

SCOMM

111:4

ALASKA STATE LEGISLATURE

Rep. Eldon Mulder, Co-Chair
Rep. Kim Elton
Rep. Richard Foster
Rep. Jeannette James
Rep. Beverly Masek
Rep. Gail Phillips



Sen. Tim Kelly, Co-Chair
Sen. Loren Leman
Sen. Georgianna Lincoln
Sen. Robin Taylor
Sen. Gary Wilken
Sen. Mike Miller

DEFERRED MAINTENANCE TASK FORCE

HOUSE CONCURRENT RESOLUTION NO. 8

RESOLVED that the task force shall

(1) review and evaluate state policy and strategy recommendations and assumptions from reports and publications from similar efforts in the past made by the executive branch, the legislative branch, and other public and private individuals and organizations;

(2) identify and evaluate all current and deferred maintenance needs for public facilities, including their location, estimated costs, and the priority with which they should be addressed; the task force shall coordinate with the University of Alaska, the principal state departments, municipalities, the office of management and budget, and other affected entities in order to ensure that the task force's work is as comprehensive and complete as possible;

(3) disseminate information and solicit public comment about its subject of consideration;

(4) submit a report of its findings and recommendations to the Governor and the legislature by the convening of the Second Regular Session of the Twentieth Alaska State Legislature concerning the current scope of deferred maintenance for public facilities and, to the extent necessary, a plan for funding the expenses of the deferred maintenance needs identified by the task force; and be it

FURTHER RESOLVED that the task force may begin work immediately upon the appointment of its full membership and is terminated upon the convening of the Second Regular Session of the Twentieth Alaska State Legislature.

OPENING REMARKS
REPRESENTATIVE ELDON MULDER
CO-CHAIR
TASK FORCE ON DEFERRED MAINTENANCE
MAY 6, 1997
CAPITOL ROOM 205

THANK YOU FOR ATTENDING OUR FIRST MEETING OF THE TASK FORCE ON DEFERRED MAINTENANCE. I AM PLEASED TO BE THE CO-CHAIR FOR THE HOUSE. I AM PLEASED SENATOR TIM KELLY WILL BE THE CO-CHAIR FROM THE SENATE.

I INTEND, DURING THE COURSE OF THIS TASK FORCE, TO COME TO A FULL AND COMPLETE UNDERSTANDING OF THE VOLUME AND LOCATIONS OF OUR DEFERRED MAINTENANCE PROBLEMS IN ALASKA.

I ALSO EXPECT THAT WE WILL COME TO CLOSURE ON A RECOMMENDATION ON HOW TO FINANCE THE DEFERRED MAINTENANCE WE IDENTIFY.

- DESCRIBE CONTENTS OF NOTE BOOK
- ASK IF KEY PEOPLE WANT TO TAKE POINT ON SPECIFIC ISSUES
 - WILKEN -- UNIVERSITY
 - MASEK -- ROADS
 - OTHERS
- TIMING FOR ACTIVITIES
 1. DURING SUMMER STAFF WILL WORK TO COMPILE AND SORT THROUGH REPORTS AND PREPARE INVENTORY INFORMATION FOR THE TASK FORCE AND SUGGESTIONS FOR A PRIORITIZATION PROCESS
 2. SEPTEMBER AND OCTOBER WE WILL VISIT SITES AND HEAR PUBLIC COMMENT ON NEEDS AND SUGGESTIONS ON FINANCING
 3. NOVEMBER WE WILL WORK TO COME TO CLOSURE ON FINANCING PROPOSAL

K + Duke:

→ Budgetary Planning to Build-in mtn. costs
C.H.I.E.F.

Jerry Nibest: U + A

by → 2001 totally funded def mtn / maj. Ren.

DOT: Bo Brown field (Mike Downing)

- ★ ← Define deferred mtn:
 - ← what work products
 - ← value of dollars (1997 dollars)
 - ← Funding Sources logically linked with problems:
 - harbors ~ marine fuel tax
 - roads ~ Fuel tax

★ Budget Process to Establish a formula
for agency's budgets for Def mtn.

Alaska State Legislature

News From The Senate and House Majorities

State Capitol

465-3804

Juneau, AK 99801

465-4582

Actuality line: 1-800-478-6540

<http://www.akrepublicans.org>

Ken Freeman (907)

Wendy Lindskoog (907)

web site:

Deferred Maintenance Task Force Scheduled to Begin Work

For Immediate Release: May 5, 1997

Contact: Rep. Eldon Mulder (907)

465-2647

JUNEAU - The Deferred Maintenance Task Force will hold its first meeting to begin addressing Alaska's deferred maintenance needs. The meeting will take place at 9:00 a.m. Tuesday, May 6, 1997 in the Butrovich Room of the State Capitol Building - Room 205.

The task force was created by House Concurrent Resolution 8, sponsored by House Speaker Gail Phillips. The Task Force will be Co-Chaired by Representative Eldon Mulder and Senator Tim Kelly. Rep. Mulder will preside over Tuesday's meeting.

The Task Force will hear presentations from the University of Alaska, State Court System, Department of Education, and Department of Transportation and Public Facilities. The agencies have been asked to summarize the state of the buildings, roads, docks and other parts of Alaska's infrastructure as well as the current need for maintenance of those facilities.

In addition to the presentations, the Task Force will discuss the process it will use to develop recommendations for addressing the deferred maintenance needs it identifies.

"We need to focus on the needs of existing buildings. Our intention is to address leaking roofs, docks that are rotting, and structures that are marginally safe for occupancy," said Speaker Gail Phillips.

Phillips said the Task Force will be looking at University buildings, school buildings, National Guard buildings, docks, roads, and airports. She said the task force will make site visits throughout Alaska. "We need to see the problems and hear from citizens the suggestions they have for identifying and funding deferred maintenance needs," said Phillips.

"Part of our goal is to develop a process that will keep deferred maintenance from becoming a recurring problem," said Co-Chair Eldon Mulder. "This means that our real charge is not only developing a process that will identify, prioritize, and fund our current needs, but to prevent the need for another Task Force like this in the future."

The Task Force on Deferred Maintenance will:

- Σ review and evaluate existing reports and publications about past deferred maintenance recommendations
- Σ identify and evaluate all current and deferred maintenance needs

- Σ solicit public comments on addressing the deferred maintenance problem
- Σ submit a report of its findings and recommendations, including a plan for funding, by the convening of the 1998 Legislative Session.

The Task Force Members are Representatives Eldon Mulder, Co-Chair, Kim Elton, Richard Foster, Jeannette James, and Beverly Masek; and Senators Tim Kelly, Co-Chair, Loren Leman, Georgianna Lincoln, Robin Taylor, and Gary Wilken. House Speaker Gail Phillips and Senate President Mike Miller will also serve on the Task Force.

Alaska State Legislature

News From The House Majority

web site: <http://www.akrepublicans.org>

State Capitol
Freeman
Juneau, AK 99801
Press Secretary
Actualty line: 1-800-478-6540
(907) 465-3804

Ken

Legislature Creates Deferred Maintenance Panel

Task Force Established To Determine Alaska's Maintenance Needs

For Immediate Release: March 26, 1997
465-4582

Contact: Ken Freeman (907)

JUNEAU - A legislative task force to determine the extent of Alaska's infrastructure and public facility deferred maintenance needs and recommend funding options, will be announced Thursday. The resolution establishing the task force, HCR 8, unanimously passed the Alaska State Senate Wednesday.

House Speaker Gail Phillips and Senate President Mike Miller will announce the task force members at a press conference Thursday at 8:50 a.m., immediately prior to the House floor session in the Speakers Chambers on the second floor of the state capitol.

Speaker Phillips, sponsor of HCR 8, said deferred maintenance is the result of years of unmet maintenance on Alaska's public facilities.

"Meeting our maintenance needs is not about building a skywalk from the court building to the capitol. It is about a capitol building that leaks when it rains and ruins documents. It is about docks that are rotting and falling into harbors. It's about schools with inadequate fire protection," said Phillips. "It is about an infrastructure that needs mending."

HCR 8 establishes a Legislative task force to make recommendations to the Governor and the legislature on how to address Alaska's unmet maintenance needs. The Task Force will be made up of five members from the House and five members from the Senate. The Speaker of the House and the President of the Senate will also serve as non-voting members.

The Task Force is specifically charged with:

- reviewing and evaluating existing reports and publications about deferred maintenance recommendations previously made
- identifying and evaluating all current and deferred maintenance needs
- soliciting public comment about this topic
- submitting a report of its findings and recommendations to the Governor and Legislature by the convening of the second regular session
- forwarding recommendations about funding all deferred maintenance needs

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MEMORANDUMS

ALASKA STATE LEGISLATURE

Rep. Eldon Mulder, Co-Chair
Rep. Kim Elton
Rep. Richard Foster
Rep. Jeannette James
Rep. Beverly Masek
Rep. Gail Phillips



Sen. Tim Kelly, Co-Chair
Sen. Loren Leman
Sen. Georgianna Lincoln
Sen. Robin Taylor
Sen. Gary Wilken
Sen. Mike Miller

DEFERRED MAINTENANCE TASK FORCE

RESCHEDULED

TASK FORCE MEETING
TUESDAY, MAY 6, 1997
BUTROVICH ROOM
9:00 TO 10:00 AM
ORGANIZATIONAL MEETING

CALL TO ORDER

REP. MULDER CO-CHAIR

OPENING STATEMENT

REP. MULDER, CO-CHAIR
SEN. KELLY, CO-CHAIR

OPERATION OF COMMITTEE

REP. MULDER

PRESENTATIONS
COURT SYSTEM

KIT DUKE
FACILITIES MANAGER

UNIVERSITY

JERRY NEUBERT
UNIVERSITY ARCHITECT

DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

BOYD BROWNFIELD
DEP. COMMISSIONER

DEPARTMENT OF EDUCATION

MIKE MORGAN
FACILITIES SECTION

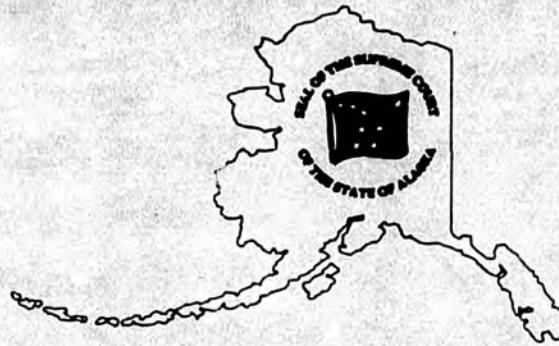
DISCUSSION

ADJOURNMENT

REP. MULDER

State
Department / Agency
Information

COURT SYSTEM



ALASKA COURT SYSTEM
State of Alaska
Office Of The Administrative Director

820 West 4th Avenue
Anchorage, Alaska 99501
(907) 264-8238
FAX (907) 264-8291

Kit Duke
Facilities Manager

April 18, 1997

Mr. Chris Christensen
Alaska Court System
P.O. Box 114100
Juneau, AK 99811-4100

Dear Chris:

Attached is a compilation of the current and deferred maintenance projects that need to be accomplished within court system facilities. In compliance with House Concurrent Resolution 8, I have identified our maintenance needs by location and have estimated the costs for each project.

In determining the priority of the projects, I am using the following criteria. The first level of priority is given to that work which is most critical to allow for the continued use of a building and to prevent failure of the building structure. The repair of leaking roofs and windows, and of deteriorating structural materials would be included in this first level of priority.

The second level of priority is given to that work which is necessary for the safety of the public users and occupants of the building. This would include such work as replacement of ripped, patched and taped carpeting to prevent risk of injury, repairs to deteriorated and unsafe electrical systems, hardware repair and replacement, and repairs to ventilation systems that no longer supply needed air changes.

The third level of priority is maintenance that will replace worn out building system components, decrease energy consumption, and provide an adequate work

April 18, 1997
Page 2

environment accommodating the variety of public use of the building. This work would address repairs to heating and cooling systems, air intake, replacement of HVAC controls and lighting fixtures, etc.

In order to make the most efficient use of contractors and procurement procedures, all work at a building identified as having the most critical need will be accomplished at the time the priority one item is being done. This consolidation of the work will also minimize the disruption at the location.

If you need additional information from me, please let me know.

Very truly yours,



Kit Duke
Facilities Manager

JM:bh

Distribution: Deferred Maintenance Task Force

Sen. Kelly, co-chair
Sen. Taylor
Sen. Wilken
Sen. Lincoln
Sen. Leman
Pres. Miller

Rep. Mulder, co-chair
Rep. Masek
Rep. Foster
Rep. James
Rep. Elton
Speaker Phillips
Rep. Kubina (ex officio)

Alaska Court System Maintenance Project List
(Prepared in Accordance with HCR 8)

Facility Priority	Project Priority	Building Name	Facility Use	Size: ACS\Total	Project	Project Cost
1		Juneau Dimond Courthouse	Joint: Trial Court, Exec Branch Agencies	45,030\79,116		
	1				replace roof and deck	\$ 140,000
	1,2				replace deteriorated carpet, repair damage by leaking water	\$ 640,000
2		Anchorage Boney Courthouse	Appellate and Trial Court; Statewide Library	147,440		
	2				replace deteriorated vinyl and carpet, 75% of building	\$ 750,000
	1				roof replacement	\$ 675,000
	2,3				fire/life safety/energy code upgrades	\$ 905,000
	3				structural/mechanical safety issues	\$ 140,000
3		Ft. Yukon Court and Office	Joint: Trial Court, Exec Branch, City Agencies	3,500		
	1,2				replace deteriorated carpet and tile, subfloor damaged by water, paint	\$ 150,000
4		Anchorage Administrative Office Building	Statewide Support Offices	62,500		
	1				roof replacement	\$ 200,000
	2				work required to meet code, 3rd floor	\$ 110,000
5		Delta Junction Court	Trial Court	1,650		
	2				repair electrical plug-ins	\$ 20,000
	1,2				replace worn finishes, broken windows, etc	\$ 85,000
	2,3				new lighting, repair ext. lights, replace water tank, paint interior	
6		Kodiak Court and Office		11,362\13,440		
	1				roof replacement	\$ 180,000
	2,3				life safety/energy code upgrades	\$ 850,000
	2				replace deteriorated carpet and vinyl	\$ 100,000
7		Kotzebue Courthouse		5,430		
	1				roof replacement	\$ 265,000
	2				replace deteriorated carpet	\$ 50,000
	3				install HVAC controls to conserve energy	\$ 150,000

Alaska Court System Maintenance Project List
(Prepared in Accordance with HCR 8)

Facility Priority	Project Priority	Building Name	Facility Use	Size: ACS\Total	Project	Project Cost
8		Ketchikan Court and office	Joint: Trial Court, Exec Branch, City Agencies	50,616\74,600		
	2,3				provide interior signs to comply with ADA	\$ 12,000
	3				repair cooling system	\$ 80,000
	3				paint interior	\$ 100,000
	2				replace courtroom door hardware	\$ 4,000
	2				replace deteriorated carpet and vinyl flooring	\$ 400,000
	2				increase lighting levels in public areas	\$ 50,000
	3				provide sound control in Clerk of Court area	\$ 10,000
	1				replace roofing	\$ 345,000
9		Fairbanks Court and Office	Joint: Trial Court, Exec Branch, City Agencies	69,530\78,500		\$ 6,245,985
	3				energy upgrades	
	2				fire/life safety upgrades	
	1				replace deteriorated finishes (carpet, paint, etc)	
	2,3				repair/replace mech/elec systems	
	3				reconfigure space for state occupancy	\$ 2,000,000
10		Valdez Court and Office		7,470\15,400		
	1				replace roof	\$ 380,000
11		Sitka Court and Office		12,987\30,000		
	3				replace HVAC controls and make repairs to ventilation system	\$ 250,000
	2				replace deteriorated carpet and vinyl flooring, paint	\$ 300,000
	1				roof repairs	\$ 100,000
12		Tok Courthouse		2,700		
	1				roof repairs	\$ 40,000
	3				repair and replacement of HVAC equipment	\$ 35,000
	2				carpet replacement	\$ 36,000
13		Anchorage Parking Garage	Parking	68,400		
	2				replace worn parking gates and rusted stair supports	\$ 15,000
	1				replace roof deck material	\$ 50,000
	1,2				repair spalling concrete, install drains, upgrade lighting	\$ 20,000

Alaska Court System Maintenance Project List
(Prepared in Accordance with HCR 8)

Facility Priority	Project Priority	Building Name	Facility Use	Size: ACS\Total	Project	Project Cost
14		Seward Court and Office		2,436\12,000		
	2,3				provide adequate ventilation, soundproofing	\$ 100,000
	2				replace carpet, paint	\$ 50,000
15		Kenai Courthouse	Trial Court	31,800		
	2				relocate combustion air intake to eliminate IAQ problems	\$ 40,000
16		Palmer Court Bldg.		25,080		
	2				replace worn hardware	\$ 40,000
	3				install HVAC controls to conserve energy	\$ 45,000
		Anchorage Nesbett Courthouse	Trial Court	206,000		
					NONE	
					TOTAL	\$ 14,627,988
Project Priorities:						
		1. Maintain structural integrity of building				
		2. Maintain safety for employees and public				
		3. Maintain energy-efficient and habitable building; work needed to maintain or extend life of facility				

**DEPARTMENT
OF
EDUCATION**

STATE OF ALASKA

DEPARTMENT OF EDUCATION EDUCATION SUPPORT SERVICES/FACILITIES

TONY KNOWLES, GOVERNOR

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1894

(907) 465-1858
FAX (907) 465-3452

May 6, 1997

REFERENCE: Deferred Maintenance Task Force
Organizational Meeting - Department of Education Briefing

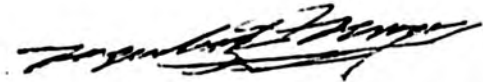
Dear Task Force Members:

The Department of Education is pleased to have an opportunity to assist the Task Force in compiling a comprehensive list of deferred maintenance needs facing public facilities in the State of Alaska. We feel an effective solution for addressing the statewide needs must be part of a comprehensive long-term plan.

The Department's focus for long-term facilities needs for education continues to place primary emphasis on maintenance and care of existing facilities. As these needs are met, focus will shift to providing an allowance for meeting the demands of a growing population and replacement of aging facilities.

Thank you for this opportunity to assist development of a plan to address this growing and critical need.

Sincerely,



Michael D. Morgan, PMP
Facilities Manager

Enclosure

MEMORANDUM

State of Alaska
Department of Education

To: Deferred Maintenance Task
Force

Date: May 6, 1997

Phone: 465-1858

FAX: 465-3452

File: g:\mdm\deptmemo\FY97
\task force briefing

From: Michael Morgan, PMP
Facilities Manager
Education Support Services

Subject: Deferred Maintenance

BRIEFING PAPER

The Department of Education considers capital project requests from two sources. They include requests from school districts and from department agencies. The department agencies include: Mt. Edgecumbe, Alaska Vocational Technical Center, libraries, museums and archives.

The department advocates for a comprehensive plan for capital projects which will address all of the needs for education, statewide. A comprehensive plan will address the established need for major maintenance and renovation of our current infrastructure as its first priority. The plan should also include a means to address construction required to meet growing populations or replacement of aging facilities.

Currently, needs for department agencies are identified annually in the Department of Education's capital budget request.

Requests for school districts are listed on either the school construction list or the major maintenance list. Determination of which list to place a district's project on is fixed in statute and is controlled by the district selection of the category which best defines the major focus of the project. The categories include projects for:

- life/safety
- unhoused students
- achieving an operating cost savings
- improving the instructional program
- protection of the structure
- or, to remedy building code deficiencies

The first four of these categories define the projects which appear in the school construction list, while the last two categories determine which projects appear on the major maintenance list.

As the Task Force works to identify and quantify the deferred maintenance requirements of the state, it will be important to recognize a limitation of the lists prepared by the Department of Education. Because districts have the option to submit projects which include work from multiple categories, each list may contain deferred maintenance work. When the Task Force formalizes a working definition of the type of work scope to be considered "deferred maintenance" we will assist in identifying projects on each list which meet the specified criteria.

STATE OF ALASKA

FAX TRANSMITTAL INFORMATION SHEET

ALASKA DEPARTMENT OF EDUCATION

Division of Educational Support Services

801 West 10th Street, Suite 200

Juneau, AK 99801-1894

DATE: April 25, 1997

TIME: 01:27 PM

TO	
Name:	<u>Matt Gill</u>
Title:	<u>Representative Muldur</u>
Agency/Office:	<u>AK State Legislature</u>
FAX #:	<u>465-3518</u>
Phone #:	<u>465-2647</u>

FROM	
Name:	<u>Jack Kinnunen</u>
Title:	<u>Project Assistant</u>
Division/Office:	<u>School</u> <u>Finance/Facilities</u>
FAX #:	<u>463-5279</u>
Phone #:	<u>465--2890</u>

REFERENCING: CIP Priority Grant list for Construction & Major Maintenance

COMMENTS:

Per your phone request --- this date

This transmittal contains 7 page(s) including the cover page. If you do not receive the total number of pages, please contact the sender.

State of Alaska
Department of Education
Capital Improvement Program
School Construction Grant Fund

Issued April 21, 1997
Final Agency Decision

Final Pri. #	Dec. 12 Pri. #	District Name	Project Name	Amount Requested	DOE Recommended Amount	Participating Share	State Share	Aggregate Amount
1	1	Kashunamiut	Chevak School Replacement	\$25,506,000	\$24,230,700	\$484,614	\$23,746,086	\$23,746,086
2	2	Lower Yukon	Pilot Station K-12 Expansion	\$18,036,366	\$887,696	\$17,754	\$869,942	\$24,616,028
3	3	Lower Yukon	Kotlik K-12 Expansion	\$18,692,385	\$905,068	\$18,101	\$886,966	\$25,502,994
4	6	SW Region	Togiak School Replacement	\$27,686,906	\$704,833	\$14,099	\$690,835	\$26,193,829
5	4	Chatham	Recovery of Funds/Hobart Bay	\$59,373	\$59,373	\$1,187	\$58,186	\$26,252,015
6	5	NW Arctic	Buckland Remediation Phase II	\$14,303,591	\$308,216	\$30,822	\$277,395	\$26,529,409
7	7	Lower Kuskokwim	Newtok	\$4,940,552	\$4,446,497	\$88,930	\$4,357,567	\$30,886,976
8	8	Yukon Flats	Arctic Village K-12 School Addition/Renovation					
				\$2,761,483	\$2,761,483	\$55,230	\$2,706,253	\$33,593,229
9	9	Mat/Su	Talkeetna Addition & Renovation	\$7,568,327	\$418,886	\$41,889	\$376,997	\$33,970,227
10	10	Iditarod	Takotna Training Center	\$1,122,562	\$1,122,562	\$22,451	\$1,100,111	\$35,070,337
11	11	Lower Yukon	Sheldon Point K-12 Expansion	\$11,101,986	\$553,168	\$11,063	\$542,105	\$35,612,442
12	12	Bering Strait	Golovin	\$12,244,731	\$462,858	\$9,257	\$453,600	\$36,066,043
13	13	Denali	Tri-Valley Addition & Remodel	\$12,873,848	\$12,873,848	\$3,862,154	\$9,011,694	\$45,077,736
14	14	Bering Strait	Elim	\$12,198,123	\$479,246	\$9,585	\$469,661	\$45,547,397
15	15	Yupik	Akiachak Replacement/Renovation	\$14,273,502	\$452,583	\$9,052	\$443,532	\$45,990,928
16	16	Bering Strait	Teller	\$12,145,749	\$478,561	\$9,571	\$468,990	\$46,459,918
17	17	Craig	New Secondary School	\$17,936,486	\$382,367	\$38,237	\$344,131	\$46,804,049
18	18	Kuspuk	Joseph & Olinga Gregory/Upper Kalskag	\$3,520,500	\$158,880	\$3,178	\$155,702	\$46,959,751
19	19	NW Arctic	Noorvik K-12 Expansion	\$13,607,421	\$528,056	\$52,806	\$475,250	\$47,435,001
20	20	SE Island	Edna Bay New Construction	\$1,896,056	\$1,896,056	\$37,921	\$1,858,135	\$49,293,136
21	21	Bering Strait	Koyuk	\$11,980,102	\$480,348	\$9,607	\$470,741	\$49,763,878
22	22	Iditarod	McGrath Voc-Ed Expansion	\$1,494,513	\$1,494,513	\$29,890	\$1,464,623	\$51,228,500
23	23	Craig	Elementary Classroom Addition	\$3,243,213	\$317,629	\$31,763	\$285,866	\$51,514,366
24	24	Delta/Greely	Healy Lake New Construction	\$121,692	\$121,692	\$2,434	\$119,258	\$51,633,625
25	25	SW Region	Manokotak K-12 Remodel & Expansion	\$10,279,763	\$323,772	\$6,475	\$317,297	\$51,950,921
26	26	SE Island	Nauyas School Construction	\$3,052,415	\$3,052,415	\$61,048	\$2,991,367	\$54,942,288
27	27	Yukon/Koyukuk	Minto Renovation	\$2,811,472	\$92,028	\$1,841	\$90,188	\$55,032,476
28	28	SW Region	New Stuyahok K-12 Remodel & Expansion					
				\$12,312,132	\$444,300	\$8,886	\$435,414	\$55,467,889
29	29	Copper River	Kenny Lake Additions	\$2,881,093	\$2,881,093	\$57,622	\$2,823,471	\$58,291,360
30	30	Aleutians East	False Pass Addition & Remodel	\$1,700,000	\$1,581,000	\$474,300	\$1,106,700	\$59,398,060
31	31	Lower Kuskokwim	Atmautluk Elementary Addition	\$5,136,551	\$201,846	\$4,037	\$197,809	\$59,595,869
32	32	Kuspuk	Johnnie John Jr Addition/Crooked Creek	\$4,754,975	\$196,160	\$3,923	\$192,237	\$59,788,106
33	33	Lower Kuskokwim	Bethel Middle School	\$22,735,746	\$793,328	\$15,867	\$777,461	\$60,565,567
34	34	SE Island	Howard Valentine New Construction	\$2,929,655	\$2,929,655	\$58,593	\$2,871,062	\$63,436,629

Date Issued: 4/21/97
Date Run: 4/21/97

State of Alaska
Department of Education
Capital Improvement Program
School Construction Grant Fund

Issued April 21, 1997
Final Agency Decision

Final Pri. #	Dec. 12 Pri. #	District Name	Project Name	Amount Requested	DOE Recommended Amount	Participating Share	State Share	Aggregate Amount
35	35	Kake	Elementary Addition	\$849,100	\$849,100	\$42,455	\$806,645	\$64,243,274
36	36	Bering Strait	White Mountain	\$8,350,569	\$287,567	\$5,751	\$281,816	\$64,525,090
37	37	Yukon Flats	Circle School Replacement	\$1,346,322	\$1,346,322	\$26,926	\$1,319,396	\$65,844,486
38	38	Lower Kuskokwim	Kipnuk School Addition	\$14,142,956	\$545,614	\$10,912	\$534,702	\$66,379,188
39	39	Unalaska	New Elementary Design & Construction	\$6,270,755	\$4,891,189	\$1,711,916	\$3,179,273	\$69,558,460
40	40	Lower Kuskokwim	Nightmute Addition	\$4,394,288	\$178,373	\$3,567	\$174,806	\$69,733,266
41	41	Copper River	Glennallen Elementary Renovation	\$4,944,012	\$154,500	\$3,090	\$151,410	\$69,884,676
42	42	Lower Kuskokwim	Cheforak Elementary Addition Phase III	\$874,718	\$874,718	\$17,494	\$857,224	\$70,741,900
43	43	Yupik	Consolidated High School/Boarding Home	\$20,645,442	\$786,493	\$15,730	\$770,763	\$71,512,663
44	44	Iditarod	McGrath Handicap Van & Bus Storage	\$307,503	\$307,503	\$6,150	\$301,353	\$71,814,016
45	45	Chatham	Angoon Elementary Addition	\$801,833	\$801,833	\$16,037	\$785,796	\$72,599,812
46	46	Iditarod	Lake Minchumina Asbestos Abatement	\$238,305	\$238,305	\$4,766	\$233,539	\$72,833,351
47	47	Mat/Su	Meadow Lakes Elementary	\$12,297,399	\$1,171,550	\$117,155	\$1,054,395	\$73,887,746
48	48	NW Arctic	Ambler K-12 Expansion	\$12,191,436	\$335,379	\$33,538	\$301,841	\$74,189,587
49	49	Anchorage	Taku Addition & Renovation	\$6,479,633	\$81,699	\$24,510	\$57,189	\$74,246,777
50	50	Mat/Su	Altasta Middle School	\$30,525,931	\$2,571,727	\$257,173	\$2,314,554	\$76,561,331
51	51	Yukon/Koyukuk	Kaltag Renovation	\$4,185,461	\$147,572	\$2,951	\$144,621	\$76,705,951
52	52	Yukon/Koyukuk	Nulato School Replacement	\$13,122,089	\$310,315	\$6,206	\$304,109	\$77,010,060
53	53	Delta/Greely	Delta Construction Project	\$18,089,575	\$397,719	\$7,954	\$389,765	\$77,399,825
54	54	NW Arctic	Kiana K-12 Expansion	\$10,408,769	\$309,670	\$30,967	\$278,703	\$77,678,528
55	55	Yukon/Koyukuk	Allakaket Renovation	\$5,194,867	\$135,185	\$2,704	\$132,481	\$77,811,009
56	56	Klawock	New High School Planning & Design	\$876,156	\$475,263	\$23,763	\$451,500	\$78,262,509
57	57	Petersburg	Vocational / Maintenance / Food Serve Addition	\$1,884,041	\$1,884,041	\$565,212	\$1,318,829	\$79,581,338
58	58	Dillingham	Elementary Addition	\$2,127,164	\$2,127,164	\$638,149	\$1,489,015	\$81,070,353
59	59	Iditarod	Grayling Demo/Asbestos	\$409,780	\$368,802	\$7,376	\$361,426	\$81,431,779
60	60	Nome	Nome Beltz Complex Facility Upgrade	\$7,871,631	\$339,606	\$101,882	\$237,726	\$81,669,504
61	61	Galena	Equipment & Fixtures for Project Education	\$860,315	\$860,315	\$86,032	\$774,284	\$82,443,788
62	62	NW Arctic	Kotzebue Middle/High Expansion	\$6,625,205	\$219,706	\$21,971	\$197,736	\$82,641,524
63	63	Iditarod	Anvik Oil Storage	\$178,873	\$178,873	\$3,577	\$175,296	\$82,816,819
64	64	Anchorage	Muldoon New Elementary Prototype	\$12,704,393	\$403,314	\$120,994	\$282,320	\$83,099,139
65	65	Chugach	Tatitlek Well	\$103,568	\$103,568	\$2,071	\$101,497	\$83,200,636
66	66	Juneau	Cover for JDHS/UAS Overpass	\$201,614	\$201,614	\$60,484	\$141,130	\$83,341,765
67	67	Denali	Cantwell Heating & Sprinkler	\$1,673,140	\$1,338,512	\$401,554	\$936,958	\$84,276,724

Date Issued: 4/21/97
Date Run: 4/21/97

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Final	Dec. 12			Amount	DOE	Participating	State	Aggregate
Pri. #	Pri. #	District Name	Project Name	Requested	Recommended Amount	Share	Share	Amount
68	68	Denali	Anderson Heating & Ventilation	\$1,663,237	\$1,330,590	\$399,177	\$931,413	\$85,210,136
69	69	Juneau	Dzantik'i Heeni Site Development	\$3,524,066	\$181,504	\$54,451	\$127,053	\$85,337,190
TOTALS				<u>\$534,273,415</u>	<u>\$95,758,024</u>	<u>\$10,418,834</u>	<u>\$85,337,190</u>	<u>\$85,337,190</u>

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Final Pri. #	Dec. 12 Pri. #	District Name	Project Name	Amount Requested	DOE Recommended Amount	Participating Share	State Share	Aggregate Amount
1	1	Juneau	Mendenhall River School Roof Replace	\$2,230,651	\$2,230,651	\$669,195	\$1,561,456	\$1,561,456
2	2	Fairbanks	Hunter: Planning, Design & Renovation/Addition	\$2,875,571	\$2,875,571	\$862,671	\$2,012,900	\$3,574,355
3	3	North Slope	Bulk Fuel Systems Upgrade	\$6,012,074	\$6,012,074	\$2,104,226	\$3,907,848	\$7,482,204
4	4	Bering Strait	Diomedea Structural Remediation Phase II & III	\$343,592	\$343,592	\$6,872	\$336,720	\$7,818,924
5	5	Fairbanks	Denali: Planning Design & Renovation/Addition	\$8,806,624	\$373,583	\$112,075	\$261,508	\$8,080,432
6	6	NW Arctic	Kiana High School Renovation	\$2,551,571	\$2,551,571	\$255,157	\$2,296,414	\$10,376,846
7	7	SW Region	Koliganek Foundation & Basement Repair	\$1,367,835	\$1,367,835	\$27,357	\$1,340,478	\$11,717,324
8	8	Sitka	High School Renovation	\$10,260,604	\$437,337	\$131,201	\$306,136	\$12,023,460
9	9	Delta/Greely	Delta Roof Repair & Fire Alarm Replacement	\$1,074,013	\$1,074,013	\$21,480	\$1,052,533	\$13,075,993
10	10	Anchorage	Romig Jr. High Roof	\$1,795,000	\$1,795,000	\$538,500	\$1,256,500	\$14,332,493
11	11	Sitka	Baranof Renovation	\$5,926,045	\$242,641	\$72,792	\$169,849	\$14,502,341
12	12	Hoonah	Roof, Foundation & Fuel Tank Replacement	\$1,294,705	\$1,294,705	\$64,735	\$1,229,970	\$15,732,311
13	13	Lake & Penn.	Pedro Bay Renovation	\$1,008,000	\$776,160	\$77,816	\$698,544	\$16,430,855
14	14	Ketchikan	Houghtaling Maintenance & Renovation	\$3,338,720	\$3,338,720	\$1,001,816	\$2,337,104	\$18,767,959
15	15	Lake & Penn.	District Wide Fuel Tank Upgrade	\$1,250,000	\$1,250,000	\$125,000	\$1,125,000	\$19,892,959
16	16	Chatham	Tenakee Retaining Wall Replacement	\$239,327	\$239,327	\$4,787	\$234,540	\$20,127,500
17	17	Fairbanks	Barnette Planning Design & Renovation/Addition	\$5,717,586	\$238,417	\$71,525	\$166,892	\$20,294,391
18	18	NW Arctic	Noorvik High School Renovation	\$2,664,469	\$2,664,469	\$266,447	\$2,398,022	\$22,692,414
19	19	Anchorage	Birchwood Roof Replacement	\$970,000	\$970,000	\$291,000	\$679,000	\$23,371,414
20	20	Fairbanks	Nordale: Planning Design & Renovation	\$9,299,000	\$393,463	\$118,039	\$275,424	\$23,646,838
21	21	Cordova	Elementary & High School Renovation	\$135,766	\$135,766	\$40,730	\$95,036	\$23,741,874
22	22	Chugach	Whittier Drainage	\$144,608	\$144,608	\$2,892	\$141,716	\$23,883,590
23	23	Ketchikan	Valley Park Maintenance & Renovation	\$1,893,963	\$1,893,963	\$568,189	\$1,325,774	\$25,209,364
24	24	Lake & Penn.	District Wide Sprinkler Systems	\$1,515,000	\$1,515,000	\$151,500	\$1,363,500	\$26,572,864
25	25	Annette Island	Major Maintenance Renovation	\$3,555,455	\$3,555,455	\$71,109	\$3,484,346	\$30,057,210
26	26	Pelican	Major Maintenance	\$781,172	\$781,172	\$234,352	\$546,820	\$30,604,030
27	27	Lower Kuskokwim	Mikeinguut Eliinaurviat Roof Repair	\$1,384,332	\$1,010,562	\$20,211	\$990,351	\$31,594,382
28	28	Juneau	Marie Drake Roof Replacement	\$1,189,354	\$1,189,354	\$356,806	\$832,548	\$32,426,929
29	29	Juneau	Auke Bay Roof Replacement	\$847,817	\$847,817	\$254,345	\$593,472	\$33,020,401
30	30	Lower Kuskokwim	Bulk Fuel Tank Repairs 9 sites	\$3,159,966	\$3,159,966	\$63,199	\$3,096,767	\$36,117,168
31	31	Klawock	Major Maintenance	\$2,033,477	\$90,962	\$4,548	\$86,414	\$36,203,581
32	32	Wrangell	Exterior Windows	\$165,477	\$165,477	\$49,643	\$115,834	\$36,319,415
33	33	Alaska Gateway	Northway Wastewater Treatment	\$144,284	\$144,284	\$2,886	\$141,398	\$36,460,814

