

ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILES 8672

2416 SCOMM 101 LONG RANGE FINANCIAL PLANNING COMMISSION, 1995 710

-RAPIDS Rural Alaska Project Identification and Delivery System

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		School Site Preservation & Completion. Requested by Alaska Gateway Schools.			\$165,000	\$161,700
FY 95		Water & Sewer Feasibility Study. No washeteria in village, using school water source, sewage lagoon contaminating landfill. Requested by Village.			\$50,000	\$50,000

Thorne Bay

Incorporated: **2nd Class City**

Undesignated Capital Match Funds: **\$0**

Borough: **Unorganized**

Senator: **Fred Zhareff**

Population: **633**

Reg. Native Corp: **Sealaska Corp.**

Representative: **Jerry Mackie**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 95	DOA	Public Safety & Clinic Complex. Capital Matching. Design & construction. Requested by Community.	Preliminary	1 of 1	\$30,211	\$28,700
FY 89	DEC	Sewer Main & Lift Station.	Completed		\$600,000	\$600,000
FY 90	DEC	Sewage Treatment Plant Site, Road, Force Main.	Completed		\$546,000	\$546,000
FY 91	DEC	Sewer Plant Foundation.	Completed		\$550,000	\$550,000
FY 94	DOA	Sanitary Sewer/Solid Waste Replacement Project. Capital Matching.	Completed		\$25,000	\$23,750
FY 95	DEC	Sewer/Landfill Project, Ph V. Complete installation of conventional gravity sewer system consisting of 8" ductile iron mains, concrete manholes, lift stations, and ductile iron force main. Complete bale fill, landfill and recycling facility.	Preliminary		\$4,577,782	\$75,000
FY 93	DEC	Landfill Bailer. 1/94.	Completed		\$278,000	\$278,000
FY 92	DEC	Sewer Treatment Plant & Landfill. \$250K for Landfill. Asbuilt Wastewater Treatment Plant construct in 94.	Construction		\$1,250,000	\$1,250,000
FY 95	DCRA	Bioenergy-Wood Waste. Div of Energy.	Completed		\$13,300	\$
FY 94	DCRA	Biomass Waste Wood Power Generator. RDA. Div of Energy contribution of \$25,000. Requested by DCRA/Div of Energy.	Preliminary		\$102,500	\$25,000
FY 94	DOA	South Thorne Bay Road Engineering. Leg. Grant.	Construction		\$90,000	\$90,000
FY 94	DOT&PF	South Thorne Bay Rd Engineering. ED 5. Platted road construction/reconstruction.. Requested by City of Thorne Bay.	Preliminary		\$90,000	\$90,000
FY 94	DCED	Goose Creek Industrial Dev. Site Project.	Completed		\$364,025	\$50,000

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 94		City Hall Renovation. Requested by City of Thorne Bay.		9 of 11	\$50,000	\$50,000
FY 94		City Ball Park, Multipurpose Facility Development. Requested by City of Thorne Bay.		6 of 11	\$338,600	\$338,600
FY 95		By-pass Road Extension. Requested by Div of Energy Needs List.			\$77,154	\$46,200
FY 95		Distribution System Upgrade. Requested by Div of Energy Needs List.			\$561,000	\$561,000
FY 95		Deer Street Extension. Requested by Div of Energy Needs List.			\$20,207	\$12,100
FY 95		Goose Creek Commercial/Industrial Extension. Requested by Div of Energy Needs List.			\$167,000	\$100,000
FY 95		Power Generation Plant. Requested by Div of Energy Needs List.			\$1,500,000	\$1,500,000
FY 95		Shoreline Drive Extension 1.2 miles. Requested by Div of Energy Needs List.			\$77,154	\$46,200
FY 95		Sandy Beach Rd. Extension .3 miles. Requested by Div of Energy Needs List.			\$20,207	\$12,100
FY 94		Bypass Road construction. Bypass/Deer Creek subdivision access roads.			\$	\$
FY 94		Deer Creek Bridge Crossing Construction. Requested by City of Thorne Bay.		7 of 11	\$63,500	\$63,500
FY 94		Road Paving. To reduce maintenance costs.			\$	\$
FY 94		South Thorne Bay Rd Reconstruction, Kasaan Connection, Ph IV. Requested by City of Thorne Bay.		3 of 11	\$11,500,000	\$11,500,000
FY 94		Sandy Beach Road. Widening and slope reduction.			\$	\$
FY 94		Emergency Landing strip feasibility study.			\$	\$

RAPIDS Rural Alaska Project Identification and Delivery System

FY 94		Davidson Landing Dock/Float Replacement. Requested by City of Thome Bay.		8 of 11	\$300,000	\$300,000
FY 94		Harbor expansion.			\$	\$
FY 94		Harbor Boat Grid Project Completion. Requested by City of Thome Bay.		5 of 11	\$270,000	\$270,000
FY 95		Harbor Boat Grid. RDA Mini/USFS Grant Application.			\$200,000	\$100,000

Togiak

Incorporated: **2nd Class City**

Undesignated Capital Match Funds: **\$0**

Borough: **Unorganized**

Senator: **Lyman Hoffman**

Population: **778**

Reg. Native Corp: **Bristol Bay Native Corp.**

Representative: **Ivan Ivan**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 92	DOA	Clinic Construction. Leg. Grant.	Preliminary		\$100,000	\$100,000
FY 93	DCRA	New Health Clinic Construction. CDBG. Requested by City of Togiak.	Preliminary		\$200,000	\$200,000
FY 94	DOA	City Office & Police Department Furnishings. Capital Matching.	Completed		\$11,405	\$10,835
FY 95	DOA	Police Department Vehicle. Capital Matching. Requested by Community.	Construction	1 of 2	\$25,579	\$24,300
FY 94	DEC	Sewer System Design and Construction Ph II. PHS lead & funds. This project will provide sewer facilities to eight homes located in west Togiak. The project includes a lift station and force main which connect to an existing lagoon. Requested by Togiak.	Construction		\$2,105,000	\$348,000
FY 89	PHS	Water Tank & wells. 500,000-gallon tank, 14 service connections, two new wells drilled.	Preliminary		\$750,000	\$500,000
FY 91	PHS	Upgrade Water & Sewer in airport subdivision w/13 services.	Preliminary		\$1,200,000	\$1,200,000
FY 95	PHS	Housing/Sanitation.	Preliminary		\$500,000	\$500,000
FY 93	DCRA	City Bulk Fuel. Div of Energy. Replace buried fuel line for school, AVEC and city tanks.	Completed		\$78,000	\$78,000
FY 94	DOA	Senior Center Furnishings. Capital Matching.	Completed		\$21,000	\$19,950

Planned Projects: (listed in agency plans and subject to funding approval)

FY 96	BIA	Roads. Design in 1996; Construction in 1997.			\$	\$
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Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		School Addition. Requested by Southwest Region Schools.			\$23,977,200	\$23,497,700
FY 95		Water Distribution System Improvements. The project will replace and upgrade undersized sections of the water distribution mains. The mains are unable to carry peak loads which is causing low water pressure problems throughout the community. A study is presently underway.			\$400,000	\$400,000
FY 95		Water Tank Conversion (Apartment). Capital Matching request. Requested by City.		2 of 2	\$39,199	\$37,239
FY 96		Togiak Heights Water & Sewer. Provide wells, sewer mains, lift station, lagoon, house service lines to 9 existing homes. System to serve up to 50 additional planned homes and the new school. Requested by City.			\$876,000	\$876,000
FY 95		Installation of impermeable barrier under tanks. Requested by Div of Energy Needs List.			\$64,000	\$64,000
FY 95		Install two additional fuel storage tanks. Requested by Div of Energy Needs List.			\$35,000	\$35,000
FY 95		Install all welded flanged tank farm manifold. Requested by Div of Energy Needs List.			\$32,000	\$32,000
FY 95		Install 660 gallon daytank. Requested by Div of Energy Needs List.			\$7,500	\$7,500
FY 95		Construct tieline to Twin hills. Requested by Div of Energy Needs List.			\$800,000	\$800,000
FY 95		Connect second unit in Butler Building to remote radiator. Requested by Div of Energy Needs List.			\$5,000	\$5,000
FY 95		Extend hydronic heat to storage vans. Requested by Div of Energy Needs List.			\$7,500	\$7,500
FY 95		Install waste oil filtering and blending. Requested by Div of Energy Needs List.			\$15,000	\$15,000
FY 95		Install remote power outage monitor. Requested by Div of Energy Needs List.			\$2,500	\$2,500
FY 95		Install remote fuel inventory system. Requested by Div of Energy Needs List.			\$16,000	\$16,000

-RAPIDS Rural Alaska Project Identification and Delivery System

FY 95		Install ground grid system. Requested by Div of Energy Needs List.			\$6,500	\$6,500
FY 95		Install Cummins KTA 1150 generator set in Position #1. Requested by Div of Energy Needs List.			\$110,000	\$110,000
FY 95		Install auto-load sensing, start-up, paralleling and synchronizing control equipment. Requested by Div of Energy Needs List.			\$100,000	\$100,000
FY 95		Install auto fill system. For hydronic heating system and circulating lines, booster pump and sel. valves from remote radiator system to unit #1. Requested by Div of Energy Needs List.			\$2,500	\$2,500
FY 95		Install aquacon filter. Requested by Div of Energy Needs List.			\$5,000	\$5,000
FY 95		Install a control module. Requested by Div of Energy Needs List.			\$100,000	\$100,000
FY 95		Improve security and safety at plant. By installing poles and lights at each corner of the plant site. Requested by Div of Energy Needs List.			\$7,500	\$7,500
FY 95		Replace CAT D353 with a Caterpillar 3412 generator. Requested by Div of Energy Needs List.			\$45,200	\$45,200
FY 95		Replace CAT 3412 with a Cummins KTA 2300 or equivalent. Requested by Div of Energy Needs List.			\$150,000	\$150,000
FY 95		Upgrade waste heat recovery system. Requested by Div of Energy Needs List.			\$25,000	\$25,000
FY 95		Upgrade battery bank. Requested by Div of Energy Needs List.			\$15,000	\$15,000
FY 94		1st Street Paving. Paving from airport through village to slough.			\$	\$
FY 94		First Eddy. 2.4 Mi. - Construction of a new road to provide access to river. Requested by Community/JATP Survey.	2 of 8		\$	\$
FY 94		Local Streets. 2,620 Ft. - Improvements to roads that provide access between homes and Togiak Bay. Requested by Community/JATP Survey.	5 of 8		\$	\$
FY 94		Local Street Improvements. Improvements to roads that provide access to homes, access between homes, public facilities/services, and commercial areas. Includes First, Second, Front, and cross streets. Totals 4 miles. Requested by Community/JATP Survey.			\$	\$
FY 94		Second Creek. 4.1 Mi. - Construction of a new road providing access to the Kutluk River. Requested by Community/JATP Survey.	8 of 8		\$	\$
FY 95		Reindeer Project For Tourism Attraction. RDA Min/USFS Grant Application. Requested by Togiak Traditional Council.			\$200,000	\$100,000
FY 95		Prepare ANCSA 14(c) Map of Boundaries.			\$	\$

Tok

Incorporated: **Unincorporated**

Undesignated Capital Match Funds: **\$0**

Borough: **Unorganized**

Senator: **Georgianna Lincoln**

Population: **1,088**

Reg. Native Cc. : **Doyon Ltd.**

Representative: **Irene Nicholia**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 91	HUD/AHFC	Construct 25 Housing Units/Tok Area. Requested by Interior Reg Housing Auth.	Preliminary		\$3,455,788	\$2,764,781
FY 93	HUD/AHFC	Construct 6 Low Rent Housing Units. Construction in 1995; Completed by 1996. Requested by Interior Reg Housing Auth.	Preliminary		\$1,017,756	\$849,236
FY 90	DOT&PF	Clinic Upgrade.	Completed		\$14,812	\$1,481
FY 92	DCRA	Clinic Upgrade. Leg. Grant/Unincorp. Requested by Tok Community Umbrella Corp.	Completed		\$80,000	\$80,000
FY 93	DOE	School Replacement. Requested by Alaska Gateway Schools.	Preliminary		\$5,000,000	\$5,000,000
FY 94	DOE	School Replacement. Requested by Alaska Gateway Schools.	Preliminary		\$8,678,900	\$8,678,900
FY 92	DCRA	Cemetery Improvements. Leg. Grant/Unincorp. Requested by Tok Cemetery Association.	Completed		\$10,000	\$10,000
FY 93	DCRA	Facility Completion. Leg. Grant/Unincorp. Requested by Tok Alcan Squadron.	Construction		\$25,000	\$25,000
FY 95	DCRA	Community Center & Library Building Upgrades & Yard Maintenance. Capital Matching/Unincorp. Requested by Tok Community Umbrella Corp.	Preliminary	1 of 4	\$42,200	\$25,000
FY 93	DCRA	Emergency Snow Removal. Leg. Grant/Unincorp. Requested by Tok Community Umbrella Corp.	Construction		\$30,000	\$30,000
FY 94	DCRA	Water/Sewer Installation & Bathroom Reconstruction. Capital Matching/Unincorp. Requested by Tok Community Umbrella Corp.	Preliminary		\$26,316	\$25,000

RAPIDS Rural Alaska Project Identification and Delivery System

FY 93	DCRA	AP&T-Tok Line Ext, ESEF. Div of Energy. Extension of overhead line to the 3-mile/7-mile subdivisions.. Requested by AP&T.	Completed		\$269,415	\$125,000
FY 93	DCRA	Road Improvements/Upgrade. Leg. Grant/Unincorp. Original Award \$200,000. Requested by Tok Community Umbrella Corp.	Completed		\$80,000	\$80,000
FY 90	DOT&PF	Alaska Hwy./Tok Area.	Completed		\$7,300,047	\$730,005
FY 90	DOT&PF	Tok Cut-Off MP 0 North.	Completed		\$6,785,962	\$678,596
FY 92	DOT&PF	Tok Cut-Off MP 52-65.	Completed		\$1,693,157	\$163,916
FY 92	DOT&PF	Tok Cut-Off MP 38-52.	Completed		\$12,324,120	\$123,241
FY 92	DOT&PF	Tok Cut-Off MP 65-75.	Completed		\$11,399,232	\$1,139,923
FY 92	DOT&PF	Tok Cut-Off MP 38-52.	Completed		\$433,174	\$43,317
FY 92	DOT&PF	Tok Cut-Off MP 52-65.	Construction		\$16,190,276	\$1,619,028
FY 93	DOT&PF	Tok Cut-Off MP 23 Erosion.	Construction		\$3,233,133	\$323,313
FY 94	DOT&PF	Tok Cut-Off MP 65-75 Erosion Repair. Also FY 95 funds \$250,000 (ED 99).	Preliminary		\$600,000	\$600,000
FY 92	DOT&PF	Airport Apron Expansion.	Completed		\$1,187,934	\$118,793
FY 94	DOT&PF	Airport Improvements Ph I. Extend and pave the runway from 2,500 feet to 3,000 feet and connecting taxiway, with installation of lighting.	Construction		\$3,316,431	\$2,401,643
FY 93	DOT&PF	Airport Master Plan.	Design		\$277,778	\$27,778
FY 93	DOT&PF	Airport Land Acquisition. For extension.	Preliminary		\$187,500	\$18,750
FY 92	DCRA	Tourist Parking Area/Upgrade. Leg. Grant/Unincorp. Requested by Tok Community Umbrella Corp.	Construction		\$50,000	\$50,000
FY 92	DCRA	Tourist Information Center. Leg. Grant/Unincorp. Requested by Tok Community Umbrella Corp.	Construction		\$400,000	\$400,000
FY 95	AHFC	Weatherize Homes. Requested by Alaska Comm Dev Corp.	Design		\$	\$

Planned Projects: (listed in agency plans and subject to funding approval)

FY 96	DOT&PF	Airport Improvements Ph II.			\$1,800,000	\$180,000
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Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Expansion Of Medical Facility. RDA Min/USFS Grant Application. Requested by Tok Community Clinic.			\$110,000	\$100,000
FY 95		School Construction. Requested by Alaska Gateway Schools.			\$895,000	\$877,100
FY 95		Bulk Fuel System Repairs. Requested by Div of Energy Needs List.			\$50,000	\$50,000
FY 95		George Jr. Rd. Line Extension. Requested by Div of Energy Needs List.			\$40,000	\$27,000
FY 95		Small multi-fuel thermal plant. Requested by Div of Energy Needs List.			\$5,000,000	\$5,000,000
FY 94		River Road Rehabilitation.			\$	\$
FY 94		Tok Cut-Off Porcupine Creek Wayside. Construct a new trailhead, improve access road, add informational kiosk and provide landscaping at the Porcupine Creek Wayside (MP 64).			\$	\$
FY 99		Tok Cut-Off MP 65-110 Rehab. Pavement rehabilitation and spot safety improvements between MP 38 and MP 110.			\$4,603,854	\$303,854

Toksook Bay

Incorporated: **2nd Class City**

Undesignated Capital Match Funds: **\$0**

Borough: **Unorganized**

Senator: **Al Adams**

Population: **539**

Reg. Native Corp: **Calista Corp.**

Representative: **Richard Foster**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 93	HUD/CDBG	Health Clinic. Construction begun in 94. Requested by Toksook Bay Trad. Council.	Construction		\$444,870	\$444,870
FY 94	DCRA	Headstart Center Construction. Leg. Grant/Unincorp. ED 38. Requested by City of Toksook Bay.	Preliminary	1 of 1	\$314,800	\$60,000
FY 94	DOA	Headstart Facility. Leg. Grant.	Preliminary		\$60,000	\$60,000
FY 93	DEC	Water System Improvements. PHS lead - improve water treatment, wastewater, lagoon. Plan 92. Construct in 93/94.	Construction		\$1,148,000	\$150,000
FY 92	PHS	Water gallery upgrade & water tank. Upgrade gallery source, 212 KGAL storage tank, 400 LF SL.	Preliminary		\$880,000	\$880,000
FY 95	PHS	Water Source Improvements.	Preliminary		\$1,074,000	\$1,074,000
FY 94	DOA	Refuse Collection Vehicle. Capital Matching. Requested by City.	Contract		\$26,316	\$25,000

- **RAPIDS** Rural Alaska Project Identification and Delivery System

FY 94	RECDS	Replace Electric Lines. Formerly known as Farmers Home Admin.	Preliminary		\$300,000	\$150,000
FY 95	DOT&PF	Sanitation Road Construction.	Preliminary		\$1,046,200	\$104,620
FY 93	DOT&PF	Airport Master Plan. Develop, evaluate and present alternative concepts to reconstruct or relocate the existing airport.	Design		\$250,026	\$25,003
FY 94	DOT&PF	Airport Improvements Ph I. Preliminary engineering to improve the existing airport.	Preliminary		\$3,125,000	\$312,500
FY 93	HUD/CGP	Housing Modernization. Replace cook stoves in 25 units. Requested by AVCP Reg Housing Auth.	Construction		\$37,500	\$37,500
FY 95	DOA	Seawall Erosion Control. Capital Matching. Requested by Community.	Preliminary	1 of 2	\$26,316	\$25,000

Planned Projects: (listed in agency plans and subject to funding approval)

FY 94	HUD/AHFC	Construct 16 Low Rent Units. Requested by AVCP Reg Housing Auth.			\$	\$
FY 97	DOT&PF	Airport Improvements Ph II.			\$3,000,000	\$300,000
FY 97	HUD/CGP	Housing Modernization. Foundation repairs. Requested by AVCP Reg Housing Auth.			\$276,557	\$276,557

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Clinic Renovation. Roof repair (numerous leaks); insulation; electrical work. Requested by DHSS Needs List.			\$	\$
FY 96		High School Roof Repair. Requested by Lower Kuskokwim Schools.		7	\$746,935	\$731,996
FY 95		Clinic/Multipurpose Facility Water & Sewer Connect.			\$459,530	\$14,660
FY 95		Water And Sewer Maintenance Equipment. RDA Mini/USFS Grant Application.			\$100,000	\$100,000
FY 96		Water Supply/Septic Tanks. Drill new wells, construct circulating water transmission line, filtration equipment, upgrade sewage lift station, purchase back hoe. Requested by City.			\$711,300	\$711,300
FY 95		Bulldozer And Dump Truck. RDA Mini/USFS Grant Application. Requested by Toksook Bay Traditional Council.			\$100,000	\$100,000
FY 95		Installation of impermeable barrier under tanks. Requested by Div of Energy Needs List.			\$44,000	\$44,000
FY 95		Install two additional fuel storage tanks. Requested by Div of Energy Needs List.			\$35,000	\$35,000
FY 95		Install all welded flanged tank farm manifold. Requested by Div of Energy Needs List.			\$22,000	\$22,000
FY 95		Replace fuel fill line with an all welded/flanged fuel fill line (950'). Requested by Div of Energy Needs List.			\$52,000	\$52,000
FY 95		Build tie line between Toksook Bay and Tununak. Requested by Div of Energy Needs List.			\$650,000	\$650,000
FY 95		Extend hydronic heat to storage van. Requested by Div of Energy Needs List.			\$5,000	\$5,000
FY 95		Fence power plant. Requested by Div of Energy Needs List.			\$10,000	\$10,000
FY 95		Install waste oil filtering and blending. Requested by Div of Energy Needs List.			\$15,000	\$15,000
FY 95		Install waste heat recovery system. Requested by Div of Energy Needs List.			\$155,250	\$155,250
FY 95		Install remote power outage monitor. Requested by Div of Energy Needs List.			\$2,500	\$2,500
FY 95		Install remote fuel inventory system. Requested by Div of Energy Needs List.			\$11,000	\$11,000
FY 95		Install Detroit Diesel Series 60 generator set in Position #3. Requested by Div of Energy Needs List.			\$85,000	\$85,000
FY 95		Install aquacon filter. Requested by Div of Energy Needs List.			\$5,000	\$5,000
FY 95		Install a new engine-generator module with radiators. Requested by Div of Energy Needs List.			\$275,000	\$275,000
FY 95		Improve security and safety at plant. By installing poles and lights at each corner of the plant site. Requested by Div of Energy Needs List.			\$7,500	\$7,500
FY 95		Replace CAT D353, #1 with a Caterpillar 3412 generator. Requested by Div of Energy Needs List.			\$45,200	\$45,200
FY 95		Upgrade control panel for unit #1 (S.N. 22295). Requested by Div of Energy Needs List.			\$17,500	\$17,500

RAPIDS Rural Alaska Project Identification and Delivery System

FY 95		Community Road Improvements. Capital Matching request. Requested by City.		2 of 2	\$40,875	\$21,875
FY 95		Prepare ANCSA 14(c) Map of Boundaries.			\$	\$

Tuluksak

Incorporated: **2nd Class City**

Undesignated Capital Match Funds: **\$50,000**

Borough: **Unorganized**

Senator: **Georgianna Lincoln**

Population: **375**

Reg. Native Corp: **Callista Corp.**

Representative: **Irene Nicholia**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 94	HUD/CDBG	Village Store. Requested by Tuluksak.	Preliminary		\$337,647	\$337,647
FY 91	DEC	Water & Sewer Feasibility.	Completed		\$50,000	\$50,000
FY 89	DOA	Washeteria Equipment. Leg. Grant.	Preliminary		\$1,800	\$1,800
FY 94	DCRA	IRA Bulk Fuel Repair. Div of Energy.	Completed		\$27,166	\$27,166
FY 94	DCRA	YSD Bulk Fuel Repair. Div of Energy.	Completed		\$69,223	\$69,223
FY 93	HUD/CGP	Housing Modernization. Replace fuel oil tanks - 27 units in 2 projects. Requested by AVCP Reg Housing Auth.	Construction		\$54,000	\$54,000
FY 94	HUD/CGP	Housing Modernization. Handicapped access 1 unit. Requested by AVCP Reg Housing Auth.	Design		\$10,000	\$10,000
FY 94	HUD/CGP	Housing Modernization. Foundation repairs - 23 units. Requested by AVCP Reg Housing Auth.	Design		\$207,500	\$207,500

