

LEG. FINANCE - BILLS 1985 - 1986 2357

HB 174 - 2nd SSB 181

COMMITTEE REPORT

HOUSE

FURTHER:

2/8/05

Date: 4-9-05

Mr. Speaker:

The Committee on FINANCE has had HR 171

under consideration and reports it back as follows:

do pass

do not pass

do pass with attached amendments(s)

replace with CS for HR 171 (2nd)

same title

new title

and recommends DO PASS

AND attaches a "Letter of Intent"

New Fiscal Note

reports it back without recommendation

Zero Fiscal Note Attached

referred to the _____

Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

CHAIRMAN

Cram

Original sponsor: Taylor by request

IN THE HOUSE

BY THE FINANCE COMMITTEE

CS FOR HOUSE BILL NO. 174 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act requiring training in emergency care for teachers certified in the state."

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

* Section 1. AS 14.20 is amended by adding a new section to read:

Sec. 14.20.025. ADDITIONAL TRAINING. A teacher shall complete a program in emergency training and first aid within five years after the effective date of this Act or after initial certification, whichever is later. The department shall adopt regulations to

- (1) specify the content of the course;
- (2) permit teachers to satisfy the requirement by evidence of completion of comparable training; and
- (3) establish the credit value of the training for purposes of recertification credits.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.. CS HB 174
 Title: An Act Requiring Training
Basic Emergency Care.....
 Sponsor: Representative Taylor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Health & Social Services
 Program Category Affected: Public Health,
Family & Youth Services
 BRU, Program or Subprogram(s) Affected:
State Health Services BRU., Admin. Services -
EMS; Youth Services BRU

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Robert I. Fraser, M.D.
 Division: Public Health

Phone: 465-3090
 Date: 3/20/85

Approved by Commissioner: [Signature]
 Agency: Dept. of Health and Social Services

Date: 3/25/85 *JCC*

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Alaska State Legislature



Session Address:
STATE CAPITOL BUILDING

POUCH V
JUNEAU, ALASKA 99811
(907) 485-3727

Home Address:

BOX 53
PALMER, ALASKA 99645
(907) 745-3826

Representative Ron W. Larson
District 16 B

MEMORANDUM

DATE: APRIL 4, 1985

TO: HOUSE FINANCE COMMITTEE MEMBERS

FROM: REPRESENTATIVE RON LARSON, CHAIRMAN SUB-COMMITTEE ON HB 174

The sub-committee, working with the sponsor, N.E.A. and the Dept. of Education, has prepared the attached proposed Finance Committee Substitute for HB 174.

The revision removes the requirement of first aid/emergency training for initial certification and allows a teacher five (5) years to obtain such training. It also removes specifically requiring cardiopulmonary resuscitation training.

The substitute further specifies that the Dept. of Education, through regulation, will recognize such training for recertification purposes.

Attachments: CSHB 174 (Finance work draft)

cc: Representative Taylor
Representative Duncan, HB 174 Sub-committee
Representative Uehling, HB 174 Sub-committee

Offered: 3/8/85
Referred: Judiciary and
Finance

Original sponsors: Faiks, Sturgulewski,
Halford, et al

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE SENATE

2

HOUSE CS FOR CS FOR SENATE BILL NO. 28 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to training state employees, and
7 certain employees of the districts of the state
8 public school system on the recognition and reporting
9 of child abuse and neglect."

10

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

11

* Section 1. AS 47.17 is amended by adding a new section to read:

12

Sec. 47.17.022. TRAINING. (a) A person employed by the state

13

who is required under AS 47.17 to report abuse or neglect of children
14 shall receive training on the recognition and reporting of child abuse
15 and neglect.

16

(b) Each department of the state that employs persons required
17 to report abuse or neglect of children shall provide

18

(1) initial training required by this section to each new
19 employee during the employee's first six months of employment, and to
20 any existing employee who has not received equivalent training; and

21

(2) appropriate in-service training required by this sec-
22 tion as determined by the department.

23

(c) Each department that must comply with (b) of this section
24 shall develop a training curriculum that acquaints its employees with

25

(1) laws relating to child abuse and neglect;

26

(2) techniques for recognition and detection of child abuse
27 and neglect;

28

(3) agencies and organizations within the state that offer
29 aid or shelter to victims and the families of victims of child abuse

1 or neglect; and

2 (4) procedures for required notification of suspected abuse
3 or neglect.

4 (d) Each department that must comply with (b) of this section
5 shall file a current copy of its training curriculum and materials,
6 with the Council on Domestic Violence and Sexual Assault. Any depart-
7 ment may seek the technical assistance of the council or the Depart-
8 ment of Health and Social Services in the development of its training
9 program.

10 * Sec. 2. AS 14.08.111 is amended by adding a new paragraph to read:

11 (11) train those persons required to report under AS 47.17.-
12 020, in the recognition and reporting of child abuse, neglect, and
13 sexual abuse of a minor.

14 * Sec. 3. AS 14.14.090 is amended by adding a new paragraph to read:

15 (9) train those persons required to report under AS 47.17.-
16 020, in the recognition and reporting of child abuse, neglect, and
17 sexual abuse of a minor.

Position Paper

CS for House Bill 174 (HESS)

For "An Act requiring training in emergency care for teachers certified in the state."

This bill would amend AS 14.20.020(b) to require that certified teachers have completed a course in emergency training, including cardiopulmonary resuscitation and first aid. Teachers would have two years to complete training after the effective date of this bill.

The department of Health and Social Services supports the intent of this bill because we believe that teachers should have some basic knowledge of emergency care in order to better reorganize and provide prompt initial treatment for medical emergencies occurring during school activities.

BACKGROUND


According to the American Heart Association and American Red Cross, there are over 800 CPR instructors and over 600 first aid instructors in Alaska. Much of this training is provided at little or no cost to the student.

According to the National Safety Council, there were 21,000 school jurisdiction accidents reported for the 1980-81 school year, from reporting schools with a combined total enrollment of 725,000 students. Generally, the majority of these injuries occurred in physical education classes, during sports activities, industrial arts classes, and in corridors or auditoriums.

POSITION

The Department of Health and Social Services supports this bill.

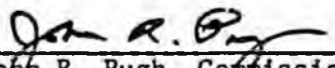
Recommended by:


Robert I. Fraser, M.D.
Director
Division of Public Health

Date:

3/20/85

Approved by:


John R. Pugh, Commissioner
Department of Health and
Social Services

Date:

3/25/85

MEMORANDUM

State of Alaska

TO: Elsa Demeksa, Legislative Assistant
Representative Robin Taylor

DATE: January 16, 1985

FILE NO:

TELEPHONE NO: 465-3027

FROM:

Mark S. Johnson
Mark S. Johnson, Coordinator
Emergency Medical Services Section
Division of Public Health
Department of Health & Social Services

SUBJECT: First Aid and Emergency
Care in Schools

In response to your request, attached is some information about first aid and emergency care in schools, compiled by Gloria Houston Way of my staff. I also have contacted David Aiken, Basic Life Support Training Coordinator with Interior Region EMS Council in Fairbanks, because he frequently assists with CPR and first aid training in schools in the Interior Region. He said he recommends the American Red Cross 8 hour multi-media first aid course for teachers, but some teachers and unions have opposed this as a requirement. He promised to send me some additional information which I'll forward to you.

Attachments

The following was sent to Mark Johnson by Gloria H. Way in response to the request from Representative Taylor's office for background information on first aid training for teachers, she has compiled a few materials on the subject which might be helpful.

1. The single page of recommendations for schools which we include in our EMS Goals planning guide. These are adapted from national guidelines for community health services. Note, we recommend that there be at least one person trained to ETT level or above and responsible for first aid, etc. at the school. This should be a minimum. Annual faculty review of emergency procedures for their school is also a must. And third, posted procedures for first aid and other emergencies.
2. Some notes which we drafted a few months ago when we started developing a wall chart for the posted procedures recommended as #1 in the Goals. We haven't proceeded with this project, because of the press of other assignments, but I still think it's a good idea.
3. I've xeroxed a similar wall chart which the State of Washington uses. This is a graduated-page flip chart. Ours would be considerably different, of course. To develop this, print it and distribute it to all schools would cost quite a lot. It was suggested that we poll the school districts first to determine a real interest and need for this.
4. In response to the proposal requiring all teachers to take first aid, I would generally agree that ideally they should. I've attached one article describing how a school district in Connecticut did this at minimal cost and time off for teachers. They called it an Emergency Recognition Course and essentially taught the kinds of things one would include on the chart. Their categorization of emergencies on page 438 would be an especially useful approach.

Questions I would have about proposed legislation would include:

- What kind of funding and personnel would be required to accomplish this on a sustained basis? Even if teachers were not certified they would require periodic refresher courses.
- Would this be a requirement in order to be hired, or would this become a standard part of in-service training required each year? would be an especially useful approach.

I would think extent of training actually required would be dependent on what other services were in place in a school, i.e., is there a full-time school nurse on the premises; is the CHA always available?

If these details could be worked out, I'd say the legislation would be good.

Note: About ten years ago the Dept. of Education conducted a survey for us on status of health education in all of the schools in Alaska. One question covered extent of first aid training for the teachers surveyed. The number who had any first aid training was abysmally low - especially those in the rural and bush areas where they would need it most. I doubt if the situation has changed much since then.



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W 33RD
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE

147 S FRANKLIN #207
JUNEAU, ALASKA 99801
(907) 586 3090

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435

February 19, 1985

TO: Representative Niilo Koponen
Representative Max Gruenberg, Co-Chairs
Members, House HESS Committee

RE: HB 174 "An Act requiring training in basic emergency care and the
recognition of child abuse for teachers certified in the state."

NEA-Alaska supports the concept that all teachers should have basic training in emergency first aid and the recognition and reporting of child abuse. We also believe teachers should be trained in recognizing symptoms of depression and suicidal behavior and symptoms of alcohol and drug abuse. Teachers should also be knowledgeable about community and state referral agencies and all appropriate resources available within a school district.

Our concern is not with the intent to insure this type of training but with legislating, with this specificity, requirements for teacher certification.

Currently, the State Board of Education is vested with authority to approve teacher certification programs offered by colleges and universities and to determine the minimum standards for certification. At this time, an advisory task force on certification is at work reviewing the certification regulations and preparing to recommend to the Board changes in these regulations.

We support review by this task force of the need for specific health related training for teachers and task force recommendation of how best to accomplish this objective. This process we recommend for dealing with the concerns of HB 174 insures that the needs are positively addressed in a way that is comprehensive and consistent with current regulations vesting decisions related to teacher certification with the State School Board.

Respectfully submitted:

Gayle Pierce
President

L85:10

C: Representative Robin Taylor
Harold Reynolds, Commissioner Department of Education

Offered: 3/8/85
Referred: Finance

Original sponsor: Taylor by request

1 IN THE HOUSE BY THE HEALTH, EDUCATION
AND SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 174 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act requiring training in emergency care for
7 teachers certified in the state."

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

9 * Section 1. AS 14.20.020(b) is amended to read:

10 (b) A person is not eligible for a teacher certificate unless
11 that person has received at least a baccalaureate degree from an
12 institution of higher education accredited by a recognized regional
13 accrediting association or approved by the commissioner and has com-
14 pleted a course in emergency training, including cardiopulmonary
15 resuscitation and first aid. However, this subsection is not applica-
16 ble to

17 (1) persons employed in the state public school system on
18 September 1, 1962;

19 (2) persons issued an emergency certificate during a situa-
20 tion which, in the judgment of the commissioner, requires the tempo-
21 rary issuance of a certificate to a person not otherwise qualified.

22 * Sec. 2. A teacher who holds or has applied for a certificate on the
23 effective date of this Act shall complete emergency training comparable to
24 the training required by AS 14.20.020(b) within two years after the effec-
25 tive date of this Act.

26 * Sec. 3. The amendments made to AS 14.20.020 by sec. 1 of this Act
27 apply to teachers who apply for certification after the effective date of
28 this Act.

1 temporary issuance of a certificate to a person not otherwise
2 qualified.

3 * Sec. 3. A teacher who holds or has applied for a certificate on the
4 effective date of this Act shall complete training under AS 14.03.030(b) or
5 in a comparable program within two years after the effective date of this
6 Act.

7 * Sec. 4. The amendments made to AS 14.20.020 by sec. 2 of this Act
8 apply to teachers who apply for certification after the effective date of
9 this Act.

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

Introduced: 2/6/85
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY TAYLOR BY REQUEST

2

HOUSE BILL NO. 174

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act requiring training in basic emergency care

7

and the recognition of child abuse for teachers

8

certified in the state."