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Final Pri. #	Dec. 12 Pri. #	District Name	Project Name	Amount Requested	DOE Recommended Amount	Participating Share	State Share	Aggregate Amount
34	34	Haines	High School -Swimming Pool Roof Replacement	\$403,459	\$403,459	\$121,038	\$282,421	\$36,743,235
35	35	Galena	Roofing & Sprinkler Renovation	\$1,277,281	\$1,277,281	\$127,728	\$1,149,553	\$37,892,788
36	36	Lower Yukon	Hooper Bay Major Maintenance	\$1,607,162	\$1,607,162	\$32,143	\$1,575,019	\$39,467,807
37	37	NW Arctic	Ambler High School Renovation	\$2,009,179	\$2,009,179	\$200,918	\$1,808,261	\$41,276,068
38	38	Annette Island	Asbestos Abatement	\$117,719	\$117,719	\$2,354	\$115,365	\$41,391,432
39	39	Wrangell	Civil Site Work	\$89,315	\$89,315	\$26,795	\$62,521	\$41,453,953
40	40	Kake	District Wide Maintenance	\$3,000,730	\$117,031	\$5,852	\$111,179	\$41,565,132
41	41	Lower Kuskokwim	Nelson Island, Tooksook Bay, Roof Repair	\$998,300	\$998,300	\$19,966	\$978,334	\$42,543,466
42	42	Tanana	Electrical Retrofit	\$278,065	\$278,065	\$13,903	\$264,162	\$42,807,628
43	43	Wrangell	Civil Site Development Parking Lot	\$264,375	\$264,375	\$79,313	\$185,063	\$42,992,690
44	44	Iditarod	Lime Village Oil Spill	\$396,611	\$396,611	\$7,932	\$388,679	\$43,381,369
45	45	Juneau	High School Heating & Ventilation	\$106,663	\$106,663	\$31,999	\$74,664	\$43,456,033
46	46	Iditarod	Grayling Oil Storage	\$162,612	\$162,612	\$3,252	\$159,360	\$43,615,393
47	47	NW Arctic	Noatak Major Maintenance	\$253,913	\$253,913	\$25,391	\$228,522	\$43,843,915
48	48	Juneau	Floyd Dryden Gym Floor Replacement	\$183,654	\$183,654	\$55,096	\$128,558	\$43,972,472
49	49	Bristol Bay	Sprinkler System	\$2,551,374	\$2,551,374	\$892,981	\$1,658,393	\$45,630,866
50	50	Lower Kuskokwim	Districtwide Water Treatment 8 Sites	\$8,166,524	\$352,331	\$7,047	\$345,284	\$45,976,150
51	51	SW Region	Weather Protection 4 buildings.	\$771,955	\$771,955	\$15,439	\$756,516	\$46,732,666
52	52	Alaska Gateway	Northway Fuel Storage Replacement	\$177,638	\$177,638	\$3,553	\$174,085	\$46,906,751
53	53	NW Arctic	Shungnak Major Maintenance	\$380,495	\$380,495	\$38,050	\$342,446	\$47,249,196
54	54	Alaska Gateway	Mentasta Storage Tank	\$562,493	\$562,493	\$11,250	\$551,243	\$47,800,440
55	55	Alaska Gateway	Northway Soil Remediation	\$3,798,330	\$138,121	\$2,762	\$135,359	\$47,935,798
56	56	Hydaburg	Heating System Renovation	\$184,248	\$184,248	\$9,212	\$175,036	\$48,110,834
57	57	Nenana	Handicap Access Repairs & Improvements	\$138,757	\$138,757	\$13,876	\$124,881	\$48,235,715
58	58	Nenana	Interior Lighting	\$64,709	\$64,709	\$6,471	\$58,238	\$48,293,953
59	59	Hydaburg	Major Maintenance	\$857,316	\$857,316	\$42,866	\$814,450	\$49,108,403
60	60	Fairbanks	District Wide ADA Compliance	\$6,200,048	\$230,700	\$89,210	\$161,490	\$49,269,893
61	61	Chatham	Angoon High School Major Maintenance	\$301,683	\$301,683	\$6,034	\$295,649	\$49,565,543
62	62	Fairbanks	District Physical Plant Renovation/Addition	\$4,884,480	\$150,721	\$45,216	\$105,505	\$49,671,047
63	63	Chugach	Districtwide Building Security & ADA	\$65,175	\$65,175	\$1,304	\$63,872	\$49,734,919
64	64	Juneau	High School Gym Floor Replacement	\$129,197	\$129,197	\$38,759	\$90,438	\$49,825,357
65	65	Tanana	Voc-Ed Roof Replacement	\$50,061	\$50,061	\$2,503	\$47,558	\$49,872,915
66	66	Wrangell	Hot Water Tank Replacement	\$33,750	\$33,750	\$10,125	\$23,625	\$49,896,540
67	67	Lower Kuskokwim	Districtwide ADA	\$4,047,823	\$174,636	\$3,493	\$171,144	\$50,067,683
68	68	Wrangell	Interior Corridor Finish	\$39,500	\$39,500	\$11,850	\$27,650	\$50,095,333

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69	69	Juneau	Gastineau Heating Coil Replacement	\$183,236	\$183,236	\$54,971	\$128,265	\$50,223,599
70	70	Skagway	School Roof Replacement	\$798,855	\$798,855	\$279,599	\$519,256	\$50,742,854
71	71	Kenai	Homer Jr High Handicap Access	\$200,000	\$200,000	\$60,000	\$140,000	\$50,882,854
72	72	Lower Kuskokwim	Districtwide Asbestos Abatement	\$7,106,415	\$199,286	\$3,986	\$195,301	\$51,078,155
73	73	Nenana	Sprinkler System Renovation	\$151,606	\$151,606	\$15,161	\$136,445	\$51,214,600
74	74	Yukon/Koyukuk	Districtwide Structural Repairs	\$467,547	\$467,547	\$9,351	\$458,196	\$51,672,796
75	75	Unalaska	Multi-Purpose Room Roof Replacement	\$76,985	\$76,985	\$26,945	\$50,040	\$51,722,837
76	76	Chugach	Districtwide Fuel Tank Upgrade	\$193,373	\$193,373	\$3,867	\$189,506	\$51,912,342
77	77	Yukon/Koyukuk	Districtwide Tank Farm Upgrades	\$4,251,099	\$142,620	\$2,852	\$139,768	\$52,052,110
78	78	Kenai	Kenai Middle School Handicap Access	\$200,000	\$200,000	\$60,000	\$140,000	\$52,192,110
79	79	Yukon/Koyukuk	Districtwide Roof Repairs	\$1,334,737	\$1,334,737	\$26,695	\$1,308,042	\$53,500,152
80	80	Yukon/Koyukuk	Districtwide ADA Code Upgrade	\$821,157	\$615,868	\$12,317	\$603,550	\$54,103,703
81	81	Iditarod	McGrath Flooring Upgrade	\$185,456	\$185,456	\$3,709	\$181,747	\$54,285,450
82	82	Chugach	Tatitlek Generator Replacement	\$104,489	\$104,489	\$2,090	\$102,399	\$54,387,849
83	83	Alaska Gateway	Tetlin Sewer Line	\$73,145	\$73,145	\$1,483	\$71,662	\$54,459,531
84	84	Skagway	School Access/Egress Replacement	\$391,730	\$391,730	\$137,106	\$254,625	\$54,714,155
85	85	Craig	Elementary Roof Replacement	\$557,274	\$557,274	\$55,727	\$501,547	\$55,215,702
86	86	Kenai	ADA Districtwide Entries	\$114,000	\$114,000	\$34,200	\$79,800	\$55,295,502
87	87	Kenai	ADA Districtwide Restrooms	\$274,000	\$274,000	\$82,200	\$191,800	\$55,487,302
88	88	Kenai	ADA Districtwide Parking	\$81,100	\$81,100	\$24,330	\$56,770	\$55,544,072
TOTALS				\$148,096,856	\$67,069,022	\$11,524,950	\$55,544,072	\$55,544,072

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1	1	Kashunamiut	Chevak School Replacement	\$25,506,000	\$24,230,700	\$484,614	\$23,746,086	\$23,746,086
2	2	Lower Yukon	Pilot Station K-12 Expansion	\$18,036,366	\$887,696	\$17,754	\$869,942	\$24,616,028
3	3	Lower Yukon	Kotlik K-12 Expansion	\$18,692,385	\$905,068	\$18,101	\$886,966	\$25,502,994
4	6	SW Region	Togiak School Replacement	\$27,686,906	\$704,933	\$14,099	\$690,835	\$26,193,829
5	4	Chatham	Recovery of Funds/Hobart Bay	\$59,373	\$59,373	\$1,187	\$58,186	\$26,252,015
6	5	NW Arctic	Buckland Remediation Phase II	\$14,303,591	\$308,216	\$30,822	\$277,395	\$26,529,409
7	7	Lower Kuskokwim	Newtok	\$4,940,552	\$4,446,497	\$88,930	\$4,357,567	\$30,886,976
8	8	Yukon Flats	Arctic Village K-12 School Addition/Renovation	\$2,761,483	\$2,761,483	\$55,230	\$2,706,253	\$33,593,229
9	9	Mat/Su	Talkeetna Addition & Renovation	\$7,568,327	\$418,886	\$41,889	\$376,997	\$33,970,227
10	10	Iditarod	Takotna Training Center	\$1,122,562	\$1,122,562	\$22,451	\$1,100,111	\$35,070,337
11	11	Lower Yukon	Sheldon Point K-12 Expansion	\$11,101,986	\$553,168	\$11,063	\$542,105	\$35,612,442
12	12	Bering Strait	Golovin	\$12,244,731	\$462,858	\$9,257	\$453,600	\$36,066,043
13	13	Denali	Tri-Valley Addition & Remodel	\$12,873,848	\$12,873,848	\$3,862,154	\$9,011,694	\$45,077,736
14	14	Bering Strait	Elim	\$12,198,123	\$479,246	\$9,585	\$469,661	\$45,547,397
15	15	Yupit	Akiachak Replacement/Renovation	\$14,273,502	\$452,583	\$9,052	\$443,532	\$45,990,928
16	16	Bering Strait	Teller	\$12,145,749	\$478,561	\$9,571	\$468,990	\$46,459,918
17	17	Craig	New Secondary School	\$17,936,486	\$382,367	\$38,237	\$344,131	\$46,804,049
18	18	Kuspuk	Joseph & Olinga Gregory/Upper Kalskag	\$3,520,500	\$158,880	\$3,178	\$155,702	\$46,959,751
19	19	NW Arctic	Noorvik K-12 Expansion	\$13,607,421	\$528,056	\$52,806	\$475,250	\$47,435,001
20	20	SE Island	Edna Bay New Construction	\$1,896,056	\$1,896,056	\$37,921	\$1,858,135	\$49,293,136
21	21	Bering Strait	Koyuk	\$11,980,102	\$480,348	\$9,607	\$470,741	\$49,763,878
22	22	Iditarod	McGrath Voc-Ed Expansion	\$1,494,513	\$1,494,513	\$29,890	\$1,464,623	\$51,228,500
23	23	Craig	Elementary Classroom Addition	\$3,243,213	\$317,629	\$31,763	\$285,866	\$51,514,366
24	24	Delta/Greely	Healy Lake New Construction	\$121,692	\$121,692	\$2,434	\$119,258	\$51,633,625
25	25	SW Region	Manokotak K-12 Remodel & Expansion	\$10,279,763	\$323,772	\$6,475	\$317,297	\$51,950,921
26	26	SE Island	Naukati School Construction	\$3,052,415	\$3,052,415	\$61,048	\$2,991,367	\$54,942,288
27	27	Yukon/Koyukuk	Minto Renovation	\$2,811,472	\$92,028	\$1,841	\$90,188	\$55,032,476
28	28	SW Region	New Stuyahok K-12 Remodel & Expansion	\$12,312,132	\$444,300	\$8,886	\$435,414	\$55,467,889
29	29	Copper River	Kenny Lake Additions	\$2,881,093	\$2,881,093	\$57,622	\$2,823,471	\$58,291,360
30	30	Aleutians East	False Pass Addition & Remodel	\$1,700,000	\$1,581,000	\$474,300	\$1,106,700	\$59,398,060
31	31	Lower Kuskokwim	Almautluak Elementary Addition	\$5,136,551	\$201,846	\$4,037	\$197,809	\$59,595,869
32	32	Kuspuk	Johnnie John Jr Addition/Crooked Creek	\$4,754,975	\$198,160	\$3,923	\$192,237	\$59,788,106
33	33	Lower Kuskokwim	Bethel Middle School	\$22,735,746	\$793,328	\$15,867	\$777,461	\$60,565,567
34	34	SE Island	Howard Valentine New Construction	\$2,929,655	\$2,929,655	\$58,593	\$2,871,062	\$63,436,629

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35	35	Kake	Elementary Addition	\$849,100	\$849,100	\$42,455	\$806,645	\$64,243,274
36	36	Bering Strait	White Mountain	\$8,350,569	\$287,567	\$5,751	\$281,816	\$64,525,090
37	37	Yukon Flats	Circle School Replacement	\$1,346,322	\$1,346,322	\$26,926	\$1,319,396	\$65,844,486
38	38	Lower Kuskokwim	Kipnuk School Addition	\$14,142,956	\$545,614	\$10,912	\$534,702	\$66,379,188
39	39	Unalaska	New Elementary Design & Construction	\$6,270,755	\$4,891,189	\$1,711,916	\$3,179,273	\$69,558,460
40	40	Lower Kuskokwim	Nightmute Addition	\$4,394,288	\$178,373	\$3,567	\$174,806	\$69,733,266
41	41	Copper River	Glennallen Elementary Renovation	\$4,944,012	\$154,500	\$3,090	\$151,410	\$69,884,676
42	42	Lower Kuskokwim	Cheforak Elementary Addition Phase III	\$874,718	\$874,718	\$17,494	\$857,224	\$70,741,900
43	43	Yupik	Consolidated High School/Boarding Home	\$20,645,442	\$786,493	\$15,730	\$770,763	\$71,512,663
44	44	Iditarod	McGrath Handicap Van & Bus Storage	\$307,503	\$307,503	\$6,150	\$301,353	\$71,814,016
45	45	Chatham	Angoon Elementary Addition	\$801,833	\$801,833	\$16,037	\$785,796	\$72,599,812
46	46	Iditarod	Lake Minchumina Asbestos Abatement	\$238,305	\$238,305	\$4,766	\$233,539	\$72,833,351
47	47	Mat/Su	Meadow Lakes Elementary	\$12,297,399	\$1,171,550	\$117,155	\$1,054,395	\$73,887,746
48	48	NW Arctic	Ambler K-12 Expansion	\$12,191,436	\$335,379	\$33,538	\$301,841	\$74,189,587
49	49	Anchorage	Taku Addition & Renovation	\$6,479,633	\$81,699	\$24,510	\$57,189	\$74,246,777
50	50	Mat/Su	Altasta Middle School	\$30,525,931	\$2,571,727	\$257,173	\$2,314,554	\$76,561,331
51	51	Yukon/Koyukuk	Kallag Renovation	\$4,185,461	\$147,572	\$2,951	\$144,621	\$76,705,951
52	52	Yukon/Koyukuk	Nulato School Replacement	\$13,122,089	\$310,315	\$6,206	\$304,109	\$77,010,060
53	53	Delta/Greely	Delta Construction Project	\$18,089,575	\$397,719	\$7,954	\$389,765	\$77,399,825
54	54	NW Arctic	Kiana K-12 Expansion	\$10,408,769	\$309,670	\$30,967	\$278,703	\$77,678,528
55	55	Yukon/Koyukuk	Allakaket Renovation	\$5,194,867	\$135,185	\$2,704	\$132,481	\$77,811,009
56	56	Klawock	New High School Planning & Design	\$876,156	\$475,263	\$23,763	\$451,500	\$78,262,509
57	57	Petersburg	Vocational / Maintenance / Food Serve Addition	\$1,884,041	\$1,884,041	\$565,212	\$1,318,829	\$79,581,338
58	58	Dillingham	Elementary Addition	\$2,127,164	\$2,127,164	\$638,149	\$1,489,015	\$81,070,353
59	59	Iditarod	Grayling Demo/Asbestos	\$409,780	\$368,802	\$7,376	\$361,426	\$81,431,779
60	60	Nome	Nome Beltz Complex Facility Upgrade	\$7,871,631	\$339,608	\$101,882	\$237,726	\$81,669,504
61	61	Galena	Equipment & Fixtures for Project Education	\$860,315	\$860,315	\$86,032	\$774,284	\$82,443,788
62	62	NW Arctic	Kotzebue Middle/High Expansion	\$6,625,205	\$219,706	\$21,971	\$197,736	\$82,641,524
63	63	Iditarod	Anvik Oil Storage	\$178,873	\$178,873	\$3,577	\$175,296	\$82,816,819
64	64	Anchorage	Muldoon New Elementary Prototype	\$12,704,393	\$403,314	\$120,994	\$282,320	\$83,099,139
65	65	Chugach	Tatitlek Well	\$103,568	\$103,568	\$2,071	\$101,497	\$83,200,636
66	66	Juneau	Cover for JDHS/UAS Overpass	\$201,614	\$201,614	\$60,484	\$141,130	\$83,341,765
67	67	Denali	Cantwell Heating & Sprinkler	\$1,673,140	\$1,338,512	\$401,554	\$936,958	\$84,278,724

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Final Pri. #	Dec. 12 Pri. #	District Name	Project Name	Amount Requested	DOE Recommended Amount	Participating Share	State Share	Aggregate Amount
68	68	Denali	Anderson Heating & Ventilation	\$1,663,237	\$1,330,590	\$399,177	\$931,413	\$85,210,136
69	69	Juneau	Dzantik'l Heeni Site Development	\$3,524,066	\$181,504	\$54,451	\$127,053	\$85,337,190
TOTALS				<u>\$534,273,415</u>	<u>\$95,756,024</u>	<u>\$10,418,834</u>	<u>\$85,337,190</u>	<u>\$85,337,190</u>

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Final Pri. #	Dec. 12 Pri. #	District Name	Project Name	Amount Requested	DOE Recommended Amount	Participating Share	State Share	Aggregate Amount
1	1	Juneau	Mendenhall River School Roof Replace	\$2,230,651	\$2,230,651	\$669,195	\$1,561,456	\$1,561,456
2	2	Fairbanks	Hunter: Planning, Design & Renovation/Addition	\$2,875,571	\$2,875,571	\$862,671	\$2,012,900	\$3,574,355
3	3	North Slope	Bulk Fuel Systems Upgrade	\$6,012,074	\$6,012,074	\$2,104,226	\$3,907,848	\$7,482,204
4	4	Bering Strait	Diomedea Structural Remediation Phase II & III	\$343,592	\$343,592	\$6,872	\$336,720	\$7,818,924
5	5	Fairbanks	Denali: Planning Design & Renovation/Addition	\$8,806,624	\$373,583	\$112,075	\$261,508	\$8,080,432
6	6	NW Arctic	Kiana High School Renovation	\$2,551,571	\$2,551,571	\$255,157	\$2,296,414	\$10,376,846
7	7	SW Region	Koliganek Foundation & Basement Repair	\$1,367,835	\$1,367,835	\$27,357	\$1,340,478	\$11,717,324
8	8	Sitka	High School Renovation	\$10,260,604	\$437,337	\$131,201	\$306,136	\$12,023,460
9	9	Delta/Greely	Delta Roof Repair & Fire Alarm Replacement	\$1,074,013	\$1,074,013	\$21,480	\$1,052,533	\$13,075,993
10	10	Anchorage	Romig Jr. High Roof	\$1,795,000	\$1,795,000	\$538,500	\$1,256,500	\$14,332,493
11	11	Sitka	Baranof Renovation	\$5,926,045	\$242,641	\$72,792	\$169,849	\$14,502,341
12	12	Hoonah	Roof, Foundation & Fuel Tank Replacement	\$1,294,705	\$1,294,705	\$64,735	\$1,229,970	\$15,732,311
13	13	Lake & Penn.	Pedro Bay Renovation	\$1,008,000	\$776,160	\$77,616	\$698,544	\$16,430,855
14	14	Ketchikan	Houghtaling Maintenance & Renovation	\$3,338,720	\$3,338,720	\$1,001,616	\$2,337,104	\$18,767,959
15	15	Lake & Penn.	District Wide Fuel Tank Upgrade	\$1,250,000	\$1,250,000	\$125,000	\$1,125,000	\$19,892,959
16	16	Chatham	Tenakee Retaining Wall Replacement	\$239,327	\$239,327	\$4,787	\$234,540	\$20,127,500
17	17	Fairbanks	Barnette Planning Design & Renovation/Addition	\$5,717,586	\$238,417	\$71,525	\$166,892	\$20,294,391
18	18	NW Arctic	Noorvik High School Renovation	\$2,664,469	\$2,664,469	\$266,447	\$2,398,022	\$22,692,414
19	19	Anchorage	Birchwood Roof Replacement	\$970,000	\$970,000	\$291,000	\$679,000	\$23,371,414
20	20	Fairbanks	Nordale: Planning Design & Renovation	\$9,299,000	\$393,463	\$118,039	\$275,424	\$23,646,838
21	21	Cordova	Elementary & High School Renovation	\$135,766	\$135,766	\$40,730	\$95,036	\$23,741,874
22	22	Chugach	Whittier Drainage	\$144,608	\$144,608	\$2,892	\$141,716	\$23,883,590
23	23	Ketchikan	Valley Park Maintenance & Renovation	\$1,893,963	\$1,893,963	\$568,189	\$1,325,774	\$25,209,364
24	24	Lake & Penn.	District Wide Sprinkler Systems	\$1,515,000	\$1,515,000	\$151,500	\$1,363,500	\$26,572,864
25	25	Annette Island	Major Maintenance Renovation	\$3,555,455	\$3,555,455	\$71,109	\$3,484,346	\$30,057,210
26	26	Pelican	Major Maintenance	\$781,172	\$781,172	\$234,352	\$546,820	\$30,604,030
27	27	Lower Kuskokwim	Mikelnguut Eliitnaurviat Roof Repair	\$1,384,332	\$1,010,562	\$20,211	\$990,351	\$31,594,382
28	28	Juneau	Marie Drake Roof Replacement	\$1,189,354	\$1,189,354	\$356,806	\$832,548	\$32,426,929
29	29	Juneau	Auke Bay Roof Replacement	\$847,817	\$847,817	\$254,345	\$593,472	\$33,020,401
30	30	Lower Kuskokwim	Bulk Fuel Tank Repairs 9 sites	\$3,159,966	\$3,159,966	\$63,199	\$3,096,767	\$36,117,168
31	31	Klawock	Major Maintenance	\$2,033,477	\$90,962	\$4,548	\$86,414	\$36,203,581
32	32	Wrangell	Exterior Windows	\$165,477	\$165,477	\$49,643	\$115,834	\$36,319,415
33	33	Alaska Gateway	Northway Wastewater Treatment	\$144,284	\$144,284	\$2,886	\$141,398	\$36,460,814

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34	34	Haines	High School -Swimming Pool Roof Replacement	\$403,459	\$403,459	\$121,038	\$282,421	\$36,743,235
35	35	Galena	Roofing & Sprinkler Renovation	\$1,277,281	\$1,277,281	\$127,728	\$1,149,553	\$37,892,788
36	36	Lower Yukon	Hooper Bay Major Maintenance	\$1,607,162	\$1,607,162	\$32,143	\$1,575,019	\$39,467,807
37	37	NW Arctic	Ambler High School Renovation	\$2,009,179	\$2,009,179	\$200,918	\$1,808,261	\$41,276,068
38	38	Annette Island	Asbestos Abatement	\$117,719	\$117,719	\$2,354	\$115,365	\$41,391,432
39	39	Wrangell	Civil Site Work	\$89,315	\$89,315	\$26,795	\$62,521	\$41,543,953
40	40	Kake	District Wide Maintenance	\$3,000,730	\$117,031	\$5,852	\$111,179	\$41,565,132
41	41	Lower Kuskokwim	Nelson Island, Tooksook Bay, Roof Repair	\$998,300	\$998,300	\$19,966	\$978,334	\$42,543,466
42	42	Tanana	Electrical Retrofit	\$278,065	\$278,065	\$13,903	\$264,162	\$42,807,628
43	43	Wrangell	Civil Site Development Parking Lot	\$264,375	\$264,375	\$79,313	\$185,063	\$42,992,690
44	44	Iditarod	Lime Village Oil Spill	\$396,611	\$396,611	\$7,932	\$388,679	\$43,381,369
45	45	Juneau	High School Heating & Ventilation	\$106,663	\$106,663	\$31,999	\$74,664	\$43,456,033
46	46	Iditarod	Grayling Oil Storage	\$162,612	\$162,612	\$3,252	\$159,360	\$43,615,393
47	47	NW Arctic	Noatak Major Maintenance	\$253,913	\$253,913	\$25,391	\$228,522	\$43,843,915
48	48	Juneau	Floyd Dryden Gym Floor Replacement	\$183,654	\$183,654	\$55,096	\$128,558	\$43,972,472
49	49	Bristol Bay	Sprinkler System	\$2,551,374	\$2,551,374	\$892,981	\$1,658,393	\$45,630,866
50	50	Lower Kuskokwim	Districtwide Water Treatment 8 Sites	\$8,166,524	\$352,331	\$7,047	\$345,284	\$45,976,150
51	51	SW Region	Weather Protection 4 buildings.	\$771,955	\$771,955	\$15,439	\$756,516	\$46,732,666
52	52	Alaska Gateway	Northway Fuel Storage Replacement	\$177,638	\$177,638	\$3,553	\$174,085	\$46,906,751
53	53	NW Arctic	Shungnak Major Maintenance	\$380,495	\$380,495	\$38,050	\$342,446	\$47,249,196
54	54	Alaska Gateway	Mentasta Storage Tank	\$562,493	\$562,493	\$11,250	\$551,243	\$47,800,440
55	55	Alaska Gateway	Northway Soil Remediation	\$3,798,330	\$138,121	\$2,762	\$135,359	\$47,935,798
56	56	Hydaburg	Heating System Renovation	\$184,248	\$184,248	\$9,212	\$175,036	\$48,110,834
57	57	Nenana	Handicap Access Repairs & Improvements	\$138,757	\$138,757	\$13,876	\$124,881	\$48,235,715
58	58	Nenana	Interior Lighting	\$64,709	\$64,709	\$6,471	\$58,238	\$48,293,953
59	59	Hydaburg	Major Maintenance	\$857,316	\$857,316	\$42,866	\$814,450	\$49,108,403
60	60	Fairbanks	District Wide ADA Compliance	\$6,200,048	\$230,700	\$69,210	\$161,490	\$49,269,893
61	61	Chatham	Angoon High School Major Maintenance	\$301,683	\$301,683	\$6,034	\$295,649	\$49,565,543
62	62	Fairbanks	District Physical Plant Renovation/Addition	\$4,884,480	\$150,721	\$45,216	\$105,505	\$49,671,047
63	63	Chugach	Districtwide Building Security & ADA	\$65,175	\$65,175	\$1,304	\$63,872	\$49,734,919
64	64	Juneau	High School Gym Floor Replacement	\$129,197	\$129,197	\$38,759	\$90,438	\$49,825,357
65	65	Tanana	Voc-Ed Roof Replacement	\$50,061	\$50,061	\$2,503	\$47,558	\$49,872,915
66	66	Wrangell	Hot Water Tank Replacement	\$33,750	\$33,750	\$10,125	\$23,625	\$49,896,540
67	67	Lower Kuskokwim	Districtwide ADA	\$4,047,823	\$174,636	\$3,493	\$171,144	\$50,067,683
68	68	Wrangell	Interior Corridor Finish	\$39,500	\$39,500	\$11,850	\$27,650	\$50,095,333

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69	69	Juneau	Gastineau Heating Coil Replacement	\$183,236	\$183,236	\$54,971	\$128,265	\$50,223,599
70	70	Skagway	School Roof Replacement	\$798,855	\$798,855	\$279,599	\$519,256	\$50,742,854
71	71	Kenai	Homer Jr High Handicap Access	\$200,000	\$200,000	\$60,000	\$140,000	\$50,882,854
72	72	Lower Kuskokwim	Districtwide Asbestos Abatement	\$7,106,415	\$199,286	\$3,986	\$195,301	\$51,078,155
73	73	Nenana	Sprinkler System Renovation	\$151,606	\$151,606	\$15,161	\$136,445	\$51,214,600
74	74	Yukon/Koyukuk	Districtwide Structural Repairs	\$467,547	\$467,547	\$9,351	\$458,196	\$51,672,796
75	75	Unalaska	Multi-Purpose Room Roof Replacement	\$76,985	\$76,985	\$26,945	\$50,040	\$51,722,837
76	76	Chugach	Districtwide Fuel Tank Upgrade	\$193,373	\$193,373	\$3,867	\$189,506	\$51,912,342
77	77	Yukon/Koyukuk	Districtwide Tank Farm Upgrades	\$4,251,099	\$142,620	\$2,852	\$139,768	\$52,052,110
78	78	Kenai	Kenai Middle School Handicap Access	\$200,000	\$200,000	\$60,000	\$140,000	\$52,192,110
79	79	Yukon/Koyukuk	Districtwide Roof Repairs	\$1,334,737	\$1,334,737	\$26,695	\$1,308,042	\$53,500,152
80	80	Yukon/Koyukuk	Districtwide ADA Code Upgrade	\$821,157	\$615,868	\$12,317	\$603,550	\$54,103,703
81	81	Iditarod	McGrath Flooring Upgrade	\$185,456	\$185,456	\$3,709	\$181,747	\$54,285,450
82	82	Chugach	Tatitlek Generator Replacement	\$104,489	\$104,489	\$2,090	\$102,399	\$54,387,849
83	83	Alaska Gateway	Tellin Sewer Line	\$73,145	\$73,145	\$1,463	\$71,682	\$54,459,531
84	84	Skagway	School Access/Egress Replacement	\$391,730	\$391,730	\$137,106	\$254,625	\$54,714,155
85	85	Craig	Elementary Roof Replacement	\$557,274	\$557,274	\$55,727	\$501,547	\$55,215,702
86	86	Kenai	ADA Districtwide Entries	\$114,000	\$114,000	\$34,200	\$79,800	\$55,295,502
87	87	Kenai	ADA Districtwide Restrooms	\$274,000	\$274,000	\$82,200	\$191,800	\$55,487,302
88	88	Kenai	ADA Districtwide Parking	\$81,100	\$81,100	\$24,330	\$56,770	\$55,544,072
TOTALS				\$148,096,856	\$67,069,022	\$11,524,950	\$55,544,072	\$55,544,072

**Capital Improvement Program Budget Request
School Construction Grant Fund - Project Descriptions
for Fiscal Year 1998**

DISTRICT	PROJECT	DESCRIPTION
1 Kashunamiut School District	Chevak School Replacement	This project is for completion of the design and for construction of a replacement for the existing structure. The project is necessary to avert imminent danger and to correct life threatening situations. The inadequate initial design and construction, combined with the effects of age and the elements are showing significant signs of failure.
2 Lower Yukon School District	Pilot Station K-12 Expansion	Funds are needed to expand the existing high school facility to accommodate a K-12 educational program. The existing elementary school is a BIA structure constructed over 30 years ago. The District plans to abandon this structure. These buildings were constructed prior to the establishment of current building codes and regulations. The structures are on a flood plain and have numerous code and life safety concerns that the District would like to address.
3 Lower Yukon School District	Kotlik K-12 Expansion	District intends to abandon the existing BIA Elementary school. Funding is needed to replace the abandoned elementary space, to renovate the existing high school to accommodate the additional elementary space, and to bring the existing facility up to compliance with current building codes.
4 Chatham School District	Hobart Bay - Recovery of Funds	The district is seeking a recovery of funds that were expended from the general fund account to purchase a 28' x 32' modular classroom unit to ease the unhoused student situation at the Hobart Bay School.
5 Northwest Arctic School District	Buckland Remediation, Phase II	Request is for design and construction funds for a new addition to the Buckland school to alleviate overcrowding.
6 Southwest Region Schools	Togiak School Replacement	District is requesting funding to remedy health and life safety and unhoused student problems at Togiak by replacing the existing facility with a new building on a new site.