Planned Projects: (listed in agency plans and subject to funding approval)

FY 95	HUD/CGP	Housing Modernization. Foundation repairs. Requested by AVCP Reg Housing Auth.			\$	\$
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Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Clinic Replacement. Current clinic needs support work; needs sewer system; has several inoperative electrical outlets. Requested by DHSS Needs List.			\$	\$
FY 95		Multi-Purpose Teen Center. RDA Mini/USFS Grant Application. Requested by Tuluksak Native Community.			\$100,000	\$100,000
FY 95		Individual Waste Disposal Pits. Provide individual honeybucket disposal pits for each household.			\$150,000	\$150,000
FY 96		Water System Improvements. Currently, only one watering point serves the village. Requested by IRA Council.			\$25,000	\$25,000
FY 95		Washeteria Rehabilitation. The washeteria is currently out of service. Requested by IRA Council.			\$75,000	\$75,000
FY 97		Airport Master Plan.			\$208,333	\$20,833
FY 95		Prepare ANCSA 14(c) Map of Boundaries.			\$	\$

Tuntutuliak

Incorporated: **Unincorporated**

Undesignated Capital Match Funds: **\$0**

Borough: **Unorganized**

Senator: **Lyman Hoffman**

Population: **317**

Reg. Native Corp: **Callista Corp.**

Representative: **Ivan Ivan**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 94	DCRA	Jail House Construction. Capital Matching/Unincorp. Request by Traditional Council.	Preliminary		\$26,316	\$25,000
FY 92	DEC	Waste Disposal Study/Water Point. Feasibility Study done 12/93.	Completed		\$50,000	\$50,000
FY 92	DEC	Sewer. Feasibility Study 12/93, Build 94/5.	Construction		\$600,000	\$600,000
FY 95	PHS	Sewer/Landfill.	Preliminary		\$963,000	\$963,000
FY 95	DCRA	Bulk Fuel Tank Farm Dike. Capital Matching/Unincorp. Requested by Traditional Council.	Preliminary	1 of 5	\$291,328	\$25,000
FY 93	DCRA	Electrical Metering. Div of Energy. Install load monitoring equipment to record data for one year and solid state totalizing energy meter.	Completed		\$10,891	\$10,891
FY 94	DCRA	Generator Replacement. Div of Energy. Purchase and install new generator unit. Requested by TCSA.	Completed		\$27,800	\$17,800
FY 95	DOT&PF	Airport to Sewage Lagoon Boardwalk.	Preliminary		\$909,700	\$90,970

RAPIDS Rural Alaska Project Identification and Delivery System

FY 90	DOT&PF	Airport Equipment Building.	Completed		\$175,000	\$17,500
FY 93	HUD/CGP	Housing Modernization. Replace oil range stoves - 25 units. Requested by AVCP Reg Housing Auth.	Construction		\$37,500	\$37,500
FY 94	DCRA	Prepare ANCSA 14(c) Map of Boundaries. DCRA providing or committed to provide assistance.	Preliminary		\$	\$

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 96		Flush Tank and Haul. Design is currently underway. Project to include sewage lagoon, landfill, force main. Requested by Community Services Association.			\$500,000	\$500,000
FY 95		Powerhouse upgrade. Requested by Div of Energy Needs List.			\$300,000	\$300,000
FY 94		Road from airport to upper village. 4.2 Mi. - Construction of a new road to provide access to the airport, housing, school, and dump site. Requested by Community/JATP Survey.		1 of 2	\$	\$
FY 94		Boardwalks. 2.5 Mi. - Improvements to boardwalks providing access to the airport, housing, school, and dump site. Requested by Community/JATP Survey.		2 of 2	\$	\$

Tununak

Incorporated: **2nd Class City**

Undesignated Capital Match Funds: **\$50,000**

Borough: **Unorganized**

Senator: **Al Adams**

Population: **335**

Reg. Native Corp: **Calista Corp.**

Representative: **Richard Foster**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 89	PHS	Housing Project. Cancelled by AVCP Housing Authority.	Preliminary		\$275,000	\$
FY 94	DCRA	Streets Lights. Leg. Grant/Unincorp. Requested by Tununak IRA Council.	Construction		\$24,900	\$24,900
FY 91	DEC	Flush Haul System, Ph I. Sewer Study (76.4K) 5/93, Build Ph I (4 flush haul), Ph II (10 flush haul) 93/4.	Completed		\$600,000	\$600,000
FY 95	RECDS	Water System & Co-Water Units. Formerly known as Farmers Home Admin.	Preliminary		\$1,194,500	\$595,500
FY 95	DEC	Water Source & Sewage Haul, Ph III. Installation of 12 additional sewage haul units, decommissioning of five honeybucket bunkers, additional sewage disposal improvements. Relocate surface water intake from existing location (right beside 23 home subdivision and school) to the Muskox Creek, which is further away and less susceptible to pollution.	Preliminary		\$1,195,700	\$595,700
FY 94	DCRA	LKSD Bulk Fuel Repair. Div of Energy.	Completed		\$	\$
FY 95	DCRA	AVEC-Efficiency Improvements. Div of Energy. Installation of a new high-efficiency generator set.. Requested by AVEC.	Design		\$85,000	\$63,750
FY 90	DOT&PF	Tununak River Bridge.	Completed		\$779,013	\$77,901
FY 94	HUD/CGP	Housing Modernization. Foundation repair 23 units. Requested by AVCP Reg Housing Auth.	Design		\$207,500	\$207,500
FY 94	DCRA	Heavy Equipment & Sanitation Project. Leg. Grant/Unincorp. Requested by Tununak IRA Council.	Construction		\$50,000	\$50,000

Planned Projects: (listed in agency plans and subject to funding approval)

FY 94	HUD/CDBG	Health Clinic. Requested by Tununak Native Village.			\$	\$
FY 96	BIA	Roads. Design in 1996; Construction in 1997.			\$	\$
FY 96	DOT&PF	Airport Improvements. Resurface & Crosswind Runway.			\$3,000,000	\$300,000
FY 95	HUD/CGP	Housing Modernization. Exteriors. Requested by AVCP Reg Housing Auth.			\$	\$
FY 96	HUD/CGP	Housing Modernization. Mechanical ventilation & interiors. Requested by AVCP Reg Housing Auth.			\$437,000	\$437,000

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Clinic Renovation. Several deficiencies; need handwashing facilities. Requested by DHSS Needs List.			\$	\$
FY 96		Flush Haul Expansion/Washeteria Improvements. Continuation of 1992 project. 80 additional houses need flush/haul; water tank and washeteria improvements. Requested by Trad. Elders Council.			\$882,000	\$882,000
FY 95		Installation of impermeable barrier under tanks. Requested by Div of Energy Needs List.			\$36,000	\$36,000

RAPIDS Rural Alaska Project Identification and Delivery System

FY 95		Install all welded flanged tank farm manifold. Requested by Div of Energy Needs List.			\$18,000	\$18,000
FY 95		Convert generation voltage to 480 volt three phase. Requested by Div of Energy Needs List.			\$41,500	\$41,500
FY 95		Connect units 2 & 3 into the remote radiator cooling system. Requested by Div of Energy Needs List.			\$5,000	\$5,000
FY 95		Fence plant site. Requested by Div of Energy Needs List.			\$35,000	\$35,000
FY 95		Install waste oil filtering and blending. Requested by Div of Energy Needs List.			\$15,000	\$15,000
FY 95		Install waste heat recovery system. Requested by Div of Energy Needs List.			\$379,130	\$379,130
FY 95		Install storage van with lighting, shelving and hydronic heat. Requested by Div of Energy Needs List.			\$15,000	\$15,000
FY 95		Install remote power outage monitor. Requested by Div of Energy Needs List.			\$2,500	\$2,500
FY 95		Install remote fuel inventory system. Requested by Div of Energy Needs List.			\$9,000	\$9,000
FY 95		Install circulating lines, booster pump and solenoid valve from remote radiator system to unit #1 and #3. Requested by Div of Energy Needs List.			\$2,500	\$2,500
FY 95		Install aquacon filter. Requested by Div of Energy Needs List.			\$5,000	\$5,000
FY 95		Install a second remote radiator on Butler Building. Requested by Div of Energy Needs List.			\$20,000	\$20,000
FY 95		Improve security and safety at plant. By installing poles and lights at each corner of the plant site. Requested by Div of Energy Needs List.			\$7,500	\$7,500
FY 95		Improve plant sectionalizing. Requested by Div of Energy Needs List.			\$15,000	\$15,000
FY 95		Replace AC 685I with a Cummins LTA-10 high output engine. Requested by Div of Energy Needs List.			\$45,000	\$45,000
FY 95		Street lights. Requested by Div of Energy Needs List.			\$4,000	\$4,000
FY 94		Roads. .5 Mi. - Improvements to existing roads and boardwalks. Requested by Community/JATP Survey.	1 of 1		\$	\$
FY 95		Prepare ANCSA 14(c) Map of Boundaries.			\$	\$

Twin Hills

Incorporated: **Unincorporated**

Undesignated Capital Match Funds: **\$50,000**

Borough: **Unorganized**

Senator: **Lyman Hoffman**

Population: **74**

Reg. Native Corp: **Bristol Bay Native Corp.**

Representative: **Ivan Ivan**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 92	HUD/AHFC	Construct 10 Housing Units. Requested by Bristol Bay Housing Auth.	Preliminary		\$	\$
FY 92	DCRA	Community Improvements. Leg. Grant/Unincorp. Requested by Twin Hills Village Council.	Preliminary		\$25,000	\$25,000
FY 95	PHS	Housing/Sanitation.	Preliminary		\$50,000	\$50,000
FY 89	DCRA	Road Improvement/Dock Fencing. Leg. Grant/Unincorp. Requested by Twin Hills Village Council.	Completed		\$40,000	\$40,000
FY 94	DOT&PF	Airport Improvements. Acquire property, design and reconstruct with a 3,000 foot runway. Runway lighting and an equipment storage building are also included. Construction Summer 94. Also FY 95 funds 650,000.	Construction		\$3,410,174	\$926,017
FY 94	DCRA	Prepare ANCSA 14(c) Map of Boundaries. DCRA providing or committed to provide assistance.	Preliminary		\$	\$

Tyonek

Incorporated: **Unincorporated**

Undesignated Capital Match Funds: **\$0**

Borough: **Kenai Peninsula Borough**

Senator: **Georgianna Lincoln**

Population: **143**

Reg. Native Corp: **Cook Inlet Regional Corp.**

Representative: **Irene Nicholia**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 92	DCRA	Youth Recreation Facility. Leg. Grant/Unincorp. Requested by Tyonek Native Village.	Completed		\$25,000	\$25,000
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- **RAPIDS** Rural Alaska Project Identification and Delivery System

FY 91	DEC	Water & Sewer, Ph III. Construct Sewer To 27 Homes In Indian Creek Sub. 93.	Completed		\$742,000	\$742,000
FY 93	DEC	Water & Sewer, Ph III. Final phase - Construction To 27 Homes.	Completed		\$42,900	\$42,900
FY 93	HUD/CGP	Housing Modernization. Major renovations - 14 units. Requested by Cook Inlet Housing Auth.	Construction		\$494,357	\$494,357
FY 93	DCRA	Heavy Equipment Purchase. Leg. Grant/Unincorp. Requested by Tyonek Native Village.	Completed		\$47,368	\$47,368
FY 94	DCRA	Cat D8 Tractor/Dozer. Leg. Grant/Unincorp. Requested by Tyonek Native Village.	Completed		\$85,000	\$85,000

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Clinic Renovation. Extensive interior renovation needed. Requested by DHSS Needs List.			\$	\$
FY 95		Prepare ANCSA 14(c) Map of Boundaries.			\$	\$

Ugashik

Incorporated: **Unincorporated** Undesignated Capital Match Funds: **\$0**
 Borough: **Lake & Peninsula Borough** Senator: **Lyman Hoffman**
 Population: **5** Reg. Native Corp: **Aleut Corp.** Representative: **Carl Moses**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 89	PHS	Water/Landfill. Construct individual sanitation facilities & community waste disposal.	Preliminary		\$240,000	\$240,000
FY 94	DOA	Landfill. Capital Matching. Requested by Lake & Peninsula Borough.	Preliminary		\$3,525	\$3,299
FY 94	DCRA	Prepare ANCSA 14(c) Map of Boundaries.	Completed		\$	\$

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 96		Water Project. 10 individual wells, household plumbing and pressure tanks. Requested by Council.			\$282,000	\$282,000
FY 96		Landfill. No solid waste facility currently exists. Requested by Council.			\$300,000	\$300,000
FY 95		Electrification - Generator/Distribution System & Bulk Fuel Storage Feasibility Study. Seasonal Community. Requested by Div of Energy Needs List.			\$450,000	\$25,000
FY 94		Landfill Access Road. Construction of approximately one-quarter mile of road to a proposed new landfill.			\$	\$

Unalakleet

Incorporated: **2nd Class City** Undesignated Capital Match Funds: **\$0**
 Borough: **Unorganized** Senator: **Al Adams**
 Population: **730** Reg. Native Corp: **Bering Straits Native Corp.** Representative: **Richard Foster**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 95	DOA	City Offices ADA Compliance. Capital Matching. Building Entry/Restrooms. Requested by Community.	Preliminary	1 of 3	\$32,340	\$30,723
FY 92	DEC	Airport Utilities Project.	Completed		\$1,366,000	\$1,366,000
FY 89	PHS	Water pump/electric control panels.	Preliminary		\$611,000	\$
FY 94	RECDS	Water Treatment & Storage. Formerly known as Farmers Home Admin.	Preliminary		\$1,216,000	\$608,000
FY 95	DEC	Water Treatment Improvements. Repair or furnish equipment to provide potable drinking water, provide a new filtration plant.	Preliminary		\$478,800	\$239,400
FY 91	DEC	Landfill/Bailer. Final Solid Waste Bailer Facility 93.	Completed		\$1,414,000	\$1,414,000
FY 94	DOA	Bulk Fuel Improvements/Snow Fencing. Leg. Grant. ED 38. Requested by City of Unalakleet.	Completed		\$150,000	\$150,000
FY 94	DCRA	Bulk Fuel Improvements/Snow Fencing. ED 38. Requested by City of Unalakleet.	Preliminary		\$150,000	\$
FY 93	DCRA	Unalakleet to Powers Creek Elec Intertie. Div of Energy. Replace underground transmission line from Pump Station to subdivision, 5.2 miles long. Requested by City.	Completed		\$223,081	\$223,081
FY 93	DOT&PF	Transportation Plan.	Completed		\$51,018	\$5,102
FY 93	DOA	Road Improvements. Leg. Grant. Requested by City of Unalakleet.	Construction		\$100,000	\$100,000

-RAPIDS Rural Alaska Project Identification and Delivery System

FY 94	DOA	Snow Fence. Capital Matching. Requested by City.	Preliminary		\$32,142	\$30,535
FY 94	DOT&PF	Airport Improvements Ph I. Resurface runway, construct a taxiway and apron, install lighting and relocate the access road.	Preliminary		\$4,218,363	\$421,836
FY 95	DOT&PF	Airport Improvements Ph II.	Preliminary		\$3,700,000	\$370,000
FY 95	DCRA	Lodge advertising. RDA/USFS mini-grant. Requested by Village Council.	Preliminary		\$15,000	\$15,000
FY 94	HUD/CGP	Housing Modernization. Access; electrical; handicapped retrofit 1 unit. Requested by Bering Straits Reg Hous Auth.	Design		\$34,090	\$34,090
FY 94	HUD/CGP	Housing Modernization. Access; flooring; electrical 1 unit. Requested by Bering Straits Reg Hous Auth.	Design		\$45,000	\$45,000
FY 94	DCRA	Prepare ANCSA 14(c) Map of Boundaries.	Completed		\$	\$

Planned Projects: (listed in agency plans and subject to funding approval)

FY 96	BIA	Roads. Design in 1996; Construction in 1997.			\$	\$
FY 96	DOT&PF	Landfill Road Construction.			\$1,500,000	\$150,000

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Library ADA Compliance. Capital Matching request. Requested by City.		2 of 3	\$12,075	\$11,500
FY 95		Old City Office Complex/Police Station. Capital Matching request. ADA Compliance for Building Entry (Phase I). Requested by City.		3 of 3	\$28,424	\$27,070
FY 96		Baler Storage Area Expansion. Requested by City.			\$525,000	\$525,000
FY 94		Airport Road Improvements.			\$	\$
FY 94		Local Roads Rehabilitation.			\$	\$
FY 95		Snow Fence. RDA Mini/USFS Grant Application.			\$226,981	\$100,000
FY 94		Airport Snow Fencing.			\$	\$
FY 95		Fish Processing Plant. RDA Mini/USFS Grant Application. Requested by Unalakleet Native Village.			\$1,972,796	\$100,000

Unalaska

Incorporated: 1st Class City

Undesignated Capital Match Funds: \$0

Borough: Unorganized

Senator: Lyman Hoffman

Population: 4,317

Reg. Native Corp: Aleut Corp.

Representative: Carl Moses

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 94	HUD/AHFC	Construct 7 Low Rent Housing Units. Construction in 1995; Completed by 1996. Requested by Aleutian Housing Auth.	Construction		\$680,615	\$572,019
FY 94	DFG	Dutch Harbor Employee Housing Purchase.	Construction		\$500,000	\$500,000
FY 92	HUD/AHFC	Construct 15 Low Rent Housing Units. Construction in 1995; Completed by 1996. Requested by Aleutian Housing Auth.	Preliminary		\$1,524,225	\$1,272,728
FY 93	DOA	Health Facility Construction/Historical Building Improvements. Leg. Grant. Requested by City of Unalaska.	Completed		\$80,000	\$80,000
FY 93	DOA	Iliulik Medical Center Construction. Leg. Grant. Requested by City of Unalaska.	Completed		\$1,000,000	\$1,000,000
FY 92	DEC	Water Improvements. Est. completion 9/95.	Construction		\$3,500,000	\$3,500,000
FY 94	DEC	Icy Creek Dam Design & Construction. Project is on-going. Est. completion 6/98. Requested by Aleutians East Borough.	Construction	1 of 5	\$2,850,000	\$2,850,000
FY 89	PHS	Water & Sewer/15 HUD homes. Extend W/S system to serve 15 HUD houses, repair water main.	Preliminary		\$375,000	\$
FY 92	DCRA	Geothermal Financing Negotiations. Div of Energy. Negotiate contractual agreements, financing agreements and construction of a geothermal power plant on Makushin volcano to serve fish processors. RSA to AIDEA. Requested by City.	Completed		\$247,200	\$247,200
FY 93	DCRA	Geothermal Energy RTA. Div of Energy.	Completed		\$19,200	\$19,200
FY 94	DCRA	Waste Heat Finance. Div of Energy.	Preliminary		\$179,712	\$179,712
FY 93	DOT&PF	Airport Highway Reconstruction. Rehabilitate and repair including pedestrian facilities on south Channel Bridge. Construction Summer 94.	Construction		\$4,283,300	\$428,330
FY 94	DOT&PF	Airport Highway Channel Bridge.	Construction	1	\$379,042	\$37,904
FY 94	DOT&PF	South Channel Bridge Pedestrian Walkway Construction. Construction Summer 94. Requested by City of Unalaska.	Construction	1 of 4	\$341,100	\$341,100
FY 94	DOA	Trails Development Ph I. Capital Matching.	Construction		\$197,445	\$148,254

-RAPIDS Rural Alaska Project Identification and Delivery System

FY 95	DOA	Trails Development, Ph II. Capital Matching. Requested by Community.	Preliminary	1 of 3	\$214,952	\$161,400
FY 92	DOT&PF	Airport Runway Extension.	Completed		\$3,257,654	\$325,765
FY 92	DOT&PF	Airport Fencing.	Completed		\$740,715	\$74,071
FY 93	DOT&PF	Airport.	Completed		\$100,000	\$10,000
FY 94	DOT&PF	Airport Storm Armor Replacement Ph I.	Construction		\$2,226,000	\$222,600
FY 94	DOT&PF	Airport Storm Armor Replacement Ph II.	Construction		\$3,264,668	\$326,467
FY 94	DOT&PF	Airport Contaminated Site Assessment.	Preliminary		\$92,000	\$9,200
FY 95	DOT&PF	Airport Truck and Sander.	Preliminary		\$130,000	\$13,000
FY 95	DOT&PF	Airport Storm Armor Replacement Ph III.	Preliminary		\$5,000,000	\$500,000
FY 95	DOT&PF	Airport Deicing Vehicle.	Preliminary		\$70,000	\$7,000
FY 92	DOT&PF	Small Boat Harbor.	Completed		\$180,000	\$18,000
FY 93	AIDEA	Ballyhoo Dock. Private investment by SeaLand Services and Petro Marine Services. Extend the public dock by 730 ft and install a crane rail system. The City will operate the facility as a public dock, leased from AIDEA, and will obtain title to it once AIDEA is repaid. The City has signed subleases with SeaLand and Petro for portions of the dock.. Requested by City of Unalaska.	Completed		\$14,500,000	\$7,000,000
FY 93	DOT&PF	Small Boat Harbor.	Completed		\$60,000	\$6,000
FY 94	DOT&PF	Small Boat Harbor.	Preliminary		\$100,000	\$10,000
FY 95	DOT&PF	Holy Ascension Church Repairs Ph II. Historic preservation. Total project \$1,953,000.	Preliminary		\$675,000	\$67,500
FY 93	HUD/CGP	Housing Modernization. Major renovations 15 units; 34 smoke alarms. Requested by Aleutian Housing Auth.	Construction		\$42,070	\$42,070
FY 94	HUD/CGP	Housing Modernization. Renovate heating systems - 19 units. Requested by Aleutian Housing Auth.	Construction		\$199,950	\$199,950
FY 94	HUD/CGP	Housing Modernization. Repair/replace heating systems. Requested by Aleutian Housing Auth.	Preliminary		\$80,000	\$80,000
FY 94	DCRA	Prepare ANCSA 14(c) Map of Boundaries.	Completed		\$	\$

Planned Projects: (listed in agency plans and subject to funding approval)

FY 96	DOT&PF	Sand Storage Building.			\$500,000	\$50,000
FY 97	DOT&PF	Holy Ascension Church Repair Ph II. Total project \$1,953,000.			\$1,278,000	\$127,800
FY 96	HUD/CGP	Housing Modernization. Energy retrofit. Requested by Aleutian Housing Auth.			\$16,650	\$16,650
FY 98	HUD/CGP	Housing Modernization. Skirting. Requested by Aleutian Housing Auth.			\$96,000	\$96,000