9

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

10

* Section 1. AS 14.03.030 is amended by adding a new subsection to

11

read:

12

(b) Each year, as one of the 10 in-service training days permit-

13

ted under (a) of this section, a school district shall offer a program

14

of at least eight hours in basic emergency training, including cardio-

15

pulmonary resuscitation and basic first aid, and the recognition and

16

reporting of child abuse.

17

* Sec. 2. AS 14.20.020(b) is amended to read:

18

(b) A person is not eligible for a teacher certificate unless

19

that person has received at least a baccalaureate degree from an

20

institution of higher education accredited by a recognized regional

21

accrediting association or approved by the commissioner and has com-

22

pleted a course of at least eight hours in basic emergency training,

23

including cardiopulmonary resuscitation and basic first aid, and the

24

recognition and reporting of child abuse. However, this subsection is

25

not applicable to

26

(1) persons employed in the state public school system on

27

September 1, 1962;

28

(2) persons issued an emergency certificate during a situa-

29

tion which, in the judgment of the commissioner, requires the

1 temporary issuance of a certificate to a person not otherwise
2 qualified.

3 * Sec. 3. A teacher who holds or has applied for a certificate on the
4 effective date of this Act shall complete training under AS 14.03.030(b) or
5 in a comparable program within two years after the effective date of this
6 Act.

7 * Sec. 4. The amendments made to AS 14.20.020 by sec. 2 of this Act
8 apply to teachers who apply for certification after the effective date of
9 this Act.

COMMITTEE REPORT
HOUSE

(11)

4/30/85

FURTHER:

Date: 5-7-85

The Committee on FINANCE has had CONF. 101

(An Act relating to the allocation of the portion of the general fund available for the operations of the State Board of Education.)

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends No Recommendation
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]
[Signature]
[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]
Pat Frenschmidt do not
pass without fiscal note attached

[Signature]
[Signature]

Acting CHAIRMAN

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SS for HB181
 Title: An Act Relating to the relocation to Ketchikan of consumable warehousing functions of the AMHS.
 Sponsor: Taylor, Sund and Goll
 Requestor: Transportation and Finance
 Date of Request: April 1, 1985

FISCAL DETAIL

Agency Affected: DOT & PF
 Program Category Affected: Transportation
 BRU, Program or Subprogram(s) Affected: Alaska Marine Highway System

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL		37.7				
300 CONTRACTUAL		30.0	31.8	33.7	35.7	37.9
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES		1,500.0				
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		1,567.7	31.8	33.7	35.7	37.9
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	1,567.7	21.8	33.7	35.7	37.9
FEDERAL FUNDS					
OTHER					
TOTAL					

POSITIONS:

FULL-TIME	-0-				
PART-TIME	-0-				
TEMPORARY	-0-				

ANALYSIS: Attach a separate page if necessary

SEE ATTACHED

Prepared By: Joe DeCamp, Deputy Commissioner
 Division: Alaska Marine Highway System

Phone: 465-3950
 Date: 04/02/85

Approved by Commissioner: [Signature]
 Agency: DOT&PF

Date: 4/5/85

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

ANALYSIS

SS for HB 181

"An Act relating to the relocation to Ketchikan of consumable warehousing function of the Alaska Marine Highway System"

For the purposes of this analysis, it is assumed the number of positions being relocated to Ketchikan is four (4). It is assumed current employees would transfer resulting in relocation expense. It is also assumed that one time capital costs would be incurred to construct a new facility and that it would be located on the present state-owned Ketchikan Maintenance Facility site.

The following assumptions were made:

A. The Cost of Moving Personnel

1. Employees moved had families, average size - four.
2. Employees moved had household goods to be moved, average three bedroom, 8,000 pounds. The average cost per move including straight transportation, cartons, packing, 30 days storage, warehouse handling, insurance and redelivery would be \$6,418.00 per employee.
3. As per collective bargaining agreements, employees would incur 15 days straight per diem at \$80.00 per day and dependents \$40.00. Each family - \$3,000.00. The expense related to relocation for employees would be \$12,000.00 one time costs.
4. Total one time employee relocation costs would be \$37,700.00.

B. A new warehouse building would be constructed on the present State-owned Ketchikan Maintenance Facility site.

The capital costs for this new building would be \$1,500,000.00. If these funds are appropriated the facility design and preliminary engineering would require about 12 months, and construction an additional 12 months.

AMHS now occupies State-owned facilities and all costs are budgeted in DOT&PF S.E. Region. It is assumed annual maintenance and utility costs not now an expense to AMHS would have to be budgeted for and that annual cost would be \$30,000.00.

D. Inflation factor is 6% per year.

Introduced: 3/29/85
Referred: Transportation
and Finance

BY TAYLOR, SUND AND
GOLL

1 IN THE HOUSE

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the relocation to Ketchikan of
7 consumable warehousing functions of the Alaska marine
8 highway system."

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

10 * Section 1. RELOCATION OF ALASKA MARINE HIGHWAY SYSTEM WAREHOUSING TO
11 KETCHIKAN. The commissioner of transportation and public facilities shall
12 relocate to Ketchikan the consumable warehousing functions of the Alaska
13 marine highway system.

14 * Sec. 2. The provisions of sec. 1 of this Act do not affect a collec-
15 tive bargaining agreement entered into on or before the effective date of
16 this Act.



Dept. of Transportation & Public Facilities

Position Paper

BILL NO: SSHB 181

APPROVED:

R. J. Knapp
Commissioner
4/3/85

TITLE: Relocation to Ketchikan of
Consumable Warehousing Function of
the Alaska Marine Highway System

DATE:

The Department of Transportation and Public Facilities supports moving the Alaska Marine Highway System consumable warehouse from Juneau to Ketchikan.

The current Juneau sub-port warehouse is inefficient, inadequate, in poor condition and needs to be replaced. An analysis of the current operation of our consumable warehousing revealed sound business and operational reasons to also relocate the consumable warehouse. It would be more efficient and cost effective to have this warehouse in a location closer to supply sources and eliminate the need for AMHS vans to take up valuable car deck space between Ketchikan and Juneau. Movement of these vans between Ketchikan and Juneau are estimated to displace between 60 and 80 vehicles total during the summer months with a loss of \$15,000 to \$20,000 in revenue foregone.

The transfer of the warehouse from Juneau to Ketchikan would not "Alaskanize" any jobs as the move of personnel would be within Alaska, nor would additional business be brought into Alaska by this move.

Introduced: 3/29/85
Referred: Transportation
and Finance

1 IN THE HOUSE

BY TAYLOR, SUND AND
GOLL

2

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the relocation to Ketchikan of
7 consumable warehousing functions of the Alaska marine
8 highway system."

9

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

10

* Section 1. RELOCATION OF ALASKA MARINE HIGHWAY SYSTEM WAREHOUSING TO

11

KETCHIKAN. The commissioner of transportation and public facilities shall
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13 marine highway system.

14

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15

tive bargaining agreement entered into on or before the effective date of
16 this Act.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SS for HB181

Title: An Act Relating to the relocation to Ketchikan of consumable warehousing functions of the AMHS.

Sponsor: Taylor, Sund and Goll

Requestor: Transportation and Finance

Date of Request: April 1, 1985

FISCAL DETAIL

Agency Affected: DOT & PF

Program Category Affected: Transportation

BRU, Program or Subprogram(s) Affected: _____

Alaska Marine Highway System

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL		37.7				
300 CONTRACTUAL		30.0	31.8	33.7	35.7	37.9
400 SUPPLIES						
500 EQUIPMENT						
500 LAND & STRUCTURES		1,500.0				
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		1,567.7	31.8	33.7	35.7	37.9

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		1,567.7	21.8	33.7	35.7	37.9
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		-0-				
PART-TIME		-0-				
TEMPORARY		-0-				

ANALYSIS: Attach a separate page if necessary

SEE ATTACHED

Prepared By: Joe DeCamp, Deputy Commissioner Phone: 465-3950
 Division: Alaska Marine Highway System Date: 04/02/85
 Approved by Commissioner: [Signature] Date: 4/5/85
 Agency: DOT&PF

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

ANALYSIS

SS for HB 181

"An Act relating to the relocation to Ketchikan of consumable warehousing function of the Alaska Marine Highway System"

For the purposes of this analysis, it is assumed the number of positions being relocated to Ketchikan is four (4). It is assumed current employees would transfer resulting in relocation expense. It is also assumed that one time capital costs would be incurred to construct a new facility and that it would be located on the present state-owned Ketchikan Maintenance Facility site.

The following assumptions were made:

A. The Cost of Moving Personnel

1. Employees moved had families, average size - four.
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B. A new warehouse building would be constructed on the present State-owned Ketchikan Maintenance Facility site.

The capital costs for this new building would be \$1,500,000.00. If these funds are appropriated the facility design and preliminary engineering would require about 12 months, and construction an additional 12 months.

AMHS now occupies State-owned facilities and all costs are budgeted in DOT&PF S.E. Region. It is assumed annual maintenance and utility costs not now an expense to AMHS would have to be budgeted for and that annual cost would be \$30,000.00.

D. Inflation factor is 6% per year.



Dept. of Transportation & Public Facilities

Position Paper

BILL NO: SSHB 181

APPROVED:

R. J. Knapp
R. J. Knapp
Commissioner
4/3/85

TITLE: Relocation to Ketchikan of
Consumable Warehousing Function of
the Alaska Marine Highway System

DATE:

The Department of Transportation and Public Facilities supports moving the Alaska Marine Highway System consumable warehouse from Juneau to Ketchikan.

The current Juneau sub-port warehouse is inefficient, inadequate, in poor condition and needs to be replaced. An analysis of the current operation of our consumable warehousing revealed sound business and operational reasons to also relocate the consumable warehouse. It would be more efficient and cost effective to have this warehouse in a location closer to supply sources and eliminate the need for AMHS vans to take up valuable car deck space between Ketchikan and Juneau. Movement of these vans between Ketchikan and Juneau are estimated to displace between 60 and 80 vehicles total during the summer months with a loss of \$15,000 to \$20,000 in revenue foregone.

The transfer of the warehouse from Juneau to Ketchikan would not "Alaskanize" any jobs as the move of personnel would be within Alaska, nor would additional business be brought into Alaska by this move.

Introduced: 3/29/85
Referred: Transportation
and Finance

1 IN THE HOUSE

BY TAYLOR, SUND AND
GOLL

2

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the relocation to Ketchikan of
7 consumable warehousing functions of the Alaska marine
8 highway system."

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

10 * Section 1. RELOCATION OF ALASKA MARINE HIGHWAY SYSTEM WAREHOUSING TO
11 KETCHIKAN. The commissioner of transportation and public facilities shall
12 relocate to Ketchikan the consumable warehousing functions of the Alaska
13 marine highway system.

14 * Sec. 2. The provisions of sec. 1 of this Act do not affect a collec-
15 tive bargaining agreement entered into on or before the effective date of
16 this Act.

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

11/18/81
POLITY STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

MEMORANDUM

April 17, 1985

SUBJECT: 1978 Transportation bond proceeds
TO: Representative Robin Taylor
FROM: Billy G. Berrier *BGB*
Director
Division of Legal Services

You have asked whether the funds from item 25 of Chapter 138, Session Laws of Alaska 1978 may be used for construction of marine highway system facilities in Ketchikan.

This Act authorized submission of a general obligation bond issue to the voters and the voters approved the issue. The particular item is listed under the heading "Marine" and reads:

(25) Region III - Southeast 3,076,000

The proceeds of the bonds were appropriated to the 1978 Transportation Facilities Construction Fund.

This Act is unusual in that instead of listing each project, its location, and the dollars to be allocated to the project as required by AS 24.30.037 it provided:

To the extent feasible, the proceeds of these bonds shall be allocated, notwithstanding the provisions of AS 24.30.037, by the governor in accordance with the following statewide list of projects and estimates.

The item you referred to is part of the list.

The question of whether this approach is legally proper is not material here since it has not been challenged and under the doctrine of laches could not be now challenged. I have no way of determining whether money which has not been spent or obligated remains. I am aware this arose from a request

Representative Robin Taylor
April 17, 1985
Page 2

in the Capital budget process for Administration -
Warehouse building located in Juneau.

In my opinion if money remains available, the broad power to allocate the bond proceeds which the Act gives the Governor would allow the Governor to make the allocation you suggested. In the face of the general language used in the item as it appears in the act and the broad discretion granted the Governor the material used in the budget process would not control.

BGB:ojb
J14/004

BONDING PROPOSITION NO. 5

HIGHWAY, FERRY, AIRPORT, LOCAL SERVICE ROADS AND TRAILS CONSTRUCTION, CONSTRUCTING AND EQUIPPING MAINTENANCE FACILITIES, AND PLANNING VARIOUS TRANSPORTATION PROJECTS

(Chapter 132, Session Laws of Alaska 1978)

Providing for the issuance of general obligation bonds in the amount of \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, and local service roads and trail construction, for constructing and equipping maintenance facilities, and for planning various transportation projects; and providing for an effective date.