**Capital Improvement Program Budget Request
School Construction Grant Fund - Project Descriptions
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DISTRICT	PROJECT	DESCRIPTION
7 Lower Kuskokwim	Newtok Elementary Addition	On May 5, 1994 the high school structure was destroyed by fire. The funds are to go for the construction of an addition to the existing structure. The high school will be rebuilt with insurance proceeds.
8 Yukon Flats	Arctic Village K-12 School Addition/ Renovation	This project is an approximately 6,000 square foot addition to the existing high school, making it a K-12 school. The purpose of this project is to alleviate overcrowding.
9 Mat-Su Borough Schools	Taikeetna Addition & Renovation	Requested funds are to be used for the renovation of a thirty year old structure and the construction of an addition to resolve crowding and existing deteriorating conditions.
10 Iditarod	Takotna Training Center	District is requesting funding to construct a 1,700 square foot addition to the existing structure to alleviate overcrowding and to upgrade existing code deficiencies
11 Lower Yukon Schools	Sheldon Point K-12 Expansion	Requesting funding to remedy health and life safety and unhoused student problems. District plans to abandon the 35 year old BIA structure and to renovate the existing high school building to accommodate a K-12 program.
12 Bering Strait Schools	Golovin High School/Elementary Addition	Funding is to remedy health/life safety and unhoused student problems in Golovin. The existing BIA structure has outlived its useful life to the point where the cost of repair and renovation exceeds replacement costs. The overcrowding of students into a dilapidated structure creates a threatening situation for the inhabitants.
13 Denali Borough Schools	Tri-Valley Addition & Remodel	Requesting funding for the final construction phase of the Tri-Valley School Addition and Remodel project.

**Capital Improvement Program Budget Request
School Construction Grant Fund - Project Descriptions
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DISTRICT	PROJECT	DESCRIPTION
14 Bering Strait School	Elim High School/Elementary Addition	District plans to abandon the existing BIA structure due to the aged condition of the facility. They intend to replace the abandon elementary space with an addition adjacent to the existing high school and further renovate the high school to bring it up to current building codes.
15 Yupiit School District	Akiachak Replacement/Renovation	This project is for construction of an elementary school to be added onto the high school structure, and for renovation of the high school to accommodate the addition. The existing elementary school is a thirty year old BIA structure that has outlived its useful life. The building is too small to accommodate present day educational programs.
16 Bering Strait School District	Teller High School/Elementary Addition	The existing building will be remodeled to correct all health/life safety violations in existence. This remodeling effort will also be used to redefine and programmatically reallocate some of the existing educational space to provide a better facility at Teller.
17 Craig City Schools	New Secondary School	This project is for the design and construction of a new high school facility at Craig. The project includes site preparation, road and utility access, walkways, activity fields and the construction of a new 50,000 square foot structure.
18 Kuspuks School District	Joseph & Olinga Gregory Elementary Upper Kalskag	Existing overcrowding necessitates a new school with additional classrooms and support space. The existing school site is over built. The eroding river bank threatens the existing well. There is no legal separation between the existing well and sewer. Site constraints do not allow for required separations even with the relocation of the well and sewer
19 Northwest Arctic	Noorvik K-12 Expansion	This project is for the construction of an expanded 36,900 square foot K-12 school facility located at the existing high school site. The purpose is to provide an adequate facility to house the Noorvik school population.

**Capital Improvement Program Budget Request
School Construction Grant Fund - Project Descriptions
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DISTRICT	PROJECT	DESCRIPTION
20 Southeast Island Schools	Edna Bay Permanent Construction	Involves the construction of approximately 3,500 square feet of new classroom, multi-purpose and storage space on a site adjacent to the existing school site.
21 Bering Strait School District	Koyuk Elementary/High School Addition	The District intends to abandon an aging and outdated BIA structure which is currently being used as an elementary school. The existing elementary space will be replaced with an addition adjacent to the existing high school. The high school structure will be renovated to accommodate the addition and remedy existing health life/safety concerns.
22 Iditarod Area Schools	McGrath Voc. Ed. Expansion	Eliminate the life safety hazard and lack of instructional space by expanding the existing Voc. Ed Shop to create a larger facility to meet educational program requirements.
23 Craig City Schools	Elementary Classroom Addition	This project is for the construction of a 7 classroom addition to the elementary school. The addition will be approximately 10,000 square feet, and will include mechanical, circulation, restrooms and storage space. The existing covered play area will be relocated to make room for the addition.
24 Delta/Greely Schools	Healy Lake New Construction	The project consists of constructing a new K-12 school for the community of Healy Lake.
25 Southwest Region Schools	Manakotak K-12 Remodel and Expansion	District is requesting funding to remedy health and life safety and unhoused student problems by replacing the existing elementary school and a remodel/expansion of the existing high school into a combined K-12 facility.

**Capital Improvement Program Budget Request
School Construction Grant Fund - Project Descriptions
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DISTRICT	PROJECT	DESCRIPTION
26 South East Island School District	Naukati School Construction	This project involves the construction of approximately 9,600 square feet of new classroom and multi-purpose space to accommodate such programs as special education, kindergarten, physical education, music, science and library. The existing modular unit and trailer currently being used are not adequate.
27 Yukon/Koyukuk	Minto Renovation	The District desires to expand the existing facility to meet unhoused student program needs, remodel existing interior spaces to meet current educational program requirements and to provide the support space necessary to meet educational program needs. They also intend to structurally improve the existing building to meet current design requirements for facilities located in a flood plain, as well as to meet current snow and wind design load requirements.
28 SW Region Schools	New Stuyahok K-12 Remodel and Expansion	The district is requesting funding to remedy health and life safety and unhoused student problems with the replacement of the existing elementary school and a remodel/expansion of the existing high school into a combined K-12 facility.
29 Copper River Schools	Kenny Lake Additions	Funding needed to construct a 9,645 square foot , seven classroom elementary school addition to the existing secondary facility. Current space is inadequate with numerous life safety and code violations.
30 Aleutians East	False Pass Addition & Remodel	This project is a one-classroom addition to the existing school along with renovations to correct ADA deficiencies. This will serve to alleviate overcrowding and improve circulation and accessibility.

**Capital Improvement Program Budget Request
School Construction Grant Fund - Project Descriptions
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DISTRICT	PROJECT	DESCRIPTION
31 Lower Kuskokwim	Atmautluak Elementary Addition	This project is construction of a 6,582 square foot elementary addition to the high school to replace the existing elementary school alleviating overcrowding, and combining maintenance expenses.
32 Kuspuk Schools	Johnnie John Sr. Addition, Crooked Creek	Overcrowded conditions necessitate the addition of four classrooms, a library/media room, and support space to provide for unhoused students and effective utilization of educational resources. The fifteen year old building requires remodeling of the interior finishes and upgrading to current code requirements. The existing well needs to be replaced to locate water with a lower iron content.
33 Lower Kuskokwim	Bethel Middle School	This project is for planning and design to construct a new middle school in Bethel for the purpose of alleviating overcrowding at the two elementary schools and the high school.
34 Southeast Island Schools	Howard Valentine New Construction	This project involves the construction of a totally new elementary school facility, (existing facilities consist of over 20 year old trailers/modulars in very poor condition), and an addition to the existing 2,300 square foot secondary facility. The overall project involves constructing approximately 9,600 square feet of additional elementary and secondary space.
35 Kake City Schools	Elementary Addition, Phase II	This project will add the final four classrooms to the Phase I project which will complete the elementary school.
36 Bering Strait School District	White Mountain High School/Elementary Addition	The district intends to abandon the existing elementary school structure, which was built in 1932, to be replaced with space adjacent to the existing high school. The high school building will be renovated to address health/life safety issues.

**Capital Improvement Program Budget Request
School Construction Grant Fund - Project Descriptions
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DISTRICT	PROJECT	DESCRIPTION
37 Yukon Flats	Circle School Replacement	This project is for a new 8,900 square foot school. The present building would be demolished to the extent possible with these funds once the new school has been constructed. The purpose of the project is to alleviate the code violations, structural problems and safety issues associated with the old building. New construction has been determined to be the most cost effective solution.
38 Lower Kuskokwim School District	Kipnuk School Addition	This project would add approximately 26,000 square feet to the existing school facility to alleviate overcrowding.
39 Unalaska City Schools	New Elementary Design & Construction	Request is for design and construction funds for a new elementary school to accommodate recent enrollment increases.
40 Lower Kuskokwim School District	Nightmute Addition	This project would construct an addition to the existing facility to accommodate unhoused students. The additional square footage will provide classroom, library space, and increase the existing gymnasium.
41 Copper River School District	Glennallen Elementary Renovation	This project involves the remodeling of a major portion of the school, responding specifically to those areas and/or conditions that place the building occupants at risk. Attention will also be given toward the maintenance and repair of the roof before damage to the interior escalates.
42 Lower Kuskokwim School District	Cheformak Elementary Addition Phase III	This project is an elementary school addition to a high school building in Cheformak. The project has been funded in 2 phases. This application will cover phase three which will complete the project. Funds would go toward the purchase of equipment and the installation of related boardwalks and play deck. The district also intends on upgrading the existing bulk fuel storage and water treatment systems to the extent that funds are available.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
43 Yupiit School District	Consolidated High School/Boarding Home	Funding to construct a consolidated high school and related boarding home facility with apartment complex serving 9-12 students within the district.
44 Iditarod	McGrath Handicap Van and Bus Storage	District proposes to construct a heated building with concrete flooring in which to house a twelve passenger handicap van. The handicap van has to be heated in order for the wheel chair lift to function properly; especially during the winter when temperatures fall below zero.
45 Chatham	Angoon Elementary Addition	This project is an addition of three classrooms, a small storage room, stairway and entrance foyer. The addition will be approximately 2,970 square feet.
46 Iditarod	Lake Minchumina Asbestos Abatement	The School District proposes to abate the asbestos as required and remodel the existing structure.
47 Mat-Su Borough Schools	Meadow Lakes Elementary	Requested funds are to be used for the renovation of a thirty year old structure and the construction of an addition to resolve crowding and existing deteriorating conditions.
48 Northwest Arctic	Ambler K-12 Expansion	District desires to abandon the existing BIA Elementary school for academic purposes and demolish it. A new K-12 facility will be constructed on the existing high school site with an addition to the High School.
49 Anchorage School District	Taku Addition & Renovation	Project consist of a four classroom addition to the existing structure along with gymnasium and art space. Renovations are to include upgrading the existing HVAC system and the installation of a code approved fire suppression system.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
50 Mat-Su Borough Schools	Alasta Middle School	Requested funds are to be used for the renovation of a thirty year old structure and the construction of an addition to resolve crowding and existing deteriorating conditions.
51 Yukon Koyukuk	Kaltag Renovation	This project is to expand the existing K-12 school facility to meet unhoused student program needs, and to remodel existing interior space to meet current educational program requirements.
52 Yukon Koyukuk	Nulato School Replacement	This project is for planning, design and land acquisition to relocate the K-12 school program in Nulato. The school building is currently located in a flood plain and has numerous code violations. The new school would alleviate the problem of unhoused students as well as provide a safe facility.
53 Delta/Greely	Delta Construction Project	This project is for planning and design to construct a new K-12 school, and demolition of the existing school through phases. The present high school gymnasium and the Agricultural Vocational building will continue to be used when the reconstruction project is complete.
54 Northwest Arctic	Kiana K-12 Expansion	This project is for construction of a new elementary facility adjacent to the high school. The existing school has major code violations and it has been determined that replacement is more cost effective than repair.
55 Yukon Koyukuk	Allakaket Renovation	This project is for an addition to the existing K-12 school, and to remodel existing spaces to meet educational program needs. The purpose of the project is to alleviate overcrowding, and to improve the present facility to accommodate current need.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
56 Klawock City Schools	New High School Planning & Design	Request is for funding to prepare design documents for a new high school to resolve deficiencies documented in a 1994 condition survey. Scope of work under this grant will also include initial site preparation including clearing, grading, access road/parking, and utilities installation.
57 Petersburg School District	Vocational/Maintenance & Food Service Addition	Increase the existing Vocational Education building to include a food service central kitchen, maintenance vehicle and storage space as well as to accommodate the additional space needed to safely accommodate Voc-Ed classes in woodworking and marine fabrication.
58 Dillingham City	Dillingham Elementary Addition	This project is for a 6-classroom, 6,900 square foot addition to the existing school. The purpose of the project is to alleviate overcrowding.
59 Iditarod	Grayling Demo/Asbestos	Project is for asbestos abatement and remediation in the old BIA school building. This work must be accomplished before the facility can be demolished. Plans are to use local labor following training and certification.
60 Nome City Schools	Nome-Beltz Complex Facility Upgrade	Remove and replace the remainder of building - A - Nome Beltz High School Roof that has not been replaced with EPDM roofing, remove and dispose existing cement asbestos wall and soffit boards, remove existing exterior doors including overhead and sliding glass units and replace with new insulated and weather-stripped doors and frames, replace the remainder of the windows in the Administrative building.
61 Galena	Equipment and Fixtures for Project Education	Grant would be used to upgrade building and purchase initial equipment/technology for 'Project Education'. Project Education is a school to work program which provides a residentially-based vocational-technical and academic program for local and regional youth and adults.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
62 Northwest Arctic Borough School District	Kotzebue Middle/High School Expansion	Funding request is for improvements and an addition to the existing middle and high school and replacement of a portable temporary facility that is currently being used to house the sixth grade program.
63 Iditarod	Anvik Oil Storage	Funding is required to upgrade the existing fuel storage system which currently consist of three Pre-W.W.II riveted 7,000 gallon tanks. Fuel oil leaks around these rivets which are not repairable. Upgrading the tank farm is crucial to putting a safe fuel system in place.
64 Anchorage School District	Muldoon New Elementary	Funding requested to construct a new 26 classroom prototype facility in the Anchorage Muldoon area.
65 Chugach	Tatitlek Well	Funding request to drill a "Class A" water well to provide water to the Tatitlek School Site. Project to include the construction of a well house that would be attached to the existing facility. This structure would house the water pressurization and purification equipment required for the system.
66 Juneau Schools	Juneau High School Overpass Project	This project is for the construction of a covered roof over the channel side of the high school overpass steps. The stairs are dangerous as they become wet and icy in inclement weather and have resulted in students falling.
67 Denali	Cantwell Heating & Sprinkler	Requesting funding for the installation of automated sprinkler heads and the replacement of six oil heaters with one central oil fire heater connected with new hydronic piping throughout the structure.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
68 Denali	Anderson Heating & Ventilation	Requesting funding for the replacement of four oil fired heaters in the Anderson School with new hydronic piping throughout the facility connected to one central oil fired heater. The new system would have a backup heater and fuel oil supply pump.
69 Juneau	Dzantik'i Heeni Site Development	This project is the development of the area around the school facility and adjacent wet lands for environmental education projects for students, residents and tourists as well as to provide recreational areas outside the classroom for the purpose of further developing a healthy campus. Scope of work is to include construction of outdoor educational instruction areas and the construction of recreational areas such as a ballfield and track.

**Capital Improvement Program Budget Request
Major Maintenance Grant Fund - Project Descriptions
for Fiscal Year 1998**

DISTRICT	PROJECT	DESCRIPTION
1	Juneau School District Mendenhall River School Roof Replacement	Funds are needed to replace the existing roof including some structure. Given the extensive work that will be required at all eaves of the building from the problems of sliding snow and icing eaves and gutters, the most expedient and prudent course of action will be to remove the entire existing roof system to the structural frame and construct a new ventilated roof and eave system with reconfigured gutters.
2	Fairbanks North Star Borough Hunter: Planning, Design & Renovation/ Addition	The project consist of planning and designing renovations to the Hunter School. These renovations include the correction of the fire code deficiencies, replacing the gym, providing handicapped access, upgrading the mechanical and electrical systems.
3	North Slope Borough Bulk Fuel Systems Upgrades--- Districtwide	Borough wide upgrade of all existing bulk fuel storage facilities to centralize storage and distribution within each community . The District's share of this work is approximately \$6 million.
4	Bering Strait Diomedes Structural Remediation Phase II & III	District is requesting funding to correct critical structural and foundation failures. This involves mainly the elementary area and a very small portion of the high school.
5	Fairbanks School District Denali: Planning, Design, & Renovation/Addition	Funding requested to correct a number of structural, building code, site and program deficiencies attributed to the existing structure.

**Capital Improvement Program Budget Request
Major Maintenance Grant Fund - Project Descriptions
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DISTRICT	PROJECT	DESCRIPTION
6	NW Arctic School District Kiana High School Renovation	Funds will be used to redefine and programmatically reallocate some of the existing educational space and provide new space for a better overall educational facility for the village. The existing elementary structure is a BIA facility constructed in the late '60's. The age and condition of this structure is beyond its intended life. This problem is exacerbated by the increase demand on the facility with the increase in population.
7	SW Region Schools Kolliganek Foundation & Basement Repair	A seasonal high water table and water infiltration has created foundation and structural failures in the floor joist system. Funding will replace the existing foundation system at the vocational education area, replace waterproofing, install drain tiles to redirect run-off away from the building, install ventilation in the basement and the repair existing water damage.
8	Sitka Borough Schools High School Renovation	Funding is needed for remodeling and reconstructing in order to protect a 35 year old structure. Work will consist of upgrading existing electrical, mechanical and operating systems and correcting the related building code violations.
9	Delta/Greely Schools Delta Roofing Repair & Fire Alarm Replacement	This project encompasses the repair/replacement of portions of the school roof that are no longer salvageable and repair/replacement of structural members that are required to maintain the integrity of the facility. Also included is the replacement of the fire alarm system in the Secondary and Elementary School and extension of that system into the Agricultural/Vocational, and University of Alaska buildings.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
10 Anchorage School District	Romig Jr. High Roof Replacement	Project is to replace a 33 year old roof. Leaks from deterioration are causing damage to the structure in the form of rusting steel deck plates and bar joists. This jeopardizes school operations. The District intends to reduce operating and maintenance expenses with an energy efficient roof replacement system.
11 Sitka Borough Schools	Baranof Renovation	The renovation of an existing 24 year old structure to accommodate current building codes.
12 Hoonah City Schools	Roof, Foundation and Fuel Tank Replacement	Project to include the reconfiguration and replacement of the existing roof, the repair and/or replacement of the doors and windows, the repair of the foundation and the replacement of existing fuel tanks with new.
13 Lake & Peninsula Borough School District	Pedro Bay Renovation	District needs funds to renovate and repair the foundation of the existing structure and to initiate related repairs to the facility.
14 Ketchikan Gateway Borough Schools	Houghtaling Maintenance & Renovation	Interior renovation to the existing structure in order to bring the school into code compliance as well as enhance instructional implementation.

**Capital Improvement Program Budget Request
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	DISTRICT	PROJECT	DESCRIPTION
15	Lake and Peninsula Borough Schools	Districtwide Fuel Tank Upgrade	Funds would go to the repair of all fuel storage facilities districtwide to meet current code regulations. Many of these aging fuel storage facilities are located where an accidental spill, rupture or leak would cause substantial harm to the environment and the local culture:
16	Chatham Schools	Tenakee Retaining Wall Replacement	To replace the existing retaining wall which is failing. The property below is endangered by retained materials falling onto structures below. In addition, the "old school building" could suffer structural damage depending on how much slope failure occurs.
17	Fairbanks School District	Barnette: Planning, Design and Renovation/Addition	This project consists of the planning, design and construction of the renovations to Barnette School. The renovations include correction of the fire code deficiencies, providing handicapped access, upgrading mechanical and electrical systems, minor remodeling and refurbishing interior surfaces.
18	NW Arctic Schools	Noorvik High School Renovation	Renovation of the existing BIA structure to accommodate an increase student body population and upgrade to present day building code requirements.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
19	Anchorage School District Birchwood Roof Replacement	The school facility has a deteriorating 29 year old roof. Leaks are causing structural damage in the form of rusting decks, trusses, and connections. Surface damage results in heavy maintenance expenditures for replacement of ceilings, floor tiles, carpeting, and furnishings. Roof renovation with an energy efficient system will save the District operating as well as maintenance expenses.
20	Fairbanks School District Nordale: Planning, Design & Renovation	Funding requested to correct a number of structural, building code, site and program deficiencies attributed to the existing structure.
21	Cordova City Schools Elementary & High School Renovation	Repairs to the existing elementary and high school structures are needed in order to meet current building code and educational requirements.
22	Chugach Schools Whittier Drainage	Excavate the area at the back portion of the existing structure. Repair and extend the drainage systems and reconstruct and revamp the soffits on the back portion of the school building.
23	Ketchikan Gateway Borough Schools Valley Park Maintenance & Renovation	Project involves the renovation of the interior to the Valley Park Elementary School in order to bring the building into code compliance as well as enhance instructional implementation.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
24 Lake & Peninsula Borough Schools	District Wide Sprinkler Systems	This project involves the installation of fire suppressant sprinkler systems in thirteen of the District's fifteen school sites. Several of these sites will also require water storage due to the inadequate year round water availability in the amounts needed for the sprinkler system.
25 Annette Island Schools	Districtwide Major Maintenance Renovation	Repair and/or replace the existing roof, exterior siding, windows, insulation, and flooring to alleviate major leaks and repair extensive water damage.
26 Pelican City Schools	Major Maintenance	This project would correct deficiencies such as the installation of grounded electrical circuits, the replacement of leaking single pane windows, the installation of sprinklers and smoke detectors and the replacement of the boiler room piping.
27 Lower Kuskokwim School District	Mikelnguut Elitnaurviat Roof Repair	Funding is needed for the repair and/or replacement of the existing roof and related structural supports at the ME School facility located in Bethel.
28 Juneau School District	Marie Drake Roof Replacement	This project will remove existing roofing systems and roof insulation down to the existing concrete deck and install a new roofing system taking advantage of the latest technology.

**Capital Improvement Program Budget Request
Major Maintenance Grant Fund - Project Descriptions
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DISTRICT	PROJECT	DESCRIPTION
29	Juneau School District Auke Bay Roof Replacement	Replace the existing roof at the Auke Bay Elementary School Site.
30	Lower Kuskokwim School District. Bulk Fuel Tank Repairs -- 9 Sites	Funds are requested to correct code deficiencies at nine school sites for the bulk fuel storage facilities located there.
31	Klawock City Schools Major Maintenance	This project consist of making renovations on major architectural, electrical and mechanical items that were noted as being deficient in the 1994 Facility Condition Survey.
32	Wrangell City Schools Exterior Windows	Deterioration of windows, wood framing, sheathing and interior finishes has been a recurring problem. Funding is requested to remove the existing single pane windows and replace them with a more energy efficient thermalpane window. Window trim and finishes need to be removed and replaced on both the interior and exterior to allow for installation of a new window at multiple school sites.
33	Alaska Gateway Northway Wastewater Treatment	This project consist of converting the existing Wastewater Treatment Plant into a solids removal tank only; utilizing the existing adjacent wetlands for a secondary wastewater treatment.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
34 Haines Borough Schools	High School-Swimming Pool Roof Replacement	Project consist of replacing the existing metal roofing system on the swimming pool with a single ply membrane roofing system.
35 Galena City Schools	Roofing and Sprinkler Renovation	District is requesting funding to replace the existing roof. Project is to remedy weathered and worn roof membrane, inadequate insulation, poor drainage, unvented truss space, and asbestos. The project will also include the installation of fire alarm and sprinkler system.
36 Lower Yukon Schools	Hooper Bay Major Maintenance	Extensive repairs are needed for an aging BIA structure to preserve the integrity of the structure and to bring this facility into current building, fire and ADA code compliance.
37 NW Arctic Schools	Ambler High School Renovation	The District is requesting funds to remedy overcrowding, poor design, and Health/Life Safety problems.
38 Annette Island	Asbestos Abatement	This project involves the removal of asbestos from the elementary school annex, the middle and high school structures.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
39	Wrangell City Schools Civil Site Work	There is a critical need for civil and site work including the drainage, repair and replacement of concrete side walks and exterior stairs and the handling of roof runoff water. The current slope of the existing grade needs to be corrected to prohibit surface water and roof runoff from flowing back towards the foundation and into the crawl space and ponding. This existing problem causes odor and moisture problems and deterioration of the wood framing.
40	Kake City Schools District Wide Maintenance	Funding is being requested by the District to initiate necessary repairs to all existing mechanical and electrical systems.
41	Lower Kuskokwim School District Nelson Island, Tooksook Bay Roof Repair	This project would replace the roofing system on the high school buildings. The present roof consists of aluminum sheets that are fastened to the underlying stressed skin wood panel edges. the leaking appears to be caused by the expansion and contraction of the aluminum roofing material. The new roofing system would be a standing seam type with concealed fasteners over 30 pound roofing felt. New flashing and trim would be installed for roof penetrations.
42	Tanana City Schools Electrical Retrofit	The project consist of replacing all existing electrical lighting fixtures in the school building and the replacement of electrical kitchen equipment and appliances. Retrofitting the electrical system will reduce electrical expenses.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
43	Wrangle City Schools	Civil Site Development--Parking Lot
		There are three areas: the lower parking area near the metal shop at the high school and two areas on each side of the elementary school. These areas were never finished with the original construction which has resulted in significant compromise to the water drainage plan for both schools.
44	Iditarod Area Schools	Lime Village Oil Spill
		The fuel systems at the school site, the teacher's housing quarters, the pipeline to the runway and the bulk tank at the runway have evidence of fuel contamination. Although there has never been a reported oil spill, there is evidence of a past history of poor performance. The District is being held accountable for this situation.
45	Juneau School District	High School Heating & Ventilation
		This project will transfer control of the key parts of the old original heating system to other parts of the more recently installed heating/ventilation system.
46	Iditarod Area Schools	Grayling Oil Storage
		Funding is requested to replace the existing antiquated system with a new 10,000 gallon horizontal tank.
47	NW Arctic Schools	Noatak Major Maintenance
		The existing mechanical system is not able to adequately heat the existing facilities. Additional boilers are required, the fuel oil supply system needs repair and the control system needs to be replaced. Due to the age of this system and the condition of the fuel lines and existing controls, a major upgrade is needed.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
48	Juneau School District Floyd Dryden Gym Floor Replacement	Project includes removal of the existing roll-down flooring material and replacement with a more durable material
49	Bristol Bay Borough Schools Sprinkler System	The District is requesting funding to install an automatic fire sprinkler system throughout the existing structure. Since the sprinkler system will involve building upgrades, the district has determined that renovating the existing library and computer rooms to meet the academic needs should also be accomplished.
50	Lower Kuskokwim School District Districtwide Water Treatment--8 Sites	District is requesting funding to alleviate the existing water treatment problems at eight (8) District sites.. These existing sites are out of compliance with the State Department of Environmental Conservation requirements.
51	SW Region Weather Protection--4 Buildings	The District is requesting funding for the completion of metal-clad weather protection of four facilities in the district --Clarks Point, Twin Hills, Aleknagik, and the District Central Office Building. The weather conditions found in the southwestern portion of the state provides a very poor environment for structures with wood facades. Buildings completely enclosed in metal cladding are much more economical and longer lasting.
52	Alaska Gateway Northway Fuel Storage Replacement	All existing fuel storage tanks, transfer and distribution system components will be replaced. This upgrade is to include a secondary containment system and the removal and remediation of contaminated soils.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
53	NW Arctic	Shungnak Major Maintenance
		The existing mechanical system is not able to adequately heat the facilities. Additional boilers are required along with the installation of a new control system. This problem is compounded by a poor building envelope that allows water and air infiltration. Funding is requested to replace the existing wood siding with metal that will protect the structural integrity by preventing further deterioration of the structural members and provide ultimate utilization of the upgraded mechanical system.
54	Alaska Gateway	Mentasta Storage Tank
		Funding is require to remove residual contaminated soil from a past rupture of underground fuel storage tanks.
55	Alaska Gateway	Northway Soil Remediation
		In 1988, a heating oil spill occurred at Northway. Substantial contamination remains in the thawed soil, in the permafrost and in the perched aquifer surrounding the fuel tanks. The school drinking water source is located about 200 feet from the fuel tanks and is at risk of becoming contaminated by the migrating fuel spill.
56	Hydaburg	Heating System Renovation
		This project is for construction of a 225 square foot addition to the high school, and the purchase and installation of a new boiler system. The high school is presently connected to the elementary school for heat. The purpose of the project is to provide a more efficient and cost effective heating system and to reduce the strain on the elementary boiler system.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
57	Nenana City Schools Handicap Access Repairs & Improvements	Demolition and reconstruction of the main handicap access ramp to the building; provide handicap fixtures in the restrooms; and to revamp existing exits to correct a two to three inch variance in elevation between the floor and the door threshold.
58	Nenana City Schools Interior Lighting	This project consists of replacing lighting fixtures and installation of a drop ceiling in the elementary classrooms. The majority of the fixtures in this area are in excess of 30 years old and have yellowed to the point that cleaning is no longer an option. Illumination at task level is only 45 foot-candles vs. 50 foot-candles recommended by Alaska State Regulation 18AAC30.340. These aging fixtures also contain PCB as a cooling agent in the ballast's. The district wishes to eliminate all PCBs from the facility.
59	Hydaburg Major Maintenance	Funding is needed to correct the major maintenance problems related to the high school roof and underground fuel storage tanks. Interior/exterior repairs to the gym and the replacement of the covered walkway between the gym and the high school will also be accomplished.
60	Fairbanks North Star Borough Schools Districtwide ADA Code Compliance	This project requires building modifications to meet the Americans With Disabilities Act, (ADA), regarding building accessibility. Non-structural changes including constructing ramps, enlarging door opening, relocating plumbing fixtures, relocating partitions, providing lifts, and installing handrails to stairs and ramps were to have been accomplished on or before the effective date of January 26, 1992.

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DISTRICT	PROJECT	DESCRIPTION
61 Chatham Schools	Angoon High School Major Maintenance	Project consist of removal of existing siding, replacing all dry rotted framing, the installation of metal head and sill flashing at the windows, providing a new parapet flashing consisting of roofing and continuos metal flashing, the replacement of the existing flat roof with a modified bitumen or EPDM type system, the replacement of the sidewalk at the northeast corner of the structure and extending the gym roof to prevent the buildup of snow and ice along side the building.
62 Fairbanks School District	District Physical Plant Renovation/ Addition	This project will involve the renovation of the existing plant facilities building to resolve space shortages.
63 Chugach Schools	Districtwide Building Security & ADA	The scope of this project consists of a complete upgrade of all door operating device hardware within the district. All of the doors in the district's facilities do not meet code requirements as stipulated by the Americans With Disabilities Act of 1991, (ADA).
64 Juneau School District	High School Gymnasium Floor Replacement	This project includes the removal of the existing roll-down flooring material of the alternative gym for the high school and the replacement with a more durable material.
65 Tanana City Schools	Voc-Ed Roof Replacement.	Funds are to be used to upgrade the existing Vocational Education facility at the City of Tanana.

**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
66	Wrangell City Schools Hot Water Tank Replacement	The 1,000 gallon hot water storage tank which supplies domestic hot water to both the High School locker rooms is aging and currently out of compliance with current building codes. A lined tank and a double wall heater exchanger in the tank will be installed in order to restore the system to code standards.
67	Lower Kuskokwim School District Districtwide ADA	Funds are needed in order for the district to initiate the necessary repairs and renovations to bring those facilities that are currently inaccessible to the Handicap into compliance with The Americans With Disabilities Act, ADA, standards.
68	Wrangell City Schools Interior Corridor Finish	The wall coverings in the hallways are rapidly falling apart. The trim around the doors and windows are made of a thin metal that lends to project into this heavy traffic area in such a manner that they are a safety hazard. Funding is requested to replace wainscot in corridors with a durable fabric or other finish which can be bonded directly to wall board.
69	Juneau School District Gastineau Floor Heating Coil Replacement	To avoid the costs involved with a possible failure of the panel heating system in the Gastineau Elementary School which would involve emergency heating and the possible relocation of students, funding is being requested for a replacement system.

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DISTRICT	PROJECT	DESCRIPTION
70	Skagway City Schools School Roof Replacement	Project is to reroof the existing structure and relocate the boiler stack. The main hip areas of the roof show signs of nails starting to pop lose; the cupola at the peak may be a source of leaking into the learning areas; flashing is loose in several areas along the base of the cupola, and several shingles are missing from other areas of the roof. The age and condition of the roof along with the rain and high wind conditions have contributed significantly to the need to reroof this facility.
71	Kenai Peninsula Borough Schools Homer Jr High - Handicap Access	ADA survey taken in 1994 indicates that the District is not in compliance with the Americans With Disabilities Act Federal Standard 1990 for interior accessibility. To be in compliance, second floor access is required to music, home economics, and science. This project would consist of the installation of an elevator to the second floor.
72	Lower Kuskokwim School District Districtwide Asbestos Abatement	This project will remove all potentially friable asbestos containing materials from the buildings. The District intends to advertise requests for proposals for a designer, select a firm, review all management plan documents, perform additional field testing of suspect materials, develop construction documents, bid the project to determine if there is a successful bidder and construct the project.
73	Nenana City Schools Sprinkler System Renovation	This project consist of installing a sprinkler system in the Gym/Multipurpose Room and Metal/Automotive Shop areas of the school. When originally constructed, funding was not considered towards extending the existing sprinkler system. As these areas are connected to the elementary and secondary portions of the structure, a loss of the entire school will be averted in the event of a fire.

**Capital Improvement Program Budget Request
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	DISTRICT	PROJECT	DESCRIPTION
74	Yukon Koyukuk School District	Districtwide Structural Repairs	The District is requesting funds for the use on a district wide basis. to repair and/or replace the existing thermopile foundations on a site by site basis.
75	Unalaska City Schools	Multi-purpose Room Roof Replacement	This project will replace the existing multipurpose room roof with an approximate 4,100 square foot Carlisle EPDM metal roof. Sections of the existing roof are leaking badly. All other roof areas of the existing school have already been replaced with the EPDM type roof planned for this project.
76	Chugach Schools	Districtwide Fuel Tank Safety Upgrade	All of the district's fuel facilities lie within one quarter mile of navigable waters on the Prince William Sound. It is of the utmost importance that the integrity of these facilities not be compromised and that they remain sound and functional. All sites within the District's boundaries have fuel facilities that are in need of major maintenance.
77	Yukon Koyukuk School District	Districtwide Tank Farm Upgrades	All bulk fuel storage systems within the District need to be substantially upgraded. The existing tanks, secondary containment systems, lighting, and fencing are currently insufficient.

