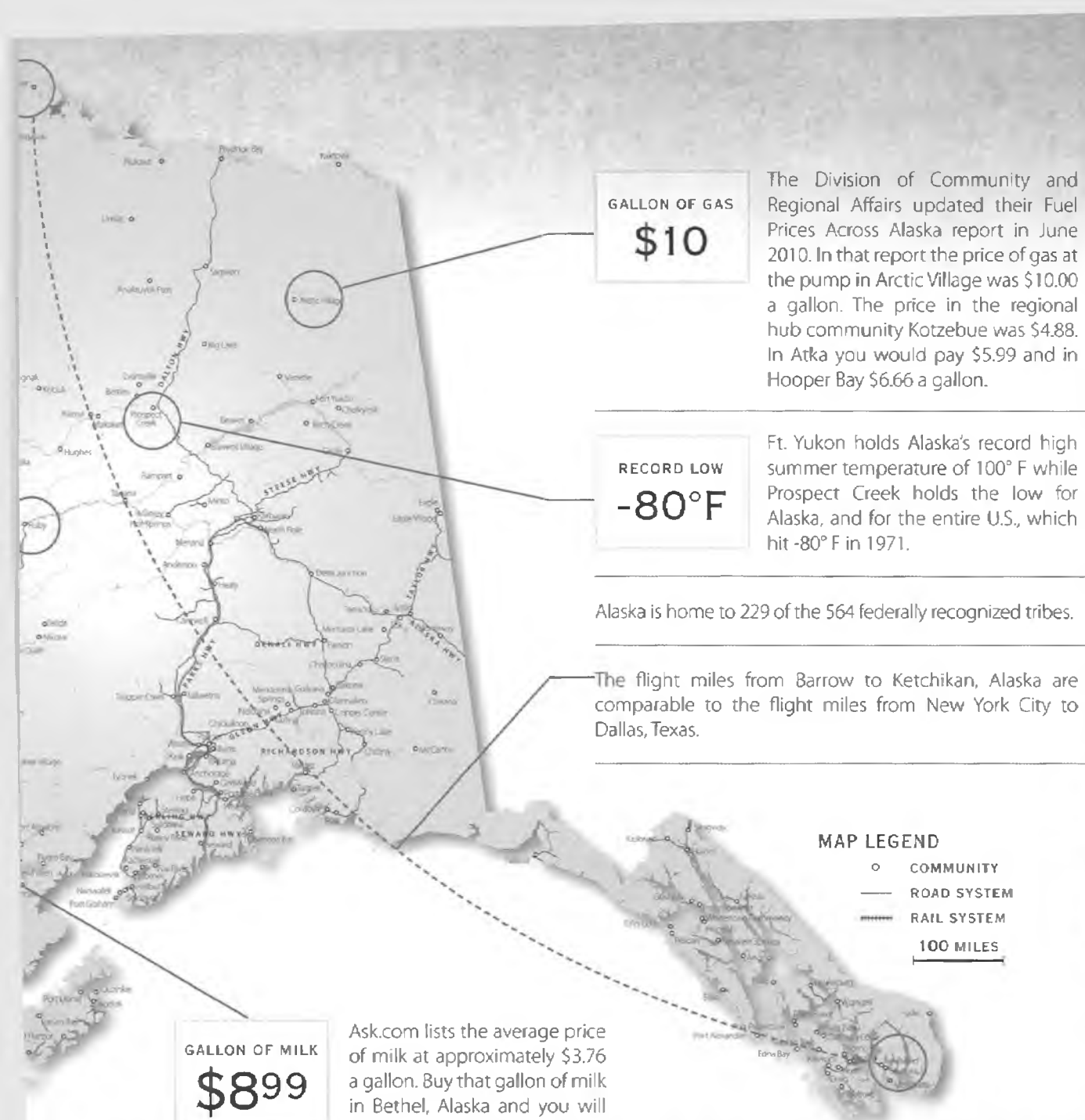
Three Commission funded wind turbines were installed in Kasigluk in 2006. Since then, 134,641 gallons of diesel fuel have been offset, which totals \$353,583 in savings. In 2010 alone, 45,966 gallons of diesel were offset totaling \$181,564 in savings.

3 WIND TURBINES = **\$353,583**
IN SAVINGS SINCE 2006

In December, a typical home in Anchorage, Alaska could pay an average of \$146/month for electricity. The same home in Seattle, Washington pays \$93/month. Napakiak, Alaska residents could pay over \$1,100 a month for that same home size at their current rates.

THE ELECTRIC
BILL IN DECEMBER
\$1,189





GALLON OF GAS
\$10

The Division of Community and Regional Affairs updated their Fuel Prices Across Alaska report in June 2010. In that report the price of gas at the pump in Arctic Village was \$10.00 a gallon. The price in the regional hub community Kotzebue was \$4.88. In Atka you would pay \$5.99 and in Hooper Bay \$6.66 a gallon.

RECORD LOW
-80°F

Ft. Yukon holds Alaska's record high summer temperature of 100° F while Prospect Creek holds the low for Alaska, and for the entire U.S., which hit -80° F in 1971.

Alaska is home to 229 of the 564 federally recognized tribes.

The flight miles from Barrow to Ketchikan, Alaska are comparable to the flight miles from New York City to Dallas, Texas.

GALLON OF MILK
\$8.99

Ask.com lists the average price of milk at approximately \$3.76 a gallon. Buy that gallon of milk in Bethel, Alaska and you will pay \$8.99. In Ft. Yukon, Alaska you will have to buy two half gallons and pay \$12.58.

MAP LEGEND

- COMMUNITY
- ROAD SYSTEM
- ▬ RAIL SYSTEM
- 100 MILES



ALASKA IS OVER TWICE THE SIZE OF TEXAS

Alaska is 656,425 square miles (2 ½ times the size of Texas), has 3 million lakes over 20 acres in size (compared with Minnesota's 10,000 lakes), has an estimated 10,000 glaciers (covering nearly 5% of the state), holds 80% of all active volcanoes in the U.S. and 39 mountain ranges containing 17 of the 20 highest peaks in the U.S.

Alaska has the highest number of pilots per capita of any U.S. state. For every 100 people, Alaska has 1.3 pilots, Montana is second highest with .4 pilots per every 100 people. Because of the very limited highway access for rural communities, air travel remains an essential form of transportation in Alaska.



Rural residents rely on ATVs and snowmachines as a primary mode of transportation. All terrain vehicles can be used year round, while snowmachines, or snowmobiles, are used only in the winter months. The lack of improved roads in communities, and between communities, makes these vehicles necessary for basic transportation.





510 L STREET, SUITE 410 ANCHORAGE, ALASKA 99501

T: 888-480-4321 OR 907-271-1414

DENALI.GOV