BALLOT QUESTION:

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects?

Bonds Yes
Bonds No

VOTE CAST BY MEMBERS OF 10TH STATE LEGISLATURE ON FINAL PASSAGE

Senate	(20 members):	Yeas <u>20</u>	Nays <u>0</u>	Absent or Not Voting <u>0</u>
House	(40 members):	Yeas <u>35</u>	Nays <u>1</u>	Absent or Not Voting <u>4</u>

SUMMARY OF PROPOSITION

This proposal, if approved, would provide for the issuance of general obligation bonds of the State in the amount of \$88,450,000 to provide funding for highway, ferry, airport and local service roads and trails construction, for constructing and equipping certain transportation maintenance facilities, and for planning transportation projects. The funds would be allocated as follows:

Project	Location	Amount
(1) Planning, project planning and research	Statewide	\$ 4,801,800
(2) Aviation Projects:		
(A) Region I	Central	2,370,000
(B) Region II	Interior	910,000
(C) Region III	Southeast	475,000
(D) Region IV	Western	1,110,000
(E) Region V	Southcentral	250,000
(F) Statewide		1,285,000
(G) Airport development	Ruby	1,500,000
(3) Highways Projects:		
(A) Region I	Central	10,227,000
(B) Fairview Loop Road	Wasilla	1,500,000
(C) Mountain View Drive, Phase II	Anchorage	1,200,000
(D) Sidewalks	Bethel	150,000
(E) Sidewalks	Homer	150,000
(F) Pedestrian crossing, 6th and Muldoon	Anchorage	200,000
(G) Upgrade and paving of Eagle River North Road	Anchorage	1,200,000
(H) Sealcoating municipal streets and state highways	Anchorage	9,505,000
(I) Upgrade Eagle River South Road	Anchorage	375,000
(J) Region II	Interior	6,119,400
(K) Region III	Southeast	2,685,000
(L) Sidewalks	Wrangell	150,000
(M) Region IV	Western	1,524,000
(N) Region V	Southcentral	3,555,000
(O) Selawik River bridge	Selawik	2,500,000
(P) Local service roads and trails	Statewide, including specific allocations for Districts 2 and 4	15,500,000
(C) Safety programs	Statewide	3,400,300
(R) Special bridge replacement program	Statewide	1,631,500
(S) Abandoned motor vehicle program	Statewide	100,000
(4) Marine Projects:		
(A) Region III	Southeast	3,075,000
(B) Region V	Southcentral	24,000
(C) Statewide		1,100,000
(5) Maintenance Facilities:		
(A) Region I	Central	1,000,000
(B) Region II	Interior	1,459,700
(C) Region III	Southeast	1,524,000
(6) Facilities and equipment	Unorganized borough	5,000,000

— Summary prepared by Legislative Affairs Agency as required by law



LAWS OF ALASKA

1978

Source

Chapter No.

FCCS HCS 0993 624

138

State

AN ACT

Providing for the issuance of general obligation bonds in the amount of \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects; and providing for an effective date.

11

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

* Section 1. For the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects, general obligation bonds of the state in the principal amount of not more than \$88,450,000 shall be issued and sold. The full faith, credit and resources of the state are pledged to the payment of the principal of and interest and redemption premium, if any, on these bonds. These bonds shall be issued under the provisions of AS 37.15 as those provisions read at the time of issuance.

* Sec. 2. (a) If the issuance of these bonds is authorized by the qualified voters of the state, a special fund of the state to be known as the "1978 Transportation Facilities Construction Fund" shall be established, to which shall be credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for the accrued interest and premium. The amount of \$88,450,000 is appropriated from the "1978 Transportation Facilities Construction Fund" to the Department of Transportation and Public Facilities. To the extent feasible, the proceeds of these bonds shall be allocated, notwithstanding the provisions of AS 24.30.037, by the governor in accordance with the following statewide list of projects and estimates, except that of the local service roads and trails allocation \$2,500,000 shall be allocated in accordance with AS 19.30.131(d) to allocation district 2 and \$2,500,000 to allocation district 4:

- (1) Planning, Project planning and research - statewide \$ 4,501,800

Aviation

Chapter 138

(2)	Region I - Central	2,370,000
(3)	Region II - Interior	910,000
(4)	Region III - Southeast	475,000
(5)	Region IV - Western	1,110,000
(6)	Region V - Southcentral	250,000
(7)	Statewide	1,285,000
(8)	Airport development - Ruby	1,500,000

Highways

(9)	Region I - Central	10,227,000
(10)	Fairview Loop Road, Wasilla	1,500,000
(11)	Mountain View Drive - Phase II, Anchorage	1,200,000
(12)	Sidewalks, Bethel	150,000
(13)	Sidewalks, Homer	150,000
(14)	Pedestrian crossing, 6th and Muldoon, Anchorage	200,000
(15)	Upgrade/paving - Eagle River North Road	1,200,000
(16)	Sealcoating municipal streets and state highways - Anchorage	9,025,000
(17)	Upgrade Eagle River South Road	375,000
(18)	Region II - Interior	6,119,400
(19)	Region III - Southeast	2,645,200
(20)	Sidewalks, Wrangell	150,000
(21)	Region IV - Western	1,524,000
(22)	Region V - Southcentral	3,596,200
(23)	Selawik River bridge	2,500,000
(24)	Statewide	
	(A) Local service roads and trails	15,000,000
	(B) Safety programs	3,400,000
	(C) Special bridge replacement program	1,631,500
	(D) Abandoned motor vehicle program	120,000

Marine

(25)	Region III - Southeast	2,000,000
(26)	Region V - Southcentral	24,000
(27)	Statewide	1,100,000

Maintenance Facilities

(28)	Region I - Central	1,050,000
(29)	Region II - Interior	1,489,700
(30)	Region III - Southeast	1,374,500
(31)	Facilities and equipment in the Unorganized Borough	5,000,000

(b) Publication by the lieutenant governor of the allocations made in this section is sufficient to meet the requirements of AS 15.15.040.

* Sec. 3. If the issuance of these bonds is authorized by the qualified voters of the state, the amount of \$310,000 or as much of that amount as is found necessary is appropriated from the general fund of the state to the state bond committee to carry out the provisions of this Act and to pay expenses incident to the sale and issuance of the bonds authorized in this Act. The amounts expended from the appropriation authorized by this section shall be reimbursed to the general fund from the proceeds of the sale of the bonds authorized by this Act.

* Sec. 4. The amount withdrawn from the public facility

SAMPLE BALLOT

OFFICIAL BONDING PROPOSITION BALLOT

STATE OF ALASKA
NOVEMBER 7, 1978

Nº 059003

FOLD BALLOT TO THIS LINE

To Be Removed By Election Board

- Mark only with cross marks, "X" marks, checks or plus signs. Marks must be inside or touching square.
- Erasures and corrections shall invalidate only that part of the ballot in which they appear.
- A mark in the square opposite the word "YES" shall be recorded as a vote for the bond issue.
- A mark in the square opposite the word "NO" shall be recorded as a vote against the bond issue.
- If you spoil or mar your ballot, you may return it to the election judge and receive another ballot. Your spoiled ballot will be destroyed in your presence.

BONDING PROPOSITION NO. 1 (CH. 95 SLA 1978)

STATE GENERAL OBLIGATION EROSION AND FLOOD CONTROL, PORT FACILITIES DEVELOPMENT, AND SMALL BOAT LANDINGS AND HARBORS PROJECTS BONDS \$33,290,000

BONDS - YES
BONDS - NO

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$33,290,000 for the purpose of paying the cost of erosion and flood control, port facilities development, and small boat landing and harbor projects?

BONDING PROPOSITION NO. 2 (CH. 95 SLA 1978)

STATE GENERAL OBLIGATION RECREATIONAL FACILITIES CONSTRUCTION BONDS \$5,850,000

BONDS - YES
BONDS - NO

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$5,850,000 for the purpose of paying the cost of capital improvements to parks, waysides, trails, footpaths, and other recreational facilities?

BONDING PROPOSITION NO. 3 (CH. 122 SLA 1978)

STATE GENERAL OBLIGATION HEALTH FACILITIES AND SENIOR CITIZEN CENTERS AND PIONEERS' HOMES CONSTRUCTION BONDS \$25,000,000

BONDS - YES
BONDS - NO

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$25,000,000 for the purpose of paying the cost of capital improvements for health facilities, senior citizen centers, and pioneers' homes?

BONDING PROPOSITION NO. 4 (CH. 137 SLA 1978)

STATE GENERAL OBLIGATION EDUCATIONAL FACILITIES CONSTRUCTION BONDS \$33,656,000

BONDS - YES
BONDS - NO

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$33,656,000 for the purpose of paying the cost of capital improvements for the educational facilities for vocational education and the University of Alaska?

BONDING PROPOSITION NO. 5 (CH. 133 SLA 1978)

STATE GENERAL OBLIGATION HIGHWAY, FERRY, AIRPORT, LOCAL SERVICE ROADS AND TRAILS CONSTRUCTION, CONSTRUCTING AND EQUIPPING MAINTENANCE FACILITIES, AND PLANNING VARIOUS TRANSPORTATION PROJECTS BONDS \$28,450,000

BONDS - YES
BONDS - NO

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$28,450,000 for the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects?

BONDING PROPOSITION NO. 6 (CH. 139 SLA 1978)

STATE GENERAL OBLIGATION CORRECTIONAL AND PUBLIC SAFETY FACILITIES CONSTRUCTION BONDS \$30,504,000

BONDS - YES

Form 26 MUST BE COMPLETED AND ATTACHED TO EACH PROJECT'S PROJECT REQUEST

PROJECT NAME: Administration - Warehouse Building
 OPERATING BUDGET (month): Administration
 PROJECT NUMBER: 25-77-4-09-00-00

BOND YEAR: Bond 79-7
 PROJECT STARTING DATE: FY 79
 ESTIMATED DATE FACILITY IN USE BY: FY 80
 TOTAL PROJECT COST: \$1,500.0

CITY AND BOROUGH: City and Borough of Juneau
 AREA: unincorporated City and Borough of Juneau
 DISTRICT: District 4

OFFICE OF COST ESTIMATE: Division of Marine Transportation
 DATE OF ESTIMATE: September 77

DESCRIPTION:
 Construct a building of about 25,000 square feet to contain Administration office space, support services, and vessel supplies for the Division of Marine Highway System. Site to be selected in response to ongoing transportation planning efforts.

PROJECT TYPE	
NEW OR MAJOR CONSTRUCTION	YES
OFFICE IMPROVEMENT	NO

PROJECT PURPOSE:
 Major Marine Transportation Improvement of Transport
 Improvement of Transport
 Improvement of Transport
 New Program or Service Accounting
 Supplement Properly Authorized
 Preliminary Feasibility or Cost Study

PROJECT EXPENDITURES	TOTAL	BUDGET YEAR	BUDGET YEAR PLUS 1	BUDGET YEAR PLUS 2	REMAINING COST
TOTAL ANNUAL EXPENDITURE (Capital Cost)	1,500.0	1,500.0			
LAND AND LAND ACQUISITION					
CONSTRUCTION					
EQUIPMENT					
OPERATING AND OTHER					
OPERATIONAL COST AND NO. PERSONNEL REPEATED FREQUENTLY	ULTIMATE ANNUAL	BUDGET YEAR	BUDGET YEAR PLUS 1	BUDGET YEAR PLUS 2	
ROAD					
BOAT					
TOTAL ANNUAL OPERATIONAL COST	N/A				
EQUIVALENTS					

Other:
 APPROPRIATION AND COST
 SOURCE OF FUNDS
 FEDERAL CAPITAL
 OTHER
 TOTAL

DEPARTMENT OF TRANSPORTATION
 AGENCY: A.D. PUBLIC FACILITIES PROGRAM: MARINE - REGION III PRIORITY NO.: Bond 79-7

CAPITAL BUDGET

1

To consolidate and locate administrative and vessel support personnel closer to vessel operations.

Use the spaces using the four headings below in the order they appear. Expand upon each section as required. Report heading when completely response. Submit justification for project listed in first column of Form 27. Attach feasibility studies, reports, or other documentation available. Use Form 28 as continuation sheet.

I. DOCUMENTATION OF NEED (Cite quantitative and measurable need.)

III. DOCUMENTATION OF ESTIMATED CAPITAL COST (Discuss degree of reliability)

ANALYSIS OF IMPACT ON OPERATIONAL EXPENSE (Estimate and justify.)