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DISTRICT	PROJECT	DESCRIPTION
78	Kenai Peninsula Borough Schools Kenai Middle School Handicap Access	ADA survey taken District Wide in indicates that the district is not in compliance with the Americans With Disabilities Act Federal Standard 1990 for interior accessible route. To be in compliance, basement access is required to reach the weight room and physical education classes. Project consists of installation of an elevator to the basement.
79	Yukon Koyukuk School District Districtwide Roof Repairs	There exists within the District serious problems with the existing school facilities which exceed the District's ability to correct within present maintenance budgets. The sites within the district all have serious problems with the siding and flashing components of their roofing system. Repairs need to be made before the inadequacy of these roofing systems causes interior damage to the structures.
80	Yukon Koyukuk School District Districtwide ADA Code Upgrade	Renovate and remodel all structures within the district to accommodate the Americans with Disabilities Act, (ADA).
81	Iditarod Area Schools McGrath Flooring Upgrade	Financial assistance is requested to replace the existing flood damaged subflooring, carpets, and linoleum.
82	Chugach Schools Tatitlek Generator Replacement	This project involves the removal and replacement of one of the two existing auxiliary generators. This system will be set up with an automatic actuator system to bring the generator on line at the moment insufficient power is recorded from the village utility.

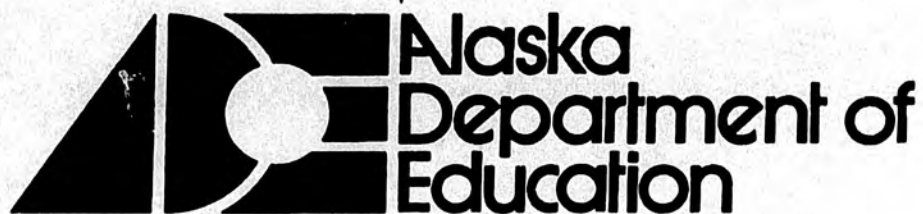
**Capital Improvement Program Budget Request
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DISTRICT	PROJECT	DESCRIPTION
83	Alaska Gateway Tetlin Sewer Line	The existing system is to be removed including 200 feet of sewer pipe and the wooden supports. A new sewer line is to be installed from the school to the lagoon.
84	Skagway City Schools School Access/Egress Replacement	The project will repair and improve the access and egress areas of the facility. The exterior doors are located under a sloping roof with little overhang. This situation provides little protection from wind driven rain. Snow tends to build up in the entry during the winter months. The main entry doors are showing extreme wear and require replacement. The age and condition of the entryways along with the rain and high wind conditions have contributed significantly to the existing condition.
85	Craig City Schools Elementary Roof Replacement	Project includes re-roofing the elementary school, the inclusion of a sprinkler system and the relocation of the covered play area in order to make room for a classroom addition.
86	Kenai Peninsula Borough School District ADA Districtwide Entries	The district is not in compliance with the Americans with Disabilities Act Federal Standard 1990 for accessible entries into District wide facilities. Project will consist of entrance ramps, widening landings, widening exterior door entrances, exterior handrails, threshold changes, directional signage, protruding objects addressed and accessible stairs.

**Capital Improvement Program Budget Request
Major Maintenance Grant Fund - Project Descriptions
for Fiscal Year 1998**

DISTRICT	PROJECT	DESCRIPTION
87	Kenai Peninsula Borough School District	ADA Districtwide Restrooms
		The District is not in compliance with the Americans with Disabilities Act Federal Standard 1990 for accessibility into the rest rooms, districtwide. Project will consist of making standard accessible stalls, renovate privacy rest rooms and nurses area, renovation of stall doors, toilets, grab bars, flush controls, dispensers, urinals, lavatory, faucets and showers.
88	Kenai Peninsula Borough School District	ADA Districtwide Parking
		The District is not in compliance with the Americans With Disabilities Act Federal Standard 1990 for accessibility in the parking lots. Project will consist of curb cuts, signs, painting crosswalks, curb ramps, detectable warning on walking surfaces and repainting parking lots for accessible passenger loading.

Alaska School Facilities Preventive Maintenance Handbook



Developed
by the
Department of Education
Education Support Services / Facilities

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Preventive Maintenance Handbook

Overview

Preventive maintenance (PM) is the component of a facilities maintenance system which has as its goal the maximizing of the useful life of all building systems. Just as maintenance is an aspect of facility management which impacts virtually all other areas of the total facility equation, so PM, as a philosophy or mind-set, has a broad influence on the total maintenance effort. At its heart, preventive maintenance asks, "What can I do to make this item--be it an automobile, building, or piece of equipment--remain as good as new for as long as possible?"

Many discussions of maintenance relegate preventive maintenance to a small role, for example: "Preventive maintenance (PM) is defined in the maintenance management audit as periodically scheduled work on selected equipment, usually dynamic, to provide for required inspection, lubrication and adjustment."¹

However, a broader application of the term is desirable to avoid fragmentation of the maintenance system into multiple subcomponents where routine, preventive, regular, recurring and other variations of maintenance each have their own definition (and accounting classification). For the purposes of meeting the requirement and intent of Alaska Statutes, the Department of Education sees preventive maintenance as:

All activities which can be regularly scheduled to prevent premature failure or maximize or extend the useful life of a facility and its components. This will include items such as roof inspections, repainting, and door hardware adjustments as well as more traditional items such as bearing lubrication and belt replacements on HVAC equipment.

It is essential that school boards, school district administration and staff make a commitment to this philosophy when considering their responsibilities in managing district facility assets. Preventive maintenance should be a key element of a school board's mission statement.

Legislation

State of Alaska legislation is very clear about preventive maintenance. By statute, a duty of each district's school board is to "provide for the development and implementation of a preventive maintenance program for school facilities." Some school districts share the duties of maintenance with another agency within the city or borough. This legislation in no way prohibits districts from acting in conjunction with these associated agencies to effect all or a part of their maintenance program, however, neither does doing so relieve the school board of its obligations in the area of preventive maintenance. The legislation goes on to say, "... in this paragraph, 'preventive maintenance' means scheduled maintenance action that prevents the failure or extends the useful life of a facility, or facilities systems or components and that are cost effective on a life cycle basis." (AS14.14.090(10))

Legislation also does not allow capital funding for the accomplishment of preventive maintenance nor for projects caused by lack of it. A district requesting capital funding from either the school

Preventive Maintenance Handbook (cont.)

construction fund or major maintenance fund must provide "evidence that the project should be a capital improvement project and not part of a preventive maintenance program, or regular custodial care." An obvious conclusion to reviewing the pertinent legislation is that PM in Alaska is solely the responsibility of school districts and that funding must come from operating budgets which are in turn funded by community and state funds as well as federal funds allocated under the public school funding program.

Developing a Preventive Maintenance Program

Introduction

Alaska statutes give school districts two main responsibilities with regard to preventive maintenance. The first of these responsibilities is to *develop* a preventive maintenance program. This section will offer *guidance* in developing an effective program.

According to the Encyclopedia of Architecture, "Preventive maintenance programs should not be thought of as spontaneous natural events that will occur in the passage of time to meet the needs of the systems in place. Preventive maintenance programs begin with the acceptance of a need and the development of a considered, planned program for addressing the individual and different needs of each specific unit or system in a project."²

Many districts will have developed a traditional preventive maintenance program for various types of mechanical and some electrical equipment and components. Industry leaders in the design and manufacture of this type of equipment have long advocated and effectively promoted maintenance of their equipment. The early steps in this effort consisted of operations and maintenance manuals and, while these are still in use, have been supplemented by advanced, micro-processor based diagnostic and control systems.

In extending the scope of preventive maintenance to "maintenance work on any building system or component which can be scheduled", each district will be required to reassess their program's breadth and enhance it as necessary. The obvious first step in this process is identifying the facilities which need preventive maintenance (**by statute, all schools**) and the particular building systems and their components at those facilities which will respond effectively to preventive maintenance. This is followed by determining the present condition, establishing a level of maintenance and writing preventive maintenance tasks for each system or component.

Identification of Facilities, Systems and Components

From the list in Appendix A, select those systems and components which apply to each of the district's facilities. Districts may add additional items if desired and/or necessary. The list is intended to be a baseline for a comprehensive integrated maintenance program; it is not an exhaustive list of every component. Many buildings will have multiple system types within a particular category (e.g. roofing, package unit heaters, etc.) as well as multiple components of the same type (e.g. circulating pumps, water closets, toilet partitions, etc.). A specific preventive

Preventive Maintenance Handbook (cont.)

maintenance plan will need to be developed for each item. In addition, districts should consider the benefits in standardizing systems and components within a district.

This portion of preventive maintenance program development is designed to dovetail with other facility assessment devices such as the DOE School Facility Appraisal and School Condition Survey, as well as facilities audits as outlined by literature from the Association of Physical Plant Administrators (APPA).

Determining Present Conditions

Following the selection of the general categories of the items in each facility (based on that facility's construction and in-place systems) a detailed inventory is needed to quantify the systems and components and establish their current condition. In quantifying the items, information such as quantity, type, size, manufacturer, model, material specification, location, key parts, part numbers, and other item specific data will be gathered and documented. In establishing their current condition, a qualified technician or professional will need to make the assessment.

Establishing Levels of Maintenance

Preventive maintenance efforts range from visual inspections only, to performance testing and analysis, to minor adjustment, cleaning and/or lubrication, to replacement or reconditioning of components to complete overhauls.³

In establishing levels of maintenance, two tracks or approaches are required. One is to establish a basic life-span for the system (i.e. asphalt shingle roofing - 20yrs, oil-fired boiler, 22yrs, etc.). The second consideration is to answer the question, "What maintenance activities are needed to ensure that this particular system/component meets or exceeds it's life expectancy?" Manufacture's literature, experience, test results and industry averages are some ways to determine both acceptable life-cycles and what preventive maintenance work would result in achieving those life expectancies in the most efficient manner (i.e. the lowest total cost).

Preparing the Work Items Plan

According to Basil Castaldi, four elements make up any preventive maintenance work item. "In any prescribed maintenance program, the list of tasks to be performed is described in detail. The frequency and nature of the work are clearly stated. The materials to be used are specified in considerable depth and the manner in which the work is to be accomplished is expressed in simple language."⁴

School districts which are accredited by the Northwest Association of Schools and Colleges will recall that these accreditation standards include the following:

Standard III - School Plant and Equipment

"13. Inspection(s) of the school plant and equipment shall be made each school year by a qualified official and any deficiencies addressed."⁵

Preventive Maintenance Handbook (cont.)

This type of standard is effectively achieved by a thorough set of work items which incorporate the necessary levels of maintenance mentioned in the previous paragraph.

Implementing a Preventive Maintenance Program

Introduction

A second responsibility with which Alaska statutes charge school districts is to *implement* a preventive maintenance program. This section will offer *guidance* on carrying out the developed preventive maintenance work plan and will establish the importance of having management reports and a system of feedback from the field in implementing an effective program.

The basic task of PM implementation is matching needs with resources. Because both needs and resources are variables in the facilities management effort, implementation may occur once to initiate a PM program but will also require continuous monitoring and control.

Moving from the planning and development phase to implementation and operation almost always involves funding, regardless of the endeavor. Preventive maintenance is no exception. The portion of the Encyclopedia of Architecture devoted to implementation of a preventive maintenance program is largely a discussion of funding.⁶ For consideration, some findings from research concerning maintenance funding and resources are included in the following paragraphs.

Determining Necessary Resources

One effective strategy for determining the necessary resources is to start at the smallest detailed increment of the PM plan and combine them for the aggregate picture. Take each well developed PM work item and ask, "What skills (trained personnel), tools, materials (parts etc.), and time are needed to complete this work item?" Once these factors are tabulated and needs are clear, the supporting issues of space for shops and material staging along with transportation requirements can be addressed.

As previously mentioned, most of the resource requirements turn into a need for funds. In California, research showed that:

"If a planned maintenance program is followed, about 5 percent of a district's operating budget will be required to provide an adequate maintenance program. In addition to the 5 percent expenditure for the district's maintenance program, a reserve fund is needed for unanticipated and emergency maintenance expenditures. Another criterion for determining budget requirements is to calculate 2.9 percent of the current net building replacement cost or a projected cost based on the square footage of property to be maintained."⁷

Preventive Maintenance Handbook (cont.)

The Encyclopedia of Architecture indicates:

"The cost of preventive maintenance ranges according to the intent of the *plans developed*. To set a budget for this type of work, one may estimate 5% of the present value of the building for preventive maintenance activity. Perhaps 1.5% of the value of the building may be estimated for simpler structures or systems."⁸

While starting with the most detailed information and building up yields a comprehensive assessment of necessary resources, thinking broadly and systematically is required to arrive at the necessary organization with which to accomplish the PM program.

Scheduling and Assigning Work

The structure and organization of the preventive maintenance program must be in-place before the effective scheduling of work can occur. Some operations and maintenance organizations establish a cross-disciplined PM work center whose main task is to inspect various systems and components (usually dynamic equipment) and write maintenance work orders. Following that, more traditional work centers such as plumbing, sheet metal, etc. are assigned the actual work tasks. Other maintenance organizations are oriented almost completely to preventive maintenance tasks with major crafts taking responsibility for components and systems within their respective areas. A small multi-disciplined workcenter handles routine maintenance and emergency repairs and, in some cases, minor improvement work. These are just two of many options available in establishing a structure for preventive maintenance scheduling.

The heart of any preventive maintenance program is assigning and executing specific PM tasks. This is almost always done on a work order system. This element of the PM program takes the work items developed for each component and assigns them to the appropriate maintenance craftsperson or team according to the established structure and schedule. Another factor to consider when scheduling PM work is productivity. Scheduling and work assignments are among the most significant influences in worker productivity.

Simple preventive maintenance programs can be executed using a manual system of scheduling and work tracking. One approach to such a method is described by one writer as follows:

"He or she may wish to record each task to be performed on a card. This may include a description of the task and the tools and the materials to be used. These cards may well serve as a 'tickler file' or a reminder to the *maintenance manager* as to when the task should be completed. He or she should note on the card the date of the next time when the work is required and file all of the cards chronologically by date, starting with the current date. In this way, the *maintenance manager* will know at a glance what needs to be completed within a given month, week or day. Once the work is completed, he or she can record what was done on the back of the card."⁹

Preventive Maintenance Handbook (cont.)

Although preventive maintenance tasks can be managed using a manual system, the automated maintenance management system is now state-of-the-art and financially affordable for even the smallest maintenance organizations. In many school districts, maintenance managers are running comprehensive computerized maintenance management programs particularly suited to preventive maintenance. Once pertinent data is entered into the database system, work orders detailing the preventive maintenance requirements can be generated and tracked. More advanced programs have an integral query phase which prompts maintenance managers for necessary input and provides industry standards for certain maintenance tasks. "It is estimated that there are more than fifty (50) suppliers of maintenance software packages with price variations based on need and capacity."¹⁰

In addition to automating the list of items needing preventive maintenance at specified times, most maintenance management software programs also provide the capability for a computerized building data file. This database of facility requirements can be used to generate a wide variety of accurate reports on matters related to building maintenance and operations and their associated costs. To a certain extent the integrated maintenance system, which incorporates both daily maintenance tasks and long range planning along with continuous monitoring and evaluation, depends upon an automated database of facility information. Effective preventive maintenance programs depend on feedback from maintenance personnel and a reporting/tracking system of associated costs to maintain the proper balance between preventive maintenance and renewal and replacement efforts.

Reporting Systems and Feedback

District maintenance programs should undergo periodic audits of their effectiveness. This can occur both at the workers task level and at the maintenance management level. Evaluations can be done either internally or through the use of an outside evaluation team. Maintenance management audits generally consider the following four factors:

Productivity - the portion of a worker's time that is directly productive.

Performance - how well the individual is working, i.e., is work being completed as planned?

Work Quality - are they producing a satisfactory work product.

Priority - effective allocation of available time to the most important tasks.¹¹

Though maintenance management audits may look at symptoms of ineffective maintenance at the worker/task level (i.e. number of call-backs, work completed on schedule, etc.), a management audit's focus, as the name implies, is on improvements through better management.

In addition to informal and formal audits, a reporting system should be established to analyze a district's maintenance system to achieve the lowest total maintenance costs. The optimum maintenance program is one in which the total costs for PM and repair and replacement is the lowest.

Notes

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3. Applied Management Engineering, PC, Kaiser, Harvey H.; **Maintenance Management Audit: A Step By Step Workbook to Better Your Facility's Bottom Line**; Kingston, MA; R.S. Means Company, Inc., 1991. p.83
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5. **Standards for Accreditation**; Northwest Association Schools and Colleges, 1995, p. 11
6. **Encyclopedia of Architecture**, John Wiley and Sons, Inc. p.70
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9. Castaldi, Basil; **Educational Facilities: Planning, Modernization, and Management**; Allyn and Bacon, 1982, rev. 1994, p. 420
10. **Maintenance and Operations Administrative Guidelines for School Districts and Community/Junior Colleges**; Florida Department of Education, Office of Educational Facilities, Plant Management and Insurance, January 1989, p. III-9
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Appendix A

Sample Systems and Components Inventory List

Foundation and Substructure

- Footings
- Foundation walls
- Slab/bearings on grade
- Piling/Posts
 - thermopiles
- Reinforcing
- Connectors
- Waterproofing
- Insulation
- Underdrains

Superstructure

- Columns
- Beams
- Rigid frames
- Floor structure
 - joists
 - deck/slab/sheathing
 - ramps
- Roof structure
 - trusses
 - deck/slab/sheathing
- Monolithic bearing walls
- Stairs and railings
- Structural bracing
- Welds/connectors

Exterior Wall Systems

- Wall construction
- Cladding/sheathing
- Doors
 - frame
 - door unit
 - hardware
- Glazing systems
 - frame
 - glazing
 - hardware
 - curtain walls
 - storefronts
- Balcony walls/railings
- Louvers and screens
- Expansion/seismic joints
- Insulation
- Protective coating
- Sealants

Appendix A

Sample Systems and Components Inventory (cont.)

Roof Systems

- Roofing
- Insulation
- Paving and ballast
- Curbs/supports
- Expansion/seismic joints
- Drains, gutters and d.s.
- Drywells
- Flashing and trim
- Fasteners
- Snow stops
- Roof openings

Interior Construction

- Fixed partitions
- Demountable partitions
- Retractable partitions
- Doors
 - frame
 - door unit
 - hardware
- Glazing systems
 - frame
 - glazing
 - storefronts/entrances
- Interior finishes
 - carpet
 - resilient tile/sheet
 - ceramic/clay tile
 - terrazzo
 - paint
 - vinyl/fabric wall cover
 - wood
 - metal panels
- Ceiling system
 - suspension grid
 - acoustical units
 - soffits (metal/gyp.)

Specialties

- Toilet partitions
- Display boards
- Projection screens
- Display cases
- Lockers
- Flag poles

Appendix A

Sample Systems and Components Inventory (cont.)

Conveying Systems

- Elevators
- Moving stairs/walks
- Dumbwaiters
- Pneumatic tube
- Lifts(material/personnel)

Heating Systems

- Boilers
- Furnaces
- Burners
- Fuel tanks & distribution
- Heat transfer equipment
 - heat exchangers
 - coils
- Terminal/package units
- Fin tubes/radiators
- Heating accessories
 - dampers/draft control
 - breeching and ductwork
 - stacks
 - insulation
 - piping
 - valves

Air Handling Systems

- Air handling units
- Unit ventilators
- Fans
- Inlets/outlets
- Ducting systems
 - dampers
 - filters
 - mixing boxes
 - sound attenuators
- Humidifiers
- Dust collection systems

Cooling Systems

- Condensing units
- Compressors
- Heat exchangers
- Packaged A/C units
- Chillers
- Absorption units

Mechanical Controls

- Compressors
- Pneumatic valves/levers

Appendix A

Sample Systems and Components Inventory (cont.)

- Pneumatic tubing
- Electronic controls

Plumbing Systems

- Cold water piping
- Water heater
- Hot water piping
- Pumps
 - sewage lift
 - water booster
 - circulating
 - sump
- Valves and traps
- Insulation
- Plumbing fixtures
 - sinks and faucets
 - toilets/urinals
 - coolers/drinking fountains
 - exterior hose bibs
- Waste vents
- Waste piping
- Septic tanks

Fire Protection/Suppression Systems

- Sprinkler piping
- Backflow preventers
- Sprinkler heads
- Fire extinguishers
- Fire hose system
- Standpipe connection
- Fire pumps
- Grease hood extinguisher

Power Generation and Transmission

- Generators
- Engines/turbines
- Transfer switches
- Transformers
- Service wiring
- Substation
- Switchgear
- Bus ducting
- Overcurrent protection

Power Distribution Systems

- Main distribution panel
- Wiring
- Conduits
- Raceway

Appendix A

Sample Systems and Components Inventory (cont.)

- Cable trays
- Distribution panels
- Electrical receptacles
- Circuit breakers
- Baseboard heaters
- Motors/fans
- Heat trace

Lighting Systems

- Fixtures
 - fluorescent fixtures
 - incandescent fixtures
 - HID fixtures
- Wiring
- Lighting panels
- Emergency lighting
- Standby lighting
- Exterior lighting

Signal Systems

- Computer data
- Public address
- Television
- Telephone
- Clock system
- Satellite delivery system
- Fire alarms
- Fire door hold-opens
- Security alarm/devices

Landscaping Systems

- Irrigation
- Tree/shrub plantings
- Flower bed plantings
- Turf/lawn
- Walks/plazas

Playfields and Playground Systems

- Football fields
- Baseball/softball fields
- Hard surface courts
- Hockey/skating rinks
- Playdecks
- Swings
- Climbing toys
- Safety mats
- Gravel and containment
- Markings/painting

Appendix A

Sample Systems and Components Inventory (cont.)

Vehicular Systems

- Parking lots
- Roads/drives
- Curbs
- Fire lanes

Site Utilities

- Fuel tanks
- Fuel distribution piping
- Storm drainage
- Fire hydrant systems
- Electrical power
- Pole-mounted lighting

Equipment

- Furnishings
 - classroom furniture
 - seating
 - rugs and mats
- Fixtures
 - window treatments
 - artwork
 - vending
- Equipment
 - waste handling
 - loading dock
 - parking equipment
 - postal
 - food service
 - woodworking shop
 - auto/engine shop
- Special construction
 - vaults
 - swimming pools
 - acoustical enclosures
 - raised computer flooring

Appendix B

Definitions

Component

A part of a system in the school facility.

Component Repair or Replacement

The unscheduled repair or replacement of faulty components, materials, or products caused by factors beyond the control of maintenance personnel.

Custodial Care

The day to day and periodic cleaning, painting, and replacement of disposable supplies to maintain the facility in safe, clean and orderly condition.

Deferred Maintenance

Custodial care, routine maintenance, or preventive maintenance that is postponed for lack of funds, resources, or other reasons.

Major Maintenance

Facility renewal that requires major repair or rehabilitation to protect the structure and correct building code deficiencies, and shall exceed \$25,000 per project, per site. It must be demonstrated, using evidence acceptable to the department that (1) the district has adhered to its regular preventive, routine and/or custodial maintenance schedule for the identified project request, and (2) preventive maintenance is no longer cost effective.

Preventive Maintenance

The regularly scheduled activities that carry out the diagnostic and corrective actions necessary to prevent premature failure or maximize or extend the useful life of a facility and/or its components. It involves a planned and implemented program of inspection, servicing, testing and replacement of systems and components that is cost effective on a life-cycle basis.

Renewal or Replacement

A scheduled and anticipated systematic upgrading of a facility system or component to rehabilitate it to a renewed functioning standard.

System(s)

An assembly of components created to perform specific functions in a school facility, such as a roof system, mechanical system or electrical system.

Note: The above definitions are those adopted by the Bond Reimbursement and Grant Review Committee 4-18-97.

**DEPARTMENT
OF
TRANSPOR-
TATION**

PRELIMINARY BRIEFING
LEGISLATIVE DEFERRED MAINTENANCE TASK FORCE



Prepared by
**STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES**

Engineering & Operations Division

May 6, 1997

Preliminary Briefing

- The Department of Transportation and Public Facilities is committed to supporting the work of the Task Force and assisting however necessary.
- We recommend a single point of contact for DOT/PF:

Boyd Brownfield, P.E.
Deputy Commissioner
Channel Dr.
Juneau, Alaska 99801
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Fax: (907) 586-8365

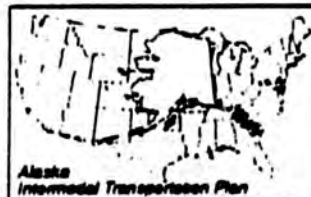
- The accumulation of deferred maintenance will continue so long as routine maintenance is underfunded. The two problems need to be solved simultaneously.
- We recommend that "Deferred Maintenance" be as clearly defined as possible for each facility/system/mode/departments. An up front effort to identify the Task Force's goals and to clarify terminology will greatly assist the DOT/PF in supporting the Task Force. Also helpful would be determining the work products expected of the DOT/PF.
- For the purposes of discussions and reports, a dollar should be defined. The simplest definition is whole dollars in the year 1997. Inflation, funding percentages or match ratios would be kept as a separate discussion.
- There are some sensible connections that can be made between funding sources and the programs in need of deferred maintenance funds. The DOT/PF has previously reviewed some possible means of funding maintenance and can provide assistance.
- The DOT/PF is ready to meet with the Task Force members or staff to review the information currently available and plan for the work ahead.

Alaska Facts

	Alaska	United States
Population	550,043	248,709,873
Physical Characteristics		
Land Area (sq. miles)	586,412 sq. miles	3,623,420
Miles of Coastline	6,640 miles	12,383 miles
Miles of Shoreline	33,904 miles	88,533 miles
Number of Rivers	3,000+	
Miles of Rivers	4,296 miles	11,700 miles
Roads		
Interstate System	1,087 miles	43,000 miles
Other Principal Arteries	383 miles	138,000 miles
Minor Arteries	1,127 miles	219,000 miles
Collectors	2,960 miles	805,000 miles
Local Roads	8,292 miles	2,674,000 miles
Total	13,849 miles	3,879,000 miles
Paved	2,802 miles	2,175,000 miles
Gravel/Stone	6,124 miles	1,328,000 miles
Bridges	882 bridges	577,000 bridges
Airports & Airways		
Commercial Airports	81 airports	570 airports
General Aviation	1,020 airports	16,700 airports
Commuter/Taxis	275 aircraft	1,221 aircraft
General Aviation	7,963 aircraft	217,200 aircraft
Airways	26,252 miles	360,000 miles
Railroads		
Class I	0 miles	128,000 miles
Regional	525 miles	16,000 miles
Local	50 miles	15,000 miles
Freight cars	1,200	748,000
Locomotives	60	19,647
Passenger cars	24	500
Waterborne		
Major Ports	11	177

- ☆ The Alaska Railroad is North America's northern-most railroad.
- ☆ Alaska is one-fifth the size of the contiguous United States; 488 times larger than the state of Rhode Island; larger than the three largest states in the union combined.
- ☆ As of May 1993, Alaska had 9,391 pilots and 9,408 aircraft. This is about one pilot and one aircraft for every 61 Alaskans.
- ☆ While Alaska is over twice as large as the next largest state (Texas), Alaska's population and land road mileage compare more closely with those of Vermont.
- ☆ Alaska not only has the largest seaplane base in the world, but with 102 facilities, it is first among the states in number of seaplane bases.
- ☆ North to south, Alaska measures 1,420 miles -the distance between Denver and Mexico City.

HDR



Alaska Intermodal Transportation Plan

Fact Sheet

DOT&PF

STATEWIDE – DOT&PF ‘RESPONSIBILITIES AND SERVICES’ STATISTICS

Maintain & operate over 14,400 lane miles in the State Hwy. system

Maintain & operate 8 vessels in the Alaska Marine Hwy. System

Maintain & operate almost 700 Public Facilities occupied by the department and State agencies, excluding courts, education & the university

Maintain & operate Anchorage & Fairbanks International Airports – and, 264 other airports

There are 907 state inspected Bridges which qualify for federal aid – 787 are state owned

There are 95 public Harbors in Alaska – 80 are state owned, and 15 are locally owned

DEFERRED MAINTENANCE [DEFINITION] – Required maintenance and repair on a facility that, having **NOT** been accomplished in a thorough and timely fashion, contributes to the accelerated deterioration and/or failure of any part of that facility. When deferred maintenance is addressed and corrective action performed, reconstructed components/features are brought back to near original condition, renewing/extending their service life. Examples of statewide, transportation related, deferred maintenance items needing redress are:

Bridges

- Stream channel embankment repair to prevent the undermining of bridge foundations
- Approach railing damage repair
- Debris removal from bridge substructures to prevent washouts during floods
- Structural steel painting
- Replace deck wearing surfaces and deck protection systems
- Clean, repair and/or replace deck joint seals to protect bearing systems

Highways

- Asphalt leveling/patching
- Culvert, slope, and drainage repairs
- Guardrail repair & replacement
- Traffic signal upgrade/repair
- Gravel road repair/resurfacing

Airports

- Crack sealing & pavement patching
- Culvert repair/replacement
- Fencing repairs
- Gravel replacement/resurfacing
- Lighting, beacon & marker repairs/replacement

Marine Hwys

- Vessel renovation
- Repair offshore facilities (e.g. pontoons, transfer bridge, piles, catwalks, etc.)

Harbor Facilities

- Major repair & replacement on older facilities (includes demolition, as necessary, engineering, & construction)

VEHICLE OPERATING COSTS

In 1990, there were 1,068,227 miles of arterial and collector roads in the United States. Of these, 90,934 miles (8.5 percent) were rated in poor condition and 521,194 miles (48.8 percent) were rated in fair condition.

Roads classified as "poor" rate 2.0 or below on FHWA's five-point pavement serviceability rating (PSR) scale. These roads are badly cracked, rutted or broken. In some cases, poor roads can be resurfaced, but most are too deteriorated and must be reconstructed.

Roads that fall into the "fair" category rate between 2.1 and 3.4 on the PSR scale. These roads are in the initial stages of deterioration and their pavement is noticeably inferior to new pavement -- they are characterized by cracked, rutted or broken pavement. Most fair roads are in need of resurfacing.

Since poor and fair roads are in inferior condition, it costs motorists more to drive on them. For example, in 1990, Americans spent an estimated \$140.5 billion driving on poor and fair roads. Had these roads been in good condition, driving on them would have cost American motorists \$123.1 billion -- a difference of \$17.4 billion. In other words, on the average, each of America's 167,015,250 licensed drivers spent an average of \$104.33 to operate a vehicle on substandard roads. The \$104.33 cost per driver included \$66.77 in wasted motor fuel, \$26.08 in extra vehicle repairs, and \$11.48 in excess tire wear. Table XXIII lists the 10 states with the

PROGRAM

highest vehicle operating cost while table XXIV breaks down vehicle operating cost by the amount wasted by each state, as well as the cost per motorist.

Table XXIII: STATES WITH THE HIGHEST VEHICLE OPERATING COSTS

STATE	COST PER DRIVER
1. ALASKA	\$179.89
2. IDAHO	\$179.77
3. KENTUCKY	\$178.79
4. NEW MEXICO	\$169.97
5. NEVADA	\$156.23
6. NORTH DAKOTA	\$154.86
7. MISSISSIPPI	\$151.38
8. WEST VIRGINIA	\$150.53
9. NEW HAMPSHIRE	\$142.48
10. SOUTH DAKOTA	\$139.64

Table XXIV: VEHICLE OPERATING COSTS

STATE	TOTAL WASTED VOC	COST PER DRIVER	COST OF WASTED MOTOR FUEL	COST OF EXTRA VEHICLE REPAIRS	COST OF EXTRA TIRE WEAR
ALABAMA	\$366,930,001	\$133.30	\$85.31	\$33.33	\$14.66
ALASKA	56,440,914	179.89	115.13	44.97	19.79
ARIZONA	322,819,927	134.92	86.35	33.73	14.84
ARKANSAS	218,327,031	126.79	81.14	31.70	13.95
CALIFORNIA	2,369,126,021	119.34	76.40	29.84	13.13
COLORADO	235,979,557	115.51	73.92	28.80	12.71
CONNECTICUT	154,077,217	69.59	44.54	17.40	7.65
DELAWARE	49,865,785	102.86	65.83	25.71	11.31
D.C.	42,343,281	102.70	65.73	25.67	11.30
FLORIDA	517,819,835	56.09	35.09	14.02	6.17
GEORGIA	520,739,380	116.28	74.42	29.07	12.79
HAWAII	88,789,542	131.03	83.86	32.76	14.41
IDAHO	126,589,786	179.77	115.05	44.94	19.77
ILLINOIS	743,639,288	101.94	65.24	25.49	11.21
INDIANA	477,524,379	132.60	84.86	33.15	14.59
IOWA	119,286,453	63.70	40.77	15.93	7.01
KANSAS	222,559,511	129.81	83.08	32.45	14.28
KENTUCKY	429,935,422	178.79	114.43	44.70	19.67
LOUISIANA	326,668,385	126.84	81.18	31.71	13.95
MAINE	107,324,712	120.99	77.43	30.25	13.31
MARYLAND	227,023,058	67.53	43.22	16.88	7.43
MASSACHUSETTS	427,146,842	101.00	64.64	25.25	11.11
MICHIGAN	659,917,171	102.47	65.58	25.62	11.27
MINNESOTA	276,724,174	109.42	70.03	27.36	12.04
MISSISSIPPI	285,273,617	151.38	96.88	37.84	16.65
MISSOURI	472,873,853	128.22	82.06	32.05	14.10
MONTANA	76,119,862	126.11	80.71	31.53	13.87
NEBRASKA	126,439,773	116.14	74.33	29.04	12.78
NEVADA	132,231,964	156.23	99.99	39.06	17.18
NEW HAMPSHIRE	120,181,744	142.48	91.19	35.62	15.67
NEW JERSEY	463,217,538	82.94	53.08	20.74	9.12
NEW MEXICO	182,521,514	169.97	106.78	42.49	18.70
NEW YORK	535,018,138	52.18	33.39	13.04	5.74
NORTH CAROLINA	211,316,266	46.44	29.72	11.61	5.11
NORTH DAKOTA	65,800,317	154.86	99.11	38.72	17.03
OHIO	790,497,488	106.43	68.12	26.61	11.71
OKLAHOMA	248,499,848	109.11	69.83	27.28	12.00
OREGON	245,511,658	111.01	71.05	27.75	12.21
PENNSYLVANIA	1,062,758,647	134.54	86.11	33.64	14.80
RHODE ISLAND	87,429,008	130.36	83.43	32.59	14.34
SOUTH CAROLINA	218,422,418	92.05	58.91	23.01	10.13
SOUTH DAKOTA	68,756,920	139.64	89.37	34.91	15.36
TENNESSEE	377,928,456	113.34	72.54	28.34	12.47
TEXAS	1,424,399,974	127.90	81.86	31.98	14.07
UTAH	93,168,274	89.06	57.00	22.27	9.80
VERMONT	52,841,616	128.28	82.10	32.07	14.11
VIRGINIA	371,066,285	84.55	54.11	21.14	9.30
WASHINGTON	288,419,871	85.42	54.67	21.35	9.40
WEST VIRGINIA	193,235,429	150.53	96.34	37.63	16.56
WISCONSIN	103,057,046	30.97	19.82	7.74	3.41
WYOMING	40,059,515	120.10	76.87	30.03	13.21
TOTAL COST	\$17,424,764,711				
AVERAGE COST		\$104.33	\$66.77	\$26.08	\$11.48

SOURCE: American Automobile Association, The Federal Highway Administration, and The Road Information Program.