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Elementary School Construction Ph II. Requested by Unalaska City Schools.			\$2,696,000	\$1,752,400
FY 96		School Roof Replace. Requested by Unalaska City Schools.		2	\$208,000	\$135,200
FY 95		Filter Plant Design & Construction. Design & construct triple log water filtration plant to meet new surface water treatment regs. Requested by City.		2 of 5	\$6,000,000	\$3,000,000
FY 95		Secondary Sewerage Plant Design. Requested by City.		3 of 5	\$500,000	\$250,000
FY 95		Lined Landfill & Baler. Construct baler and 6-acre landfill within existing Summer Bay landfill tract. Requested by City.		4 & 5 of	\$6,000,000	\$3,000,000
FY 95		Alyeska/East Point line extension. Requested by Div of Energy Needs List.			\$380,000	\$227,600
FY 95		Captain Ray & Airport Rd. line extension. Requested by Div of Energy Needs List.			\$37,900	\$22,700
FY 95		East Channel Underwater Cable Crossing. Requested by Div of Energy Needs List.			\$300,000	\$225,000
FY 95		Geothermal Project. The developer, OESI, Inc., is preparing a cost proposal for turnkey construction of the facility. Financial feasibility analysis and power sales agreement would follow.			\$80,000,000	\$
FY 95		Hydroelectric Feasibility Analysis. Requested by Div of Energy Needs List.			\$250,000	\$200,000
FY 95		Icy Creek Hydroelectric Facility. Requested by Div of Energy Needs List.			\$500,000	\$500,000
FY 95		Line extension. Requested by Div of Energy Needs List.			\$59,285	\$35,500
FY 95		Margaret Bay line extension. Requested by Div of Energy Needs List.			\$18,900	\$11,300

RAPIDS Rural Alaska Project Identification and Delivery System

FY 95		Power House Cooling Phase II. Requested by Div of Energy Needs List.			\$50,000	\$37,500
FY 95		Strawberry Hill/Standard Oil Hill line Extension. Requested by Div of Energy Needs List.			\$45,400	\$27,200
FY 95		Wind Power Feasibility Analysis. Requested by Div of Energy Needs List.			\$150,000	\$120,000
FY 94		Ballyhoo Road. Right of way acquisition and paving of Ballyhoo Road from the Unalaska Airport Highway to the Unalaska Marine Center (UMC).			\$	\$
FY 94		Broadway Street. Right-of-way acquisition and paving.			\$	\$
FY 94		Captains Bay Road Storm Damage. Reconstruct storm damaged portions of Captains Bay Road. Cost is an estimate. Requested by Mark Eamest, City Manager.			\$936,000	\$
FY 94		General's Hill. 1,625 Ft. - Construction of a new road to provide access to a new subdivision. Requested by Community/JATP Survey.	1 of 4		\$	\$
FY 94		Iliuliuk River Pedestrian Bridge Design & Construction. Requested by City of Unalaska.	4 of 4		\$110,000	\$110,000
FY 94		Local Roads Paving.			\$	\$
FY 94		Newhall Subdivision. 500 Ft. - Construction of a new road to provide access to a new subdivision. Requested by Community/JATP Survey.	3 of 4		\$	\$
FY 94		Pedestrian/Bike Path. Construct about 5 miles of pedestrian/bike path from the intersection of Stewart Road and Broadway Street through Unalaska and Dutch Harbor past the airport to the Alaska Ship Supply.			\$	\$
FY 94		Summer Bay Improvements. 3.5 Mi. - Construction/Improvements to provide access to Summer Bay. Requested by Community/JATP Survey.	2 of 4		\$	\$
FY 94		South Channel Bridge Rehabilitation. Requested by City of Unalaska.	3 of 4		\$630,000	\$630,000
FY 94		Unalaska Valley. 2,275 Ft. - Construction of a new road to provide access to a new subdivision. Requested by Community/JATP Survey.	4 of 4		\$	\$
FY 95		Iliuliuk River/Third Avenue Pedestrian Bridge. Capital Matching request. Requested by City.	2 of 3		\$130,000	\$97,500
FY 95		Trails Development, Ph III. Capital Matching request. Requested by City.	3 of 3		\$441,790	\$331,790
FY 94		Landfill Access Road Reconstruction. Reconstruct summer road to landfill.			\$	\$

Upper Kalskag

Incorporated: 2nd Class City

Undesignated Capital Match Funds: \$25,000

Borough: Unorganized

Senator: Georgianna Lincoln

Population: 184

Reg. Native Corp: Callista Corp.

Representative: Irene Nicholia

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 93	HUD/AHFC	Construct 24 Housing Units. Construction in 1995; Completed by 1996. Requested by AVCP Reg Housing Auth.	Preliminary		\$4,679,596	\$3,907,466
FY 93	DCRA	Upper/Lower Kalskag Health Clinic. CDBG. Requested by Upper/Lower Kalskag.	Preliminary		\$145,275	\$145,275
FY 94	DOA	Multipurpose Building. Capital Matching.	Preliminary		\$26,316	\$25,000
FY 88	DEC	Water Feasibility. Water part of feasibility study.	Completed		\$20,000	\$20,000
FY 92	DEC	Sewer Feasibility.	Completed		\$800,000	\$800,000
FY 95	PHS	Housing/Sanitation.	Preliminary		\$884,000	\$884,000
FY 95	BIA	Roads. Construction during 1995.	Construction		\$	\$
FY 93	HUD/CGP	Housing Modernization. Replace cook stoves - 13 units. Requested by AVCP Reg Housing Auth.	Construction		\$19,500	\$19,500
FY 94	DCRA	Prepare ANCSA 14(c) Map of Boundaries. DCRA providing or committed to provide assistance.	Preliminary		\$	\$

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		O/J Gregory Elementary Construction. Requested by Kuspuk Schools.			\$1,946,000	\$1,907,100
FY 95		Water Wells/Community sewer. These funds will provide individual water wells to about 26 services/homes, interior plumbing and a community sewer. The community sewer will be composed of gravity mains, one lift station, a force main, and upgrading an existing lagoon.			\$1,870,000	\$600,000
FY 96		Water & Sewer Improvements. Individual water wells to 31 buildings, piped gravity sewer system, indoor plumbing for 26 homes, sewer service to 26 buildings and the school. Requested by City.			\$571,650	\$571,650

-RAPIDS Rural Alaska Project Identification and Delivery System

FY 95		Convert distribution system to overhead. Requested by Div of Energy Needs List.			\$105,000	\$105,000
FY 95		Install a remote power outage monitor. Requested by Div of Energy Needs List.			\$2,500	\$2,500
FY 95		Multiphase existing line to the High School. Requested by Div of Energy Needs List.			\$75,000	\$75,000
FY 95		Street lights. Requested by Div of Energy Needs List.			\$4,000	\$4,000
FY 94		Road between Yukon & Kuskokwim Rivers. Requested by Mike Harper, KC Corp.			\$	\$
FY 94		Road construction to Russian Mission.			\$	\$
FY 94		Airport Snow Removal Equipment Purchase.			\$	\$

Venetie

Incorporated: **Unincorporated**

Undesignated Capital Match Funds: **\$0**

Borough: **Unorganized**

Senator: **Georgianna Lincoln**

Population: **237**

Reg. Native Corp: **Doyon Ltd.**

Representative: **Irene Nicholia**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 95	DCRA	Youth Center Building Purchase. Capital Matching/Unincorp. Requested by Village Council.	Preliminary		\$26,316	\$25,000
FY 95	PHS	Water Tank Rehabilitation.	Preliminary		\$1,120,000	\$1,120,000
FY 93	DCRA	Washeteria Replacement. Leg. Grant/Unincorp. Requested by Venetie Village Council.	Completed		\$100,000	\$100,000
FY 91	PHS	Washeteria, water treatment plant.	Preliminary		\$956,000	\$850,000
FY 93	DCRA	Circuit Rider Maintenance. Div of Energy.	Completed		\$8,347	\$8,347
FY 94	DCRA	Generator/Purchase Backup. Capital Matching/Unincorp. Requested by Village Council.	Contract		\$26,250	\$25,000

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Sewage Lagoon improvements. Includes fencing and reconfiguration to a two cell lagoon.			\$607,000	\$607,000
FY 96		Landfill Relocation/Water & Sewer Improvements. Close old site, develop new permitted site, fence sewage lagoon, stabilize water storage tank. Requested by Village.			\$1,120,000	\$1,120,000
FY 94		Landfill Road. New road leading to solid waste site.			\$	\$
FY 94		New Airport Construction/Relocation.			\$	\$

Wainwright

Incorporated: **2nd Class City**

Undesignated Capital Match Funds: **\$0**

Borough: **North Slope Borough**

Senator: **Al Adams**

Population: **535**

Reg. Native Corp: **Arctic Slope Regional Corp.**

Representative: **Eileen MacLean**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 89	DOA	Senior Citizens Van & Senior Center. Leg. Grant. Furniture, Fixtures & Equipment. Requested by North Slope Borough.	Completed		\$50,000	\$50,000
FY 95	DOA	Community Center Remodel Project. Leg. Grant. Requested by City of Wainwright.	Preliminary		\$31,240	\$24,992
FY 95	DOA	Community Center Renovation. Capital Matching. Requested by Community.	Preliminary	1 of 1	\$26,316	\$25,000
FY 94	DOA	Volunteer Search & Rescue Equipment. Leg. Grant.	Construction		\$75,000	\$75,000
FY 93	DEC	Water/Sewer Tanks. Est. completion 6/97. Requested by North Slope Borough.	Preliminary		\$500,000	\$500,000
FY 95	DEC	Water & Sewer, Ph III. Provide each residence and public building in Wainwright with potable water and sewage disposal systems.	Preliminary		\$44,508,000	\$750,000
FY 90	DOA	Washeteria Upgrade. Leg. Grant. Requested by North Slope Borough.	Completed		\$117,971	\$117,971
FY 93	DOA	Garbage Truck. Leg. Grant. Requested by North Slope Borough.	Completed		\$65,000	\$65,000
FY 95	DOT&PF	Airport Runway and Apron Resurfacing.	Preliminary		\$1,473,804	\$473,804

RAPIDS Rural Alaska Project Identification and Delivery System

FY 93	HUD/CGP	Housing Modernization. Lead-based paint testing; access ramps; hard wire smoke detectors in 5 projects. Requested by ASRC Housing Auth.	Construction		\$87,950	\$87,950
FY 94	HUD/CGP	Housing Modernization. Install high efficiency boilers in 7 units. Requested by ASRC Housing Auth.	Design		\$28,000	\$28,000
FY 94	HUD/CGP	Housing Modernization. Install high efficiency boilers in 18 units. Requested by ASRC Housing Auth.	Design		\$72,000	\$72,000
FY 94	HUD/CGP	Housing Modernization. Replace flues in 17 units. Requested by ASRC Housing Auth.	Design		\$22,000	\$22,000
FY 94	HUD/CGP	Housing Modernization. Install high efficiency boilers in 4 units. Requested by ASRC Housing Auth.	Design		\$16,000	\$16,000
FY 94	HUD/CGP	Housing Modernization. Install high efficiency boilers - 12 units. Requested by ASRC Housing Auth.	Design		\$48,000	\$48,000

Planned Projects: (listed in agency plans and subject to funding approval)

FY 94	HUD/AHFC	Construct 5 Low Rent Units. Requested by Tagiugmiullu Nunamiullu HA.			\$	\$
FY 95	HUD/CGP	Housing Modernization. Repair entrances. Requested by ASRC Housing Auth.			\$	\$
FY 95	HUD/CGP	Housing Modernization. Repair entrances. Requested by ASRC Housing Auth.			\$	\$
FY 95	HUD/CGP	Housing Modernization. Repair entrances & seal second floor air leaks. Requested by ASRC Housing Auth.			\$	\$
FY 95	HUD/CGP	Housing Modernization. Repair electrical system. Requested by ASRC Housing Auth.			\$	\$
FY 96	HUD/CGP	Housing Modernization. Seal air leaks & repair plumbing. Requested by ASRC Housing Auth.			\$24,000	\$24,000
FY 96	HUD/CGP	Housing Modernization. Seal air leaks. Requested by ASRC Housing Auth.			\$4,800	\$4,800
FY 96	HUD/CGP	Housing Modernization. Repair/replace insulation. Requested by ASRC Housing Auth.			\$48,000	\$48,000
FY 97	HUD/CGP	Housing Modernization. Relocate propane hook-ups. Requested by ASRC Housing Auth.			\$18,400	\$18,400
FY 97	HUD/CGP	Housing Modernization. Substantial renovation. Requested by ASRC Housing Auth.			\$200,000	\$200,000
FY 98	HUD/CGP	Housing Modernization. Substantial renovation. Requested by ASRC Housing Auth.			\$206,500	\$206,500

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 94		Community Center Renovation. Requested by North Slope Borough.	2 of 6	\$100,000	\$100,000
FY 94		Public Safety Facility Upgrade. Requested by North Slope Borough.	6 of 6	\$80,000	\$80,000
FY 94		Gray Water Tanker Truck Purchase & Delivery. Requested by North Slope Borough.	3 of 6	\$150,000	\$150,000
FY 94		Washeteria Design/Construction. Requested by Wainwright.	1	\$1,280,000	\$1,280,000
FY 96		Washeteria Relocation. Current facility is too small and is not ADA compliant. Requested by City.		\$2,750,000	\$2,750,000
FY 94		Landfill Expansion. Requested by North Slope Borough.	5 of 6	\$500,000	\$500,000
FY 94		Community Road Improvements.		\$	\$
FY 95		Prepare ANCSA 14(c) Map of Boundaries.		\$	\$

Wales

Incorporated: **2nd Class City**

Undesignated Capital Match Funds: **\$0**

Borough: **Unorganized**

Senator: **Al Adams**

Population: **147**

Reg. Native Corp: **Bering Straits Native Corp.**

Representative: **Eileen MacLean**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 92	DOA	Community Facilities & Road Improvements/Cemetery Relocation Project. Leg. Grant.	Construction		\$70,000	\$70,000
FY 94	DOA	Search & Rescue Equipment. Leg. Grant.	Construction		\$40,000	\$40,000
FY 94	DOA	VPSO Office Renovation. Capital Matching. Requested by City.	Preliminary		\$26,316	\$25,000
FY 95	DOA	Fire Fighting Equipment. Capital Matching. Requested by City.	Preliminary		\$26,316	\$25,000
FY 92	PHS	Honeybucket haul system & water line installation for Navy.	Preliminary		\$294,000	\$15,000

RAPIDS Rural Alaska Project Identification and Delivery System

FY 93	DCRA	AVEC Bulk Fuel Upgrade. Div of Energy. Existing bulk fuel farm is not compliant. Construct new dike and reuse existing tanks. Requested by AVEC.	Completed		\$62,500	\$62,500
FY 93	DCRA	BSSD Bulk Fuel Repair. Div of Energy. Install new piping manifold in School District tank farm.	Completed		\$22,000	\$22,000
FY 93	DOA	Bulk Fuel Tank Replacement Project. Leg. Grant.	Completed		\$145,000	\$145,000
FY 93	DCRA	City Bulk Fuel Upgrade. Div of Energy. DOA funds to upgrade tank farm to code and increase capacity. Requested by City.	Completed		\$325,000	\$180,000
FY 95	BIA	Road. Construction during 1995. New road 6.5 mi. to Tin City to access dock and airport.	Construction	1 of 6	\$	\$
FY 95	DOT&PF	Landfill Road Construction.	Preliminary		\$1,300,000	\$130,000
FY 93	DOT&PF	Airport Runway Lighting.	Construction		\$197,712	\$19,771
FY 93	DOT&PF	Airport Improvements.	Construction		\$1,278,504	\$127,850
FY 94	HUD/CGP	Housing Modernization. Storage shed venting 10 units. Requested by Bering Straits Reg Hous Auth.	Design		\$5,000	\$5,000
FY 93	DCRA	Kinigin Whaling Equipment Project. RDA. Requested by City of Wales.	Completed		\$10,753	\$7,753
FY 94	DCRA	Prepare ANCSA 14(c) Map of Boundaries.	Completed		\$	\$

Planned Projects: (listed in agency plans and subject to funding approval)

FY 95	HUD/CGP	Housing Modernization. Flooring; electrical; foundations in 4 units. Requested by Bering Straits Reg Hous Auth.			\$152,000	\$152,000
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Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Construct New Clinic. RDA Mini/USFS Grant Application.			\$100,000	\$100,000
FY 95		Clinic Replacement. Clinic is undersized; shares building with Native Corp, City office, Post Office, and city apartments. Requested by DHSS Needs List.			\$	\$
FY 94		Alternate Water Source. Requested by Wales.		1	\$350,000	\$350,000
FY 95		Water & Sewer Master Plan. Provide running water and a sewer system to homes after a reliable water source is found.			\$60,000	\$60,000
FY 96		School Water Storage/Replace Leachfield. Provide 500,000 gal. water storage tank, and replace leachfield at the school which freezes. Requested by Bering Straits School Dist..			\$4,128,664	\$4,128,664
FY 95		Replace fuel storage tanks (6 @ \$17,500). Requested by Div of Energy Needs List.			\$105,000	\$105,000
FY 95		Replace bottoms of fuel storage tanks. Requested by Div of Energy Needs List.			\$30,000	\$30,000
FY 95		Fence power plant. Requested by Div of Energy Needs List.			\$17,500	\$17,500
FY 95		Install waste oil filtering and blending. Requested by Div of Energy Needs List.			\$15,000	\$15,000
FY 95		Install waste heat recovery system. Requested by Div of Energy Needs List.			\$190,700	\$190,700
FY 95		Install remote power outage monitor. Requested by Div of Energy Needs List.			\$2,500	\$2,500
FY 95		Install remote fuel inventory system. Requested by Div of Energy Needs List.			\$6,000	\$6,000
FY 95		Install ground grid system. Requested by Div of Energy Needs List.			\$6,500	\$6,500
FY 95		Install Detroit Diesel Series 50 generator set in Position #2. Requested by Div of Energy Needs List.			\$70,000	\$70,000
FY 95		Install aquacon filter. Requested by Div of Energy Needs List.			\$5,000	\$5,000
FY 95		Improve security and safety at plant. By installing poles and lights at each corner of the plant site. Requested by Div of Energy Needs List.			\$7,500	\$7,500
FY 95		Street lights. Requested by Div of Energy Needs List.			\$4,000	\$4,000
FY 94		Construct Access Road to Borrow Sites. 2 Mi. Requested by Community/JATP Survey.		5 of 6	\$	\$
FY 94		Residential Streets Improvements. .5 Mi. Requested by Community/JATP Survey.		3 of 6	\$	\$
FY 94		Road to Tin City. Tin City to Wales to connect the BIA project of 1993.			\$	\$
FY 94		Village Creek Bridge Repair/Replacement.			\$	\$
FY 94		Village Roads Rehabilitation.			\$	\$

RAPIDS Rural Alaska Project Identification and Delivery System

FY 94		Honeybucket Lagoon Access Road Construction. .3 Mi. Requested by Community/JATP Survey.		2 of 6	\$	\$
FY 94		Repair/Grade Airport Road. .5 Mi. - Improve existing road that accesses airport, water supply, dump, and honey bucket lagoon. Requested by Community/JATP Survey.		4 of 6	\$	\$
FY 94		Lopp Lagoon Road. 2.7 Mi. - Access to reindeer corral and camping sites. Requested by Community/JATP Survey.		6 of 6	\$	\$

Whale Pass		Incorporated: Unincorporated	Undesignated Capital Match Funds: \$0			
Population: 97		Borough: Unorganized	Senator: Fred Zharoff			
		Reg. Native Corp: Sealaska Corp.	Representative: Jerry Mackie			
Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost

Funded Projects:

FY 94	DCRA	Firehall Improvements. Capital Matching/Unincorp. Requested by Whale Pass Homeowners Assoc.	Completed		\$10,526	\$10,000
FY 92	DOT&PF	Seaplane Float.	Completed		\$611,654	\$61,165
FY 94	DCRA	Dock Improvements. Capital Matching/Unincorp. Requested by Whale Pass Homeowners Assoc.	Completed		\$15,790	\$15,000
FY 95	DCRA	Redesign dock. Capital Matching/Unincorp - finishing fingers, slips, and boat launch ramp. Requested by Whale Pass Homeowners Assoc.	Preliminary	1 of 2	\$26,316	\$25,000

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 96		Covered School Playground. Requested by Southeast Island Schools.			\$218,400	\$214,032
FY 95		Study electrification with power house and distribution system. Requested by Div of Energy Needs List.			\$125,000	\$3,000
FY 94		Boat Float.			\$	\$
FY 94		Boat launch ramp.			\$	\$
FY 95		Manufacturing Of Wood Arrow Shafting. RDA Mini/USFS Grant Application. Requested by Welchman Longbow Co..			\$100,000	\$100,000

White Mountain		Incorporated: 2nd Class City	Undesignated Capital Match Funds: \$25,000			
Population: 180		Borough: Unorganized	Senator: Al Adams			
		Reg. Native Corp: Bering Straits Native Corp.	Representative: Richard Foster			
Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost

Funded Projects:

FY 87	HUD/AHFC	Construct 15 Housing Units. Requested by Bering Straits Reg Hous Auth.	Completed		\$2,150,000	\$2,150,000
FY 93	DOA	Community Facilities. Leg. Grant.	Completed		\$40,000	\$40,000
FY 94	DOA	Community Facilities/Equipment. Leg. Grant. ED 38. Requested by City of White Mountain.	Construction		\$45,000	\$45,000
FY 94	DOA	Public Safety Office/Cell. Capital Matching. Requested by City.	Construction		\$16,554	\$15,726
FY 91	DEC	Water & Sewer. PHS lead. Completed in 93.	Completed		\$1,908,000	\$617,000
FY 91	PHS	Sewer connect to 11 houses.	Preliminary		\$958,000	\$341,000
FY 94	DCRA	BSSD Bulk Fuel Upgrade. Div of Energy. Requested by BSSD.	Completed		\$37,500	\$37,500
FY 94	DCRA	City Bulk Fuel Upgrade. Div. of Energy. Requested by City.	Completed		\$71,500	\$71,500
FY 92	DOT&PF	Airport Improvements.	Construction		\$3,623,495	\$362,350
FY 95	DOT&PF	Runway Dozer.	Preliminary		\$92,000	\$9,200

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Elementary Addition. Requested by Bering Strait Schools.			\$5,053,200	\$4,952,100
FY 96		High School Renovation. Requested by Bering Strait Schools.		3	\$2,804,349	\$2,748,262
FY 95		Repair Irrigation System. RDA Mini/USFS Grant Application.			\$200,000	\$100,000
FY 94		New Landfill. The project includes closing existing landfill, completion of site investigation for new landfill, soils report design to meet all codes, excavation, membrane embankment, access road, metal fence and cat to operate facility. Requested by White Mountain.		5	\$560,000	\$560,000

RAPIDS Rural Alaska Project Identification and Delivery System

FY 95		Replacement generator and upgrade. Requested by Div of Energy Needs List.			\$46,000	\$46,000
FY 95		Prepare ANCSA 14(c) Map of Boundaries.			\$	\$