IV. IDENTIFICATION OF ALTERNATIVES CONSIDERED (State why rejected.)

Documentation of Need:

All vessel supplies such as food, laundry, equipment, and mechanical supplies, etc. are warehoused at the Support Building in Juneau and administrative personnel are located in the Simpson Building in downtown Juneau. Separation of administrative and supply functions require many trips between offices to effect good coordination and supervision of supply function. The Support Building is difficult to operate from and presents significant travel time to the ferry terminal. Much of the System's vessel resupply is performed at Auke Bay because of operational difficulties experienced at the downtown terminal due to traffic congestion.

Analysis of Impact on Operational Expense:

Consolidation and location of administrative and support personnel in close proximity to a ferry terminal will increase operation efficiency and reduce vessel supply operational expense.

Documentation of Estimated Capital Cost:

Cost estimates were developed by the Division of Marine Highway Systems. The estimates are believed to be reasonable.

Identification of Alternatives Considered:

None. Continue to operate vessel supply operations out of the Support Building and service vessels principally at Auke Bay. Manage the ferry system from offices located at a downtown location separated from supply and support operations. While this situation is workable, it is not considered the most cost effective and best managerial approach.

DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

PROGRAM

MAINE - REGION III

PRIORITY NO.

ES-179-7

Administrative Warehouse

Alaska State Legislature

COMMITTEES:

VICE-CHAIRMAN
HEALTH, EDUCATION & SOCIAL SERVICES
JUDICIARY

FINANCE SUB-COMMITTEE
ON COURT SYSTEM

JOINT COMMITTEE ON
FOREIGN TRADE



PO. BOX 1441
WRANGELL, ALASKA 99929
(907) 874-2316

Writing Bureau
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4905

House of Representatives

ROBIN L. TAYLOR

May 6, 1985

FISCAL NOTE

Sponsor Substitute for House Bill 181

I. Cost as submitted by Department of Transportation Fiscal Note:

A. Travel	\$ 37.7
B. Contractual	30.0
C. Land and structures	<u>1,500.0</u>

Total cost (\$1,567.7)

II. Reductions in cost not specified in Fiscal Note.

A. 1978 bond specified for Southeast and not yet obligated or expended.	\$1,500.0
*B. Revenue increase from ferry use	15.0
**C. Revenue increase from Dept. of Transportation for space rental from the old warehouse in Juneau 12,600 sq. ft. x 50¢ x 12 months	75.6
D. Reduction in contractual cost of trucking (money presently being spent to haul vans from Auke Bay to downtown and back)	<u>15.0</u>

Reduction in cost 1,605.6

NET SAVINGS 37.9

This bill would result in a net cash flow savings to the Marine Highway System and the Department of Transportation of at least \$37,900.

(Continued)

Page Two
Fiscal Note for SSHB 181

* Could be \$5,000 higher, we used the Department's lower estimate.

**Could be much higher we used the most conservative estimate of space rental cost. The Department of Administration indicated that for dry and heated consummable warehousing space the cost would run between 75¢ and 90¢ per sq. ft. At 75¢ the old warehouse could be rented for \$113,400. At 90¢ the old warehouse could be rented for \$136,080.

HOUSE TRANSPORTATION
STANDING COMMITTEE
April 16, 1985
7:00 a.m.

Members Present: Representative Mike Davis, Vice-Chairman
 Representative Dick Shultz
 Representative Walt Furnace
 Representative Marco Pignalberi
 Representative Andre Marrou

Members Absent: Representative Bette Cato, Chairman
 Representative Adelheid Herrmann

COMMITTEE CALENDAR

SSHB 181 "An Act relating to the relocation to Ketchikan of
certain offices, functions and employees of the Alaska Marine Highway
System." Original sponsor: Representative Robin Taylor.

HR 5 "Relating to designating Hyder, Alaska, as 'Mile
0' of the Alaska-Yukon Highway." Original sponsor: Representative Robin
Taylor.

WITNESS REGISTER

Representative Robin Taylor
Alaska State Legislature
Pouch V
Juneau, AK 99811
Mail Stop: 2100
Telephone: (907) 465-4905
Position Statement: As sponsors of both HB 181 and HR 5, he urged that
they do pass.

Joe D. Camp, Deputy Commissioner
Alaska Marine Highway System
The Department of Transportation and Public Facilities
1591 Glacier Avenue
Juneau, AK 99811
Mail Stop: 2505
Telephone: (907) 465-3955
Position Statement: Spoke in favor of SSHB 181.

Susan Fleischhauer, Legislative Liaison
The Department of Transportation and Public Facilities
3132 Channel Drive
Pouch Z
Juneau, AK 99811
Mail Stop: 2500
Telephone: (907) 465-3900

Position Statement: Observer

PREVIOUS ACTION

HB 181 Read the first time on 02/08/85. First heard in the Transportation Committee 03/26/85. Sponsor substitute introduced on 03/29/85.

HR 5 Read the first time on 02/22/85.

ACTION NARRATIVE

TAPE #34, SIDE ONE Recording

Number 005 Vice-Chairman Davis called the meeting to order at 7:06 and noted for the record the following members present: Representative Shultz, Representative Furnace, Representative Marrou, and Representative Davis. The vice-chairman brought before the committee Representative Taylor's SSHB 181, "An Act relating to the relocation to Ketchikan of consumable warehousing functions of the Alaska marine highway system." He called on Representative Taylor to come to the table and testify on the bill.

Number 029 Representative Taylor said that although he strongly supports the original bill, he believes the sponsor substitute would be a workable compromise. He gave background information on the Marine Highway System's vermin-infested and old warehouse for consumable goods located in Juneau. He also mentioned the inefficient system of running vans back and forth from Juneau to Auke Bay--a distance of fifteen miles.

He enumerated the many advantages to having a warehouse for consumable goods in Ketchikan. Having a warehouse in Ketchikan would free up deck space for the ferry which runs from Seattle to Skagway, would be far more efficient for unloading vans as the site of the warehouse is but a block away from the dock, and it would be in a better for inventory to have it located on Ketchikan's Marine Facility Site. He closed by commenting on the operating and maintenance costs listed in the fiscal note provided by the Department of Transportation and Public Facilities. He turned to Joe Camp, the deputy commissioner of the Marine Highway System, and asked the vice-chairman if Mr. Camp could join him at the table. Representative Davis called Mr. Camp to the table.

Number 057 Mr. Camp verified what Representative Taylor had said about the old warehouse in Juneau and called it an inefficient system. He argued that the Marine Highway System needs a new warehouse and although he had no objections to it being located in Ketchikan, he mentioned that he was going to be briefed in the afternoon on a study by the department on this issue.

Number 211 Let the record show that Representative Pignalberi came to the meeting.

Representative Davis asked about the cost of acquiring a site for the warehouses in Juneau. Mr. Camp said that the site, if approved, would be

at Auke Bay and would cost an additional \$600,000 to \$700,000. Representative Taylor contended that this was probably an underestimate for the site preparation could make it cost even more. Mr. Camp said that the \$600,000 would cover land fill, sewer, water, and utilities and that there is the possibility of working with the City and Borough of Juneau on the land fill.

Mr. Camp showed plans for warehousing facilities in Ketchikan and Juneau and agreed with Representative Taylor in that having the warehouse in Ketchikan would free up space on the ferry. The vans take up about 80 feet of space--enough space for 5 or 6 automobiles.

Number 297 Representative Pignalberi asked how this freeing up of space was reflected in the department's fiscal note. Mr. Camp replied that the savings was mentioned in the position paper and not in the fiscal note and added that the freeing up of space could bring in an additional revenue of \$15,000 to \$20,000.

Number 313 Representative Pignalberi asked about bonding money for building an administrative warehouse that was done in the past.

Mr. Camp: "There was money appropriated a few years ago, it was bond money to build a new administrative offices and warehouse."

Representative Pignalberi: "Is that the money that is being used to build this one?"

Mr. Camp: "No. Because we also need a new admin. warehouse."

Representative Taylor: "I thought it was about \$3 million..."

Mr. Camp: "It was a million and a half. It was about \$3 million, but there were other items involved in Marine Highway in that bonding: some small boat harbors and some other things that money has already been spent."

Representative Taylor: "So your department's intention right now is to use that--I thought it for an administrative office building and warehouse. There were two of them: a warehouse and an admin. building and now you are going to use it for the administration building."

Mr. Camp: "Unless we build them both in the same place. It would still take about \$3 million to build the two, the site preparation--according to the engineers...We don't have enough money to build both."

Number 361 Representative Pignalberi thought it curious that the department doesn't have the money to build both warehouses and yet the department's planning division has enough money to make the plans for them.

Representative Pignalberi: "I would like to know why we have \$1.5 or \$1.25 million for an admin. warehouse building that you are not using and yet..."

Mr. Camp: "We intend to use."

Representative Pignalberi: "But not for the Ketchikan facility?"

Mr. Camp: "No sir, it was appropriated for Juneau."

Representative Pignalberi: "Was it site-specific in the bond, was Juneau mentioned in the bond?"

Mr. Camp: "In the preliminary papers, the budget preparation went in, it was site-specific in Juneau. In the appropriation that came out, it was not site-specific and in the bond, it was not site-specific. My understanding of the law, if it is not site-specific in the natural legislation, you go back to the budget preparation."

Representative Pignalberi: "Could you use a new warehouse in Ketchikan? Could you spend this money in Ketchikan better than you can in Juneau?"

Mr. Camp: "I think so. The other problem I have, is that we are badly in need of a new administration building and to build the two, it's going to take \$3 million."

Number 391 Representative Davis: "...That's an administrative warehouse. That's different from this."

Mr. Camp: "When I say 'administration building and warehouse,' that was the original bond money--a million and a half, and I believe that was in 1978."

Representative Davis: "How long has that money been in the budget?"

Mr. Camp: "It was either '78 or '80 and I'm not sure which that that money came in."

Representative Davis: "You sure that it hasn't been grabbed yet?"

Mr. Camp: "I'm not. They've been grabbing an awful lot in the last two weeks."

Representative Davis asked Mr. Camp to find out what is left and to report back to the committee.

Representative Taylor responded that because the money is bonded money, it will be hard to track. Representative Taylor: "Once it has been bonded specific for a project, I don't think that we can pull it back."

Representative Davis: "No, we can't. If it's bonded, you're absolutely correct."

Representative Taylor commented how desperately the Marine Highway System needs new office space. Representative Taylor: "I still believe it's good business that the new administrative office should be built on the new site in Ketchikan where the majority of their work and business is on-going. There is also a desire to stay close to the seat of government. As a consequence, there's a strong feeling, I believe within the department, that they would like to stay right here next to the Capitol with their

admin. building. The difficulty is, they need both--an admin. building and a warehouse." He mentioned the problems with the old warehouse.

Representative Taylor: "I want to designate that at least some of those monies or new money if we have to get it, because I think that HB 181 falls directly within the bonded money that has already been authorized for the warehouse. And that's why I want that warehouse and that money to be applied down in Ketchikan and I've committed that if they'll do that, I'll work my tail off next year to get them some money for an admin. building up here."

Number 431 Representative Pignalberi: "I would like to get a determinative statement from DOT about whether or not that money from the 1978 bond can be used in Ketchikan...I think you [to Mr. Camp] ought to check with your AG's office or maybe somebody from the department; maybe the commissioner can make that statement without getting an AG's statement, but I would like to know if that money can be used in Ketchikan."

Representative Davis: "I would like to know if you can use that money to build your new administration building--that should be clarified, really."

Mr. Camp: "The original appropriation said 'administration building/warehouse.' If we built on one location, we can build under one roof."

Representative Pignalberi: "That would be cheaper, too. Why build two buildings?"

Number 457 Representative Marrou commented on the design of the warehouse. Mr. Camp commented on the cramped conditions of today's warehouse.

Number 471 Representative Shultz: "I was just wondering if we could pass the bill out with a letter along asking those questions and asking that those questions be addressed."

Representative Davis: "I would like to have those things, Joe, and have those things resolved so it can be included with the committee..."

Representative Taylor: "I can also get that from Legislative Counsel by just asking them the questions. We've had a difficult time--and that's not because of any problem with Joe, we've worked very closely with him and appreciate that. This money has been mentioned numerous different times, but we have never been able to find out where the money was authorized, by whom, or by what time. We're still looking for that bonded money. Maybe it is '78 and if so, we can certainly take a look at that and have Legislative Counsel inform and send a letter along with it. It's been a uniform feeling, Mr. Chairman, since we started this thing, that there was a bond issue and it was \$3 million or so. It had designated within an admin. warehouse, an administrative building warehouse and the concept had never been settled, as to where it was going to be, whether it would be two buildings, one building, whether it would be downtown Juneau or out at Auke Bay, whether it would be at Ketchikan because of the tremendous amount of money the state has now poured into that maintenance facility."