GOV. BUDGET ONLY

Department of Transportation & Public Facilities
FY98 GENERAL FUND OPERATING BUDGET BY FUNCTION

Administration \$8,049.0 -
6.3%

Planning \$851.3 0.7%

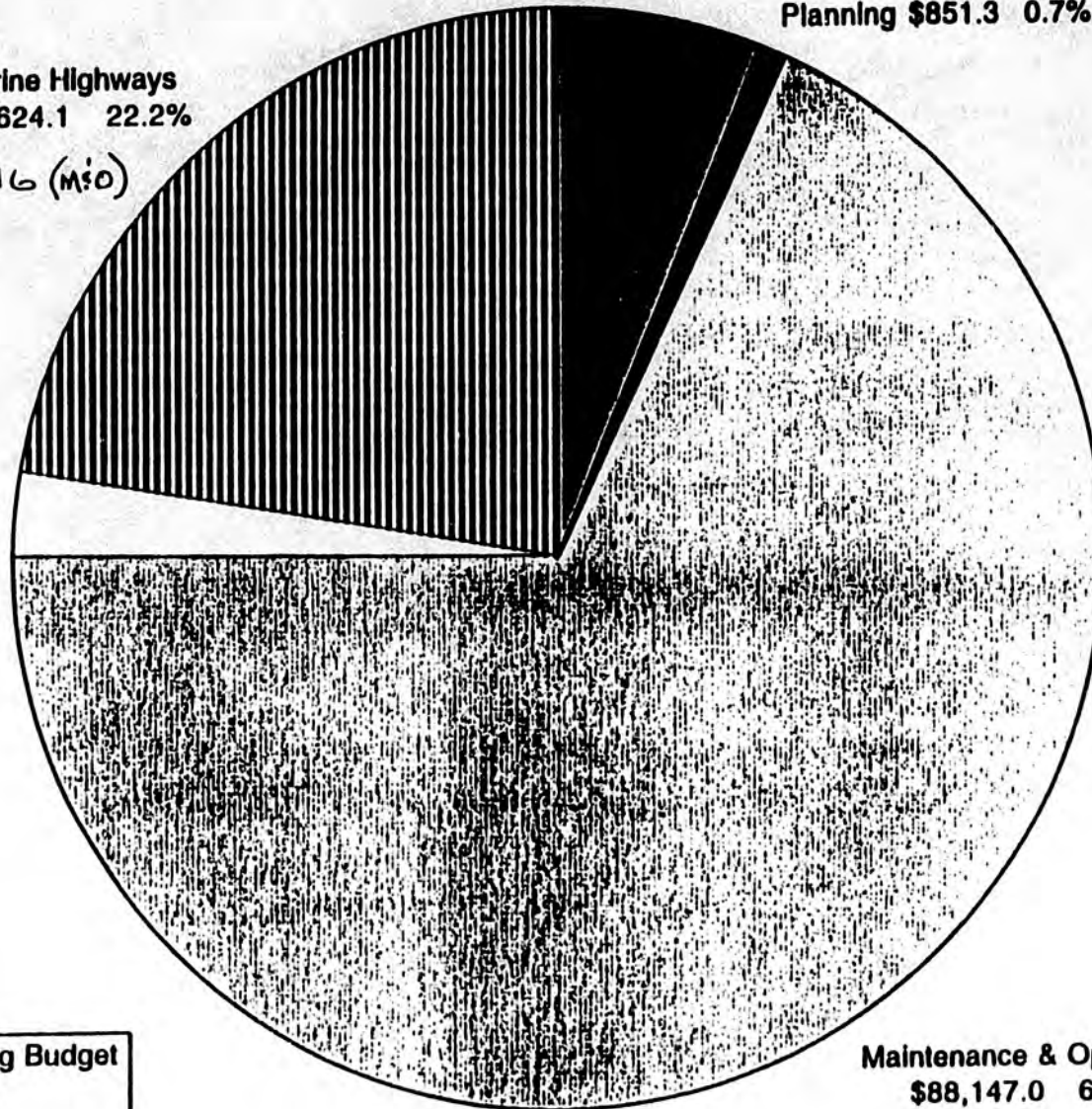
Marine Highways
\$28,624.1 22.2%

INCLUDES FUNDING (M&O)
FOR:

VESSEL
MOORING
UPLAND

Design & Construct
\$3,139.2 2.4%

Total FY98 GF Operating Budget
\$128,810.6
(\$ in Thousands)



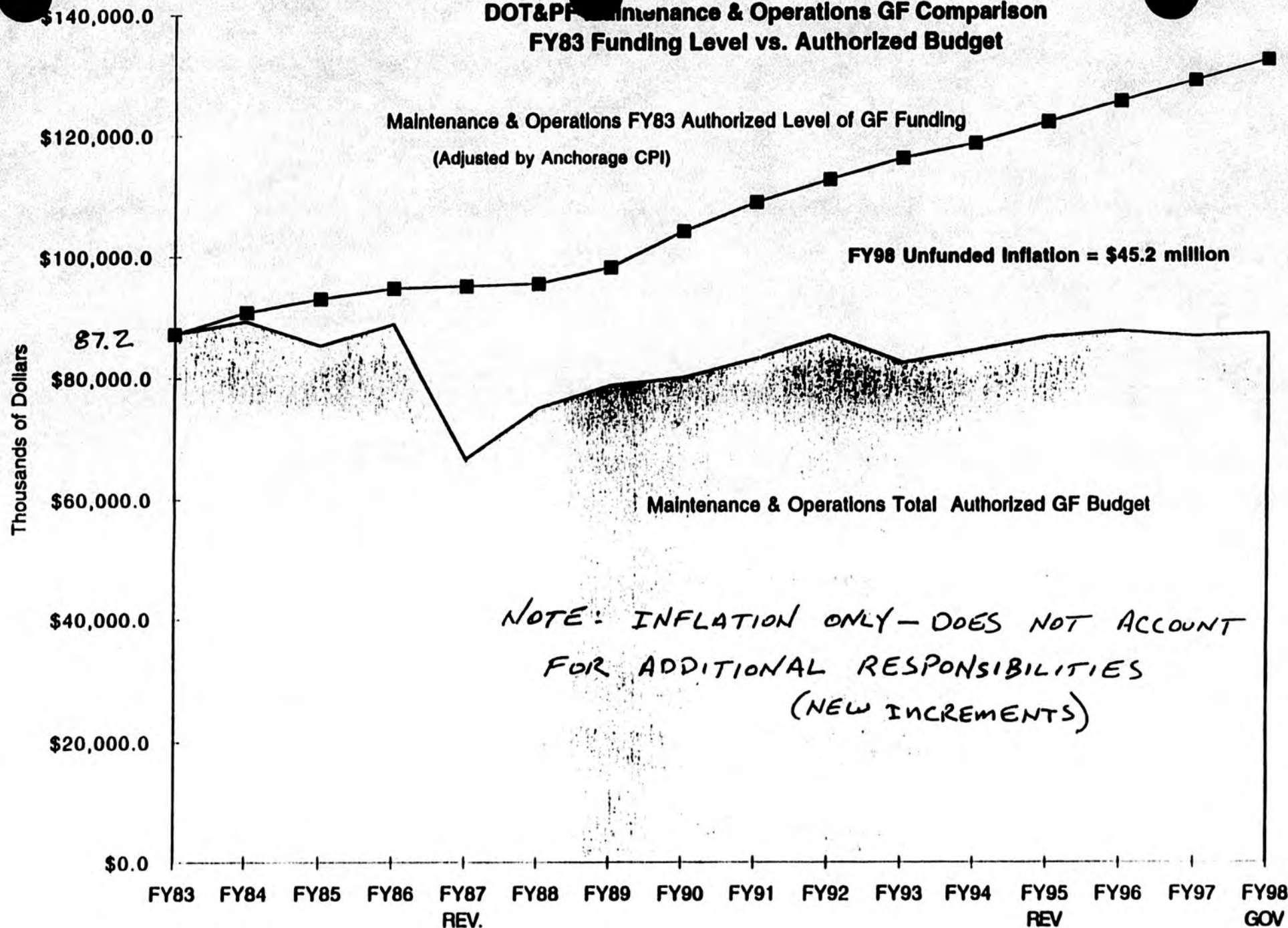
Maintenance & Operations
\$88,147.0 68.4%

FUNDS

- HWY & AVIATION M&O
- M&O ADMIN
- PUBLIC FACILITIES
- HARBORS

1/24/97

DOT&PF Maintenance & Operations GF Comparison FY83 Funding Level vs. Authorized Budget





U.S. Department
of Transportation
Federal Highway
Administration

OFFICE GUPU

Alaska Division

P.O. Box 21648
Juneau, Alaska 99802

September 11, 1996

HFO-AK
MA-2

Boyd Brownfield
Deputy Commissioner
ADOT&PF
3132 Channel Dr.
Juneau, AK 99801

Dear Mr. Brownfield:

Preventive Maintenance Eligibility

Preventive Maintenance Legislation

In 1991, the ISTEA established the Interstate Maintenance Program, and designated a special category of funds (IM) which could only be used on the Interstate System for preventive maintenance and 3R work.

The National Highway System Designation Act of 1995 added a new section to Title 23 entitled Preventive Maintenance. Activities that are eligible for funding under this section are those that cost-effectively extend the useful life of a Federal-aid highway. Since Section 118(f) of Title 23 allows Alaska to use Federal-aid funds on any public road, preventive maintenance activities on any public road are eligible. Except for IM funds, any regular system funds available under Title 23 can be used for the work.

Eligible Preventive Maintenance Work

The Alaska DOT&PF must be able to demonstrate that activities undertaken are a cost-effective means of extending the useful life of the roadway or bridge. In general, qualifying work includes any work which provides additional pavement structural capacity, prevents the intrusion of water into the pavement or base, provides for removal of water that is in the pavement or base, restores surface rideability, or prevents the deterioration of bridges.

A normal Federal-aid project must be established for preventive maintenance work. Work should not be scheduled for isolated problems but should be of a sufficient scope to extend the service life of a reasonable length of roadway. Upgrading of safety appurtenances is also encouraged.

Routine maintenance work is not eligible.

Eligible Roadway Work

1. Overlays or replacement of the pavement structure or roadway surface.
2. Seal coats, joint and crack sealing.
3. Restoration of drainage systems.
4. Profiling or milling to smooth the surface.

Roadway Work NOT Eligible

1. Mowing, brushing, or cleaning roadsides and ditches.
2. Snowplowing.
3. Painting or replacing pavement markings.
4. Pothole patching.
5. Landscape maintenance.
6. Guardrail repair.
7. Spot improvements to isolated areas.

Eligible Bridge Work

Federal funds may be used to perform preventive maintenance on bridges included in the National Bridge Inventory that are not owned by a Federal Agency.

1. Seismic Retrofit. Bridges must be on Alaska's Seismic Retrofit Prioritization List.
2. Scour Countermeasures. Repair of spurs, spur dikes, rip-rap, and other river training structures used to minimize scour. Removal of significant amounts of debris upon concurrence of the Region or Headquarters hydraulic engineer.
3. Crack Sealing. Decks, girders, and substructure.
4. Joint Repair.
5. Painting and repainting an entire bridge or areas essential for bridge performance.
6. Deck Overlays. Including repair of delaminated and spalled areas.

7. Spalled concrete repair. Including repair to damaged superstructure due to bridge rail impacts.

Bridge Work NOT Eligible

1. Cleaning normal amounts of debris.
2. Routine cleaning of deck drains.
3. Minor touch-up painting.
4. Bridge rail repair.

If you have questions on this program or on the eligibility of work activities, please contact our office.

Sincerely yours,

Robert E. Ruby
Division Administrator

/s/ Phillip A. Smith

By: Phillip A. Smith
Field Operations Engineer

091103r1.ps

PROPOSAL FOR BETTER MANAGEMENT OF STATE FACILITIES

DRAFT - APRIL 1997

1. BACKGROUND

There is significant agreement that the condition of the state's infrastructure could be better managed than it is today. This paper outlines a draft proposal by the Knowles/Ulmer administration on how state facilities should be managed, funded and several recommendations for improvement.

At a recent facility manager's conference, Alaskans identified forty separate indicators of problems that exist with the management of our facilities. The ten items mentioned most often were:

1. A shortfall in annual maintenance funding necessary to prevent further accrual of deferred maintenance;
2. A backlog of deferred maintenance;
3. No overall policy for maintenance and operations and lack of consistency between departments;
4. Lack of a statewide automated maintenance management system;
5. Lack of statewide CIP renovation/construction prioritization;
6. Lack of criteria for defining a buildings useful life, an economic model for decision making or a consistent cost accounting for decision making;
7. No identification of maintenance funding which allows "programs" to prioritize resources (financial and personnel) away from facilities maintenance;
8. Lack of funding for efficient space planning, tenant conversions and moving costs to gain long-term savings;
9. No clear accountability for the condition of state facilities; and
10. Inability to respond to changing federal facility requirements (i.e., ADA, LUST, EPA and OSHA regulations).

In April 1996, the Commissioners of DOA, DOTPF and the Director of OMB formed a Facilities Advisory Council with representatives from all departments and experts from the private sector. The council's charge is to develop a means to ***achieve efficient and effective management, repair, maintenance, planning and construction of state owned and leased facilities; reduce the deferred maintenance backlog; develop a rental rate system to achieve accountability for the full cost of occupancy; and develop a consistent statewide policy.***

Council members were divided into four task groups to accomplish these objectives:

- **Space Utilization/Planning & Acquisition** — Identify the optimum use of state owned and leased space, develop space standards in the workplace, identify customers and their expected level of performance, and improve the process for acquiring and leasing facilities.
- **Capital Needs** — Identify current capital needs, determine how to prioritize those needs, identify options for financing and budgeting capital projects, identify who the customers are and develop performance measures, and identify improvements to the process.
- **Operations & Customer Services** — Identify optimum levels of customer service satisfaction and participation, develop maintenance standards, determine and define occupancy cost elements, and identify resources needed to deliver facility services.
- **Rent Structure** — Identify a rental structure methodology and elements of occupancy cost, develop benchmarks, and define how a rental fund should work.

PROPOSAL FOR BETTER MANAGEMENT OF STATE FACILITIES

DRAFT - APRIL 1997

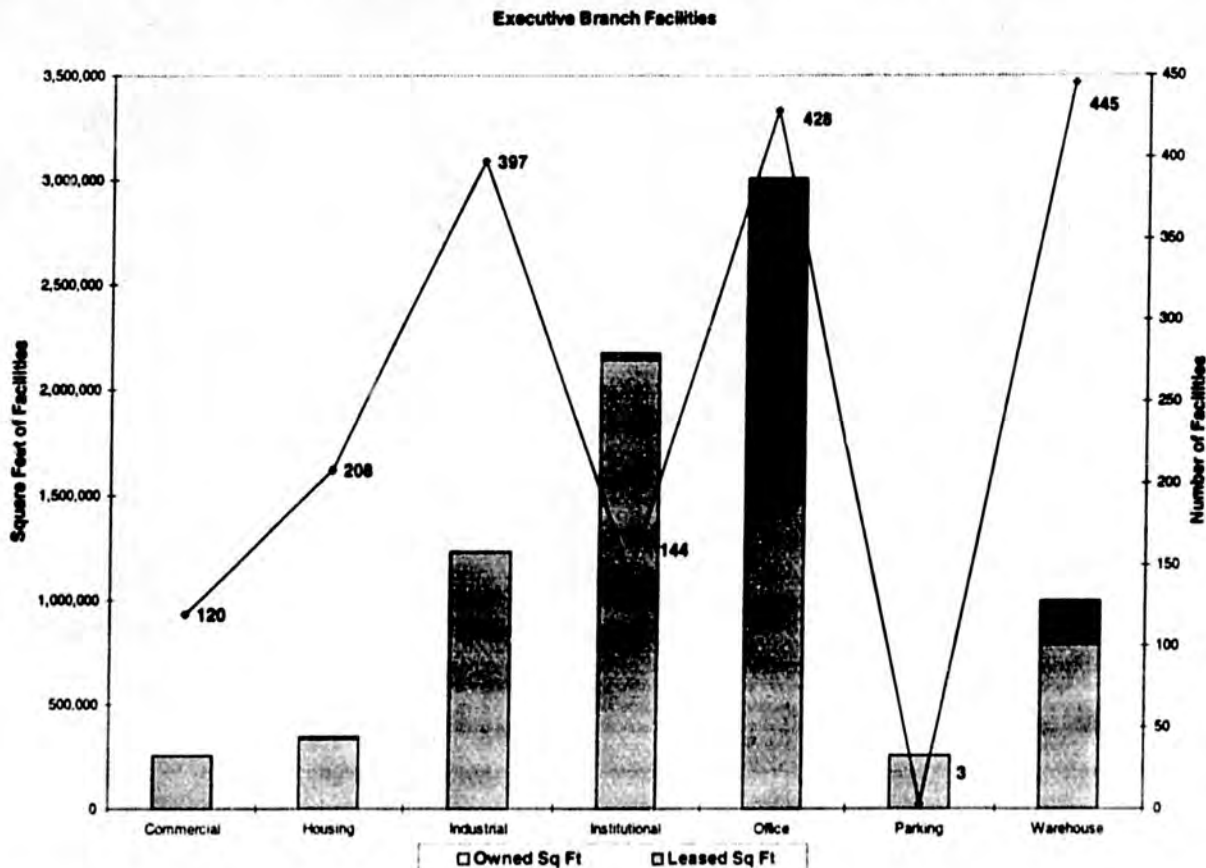
The Facility Council recommended five "pilot projects" to test the critical elements necessary to achieve this administration's goals for facilities:

- Implementation of standard facility accounting definitions and practices.
- Delegation of facility design and construction authority from DOTPF to DOA.
- Development of a statewide maintenance management database and preventative maintenance workorder service.
- Development of an office and warehouse rental structure on a regional basis.
- Establish a maintenance workforce pilot in Nome to demonstrate the service improvements possible through inter-agency teamwork.

The state's advisor on indirect costs and cost recovery was contracted to prepare a generic rate methodology that could be modified to meet Alaska's needs. A draft proposal is anticipated for review by April 1997.

2. WHAT FACILITIES DO WE HAVE?

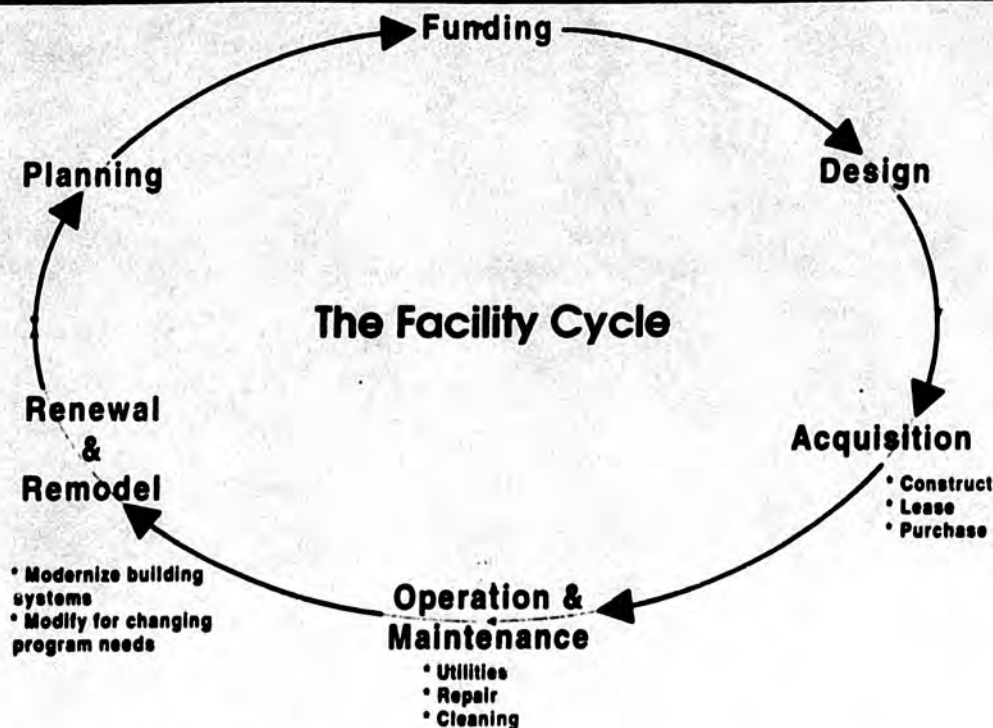
The following graph shows the number and area of state owned and leased facilities.



3. WHAT IS REQUIRED TO MAINTAIN STATE FACILITIES?

Buildings require constant attention to keep them from deteriorating prematurely. Yet even with proper maintenance, certain parts and systems within a building will require major replacement or renewal at predictable intervals. The following picture depicts the typical facility maintenance cycle for major assets.

PROPOSAL FOR BETTER MANAGEMENT OF STATE FACILITIES
DRAFT - APRIL 1997



4. ELEMENTS OF OCCUPANCY COST

A financial plan must be developed which identifies the different types of facility activities performed and method to budget and account for them separately. Following are the definitions and examples of facility activities proposed by the Facility Council.

4.1. Operations

Costs which are inherently required to occupy a facility, such as:

- Utilities, including purchases and plant operations
- Janitorial Services / Waste Disposal
- Security (required for the general protection of the building and its occupants)
- Snow removal
- Pavement clearing and grounds care
- Safety Inspections (boiler, elevator, life safety, etc.)

4.2. Routine Maintenance and Repair

Day to day scheduled and preventative maintenance work and minor repairs performed on the building or grounds to keep a building operational, such as:

- Replace burned out light bulbs or repair fixture wiring
- Tune up boiler or replace parts
- Patch roof
- Painting

4.3. Renewal & Replacement

The periodic refurbishment or replacement of components of the building or its attached systems. Work is most often required due to the expiration of the useful life of the particular systems or components and helps prevent a backlog of deferred maintenance. Examples:

PROPOSAL FOR BETTER MANAGEMENT OF STATE FACILITIES
DRAFT - APRIL 1997

- Install new light fixtures
- Install new boiler
- Install new roof
- Bring building into compliance with current building codes
- Refurbish failed foundation or structural components
- Overhaul or replace utility system

The best facility maintenance programs link the level of renewal and replacement spending to the replacement value of the asset. Some methods additionally include the age of the facility. The University of Alaska has adopted a formula approach which takes into account both replacement value and facility age. The average rate of spending for renewal & replacement should be 1% to 5% of replacement value.

4.4. Renovation and Remodeling

Changes to the building which are motivated principally by new occupant needs or new occupancy criteria. These costs would not normally be included in annual rents but would more likely be pursued as capital budget items. Examples:

- Reconfigure walls from open office space to private office space
- Move walls to accommodate additional staff or new functions
- Change warehouse space to office space

5. HOW ARE BUILDING COSTS CURRENTLY FUNDED?

Not all of the state's facilities are funded or managed in the same way.

State owned office facilities:	
Multi-tenant	DOTPF budgets all costs
Single tenant	Some are budgeted by DOTPF, some by occupying agency
Single occupant institutional facilities (i.e., Adult and Youth Correctional facilities)	Occupant agency budgets all costs
Leased facilities	All leases are managed by DOA. Either DOA incurs 100% of lease expenditure or collects interagency receipts from the department occupying the building (via budgeted or unbudgeted RSA).

6. WHY CHARGE RENT?

Establishing a rental rate would:

- Increase accountability for the use of facilities and encourage more efficient use of space;
- Maximize the recovery of non-general fund dollars where appropriate;
- Reduce the accumulation of deferred maintenance; and
- Promote a statewide facility maintenance perspective.

With a federally approved rental rate methodology, the state has the potential to capture non-GF dollars to reimburse facility costs incurred as a result of providing federal programs or services. The state annually expends approximately \$33.5 million on office space of which approximately \$7.5 million is on state owned facilities and \$26.0 million is on leased office space. Of this amount only about 5% is non-general fund. The

PROPOSAL FOR BETTER MANAGEMENT OF STATE FACILITIES

DRAFT - APRIL 1997

potential exists to recover additional federal funds and other non-GF funding through rate implementation.

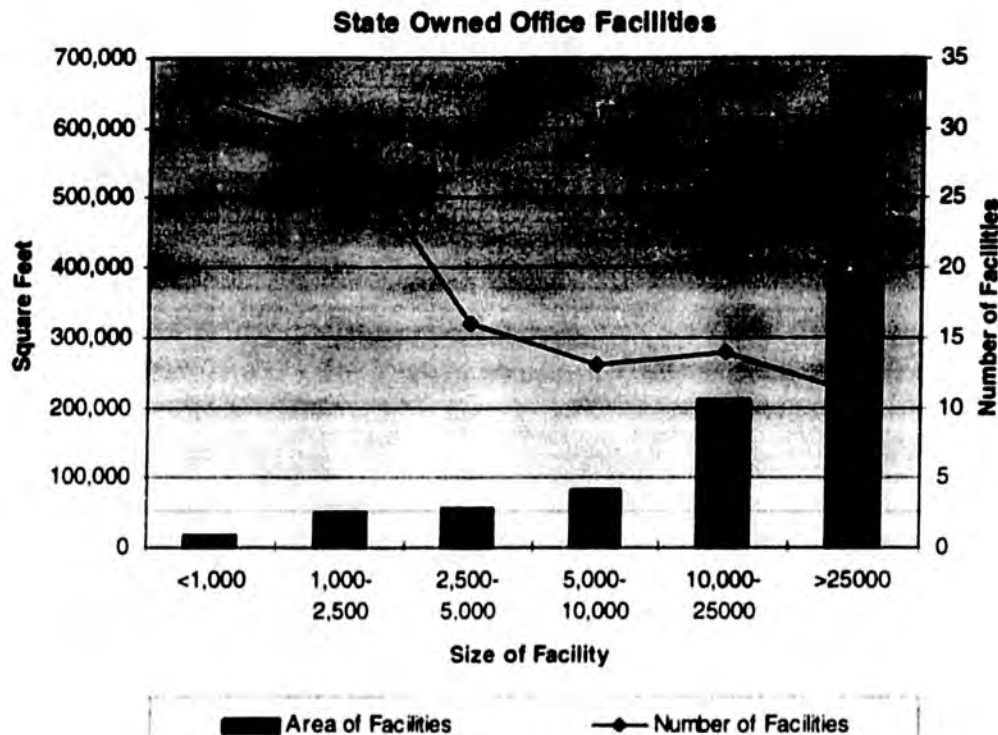
7. HOW COULD RENT BE IMPLEMENTED?

7.1. Accounting Mechanism

To accurately account for the collection of rents and payment for services, an Internal Service Fund is recommended. The major advantages of an internal service fund include the ability to accumulate total costs by activity, simpler provision of cost and pricing of services, and the ability to accumulate funds for renewal and replacement purposes (depreciation). Direct costs will be tracked by each individual facility and indirect costs will be allocated equitably to all users. Rates may be averaged across similar building types within contiguous geographic areas.

The proposed rental rate will be based on recoverable depreciation (based on original acquisition cost and repairs greater than \$5,000 that extend the life of the structure) plus operation costs (costs to operate new facility division, maintenance personal services, materials and equipment, risk management, etc.) divided by usable square footage. The initial rate calculation will be based mainly on estimated operation costs because the majority of actual costs are not known due to the lack of standard accounting. Rental rates to the extent that they may be higher than current levels of spending, are likely to be phased in over several years. In future years, rates will be adjusted to compensate for the difference between actual and estimated costs.

The most logical pilot for charging of rent would be for office space because a significant portion of state resources are invested in these facilities. The following graph shows that the vast majority of the state's owned office space is located in a few large buildings.



PROPOSAL FOR BETTER MANAGEMENT OF STATE FACILITIES
DRAFT - APRIL 1997

7.2. Organizational Structure

Current responsibilities are fragmented between DOA and DOT&PF. To ensure efficient use of office space and effective use of statewide maintenance staff, it would be beneficial to merge DOA leasing staff and DOTPF maintenance and operations staff in a new facility division reporting to the DOA Commissioner. Although existing personnel and resources will be utilized, there is a need to change how we manage our facilities. An organization whose sole responsibility is to care for building assets will bring greater focus and accountability to the task of property management. The organizational structure for management of the proposed facility division would probably include a manager, accounting staff and a programmer. It is the intention to delegate responsibilities between departments prior to FY99, and to formalize those responsibilities beginning in FY99.

7.3. Budgeting

As previously mentioned, the majority of facility costs for office space are paid by DOTPF (maintenance and operations) and DOA (leases). Under a rental structure, funds to pay rent would be transferred from DOTPF and DOA to the departments through the operating budget process. On an annual basis, the facility division would have reimbursable service agreements with agencies for their full cost of occupancy, using a standard rate per square foot.

7.4. Tracking Facility Activity

A computerized maintenance (management) system would be used to track facility activity. DMVA currently uses a system which has proven extremely useful and cost effective. The system will have the capability to schedule maintenance and track accounting activity. A space utilization study will have to be conducted in order to accurately bill agencies.

7.5. Accounting Structures

To promote consistent accountability of facility expenditures, existing AKSAS account codes would be redefined to correlate with the five elements of occupancy costs. Each facility and department would be assigned a unique AKSAS code for tracking purposes. Thus facility and departmental activity can either be tracked separately or collectively. Facilities not included in the initial office rental structure will be tracked separately by the responsible agency consistent with the redefined account codes.

Rental rates will be broken out at a minimum by: 1. office space, 2. computer space (24-hour activity) and 3. storage space. Separate regional rates will be developed for warehouse space and office space.

8. OTHER FACILITY INITIATIVES

8.1. Workforce Teamwork

This pilot would combine the facility maintenance personnel in Nome into a single team and apply computerized maintenance management technology to those facilities. An inter-agency team would create an annual maintenance plan indicating the frequency and nature of preventative maintenance workorders to be executed in each building. The team would then cooperatively execute the annual plan.

PROPOSAL FOR BETTER MANAGEMENT OF STATE FACILITIES
DRAFT - APRIL 1997

With the team approach, it is expected that response time will be reduced and more expertise will be available. It is believed that by creating a professional preventative maintenance program, the growth of deferred maintenance will be diminished.

8.2. Automated Maintenance Management System

This proposal would establish a statewide computerized maintenance management system for all state buildings. Support and data management would be provided from a service center within the Department of Military & Veterans Affairs (DMVA) since they currently have such a system in place.

DMVA and the tenant agencies would jointly identify the minimum maintenance required for each building component. DMVA would issue to the tenant agencies the respective preventative maintenance workorders on a quarterly basis.

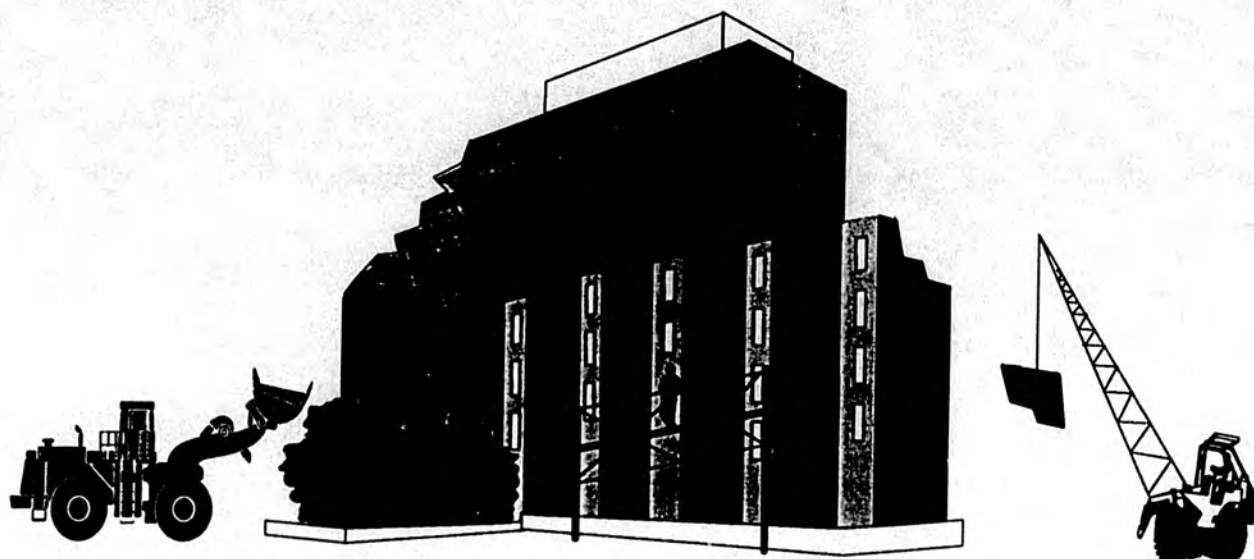
8.3. Accounting for Facility Expenditures

Standard accounting methodology and policies will apply to all state facilities in the executive branch. This will provide a more accurate and realistic assessment of our current spending and provide better information for future phases of facilities re-engineering.

8.4. Facilities Design & Construction

Design and construction activities are an integral part of the maintenance, operation and renewal of facilities. Some authority for facility design and construction would be delegated by DOTPF to DOA to support the work of the pilot projects. This authority is critical to achieving an improvement in service levels through energy conservation, condition assessments, and implementation of renewal and replacement of existing facility systems.

**UNIVERSITY
OF
ALASKA
TATION**



University of Alaska Deferred Maintenance

**Prepared by
Statewide Office of Facilities
March 1997**

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Position Paper
on
Deferred Maintenance
March 1997

The University of Alaska received \$6.1 million for deferred maintenance from the 1996 legislative process. These funds were distributed to the campuses based on a combination of their share in the balance of unfunded deferred maintenance as well as their enrollment and the size of the campus. These funds are being spent in FY97.