Wiseman

 Incorporated: **Unincorporated**

 Undesignated Capital Match Funds: **\$0**

 Borough: **Unorganized**

 Senator: **Georgianna Lincoln**

 Population: **28**

 Reg. Native Corp: **Doyon Ltd.**

 Representative: **Irene Nicholla**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 93	DOT&PF	Dalton Hwy/Marion Creek Campground.	Construction		\$415,192	\$37,492
FY 95	DCRA	Community Center. Capital Matching/Unincorp. Land purchase, building purchase, construction, installation. Requested by Wiseman Community Association.	Preliminary	1 of 1	\$26,375	\$25,000
FY 94	DCRA	Water & Wastewater System Design/Construction. Capital Matching/Unincorp. Requested by Wiseman Community Assoc.	Preliminary		\$26,316	\$25,000

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		Co-Operative Electrical Plant. RDA Mini/USFS Grant Application. Requested by Wiseman Community Association.			\$125,000	\$100,000
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Yakutat

 Incorporated: **Home Rule Borough**

 Undesignated Capital Match Funds: **\$0**

 Borough: **City & Borough of Yakutat**

 Senator: **Fred Zharoff**

 Population: **691**

 Reg. Native Corp: **Sealaska Corp.**

 Representative: **Jerry Mackie**

Year	Agency	Project Description/Requestor	Stage	Community Priority	Total Cost	Agency Cost
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Funded Projects:

FY 94	DOE	Elementary School Repair. Requested by Yakutat Borough Schools.	Preliminary		\$581,200	\$581,200
FY 94	DCRA	Children's Center. CDBG. Requested by City & Borough of Yakutat.	Preliminary		\$200,000	\$200,000
FY 94	DOT&PF	Airport Rescue & Fire Fighting Vehicle.	Completed		\$574,950	\$57,495
FY 90	DOA	Subsurface Drainage Improvements. Leg. Grant.	Construction		\$110,000	\$110,000
FY 92	PHS	Water & Sewer Service for 10 homes. Extensions to 10 homes, sewage treatment plant w/sludge lagoon.	Preliminary		\$1,191,000	\$290,000
FY 94	DOA	Water/Wastewater System Design. Capital Matching.	Preliminary		\$28,704	\$27,269
FY 94	DEC	Wastewater & Water System. EPA indicates that Yakutat needs to provide secondary treatment of their wastewater. This project will expand the hydraulic and biological capacity of the existing plant. Possible construction 95. Est. completion 6/98. Requested by Yakutat.	Preliminary	1	\$2,089,800	\$499,900
FY 95	DOA	Water & Wastewater Design/Construction. Capital Matching. Requested by Community.	Preliminary	1 of 5	\$417,889	\$27,300
FY 93	DCRA	Electric Line Extension. Div of Energy. Upgrade electrical service to Sitka Sound Seafoods; buried phase feeder. Requested by Utility.	Completed		\$88,000	\$52,800
FY 90	DOT&PF	Dan River Road Paving.	Completed		\$881,657	\$88,166
FY 93	DOA	Post Office Street Extension. Leg. Grant. Requested by City & Borough of Yakutat.	Construction		\$90,000	\$90,000
FY 94	DOT&PF	Bayview Drive Retaining Wall & Guardrail Installation. Install retaining wall and guardrail. Construction Summer 94.	Construction		\$159,844	\$15,984
FY 94	DOT&PF	Railroad Trail from School to the Airport. Convert old railroad roadbed to pedestrian facility. Construction Summer 94.	Construction		\$70,000	\$
FY 94	DOT&PF	Council Avenue to Lake Street/Preliminary Engineering. Extend road from new Tlingit and Haida subdivision to ASHA housing development.	Design		\$31,500	\$31,500
FY 94	DOT&PF	Court House Road Relocation/Preliminary Engineering.	Design		\$45,000	\$45,000
FY 94	DOT&PF	Areawide Street Lighting Improvements.	Preliminary		\$22,500	\$22,500
FY 94	DOT&PF	Bayview/Monti Bay Heights Access Improvements. At Bayview and Mallott Avenue.	Preliminary		\$72,000	\$72,000
FY 94	DOT&PF	Porter Hill Access Road Improvements.	Preliminary		\$45,000	\$45,000
FY 94	DOT&PF	Railroad Trail Design & Construction. Convert old railroad roadbed to pedestrian facility.	Preliminary		\$86,375	\$8,638
FY 94	DOT&PF	Yakutat Avenue Drainage Reconstruction.	Preliminary		\$145,800	\$145,800

---RAPIDS Rural Alaska Project Identification and Delivery System

FY 92	DOT&PF	Airport Timber.	Completed		\$185,000	\$18,500
FY 92	DOT&PF	Airport Snow Removal Equipment.	Completed		\$545,300	\$54,530
FY 94	DOT&PF	Runway Obstruction/Remove Timber. Clear runway approaches and runway airspace. Construction Summer 94.	Construction		\$596,204	\$59,620
FY 94	DOT&PF	Seaplane Float Facility.	Construction		\$621,290	\$62,129
FY 94	DOT&PF	Airport Maintenance Station Roof repairs.	Preliminary		\$65,000	\$6,500
FY 93	DOA	Ocean Cape Dock Traffic Revision. Leg. Grant. Requested by City & Borough of Yakutat.	Completed		\$130,000	\$130,000
FY 92	DOA	Fish Processing Plant Piling Repair. Leg. Grant.	Completed		\$74,910	\$74,910
FY 93	DCRA	Oyster Marketing/Annual Oyster Festival Design & Production. RDA. Requested by Alaska Shellfish Growers Assoc.	Completed		\$90,000	\$93,445
FY 94	DOA	Borough Comprehensive Plan. Leg. Grant.	Completed		\$75,000	\$75,000
FY 94	HUD/CGP	Housing Modernization. Heating systems; windows; siding; insulation; porches; bathrooms; kitchens; electrical; woodstoves; interior. Requested by Tlingit Haida Reg Housing.	Design		\$949,609	\$949,609
FY 95	DCRA	Prepare ANCSA 14(c) Map of Boundaries. DCRA providing or committed to provide assistance.	Preliminary		\$	\$

Planned Projects: (listed in agency plans and subject to funding approval)

FY 94	HUD/CDBG	Child Care/Headstart Facility. Requested by Yakutat Tlingit Tribe.			\$	\$
FY 96	DFG	Rebuild Office. Project deferred. Safety, Structural, Energy.			\$100,000	\$100,000
FY 96	DOT&PF	Bayview Drive Retaining Wall & Guardrail.			\$200,000	\$20,000
FY 95	HUD/CGP	Housing Modernization. Major renovations. Requested by Tlingit Haida Reg Housing.			\$264,000	\$264,000
FY 96	DFG	Rebuild Bunkhouse. Project deferred. Safety, Structural, Energy.			\$100,000	\$100,000

Other Needs: (identified by a community or an agency, but not yet funded or scheduled)

FY 95		High School Roof Repair. Major Maintenance. Requested by Yakutat Borough Schools.			\$222,300	\$200,100
FY 95		High School Roof Repairs. Capital Matching request. Requested by City.		2 of 5	\$224,500	\$213,275
FY 95		Maintenance Facility. Capital Matching request. Requested by City.		4 of 5	\$217,500	\$142,500
FY 94		Airport Rescue & Fire Fighting Building.			\$	\$
FY 94		Airport Water & Sewer System Improvements.			\$	\$
FY 94		Post Office Street. Grading and retaining wall.			\$	\$
FY 95		Street Safety Guard Rails & Retaining Walls. Capital Matching request. Requested by City.		5 of 5	\$50,000	\$47,500
FY 94		Airport Apron Reconstruction. Rehabilitate deteriorated apron area.			\$	\$
FY 94		Airport Runway Safety Area Improvements.			\$	\$
FY 94		Harbor Electrical system.			\$	\$
FY 95		Tourism Development Study. RDA Mini/USFS Grant Application. Requested by Yak-Tat Kwaan.			\$150,000	\$60,000
FY 95		Purchase a Road Grader. Capital Matching request. Requested by City.		3 of 5	\$150,000	\$142,500

The State of Alaska, Department of Community and Regional Affairs, complies with Title II of the Americans with Disabilities Act of 1990. This publication is available in alternative communication formats upon request. Please contact Laura Walters at (907) 465-4752 in Juneau or DCRA's TDD number, (800) 930-4555, to make any necessary arrangements.

ADA Standards for State Grants and Contracts:

Grantees, contractors, and others who receive funding from the State of Alaska to provide a service or services to the general public as an agent of the state must certify that all programs, services, and activities operated under the grant or contract are made available to the general public in compliance with the Americans with Disabilities Act of 1990. Grant or contract recipients are subject to state review.

ADA Standards for Grantees and Contractors who receive State Capital Improvement Project (CIP) Funding:

Grantees, contractors, and others who receive CIP funding from the State of Alaska for facility renovations, alterations or new construction must submit to the grantor agency an accessibility survey audit and/or construction plan. Prospective CIP recipients must certify that the capital funding will be used to correct identified facility barriers and to construct new facilities which are fully accessible to and useable by individuals with disabilities. Facility modifications or new construction must comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG.) CIP recipients are subject to state review.

This RAPIDS publication has been printed for the Department of Community and Regional Affairs to provide information on various capital improvement projects and needs in rural Alaska communities. The publication was produced in Juneau and printed in Anchorage, Alaska, at a cost of \$5.36 per copy.

SCOMM

101:58

**State of Alaska
Department of Revenue**

**Presentation to the
Long Range Financial Planning
Commission**

**The Fiscal Gap
and
New Revenue Sources**

Commissioner Wilson Condon

August 25, 1995

Nominal vs. Real Dollars

**We use nominal dollars
(dollars of the day) in our
analyses.**

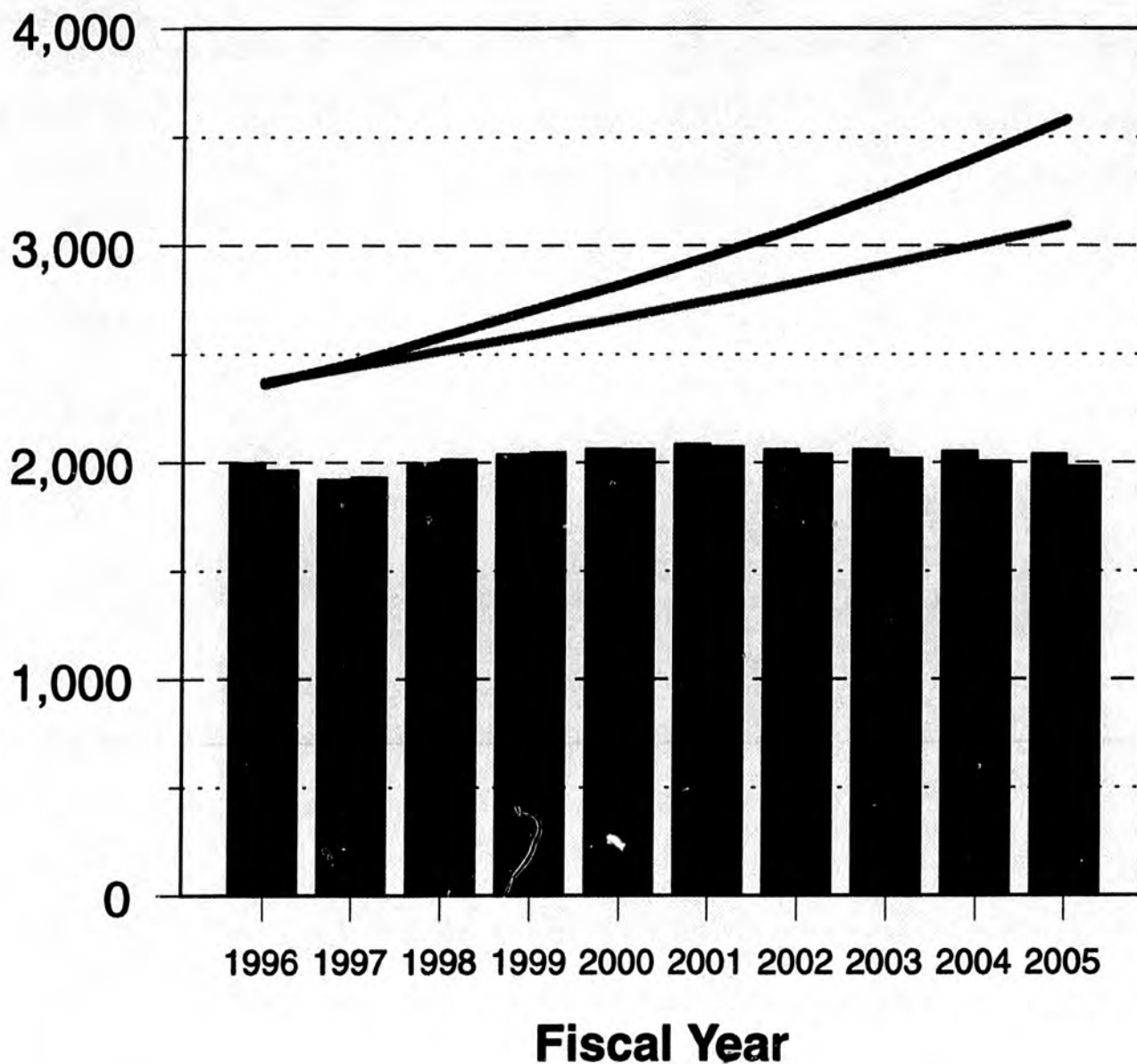
**We can provide the
Commission this set of
analyses in real 1996 dollars
if requested.**

NOTE: ISER Fiscal Policy Paper Number 9 observes that readers are often confused by "real" dollars.

The Fiscal Gap

Revenues and Expenditures

billion \$



DOR Revenues



LRFPC Revenues



FY96 Expenditures w/ 3% growth



LRFPC Expenditures



Source: Draft LRFPC Report; DOR Spring 1995 Revenue Forecast; OMB FY96 Spending Plan; DOR expenditure projection

Ten Year Budget Gap: Base Case

Annual General Fund Gap

\$715 million + Capital Budget

Assumptions for Key Variables:

- ▶ **Expenditure Growth:** 3% per year
- ▶ **ANS Oil Prices (at destination):** \$16.50/bbl in 1995 dollars (1987-1995 average [less the Gulf War price run up] \$10/bbl in nominal dollars)
- ▶ **Production Rate:** Department of Revenue Mid-Case Projection

Source: DOR Spring 1995 Revenue Forecast; OMB FY96 Spending Plan; DOR expenditure projection

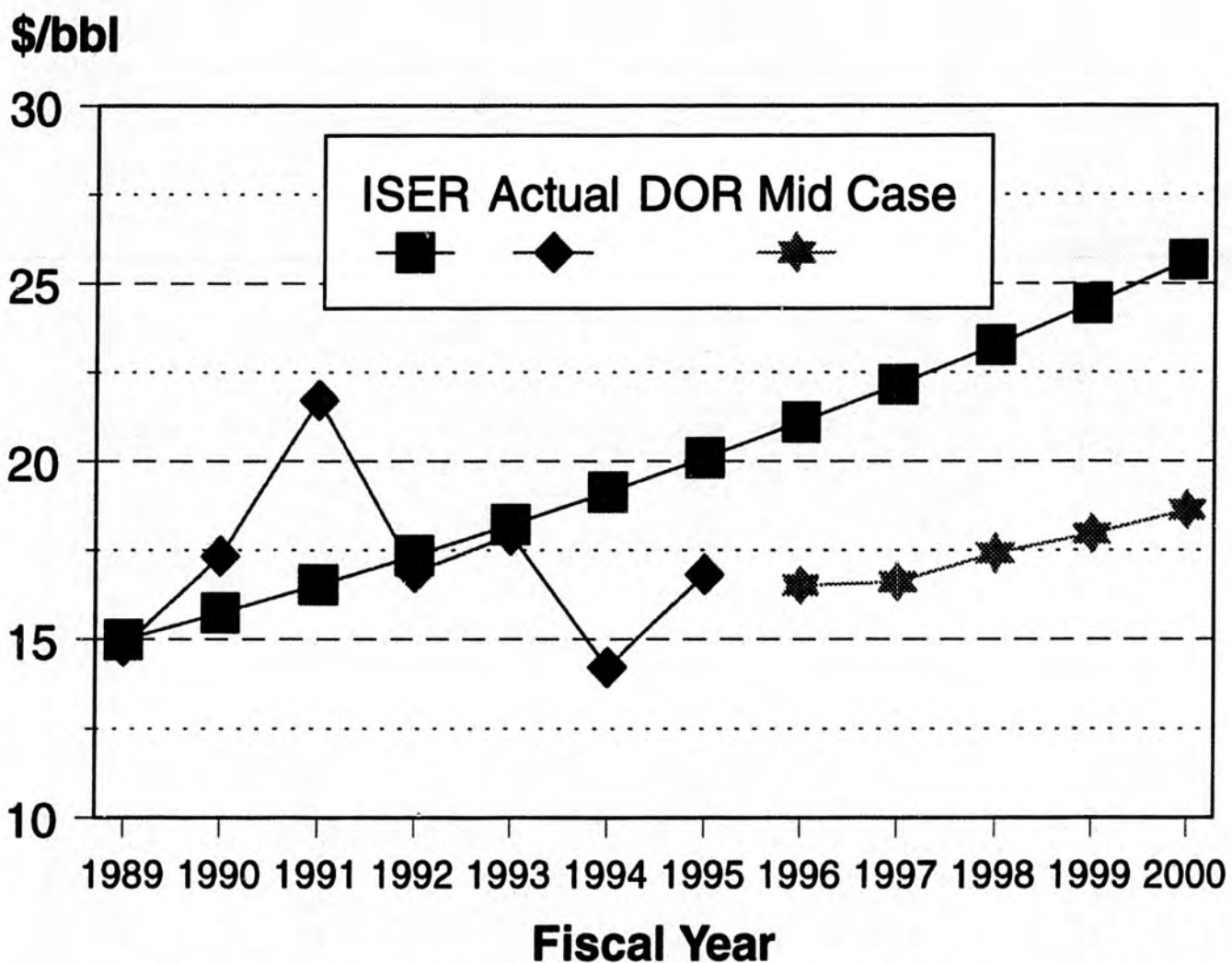
Revisiting the Fiscal Gap: Are we crying wolf?

- In 1989, ISER projected a gap starting in FY89 and growing to \$1 billion by FY94. They predicted a crash landing in FY92.

**Why are we still flying?
Is a crash inevitable?**

Revisiting the Fiscal Gap: Oil Prices

- ▶ ANS prices from FY89-95 averaged \$17.11/bbl. ISER projected \$17.44/bbl.
- ▶ DOR estimates ANS to average \$17.40/bbl in the next 5 years.

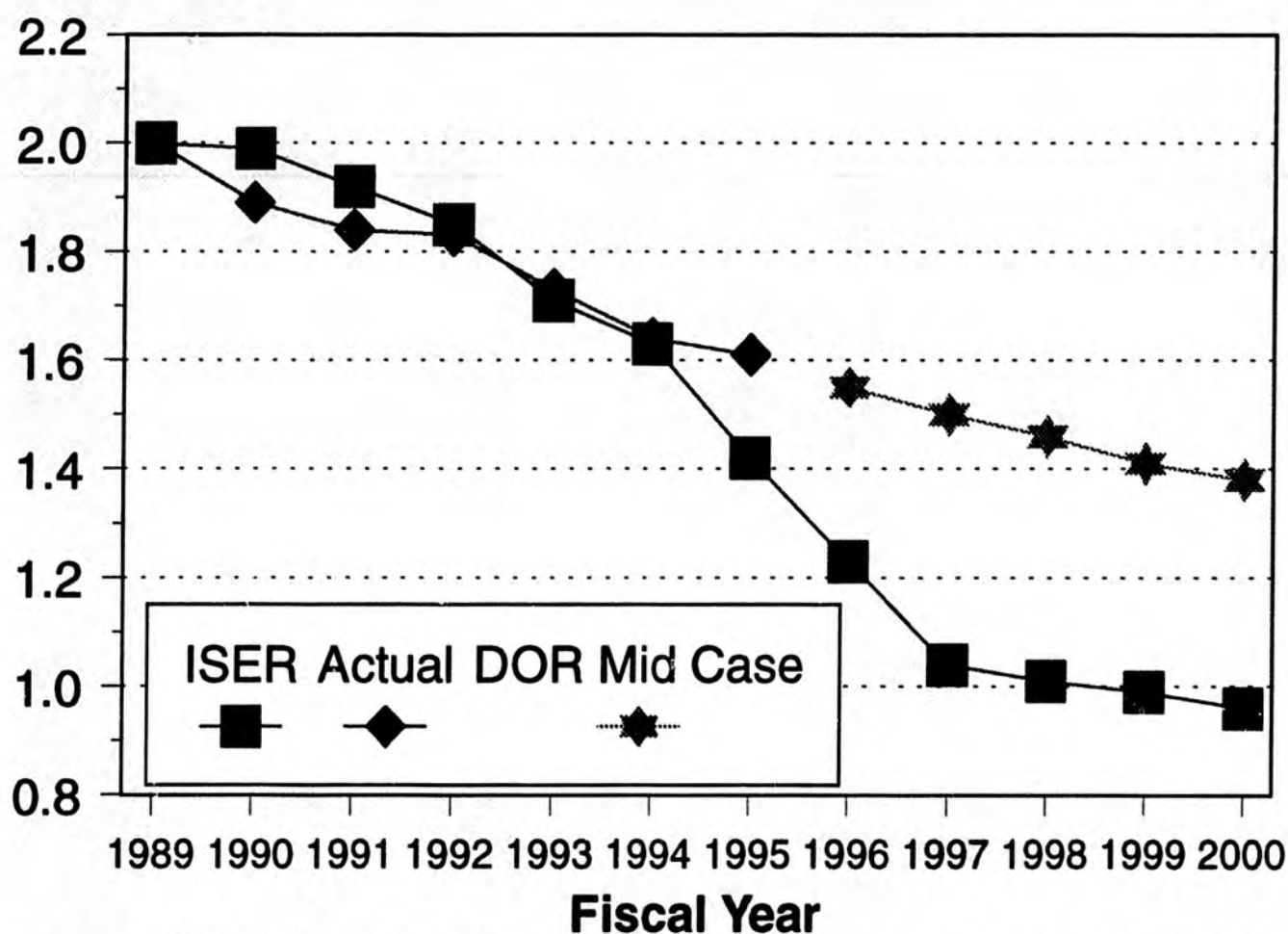


Source: ISER Fiscal Policy Paper Number 1, August 1989; DOR Spring 1995 Revenue Forecast

Revisiting the Fiscal Gap: Production Volumes

- ▶ ISER accurately projected average oil production from FY89-95 at 1.79 mbpd.
- ▶ ISER projected a more rapid decline than DOR currently projects for FY96-00.

million bpd

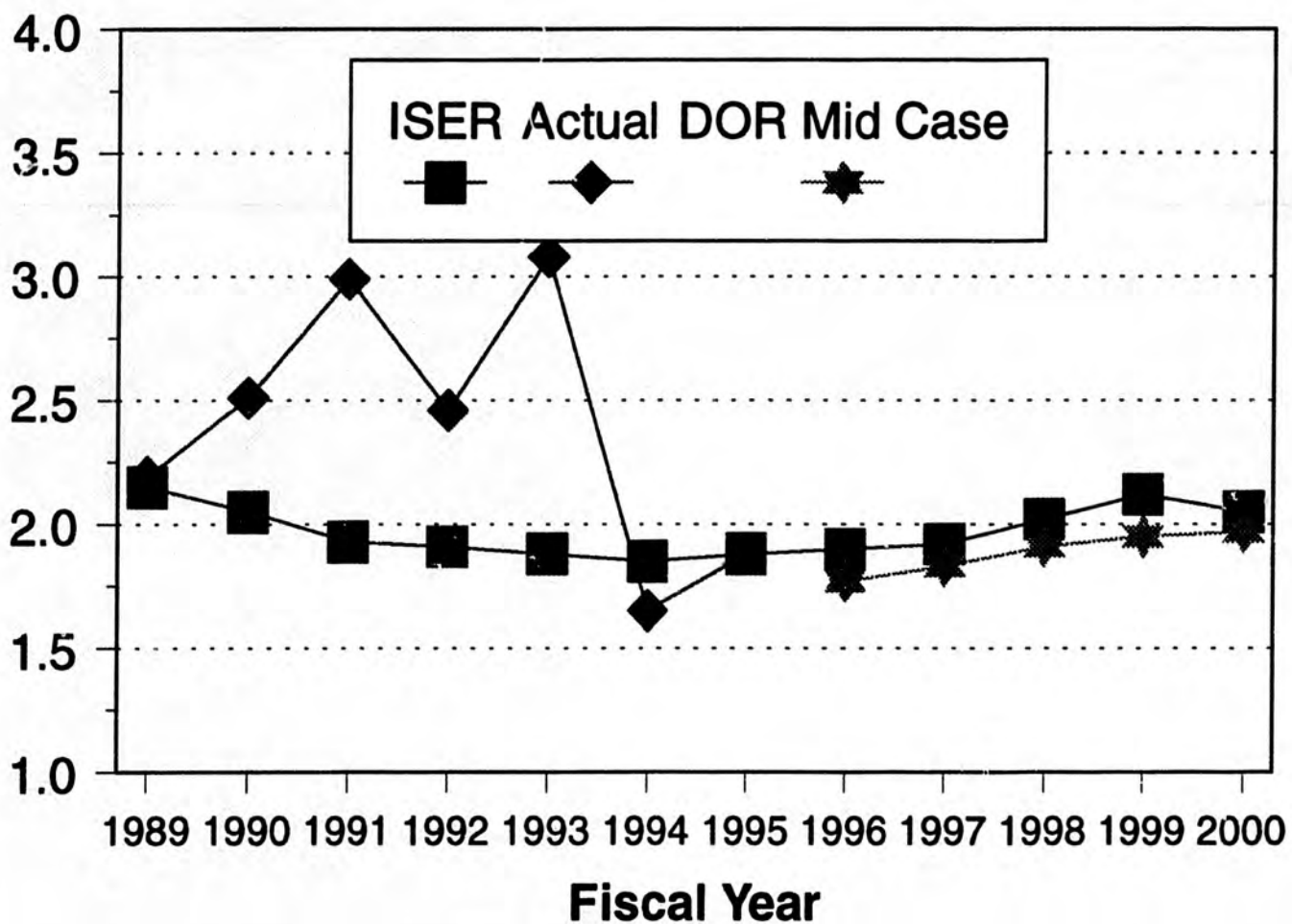


Source: ISER Fiscal Policy Paper Number 1, August 1989; DOR Spring 1995 Revenue Forecast

Revisiting the Fiscal Gap: Revenues

- ▶ ISER underpredicted revenues for FY90-93.
- ▶ ISER's prediction for FY96-00 is slightly above DOR's prediction.