Number 500 Representative Marrou: "If the money was appropriated in 1978, where is it now?"

Mr. Camp: "I cannot answer that question...It hasn't been decided within the location for the location. I agree with Representative Taylor that for a number of good business and operational reasons, our headquarters should be located at a terminal. My preference is Auke Bay."

Representative Marrou asked why the extra revenue gained from unloading vans at Ketchikan instead of at Juneau was not included in the fiscal note. Mr. Camp mentioned that there was no column to indicate that particular figure.

Representative Marrou asked about the maintenance costs listed on the fiscal note.

Mr. Camp: "Currently, the building that we are in does not belong to the Marine Highway, it belongs to the Department of Transportation in another portion of the Department of Transportation funds. It doesn't come out of the Marine Highway budget. In Ketchikan, it would. And this is the maintenance and utilities."

Number 545 Representative Taylor: "I think that if we offset the revenue of probably no less than \$20,000. The \$20,000 is only figured on a plugged up load. It's not figured on loads that may not be completely plugged, but it would still be nice to have it available. There may still be some revenue generated even though the boat is not completely filled up.

"...I think the \$20,000 is a very conservative figure on revenue. In addition to that, which isn't shown as an offset, these are state dollars that are presently being spent in Juneau where the electric rate is comparable, where the rental of space is comparable if not more expensive than Ketchikan. As a consequence, that's not shown as an offset either because it's not quote, 'in their department.'

"I think we all realize that if that space is not utilized by these people, it's doubtful whether it will be utilized at all by the Department of Transportation whether they would have need for that 15,000 square feet of warehouse and space. As a consequence, I think that also would be shown as an offset out of state dollars. If we take both that space rental and the revenue, this bill should actually have a positive fiscal note on it."

Mr. Camp: "We pay no space rental, it's a state-owned building, currently."

Number 569 Representative Shultz moved to pass SSHB 181 out of committee with individual recommendations. Representative Davis repeated the motion and asked whether there were any objections. Being none, so ordered.

Representative Davis then brought before the committee Representative Taylor's resolution entitled, "Relating to designating Hyder, Alaska, as 'Mile 0' of the Alaska-Yukon Highway." After Representative Taylor gave a brief background of the resolution and a map was consulted. Discussion ensued on the propriety of naming a two-mile road from Hyder, Alaska as

STATE OF ALASKA
THE LEGISLATURE

POUCHY STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 17, 1985

SUBJECT: 1978 Transportation bond proceeds
TO: Representative Robin Taylor
FROM: Billy G. Berrier *BGB*
Director
Division of Legal Services

You have asked whether the funds from item 25 of Chapter 138, Session Laws of Alaska 1978 may be used for construction of marine highway system facilities in Ketchikan.

This Act authorized submission of a general obligation bond issue to the voters and the voters approved the issue. The particular item is listed under the heading "Marine" and reads:

(25) Region III - Southeast 3,076,000

The proceeds of the bonds were appropriated to the 1978 Transportation Facilities Construction Fund.

This Act is unusual in that instead of listing each project, its location, and the dollars to be allocated to the project as required by AS 24.30.037 it provided:

To the extent feasible, the proceeds of these bonds shall be allocated, notwithstanding the provisions of AS 24.30.037, by the governor in accordance with the following statewide list of projects and estimates.

The item you referred to is part of the list.

The question of whether this approach is legally proper is not material here since it has not been challenged and under the doctrine of laches could not be now challenged. I have no way of determining whether money which has not been spent or obligated remains. I am aware this arose from a request

Representative Robin Taylor
April 17, 1985
Page 2

in the Capital budget process for Administration -
Warehouse building located in Juneau.

In my opinion if money remains available, the broad power to allocate the bond proceeds which the Act gives the Governor would allow the Governor to make the allocation you suggested. In the face of the general language used in the item as it appears in the act and the broad discretion granted the Governor the material used in the budget process would not control.

BGB:ojb
J14/004

BONDING PROPOSITION NO. 5

HIGHWAY, FERRY, AIRPORT, LOCAL SERVICE ROADS AND TRAILS CONSTRUCTION, CONSTRUCTING AND EQUIPPING MAINTENANCE FACILITIES, AND PLANNING VARIOUS TRANSPORTATION PROJECTS

(Chapter 138, Session Laws of Alaska 1978)

Providing for the issuance of general obligation bonds in the amount of \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, and local service roads and trail construction, for constructing and equipping maintenance facilities, and for planning various transportation projects; and providing for an effective date.

BALLOT QUESTION:

Shall the State of Alaska Issue Its general obligation bonds in the principal amount of not more than \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects?

Bonds Yes

Bonds No

VOTE CAST BY MEMBERS OF 10TH STATE LEGISLATURE ON FINAL PASSAGE

Senate	(20 members):	Yeas <u>20</u>	Nays <u>0</u>	Absent or Not Voting <u>0</u>
House	(40 members):	Yeas <u>35</u>	Nays <u>1</u>	Absent or Not Voting <u>4</u>

SUMMARY OF PROPOSITION

This proposal, if approved, would provide for the issuance of general obligation bonds of the State in the amount of \$88,450,000 to provide funding for highway, ferry, airport and local service roads and trails construction, for constructing and equipping certain transportation maintenance facilities, and for planning transportation projects. The funds would be allocated as follows:

Project	Location	Amount
(1) Planning, project planning and research	Statewide	\$ 4,601,600
(2) Aviation Projects:		
(A) Region I	Central	2,370,000
(B) Region II	Interior	910,000
(C) Region III	Southeast	475,000
(D) Region IV	Western	1,110,000
(E) Region V	Southcentral	250,000
(F) Statewide		1,265,000
(G) Airport development	F Ruby	1,500,000
(3) Highways Projects:		
(A) Region I	Central	10,227,000
(B) Fairview Loop Road	Wasilla	1,500,000
(C) Mountain View Drive, Phase II	Anchorage	1,200,000
(D) Sidewalks	Bethel	150,000
(E) Sidewalks	Homer	150,000
(F) Pedestrian crossing, Eth and Muldoon	Anchorage	200,000
(G) Upgrade and paving of Eagle River North Road	Anchorage	1,200,000
(H) Sealcoating municipal streets and state highways	Anchorage	9,625,000
(I) Upgrade Eagle River South Road	Anchorage	375,000
(J) Region II	Interior	6,119,400
(K) Region III	Southeast	2,555,200
(L) Sidewalks	Wrangell	150,000
(M) Region IV	Western	1,524,000
(N) Region V	Southcentral	3,556,200
(O) Selawik River bridge	Selawik	2,500,000
(P) Local service roads and trails	Statewide, including specific allocations for Districts 2 and 4	15,800,000
(Q) Safety programs	Statewide	3,400,300
(R) Special bridge replacement program	Statewide	1,631,500
(S) Abandoned motor vehicle program	Statewide	120,000
(4) Marine Projects:		
(A) Region III	Southeast	3,075,000
(B) Region V	Southcentral	24,000
(C) Statewide		1,100,000
(5) Maintenance Facilities:		
(A) Region I	Central	1,050,000
(B) Region II	Interior	1,459,700
(C) Region III	Southeast	1,574,900
(6) Facilities and equipment	Unorganized borough	5,000,000



LAWS OF ALASKA

1978

Source

FCCS HCS CSSB 624

Chapter No.

138

State

AN ACT

Providing for the issuance of general obligation bonds in the amount of \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects; and providing for an effective date.

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

* Section 1. For the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects, general obligation bonds of the state in the principal amount of not more than \$88,450,000 shall be issued and sold. The full faith, credit and resources of the state are pledged to the payment of the principal of and interest and redemption premium, if any, on these bonds. These bonds shall be issued under the provisions of AS 37.15 as those provisions read at the time of issuance.

* Sec. 2. (a) If the issuance of these bonds is authorized by the qualified voters of the state, a special fund of the state to be known as the "1978 Transportation Facilities Construction Fund" shall be established, to which shall be credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for the accrued interest and premiums. The amount of \$88,450,000 is appropriated from the "1978 Transportation Facilities Construction Fund" to the Department of Transportation and Public Facilities. To the extent feasible, the proceeds of these bonds shall be allocated, notwithstanding the provisions of AS 24.30.037, by the governor in accordance with the following statewide list of projects and estimates, except that of the local service roads and trails allocation \$2,500,000 shall be allocated in accordance with AS 19.30.131(d) to allocation district 2 and \$2,500,000 to allocation district 4:

- (1) Planning, Project planning and research - statewide

\$ 4,601,600

Aviation

Chapter 136

(2)	Region I - Central	2,370,000
(3)	Region II - Interior	910,000
(4)	Region III - Southeast	475,000
(5)	Region IV - Western	1,110,000
(6)	Region V - Southcentral	250,000
(7)	Statewide	1,285,000
(8)	Airport development - Ruby	1,500,000

Highways

(9)	Region I - Central	10,227,000
(10)	Fairview Loop Road, Wasilla	1,500,000
(11)	Mountain View Drive - Phase II, Anchorage	1,200,000
(12)	Sidewalks, Bethel	150,000
(13)	Sidewalks, Homer	150,000
(14)	Pedestrian crossing, 6th and Muldoon, Anchorage	200,000
(15)	Upgrade/paving - Eagle River North Road	1,200,000
(16)	Sealcoating municipal streets and state highways - Anchorage	9,625,000
(17)	Upgrade Eagle River South Road	375,000
(18)	Region II - Interior	6,119,400
(19)	Region III - Southeast	2,865,200
(20)	Sidewalks, Wrangell	150,000
(21)	Region IV - Western	1,524,000
(22)	Region V - Southcentral	3,596,200
(23)	Selawik River bridge	2,500,000
(24)	Statewide	
	(A) Local service roads and trails	15,900,000
	(B) Safety programs	3,400,000
	(C) Special bridge replacement program	1,631,500
	(D) Abandoned motor vehicle program	120,000

Marine

(25)	Region III - Southeast	1,076,000
(26)	Region V - Southcentral	24,000
(27)	Statewide	1,100,000

Maintenance Facilities

(28)	Region I - Central	1,050,000
(29)	Region II - Interior	1,489,700
(30)	Region III - Southeast	1,574,500
(31)	Facilities and equipment in the Unorganized Borough	5,000,000

(b) Publication by the lieutenant governor of the allocations made in this section is sufficient to meet the requirements of AS 15.15.040.

* Sec. 3. If the issuance of these bonds is authorized by the qualified voters of the state, the amount of \$310,000 or as much of that amount as is found necessary is appropriated from the general fund of the state to the state bond committee to carry out the provisions of this Act and to pay expenses incident to the sale and issuance of the bonds authorized in this Act. The amounts expended from the appropriation authorized by this section shall be reimbursed to the general fund from the proceeds of the sale of the bonds authorized by this Act.

* Sec. 4. The amount withdrawn from the public facility

SAMPLE DALLU
OFFICIAL BONDING PROPOSITION BALLOT

STATE OF ALASKA
NOVEMBER 7, 1978

N^o 059003

FOLD BALLOT TO THIS LINE

To Be Removed By Election Board

- Mark only with cross marks, "X" marks, checks or plus signs. Marks must be inside or touching square.
- Erasures and corrections shall invalidate only that part of the ballot in which they appear.
- A mark in the square opposite the word "YES" shall be recorded as a vote for the bond issue.
- A mark in the square opposite the word "NO" shall be recorded as a vote against the bond issue.
- If you spoil or mar your ballot, you may return it to the election judge and receive another ballot. Your spoiled ballot will be destroyed in your presence.

BONDING PROPOSITION NO. 1 (CH. 95 SLA 1978)

STATE GENERAL OBLIGATION EROSION AND FLOOD CONTROL,
PORT FACILITIES DEVELOPMENT, AND SMALL BOAT LANDINGS
AND HARBORS PROJECTS BONDS \$33,290,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$33,290,000 for the purpose of paying the cost of erosion and flood control, port facilities development, and small boat landing and harbor projects?

BONDS - NO

BONDING PROPOSITION NO. 2 (CH. 95 SLA 1978)

STATE GENERAL OBLIGATION RECREATIONAL FACILITIES CON-
STRUCTION BONDS \$5,850,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$5,850,000 for the purpose of paying the cost of capital improvements to parks, waysides, trails, footpaths, and other recreational facilities?

BONDS - NO

BONDING PROPOSITION NO. 3 (CH. 122 SLA 1978)

STATE GENERAL OBLIGATION HEALTH FACILITIES AND SENIOR
CITIZEN CENTERS AND PIONEERS' HOMES CONSTRUCTION
BONDS \$25,000,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$25,000,000 for the purpose of paying the cost of capital improvements for health facilities, senior citizen centers, and pioneers' homes?