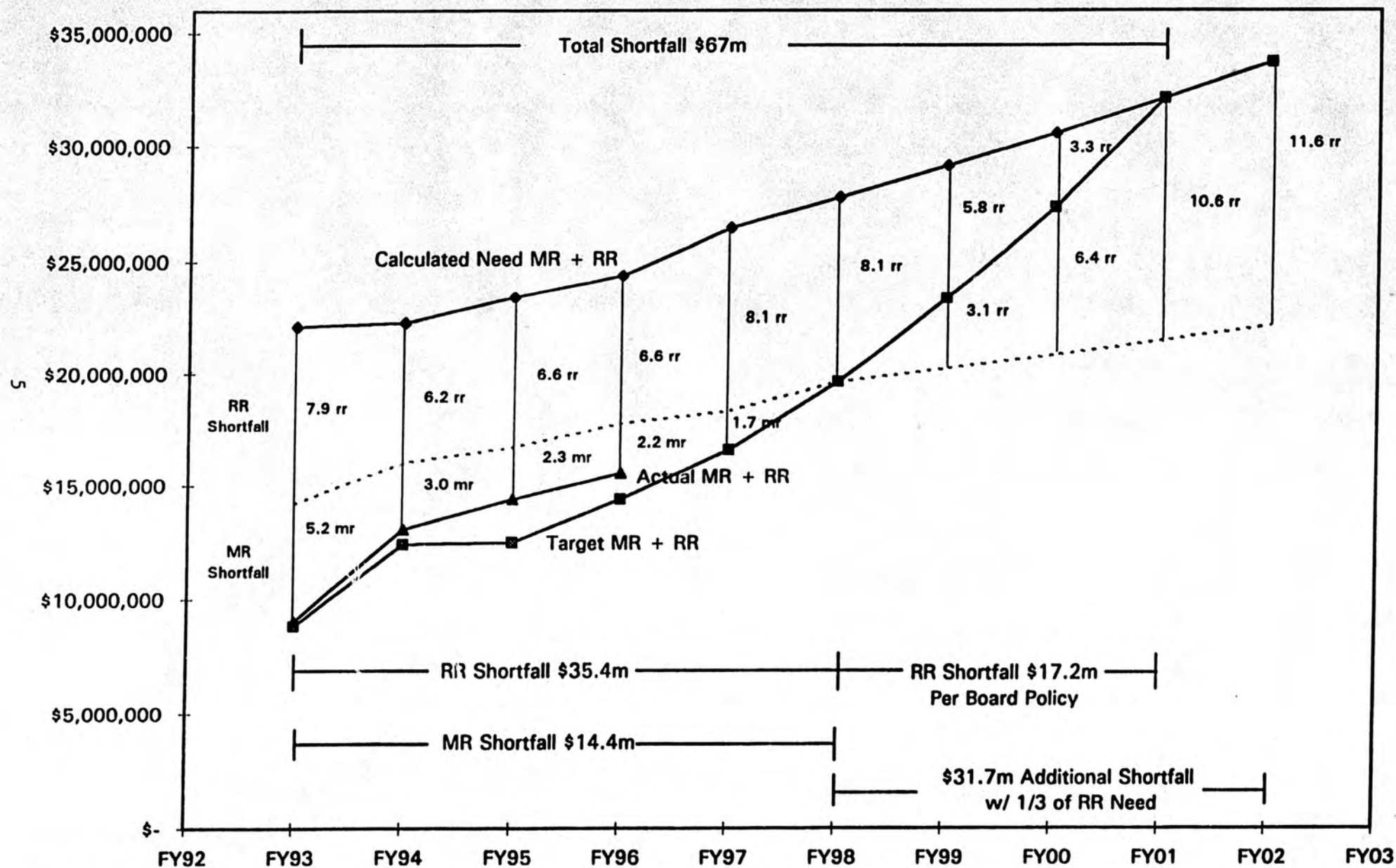
The University continues to progress towards fully funding *Maintenance and Repair (M&R)* and *Renewal and Replacement (R&R)* at the recommended formula levels. All MAUs met their required target for FY97. Board Policy passed in December 1994 requires M&R to be fully funded by the end of FY98. Board Policy also requires R&R to be fully funded by the end of 2001 and that at least one-third of the R&R level be achieved by the end of FY98. Until full-formula funding is achieved in the operating budgets, additional deferred maintenance problems will continue to occur and be added to the backlog. With only \$6.1 million appropriated this year, a further reduction in the backlog is not possible. In fact, with a net underfunding for M&R and R&R of \$8.1 million for FY97, it is estimated that the University will actually lose ground by adding approximately \$2.0 million to the list.

The University is at a difficult juncture in addressing the deferred maintenance backlog. For the University to further reduce the backlog, it must continue to move towards full-formula funding. However, it is expected that funding M&R and R&R at the formula levels will eventually require approximately 20 percent of the University's state appropriation. The consequence of not funding M&R and R&R at the formula levels is that it would take a capital appropriation of \$35 million a year for approximately nine years to fully address the backlog of deferred maintenance. Annual appropriations of as much as \$25 million a year would fail to bring the problem under control. These issues are shown on the graphs on the following pages.

Graph 1 shows the levels of M&R and R&R funding required at full-formula levels in FY98 and FY2001. Also summarized is the amount of shortfall which has occurred in each category since the policy change was implemented. The accumulated shortfalls represent repair and renewal work not undertaken and an estimate of the increase in the deferred maintenance backlog resulting from the under funding.

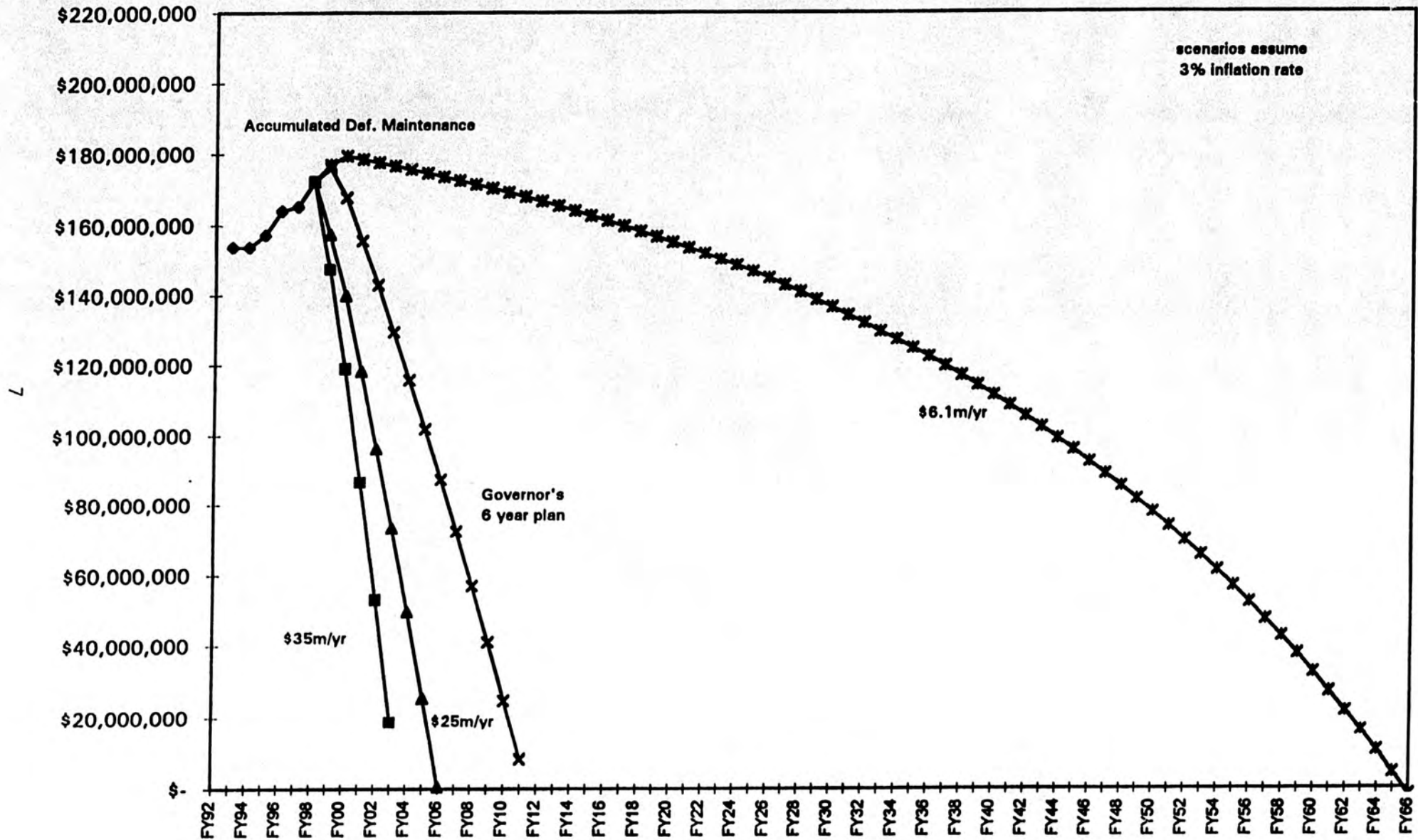
GRAPHS

University of Alaska
Maintenance and Repair + Renewal and Replacement
FY93 - FY02



University of Alaska

Deferred Maintenance Reduction Scenarios with MR & RR Achieved Per BOR Policy



University of Alaska

Deferred Maintenance Funding Scenarios

with M&R Target by FY98 and R&R Frozen at 1/3 Target Level

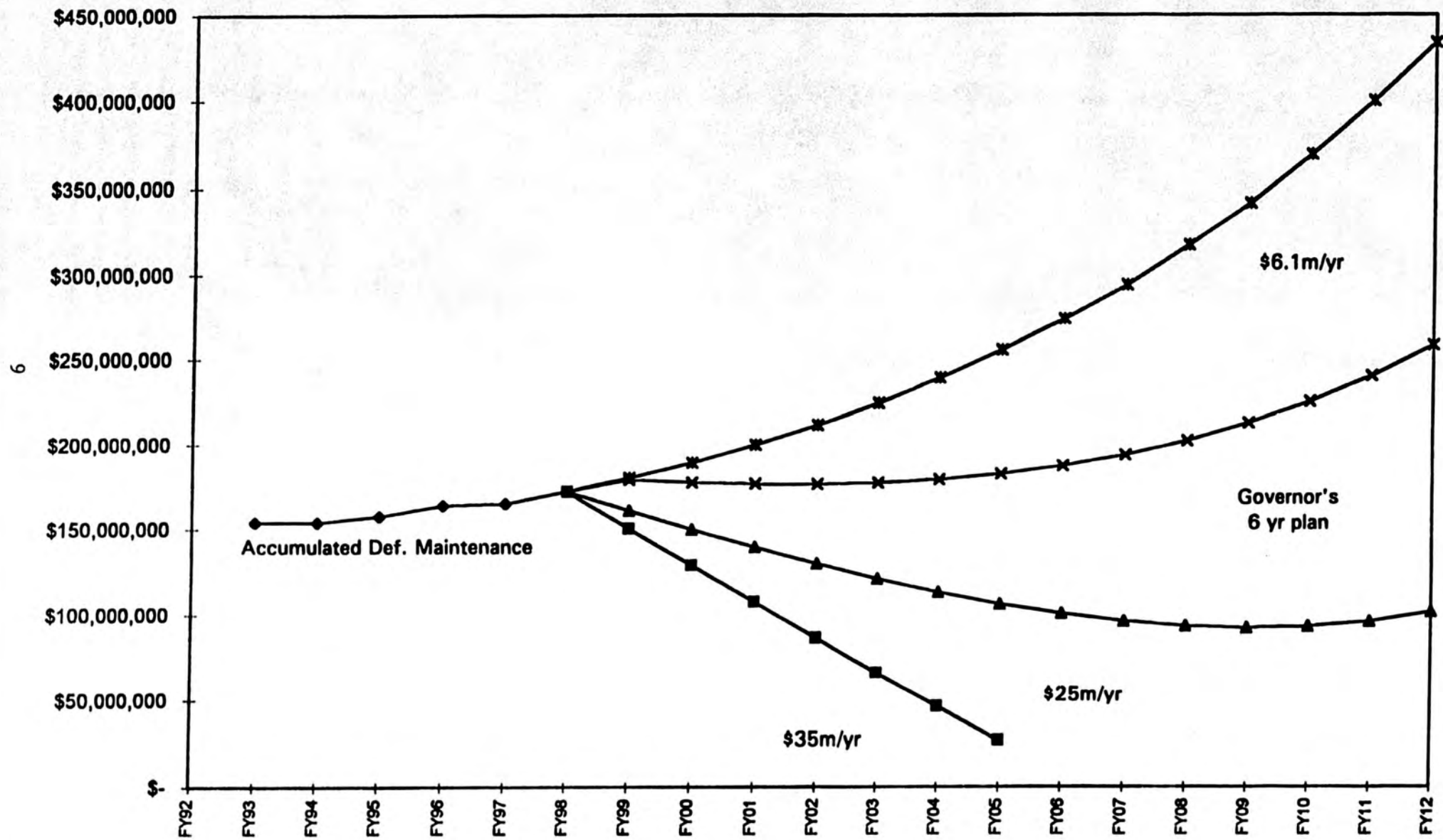


TABLE A

Unfunded Deferred Maintenance by MAU as Compared with Last Two Year's Totals
(in thousands)

Non-Residential							Residential							Totals				
MAU	FY95		FY96		FY97		FY95		FY96		FY97		FY95		FY96		FY97	
UAA	35,687.0	29%	33,729.0	28.6%	35,917.5	23.8%	4,127.0	12%	2,733.0	14%	2,638.0	19%	39,814.0	25%	36,462.0	27%	38,555.5	23%
UAF	82,580.0	68%	77,244.0	67.9%	112,951.9	74.8%	30,782.0	87%	16,421.0	85%	10,898.4	77%	113,362.0	72%	93,665.0	70%	123,850.3	75%
UAS	3,710.0	3%	2,863.0	2.5%	2,038.5	1.4%	566.0	1%	220.2	1%	669.4	5%	4,276.0	3%	3,083.2	2%	2,707.9	2%
TOTALS	121,977.0	100%	113,836.0	100.0%	150,907.9	100%	35,475.0	100%	19,374.2	100%	14,205.8	100%	157,452.0	100%	133,210.2	100%	165,113.7	100%

Reduction from FY95 to FY96 = 24,242.0

Funding received in FY96 = 29,500.0

Increase from FY96 to FY97 = 31,903.5

Funding received in FY97 = 6,125.0

TABLE B

**FY97 Unfunded Deferred Maintenance
Non-Residential
University of Alaska Anchorage
Building Summary**

Campus	Building	Building Use	Estimate
Anchorage	Administration	Administration Offices	725,000
Anchorage	Allied Health Sciences	Classrooms/Teaching Labs	630,000
Anchorage	Arts	Classrooms/Teaching Labs	692,000
Anchorage	Auto/Diesel	Voc-Tech Labs/Classrooms	1,001,000
Anchorage	Aviation Complex	Aviation Programs	782,000
Anchorage	Bookstore	Merchandising/Storage	70,000
Anchorage	Campuswide	Campuswide	400,000
Anchorage	Campus Center	Student Services	1,105,000
Anchorage	College of Arts & Sciences	Classrooms/Offices	2,932,000
Anchorage	Cuddy Center	Food Service Technology	321,000
Anchorage	Diplomacy	Offices	270,000
Anchorage	Energy Modules 1 & 2	Standby Utilities	115,000
Anchorage	Engineering	Teaching Labs/Offices	1,252,500
Anchorage	Hartlieb	Voc Tech/Labs/Shops	1,157,000
Anchorage	K Building	Offices/Classrooms	784,000
Anchorage	Library	Campus Library	2,472,500
Anchorage	Library/Various	Campus Library	400,000
Anchorage	McDonald	Library/Classrooms	1,362,000
Anchorage	Monserud	Library/Classrooms	1,586,000
Anchorage	Science	Labs/Offices	520,000
Anchorage	Short	Administration/Classrooms	1,273,000
Anchorage	Sports Center	Physical Education	5,377,000
Anchorage	Various	Campuswide	650,000
Anchorage	Warehouse	Storage	75,000
Anchorage	Williamson	Assembly/Lecture Hall	1,950,000
Anchorage	7&A	Offices	482,000
Homer	Campuswide	Campuswide	85,000
Homer	Kachemak	Campuswide	180,000
Kodiak College	Adult Learning Center	Classrooms/Labs	180,500
Kodiak College	Benny Benson	Administration/Library	789,000
Kodiak College	Various	Campuswide	100,000
Kodiak College	Voc-Tech	Labs/Classrooms	200,000
Kenai Peninsula College	Brockel	Library/Classrooms	136,000
Kenai Peninsula College	Campuswide	Campuswide	1,275,000
Kenai Peninsula College	Goodrich	Voc Tech/Classrooms	289,000
Kenai Peninsula College	McLane	Labs/Classrooms/Student	317,000
Kenai Peninsula College	Various	Campuswide	180,000
Kenai Peninsula College	Ward	Voc Tech/Offices	559,000
Mat-Su College	Campuswide	Roads/Streets/Parking	200,000
Mat-Su College	Kerttula	Offices/Classrooms/Labs	1,142,000
Mat-Su College	Okeson	Library	878,000
Mat-Su College	Snodgrass	Offices/Classrooms/Labs	350,000
Prince Wm. Sound Comm.	Campuswide	Campuswide	60,000
Prince Wm. Sound Comm.	Grouden-Harrison	Offices/Classrooms/Labs	613,000
Total University of Alaska Anchorage Non-Residential Deferred Maintenance			<u>35,917,500</u>

**FY97 Unfunded Deferred Maintenance
Non-Residential
University of Alaska Fairbanks
Building Summary**

Campus	Building	Building Use	Estimate
Fairbanks	Ag & Forestry Experiment Station Farm	Facility/Offices/Labs	1,503,000
Fairbanks	Arctic Health Research Center	Offices/Research Labs	10,400,000
Fairbanks	Ambler Lane	Parking	269,000
Fairbanks	Atkinson	Utilities	1,410,000
Fairbanks	Ballaine Parking Lot	Parking	34,000
Fairbanks	Brooks	Offices/Classrooms	4,180,540
Fairbanks	Bunnell House	Day Care Facility	65,000
Fairbanks	Chandalar Exterior	Faculty Housing	171,000
Fairbanks	Chandalar/Cooper Street	Streets	183,000
Fairbanks	Chapman Yukon Drive	Streets	40,000
Fairbanks	Columbia Circle Exterior	Site Work	255,000
Fairbanks	Commons Plaza	Building Exterior	41,000
Fairbanks	Constitution Hall	Offices/Bookstore	1,525,580
Fairbanks	Copper Street	Street	379,000
Fairbanks	Deer Yard	Animal Pens	275,000
Fairbanks	Denali Lane Walkway	Site Work	167,000
Fairbanks	Duckering	Classrooms/Labs/Offices	8,237,750
Fairbanks	Eielson	Offices/Classrooms	1,685,000
Fairbanks	Elvey	Offices/Labs	7,218,050
Fairbanks	Fairbanks Street	Street	535,000
Fairbanks	Fine Arts	Offices/Classrooms	8,473,010
Fairbanks	Geist Museum	Museum	2,014,000
Fairbanks	Geist Road Sewer	Sewer	674,000
Fairbanks	Gruening	Offices/Classrooms	5,113,150
Fairbanks	Haida	Street/Parking	59,000
Fairbanks	Harwood Hall Exterior	Site	53,000
Fairbanks	Health/Safety	Infirmiry/Campus Security	1,069,530
Fairbanks	Hess Commons	Food Service	465,000
Fairbanks	Hess Village Exterior	Site	676,000
Fairbanks	Irving I	Offices/Labs	6,856,849
Fairbanks	Irving II	Offices/Labs	2,560,240
Fairbanks	Kobuk Avenue Walkway	Site Work	128,000
Fairbanks	Kuskokwim Way/Tanana Loop	Street	287,000
Fairbanks	Lars Viewing Parking Lot	Parking	25,000
Fairbanks	Moore Hall Exterior	Site	215,000
Fairbanks	Nenana Parking Lot	Parking	48,000
Fairbanks	Noatak Parking Lot	Parking	294,000
Fairbanks	O'Neill	Offices/Labs	4,110,250
Fairbanks	Patty Center	Physical Education	6,026,950
Fairbanks	Patty Ice Arena	Physical Education	1,306,750
Fairbanks	Physical Plant	Shops/Offices	6,398,861
Fairbanks	Plaza	Site Work	51,000

**FY97 Unfunded Deferred Maintenance
Residential
University of Alaska Fairbanks
Building Summary**

Campus	Building	Building Use	Estimate
Fairbanks	610 Kobuk Residence	Staff Residence	109,910
Fairbanks	Chandalar Units	Faculty Housing	2,059,679
Fairbanks		(Single/Duplex/Triplex - 34 units)	
Fairbanks	Chatanika	Faculty Housing (Single - 2 units)	231,925
Fairbanks	Columbia Circle 739	Faculty Housing	19,980
Fairbanks	Colville	Faculty Housing (Single - 3 units)	285,056
Fairbanks	Copper Lane	Faculty Housing (Single - 5 units)	500,402
Fairbanks	Garden Apartments	Student Housing	434,922
Fairbanks	Harwood Hall	Married Students (30 units)	1,460,298
Fairbanks	Stuart Hall	Married Students (12 units)	1,000,000
Fairbanks	Tanana Drive	Faculty Housing (Duplex - 6 units)	583,884
Fairbanks	Tilly Commons	Food Service	3,222,359
Fairbanks	Walsh Hall	Married Students (13 units)	990,000
Total University of Alaska Fairbanks Residential Deferred Maintenance			<u>10,898,415</u>

**FY97 Unfunded Deferred Maintenance
Residential
University of Alaska Southeast
Building Summary**

Campus	Building	Building Use	Estimate
Juneau	Student Lodge	Housing Services	54,547
Juneau	Student Housing	15 married units + 133 beds	430,940
Juneau	Student Housing Site	Campus	120,350
Juneau	Koschmann House	Housing	33,754
Juneau	Mathisen House	Housing	29,800
Total University of Alaska Southeast Residential Deferred Maintenance			669,391

TABLE C

Planned Campus Projects Using FY97 Capital Allocations

N-RESIDENTIAL	Project	Work Category	Estimate	Total
University of Alaska Anchorage				
1.	Short Bldg. - Correct Fire Protection System	Deferred Maint/Major Repair	92,000	
2.	7th & A - Repair/Replace HVAC System	Deferred Maint/Major Repair	175,000	
3.	Cuddy Center - Repair/Replace HVAC System	Deferred Maint/Major Repair	110,000	
4.	PE Sports Facility - Repair/Replace Plumbing, Ph 2	Deferred Maint/Major Repair	125,000	
5.	Short Bldg. - Repair/Replace HVAC System	Deferred Maint/Major Repair	240,000	
6.	Various Facilities - Repair/Replace Lighting Systems	Deferred Maint/Major Repair	104,000	
7.	Campus Center - Renovate HVAC Systems, Ph 1	Deferred Maint/Major Repair	65,000	
8.	Administration Bldg. - Renovate HVAC Systems, Ph 1	Deferred Maint/Major Repair	65,000	
9.	PE Sports Facility - Renovate HVAC Systems, Ph 1	Deferred Maint/Major Repair	112,000	
10.	East Campus - Repair Gas Cathodic Protection System	Deferred Maint/Major Repair	75,000	
11.	Various Facilities - Repair Roof & Parapet	Deferred Maint/Major Repair	238,500	
12.	Monserud - Replace Panic Hardware	Maintenance	9,300	
13.	Hartlieb - Repair Ventilation	Deferred Maint/Major Repair	100,000	
14.	Kodiak Voc-Tech - Repair HVAC in Buildings Ph 2 (Partial Funding)	Deferred Maint/Major Repair	66,000	
15.	Homer - Renovate Interior	Alteration	16,100	
16.	Kenai Peninsula Various - Replace Domestic Water Piping Ph 2	Deferred Maint/Major Repair	60,000	
17.	Kenai Peninsula McLane - Repair HVAC System (Partial Funding)	Deferred Maint/Major Repair	103,600	
18.	Mat-Su Campuswide - Repair Fire Protection Systems Ph 1	Deferred Maint/Major Repair	114,200	
19.	Prince Wm. Sound Community College Grouden-Harrison - Repair Fire Protection Systems Ph 1	Deferred Maint/Major Repair	44,500	
University of Alaska Anchorage Non-Residential Total				1,915,200
University of Alaska Fairbanks				
1.	Bunnell - Deferred Maintenance Project	Deferred Maint/Major Repair	3,000,000	
2.	Bunnell - Fire Exit & ADA Access Floor 2 West Wing	Mandated Improvement	100,000	
3.	Schaible Auditorium	Remodeling	150,000	
4.	Duckering - Deferred Maintenance Scoping & Schematic Design	Deferred Maint/Major Repair	250,000	
5.	Contingency & Small Deferred Maintenance Projects	Deferred Maint/Major Repair	203,900	
University of Alaska Fairbanks Non-Residential Total				3,703,900
University of Alaska Southeast				
	Sitka Floor 1 - Laboratory Expansion	Renovation	250,000	
<i>Juneau</i>				
1.	Bill Ray Ctr - Repair Structure Between Phases 1 & 2 Floor/Ceiling	Deferred Maint/Major Repair	18,560	
2.	Bill Ray Ctr - Install Fire Curtains	Mandated Improvements	3,500	
3.	Stover House - Replace Roof Section	Deferred Maint/Major Repair	20,935	
4.	Stover House - Repair Foundation	Deferred Maint/Major Repair	30,500	
5.	Auke Lake Site - Repair/Replace Pedestrian Walks	Deferred Maint/Major Repair	53,000	
6.	Auke Lake Site - Install ADA Signage	Mandated Improvements	35,600	
7.	Knodel House - Foundation Replacement (Phase 1)	Deferred Maint/Major Repair	13,748	
	subtotal		175,843	
<i>Ketchikan</i>				
1.	Ziegler Bldg. - Replace Roof Scuppers	Deferred Maint/Major Repair	21,836	
2.	Ziegler Bldg. - Replace Electric Heat (Phase 1)	Deferred Maint/Major Repair	42,377	
	subtotal		64,213	
<i>Sitka</i>				
1.	Hanger 322 - Outside Lighting Upgrade (Phase 1)	Mandated Improvements	15,844	
University of Alaska Southeast Non-Residential Total				505,900
VON-RESIDENTIAL TOTAL				6,125,000

TABLE D

**FY97 DEFERRED MAINTENANCE
NON-RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA ANCHORAGE**

Priority	Campus	Building	Project Title	Project Amount	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
1	ANC	ENGINEERING	REPAIR SITE DRAINAGE SYSTEM	60,000	60,000	63660	63,660
2	ANC	WAREHOUSE	REPAIR VENTILATION DEFICIENCIES	75,000	135,000	79575	143,235
3	ANC	ADMIN	REPAIR HEATING SYSTEM & CONTROLS	150,000	285,000	159150	302,385
4	ANC	ALLIED HEALTH	PAINT/SEAL EXTERIOR	120,000	405,000	127320	429,705
5	ANC	LIBRARY	DDC STATIC CTRLS, LOW TEMP ALARMS	75,000	480,000	79575	509,280
6	MSC	SNODGRASS	REPAIR FIRE PROTECTION SYSTEMS	175,000	655,000	185675	694,955
7	MSC	KERTTULA	REPAIR FIRE PROTECTION SYSTEMS	175,000	830,000	185675	880,630
8	ANC	LIBRARY	REPLACE CARPET, 2nd FLOOR	375,000	1,205,000	397875	1,278,505
9	ANC	LIBRARY	REPAIR RESTROOMS	350,000	1,555,000	371350	1,649,855
10	ANC	MCDONALD	REPAIR RESTROOMS	175,000	1,730,000	185675	1,835,530
11	ANC	MONSERUD	REPAIR RESTROOMS	175,000	1,905,000	185675	2,021,205
12	ANC	HARTLIEB	REPAIR RESTROOMS	225,000	2,130,000	238725	2,259,930
13	ANC	SHORT	REPAIR RESTROOMS	175,000	2,305,000	185675	2,445,605
14	KOC	VO-TECH	REPAIR HVAC SYSTEM, PH III	25,000	2,330,000	26525	2,472,130
15	ANC	AUTO/DIESEL	REPAIR ROOF	375,000	2,705,000	397875	2,870,005
16	ANC	SCIENCE	REPLACE GALVANIZED DOMESTIC WATER PIPING	250,000	2,955,000	265250	3,135,255
17	ANC	LIBRARY	REPAIR HVAC SYSTEM/CONTROLS	200,000	3,155,000	212200	3,347,455
18	KPC	GOODRICH	REPLACE HVAC COMPONENTS	195,000	3,350,000	206895	3,554,350
19	ANC	VARIOUS	REPAIR NATURAL GAS DISTRIBUTION SYS	50,000	3,400,000	53050	3,607,400
20	KOC	VO-TECH	REPAIR/REPLACE HVAC CONTROLS	75,000	3,475,000	79575	3,686,975
21	ANC	WILLIAMSON	REPLACE BOILERS/HEATING EQUIPMT	75,000	3,550,000	79575	3,766,550
22	KOC	BENNY BENSON	REPAIR CENTRAL HTG PLANT/DDC CTRLS	150,000	3,700,000	159150	3,925,700
23	KOC	ALC	REPAIR/REPLACE WINDOWS	25,000	3,725,000	26525	3,952,225
24	ANC	ADMIN	REPLACE CARPET, PH II	190,000	3,915,000	201590	4,153,815
25	ANC	DIPLOMACY	REPAIR HVAC CONTROLS	250,000	4,165,000	265250	4,419,065
26	MSC	CAMPUS-WIDE	REPAIR ROADS/STREET/PARKING	200,000	4,365,000	212200	4,631,265
27	MSC	OKESON	PAINT EXTERIOR	50,000	4,415,000	53050	4,684,315
28	ANC	K	REPLACE ROOF, PH II	550,000	4,965,000	583550	5,267,865
29	ANC	K	REPAIR FIRE PROTECTION SYSTEM, PH II	70,000	5,035,000	74270	5,342,135
30	ANC	CAS	REPLACE ELEVATOR CONTROLS	50,000	5,085,000	53050	5,395,185
31	ANC	CAS	REPAIR FIRE PROTECTION SYSTEM	122,000	5,207,000	129442	5,524,627
32	ANC	WILLIAMSON	REPLACE ROOF	335,000	5,542,000	355435	5,880,062
33	ANC	SPORTS CENTER	REPAIR POOL GUTTERS & FILTER TANK	150,000	5,692,000	159150	6,039,212
34	PWS	GROUDEN-HARRISON	REPAIR BUILDING INSULATION	250,000	5,942,000	265250	6,304,462
35	ANC	CAMPUS CENTER	REPAIR/REPLACE ROOF	470,000	6,412,000	498670	6,803,132
36	ANC	ARTS	REPAIR OUTSIDE AIR DAMPERS	15,000	6,427,000	15915	6,819,047
37	ANC	CAS	REPLACE LIGHT FIXTURES	185,000	6,612,000	196285	7,015,332
38	ANC	K	REPAIR/REPLACE LIGHT FIXTURES PH II	52,000	6,664,000	55172	7,070,504
39	PWS	GROUDEN-HARRISON	REPAIR DOMESTIC WATER TREATMENT SYS	20,000	6,684,000	21220	7,091,724
40	ANC	HARTLIEB	REPAIR FIRE PROTECTION SYSTEM	225,000	6,909,000	238725	7,330,449
41	ANC	HARTLIEB	REPLACE STRIP LIGHTING FIXTURES	120,000	7,029,000	127320	7,457,769
42	ANC	ADMIN	REPAIR OVERHANG	235,000	7,264,000	249335	7,707,104
43	ANC	CAMPUS CENTER	REPAIR RESTROOMS	220,000	7,484,000	233420	7,940,524
44	ANC	K	REPAIR/REPLACE LIGHTING FIXTURES, STAIRWAY	15,000	7,499,000	15915	7,956,439
45	ANC	SCIENCE	REPAIR EMERGENCY POWER	35,000	7,534,000	37135	7,993,574
46	ANC	MCDONALD	REPLACE STRIP LIGHTING FIXTURES	160,000	7,694,000	169760	8,163,334
47	ANC	MCDONALD	REPLACE DOORS AND HARDWARE	100,000	7,794,000	106100	8,269,434
48	ANC	ALLIED HEALTH	REPAIR FIRE ALARM SYSTEM	70,000	7,864,000	74270	8,343,704
49	ANC	ARTS	REPAIR/REPLACE HUMIDIFICATION SYS	65,000	7,929,000	68965	8,412,669
50	ANC	CAMPUS CENTER	REPAIR HVAC SYSTEM	115,000	8,044,000	122015	8,534,684
1	ANC	ALLIED HEALTH	REPAIR/REPLACE VAV BOXES	35,000	8,079,000	37135	8,571,819
2	ANC	SPORTS CENTER	REPAIR/REPLACE GYM FLOOR, PH I	125,000	8,204,000	132625	8,704,444