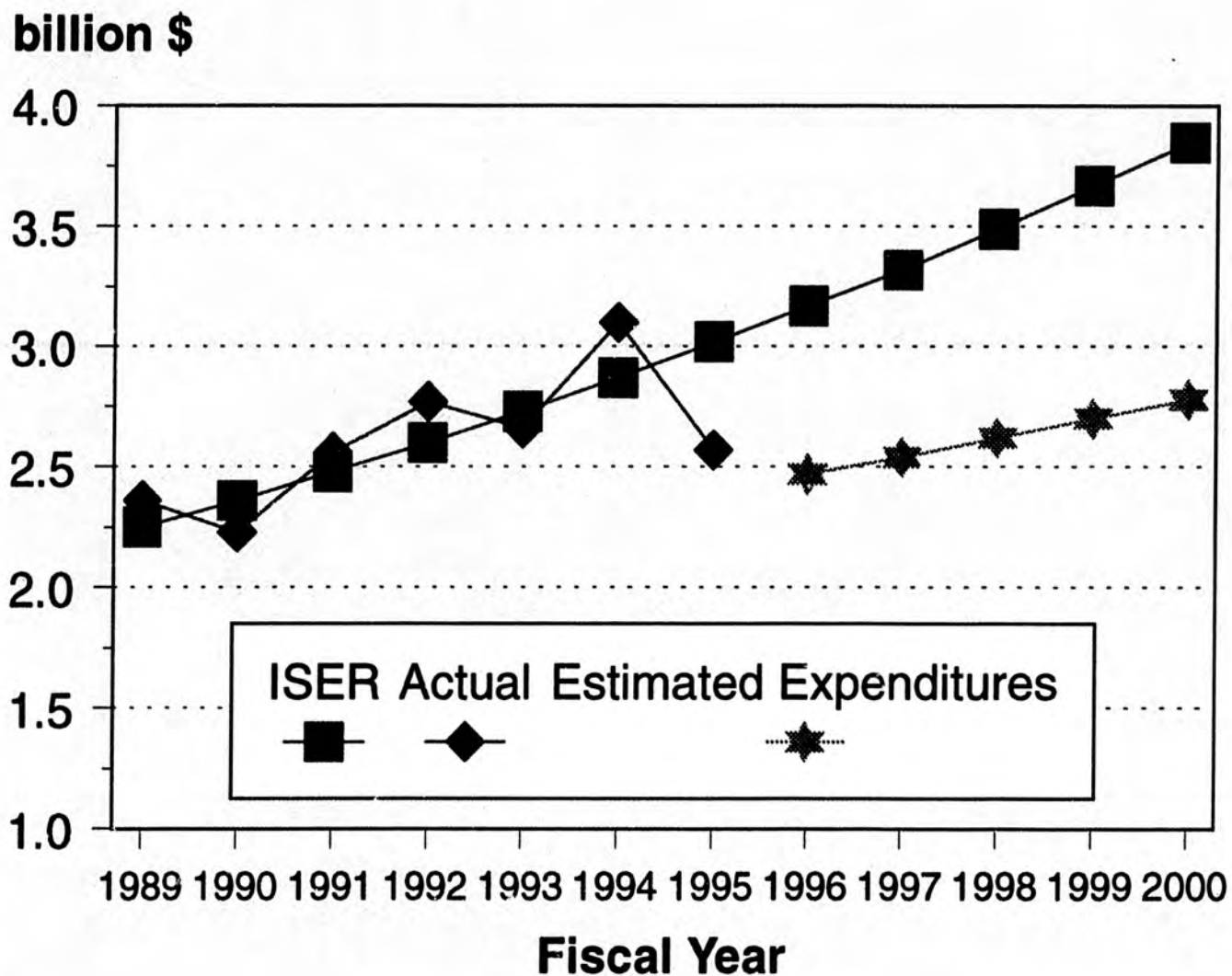
billion \$



Source: ISER Fiscal Policy Paper Number 1, August 1989; DOR Spring 1995 Revenue Forecast

Revisiting the Fiscal Gap: Expenditures

- ISER accurately predicted expenditure growth from FY89-92. Beginning in FY94, state general fund expenditures declined.



Source: ISER Fiscal Policy Papers Number 1 and 9, August 1989 and May 1994; OMB FY96 Spending Plan; DOR expenditure projection

**New Revenue Sources:
Tax and Fee Options
for Closing the Fiscal Gap**

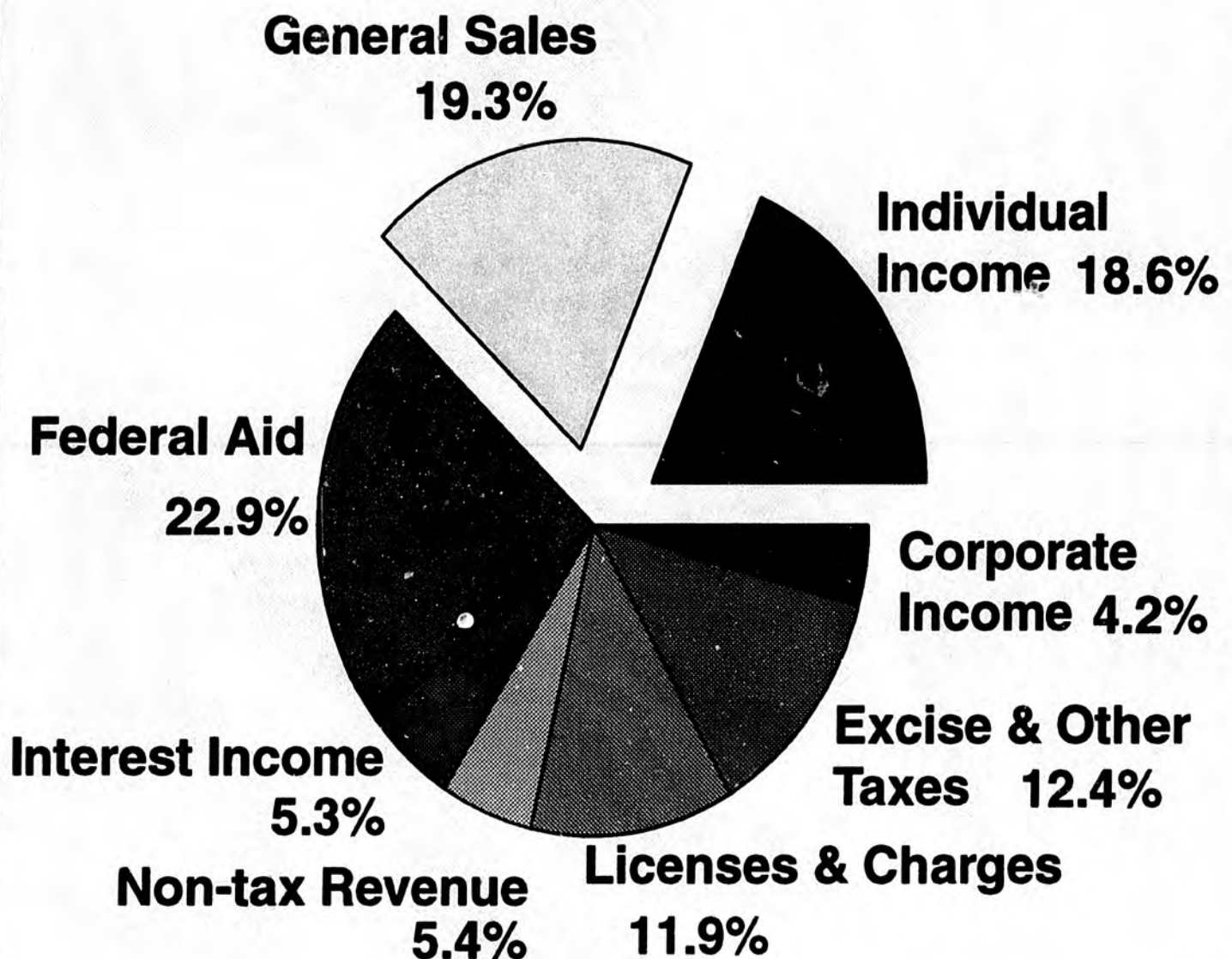
Finances for a "Typical" State are Often Said to Rest on a Three Legged Stool*

- ▶ **Personal Income Tax**
 - mostly used to finance the State government
- ▶ **Sales Tax**
 - mostly used to finance the State government
- ▶ **Property Tax**
 - mostly used to finance Local government and Local schools

* These three legs, though the highest single sources of State and Local revenue, still only make up about 50% of State and Local revenue.

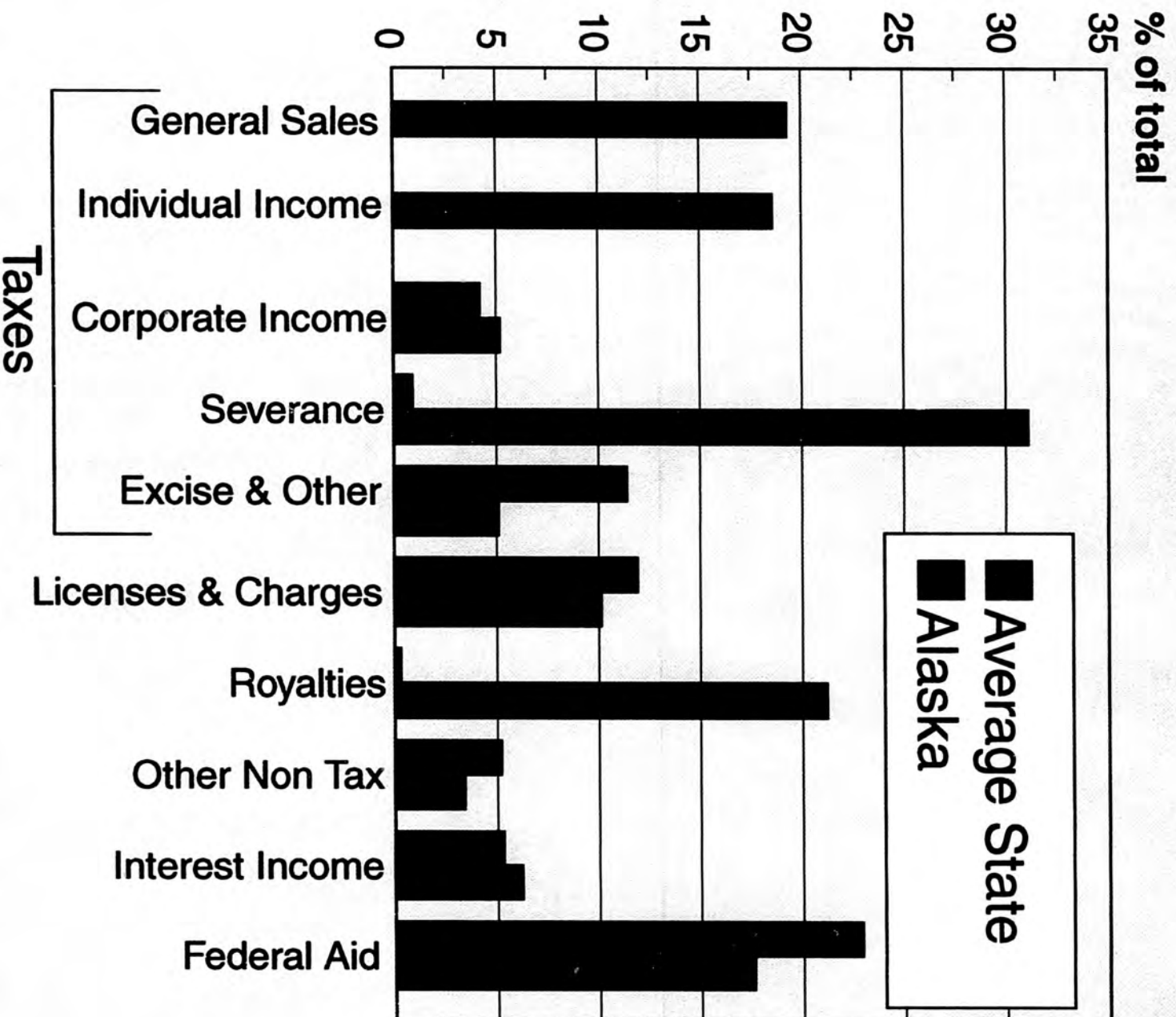
State Revenue

National Average - 1990



Source: Financing State Government in the 1990s, National Conference of State Legislatures, National Governors' Association, December 1993

Alaska's Revenue Sources Contrasted with Those of a Typical State



Source: 1990 Census Data

Sales & Personal Income Taxes

► States with no State Sales Tax:

- **Alaska**
- **Delaware**
- **Montana**
- **New Hampshire**
- **Oregon**

► States with no Individual Income Tax:

- **Alaska**
- **Florida**
- **Nevada**
- **South Dakota**
- **Texas**
- **Washington**
- **Wyoming**

► Alaska is the only state with neither tax.

Source: Federation of Tax Administrators

Individual Income Tax Basics

- ▶ **How much earned income is in the Alaska economy?**

\$11 billion

- ▶ **What portion of this is earned by non-residents?**

\$1 billion

- ▶ **When devising an income tax, the important variables to consider are**

- ▶ **Equity - Rate structure and ability to pay**
- ▶ **Efficiency - Costs to comply and administer**

Individual Income Tax Economics

- ▶ **In raising \$300 million in tax:**
 - \$30 million comes from non-residents
 - \$57 million comes from reduction in Federal Income Tax
 - \$213 million in direct spending is removed from the Alaska economy
- ▶ **\$75 million in secondary spending is removed from the Alaska economy**
- ▶ **Total spending reductions of \$288 million results in the loss of 3,700 jobs**
- ▶ **Who pays?**

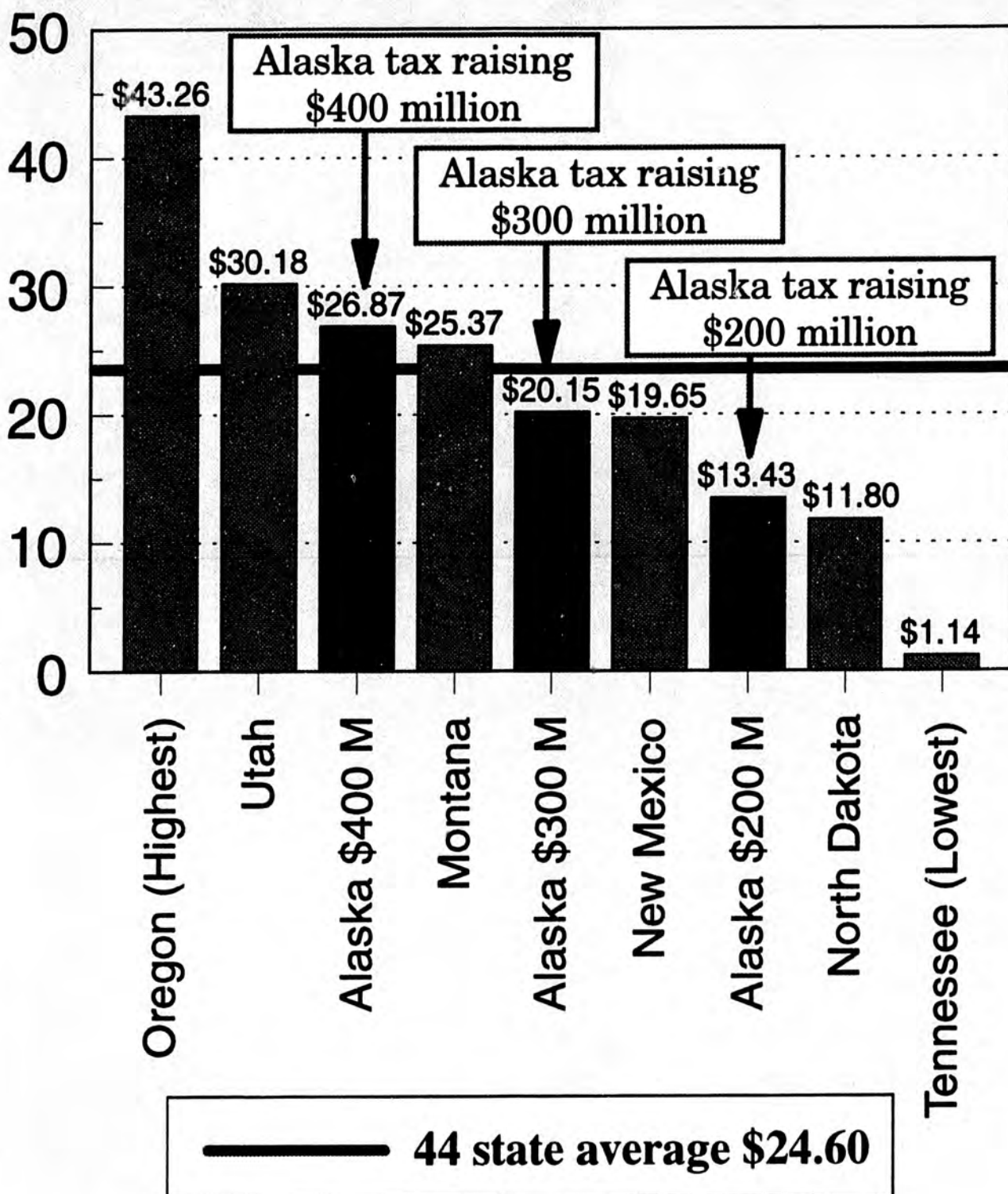
% of Household Income



Source: ISER Fiscal Policy Paper Number 8, December 1993;
Department of Labor

Personal Income Tax: How Would Alaska Compare?

Tax per \$1,000 Personal Income



Source: US Department of Commerce; DOR estimates

Income Tax in Other States

- ▶ **7 states have flat rate taxes**
- ▶ **2 states tax only dividends and interest income**
- ▶ **2 states tax a flat percent of Federal tax liability**
- ▶ **Other states use between 2 and 10 tax brackets with marginal rates from 1.0% to 12.0%**

Individual Income Tax -

What are the Pertinent Income Facts?

Income Class	# of Returns	Adjusted Gross Income (Federal)	Exemptions & Deductions (Including PFD)	Alaska Taxable Income
		(thousand \$)	(thousand \$)	(thousand \$)
\$0 - \$29,999	233,370	\$1,805,391	\$1,133,050	\$672,341
\$30,000 - \$49,999	52,100	2,051,278	675,210	1,376,068
\$50,000 - \$74,999	37,460	2,288,194	615,690	1,672,504
over \$75,000	29,809	3,602,086	650,515	2,951,571
Total	352,739	\$9,746,949	\$3,074,465	\$6,672,484

Source: IRS

Sales Tax Basics

- ▶ **What is the volume of Alaska sales of goods and services?**

\$9 billion

- ▶ **Typical sales taxes exempt retail food sales and health and social services**
- ▶ **Sales tax is more regressive (i.e. higher percentage impact on lower incomes) than personal income tax**

Statewide Sales Tax - What are the Pertinent Sales Facts?