BONDS - NO

BONDING PROPOSITION NO. 4 (CH. 137 SLA 1978)

STATE GENERAL OBLIGATION EDUCATIONAL FACILITIES CON-
STRUCTION BONDS \$33,656,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$33,656,000 for the purpose of paying the cost of capital improvements for the educational facilities for vocational education and the University of Alaska?

BONDS - NO

BONDING PROPOSITION NO. 5 (CH. 138 SLA 1978)

STATE GENERAL OBLIGATION HIGHWAY, FERRY, AIRPORT,
LOCAL SERVICE ROADS AND TRAILS CONSTRUCTION, CON-
STRUCTING AND EQUIPPING MAINTENANCE FACILITIES, AND
PLANNING VARIOUS TRANSPORTATION PROJECTS BONDS
\$88,450,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects?

BONDS - NO

BONDING PROPOSITION NO. 6 (CH. 139 SLA 1978)

STATE GENERAL OBLIGATION CORRECTIONAL AND PUBLIC
SAFETY FACILITIES CONSTRUCTION BONDS \$30,504,000

BONDS - YES

Form 26 MUST BE COMPLETED AND ATTACHED TO EACH PROPOSED PROJECT REQUEST

AGENCY Administration - Warehouse Building	OPERATING PROJECT NUMBER Administration	NAME Administration	NUMBER 25-02-1-09-00-00
LOCALITY Road 79-7	PROJECT STARTING DATE FY 79	ESTIMATED DATE FACILITY IN USE BY FY 80	TOTAL PROJECT COST \$1,500.0
LOCATION(S) City and Borough of Juneau	AREA served City and Borough of Juneau	PLANNING DISTRICT	

SOURCE OF COST ESTIMATE: Division of Marine Transportation DATE OF ESTIMATE: September 77

DESCRIPTION
Construct a building of about 25,000 square feet to contain Administration office space, support services, and vessel supplies for the Division of Marine Highway Systems. Site to be selected in response to ongoing transportation planning effort.

PROJECT TYPE	
BUILDING CONSTRUCTION	<input checked="" type="checkbox"/> YES
OTHER IMPROVEMENT	<input type="checkbox"/> NO

- PROJECT FUNDS: FEDERAL
- Major Maintenance: YES
- Improvement of Existing: NO
- Acquisition of the land: NO
- New Program or Service Accountant: NO
- Supplement Previously Authorized: NO

Preliminary Feasibility of Cost Estimate: <input type="checkbox"/> YES
Other: <input type="checkbox"/> NO
APPROPRIATION REQUEST
Federal Funds: <input type="checkbox"/> NO
Revised Capital Fund Allocation: <input type="checkbox"/> NO
Other General Fund: <input type="checkbox"/> NO
G. O. Bond: <input type="checkbox"/> NO
ADFA Bond: <input type="checkbox"/> NO
Intra-Agency Transfer: <input type="checkbox"/> NO
Other: <input type="checkbox"/> NO
TOTAL

PROJECT EXPENDITURES	TOTAL	BUDGET YEAR	BUDGET YEAR	REMAINING
TOTAL ANNUAL EXPENDITURE (Capital Cost)	1,500.0	1,500.0		
ADMIN AND ENGINEERING				
CONSTRUCTION				
EQUIPMENT				
OPERATION AND OTHERS				
UNATIONAL COST AND NO. PERSONNEL (LEASE REQUIRED)	ULTIMATE ANNUAL	BUDGET YEAR	BUDGET YEAR	
ROAD				
HOUSING				
OTHER SOURCE				
GENERAL FUND				
TOTAL ANNUAL OPERATIONAL COST	NA			
FULL-TIME EQUIVALENTS				

DEPARTMENT OF TRANSPORTATION PROGRAM: MARINE - REGION III PRIORITY NO.: Road 79-7

CAPITAL BUDGET

Alaska State Legislature

COMMITTEES:

VICE-CHAIRMAN
HEALTH, EDUCATION & SOCIAL SERVICES

JUDICIARY

FINANCE SUB-COMMITTEE
ON COURT SYSTEM

JOINT COMMITTEE ON
FOREIGN TRADE



PO. BOX 1441
WRANGELL, ALASKA 99929
(907) 874-2316

White Junction
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4905

House of Representatives

ROBIN L. TAYLOR

Richard J. Knapp, Commissioner
Department of Transportation
Pouch Z
Juneau, Alaska 99811

April 19, 1985

Dear Commissioner Knapp:

As you know, I introduced SSHB 181 which would relocate to Ketchikan functions of consumable warehousing. I have received the fiscal note prepared by your department and have noted some changes that need to be made.

First, an amount equal to approximately \$20,000 in revenues from the increased efficiency and space made available should be included on the fiscal note. Secondly, under contractual services you have \$30,000 planned. I understand from Joe Camp that this amount included amounts for labor and equipment under contracts to drive the trucks to and from the downtown warehouse. Since our employees will be driving those trucks only on state property, there will be no need to spend \$30,000, it should be eliminated. Finally, I would like to see included under the funding section a reflection of the funding available in the 1978 bond, which allocated \$1.5 million for a warehouse in the southeast region.


With these changes I expect the fiscal note to reflect an amount that would be not more than the initial estimates of moving employees. Through the utilization of previously appropriated funds and reduction in costs the fiscal note should reflect only the costs of moving people to Ketchikan and also the cost of utilities which are now being paid by another department. For your information, I have enclosed a copy of a legal opinion I received from Billy Berrier, Director of the Division of Legal Services regarding the use of those bonded funds for Ketchikan.

Your prompt attention to this matter Commissioner, will be most appreciated. Timeliness in the final days of this session is crucial if we are to move forward with this legislation.

Page Two
Commissioner Knapp
April 19, 1985

If you have any questions, please don't hesitate to call
me at 465-4905.

Sincerely,



Robin L. Taylor
Representative

Enclosure

c: Rep. Al Adams,
Chairman, House Finance

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SS for HB181
 Title: An Act Relating to the relocation to Ketchikan of consumable warehousing functions of the AMHS.
 Sponsor: Taylor, Sund and Goll
 Requestor: Transportation and Finance
 Date of Request: April 1, 1985

FISCAL DETAIL

Agency Affected: DOT & PF
 Program Category Affected: Transportation
 BRU, Program or Subprogram(s) Affected: Alaska Marine Highway System

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL		37.7				
300 CONTRACTUAL		30.0	31.8	33.7	35.7	37.9
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES		1,500.0				
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		1,567.7	31.8	33.7	35.7	37.9

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND		1,557.7	21.8	33.7	35.7	37.9
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME		-0-				
PART-TIME		-0-				
TEMPORARY		-0-				

ANALYSIS: Attach a separate page if necessary

SEE ATTACHED

Prepared By: Joe D. Camp, Deputy Commissioner
 Division: Alaska Marine Highway System
 Approved by Commissioner: *Wick May Jr.*
 Agency: DOT&PF

Phone: 465-3950
 Date: 04/02/85
 Date: 4/5/85

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

ANALYSIS

SS for HB 181

"An Act relating to the relocation to Ketchikan of consumable warehousing function of the Alaska Marine Highway System"

For the purposes of this analysis, it is assumed the number of positions being relocated to Ketchikan is four (4). It is assumed current employees would transfer resulting in relocation expense. It is also assumed that one time capital costs would be incurred to construct a new facility and that it would be located on the present state-owned Ketchikan Maintenance Facility site.

The following assumptions were made:

A. The Cost of Moving Personnel

1. Employees moved had families, average size - four.
2. Employees moved had household goods to be moved, average three bedroom, 8,000 pounds. The average cost per move including straight transportation, cartons, packing, 30 days storage, warehouse handling, insurance and redelivery would be \$6,418.00 per employee.
3. As per collective bargaining agreements, employees would incur 15 days straight per diem at \$80.00 per day and dependents \$40.00. Each family - \$3,000.00. The expense related to relocation for employees would be \$12,000.00 one time costs.
4. Total one time employee relocation costs would be \$37,700.00.

B. A new warehouse building would be constructed on the present State-owned Ketchikan Maintenance Facility site.

The capital costs for this new building would be \$1,500,000.00. If these funds are appropriated the facility design and preliminary engineering would require about 12 months, and construction an additional 12 months.

AMHS now occupies State-owned facilities and all costs are budgeted in DOT&PF S.E. Region. It is assumed annual maintenance and utility costs not now an expense to AMHS would have to be budgeted for and that annual cost would be \$30,000.00.

D. Inflation factor is 6% per year.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SS for HB181
 Title: An Act Relating to the relocation to Ketchikan of consumable warehousing functions of the AMHS.
 Sponsor: Taylor, Sund and Goll
 Requestor: Transportation and Finance
 Date of Request: April 1, 1985

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 BRU, Program or Subprogram(s) Affected: Alaska Marine Highway System

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	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
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300 CONTRACTUAL		30.0	31.8	33.7	35.7	37.9
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES		1,500.0				
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		1,567.7	31.8	33.7	35.7	37.9
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	1,567.7	21.8	33.7	35.7	37.9
FEDERAL FUNDS					
OTHER					
TOTAL					

POSITIONS:

FULL-TIME	-0-				
PART-TIME	-0-				
TEMPORARY	-0-				

ANALYSIS: Attach a separate page if necessary

SEE ATTACHED

Prepared By: Joe DeCamp, Deputy Commissioner Phone: 465-3950
 Division: Alaska Marine Highway System Date: 04/02/85
 Approved by Commissioner: [Signature] Date: 4/5/85
 Agency: DOT&PF

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

ANALYSIS

SS for HB 181

"An Act relating to the relocation to Ketchikan of consumable warehousing function of the Alaska Marine Highway System"

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3. As per collective bargaining agreements, employees would incur 15 days straight per diem at \$80.00 per day and dependents \$40.00. Each family - \$3,000.00. The expense related to relocation for employees would be \$12,000.00 one time costs.
4. Total one time employee relocation costs would be \$37,700.00.

B. A new warehouse building would be constructed on the present State-owned Ketchikan Maintenance Facility site.

The capital costs for this new building would be \$1,500,000.00. If these funds are appropriated the facility design and preliminary engineering would require about 12 months, and construction an additional 12 months.

AMHS now occupies State-owned facilities and all costs are budgeted in DOT&PF S.E. Region. It is assumed annual maintenance and utility costs not now an expense to AMHS would have to be budgeted for and that annual cost would be \$30,000.00.

D. Inflation factor is 6% per year.



Dept. of Transportation & Public Facilities

Position Paper

BILL NO: SSHB 181

APPROVED:

R. J. Knapp
R. J. Knapp
Commissioner

TITLE: Relocation to Ketchikan of
Consumable Warehousing Function of
the Alaska Marine Highway System

DATE:

4/3/85

The Department of Transportation and Public Facilities supports moving the Alaska Marine Highway System consumable warehouse from Juneau to Ketchikan.

The current Juneau sub-port warehouse is inefficient, inadequate, in poor condition and needs to be replaced. An analysis of the current operation of our consumable warehousing revealed sound business and operational reasons to also relocate the consumable warehouse. It would be more efficient and cost effective to have this warehouse in a location closer to supply sources and eliminate the need for AMHS vans to take up valuable car deck space between Ketchikan and Juneau. Movement of these vans between Ketchikan and Juneau are estimated to displace between 60 and 80 vehicles total during the summer months with a loss of \$15,000 to \$20,000 in revenue foregone.

The transfer of the warehouse from Juneau to Ketchikan would not "Alaskanize" any jobs as the move of personnel would be within Alaska, nor would additional business be brought into Alaska by this move.

Alaska State Legislature

COMMITTEES:

VICE-CHAIRMAN
HEALTH, EDUCATION & SOCIAL SERVICES
JUDICIARY

FINANCE SUB-COMMITTEE
ON COURT SYSTEM

JOINT COMMITTEE ON
FOREIGN TRADE



Low
FBI

P.O. BOX 1441
WRANGELL, ALASKA 99929
(907) 874-2316

Write in Juneau
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4905

House of Representatives

ROBIN L. TAYLOR

Richard J. Knapp, Commissioner
Department of Transportation
Pouch Z
Juneau, Alaska 99811

April 19, 1985

Dear Commissioner Knapp:

As you know, I introduced SSHB 181 which would relocate to Ketchikan functions of consumable warehousing. I have received the fiscal note prepared by your department and have noted some changes that need to be made.

First, an amount equal to approximately \$20,000 in revenues from the increased efficiency and space made available should be included on the fiscal note. Secondly, under contractual services you have \$30,000 planned. I understand from Joe Camp that this amount included amounts for labor and equipment under contracts to drive the trucks to and from the downtown warehouse. Since our employees will be driving those trucks only on state property, there will be no need to spend \$30,000, it should be eliminated. Finally, I would like to see included under the funding section a reflection of the funding available in the 1978 bond, which allocated \$1.5 million for a warehouse in the southeast region.