**FY97 DEFERRED MAINTENANCE
NON-RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA ANCHORAGE**

Priority	Campus	Building	Project Title	Project Amount	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
103	ANC	K	CLEAN/SEAL EXTERIOR	24,000	17,920,000	25464	19,013,120
104	ANC	K	REPAIR DANCE FLOOR AIR VENT	5,000	17,925,000	5305	19,018,425
105	ANC	LIBRARY	REPAIR EXTERIOR SURFACES	60,000	17,985,000	63660	19,082,085
106	ANC	CAS	REPLACE ROOF, PH II	300,000	18,285,000	318300	19,400,385
107	ANC	ADMIN	REPLACE HUMIDIFICATION SYSTEM	150,000	18,435,000	159150	19,559,535
108	ANC	CAMPUS CENTER	REPLACE HUMIDIFICATION SYSTEM	150,000	18,585,000	159150	19,718,685
109	ANC	CAMPUS CENTER	REPAIR SLIDING PARTITIONS	150,000	18,735,000	159150	19,877,835
110	MSC	OKESON	REPAIR HVAC SYSTEM, DDC CONTROLS	150,000	18,885,000	159150	20,036,985
111	PWS	GROUDEN-HARRISON	REPAIR/REPLACE HVAC SYSTEM	100,000	18,985,000	106100	20,143,085
112	ANC	CUDDY	CLEAN/SEAL EXTERIOR	161,000	19,146,000	170821	20,313,906
113	ANC	SHORT	CLEAN/SEAL EXTERIOR	25,000	19,171,000	26525	20,340,431
114	PWS	GROUDEN-HARRISON	REPAIR/REPLACE PLUMBING	53,000	19,224,000	58233	20,396,664
115	KOC	VARIOUS	REPAIR INTERIOR FINISHES	75,000	19,299,000	79575	20,476,239
116	ANC	ENGINEERING	REPAIR/REPLACE EXTERIOR WINDOWS	356,000	19,655,000	377716	20,853,955
117	KPC	BROCKEL	REPAIR FIRE PROTECTION SYSTEM	40,000	19,695,000	42440	20,896,395
118	KOC	ALC	REPAIR ELECTRICAL SYSTEM	35,500	19,730,500	37665.5	20,934,061
119	KPC	WARD	REPAIR FIRE PROTECTION SYSTEM	90,000	19,820,500	95490	21,029,551
120	ANC	MCDONALD	REPAIR/REPLACE MISC MECHANICAL	30,000	19,850,500	31830	21,061,381
121	ANC	MONSERUD	CLEAN/SEAL EXTERIOR, REPAIR/REPLACE WINDOWS	46,000	19,896,500	48806	21,110,187
122	ANC	CUDDY	REPAIR/REPLACE SOLID WASTE DISPOSAL SYSTEM	40,000	19,936,500	42440	21,152,627
123	ANC	ARTS	REPAIR HARDWARE	35,000	19,971,500	37135	21,189,762
124	ANC	MONSERUD	REPLACE ROOF	370,000	20,341,500	392570	21,582,332
125	ANC	ARTS	REPAIR RESTROOMS	220,000	20,561,500	233420	21,815,752
126	ANC	ENGINEERING	REPAIR CURTAIN WALLS	56,500	20,618,000	59946.5	21,875,698
127	KPC	MCLANE	REPAIR ELECTRICAL SYSTEM	74,000	20,692,000	78514	21,954,212
128	ANC	AUTO/DIESEL	CLEAN/SEAL EXTERIOR	60,000	20,752,000	63660	22,017,872
129	KOC	BENNY BENSON	REPAIR ELECTRICAL SYSTEM	61,000	20,813,000	64721	22,082,593
130	KPC	CAMPUS-WIDE	REPAIR FIRE PUMP SYSTEM	95,000	20,908,000	100795	22,183,388
131	ANC	WILLIAMSON	PAINT THEATER AND LOBBY	40,000	20,948,000	42440	22,225,828
132	ANC	WILLIAMSON	REPAIR/REPLACE DOORS & HARDWARE	250,000	21,198,000	265250	22,491,078
133	KPC	CAMPUS-WIDE	REPAIR PARKING LOTS	1,030,000	22,228,000	1092830	23,583,908
134	KPC	CAMPUS-WIDE	REPAIR SURFACE DRAINAGE SYSTEMS	150,000	22,378,000	159150	23,743,058
135	ANC	7&A	REPLACE ROOF	95,000	22,473,000	100795	23,843,853
136	HOM	CAMPUS-WIDE	REPAIR SITE DRAINAGE	85,000	22,558,000	90185	23,934,038
137	ANC	WILLIAMSON	REPAIR/REPLACE CEILING	750,000	23,308,000	795750	24,729,788
138	ANC	ALLIED HEALTH	PAINT INTERIOR	100,000	23,408,000	106100	24,835,888
139	ANC	AUTO/DIESEL	REPAIR/REPLACE DOORS/HARDWARE	56,000	23,464,000	59416	24,895,304
140	ANC	ALLIED HEALTH	REPAIR/REPLACE HARDWARE	100,000	23,564,000	106100	25,001,404
141	ANC	BOOKSTORE	REPAIR/REPLACE CEILING	20,000	23,584,000	21220	25,022,624
142	ANC	WILLIAMSON	REPAIR WALLS	500,000	24,084,000	530500	25,553,124
143	ANC	7&A	REPLACE CEILING SYSTEM	35,000	24,119,000	37135	25,590,259
144	MSC	SNODGRASS	PAINT INTERIOR/EXTERIOR	100,000	24,219,000	106100	25,696,359
145	MSC	SNODGRASS	REPAIR ROOF FLASHINGS	75,000	24,294,000	79575	25,775,934
146	ANC	SPORTS CENTER	REPLACE ROOF	1,400,000	25,694,000	1485400	27,261,334
147	ANC	SPORTS CENTER	REPAIR/REPLACE BLEACHER DRIVE MOTORS	80,000	25,774,000	84880	27,346,214
148	ANC	SPORTS CENTER	REPAIR SAUNAS	125,000	25,899,000	132625	27,478,839
149	ANC	SPORTS CENTER	REPLACE HUMIDIFICATION SYSTEM	150,000	26,049,000	159150	27,637,989
150	ANC	AVIATION CMLPX	REPAIR MECHANICAL SYSTEMS	67,000	26,116,000	71087	27,709,076
151	ANC	AVIATION CMLPX	REPAIR/REPLACE BOILER	40,000	26,156,000	42440	27,751,516
152	ANC	SPORTS CENTER	REPLACE DETERIORATED ALUMINUM POOL	2,500,000	28,656,000	2652500	30,404,016
153	ANC	SCIENCE	REPLACE MECHANICAL SYS CONTROLS	45,000	28,701,000	47745	30,451,761
154	ANC	SHORT	REPAIR/REPLACE VAT FLOORING	63,000	28,764,000	66843	30,518,604
155	MSC	KERTTULA	REPAIR CONTROLS/BALANCE HVAC SYS	176,000	28,940,000	186736	30,705,340

**FY97 DEFERRED MAINTENANCE
NON-RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA FAIRBANKS**

Priority	Campus	Building	Description	D/M Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
1	FAI	DUCKERING	Cooling System Repairs	530,000		530,000	562,330	562,330
1	FAI	DUCKERING	Ventilation Distribution Repairs	700,000		1,230,000	742,700	1,305,030
1	FAI	DUCKERING	Replace Air Handling Equipment	1,785,000		3,015,000	1,893,885	3,198,915
1	FAI	DUCKERING	Replace propane, RO and air piping	300,000		3,315,000	318,300	3,517,215
			Provide isolation valves for equipment, individual utilities, etc.	162,750		3,477,750	172,678	3,689,893
1	FAI	DUCKERING	Hydronic System Repairs	168,000		3,645,750	178,248	3,868,141
1	FAI	DUCKERING	Replace Sewer Lines in Basement	95,000		3,740,750	100,795	3,968,936
1	FAI	DUCKERING	Replace Outdoor Lighting Fixtures	35,000		3,775,750	37,135	4,006,071
1	FAI	DUCKERING	Repair /replace Lighting	498,750		4,274,500	529,174	4,535,245
1	FAI	DUCKERING	Replace Curtain Wall Panels	1,460,000		5,734,500	1,549,060	6,084,305
1	FAI	DUCKERING	Repair and Paint Concrete Walls	75,000		5,809,500	79,575	6,163,880
1	FAI	DUCKERING	Floor Covering Replacement	600,000		6,409,500	636,600	6,800,480
1	FAI	DUCKERING	Ceiling Repairs	60,000		6,469,500	63,660	6,864,140
1	FAI	DUCKERING	ADA Improvements	183,750		6,653,250	194,959	7,059,098
1	FAI	DUCKERING	Code Corrections	1,584,500		8,237,750	1,681,155	8,740,253
1			DUCKERING TOTAL:		8,237,750	8,237,750		8,740,253
2	FAI	RASMUSON LIB	HVAC System Repair/Repairs	5,800,000		14,037,750	6,153,800	14,894,053
2	FAI	RASMUSON LIB	Photo Lab Repair/Repairs	250,000		14,287,750	265,250	15,159,303
2	FAI	RASMUSON LIB	Walking Deck Waterproofing	75,000		14,362,750	79,575	15,238,878
2	FAI	RASMUSON LIB	Exterior Envelope Repairs	950,000		15,312,750	1,007,950	16,246,828
			Emergency Power System and Electrical Repairs	550,000		15,862,750	583,550	16,830,378
2	FAI	RASMUSON LIB	Floor Covering Replacement	875,000		16,737,750	928,375	17,758,753
2	FAI	RASMUSON LIB	Interior Wall Finishes	750,000		17,487,750	795,750	18,554,503
2	FAI	RASMUSON LIB	Suspended Ceiling System Repair	850,000		18,337,750	901,850	19,456,353
2	FAI	RASMUSON LIB	Repair Water/Fire Lines	175,000		18,512,750	185,675	19,642,028
2	FAI	RASMUSON LIB	Repair and Replace Lighting System	685,380		19,198,130	727,188	20,369,216
			ADA Improvements incidental to DM work	350,000		19,548,130	371,350	20,740,566
2	FAI	RASMUSON LIB	Fire Alarm Repair	437,000		19,985,130	463,657	21,204,223
2	FAI	RASMUSON LIB	Electrical / Sewer / Water Repairs	375,000		20,360,130	397,875	21,602,098
2	FAI	RASMUSON LIB	Door and Hardware Replacement	116,000		20,476,130	123,076	21,725,174
2			RASMUSON LIBRARY TOTAL:		12,238,380	20,476,130		21,725,174
			Repair / replace Area and Theatre Lighting Systems	375,000		20,851,130	397,875	22,123,049
3	FAI	FINE ARTS	HVAC System Repairs - Theater	1,500,000		22,351,130	1,591,500	23,714,549
			Exterior Insulation/VB Replacement - Theater	175,000		22,526,130	185,675	23,900,224
3	FAI	FINE ARTS	Electrical System Repairs - Theater	150,000		22,676,130	159,150	24,059,374
			Floor Covering Replacement - Theater	600,000		23,276,130	636,600	24,695,974
3	FAI	FINE ARTS	Ceiling Repairs	600,000		23,876,130	636,600	25,332,574
			Door & Hardware Replacement - Theater	45,000		23,921,130	47,745	25,380,319
			Repair Area and Concert Hall Lighting Systems	360,000		24,281,130	381,960	25,762,279
3	FAI	FINE ARTS	HVAC System Repairs - Music	1,100,000		25,381,130	1,167,100	26,929,379
			Mechanical Room Floors Repairs - Music	36,000		25,417,130	38,196	26,967,575
3	FAI	FINE ARTS	Floor Covering Replacement - Music	400,000		25,817,130	424,400	27,391,975
3	FAI	FINE ARTS	Interior Finishes Repairs - Music	170,000		25,987,130	180,370	27,572,345
3	FAI	FINE ARTS	Ceiling Repairs	400,000		26,387,130	424,400	27,996,745
			Door & Hardware Replacement - Music	60,000		26,447,130	63,660	28,060,405
			Electrical System Repairs / reconfiguration	250,000		26,697,130	265,250	28,325,655
3	FAI	FINE ARTS	HVAC System Repairs - Art	1,500,000		28,197,130	1,591,500	29,917,155
			Floor Covering Replacement - Art	300,000		28,497,130	318,300	30,235,455
3	FAI	FINE ARTS	Ceiling Repairs	300,000		28,797,130	318,300	30,553,755

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Priority	Campus	Building	Description	D/M Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
7	FAI	IRVING I	ADA Improvements	116,078		52,196,611	123,159	55,592,804
7	FAI	IRVING I	Elevator Rehabilitation	150,000		52,346,611	159,150	55,751,954
7	FAI	IRVING I	Upgrade Service Transformer	75,000		52,621,611	79,575	55,831,529
7	FAI	IRVING I	Code Corrections	1,836,768		54,458,379	1,948,811	57,780,340
			Storm Drain Repairs (No. & East of O'Neill & Irving)	38,400		54,496,779	40,742	57,821,083
7			IRVING I TOTAL:		6,856,849	54,496,779		57,821,083
8	FAI	IRVING II	Lab Ventilation Repair	800,000		55,296,779	848,800	58,669,883
8	FAI	IRVING II	High Voltage Repair	180,000		55,476,779	190,980	58,860,863
8	FAI	IRVING II	Secondary Voltage Repairs/Repair	300,000		55,776,779	318,300	59,179,163
8	FAI	IRVING II	Replace lighting	108,300		55,885,079	114,906	59,294,069
8	FAI	IRVING II	Fenestration Renovation	75,000		55,960,079	79,575	59,373,644
8	FAI	IRVING II	Exterior Envelope Repairs	200,000		56,160,079	212,200	59,585,844
8	FAI	IRVING II	Foundation Waterproofing	85,000		56,245,079	90,185	59,676,029
8	FAI	IRVING II	Ceiling Replacement	209,760		56,454,839	222,555	59,898,584
8	FAI	IRVING II	Floor Covering Replacement	228,000		56,682,839	241,908	60,140,492
8	FAI	IRVING II	ADA Improvements	39,900		56,722,739	42,334	60,182,826
8	FAI	IRVING II	Elevator Repairs	75,000		56,797,739	79,575	60,262,401
8	FAI	IRVING II	HVAC System Repairs	200,000		56,997,739	212,200	60,474,601
8	FAI	IRVING II	Code Corrections	59,280		57,057,019	62,896	60,537,497
8			IRVING II TOTAL:		2,560,240	57,057,019		60,537,497
9	FAI	GRUENING	HVAC System Repair	2,750,000		59,807,019	2,917,750	63,455,247
9	FAI	GRUENING	Lighting Control System Repairs	310,000		60,117,019	328,910	63,784,157
9	FAI	GRUENING	Door & Hardware Replacement	97,800		60,214,819	103,766	63,887,923
9	FAI	GRUENING	Repair Walls	438,300		60,653,119	465,036	64,352,959
9	FAI	GRUENING	Plumbing System Repairs	295,000		60,948,119	312,995	64,665,954
9	FAI	GRUENING	Repair/Replace Electrical Systems	325,000		61,273,119	344,825	65,010,779
			Exterior Envelope Crack Repair/Window Sealing	131,000		61,404,119	138,991	65,149,770
9	FAI	GRUENING	Repair Water/Fire Lines	157,000		61,561,119	166,577	65,316,347
9	FAI	GRUENING	Electrical Switchgear Renovation	220,000		61,781,119	233,420	65,549,767
9	FAI	GRUENING	Storm Drain Repairs	122,050		61,903,169	129,495	65,679,262
			Replace Stairwell Incandescent to HPS	42,000		61,945,169	44,562	65,723,824
9	FAI	GRUENING	Elevator Repairs	225,000		62,170,169	238,725	65,962,549
9			GRUENING TOTAL:		5,113,150	62,170,169		65,962,549
10	FAI	PATTY CENTER	HVAC System Repair	1,200,000		63,370,169	1,273,200	67,235,749
			Restore Exterior Wall Envelope/Vapor Barrier	650,000		64,020,169	689,650	67,925,399
10	FAI	PATTY CENTER	Suspended Ceiling Replacement	400,000		64,420,169	424,400	68,349,799
10	FAI	PATTY CENTER	Repair Entrances	120,000		64,540,169	127,320	68,477,119
			Electrical Secondary Distribution Renovation	175,000		64,715,169	185,675	68,662,794
10	FAI	PATTY CENTER	Floor Covering Replacement	105,950		64,821,119	112,413	68,775,207
10	FAI	PATTY CENTER	Door & Hardware Replacement	35,000		64,856,119	37,135	68,812,342
			Rifle Range Walking Deck Replacement	75,000		64,931,119	79,575	68,891,917
10	FAI	PATTY CENTER	Handball Courts Repairs	145,000		65,076,119	153,845	69,045,762
10	FAI	PATTY CENTER	Main Entrance Walking Deck Repairs	60,000		65,136,119	63,660	69,109,422
			Pool & Support Systems Repair/Replacement	2,500,000		67,636,119	2,652,500	71,761,922
			Replace Service Conductors and Add cableway	50,000		67,686,119	53,050	71,814,972
10	FAI	PATTY CENTER	Fire Alarm System Repairs	200,000		67,886,119	212,200	72,027,172
10	FAI	PATTY CENTER	Site Drainage Emergency Repairs	69,000		67,955,119	73,209	72,100,381
10	FAI	PATTY CENTER	Sewer Main Distr. Repairs (collection)	242,000		68,197,119	256,762	72,357,143
10			PATTY CENTER TOTAL:		6,026,950	68,197,119		72,357,143
1	FAI	PATTY ICE ARENA	HVAC System Repair	750,000		68,947,119	795,750	73,152,893
11	FAI	PATTY ICE ARENA	Floor Covering Repairs	210,000		69,157,119	222,810	73,375,703

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Priority	Campus	Building	Description	D/M Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
15	FAI	EIELSON	Modify and repair South Entry Lighting	25,000		76,201,449	26,525	80,849,737
15	FAI	EIELSON	Replace Deteriorating Exterior Lighting	30,000		76,231,449	31,830	80,881,567
15			EIELSON TOTAL:		1,685,000	76,231,449		80,881,567
			Lighting Controls					
16	FAI	ELVEY	Renovation/Replacement	500,000		76,731,449	530,500	81,412,067
			Electrical Control and Distribution					
16	FAI	ELVEY	Repairs	250,000		76,981,449	265,250	81,677,317
16	FAI	ELVEY	Exterior Column Repairs	120,000		77,101,449	127,320	81,804,637
16	FAI	ELVEY	HVAC System Repairs	2,500,000		79,601,449	2,652,500	84,457,137
16	FAI	ELVEY	Foyer/Annex Roof/Termination	100,000		79,701,449	106,100	84,863,237
16	FAI	ELVEY	Exterior Envelope Repairs	450,000		80,151,449	477,450	85,040,687
16	FAI	ELVEY	Foundation Waterproofing	100,000		80,251,449	106,100	85,146,787
16	FAI	ELVEY	Floor Covering Replacement	900,000		81,151,449	954,900	86,101,687
16	FAI	ELVEY	Ceiling Repairs	900,000		82,051,449	954,900	87,056,587
16	FAI	ELVEY	Exterior Walkway Reconstruction	90,000		82,141,449	95,490	87,152,077
16	FAI	ELVEY	Exterior Steps Reconstruction	50,000		82,191,449	53,050	87,205,127
16	FAI	ELVEY	Replace service transformers	90,000		82,281,449	95,490	87,300,617
16	FAI	ELVEY	Hydronic System Repairs	800,000		83,081,449	848,800	88,149,417
16	FAI	ELVEY	Sewer Main Distr. Repairs (MH K)	368,050		83,449,499	390,501	88,539,918
16			ELVEY TOTAL:		7,218,050	83,449,499		88,539,918
17	FAI	INTER CAMPUS-HARPER	Electrical Repair	145,000		83,594,499	153,845	88,693,763
17	FAI	INTER CAMPUS-HARPER	Repair/Replace ACM Panels	95,000		83,689,499	100,795	88,794,558
17	FAI	INTER CAMPUS-HARPER	Renovate HBO System	75,000		83,764,499	79,575	88,874,133
17	FAI	INTER CAMPUS-HARPER	Replace/Relocate Sewer Lift Station	15,000		83,779,499	15,915	88,890,048
17	FAI	INTER CAMPUS-HARPER	Renovate Exterior Window System	38,000		83,817,499	40,318	88,930,366
17	FAI	INTER CAMPUS-HARPER	Floor covering replacement / repairs	165,150		83,982,649	175,224	89,105,591
17			INTERIOR CAMPUS-HARPER TOTAL:		533,150	83,982,649		89,105,591
18	FAI	HEALTH/SAFETY	HVAC Renovation	350,530		84,333,179	371,912	89,477,503
18	FAI	HEALTH/SAFETY	Electrical System Repair	185,000		84,518,179	196,285	89,673,788
18	FAI	HEALTH/SAFETY	Ceiling Repair	110,000		84,628,179	116,710	89,790,498
18	FAI	HEALTH/SAFETY	Floor Covering Replacement	180,000		84,808,179	190,980	89,981,478
18	FAI	HEALTH/SAFETY	Wall Repairs/Patch & Paint	87,000		84,895,179	92,307	90,073,785
18	FAI	HEALTH/SAFETY	Door & Hardware Replacement	22,000		84,917,179	23,342	90,097,127
18	FAI	HEALTH/SAFETY	Plumbing System Repairs	135,000		85,052,179	143,235	90,240,362
18			HEALTH/SAFETY TOTAL:		1,069,530	85,052,179		90,240,362
19	FAI	WOOD CENTER	HVAC System Repair	725,000		85,777,179	769,225	91,009,587
19	FAI	WOOD CENTER	Building Envelope Vapor Barrier	700,000		86,477,179	742,700	91,752,287
19	FAI	WOOD CENTER	Roof Replacement/Repairs	800,000		87,277,179	848,800	92,601,087
19	FAI	WOOD CENTER	Repair Kitchen walk-in Coolers	60,000		87,337,179	63,660	92,664,747
19	FAI	WOOD CENTER	Replace Hot Water Heater	55,000		87,392,179	58,355	92,723,102
19	FAI	WOOD CENTER	Main Entrance Walking Deck Repairs	400,000		87,792,179	424,400	93,147,502
19	FAI	WOOD CENTER	Lighting/Controls Repairs	300,000		88,092,179	318,300	93,465,802
19	FAI	WOOD CENTER	Floor Covering Replacement	120,000		88,212,179	127,320	93,593,122
19	FAI	WOOD CENTER	Ceiling Repairs	200,000		88,412,179	212,200	93,805,322
19	FAI	WOOD CENTER	Wall Finishes	240,000		88,652,179	254,640	94,059,962
19	FAI	WOOD CENTER	Door & Hardware Replacement	125,000		88,777,179	132,625	94,192,587
19	FAI	WOOD CENTER	Lift Station Repairs	25,000		88,802,179	26,525	94,219,112
19	FAI	WOOD CENTER	Plumbing Piping Repair	165,000		88,967,179	175,065	94,394,177
19	FAI	WOOD CENTER	Electrical Repairs	150,000		89,117,179	159,150	94,553,327
19	FAI	WOOD CENTER	Replace Aluminum Feeder Cables	50,000		89,167,179	53,050	94,606,377
9	FAI	WOOD CENTER	Ballroom PA System Repairs	55,000		89,222,179	58,355	94,664,732
19	FAI	WOOD CENTER	Bathroom Fixture Replacement	43,000		89,265,179	45,623	94,710,355

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Priority	Campus	Building	Description	D/M Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
20	NOME	NORTHWEST CMP	Replace Doors & Hardware	15,000		92,740,679	15,915	98,397,860
20	NOME	NORTHWEST CMP	Interior Finishes Replacement	25,000		92,765,679	26,525	98,424,385
20	NOME	NORTHWEST CMP	Flooring Replacement	8,000		92,773,679	8,488	98,432,873
20	NOME	NORTHWEST CMP	Repair Greenhouse	9,000		92,782,679	9,549	98,442,422
20	NOME	NORTHWEST CMP	Flooring Replacement	5,000		92,787,679	5,305	98,447,727
20	NOME	NORTHWEST CMP	Flooring Replacement	5,000		92,792,679	5,305	98,453,032
20	NOME	NORTHWEST CMP	Flooring Replacement	5,000		92,797,679	5,305	98,458,337
20	NOME	NORTHWEST CMP	HVAC Repairs	75,000		92,872,679	79,575	98,537,912
20	NOME	NORTHWEST CMP	Flooring Replacement	5,000		92,877,679	5,305	98,543,217
20	NOME	NORTHWEST CMP	Exterior Envelope Renovation	10,000		92,887,679	10,610	98,553,827
20	NOME	NORTHWEST CMP	Window Replacement	30,000		92,917,679	31,830	98,585,657
20	NOME	NORTHWEST CMP	Flooring Replacement	5,000		92,922,679	5,305	98,590,962
20			NORTHWEST CAMPUS (NOME) TOTAL:		348,000	92,922,679		98,590,962
20	PALMER	RESEARCH CTR	Interior Surface Rehabilitation	250,000		93,172,679	265,250	98,856,212
20	PALMER	RESEARCH CTR	Roof Replacement	40,000		93,212,679	42,440	98,898,652
20	PALMER	RESEARCH CTR	Exterior Restoration	75,000		93,287,679	79,575	98,978,227
20	PALMER	RESEARCH CTR	Interior Rehabilitation	80,000		93,367,679	84,880	99,063,107
20	PALMER	RESEARCH CTR	HVAC Repairs	250,000		93,617,679	265,250	99,328,357
20	PALMER	RESEARCH CTR	Replace Roofing	20,000		93,637,679	21,220	99,349,577
20	PALMER	RESEARCH CTR	Replace Roofing	28,000		93,665,679	29,708	99,379,285
20	PALMER	RESEARCH CTR	Replace Roofing	28,000		93,693,679	29,708	99,408,993
20	PALMER	RESEARCH CTR	Replace Roofing	20,000		93,713,679	21,220	99,430,213
20	PALMER	RESEARCH CTR	Replace Roofing	20,000		93,733,679	21,220	99,451,433
20	PALMER	RESEARCH CTR	Replace Roofing	20,000		93,753,679	21,220	99,472,653
20	PALMER	RESEARCH CTR	Replace Roofing	20,000		93,773,679	21,220	99,493,873
20	PALMER	RESEARCH CTR	Replace Roofing	28,000		93,801,679	29,708	99,523,581
20			PALMER RESEARCH CENTER TOTAL:		879,000	93,801,679		99,523,581
20	SEWARD	MARINE CENTER	Roof Repairs	180,000		93,981,679	190,980	99,714,561
20	SEWARD	MARINE CENTER	HVAC Repairs	50,000		94,031,679	53,050	99,767,611
20	SEWARD	MARINE CENTER	Laboratory Furnishings Renovation	10,000		94,041,679	10,610	99,778,221
20	SEWARD	MARINE CENTER	New Wet Labs Drain	20,000		94,061,679	21,220	99,799,441
20	SEWARD	MARINE CENTER	Exterior Lighting	15,000		94,076,679	15,915	99,815,356
20	SEWARD	MARINE CENTER	Restroom Rehabilitation	30,000		94,106,679	31,830	99,847,186
20	SEWARD	MARINE CENTER	Replace Carpet (213 S4)	12,000		94,118,679	12,732	99,859,918
20	SEWARD	MARINE CENTER	Aquaculture Pond Repair	20,000		94,138,679	21,220	99,881,138
20	SEWARD	MARINE CENTER	Furnace Repairs/Heating Repair	25,000		94,163,679	26,525	99,907,663
20	SEWARD	MARINE CENTER	Entryway Repairs	50,000		94,213,679	53,050	99,960,713
20	SEWARD	MARINE CENTER	Exterior Lighting Repairs	20,000		94,233,679	21,220	99,981,933
20			SEWARD MARINE CENTER TOTAL:		432,000	94,233,679		99,981,933
21	FAI	WHITTAKER (Fire Dept)	Exterior Window Repairs	35,000		94,268,679	37,135	100,019,068
21	FAI	WHITTAKER (Fire Dept)	Floor Covering Repairs	25,000		94,293,679	26,525	100,045,593
21	FAI	WHITTAKER (Fire Dept)	Replace Hot Water Heating Piping	15,000		94,308,679	15,915	100,061,508
21	FAI	WHITTAKER (Fire Dept)	Replace Bathroom Fixtures	28,000		94,336,679	29,708	100,091,216
21	FAI	WHITTAKER (Fire Dept)	Repair Fire Alarm System	7,000		94,343,679	7,427	100,098,643
21	FAI	WHITTAKER (Fire Dept)	Hydronic Heating System Repairs	175,000		94,518,679	185,675	100,284,318
21	FAI	WHITTAKER (Fire Dept)	Paint Exterior Surfaces	15,000		94,533,679	15,915	100,300,233
21	FAI	WHITTAKER (Fire Dept)	Replace Interior Lighting	55,000		94,588,679	58,355	100,358,588
21	FAI	WHITTAKER (Fire Dept)	Overhead Door Replacement	75,000		94,663,679	79,575	100,438,163
21	FAI	WHITTAKER (Fire Dept)	HVAC System Repairs	190,000		94,853,679	201,590	100,639,753

**FY97 DEFERRED MAINTENANCE
NON-RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA FAIRBANKS**

Priority	Campus	Building	Description	D/M Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
25	FAI	HAIDA	Replace Deteriorating Exterior Lighting/Stevens	29,000		99,088,039	30,769	105,132,409
25	FAI	HAIDA	Replace Deteriorating Exterior Lighting	30,000		99,118,039	31,830	105,164,239
25			HAIDA TOTAL:		59,000	99,118,039		105,164,239
25	FAI	HARWOOD EXTERIOR	Site Drainage Emergency Repairs	53,000		99,171,039	56,233	105,220,472
25			HARWOOD EXTERIOR TOTAL:		53,000	99,171,039		105,220,472
25	FAI	HESS VILLAGE EXTERIOR	Replace Deteriorating Exterior Lighting	31,000		99,202,039	32,891	105,253,363
25	FAI	HESS VILLAGE EXTERIOR	Replace Transformers & Service Entrances	50,000		99,252,039	53,050	105,306,413
25	FAI	HESS VILLAGE EXTERIOR	Replace Deteriorating Exterior Lighting	33,000		99,285,039	35,013	105,341,426
25	FAI	HESS VILLAGE EXTERIOR	Restoration/Drainage and Surfacing	421,000		99,706,039	446,681	105,788,107
25	FAI	HESS VILLAGE EXTERIOR	Replace Deteriorating Exterior Lighting	25,000		99,731,039	26,525	105,814,632
25	FAI	HESS VILLAGE EXTERIOR	Deficiencies/Condition/Subgrade/Drainage	116,000		99,847,039	123,076	105,937,708
25			HESS VILLAGE EXTERIOR TOTAL:		676,000	99,847,039		105,937,708
25	FAI	KOBUK AVE. WALKWAY	Correct Deficiencies/Condition/Subgrade/Drainage	128,000		99,975,039	135,808	106,073,516
25			KOBUK AVE. WALKWAY TOTAL:		128,000	99,975,039		106,073,516
25	FAI	KUSKOKWIM WAY	Replace Deteriorating Exterior Lighting	36,000		100,011,039	38,196	106,111,712
25	FAI	KUSKOKWIM WY/TANANA LP	Repair Roadway Drainage/Subgrade	251,000		100,262,039	266,311	106,378,023
			KUSKOKWIM WAY/TANANA LOOP TOTAL:		287,000	100,262,039		106,378,023
25	FAI	LARS VIEWING PARK. LOT	Restoration/Drainage and Surfacing	25,000		100,287,039	26,525	106,404,548
25	FAI		LARS VIEWING PARK. LOT TOTAL:		25,000	100,287,039		106,404,548
25	FAI	MOORE EXTERIOR	Restoration/Drainage and Surfacing	215,000		100,502,039	228,115	106,632,663
25			MOORE EXTERIOR TOTAL:		215,000	100,502,039		106,632,663
25	FAI	NENANA PARKING LOT	Storm Drain Repairs	48,000		100,550,039	50,928	106,683,591
25			NENANA PARKING LOT TOTAL:		48,000	100,550,039		106,683,591
25	FAI	NOATAK PARKING LOT	Restoration/Drainage and Surfacing	294,000		100,844,039	311,934	106,995,525
25	FAI		NOATAK PARKING LOT TOTAL:		294,000	100,844,039		106,995,525
25	FAI	PLAZA	Storm Drain Repairs (Gruening & Library)	51,000		100,895,039	54,111	107,049,636
25			PLAZA TOTAL:		51,000	100,895,039		107,049,636
25	FAI	POWER PLANT SITE	Site Drainage Emergency Repairs/Exter. Drive	23,000		100,918,039	24,403	107,074,039
25	FAI	POWER PLANT SITE	Sewer Main Distribution Repairs	368,000		101,286,039	390,448	107,464,487
25			POWER PLANT SITE TOTAL:		391,000	101,286,039		107,464,487
25	FAI	SAC EXTERIOR	Replace Deteriorating Exterior Lighting	25,000		101,311,039	26,525	107,491,012
25			SAC EXTERIOR TOTAL:		25,000	101,311,039		107,491,012
25	FAI	TAKU	Storm Drain Repairs/Drive	117,000		101,428,039	124,137	107,615,149
25	FAI	TAKU	Restoration/Drainage and Surfacing/Parking Lot	387,000		101,815,039	410,607	108,025,756
25	FAI	TAKU	Taku Parking Lot Rehabilitation	125,000		101,940,039	132,625	108,158,381
25			TAKU PARKING LOT TOTAL:		629,000	101,940,039		108,158,381
25	FAI	TANANA DRIVE	Repair Roadway Drainage/Subgrade	329,000		102,269,039	349,069	108,507,450
25	FAI	TANANA DRIVE	Sewer Main Distribution Repairs	381,000		102,650,039	404,241	108,911,691
25	FAI	TANANA DRIVE	Deficiencies/Condition/Subgrade/Drainage	238,000		102,888,039	252,518	109,164,209

**FY97 DEFERRED MAINTENANCE
NON-RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA FAIRBANKS**

Priority	Campus	Building	Description	D/M Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
27	FAI	UTILIDOR	Waterproof Utilidor/Surface/ Groundwater leaks	36,000		104,538,039	38,196	110,914,859
27			UTILIDOR TOTALS:		205,000	104,538,039		110,914,859
28	FAI	UTILITIES	Compressed Air System Repairs	65,000		104,603,039	68,965	110,983,824
28	FAI	UTILITIES	Geist Well Water Line Replacement	150,000		104,753,039	159,150	111,142,974
28	FAI	UTILITIES	Distribution Piping	100,000		104,853,039	106,100	111,249,074
28	FAI	UTILITIES	R/O Repairs	55,000		104,908,039	58,355	111,307,429
28	FAI	UTILITIES	Boiler Feed Pump Rebuild	75,000		104,983,039	79,575	111,387,004
28	FAI	UTILITIES	Boiler Communications Upgrade	160,000		105,143,039	169,760	111,556,764
28			UTILITIES TOTAL:		605,000	105,143,039		111,556,764
29	FAI	ATKINSON (Power Plant)	Fire Alarm System Repairs	110,000		105,253,039	116,710	111,673,474
29	FAI	ATKINSON (Power Plant)	Code Corrections	1,300,000		106,553,039	1,379,300	113,052,774
29			ATKINSON TOTAL:		1,410,000	106,553,039		113,052,774
30	FAI	PHYSICAL PLANT	Renovate HVAC System	2,000,000		108,553,039	2,122,000	115,174,774
30	FAI	PHYSICAL PLANT	Renovate Secondary Electrical System	150,000		108,703,039	159,150	115,333,924
30	FAI	PHYSICAL PLANT	Exterior Cladding Repairs	50,000		108,753,039	53,050	115,386,974
30	FAI	PHYSICAL PLANT	Floor Covering Replacement	70,000		108,823,039	74,270	115,461,244
30	FAI	PHYSICAL PLANT	Door & Hardware Replacement	50,000		108,873,039	53,050	115,514,294
30	FAI	PHYSICAL PLANT	Plumbing System Repairs	150,000		109,023,039	159,150	115,673,444
30	FAI	PHYSICAL PLANT	Sewage Lift Station Repairs	20,000		109,043,039	21,220	115,694,664
30	FAI	PHYSICAL PLANT	Fire Alarm Repair	176,000		109,219,039	186,736	115,881,400
30	FAI	PHYSICAL PLANT	Replace transformers & service entrance	45,000		109,264,039	47,745	115,929,145
30	FAI	PHYSICAL PLANT	Restoration/Drainage and Surfacing	284,000		109,548,039	301,324	116,230,469
30	FAI	PHYSICAL PLANT	Code Corrections	3,403,861		112,951,900	3,611,497	119,841,966
30			PHYSICAL PLANT TOTAL:		6,398,861	112,951,900		
UAF NON-RESIDENTIAL DEFERRED MAINTENANCE TOTALS				112,951,900			119,841,966	