(thousand \$)

Retail Trade Sales	\$5,100,903
Less Food Store Sales	<u>(\$1,125,171)</u>
Net Retail Trade Except Food Stores	\$3,975,732

Retail Services Sales	\$2,526,885
Less Health & Social Services	<u>(\$ 612,490)</u>
Net All Other Services	\$1,914,395

Net Retail Trade & Services	<u>\$5,891,127</u>
--	---------------------------

**A 1% Tax on Retail Trade &
Services Would Raise \$58.9 million.**

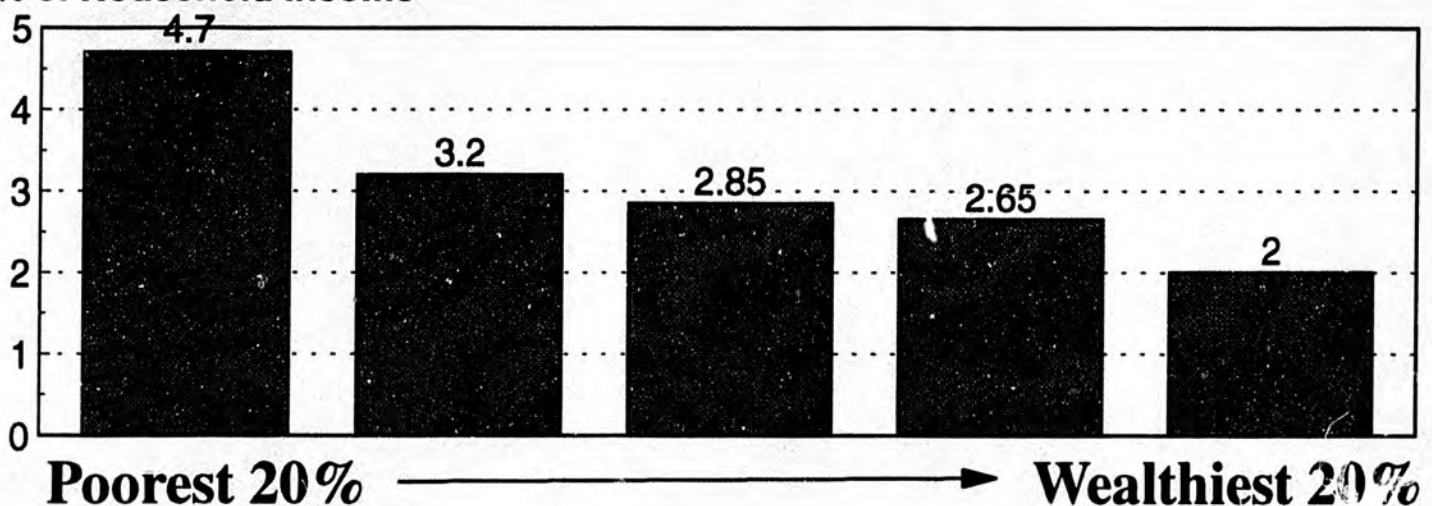
Not included in this analysis: Agriculture, Mining,
Construction, Manufacturing, Transportation, Utilities,
Wholesale Trade.

Source: US Department of Commerce; DOR estimates

Sales Tax Economics

- ▶ **For a 4% sales tax raising \$235 million:**
 - \$20 million comes from non-residents
 - \$215 million in direct spending is removed from the Alaska economy
- ▶ **\$75 million in secondary spending is removed from the Alaska economy**
- ▶ **Total spending reductions of \$290 million results in the loss of 3,500 jobs**
- ▶ **Who pays?**

% of Household Income



Source: ISER Fiscal Policy Paper Number 8, December 1993;
Department of Labor

Sales Tax in Other States

- ▶ **Of the 45 states with statewide sales tax,**
 - ✓ **26 exempt food**
 - ✓ **44 exempt prescription drugs**
- ▶ **Tax rates range from 3.0% to 7.0%**
- ▶ **DOR revenue estimate includes taxation of services. This action has received considerable opposition in other states.**

Excise Taxes

► Highway Motor Fuel

Each \$0.01/gallon increase results in \$2.9 million in additional revenue

► Tobacco

Each \$0.01/pack increase results in \$0.5 million in additional revenue

► Liquor

Each \$0.50/gallon increase results in \$550,000 in additional revenue

► Wine

Each \$0.05/gallon increase results in \$62,500 in additional revenue

► Beer

Each \$0.01/gallon increase results in \$136,000 in additional revenue

Source: DOR estimates

FY95 Income and Excise Tax Revenues

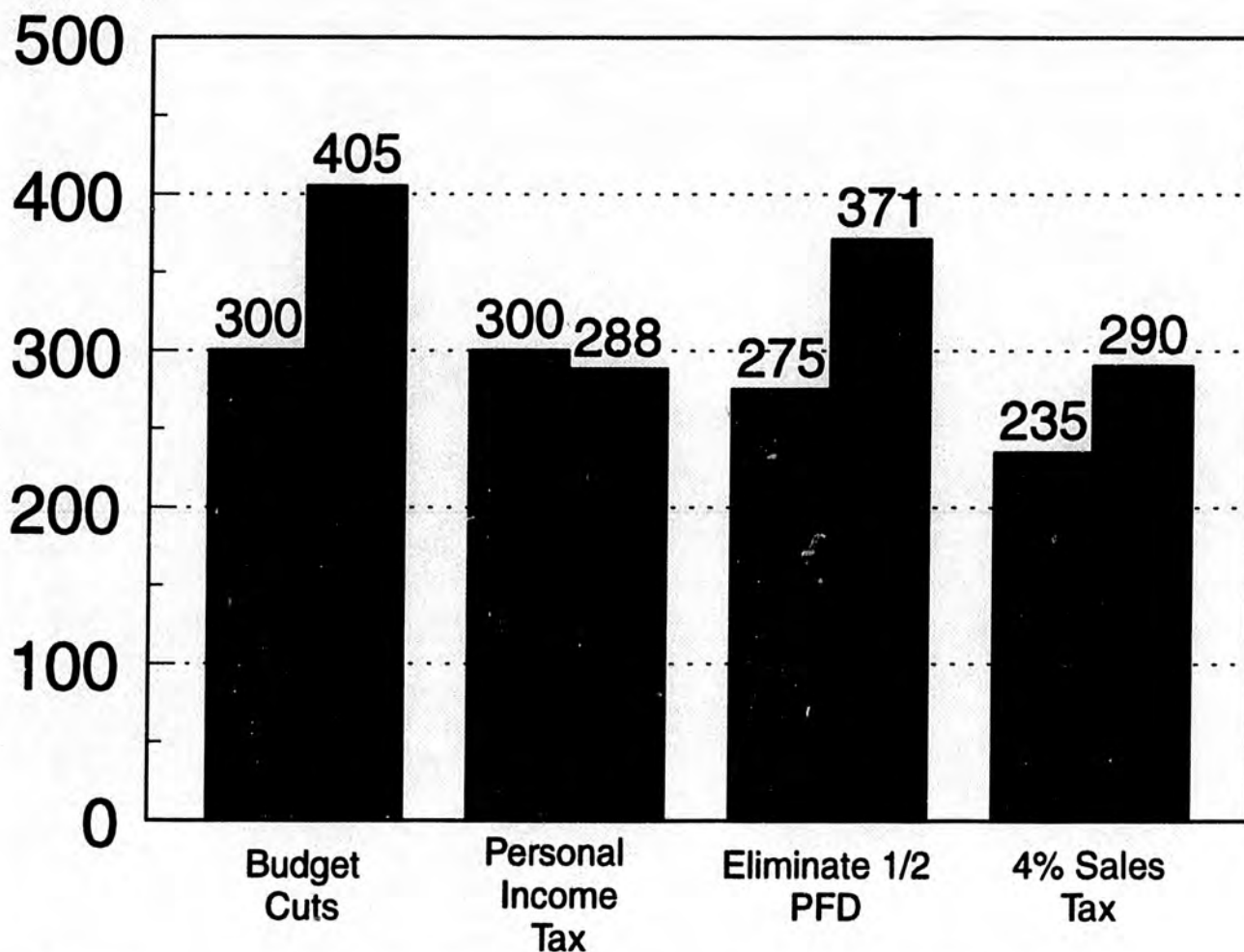
Corporation Net Income	\$195,616,000
Motor Fuel	\$ 40,507,000
Tobacco	\$ 17,087,000
Alcoholic Beverages	\$ 11,969,000
Fisheries Taxes	\$ 46,330,000
(50% shared to local gov't)	
Fisheries Program Receipts	\$ 13,600,000
Mining License	\$ 343,000
TOTAL	\$325,452,000

Source: DOR estimates

Economic Effects of Various Gap Closing Measures

Dollars Removed from the Economy

million \$



Revenue Raised or Expenditure Reduction

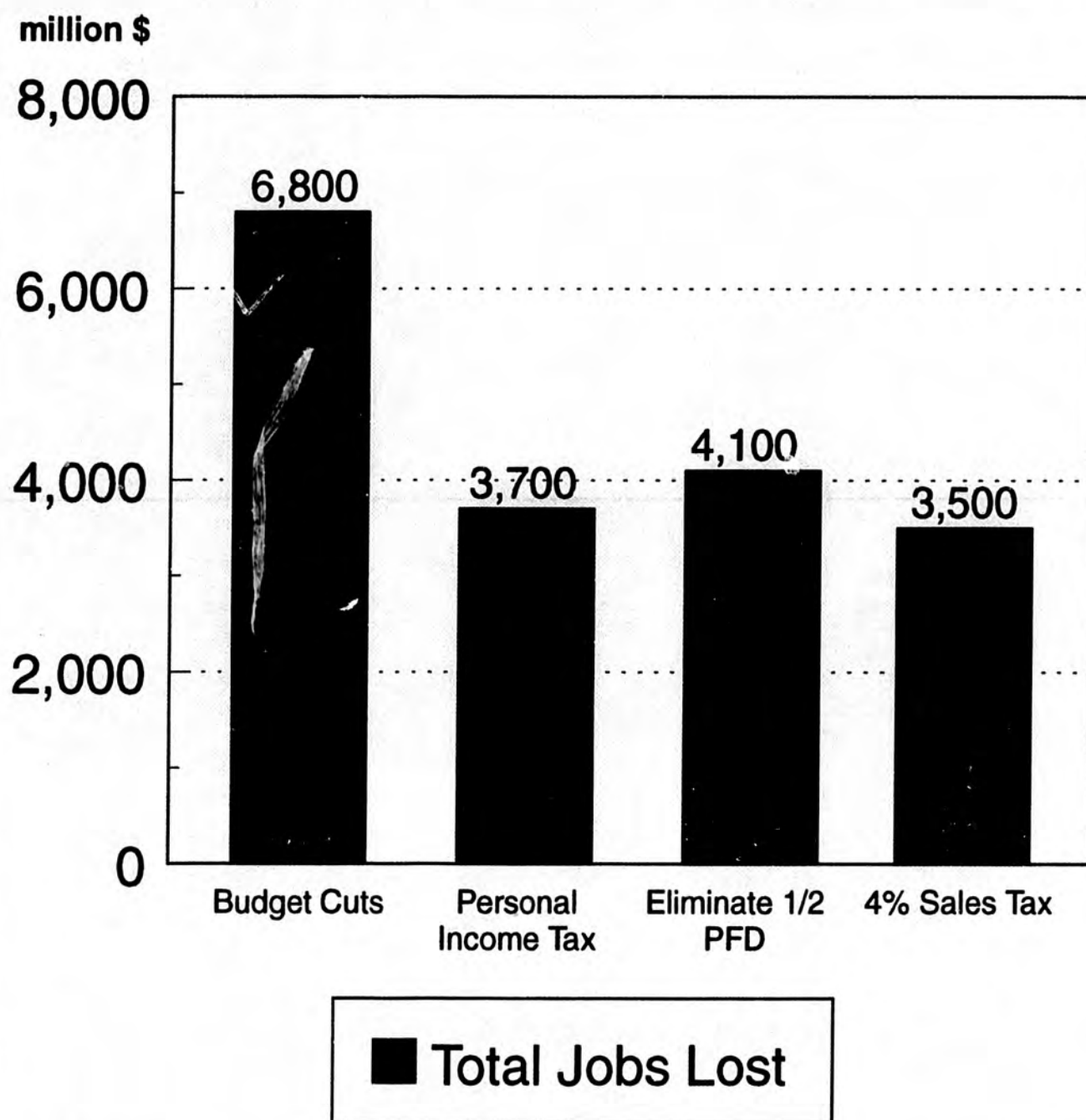


Total Economic Loss Including the Multiplier Effect

Source: ISER Fiscal Policy Paper Number 8, December 1993;
Department of Labor

Economic Effects of Various Gap Closing Measures

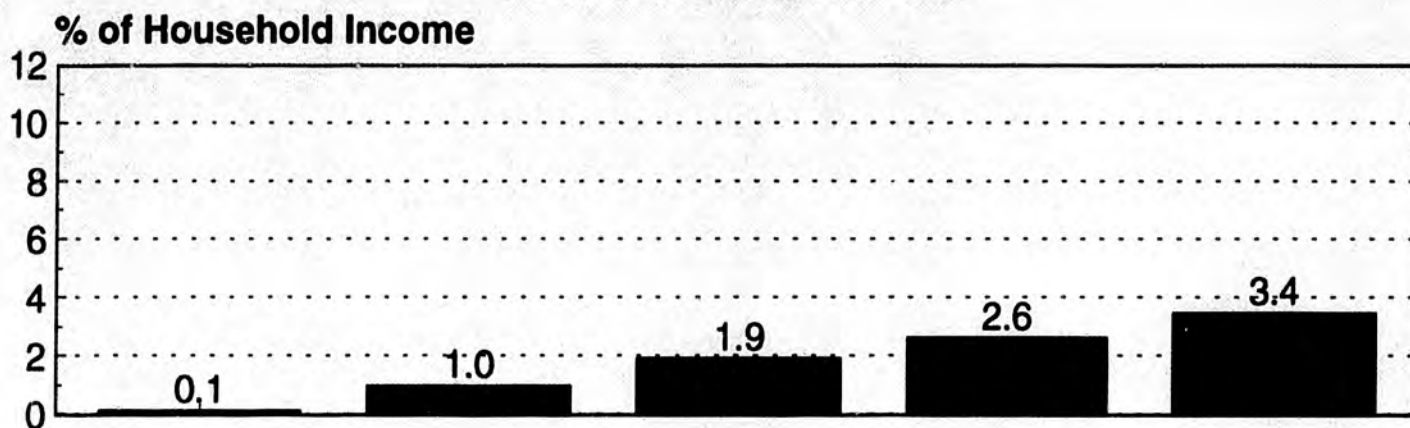
Jobs Lost in the Economy



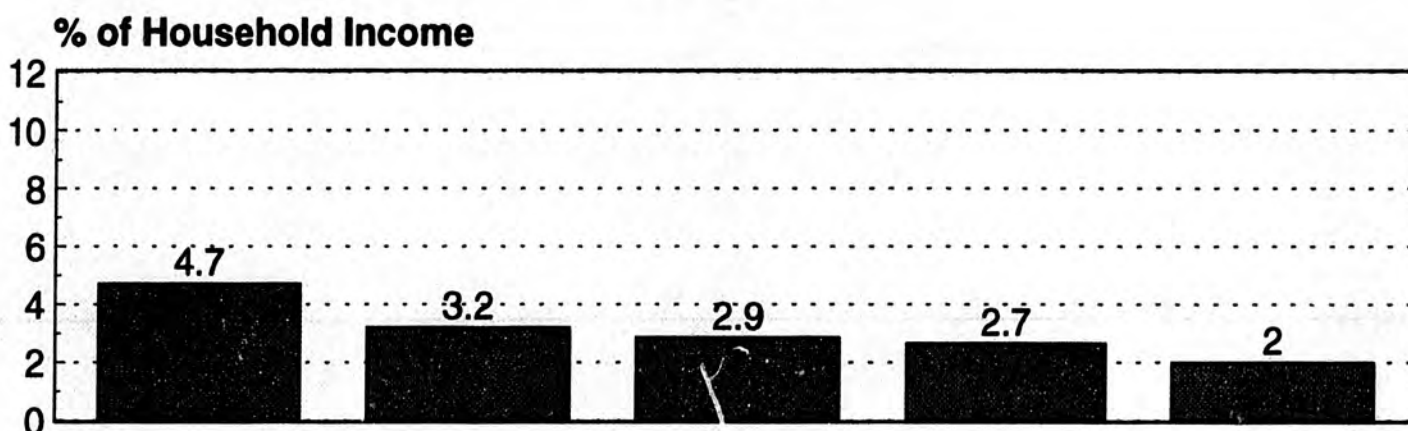
Source: ISER Fiscal Policy Paper Number 8, December 1993;
Department of Labor

Economic Effects: Who Pays?

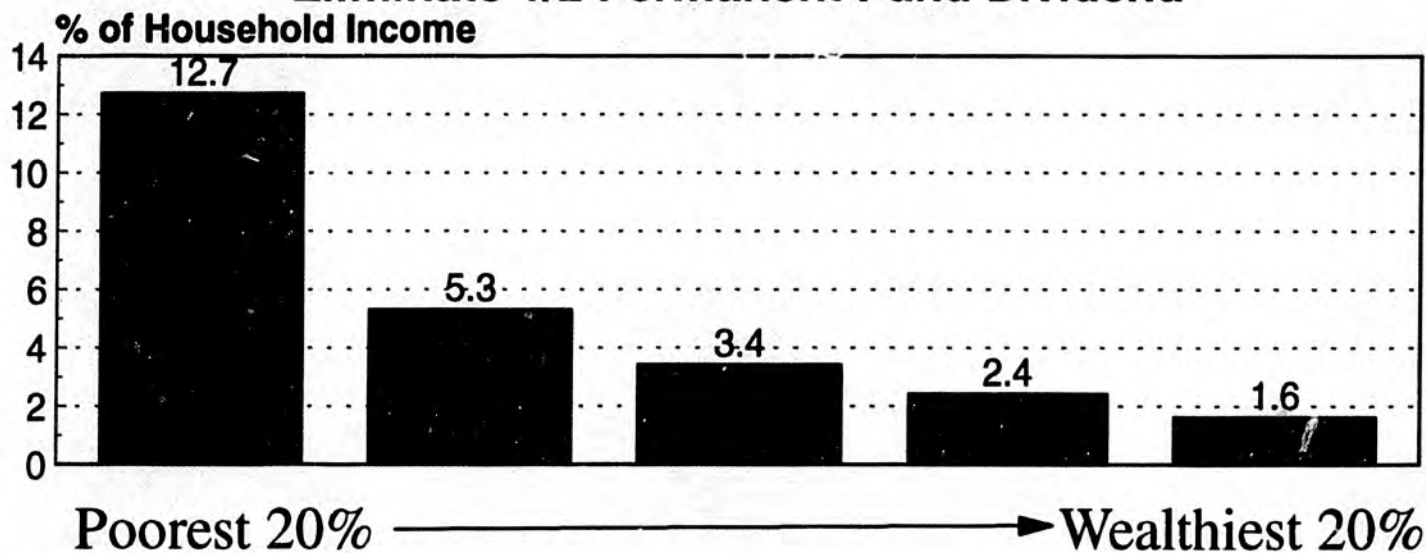
Personal Income Tax



Sales Tax



Eliminate 1/2 Permanent Fund Dividend



Source: ISER Fiscal Policy Paper Number 8, December 1993;
Department of Labor

**Constitutional Budget Reserve
Fund --
Principle and Interest Earnings**

Constitutional Budget Reserve Fund Options

► Save and Use Earnings

- Provides \$140 million/year to make ends meet for the long term
- Provides a reserve

► Spend it to maintain flexibility or cover gap until exhausted

- Defers need to deal with problem
- May make the problem "bigger" when fund exhausted

Spending the Constitutional Budget Reserve Fund

**State warrants will bounce on
October 31, 2000**

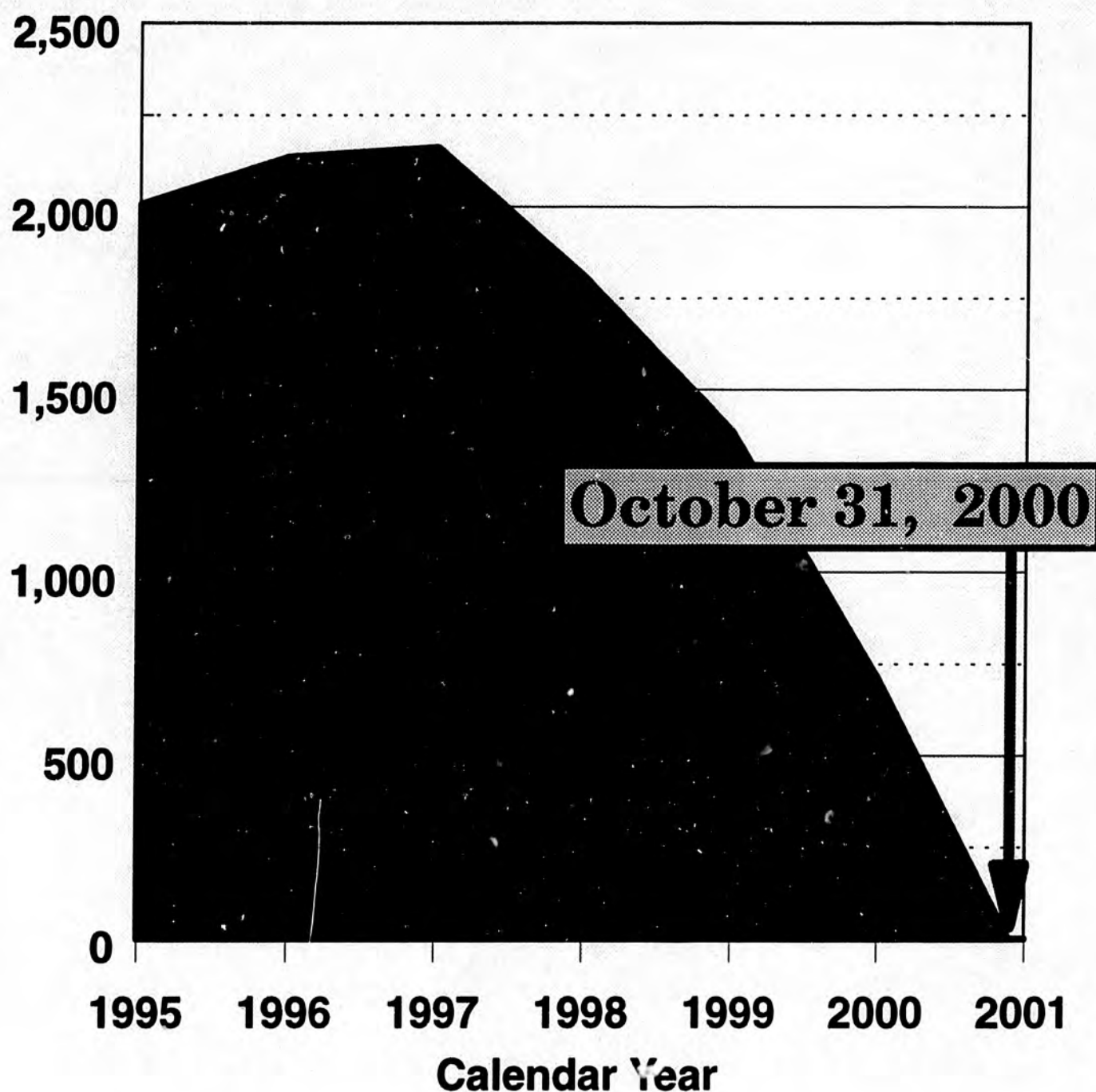
Assume:

- ▶ **Annual Budget Growth of 3%**
- ▶ **Capital Budget Constant at FY96 Level**
- ▶ **\$16.50/bbl (real) oil prices, plus \$50M/yr from AHFC and \$40M/yr from other sources**
- ▶ **FY96 & FY97 settlements of \$500M into CBRF**
- ▶ **FY98 & FY99 settlements of \$150M into CBRF**