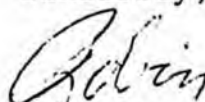
With these changes I expect the fiscal note to reflect an amount that would be not more than the initial estimates of moving employees. Through the utilization of previously appropriated funds and reduction in costs the fiscal note should reflect only the costs of moving people to Ketchikan and also the cost of utilities which are now being paid by another department. For your information, I have enclosed a copy of a legal opinion I received from Billy Berrier, Director of the Division of Legal Services regarding the use of those bonded funds for Ketchikan.

Your prompt attention to this matter Commissioner, will be most appreciated. Timeliness in the final days of this session is crucial if we are to move forward with this legislation.

Page Two
Commissioner Knapp
April 19, 1985

If you have any questions, please don't hesitate to call
me at 465-4905.

Sincerely,



Robin L. Taylor
Representative

Enclosure

c: Rep. Al Adams,
Chairman, House Finance

Introduced: 3/29/85
Referred: Transportation
and Finance

BY TAYLOR, SUND AND
GOLL

1 IN THE HOUSE

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the relocation to Ketchikan of
7 consumable warehousing functions of the Alaska marine
8 highway system."

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

10 * Section 1. RELOCATION OF ALASKA MARINE HIGHWAY SYSTEM WAREHOUSING TO
11 KETCHIKAN. The commissioner of transportation and public facilities shall
12 relocate to Ketchikan the consumable warehousing functions of the Alaska
13 marine highway system.

14 * Sec. 2. The provisions of sec. 1 of this Act do not affect a collec-
15 tive bargaining agreement entered into on or before the effective date of
16 this Act.

HOUSE
COMMITTEE REPORT

(11)

Date referred: 3/19/86

FURTHER REFERRALS:

DATE: 4-7-86

The FINANCE Committee has considered 2d SSB 181

"An Act relating to the maintenance of vessels of the Alaska marine highway system.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS for 2^d SS HB 181 (FIN) same title
- new title

and recommends do pass

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note
 - zero fiscal note (indeterminate amount 557)

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Albert L. Adams

John B. ...

Mike ... ALASKA jobs and more jobs?

Ronald J. ...

Paul ...

John ...

For ... NO REC

Steve ... No Recommendation

Frank ... NO REC.

John ... DO NOT PASS

Albert L. Adams
Chairman

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No.: CS for 2d Sponsor Sub.
 Title : "...maintenance of vessels of
 the Alaska Marine Highway System."

Sponsor : Taylor, Sund and Goll
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL

Agency Affected : DOT&PF - AMHS
 BRU : Marine Operations

Components : 1) SE Vessels Operations
 and Overhaul 2) SW Vessels Operations
 and Overhaul.

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	/	/	/	/	/	/

CAPITAL	/	/	/	/	/	/
---------	---	---	---	---	---	---

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND	/	/	/	/	/	/
FEDERAL FUNDS	/	/	/	/	/	/
OTHER	/	/	/	/	/	/
TOTAL	/	/	/	/	/	/

POSITIONS :

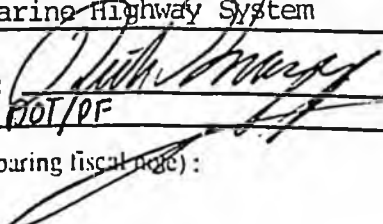
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached.

Prepared by : Joe D. Camp, Deputy Commissioner
 Division : Alaska Marine Highway System

Phone : 465-3950
 Date : 3/18/86

Approved by Commissioner : 
 Agency : DOT/PF

Date : 4/2/86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CS For 2d Sponsor Substitute for HB 181

There are eventualities relating to the maintenance of vessels of the Alaska Marine Highway System within the State of Alaska that could be positive or negative in impact. At this point in time it is not possible to assess the fiscal impact of the presently written bill.

There is the possibility that the higher costs of doing business in an "Alaskan Shipyard" could be somewhat offset by the savings generated from an interport differential or cost of delivery of a vessel to and from Alaska. On the other side, it would be less desirable for crewmembers to live outside Alaska and more would likely move back resulting in higher COLA payments.

The fiscal impact will remain unknown until some experience is generated in vessel repairs in Alaska.

Original sponsors: Taylor, Sund,
Goll, and Szymanski

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR 2d SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the maintenance of marine vessels
7 of the state."

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

9 * Section 1. AS 36.20 is amended by adding a new section to read:

10 Sec. 36.20.020. MAINTENANCE OF STATE MARINE VESSELS. (a) A
11 marine vessel owned by the state may not be transported outside of the
12 state for the purpose of maintenance unless the commissioner of trans-
13 portation and public facilities determines that there is no facility
14 in the state able or available to perform the maintenance at a price
15 that is in the state's best interests. In making this determination,
16 the commissioner shall consider

17 (1) the amount of money the state has granted to, or other-
18 wise invested in, marine vessel maintenance facilities in the state;

19 (2) the amortization, overhead, and start-up costs of the
20 facilities in the state; and

21 (3) the direct and indirect benefits to the economy and
22 labor force of the state that may be obtained by contracting with a
23 facility in the state.

24 (b) AS 37.05.230 and the provisions of any other law relating to
25 competitive bidding do not apply to a contract for the maintenance of
26 a marine vessel owned by the state if the contract is awarded to a
27 facility in the state.

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 7, 1986

SUBJECT: CS 2d SSHB 181 (Finance)

TO: Rep. Al Adams, Ch., H. Finance Comm.

FROM: Ed Hein, LAA *EH*

Enclosed is the final of CS 2d SSHB 181 (Fin) as requested by your staff. At page 1, line 14, "and" was changed to "or." I am told this change was so that an in-state facility would not have to be immediately available to perform at the time the contract is let. But substituting "or" would allow a contract to be let even if the facility was unable to do the job, so long as the facility was available. It may never happen in practice, but why have the statute read that way? If availability is not critical, then why not just drop "and available" on line 14? It seems to me that you would always want a facility that was able. *EH*



Dept. of Transportation & Public Facilities

RO. 4-7-86

Rec'd 4-28-86

Position Paper

BILL NO: CH For 2nd Sponsor Substitute for
House Bill No. 181 (Finance)

APPROVED: R. J. Knapp
Commissioner

TITLE: Maintenance of Marine Vessels
of the State

DATE: 4/23/86

The Department of Transportation and Public Facilities fully supports the performance of maintenance of Alaska public vessels within the state but believes that the economic factors of the market place will cause that to take place without waiving the competitive bidding provisions of AS 37.05.230. For instance, in the case of Alaska Marine Highway System (AMHS) vessels, an interport differential would be added to the bid of shipyards outside Alaska for the purpose of evaluation. Interport differential is defined as the extra costs such as fuel, crew transportation, per diem, pilotage, etc., that are incurred as a result of taking a vessel from the repair yard nearest to the vessel's operating area (Alaska) to any other yard. As an example, the current interport differential between Seattle and Portland on the contract for M/V COLUMBIA bow thruster installation is \$32,500. Were the Ketchikan Shipyard now in operation, the interport differential between Ketchikan and Seattle on that contract would be at least \$50,000, and between Ketchikan and Portland at least \$77,000.

The economic advantage of interport differential to Alaska Shipyards is significant enough alone to provide a strong margin in favor of any Alaska Shipyard. In addition, the operators of Shipyards in Alaska (all private) also will have the advantage of reduced capital costs and the Alaska bid preference.

The disadvantage to the State of Alaska of waiving AS 37.05.230 or any other competitive bidding law is that such a waiver will in effect offer a blank check to the private operator of any shipyard located in Alaska. AMHS is appropriated a fixed amount annually to both maintain and operate the vessels. A conscious effort has been made to maximize funds spent for operations and to minimize funds spent on maintenance and repairs, consistent with safety and good engineering practices. The result of CS for 2nd SS for HB 181 as currently written would likely be an increase in the amount of money spent on maintenance and repairs and a decrease in the amount of money available for operations, resulting in less service to the public who depend on the AMHS for basic transportation needs.

The Department of Transportation and Public Facilities opposes CS for 2nd SS for HB 181 as currently written for the above stated reasons.

For further information call Susan Fleischhauer at 465-3900.

POSITION PAPER

Bill No. CH For 2nd Sponsor Substitute for House Bill 181
(Finance)

However, we are in favor of the overall objectives, and propose the following as an alternative.

- A. Expand Alaska bidder preference factor from 5% to 15% on all marine repair contracts.
- B. If qualified competition exists in state restrict bids to Alaska firms.
- C. If qualified competition does not exist in state advertise as necessary taking into account Alaska bidder preference plus interport differentials.

Alaska State Legislature



House of Representatives

Committee on Transportation

Rep. Bette Cato, Chairman

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4858

LETTER OF INTENT
FOR
CS FOR 2D SSHB 181 (TRSP)

The House Transportation Committee supports the concept of using facilities located in the State of Alaska for the repair and maintenance of the Alaska Marine Highway system vessels. The Committee also recognizes, however, that the Alaska Marine Highway System is required under AS 37.05.230 to award a contract for the maintenance or repair of its vessels on the basis of competitive bidding. The Committee does not intend this legislation to conflict with the provisions of AS 37.05.230 nor does it intend by this legislation to relieve the Alaska Marine Highway System of its obligation to award contracts for the maintenance or repair of its vessels except by competitive bid.

CONCUR

OTHER

<u>Bette Cato</u>	-----
<u>Adelheid Herrman</u>	-----
<u>John Sarnak</u>	-----
<u>Mike De</u>	-----
<u>A. J. Marcou</u>	-----
<u>Dick Shultz</u>	-----
<u>Motiquelberi</u>	-----

Bette Cato

CHAIRMAN

Alaska State Legislature

COMMITTEES:
VICE-CHAIRMAN
HEALTH, EDUCATION & SOCIAL SERVICES
JUDICIARY
FINANCE SUB-COMMITTEE
ON COURT SYSTEM
JOINT COMMITTEE ON
FOREIGN TRADE



PO. BOX 1441
WRANGELL, ALASKA 99929
(907) 874-2316

White in Juneau
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4905

House of Representatives

ROBIN L. TAYLOR

March 31, 1986

TO: Representative Al Adams
Chairman, House Finance Committee

From: Representative Robin L. Taylor

Handwritten initials "RT" in black ink.

Subject: Committee Substitute for 2nd Sponsor Substitute for
House Bill 181 (Transportation)

As you know, House Bill 181 will be before the House Finance
Committee on April 3, 1986. I would like to offer the
following ammendment to include all state owned vessels:

Section 19-65.030 is ammended to read:

All state owned vessels [a vessel of the Alaska Marine
Highway System] may not be transported outside of the state
for purposes of maintenance unless the Commissioner of
Transportation and Public Facilities determines that there is
no facility in the state able and available to perform the
maintenance at competitive prices.

cc: House Finance Committee Members

April 3, 1986

Representative Al Adams
Chair, House Finance Committee
Alaska State Legislature
Juneau, AK 99811

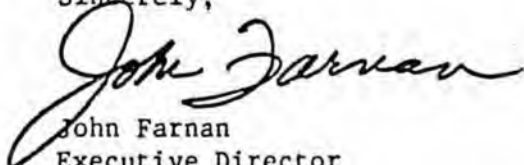
Dear Representative Adams:

The Southeast Conference supports 2D SSHB 181 (relating to the maintenance of vessels) as it is now written. It is our opinion that interport differential and the Alaska bidder preference should allow the Ketchikan shipyard to bid competitively within the West Coast Ship repair market.

The Southeast Conference believes that the Ketchikan shipyard will have the ability to economically serve the Alaska Marine Highway and other potential customers. The shipyard will provide local employment and will benefit the State of Alaska.

We request that the House Finance Committee do pass this bill.

Sincerely,



John Farnan
Executive Director
Southeast Conference

cc: House Finance Committee Members

Alaska State Legislature



House of Representatives

REPRESENTATIVE
BETTE CATO

DISTRICT 6
BOX 775

VALDEZ, ALASKA 99686
(907) 835-4568

WHILE IN JUNEAU
P.O. BOX V

JUNEAU, ALASKA 99811
(907) 465-4858
(907) 586-2660

COMMITTEES
—
CHAIRMAN
HOUSE TRANSPORTATION
—
MEMBER
RESOURCES
STATE AFFAIRS

DATE: 20 March 1986
TO: Representative Robin Taylor
FROM: Representative Bette Cato *BC*
RE: CS 2d HB 181 (TRSP)

Would you please consider amending CS 2d HB 181 (TRSP) to include all state vessels instead of only vessels of the Alaska Marine Highway System?