Source: DOR estimates

Projected Constitutional Budget Reserve Fund Balance

million \$

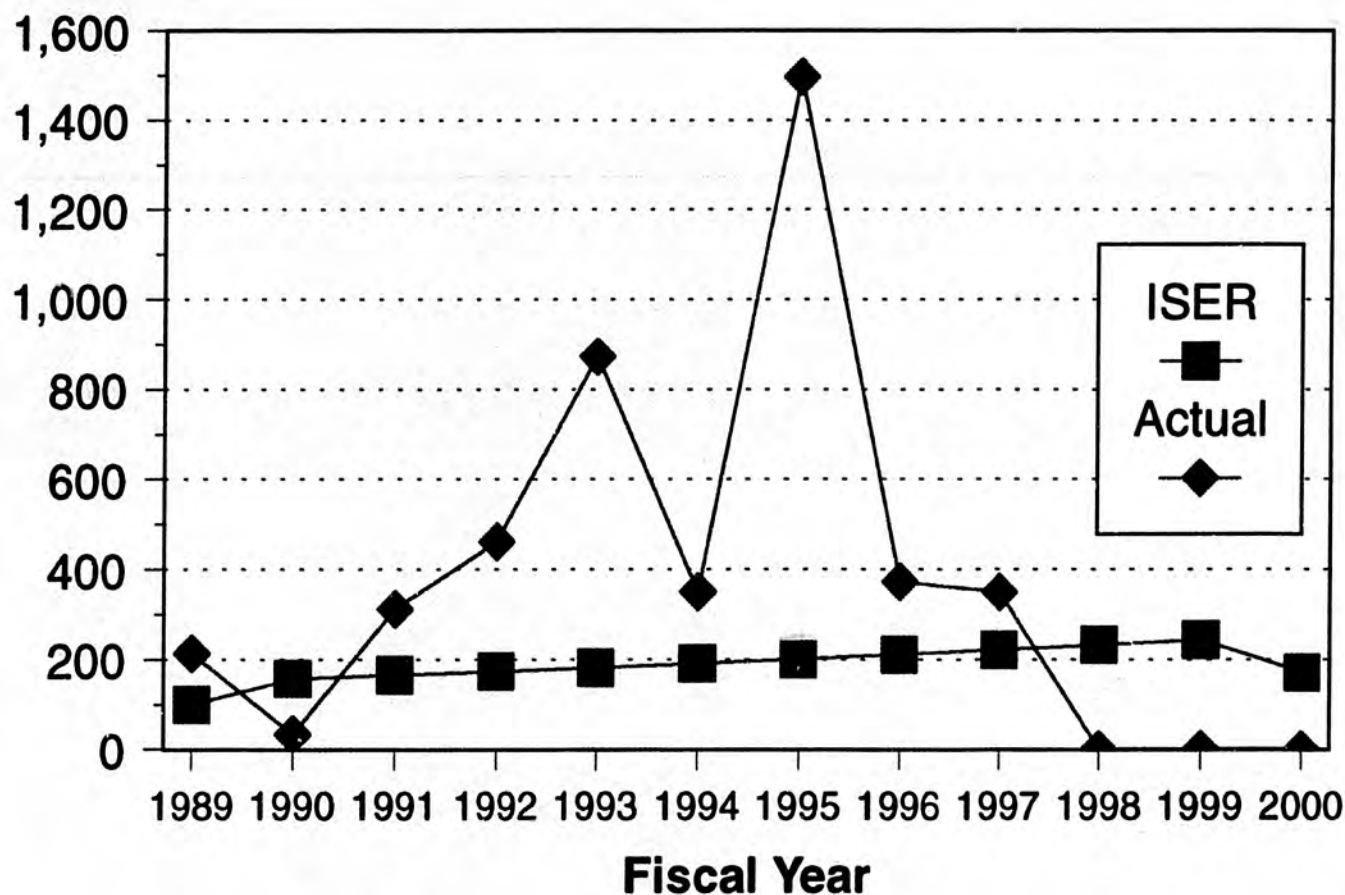


Source: DOR estimates

Revisiting the Fiscal Gap: Oil & Gas Settlements

- ▶ ISER projected \$2.25 billion in total settlements. From FY89-present, the State has received \$3.76 billion; in addition, BP will make two \$350 million payments in December 1995 and December 1996.
- ▶ The State has one large remaining oil tax dispute.

million \$



Source: ISER Fiscal Policy Paper Number 1, August 1989 ; DOR records

Table 4 - Revenue Collections Detail

	FY 94	FY 93	FY 92
CORPORATION NET INCOME			
General Fund			
Current Year Tax Before Credits			
Regular Corporations	\$ 44,438,292	\$ 25,549,028	\$ 36,519,357
Oil and Gas Corporations	50,455,794	117,618,112	118,037,309
Less Alaska Education Credit	(793,783)	(469,178)	(95,250)
Total Current Year	94,100,303	142,697,962	154,461,416
Payments (Refunds) from Amended Returns	(32,343,616)	84,462,020	1,947,249
Total Receipts - General Fund	61,756,687	227,159,982	156,408,665
Constitutional Budget Reserve (CBRF)			
Chapter 20 - Worldwide Apportionment	32,048,325	555,371,360	1,836,347
Chapter 21 - Separate Accounting	81,690,758	89,723,154	41,778,133
Total Receipts - CBRF	113,739,083	645,094,514	43,614,480
Total Receipts - All Funds	\$175,495,770	\$872,254,496	\$200,023,145
MOTOR FUEL			
Highway	36,274,833	38,703,424	40,127,477
Aviation	9,088,513	9,566,039	10,718,058
Marine	8,369,921	9,011,190	9,369,890
Penalties and Interest	59,111	55,397	72,567
Less Timely Filing Deductions ¹	(64,824)	(65,037)	(61,643)
Gross Receipts	53,727,554	57,271,013	60,226,349
Less Claims for Refund	(13,220,781)	(16,528,105)	(16,979,666)
Total Receipts	40,506,773	40,742,908	43,246,683
Less Aviation Fuel Tax Shared	(109,852)	(116,796)	(110,166)
Amount Retained by State	\$40,396,921	\$40,626,112	\$43,136,517
¹ Taxpayers may deduct lesser of 1% of tax due or \$100 if return is timely filed (AS 43.40.010)			
FISHERIES BUSINESS			
Established			
Shore-based	16,395,401	22,549,210	13,583,954
Floating	12,637,377	13,100,428	11,189,986
Cannery	4,109,362	5,138,902	3,990,951
Developing			
Shore-based	26,598	200,628	1,137,683
Floating	905	31,052	221,111
1994 Prepayments	1,048,143	1,175,517	1,833,028
Penalties and Interest	93,399	341,128	280,179
Fisheries Business License Fees	15,275	14,425	13,100
Total Tax Before Credits	34,326,460	42,551,290	32,249,992
Less Credits			
Winn Brindle	(398,876)	(367,458)	(311,745)
Fisheries Business	0	(17,423)	(1,769,550)
Alaska Education	(500)	(575)	0
Total Receipts	33,928,444	42,165,834	30,168,697
Less Fisheries Tax Shared			
Department of Revenue	(16,344,252)	(20,895,923)	(14,617,512)
Department of Community and Regional Affairs	(837,572)	(675,507)	N/A
Amount Retained by State	\$16,746,620	\$20,594,404	\$15,551,185

Table 4 - Revenue Collections Detail

	FY 94	FY 93	FY 92
TOBACCO			
Cigarette	15,548,201	15,843,756	15,946,650
Tobacco Products	1,403,775	1,223,616	1,184,040
Penalties and Interest	2,937	8,707	13,070
Less 1% Deductions ¹	(166,910)	(165,271)	(171,297)
Total Receipts	16,788,003	16,710,808	16,972,464
Less Amount Transferred to School Fund	(2,654,890)	(2,668,122)	(2,721,688)
Amount Retained in General Fund	\$14,133,113	\$14,042,686	\$14,250,776
¹ Taxpayers may deduct 1% of tax due (AS 43.50.090)			
ALCOHOLIC BEVERAGES			
Liquor	6,129,284	6,159,754	6,332,885
Beer	4,769,868	4,643,698	4,695,065
Wine	1,056,462	1,095,353	1,006,228
Total Receipts	\$11,955,614	\$11,898,804	\$12,034,178
SALMON ENHANCEMENT			
Aquacultural Region			
Southern Southeast	1,813,247	1,805,983	1,310,027
Northern Southeast	1,088,658	1,133,843	891,518
Kodiak	796,821	852,676	751,946
Cook Inlet	610,053	1,957,437	339,692
Prince William Sound	434,271	656,014	571,389
Chignik	196,101	304,370	227,264
Total Aquacultural Regions	4,939,151	6,710,323	4,091,836
Penalties and Interest	15,064	35,512	62,304
Total Receipts	\$4,954,215	\$6,745,835	\$4,154,140
APUC REGULATORY COST CHARGES			
(Program Effective 11/1/92)			
Electric Utilities	1,815,175	1,084,080	N/A
Telephone Utilities	1,028,825	503,888	
Other Utilities	968,426	550,337	
Pipeline Carriers	444,702	241,077	
Penalties and Interest	13,595	959	
Total Receipts	\$4,270,723	\$2,380,341	
SALMON MARKETING			
(Tax Effective July 1, 1993)			
Tax Receipts	3,011,895	N/A	N/A
Penalties and Interest	7,048		
Total Receipts	\$3,018,943		
SEAFOOD MARKETING ASSESSMENT			
Seafood Marketing Assessments	2,718,316	3,535,259	2,725,796
Penalties and Interest	6,909	27,988	17,434
Total Receipts	\$2,725,225	\$3,563,247	\$2,743,230

Table 4 - Revenue Collections Detail

	<u>FY 94</u>	<u>FY 93</u>	<u>FY 92</u>
ESTATE			
Total Receipts	<u>\$1,616,313</u>	<u>\$918,402</u>	<u>\$1,029,064</u>
ELECTRIC COOPERATIVE			
Total Receipts	1,355,282	1,275,532	1,291,865
Less Cooperative Taxes Shared	<u>(1,286,917)</u>	<u>(1,206,324)</u>	<u>(1,224,686)</u>
Amount Retained by State	<u>\$68,365</u>	<u>\$69,208</u>	<u>\$67,179</u>
TELEPHONE COOPERATIVE			
Total Receipts	1,253,906	903,378	808,807
Less Cooperative Taxes Shared	<u>(1,213,665)</u>	<u>(861,372)</u>	<u>(770,933)</u>
Amount Retained by State	<u>\$40,241</u>	<u>\$42,006</u>	<u>\$37,874</u>
ALASKA BUSINESS LICENSE			
Total Receipts	<u>\$573,629</u>	<u>\$0</u>	<u>\$0</u>
MINING LICENSE			
General Fund			
Current Year Tax Before Credits	311,894	564,140	464,857
Less Alaska Education Credit	<u>(150,000)</u>	<u>(150,000)</u>	<u>(3,100)</u>
Total Receipts - General Fund	161,894	414,140	461,757
Total Receipts - CBRF	<u>7,491</u>	<u>11,467</u>	<u>3,396</u>
Total Receipts - All Funds	<u>\$169,385</u>	<u>\$425,607</u>	<u>\$465,153</u>
FISHERY RESOURCE LANDING (Tax Effective January 1, 1994)			
Total Receipts (Estimated Payments)	<u>\$102,424</u>	<u>N/A</u>	<u>N/A</u>
COIN-OPERATED DEVICES			
Tax Receipts	94,891	106,361	107,352
Penalties and Interest	614	1,833	498
Total Receipts	95,505	108,194	107,850
Less Device Tax Shared	<u>(47,161)</u>	<u>(48,289)</u>	<u>(51,881)</u>
Amount Retained by State	<u>\$143,849</u>	<u>\$168,099</u>	<u>\$163,818</u>
INDIVIDUAL INCOME			
Total Receipts	<u>\$16,000</u>	<u>\$16,460</u>	<u>\$237,716</u>
CIGARETTE LICENSE FEES (Deposited Directly to School Fund)			
Total Receipts	<u>\$3,435</u>	<u>\$3,760</u>	<u>\$3,545</u>

**THE FOLLOWING DOCUMENT HAS NOT
BEEN FILMED BUT IS AVAILABLE IN THE
ORIGINAL FILE.**

State of Alaska

DEPARTMENT OF REVENUE



**INCOME AND EXCISE AUDIT DIVISION
ANNUAL REPORT**

For the Fiscal Year Ended June 30, 1994

Alaska Department of Revenue
Income and Excise Audit Division
Larry E. Meyers, Director
550 West 7th Avenue, Suite 560
Anchorage, Alaska 99501-3556
(907) 269-6620 Phone
(907) 269-6644 Fax

SCOMM

101:59

BP/OMB
January 10, 1994

Draft Transmittal Letter for Exclusive Access Fishery Royalty Tax

The Honorable Ramona Barnes
Speaker of the House
Alaska State Legislature
Room 208, State Capital
Juneau, AK 99801-1182

Post-It™ brand fax transmittal memo 7671		# of pages > 3	
To	Melissa	From	Pierce
Co.	CRFPC	Co.	OMB
Dept.		Phone #	465-4677
Fax #	258-9849	Fax #	3008

Dear Speaker Barnes:

Under the Authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill instituting an exclusive access fishery royalty tax to apply to the gross earnings of permit holders in commercial fisheries to which the state has limited entry.

This royalty tax bill is one of four relatively modest revenue proposals I am offering this session to help offset the large revenue shortfalls the state is facing in fiscal year 1995 and in the years to follow. Passage of this legislation will also correct a long-standing imbalance in the state's fiscal system with respect to natural resource development. The fundamental idea underlying this proposal is that whenever the state grants exclusive harvest rights to a common property resource, it has an obligation as owner to collect a rent on behalf of the public for that privilege. This is the same rationale that the state has traditionally applied to oil leases.

When limited entry was established twenty years ago, it was never intended to develop into an exclusive club or to create artificial wealth for permit holders. The purpose of limited entry was to allow the state to better manage its fisheries resources in accordance with the sustained yield principle embodied in the Alaska Constitution. This bill will collect a premium from those who enjoy a special harvest privilege according to the amount of benefit they derive from their exclusive rights. The tax rate will be gradually increased over a four year period beginning with a two percent rate in 1995, increasing to five percent by 1998 and thereafter. Recognizing the great diversity in Alaska's fisheries, and the fact that a large percentage of permit holders have low incomes, especially in rural areas, those permit holders with less than \$10,000 per year

aggregate gross earnings in limited fisheries would receive a refund of their royalty payments.

In recent years, Alaska's limited entry system has come under increasing legal attack, both from the Internal Revenue Service, which considers limited entry permits to be property that can be seized for back taxes, and from individuals who have been denied permits and challenge the constitutionality of the law as creating a privileged class of citizens. The clear trend of court decisions affecting the status of the present system is to treat a limited entry permit as a property right conferred by the state. Without collecting some rent for the right of exclusive harvest, it appears that the legal status of the entire limited entry system is becoming increasingly precarious. Given the court cases now pending, the proposed royalty tax will help protect the system from further constitutional challenges.

The royalty tax will be collected at the point of first sale to a processor or fish buyer and deducted from gross revenues on the fish ticket, similar to the way in which the fisheries business tax is currently administered. Buyers and processors will be responsible for collecting the royalty and remitting the receipts to the Department of Revenue. All limited entry permit holders will pay the royalty, but those earning less than \$10,000 per year in limited fisheries can apply to the Department of Revenue for a refund.

Based on the gross earnings in limited fisheries during the 1982 - 92 period and assuming that the estimated 30% of all permit holders eligible for refunds actually receive them, the royalty can be expected to generate the following revenue stream:

<u>Calendar Year</u>	<u>Royalty Rate</u>	<u>Estimated Revenue</u>
1995	2%	\$ 9.5 million
1996	3%	\$14.2 million
1997	4%	\$18.9 million
1998	5%	\$23.6 million

Certainly the imposition of a royalty means that the state is taking a larger share of the value of the resource and will cause some changes in fishing behavior. It is also likely to reduce the market value of some limited entry permits. In many of Alaska's salmon fisheries, participants who have recently purchased permits have experienced a

significant capital loss during the past few years due to low prices and gross earnings. This will be somewhat offset by new Internal Revenue Service regulations that treat limited entry permits as depreciable capital assets. The phase in aspect of the royalty tax proposal should help recent entrants to limited fisheries by giving them some time to adjust their finances and the refund provision is designed to protect permit holders with low earnings. Thus the royalty should not contribute to permit migration out of rural areas of the state.

Some have argued that the commercial fishing industry in Alaska already pays more in taxes than other renewable natural resource industries and therefore should not bear any additional tax burden. The facts are that the state has never charged a rent for exclusive harvest rights and even after the royalty tax is fully implemented in 1995, the effective tax rate on the ex-vessel value of the limited fisheries harvest will be about half of the rate applied to the wellhead value of petroleum. I think most legislators will agree that the public deserves a fair share of the value of its fisheries resource and I urge your support of this legislation.

Sincerely,

Walter J. Hickel
Governor

SCOMM

101:60

**Economic Sustainability in
Theory and Practice:
The Sad Case of Alaska**

Stephen L. Jackstadt and Dwight R. Lee

*Contemporary
Issues Series 66
July 1994*



Center for the
Study of
American Business
Washington University • St. Louis

Economic Sustainability in Theory and Practice: The Sad Case of Alaska

Stephen L. Jackstadt and Dwight R. Lee

For many, sustainability has become the overriding concern when evaluating economic performance. While seldom defined with operational precision, the general principle behind economic sustainability seems to be avoiding any decision that benefits the current generation at the expense of future generations. According to the World Commission on Environment and Development, "The most commonly-cited definition of 'sustainable development' is: Development that meets the needs of the present without compromising the ability of future generations to meet their own needs."¹

Most people would agree with the sentiment that economic sustainability appears to embrace. And if the advocates of sustainability contented themselves with broad statements of their concern for the future, few would object. But those most vocally in favor of economic sustainability insist on being specific about what they see as the major threat to sustainability and the appropriate means for overcoming that threat. With few exceptions, they see the threat as the greed and short-sightedness of the market economy, with political action required to promote the far-sighted concern that is the hallmark of economic sustainability. For ex-

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ample, in criticizing the market's discounting of the future, Vice President Al Gore approvingly quotes Herman Daly's statement, "There is something fundamentally wrong in treating the earth as if it were a business in liquidation."² Or consider the statement by Lester Milbrat, Emeritus Professor of Political Science at the State University of New York at Buffalo:

Markets are very poor in providing foresight to deal with future problems. . . . Markets typically fail to recognize [the finiteness] of supply if the current supply is plentiful and cheap. Markets . . . have perpetually undervalued the earth. This failure imposes on future generations the costs we blindly refuse to pay. Only collective political decisions can provide focus and direction for the myopic vision of markets.³

There are many such statements attesting to the widespread belief that economic sustainability demands that political decisions be substituted for market decisions. The popularity and persistence of this belief is surprising given the undeniable record of market economies in achieving not just economic sustainability, but economic growth. In market economies, the well-being of successive generations has been persistently improved, with well-being broadly defined to include longevity, leisure time, and environmental quality.

The success of market economies when measured against the objectives of sustainability is not only easily observed, it is readily explained. Private property rights and voluntary exchange, the two hallmarks of any market economy, have been increasingly recognized by economists as essential for creating the information and motivation for people to appropriately take into consideration the future conse-

quences of their actions.⁴ And because political decisions are not guided by the incentives provided by private property and voluntary exchange, there is little basis for believing that political action outperforms market action in highlighting the importance of the future. Indeed, both the insights of economic analysis and the evidence, strongly suggest that the goal of economic sustainability is poorly served by substituting political decisions for market decisions.

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This study considers an example of a state government that could have realized fiscal sustainability with a far-sighted approach to its natural resource endowment. The fiscal windfall that the state of Alaska received from North Slope petroleum presented the state government with a unique opportunity to realize a sustainable benefit from a nonrenewable natural resource. This opportunity has been squandered despite the dire and easily foreseeable consequences. Some efforts were made in Alaska to preserve the temporary oil wealth, but these efforts were more than offset by myopic incentives that exist in all political settings. Alaska's response to its oil revenue windfall should serve as a warning to those who see government action as the appropriate way of achieving sustainability in the use of our natural resources.

A Brief History

The discovery of oil at Prudhoe Bay on Alaska's North Slope in 1968 dramatically altered the state government's revenue picture. The first large infusion of Prudhoe Bay revenues to the state came from \$900 million in North Slope oil lease sales in 1969. The \$900 million bonanza (equivalent to \$2.9 billion in 1993 dollars) was five times the total state budget the year before.⁵

State spending nearly doubled between 1969 and 1971 and increased by 46 percent again in 1972 as the legislature began gearing expenditures to expectations of huge oil revenues once the Trans-Alaska Oil Pipeline was completed. Construction delays pushed the pipeline's completion date back several years, but rapid growth in government spending continued. To bridge the gap between current government spending and expected oil revenues, the state raised severance taxes on oil again and enacted a "reserves tax" in 1976 on holders of North Slope oil and gas leases which due to a rebate provision was really a forced loan from the oil companies.⁶

The Trans-Alaska Oil Pipeline was finally completed in 1977 and oil began flowing to the Valdez tanker terminal in July of that year. State revenues from royalties and yet higher severance taxes began to rise slowly at first, but when the Iranian Revolution pushed oil prices to over \$30 per barrel in 1980 (\$58 per barrel in 1994 dollars), state revenues increased dramatically. General fund revenue skyrocketed from \$1.1 billion in 1979 to \$4.5 billion in 1982. State spending out of the general fund also spiraled upward, growing from \$1.4 billion in 1980 to \$3.6 billion the following year. From 1981 through 1988 Alaska's state spending increased nearly 20-fold, with total state spending over this period amounting to \$34

billion, or about \$70,000 for each Alaskan resident.⁷

As oil revenues soared, the taxes paid by Alaskan residents plummeted. The individual income tax and several other state taxes were repealed in 1979-80. As a result, real taxes paid to the state by individual Alaskans after 1980 were only 14 to 16 percent of the real taxes they paid during FY 1976.⁸

In 1990, Alaska per capita state spending was almost four times the national average.

Alaskans also eased their tax burdens at the local level as state dollars flowed to schools and municipalities. By 1982, tax rates in boroughs throughout the state were 30 to 40 percent lower than they had been before the opening of the pipeline. The only exception was the newly-formed North Slope Borough, where property tax rates were increased by more than 50 percent since nearly all property taxes were paid by oil companies operating at Prudhoe Bay.⁹ Alaska's tax burden is ranked fifty-first, behind all other states and the District of Columbia.¹⁰

Since Alaskans pay only a small percentage of the taxes needed to finance government spending, there is little public opposition to government spending. It is easier for Alaskan politicians to increase taxes on the oil industry than to resist constituent demands for more spending. Taxes on the oil industry have increased eleven times since 1955. Currently Alaska's tax rates on oil producers are the highest in the United States.¹¹

With Alaska able to export almost all of its tax burden, it is not surprising that the state dominates the competition in per-capita state spending. In 1990, Alaska per capita state spending was almost four times the national average and nearly two-and-a-half times higher than that of Wyoming, its closest competitor. The additional per-capita spending in Alaska is far in excess of the amount that can be explained by the higher cost of living in Alaska.

The Path Not Taken

The magnitude of the fiscal windfall to Alaska provided the state with a unique opportunity to realize sustainable benefits from its natural resource endowment. The state could have increased total spending in response to the population growth motivated by the development of its petroleum resources and also guaranteed that the revenue from those resources continued to provide indefinitely for future generations of Alaskans. If the state government of Alaska had behaved in the far-sighted way that the most vocal advocates of sustainable growth believe government will, it would have saved enough of the temporary oil revenues to generate the interest income necessary to sustain state spending at generous levels.