I understand several state agencies have vessels which should also be maintained in-state whenever possible. I believe we could simply change language to cover all state vessels and leave the responsibility of determination with the Commissioner of Transportation.

Please give Rhonda Cargill of our Transportation Committee staff a call and let her know what you decide, as I will be out of town until Sunday night. Rhonda will be more than happy to gather data to substantiate this amendment if you are agreeable to the idea.

Thanks so much for your consideration and assistance.



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y. State Capitol
Juneau, Alaska 99811
(907) 465-3991

April 2, 1986

MEMORANDUM

TO: Representative Bette Cato

ATTN: Rhonda Cargill

FROM: Deb Pomeroy, Administrative Officer *DP*

RE: Vessels Owned by the State of Alaska
Research Request 86-155

You requested information on the number of boats larger than 16 feet that are owned by various departments of the State. I contacted Bob Head, Property Manager with the Division of General Services and Supply in the Department of Administration (DOA). He was able to provide computer printouts on vessels owned by all the State agencies with the exception of the University of Alaska.¹ The attached table contains the data on boats larger than 16 feet by department.

In addition to the nine ferries owned by the Marine Highway System, the State of Alaska owns 173 boats larger than 16 feet. The following is a breakdown of the size and ownership:

<u>Size</u>	<u># of boats</u>	<u>Ownership</u>
> 45'	13	8--DF&G; 5--DPS
26' - 45'	26	12--DF&G; 12--DPS; 1--DOE; 1--Surplus
17' - 25'	130	96--DF&G; 27--DPS; 1--Corr.; 1--DEC 1--H&SS; 1--DNR; 2--DOT/PF; 1--Surplus
Unknown	6	4--DPS; 1--DNR; 1--Surplus

I hope this information answers your questions. If you have any questions or would like additional information, please contact this agency.

DP

Attachments

¹This printout is on file at House Research if you would like to see it. Julie Mipes with the University of Alaska in Fairbanks will be sending information on the U of A's vessels in the next week. I will forward that information to you as soon as it is received.

STATE OF ALASKA
VESSELS OVER 16 FEET

DEPARTMENT	VESSEL LENGTH	CLASS DESCRIPTION
Fish & Game	91' Patrol	Metal Enclosed Inboard Power
	72' M/V Kittiwake	Boat, General
	70' (21' Beam) M/V Steller	Metal Enclosed Inboard Power
	70' Schooner	Metal Enclosed Inboard Power
	66' Crabber/Troller	Metal Enclosed Inboard Power
	65' Steel Hull T-Boat	Metal Enclosed Inboard Power
	58' Seine Boat	Metal Enclosed Inboard Power
	48' X' 24 Cataaaran Fish Trap	Barge, Metal Power
	40' Utility	Metal Enclosed Inboard Power
	36' M/V O'Herka	Plastic Enclosed Inboard Power
	34' M/V Cutthroat	Plastic Enclosed Inboard Power
	32' M/V Saolt	Plastic Enclosed Inboard Power
	32' M/V Puffin (Fiberglass)	Plastic Enclosed Inboard Power
	32' M/V Iliaska (Cruiser)	Plastic Enclosed Inboard Power
	31' M/V Clusea	Plastic Enclosed Inboard Power
	31' MV O'Kisutch	Plastic Enclosed Inboard Power
	31' Blind Slough	Barge, Metal Power
	31' Blind Slough	Barge, Metal Power
	30' Alum Boat	Metal Open Outboard Power
	26' J&C Radar	Metal Open Outboard Power
	25' Bristol Bay Drift Skiff	Wood Enclosed Outboard Power
	25' Boston Whaler	Plastic Open Outboard Power
	24' X 9' Wood Arctic Queen	Boat, General
	24' X 8' Scow Flat	Plastic Open Outboard Power
	24' X 40' Nanigan Float House	Wood Barge
	24' Bussic Ventures	Metal Open Outboard Power
	23' Dorries Interceptor	Metal Enclosed Outboard Power
	23' Commercial Cuddy	Plastic Enclosed Outboard Power
	22' X 25' Boathouse	Wood Barge
	22' ORCA Work at	Plastic Open Outboard Power
	22' Marine Fiberglass	Plastic Open Outboard Power
	21' Woolridge	Metal Open Outboard Power
	21' Wooldrige	Metal Open Outboard Power
	21' Silver Streak	Metal Open Outboard Power
	21' Nunson	Metal Open Outboard Power
	21' Glassply	Plastic Enclosed Inboard Power
	21' Gaspar Ventura	Plastic Enclosed Outboard Power
	21' Boston Whaler	Plastic Open Outboard Power
	21' Boston Whaler	Plastic Open Outboard Power
	21' Boston Whaler	Plastic Open Outboard Power
	21' Boston Whaler	Plastic Open Outboard Power
	21' Alum	Metal Open Outboard Power
20' Wood Plank	Boat, General	
20' Sookercraft	Metal Open Outboard Power	
20' Quachita	Metal Open Outboard Power	
20' Quachita	Metal Open Outboard Power	
20' Fiberform	Plastic Enclosed Outboard Power	
20' Custom Made	Metal Open Outboard Power	
20' Boston Whaler	Plastic Open Outboard Power	
20' Boston Whaler	Plastic Open Outboard Power	
20' Boston Whaler	Plastic Open Outboard Power	
20' Boston Whaler	Plastic Open Outboard Power	
20' Boat	Boat, General	
20' Alumaweld	Metal Open Outboard Power	

STATE OF ALASKA
VESSELS OVER 16 FEET

DEPARTMENT	VESSEL LENGTH	CLASS DESCRIPTION
Corrections	19' Valco	Metal Open Outboard Power
Education	30' Utility Boat	Boat, General
Environmental Cons	19' Boston Whaler	Plastic Enclosed Outboard Power
H&SS	20' R.R. Hewes Craft	Metal Open Outboard Power
Natural Resources	16'7" Boston Whaler	Plastic Enclosed Outboard Power
	Silverline MDL Hilo	Plastic Enclosed Outboard Power
Transportation	Bartlett	Ferries
	Tustanena	Ferries
	Chilkat	Ferries
	Matanuska	Ferries
	Columbia	Ferries
	Taku	Ferries
	Malaspina	Ferries
	LeConte	Ferries
	Aurora	Ferries
	16' X 30' Paint Float	Metal Barge
	20' Aluminue	Metal Open Outboard Power
Surplus Warehouse	Glasply 2600 Escort	Plastic Enclosed Inboard Power
	17' Glasply	Plastic Enclosed Outboard Power
	25' Cabin Skiff Barricuda	Wood Enclosed Outboard Power

Prepared by the House Research Agency, April 1985.

MEMORANDUM

State of Alaska

TO: Joe Camp
Deputy Commissioner
Department of Transportation
and Public Facilities

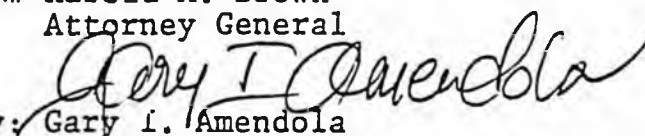
DATE: March 20, 1986

FILE NO:

TELEPHONE NO: 465-3603

FROM: Harold M. Brown
Attorney General

SUBJECT: Legislative Intent
for CS for 2nd SSHB
181 (Trans)

By: 
Gary I. Amendola
Assistant Attorney General
Transportation Section-Juneau

You have asked for language to clarify the legislative intent of CS for 2d SSHB 181 (Trans), which amends AS 19.65 by adding a new section to read:

Sec. 19.65.030. MAINTENANCE OF ALASKA MARINE HIGHWAY SYSTEM VESSELS. A vessel of the Alaska marine highway system may not be transported outside of the state for the purpose of maintenance unless the commissioner of transportation and public facilities determines that there is no facility in the state able and available to perform the maintenance at competitive prices.

Draft language of legislative intent could be as follows:

The transportation committee supports the concept of using facilities located in the State of Alaska for the repair and maintenance of Alaska marine highway system vessels. The committee also recognizes, however, that the Alaska marine highway system is required under AS 37.05.230 to award a contract for the maintenance or repair of its vessels on the basis of competitive bidding. The committee does not intend this legislation to conflict with the provisions of AS 37.05.230 nor does it intend by this legislation to relieve the Alaska marine highway system of its obligation to award contracts for the maintenance or repair of its vessels except by competitive bid.

GIA:prm

HOUSE TRANSPORTATION COMMITTEE

March 18, 1986

7:00 a.m.

Members present:

Rep. Mike Davis, Chairing
Rep. Dick Shultz
Rep. Marco Pignalberi
Rep. Andre Marrou

COMMITTEE CALENDAR

2D SSHB 181 "An Act relating to the maintenance of
vessels of the Alaska Marine Highway System."

WITNESS REGISTER

Rep. Robin Taylor
Alaska State Legislature
Box V
Juneau, Alaska 99811
Phone: 465-4905
Position: sponsor of the bill

Joe Camp
Deputy Commissioner
Alaska Marine Highway System
Department of Transportation
Box Z
Juneau, Alaska 99811
Phone: 465-3955
Position: testified in favor of the bill

Susan Fleischauer
Legislative Liaison
Department of Transportation
Box Z
Juneau, Alaska 99811
Phone: 465-3900
Position: observer

PREVIOUS ACTION

HB 181	DATE	PAGE	ACTION
	02/08/85	(H) 295	Read the first time - referrals
	03/29/85	(H) 746	Sponsor substitute introduced
	04/30/85	(H) 1182	Fiscal note Hse sup 60
	05/09/85	(H) 1473	Finance rpt 3DP 1DNP 4NR
	05/11/85	(H)	Rules to calendar
	05/11/85	(H) 1530	Moved to bottom of calendar
	05/11/85	(H) 1542	Return to Rls Comm from calendar
	03/05/86	(H) 2284	2d sponsor substitute introduced Transportation, Finance, Rules

ACTION NARRATIVE

TAPE ONE SIDE ONE
Number 003

Rep. Davis called the meeting of the House Transportation Committee to order at 7:14 with Rep. Shultz, Rep. Pignalberi and Rep. Marrou present.

Rep. Davis introduced the bill and the sponsor.

Number 017

Rep. Taylor testified, "Myself and the chairman of this committee got out heads together at the beginning of this session and felt that HB 181 could be modified so as to provide us with a bill giving us the required structure to force our ferry system to begin utilizing the two marine repair facilities that the state of Alaska has created. One in Seward, the other one is in Ketchikan, Alaska. The Ketchikan facility is not yet completed but it's scheduled. They have the majority of its buildings and equipment completed and installed. Probably within the next nine months, it may be a full year... We'd like to see the facilities being used. Over the last 25 years, the ferry system has historically used the Todd Shipyards in Seattle to do its maintenance. The purpose and intent of this bill is to change that historic pattern. We feel without legislation that the change may not as promptly occur. ...There is one amendment that has been suggested by the department. I have no objection to that amendment. That is the addition of the words, 'at competitive prices'."

Rep. Pignalberi asked, "I thought these were going to be state owned and operated facilities."

Rep. Taylor said, "They are state owned, they aren't probably going to be state operated. They're leasing them out. ...our lease in Ketchikan is a lease that flows to the city and then the city will decide from there who the contractor will be."

Rep. Pignalberi pointed out some advantages of having the facilities within the state, e.g. the Alaska bidder's preference, transportation costs.

Rep. Taylor said, "That's why the addition of those words is really not offensive to the bill."

Rep. Pignalberi asked Joe Camp, "Is it your understanding that the bidder's preference would apply to these facilities?"

Number 125

Joe Camp said, "Yes, I feel that the operator of that yard will have three very distinct economic and competitive advantages over any other yard. We may even be lucky to get somebody else to bid against them."

Rep. Taylor said, "The state right now probably has over 60 million dollars invested in creating repair facilities in Seward and Ketchikan. It would only seem logical that the state should use them since we've built them."

Rep. Pignalberi said, "It would seem logical that we should use them but if we use them at a cost that is greater than somewhere else then we would end up with a cost of eventually \$100 million dollars. I like the bill because it obviously is an economic stimulator for two smaller communities but we do have to worry about being taken advantage of. I think the amendment you propose is a good one."

Number 156

Joe Camp testified, "The marine highway is controlled by the same competing bidding process and procurement statute that all of state government is and all of our work is done on a bid basis. I've heard a lot of comment...about the marine facility and marine shipyard in Ketchikan. Once we've built the shipyard, all of our work will be done there. I truly believe that will happen. But I think people...have made these comments without realizing the competitive nature of shipyards and that we would not have just one big master ship repair contract for all of our repairs. Ship repairs simply do not work that way. Each individual job has to be bid on because the contractor would be buying a pig-in-a-poke, not knowing what work was required until he got a set of specifications for that