The state did try to preserve some of its oil wealth, which everyone recognized as a temporary windfall. In response to a voter-approved amendment to the Alaskan constitution, in 1976 the state began depositing a portion of all mineral lease rents and royalties into what is known as the Permanent Fund. Special legislative appropriations helped fatten the fund, and by the end of 1993 the value of the Fund's investments totaled \$15.6 billion — roughly \$26,000 for each Alaskan citizen. Each year some of the Fund's earnings go to "inflation

proof" the principal and by formula most of the remainder is paid out to Alaska citizens as a "dividend." In 1993, each man, woman, and child who qualified as an Alaska resident (anyone who has lived in the state for at least one year) received a dividend check in the amount of \$949.46.¹²

However, a state government motivated by the concern of sustainability would have done much more to assure a secure fiscal future for Alaska. In 1967, the year before oil was discovered at Prudhoe Bay, per capita state spending in Alaska was 2.47 times the U.S. average. Adjusting for Alaska's higher cost of living, real spending per capita was still 1.6 times the national average.¹³ Consider a policy where, starting from this already high base, the state had allowed real per-capita spending to grow at a rate equal to the U.S. average through 1993 (adjusting for the year-to-year differences in the cost of living increases between Alaska and the rest of the United States), with the excess revenue having been deposited in Alaska's Permanent Fund. Assuming that this augmented hypothetical fund generated a rate of return equal to that of the actual Permanent Fund, the Fund would have contained \$66.7 billion by the end of 1993.¹⁴

Assuming that the hypothetical fund continues to earn an average real rate of return of 5.15 percent (as it has since it started earning interest in 1978),¹⁵ the real value of the hypothetical Permanent Fund of \$66.7 billion could be maintained indefinitely, with no net additions, with \$3.4 billion being spent each year to finance state spending. This amount is \$500 million (or 17 percent) more than the total state spending in 1993. If the state had not distributed the \$4.47 billion in annual dividend checks to Alaskan residents (which began in 1982), and put it in the Permanent Fund and allowed it to accumulate interest, the hypothetical fund

would have contained \$75.03 billion at the end of 1993.¹⁶ At an interest rate of 5.15 percent, this fund would be producing an annual revenue stream of \$3.9 billion.

In other words, in our completely possible hypothetical world, Alaskans could now be benefiting on a sustainable basis from lavish state expenditures without paying a single cent of state taxes! And our hypothetical exercise understates on two counts the opportunity the Alaska state government had to benefit from a policy of fiscal sustainability. First, the population figures used to determine the hypothetical spending levels are based on the actual population which surely increased in response to the larger actual state spending. Second, if state spending were financed entirely out of interest payments from the hypothetical Permanent Fund, all future revenues from the oil industry could be used to further augment that fund.¹⁷

Surely the program of fiscal sustainability just discussed would have done more to promote the long-run well-being of Alaskans than the program of fiscal depletion that has been the hallmark of Alaskan spending policy since the availability of the North Slope oil revenues.

Wasting Resources and Disregarding the Future

There is little evidence from Alaska's recent fiscal history that politicians are motivated by the ideals of sustainability. The Alaskan state legislature has spent most of the huge, but temporary, influx of state oil revenue catering to the short-run interests of organized interest groups. This political process has allowed the current generation of Alaskans to capture benefits at the expense of future generations by plundering much of the wealth of a nonrenew-

able natural resource. The almost total disregard that political decision-makers show for sustainability can be seen in just a few of the spending programs that have been funded in Alaska with the windfall from the oil tax.

The Alaskan state legislature has spent most of the temporary influx of state oil revenue catering to the short-term interests of organized interest groups.

Barley Boondoggle

The state of Alaska has spent more than \$50 million in an attempt to promote Alaskan barley farming. This money has gone for loans which were never repaid, and the construction of access roads, rail lines, hopper cars, and grain elevators, all designed to facilitate the transportation and storage of large quantities of barley which were never grown. And many of the Alaskan farmers who were taking money from the state to grow barley were double-dipping — simultaneously taking money from the federal government *not* to grow barley.¹⁸

First-Class Trip

Many public-school students in Alaska are treated to field trips that make the typical visit to the zoo as exciting as extra homework. The Bering Strait School District, for example, received a \$300,000 grant from the Alaska Department of Education in 1980 as part of an "adventure based" education program. This grant was used to finance a tour of Europe for high-school students. The \$88,414 cost of travel was expensive, but the largest expense was the \$106,034 paid to "specialists" in ad-

venture-based education who arranged the trip and accompanied the students to Europe.¹⁹

Sour Milk

In a failed attempt to start a local dairy industry, the state gave away over 14,000 acres of land and made \$20 million in loans to would-be dairy farmers. Virtually none of the money has been repaid.²⁰ To provide an outlet for Alaska milk the state bought a creamery and promised to pay above-market prices to Alaska dairies. Since Alaskans could buy milk cheaper from Seattle, the price support scheme collapsed within a few years. The creamery, still owned by the state, continues to limp along by purchasing most of its milk from Washington State.²¹

A Dog's Life

The Alaska Renewable Resources Corporation (ARRC) was established in 1978 to provide venture capital for developing businesses based on Alaska's renewable resources. Some rather bizarre projects have received ARRC loans. Probably the strangest project funded, out of a field of strong contenders, was one for dog-powered washing machines.²² By 1987, three years after the legislature voted to terminate the program, ARRC had written off \$28 million in bad loans.²³ The success of Alaska's overall state loan program (of which ARRC is but a small part) has also been dismal. As of the end of 1987, over \$233 million in loans made by the Alaska state government were in default and another \$1 billion were delinquent.²⁴

Pay Per View

LearnAlaska, an instruction telecommunications system operated by the University of Alaska, was established by the state in 1981 to bring instructional programs to every Alaska village with a population of twenty-five or

more. Six years and \$23 million later, LearnAlaska was finally dropped as a bad idea. Barry Willis, Alaska's Director of Instructional Development during those years, called LearnAlaska "a technological solution in search of an educational problem which it never found." LearnAlaska did little more than duplicate RATNET, the state entertainment network that brings programs like Monday Night Football, General Hospital, The Simpsons, and Beverly Hills 90210 to rural areas at state expense.²⁵

Plenty of Pork

If one looked only at state spending it would be reasonable to conclude that Alaskans have prodigious appetites for the cultural, artistic, and athletic. Enormous sums have been spent building performing arts centers, convention centers, and sports arenas in towns and cities throughout the state. Even in the most populated cities these structures stand as monuments to government profligacy. The \$70 million Performing Arts Center constructed with state money in Anchorage loses over \$1 million annually even when all of the capital cost of the center is ignored.²⁶

This special-interest waste has insured that the long-run prospect for the Alaskan economy is one of painful adjustment and dislocations. The lack of accountability that has made the political decisions so responsive to the short-run demands for wasteful government spending has made them entirely unresponsive to long-run economic realities.²⁷

A bumper sticker commonly seen in Alaska after oil prices plummeted in the mid-1980s read "Please God, Just One More Boom. Next Time We Won't Piss It Away." Since then Alaska has had not one, but two "booms" and in each case Alaskans failed to keep the bumper sticker's promise. In August 1990 when Iraq

invaded Kuwait, oil prices soared temporarily on the fear that Mideast supplies would be interrupted. The result was a \$700 million windfall to state coffers. Instead of treating the revenue as transitory income and saving it, Alaska's politicians used it to maintain spending.

The long-run economic reality for Alaska is that the North Slope oilfields are being depleted.

An even bigger windfall followed in 1992 and 1993 when oil companies, including ARCO, Unocal, BP Exploration, and Chevron agreed to pay the state \$1.7 billion to settle long-running disputes over payments of back taxes and royalties. Again the promise of the bumper sticker was ignored and the governor and legislature appropriated over half the amount, ignoring a law passed by voters in 1990 which specified that such windfalls be placed in a Constitutional Budget Reserve Fund for future use. By spending rather than saving this latest windfall, the state was able to maintain overall spending and more than double capital spending from \$300 million to \$616 million.²⁸

Future Prospects

The long-run economic reality for Alaska is that the North Slope oilfields are being depleted. Since 1989, production at Prudhoe Bay (where virtually all of Alaska's oil is produced) has declined by over 15 percent. Most experts on petroleum recovery predict that even if new oilfields on the North Slope are brought on

line, petroleum production in Alaska will decline to half of what it is today by the year 2004. As oil production declines so will state tax revenues. If state spending from general fund revenues remains at the current (1993) level of \$2.9 billion per year, it will exceed projected revenues by as much as \$1 billion per year by the turn of the century. A recent study by the Institute for Social and Economic Research (ISER) at the University of Alaska in Anchorage concludes that the state is currently spending at an annual rate of \$1.2 billion more than can be sustained in the long run.²⁹ Indeed, Alaska already faces a fiscal crisis. Due to its lack of spending restraint and a drop in world oil prices, projected revenues for the current fiscal year (FY94) fall over \$1 billion short of appropriations. The projection for next year, even if oil prices rebound, is for a budget shortfall of \$600 million.

Even with the most optimistic projection of state oil revenues, there can be no doubt that Alaska faces wrenching economic adjustments. State spending, which accounts for over 33 percent of the jobs and three of every ten dollars of personal income in Alaska, will have to be decreased significantly and taxes on Alaskan citizens will have to be increased significantly. Regardless of the relative mix in spending cuts and tax increases, the effect will be the exodus of a large number of Alaskan residents with a further reduction in the tax base and significant declines in property values. Alaskan natives who have grown dependent on government programs will be harmed the most. According to the ISER, 41 percent of all economic activity in the rural interior is attributable to state spending.³⁰

A preview in miniature of what is likely in store for Alaska may be found in what happened during the 1986-88 recession when falling oil prices reduced tax revenues and forced

state budget cuts of \$1.4 billion over three years. During this period, Alaska lost 22,000 jobs (10 percent of the total) and \$1.07 billion in wage income (13 percent of the total); banks foreclosed on 10,429 residential properties (7 percent of the total). In Anchorage, Alaska's largest city, assessed property values fell by 46 percent and 29,000 people (9 percent of the total population) left the state.³¹

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The looming fiscal crisis in Alaska cannot be blamed on any difficulty in seeing it coming. It has long been recognized that the levels of state spending, and the oil revenues that supported them, could be sustained only temporarily. Neither can the coming crisis be blamed on the inability to respond adequately to it. As we have already seen, the magnitude of the temporary oil revenues is so large, relative to the population of Alaska, that they could have been converted into a generous and sustainable level of per-capita state spending. What explains the lack of fiscal foresight that, on balance, has characterized Alaska's political decisions during its oil boom? The best explanation is not found in some unique aspect of Alaska's situation, but in the myopic tendency intrinsic to all political decision making.

Political Privilege vs. Political Patience

As economists Rodney Fort and John Baden have pointed out, when government takes con-

trol of resources they become common property.³² This is most apparent when government assumes control of the revenue generated by resources. Unfortunately, government revenues are not systematically allocated to their highest valued public use by well-informed and public-spirited political decision makers. The allocation of tax revenues occurs primarily in response to political pressures brought to bear by organized groups, each with a dominant interest in a particular government program.

Predictably, the advantage to each interest group is in grabbing as much tax revenue for itself as possible, as soon as possible. Taking into account the long-run cost of expanding current government commitments would, for an interest group, be an exercise in folly and futility. The special-interest lobbyists who converge in the corridors of government power, including those in the Alaskan capital of Juneau, are surely aware that the long-run interest of all would be best served if each moderates his or her current demands on the public treasury. Yet each special interest also knows, as does every exploiter of a common property resource, that the wealth it fails to capture today will not be invested for its future benefit, but will be captured tomorrow by another special interest. Patience may be a virtue, but it doesn't pay in politics.

The benefits from a government program are typically concentrated on a small organized group (with the benefit to each member of the group being quite large). The tax burden necessary to finance such a program is spread over the entire group of unorganized taxpayers (with the cost to each being very low). So organized political activity is sure to be mobilized in support of any government spending proposal and little if any organized political activity will be

mobilized in opposition. When people organize politically it is almost always to obtain special-interest benefits for themselves, not to oppose the special-interest benefits of others. The result is a bias in the political process that favors transferring wealth into the public sector where it is dissipated as a common property resource with little regard for the long-run consequences.

Organized political activity is sure to be mobilized in support of any government spending proposal and little if any will be mobilized in opposition.

The political bias toward depletion rather than sustainability is amplified in Alaska because of the per-capita magnitude of the oil revenue windfall and because the taxpayers providing this windfall (the consumers of petroleum products) are more remote and dispersed relative to the recipients (those living in Alaska) than is typically the case. But organized special interests tend to dominate the unorganized general interest in all political jurisdictions, elevating immediate concerns over long-run concerns.³³ The most effective way of controlling the adverse effects of political myopia is by imposing strict limits on the ability of government to gain control over resources. Unfortunately, this lesson is being ignored by those who constantly call for more government control to promote their noble objective of protecting the interests of future generations.

Conclusion

Alaska's recent fiscal history is a cautionary tale for those who believe that economic sustainability is best achieved by political means. If ever a government had the opportunity to implement a policy of economic sustainability, it was the state government of Alaska. With the oil tax revenues that began flowing into the state treasury in 1969, Alaska could have maintained per-capita spending at its existing (and generous) rate relative to per-capita spending by the other states, while saving enough to maintain current per-capita spending indefinitely with the interest on the accumulated capital. Such a policy of sustainability has not been the case in Alaska. Most of the oil money that flowed into Alaska's treasury flowed right back out to fund a bewildering array of special-interest programs that have done much to foster dependency on continuing government spending and little to develop an economy that can sustain itself after the oil revenues dry up. Those oil revenues are drying up, and as they do Alaska is going to pay a high price for its political myopia. But even as the fiscal abyss draws near, the occasional oil revenue surges into Alaska's treasury (such as the one that occurred during the 1990-91 Gulf War) are spent rather than saved.

The irresponsible and short-sighted government spending that has been Alaska's response to its oil boom is sad, but not surprising. It is a completely predictable result of the disproportionate influence special-interest groups can exercise through the political process. While such groups would be collectively better off in the long run if all exercised restraint in their demands on government resources, each recognizes that its interest is best served by capturing as much as possible now with little concern for the future.

While disregard for the future may be more apparent in Alaska than in other political jurisdictions, the problem of political myopia is general. The Alaskan case illustrates vividly the perversity of relying on government to promote the ideals of economic sustainability.

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14. The authors arrived at the \$66.7 billion figure by starting with 1967 real per-capita spending in Alaska and increasing it each year by the average national real rate of growth in per-capita state spending. The Anchorage, Alaska Consumer Price Index (CPI) was used to compute the hypothetical nominal rate of Alaska per-capita spending that would have kept pace with the U.S. states' average. By using Anchorage, rather than U.S. prices, the authors compensate for the year-to-year difference in cost of living increases between Alaska and the rest of the U.S. These hypothetical per-capita amounts are multiplied by each year's population to compute the hypothetical total nominal state expenditure. This amount is subtracted from actual nominal spending (which does not include contributions to the Permanent Fund). The difference is assumed to be deposited in a savings account. Interest is then imputed to the account at a rate equal to the change in the CPI plus 3 percent prior to 1978 when interest first began accumulating on the Permanent Fund. From 1978 onward, interest is calculated at the actual nominal rate of return earned by the Permanent Fund. The total amount in the hypothetical savings account is added to the equity in the actual Permanent Fund to arrive at the \$66.7 billion dollar figure. A table outlining these calculations is available from the Center for the Study of American Business.
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Employment and Population Projections 1994 to 2004

Prepared by
The Alaska Department of Labor
Research and Analysis Section

June 1995

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Labor Force and Population Projections 1994 - 2004

I. Summary and Overview

The Alaska Department of Labor forecasts employment in the Alaska economy for the ten-year period from 1994 to 2004 to increase by 10.7%. This is below the trend in the post pipeline period as shown in Figure 1. The primary reason for the projected slower growth is reduced expenditures by both

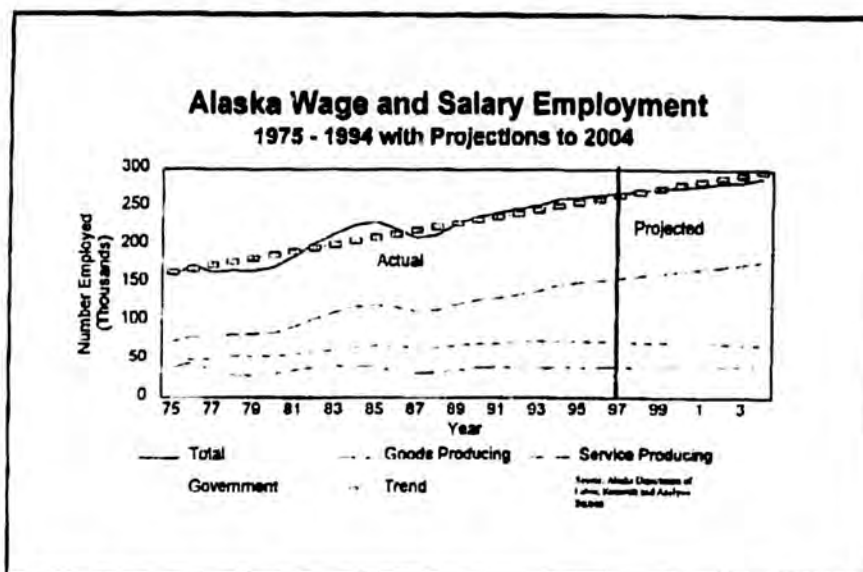
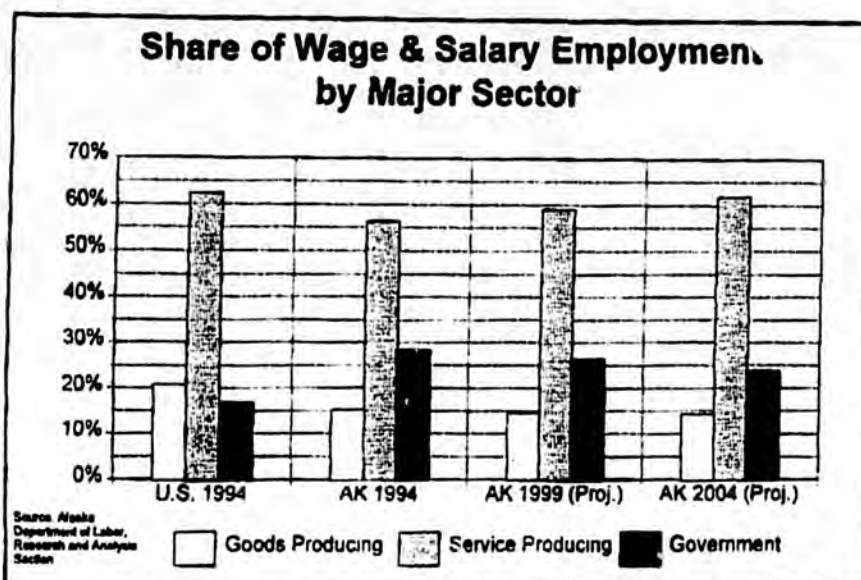


Figure 1

the State and Federal governments. This decrease in the government growth rate is reflected not only in direct employment, but also reduced growth in the construction and service producing industries. As can be seen from Figure 1 only the service producing industries are expected to grow. Employment in the goods producing sector is projected to remain constant and employment in government is expected to decline. One direct ramification is that the average wage earned in Alaska is likely to decline as jobs are shifted from higher paying government and goods producing positions to lower paying service industry jobs. This shift in composition of the labor force is shown in Figure 2 where the proportion of employment is decreasing for government and the goods producing industries and increasing for the service producing industries.

Primary forecast assumptions:

- 1) No State tax increases will be instituted throughout the period
- 2) Production forecasts by the Department of Revenue are correct
- 3) There will be no significant increased valuation of the dollar
- 4) Tourism will continue to grow at present rates
- 5) Trade and services in Alaska will continue to look more like the rest of the country.

**Figure 2**

Substantial decreases in the price of oil which could be brought on by several events (e.g., allowing Iraq to return to full production levels) could make the forecast overly optimistic. (The consensus in the group was that minor increases would be absorbed by increased demand by countries such as China.) Decreases in

tourism or an increase in the value of the dollar would also have adverse effects on Alaska during the 10-year projection period.

Non-covered employment - The analysis in this report is based primarily on civilian non-agricultural wage and salary employment. Several important segments are not included, specifically fishers, the military, and the self-employed. These groups are very important to Alaska and impact on our study indirectly in their consumption of economic goods and services which translate directly into jobs that are measured in Alaska Department of Labor (AKDOL) numbers. Fishers generate some crew employment that is directly reflected in the AKDOL data. Fishers also have a substantial influence on the manufacturing sector, since they supply the raw fish to the processors. Finally, self-employed individuals such as consultants are not required to report to the AKDOL and constitute a large share of those working in Alaska. Self-employment activities are assumed to impact the economy at the same relative level throughout the projection period.

Tourism - Strictly speaking, tourism is not an identified sector of the economy for analytical purposes. Tourism is identified by parts of several, primarily service producing industries that are providing services to travelers to a particular area (this definition of a tourist is consistent with the definition of a tourist within the "industry"). Obviously, tourism activity is very important to Alaska since it provides a significant portion of the economic base in several areas of the state. In our analysis of the service producing sector, tourism was the major driving force to the continued growth of these industries. Tourists are assumed to increase their visits to the state by 37.7% during the first five years of the projections and by another 30.7% during the second

five years. This means that the overall number of tourists visiting the state will increase by nearly 80% during the forecast period. According to our forecasts, it is this growth that will be the driving force in the service sector for the next 10 years.

II. Industry Analysis

A. Agriculture - Agriculture, a small industry in Alaska, does not directly affect non-agriculture wage and salary employment. However, it does have secondary impacts, primarily in the service producing sector and to a more limited extent in the goods producing sector. There is no reason to expect growth in this industry since competition from lower cost areas continues to make it more efficient to produce most agricultural commodities elsewhere.

B. Mining - Oil production at Prudhoe Bay will continue to decline throughout the forecast period. During the first five years of the projection, secondary and tertiary oil recovery efforts are assumed to keep oil field employment slightly above current levels (approximately 6 percent for the five years). The increase during the second five years is expected to total less than one percent (essentially no change in employment). Most of the increase in oil and gas production will occur as a result of preliminary ANWR development which is assumed to start in the last two years of the period (2003-2004).

Hardrock mineral prices are currently being buoyed by the devaluation of the dollar. There is no reason to assume that the dollar will increase in value relative to other currencies until the large U.S. deficit is reduced. Some advances are possible in the near term but overall, the dollar is assumed to maintain its same relative value throughout the forecast period. The result will be an increase in hardrock mining activity throughout the period. The number of jobs in hardrock mining is forecast to increase by at least 1,000 during the second five-year period. This amounts to a 50 percent increase in the hardrock mining sector.

Overall mining employment is projected to increase by 11.4% during the first five years and by 13.6% over the entire ten-year period.

C. Construction - During the first five years, construction activity is expected to decrease as government funded projects decline (particularly State and Locally funded projects). Some construction will occur as a result of tourism and population growth, but not sufficiently to offset the employment decreases resulting from cutbacks in government projects.

Construction in the second five years is forecast to increase at the same rate as the rest of the economy as the construction cuts by State and Local governments cease.