**FY97 DEFERRED MAINTENANCE
NON-RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA SOUTHEAST**

Juneau Campus Priority	Building	Description	Project Amount	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
44	Hendrickson Bldg	Replace Some Interior Lighting	10,190	1,181,354	10,812	1,253,417
45	Hendrickson Bldg	Replace Damaged Ceiling Tiles	4,367	1,185,721	4,633	1,258,050
46	Knodel House	Replace Roof	9,301	1,195,022	9,968	1,267,918
47	Anderson Bldg	Repair Acid Neutralizer Pit	19,716	1,214,738	20,919	1,288,837
Juneau Campus Subtotals			1,214,738		1,288,837	
Ketchikan						
Campus Priority						
1	Ziegler Bldg	Replace Electric Heat Phase II	107,623	107,623	114,188	114,188
2	Ziegler Bldg	Replace & Pave Parking Lot	85,000	192,623	90,185	204,373
3	Ziegler Bldg	Replace Finishes	66,436	259,059	70,489	274,862
4	Paul Bldg	Replace Finishes	66,436	325,495	70,489	345,350
5	Ziegler Bldg	Replace Carpet	28,938	354,433	30,703	376,053
6	Ziegler Bldg	Reroof	132,500	486,933	140,583	516,636
7	Paul Bldg	Reroof	159,000	645,933	168,699	685,335
8	Robertson Bldg	Grade & Pave Parking	93,000	738,933	98,673	784,008
Ketchikan Campus Subtotals			738,933		784,008	
Sitka						
Campus Priority						
	Hanger 332	Parking Apron Repairs/Mark Roadway	84,800	84,800	89,973	89,973
Sitka Campus Subtotals			84,800		89,973	
UAS NON-RESIDENTIAL DEFERRED MAINTENANCE TOTALS			2,038,471		2,162,818	

TABLE E

**FY97 DEFERRED MAINTENANCE
RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA ANCHORAGE**

Priority	Campus	Building	Project Title	Project Amount	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
1	PWSCC	VALDEZ	REPLACE GALV DOMESTIC WATER PIPING	50,000	50,000	53050	53,050
2	PWSCC	CORDOVA	REPLACE GALV DOMESTIC WATER PIPING	50,000	100,000	53050	106,100
3	PWSCC	COPPER BASIN	REPLACE GALV DOMESTIC WATER PIPING	50,000	150,000	53050	159,150
4	ANC	STUDENT HSG	REPAIR/REPLACE ELECTRONIC LOCKSETS, PH II	500,000	650,000	530500	689,650
5	ANC	STUDENT HSG	REPAIR ROOFS, PH II	275,000	925,000	291775	981,425
6	ANC	TEMPLEWOOD	REPAIR FIRE ALARM SYSTEM	62,000	987,000	65782	1,047,207
7	ANC	TEMPLEWOOD	REPAIR/REPLACE DOORS & LOCK SYSTEM	210,000	1,197,000	222810	1,270,017
8	ANC	STUDENT HSG #1	REPAIR FIRE ALARM SYSTEM	98,000	1,295,000	103978	1,373,995
9	PWSCC	VALDEZ	REPAIR BOILER COMBUSTION AIR/VENTILATION	10,000	1,305,000	10610	1,384,605
10	PWSCC	CORDOVA	REPAIR BOILER COMBUSTION AIR/VENTILATION	10,000	1,315,000	10610	1,395,215
11	ANC	STUDENT HSG #1	REPAIR/REPLACE BOILERS	28,000	1,343,000	29708	1,424,923
12	ANC	STUDENT HSG	REPAIR/REPLACE ELECTRONIC LOCKSETS, PH III	300,000	1,643,000	318300	1,743,223
13	PWSCC	VALDEZ	REPAIR/REPLACE WINDOWS	15,000	1,658,000	15915	1,759,138
14	PWSCC	COPPER BASIN	REPAIR/REPLACE WINDOWS	15,000	1,673,000	15915	1,775,053
15	PWSCC	CORDOVA	REPAIR/REPLACE WINDOWS	15,000	1,688,000	15915	1,790,968
16	PWSCC	VALDEZ	REPAIR/REPLACE ROOF	130,000	1,818,000	137930	1,928,898
17	PWSCC	HOUSING SITE	REPAIR SITE DRAINAGE/PAVING	55,000	1,873,000	58355	1,987,253
18	PWSCC	CORDOVA	REPAIR/REPLACE LIGHTING	10,000	1,883,000	10610	1,997,863
19	ANC	STUDENT HSG	REPAIR REPLACE WINDOWS/WEATHER SEAL	165,000	2,048,000	175065	2,172,928
20	ANC	STUDENT HSG	REPAIR/RESURFACE PARKING LOTS	80,000	2,128,000	84880	2,257,808
21	ANC	STUDENT HSG	REPAIR/REPLACE SHUT-OFF VALVES	5,000	2,133,000	5305	2,263,113
22	ANC	STUDENT HSG	REFINISH DOORS/FRAMES	110,000	2,243,000	116710	2,379,823
23	ANC	STUDENT HSG	REPAIR/REPLACE SIDEWALKS	55,000	2,298,000	58355	2,438,178
24	ANC	TEMPLEWOOD	REPAIR/REPLACE GARAGE DOORS	65,000	2,363,000	68965	2,507,143
25	ANC	TEMPLEWOOD	REPAIR/RESURFACE PARKING LOTS	50,000	2,413,000	53050	2,560,193
26	ANC	TEMPLEWOOD	REPAIR/REPLACE LIGHT FIXTURES	65,000	2,478,000	68965	2,629,158
27	ANC	TEMPLEWOOD	REPAIR SITE DRAINAGE/PAVING	35,000	2,513,000	37135	2,666,293
28	ANC	TEMPLEWOOD	REPAIR/REPLACE EXTERIOR LIGHTING	25,000	2,538,000	26525	2,692,818
29	PWSCC	CORDOVA	REPAIR/REPLACE BOILER	50,000	2,588,000	53050	2,745,868
30	PWSCC	VALDEZ	REPAIR/REPLACE BOILER	50,000	2,638,000	53050	2,798,918
UAA RESIDENTIAL DEFERRED MAINTENANCE TOTALS				2,638,000		2,798,918	

**FY97 DEFERRED MAINTENANCE
RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA FAIRBANKS**

Priority	Building	Description	Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
3	STUART HALL	Paint Exterior Surfaces	10,012		4,403,187	10,623	4,671,781
3	STUART HALL	Paint & Patch Ceilings	5,524		4,408,711	5,861	4,677,642
3	STUART HALL	Refinish Interior Walls	50,000		4,458,711	53,050	4,730,692
3	STUART HALL	Replace Exterior Door	9,273		4,467,984	9,839	4,740,531
3	STUART HALL	Replace Base Mold	22,466		4,490,450	23,836	4,764,367
3	STUART HALL	Replace Baseboard Heater Cover	38,580		4,529,030	40,933	4,805,301
3	STUART HALL	Replace Fire Alarm System	144,813		4,673,843	153,647	4,958,947
3	STUART HALL	Replace Gypsumboard	64,672		4,738,515	68,617	5,027,564
3	STUART HALL	Replace Relites	41,000		4,779,515	43,501	5,071,065
3	STUART HALL	Replace Toilet Fixture	55,337		4,834,852	58,713	5,129,778
3	STUART HALL	Replace Trim	21,635		4,856,487	22,955	5,152,733
3	STUART HALL	Replace Window	147,611		5,004,098	156,615	5,309,348
3	STUART HALL	Replace Window Hardware	2,808		5,006,906	2,979	5,312,327
3	STUART HALL	Replace Window/Trim	4,456		5,011,362	4,728	5,317,055
3	STUART HALL	Replace Vinyl Floor Covering	1,788		5,013,150	1,897	5,318,952
3	STUART HALL	Repairs Egress / Exiting	38,000		5,051,150	40,318	5,359,270
3	STUART HALL	Wood Siding	35,200		5,086,350	37,347	5,396,617
3	STUART HALL	Replace Shower Stalls	14,000		5,100,350	14,854	5,411,471
3	STUART HALL	Replace Laundry Room Equipment	10,000		5,110,350	10,610	5,422,081
3	STUART HALL	Additional Scope of Work	102,009		5,212,359	108,232	5,530,313
3		STUART HALL TOTAL:		1,000,000	5,212,359	0	5,530,313
	HARWOOD HALL (36 units)	Replace Vent Fans	1,208		5,213,567	1,282	5,531,595
4	HARWOOD HALL	Replace Window	47,665		5,261,232	50,573	5,582,167
4	HARWOOD HALL	Replace Trim	63,051		5,324,283	66,897	5,649,084
4	HARWOOD HALL	Paint Exterior Surfaces	21,199		5,345,482	22,492	5,671,556
4	HARWOOD HALL	Rewire	335,046		5,680,528	355,484	6,027,040
4	HARWOOD HALL	Replace Lights	951		5,681,479	1,009	6,028,049
4	HARWOOD HALL	Replace Vinyl Floor Covering	139,317		5,820,796	147,815	6,175,865
4	HARWOOD HALL	Replace Doors	252,980		6,073,776	268,412	6,444,278
4	HARWOOD HALL	Refinish Interior Walls	90,048		6,163,824	95,541	6,539,817
4	HARWOOD HALL	Patch & Paint Ceilings	26,357		6,190,181	27,865	6,567,782
4	HARWOOD HALL	Replace Exterior Door Hardware	2,570		6,192,751	2,727	6,570,509
4	HARWOOD HALL	Replace Base Molding	33,087		6,225,838	35,105	6,605,614
4	HARWOOD HALL	Kitchen Cabinets/Appliances	301,871		6,527,709	320,285	6,925,899
4	HARWOOD HALL	Replace Toilet Fixtures	110,674		6,638,383	117,425	7,043,324
4	HARWOOD HALL	Refinish Baseboard	4,274		6,642,657	4,535	7,047,859
4	HARWOOD HALL	Replace Shower Enclosures	25,000		6,667,657	26,525	7,074,384
4	HARWOOD HALL	Replace Laundry Room Equipment	5,000		6,672,657	5,305	7,079,689
4		HARWOOD HALL TOTAL:		1,460,298	6,672,657	0	7,079,689
	COPPER LANE 514 (Campus Ministry)	Kitchen Exhaust Fan	681		6,673,338	723	7,080,412
5	COPPER LANE 514	Repair Roof Soffit	654		6,673,992	694	7,081,106
5	COPPER LANE 514	Replace Exterior Door	1,340		6,675,332	1,422	7,082,527
5	COPPER LANE 514	Replace Windows	11,812		6,687,144	12,533	7,095,060
5	COPPER LANE 514	Replace Fuel Tank	15,000		6,702,144	15,915	7,110,975
5	COPPER LANE 514	Shingle Roofing	15,811		6,717,955	16,775	7,127,750
5	COPPER LANE 514	Entry Stairs	4,200		6,722,155	4,456	7,132,206
5	COPPER LANE 514	Kitchen Cabinet/Appliances	3,827		6,725,982	4,060	7,136,267
5	COPPER LANE 514	Paint & Patch Ceilings	1,913		6,727,895	2,030	7,138,297
5	COPPER LANE 514	Refinish Interior Walls	3,754		6,731,649	3,983	7,142,280
5	COPPER LANE 514	Replace Carpet	5,339		6,736,988	5,665	7,147,944
5	COPPER LANE 514	Replace Gypsumboard	14,509		6,751,497	15,394	7,163,338
5	COPPER LANE 514	Replace Interior Door	1,601		6,753,098	1,699	7,165,037
5	COPPER LANE 514	Replace Vinyl Floor Covering	1,050		6,754,148	1,114	7,166,151
5	COPPER LANE 514	Replace Sinks	1,247		6,755,395	1,323	7,167,474
5	COPPER LANE 514	Replace Toilet Fixtures	2,329		6,757,724	2,471	7,169,945
5		COPPER LANE 514 TOTAL:		85,067	6,757,724	0	7,169,945
	COPPER LANE 515 (Honors House)	Kitchen Exhaust Fan	681		6,758,405	723	7,170,668
6	COPPER LANE 515	Repair Roof Soffit	654		6,759,059	694	7,171,362
6	COPPER LANE 515	Replace Exterior Door	1,340		6,760,399	1,422	7,172,783

**FY97 DEFERRED MAINTENANCE
RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA FAIRBANKS**

Priority	Building	Description	Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
9	COPPER LANE 519	Replace Toilet Fixtures	2,329		7,037,992	2,471	7,467,310
9		COPPER LANE 519 TOTAL:		70,067	7,037,992	0	7,467,310
	COPPER LANE 520						
10	(Copper Lane House)	Kitchen Exhaust Fan	681		7,038,673	723	7,468,032
10	COPPER LANE 520	Repair Roof Soffit	654		7,039,327	694	7,468,726
10	COPPER LANE 520	Replace Exterior Door	1,340		7,040,667	1,422	7,470,148
10	COPPER LANE 520	Replace Windows	11,812		7,052,479	12,533	7,482,680
10	COPPER LANE 520	Shingle Roofing	15,811		7,068,290	16,775	7,499,456
10	COPPER LANE 520	Entry Stairs	4,200		7,072,490	4,456	7,503,912
10	COPPER LANE 520	Kitchen Cabinet/Appliances	3,827		7,076,317	4,060	7,507,972
10	COPPER LANE 520	Paint & Patch Ceilings	1,913		7,078,230	2,030	7,510,002
10	COPPER LANE 520	Refinish Interior Walls	3,754		7,081,984	3,983	7,513,985
10	COPPER LANE 520	Replace Boiler/Heating System	50,000		7,131,984	53,050	7,567,035
10	COPPER LANE 520	Replace Fuel Oil Tank	15,000		7,146,984	15,915	7,582,950
10	COPPER LANE 520	Replace Carpet	5,339		7,152,323	5,665	7,588,615
10	COPPER LANE 520	Replace Gypsumboard	14,509		7,166,832	15,394	7,604,009
10	COPPER LANE 520	Replace Interior Door	1,601		7,168,433	1,699	7,605,707
10	COPPER LANE 520	Replace Vinyl Floor Covering	1,050		7,169,483	1,114	7,606,821
10	COPPER LANE 520	Replace Sinks	1,247		7,170,730	1,323	7,608,145
10	COPPER LANE 520	Replace Toilet Fixtures	2,329		7,173,059	2,471	7,610,616
10		COPPER LANE 520 TOTAL:		135,067	7,173,059	0	7,610,616
11	GARDEN APTS 1	Reroof Building	20,994		7,194,053	22,275	7,632,890
11	GARDEN APTS 1	Replace Roof Flashing	2,808		7,196,861	2,979	7,635,870
11	GARDEN APTS 1	Replace Exterior Siding	26,512		7,223,373	28,129	7,663,999
11	GARDEN APTS 1	Replace Windows/Window Trim	20,280		7,243,653	21,517	7,685,516
11	GARDEN APTS 1	Replace 3' x 6'-8" Exterior Door	5,951		7,249,604	6,314	7,691,830
11	GARDEN APTS 1	Refinish Interior Walls	2,908		7,252,512	3,085	7,694,915
11	GARDEN APTS 1	Replace Interior Doors	22,823		7,275,335	24,215	7,719,130
11	GARDEN APTS 1	Replace Vinyl Floor Covering	316		7,275,651	335	7,719,466
11	GARDEN APTS 1	Replace Ceramic Floor Tile	2,682		7,278,333	2,846	7,722,311
11	GARDEN APTS 1	Replace all other flooring	3,413		7,281,746	3,621	7,725,933
11	GARDEN APTS 1	Replace cabinets, kitchen	16,900		7,298,646	17,931	7,743,863
11	GARDEN APTS 1	Replace Appliances, Kitchens/ Laundrys	5,200		7,303,846	5,517	7,749,381
11	GARDEN APTS 1	Replace Fixtures, Bathrooms	3,526		7,307,372	3,741	7,753,122
11		GARDEN APTS 1 TOTAL:		134,313	7,307,372	0	7,753,122
12	GARDEN APTS II	Reroof Building	41,652		7,349,024	44,193	7,797,314
12	GARDEN APTS II	Replace Roof Flashing	3,120		7,352,144	3,310	7,800,625
12	GARDEN APTS II	Replace Exterior Siding	43,866		7,396,010	46,542	7,847,167
12	GARDEN APTS II	Replace Windows/Window Trim	40,580		7,436,570	43,034	7,890,201
12	GARDEN APTS II	Replace 3' x 6'-8" Exterior Door	11,903		7,448,473	12,629	7,902,830
12	GARDEN APTS II	Refinish Interior Walls	8,774		7,457,247	9,309	7,912,139
12	GARDEN APTS II	Replace Interior Doors	49,500		7,506,747	52,520	7,964,659
12	GARDEN APTS II	Replace Vinyl Floor Covering	632		7,507,379	671	7,965,329
12	GARDEN APTS II	Replace Ceramic Floor Tile	5,364		7,512,743	5,691	7,971,020
12	GARDEN APTS II	Replace all other flooring	6,825		7,519,568	7,241	7,978,262
12	GARDEN APTS II	Replace cabinets, kitchen	33,800		7,553,368	35,862	8,014,123
12	GARDEN APTS II	Replace Appliances, Kitchens/ Laundrys	10,400		7,563,768	11,034	8,025,158
12	GARDEN APTS II	Replace Fixtures, Bathrooms	7,051		7,570,819	7,481	8,032,639
12	GARDEN APTS II	Reroof 2-carports	23,795		7,594,614	25,246	8,057,885
12	GARDEN APTS II	Replace Exterior Siding - 2 carports	13,367		7,607,981	14,182	8,072,068
12		GARDEN APTS II TOTAL:		300,609	7,607,981	0	8,072,068
	CHANDALAR 714						
13	(Triplex)	Concrete Valley Gutters	840		7,608,821	891	8,072,959
13	CHANDALAR 714	Entry Stairs	16,800		7,625,621	17,825	8,090,784
13	CHANDALAR 714	Garbage Fencing	840		7,626,461	891	8,091,675
13	CHANDALAR 714	Kitchen Cabinet/Appliances	10,500		7,636,961	11,141	8,102,816
13	CHANDALAR 714	Paint Exterior Surfaces	3,474		7,640,435	3,686	8,106,502
13	CHANDALAR 714	Pave Drives	2,520		7,642,955	2,674	8,109,175

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Priority	Building	Description	Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
15	CHANDALAR 716	Replace Baseboard Heater Cover	7,287		7,937,556	7,732	8,421,747
15	CHANDALAR 716	Replace Door Hardware	12,600		7,950,156	13,369	8,435,116
15	CHANDALAR 716	Replace Heating System	28,000		7,978,156	29,708	8,464,824
15	CHANDALAR 716	Replace Roof Flashing	6,174		7,984,330	6,551	8,471,374
15	CHANDALAR 716	Replace Toilet Fixtures	9,800		7,994,130	10,398	8,481,772
15	CHANDALAR 716	Replace Trim	2,800		7,996,930	2,971	8,484,743
15	CHANDALAR 716	Replace Window	10,500		8,007,430	11,141	8,495,883
15	CHANDALAR 716	Replace Ceramic/Quarter Tile	924		8,008,354	980	8,496,864
15	CHANDALAR 716	Replace Toilet Room Access	840		8,009,194	891	8,497,755
15	CHANDALAR 716	Replace Vinyl Floor Covering	5,425		8,014,619	5,756	8,503,511
15	CHANDALAR 716	Shingle Roof	11,872		8,026,491	12,596	8,516,107
		Waterproof Foundations and Site					
15	CHANDALAR 716	Drains	15,288		8,041,779	16,221	8,532,328
15		716 CHANDALAR TOTAL:		157,167	8,041,779	0	8,532,328
	CHANDALAR 717						
16	(Single)	Concrete Valley Gutters	840		8,042,619	891	8,533,219
16	CHANDALAR 717	Entry Stairs	5,600		8,048,219	5,942	8,539,160
16	CHANDALAR 717	Garbage Fencing	840		8,049,059	891	8,540,052
16	CHANDALAR 717	Kitchen Cabinet/Appliances	3,500		8,052,559	3,714	8,543,765
16	CHANDALAR 717	Paint Exterior Surface	3,604		8,056,163	3,824	8,547,589
16	CHANDALAR 717	Pave Drives	840		8,057,003	891	8,548,480
16	CHANDALAR 717	Pipe Insulation	6,825		8,063,828	7,241	8,555,722
16	CHANDALAR 717	Refinish Interior Walls	3,606		8,067,434	3,826	8,559,547
16	CHANDALAR 717	Repaint Door/Window Trim	378		8,067,812	401	8,559,949
16	CHANDALAR 717	Repair Heat Exchanger	700		8,068,512	743	8,560,691
16	CHANDALAR 717	Repair Roof Soffit	546		8,069,058	579	8,561,271
16	CHANDALAR 717	Replace Exterior Door	1,400		8,070,458	1,485	8,562,756
16	CHANDALAR 717	Replace Base Mold	1,176		8,071,634	1,248	8,564,004
16	CHANDALAR 717	Replace Baseboard Heater Cover	5,565		8,077,199	5,904	8,569,908
16	CHANDALAR 717	Replace Door Hardware	6,300		8,083,499	6,684	8,576,592
16	CHANDALAR 717	Replace Heating System	14,000		8,097,499	14,854	8,591,446
16	CHANDALAR 717	Replace Roof Flashing	6,090		8,103,589	6,461	8,597,908
16	CHANDALAR 717	Replace Toilet Fixture	5,600		8,109,189	5,942	8,603,850
16	CHANDALAR 717	Replace Trim	1,400		8,110,589	1,485	8,605,335
16	CHANDALAR 717	Replace Window	10,500		8,121,089	11,141	8,616,475
16	CHANDALAR 717	Replace Ceramic/Quarter Tile	462		8,121,551	490	8,616,966
16	CHANDALAR 717	Replace Toilet Room Access	420		8,121,971	446	8,617,411
16	CHANDALAR 717	Replace Vinyl Floor Covering	1,225		8,123,196	1,300	8,618,711
16	CHANDALAR 717	Shingle Roof	7,805		8,131,001	8,281	8,626,992
		Waterproof Foundations & Site					
16	CHANDALAR 717	Drains	14,280		8,145,281	15,151	8,642,143
16		717 CHANDALAR TOTAL:		103,502	8,145,281	0	8,642,143
	CHANDALAR 718						
17	(Duplex)	Concrete Valley Gutters	840		8,146,121	891	8,643,034
17	CHANDALAR 718	Entry Stairs	11,200		8,157,321	11,893	8,654,918
17	CHANDALAR 718	Garbage Fencing	840		8,158,161	891	8,655,809
17	CHANDALAR 718	Kitchen Cabinet/Appliances	7,000		8,165,161	7,427	8,663,236
17	CHANDALAR 718	Paint Exterior Surfaces	3,825		8,168,986	4,058	8,667,294
17	CHANDALAR 718	Pave Drives	1,680		8,170,666	1,782	8,669,077
17	CHANDALAR 718	Pipe Insulation	7,245		8,177,911	7,687	8,676,764
17	CHANDALAR 718	Refinish Interior Walls	5,840		8,183,751	6,196	8,682,960
17	CHANDALAR 718	Repaint Door/Window Trim	756		8,184,507	802	8,683,762
17	CHANDALAR 718	Repair Heat Exchanger	700		8,185,207	743	8,684,505
17	CHANDALAR 718	Repair Roof Soffit	579		8,185,786	614	8,685,119
17	CHANDALAR 718	Replace Exterior Door	2,800		8,188,586	2,971	8,688,090
17	CHANDALAR 718	Replace Base Molds	2,352		8,190,938	2,495	8,690,585
17	CHANDALAR 718	Replace Baseboard Heater Cover	7,287		8,198,225	7,732	8,698,317
17	CHANDALAR 718	Replace Door Hardware	12,600		8,210,825	13,369	8,711,685
17	CHANDALAR 718	Replace Heating System	28,000		8,238,825	29,708	8,741,393
17	CHANDALAR 718	Replace Roof Flashing	6,174		8,244,999	6,551	8,747,944
17	CHANDALAR 718	Replace Toilet Fixture	9,800		8,254,799	10,398	8,758,342
17	CHANDALAR 718	Replace Trim	2,800		8,257,599	2,971	8,761,313

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Priority	Building	Description	Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
19	CHANDALAR 720	Waterproof Foundations and Site					
		Drains	15,288		3,563,117	16,221	9,085,467
19		720 CHANDALAR TOTAL:		157,167	3,563,117	0	9,085,467
	CHANDALAR 721						
20	(Single)	Concrete Valley Gutters	840		3,563,957	891	9,086,358
20	CHANDALAR 721	Entry Stairs	5,800		3,569,557	5,942	9,092,300
20	CHANDALAR 721	Garbage Fencing	840		3,570,397	891	9,093,191
20	CHANDALAR 721	Kitchen Cabinet/Appliances	3,500		3,573,897	3,714	9,096,905
20	CHANDALAR 721	Paint Exterior Surfaces	3,804		3,577,501	3,824	9,100,729
20	CHANDALAR 721	Pave Drives	840		3,578,341	891	9,101,620
20	CHANDALAR 721	Pipe Insulation	6,825		3,585,166	7,241	9,108,861
20	CHANDALAR 721	Refinish Interior Walls	3,806		3,588,772	3,826	9,112,687
20	CHANDALAR 721	Repaint Door/Window Trim	378		3,589,150	401	9,113,088
20	CHANDALAR 721	Repair Heat Exchanger	700		3,589,850	743	9,113,831
20	CHANDALAR 721	Repair Roof Soffit	546		3,590,396	579	9,114,410
20	CHANDALAR 721	Replace Exterior Door	1,400		3,591,796	1,485	9,115,896
20	CHANDALAR 721	Replace Base Molds	1,176		3,592,972	1,248	9,117,143
20	CHANDALAR 721	Replace Baseboard Heater Cover	5,565		3,598,537	5,904	9,123,048
20	CHANDALAR 721	Replace Door Hardware	6,300		3,604,837	6,684	9,129,732
20	CHANDALAR 721	Replace Heating System	14,000		3,618,837	14,854	9,144,586
20	CHANDALAR 721	Replace Roof Flashing	6,090		3,624,927	6,461	9,151,048
20	CHANDALAR 721	Replace Toilet Fixture	5,600		3,630,527	5,942	9,156,989
20	CHANDALAR 721	Replace Trim	1,400		3,631,927	1,485	9,158,475
20	CHANDALAR 721	Replace Window	10,500		3,642,427	11,141	9,169,615
20	CHANDALAR 721	Replace Ceramic /Quarter Tile	462		3,642,889	490	9,170,105
20	CHANDALAR 721	Replace Toilet Room Access	420		3,643,309	446	9,170,551
20	CHANDALAR 721	Replace Vinyl Floor Covering	1,225		3,644,534	1,300	9,171,851
20	CHANDALAR 721	Shingle Roofing	7,805		3,652,339	8,281	9,180,132
		Waterproof Foundations and Site					
20	CHANDALAR 721	Drains	14,280		3,666,619	15,151	9,195,283
20		721 CHANDALAR TOTAL:		103,502	3,666,619	0	9,195,283
	CHANDALAR 722						
21	(Duplex)	Concrete Valley Gutters	840		3,667,459	891	9,196,174
21	CHANDALAR 722	Entry Stairs	11,200		3,678,659	11,883	9,208,057
21	CHANDALAR 722	Garbage Fencing	840		3,679,499	891	9,208,948
21	CHANDALAR 722	Kitchen Cabinet/Appliances	7,000		3,686,499	7,427	9,216,375
21	CHANDALAR 722	Paint Exterior Surfaces	3,825		3,690,324	4,058	9,220,434
21	CHANDALAR 722	Pave Drives	1,680		3,692,004	1,782	9,222,216
21	CHANDALAR 722	Pipe Insulation	7,245		3,699,249	7,687	9,229,903
21	CHANDALAR 722	Refinish Interior Walls	5,840		3,705,089	6,196	9,236,099
21	CHANDALAR 722	Repaint Door/Window Trim	756		3,705,845	802	9,236,902
21	CHANDALAR 722	Repair Heat Exchanger	700		3,706,545	743	9,237,644
21	CHANDALAR 722	Repair Roof Soffit	579		3,707,124	614	9,238,259
21	CHANDALAR 722	Replace Exterior Door	2,800		3,709,924	2,971	9,241,229
21	CHANDALAR 722	Replace Base Molds	2,352		3,712,276	2,495	9,243,725
21	CHANDALAR 722	Replace Baseboard Heater Cover	7,287		3,719,563	7,732	9,251,458
21	CHANDALAR 722	Replace Door Hardware	12,600		3,732,163	13,369	9,264,825
21	CHANDALAR 722	Replace Heating System	28,000		3,760,163	29,708	9,294,533
21	CHANDALAR 722	Replace Roof Flashing	6,174		3,766,337	6,551	9,301,084
21	CHANDALAR 722	Replace Toilet Fixture	9,800		3,776,137	10,398	9,311,481
21	CHANDALAR 722	Replace Trim	2,800		3,778,937	2,971	9,314,452
21	CHANDALAR 722	Replace Window	10,500		3,789,437	11,141	9,325,593
21	CHANDALAR 722	Replace Ceramic /Quarter Tile	924		3,790,361	980	9,326,573
21	CHANDALAR 722	Replace Toilet Room Access	840		3,791,201	891	9,327,464
21	CHANDALAR 722	Replace Vinyl Floor Covering	5,425		3,796,626	5,756	9,333,220
21	CHANDALAR 722	Shingle Roofing	11,872		3,808,498	12,596	9,345,816
		Waterproof Foundations and Site					
21	CHANDALAR 722	Drains	15,288		3,823,786	16,221	9,362,037
21		722 CHANDALAR TOTAL:		157,167	3,823,786	0	9,362,037
	CHANDALAR 723						
22	(Single)	Concrete Valley Gutters	840		3,824,626	891	9,362,928
22	CHANDALAR 723	Entry Stairs	5,600		3,830,226	5,942	9,368,870

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Priority	Building	Description	Estimate	Facility Total	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
24	CHANDALAR 726	Repaint Door/Window Trim	756		9,164,745	802	9,723,794
24	CHANDALAR 726	Repair Heat Exchanger	700		9,165,445	743	9,724,537
24	CHANDALAR 726	Repair Roof Soffit	579		9,166,024	614	9,725,151
24	CHANDALAR 726	Replace Exterior Door	2,800		9,168,824	2,971	9,728,122
24	CHANDALAR 726	Replace Base Molds	2,352		9,171,176	2,495	9,730,618
24	CHANDALAR 726	Replace Baseboard Heater Cover	7,287		9,178,463	7,732	9,738,349
24	CHANDALAR 726	Replace Door Hardware	12,600		9,191,063	13,369	9,751,718
24	CHANDALAR 726	Replace Heating System	28,000		9,219,063	29,708	9,781,426
24	CHANDALAR 726	Replace Roof Flashing	6,174		9,225,237	6,551	9,787,976
24	CHANDALAR 726	Replace Toilet Fixture	9,800		9,235,037	10,398	9,798,374
24	CHANDALAR 726	Replace Trim	2,800		9,237,837	2,971	9,801,345
24	CHANDALAR 726	Replace Window	10,500		9,248,337	11,141	9,812,486
24	CHANDALAR 726	Replace Ceramic /Quarter Tile	924		9,249,261	980	9,813,466
24	CHANDALAR 726	Replace Toilet Room Access	840		9,250,101	891	9,814,357
24	CHANDALAR 726	Replace Vinyl Floor Covering	5,425		9,255,526	5,756	9,820,113
24	CHANDALAR 726	Shingle Roofing	11,872		9,267,398	12,596	9,832,709
		Waterproof Foundations and Site					
24	CHANDALAR 726	Drains	15,288		9,282,686	16,221	9,848,930
24		CHANDALAR 726 TOTAL:		157,167	9,282,686	0	9,848,930
25	CHANDALAR 727 (Triplex)	Concrete Valley Gutters	840		9,283,526	891	9,849,821
25	CHANDALAR 727	Entry Stairs	16,800		9,300,326	17,825	9,867,646
25	CHANDALAR 727	Garbage Fencing	840		9,301,166	891	9,868,537
25	CHANDALAR 727	Kitchen Cabinet/Appliances	10,500		9,311,666	11,141	9,879,678
25	CHANDALAR 727	Paint Exterior Surfaces	3,474		9,315,140	3,686	9,883,364
25	CHANDALAR 727	Pave Drives	2,520		9,317,660	2,674	9,886,037
25	CHANDALAR 727	Pipe Insulation	6,580		9,324,240	6,981	9,893,019
25	CHANDALAR 727	Refinish Interior Walls	6,282		9,330,522	6,665	9,899,684
25	CHANDALAR 727	Repaint Door/Window Trim	378		9,330,900	401	9,900,085
25	CHANDALAR 727	Repair Heat Exchanger	700		9,331,600	743	9,900,828
25	CHANDALAR 727	Repair Roof Soffit	526		9,332,126	558	9,901,386
25	CHANDALAR 727	Replace Exterior Door	4,200		9,336,326	4,456	9,905,842
25	CHANDALAR 727	Replace Base Molds	3,528		9,339,854	3,743	9,909,585
25	CHANDALAR 727	Replace Baseboard Heater Cover	8,358		9,348,212	8,868	9,918,453
25	CHANDALAR 727	Replace Door Hardware	6,300		9,354,512	6,684	9,925,137
25	CHANDALAR 727	Replace Heating System	42,000		9,396,512	44,562	9,969,699
25	CHANDALAR 727	Replace Roof Flashing	6,216		9,402,728	6,595	9,976,294
25	CHANDALAR 727	Replace Toilet Fixture	15,400		9,418,128	16,339	9,992,634
25	CHANDALAR 727	Replace Trim	4,200		9,422,328	4,456	9,997,090
25	CHANDALAR 727	Replace Window	15,400		9,437,728	16,339	10,013,429
25	CHANDALAR 727	Replace Ceramic /Quarter Tile	1,386		9,439,114	1,471	10,014,900
25	CHANDALAR 727	Replace Toilet Room Access	1,260		9,440,374	1,337	10,016,237
25	CHANDALAR 727	Replace Vinyl Floor Covering	3,262		9,443,636	3,461	10,019,698
25	CHANDALAR 727	Shingle Roofing	12,537		9,456,173	13,302	10,033,000
		Waterproof Foundations and Site					
25	CHANDALAR 727	Drains	19,000		9,475,173	20,159	10,053,159
25		CHANDALAR 727 TOTAL:		192,487	9,475,173	0	10,053,159
26	CHANDALAR 728 (Triplex)	Concrete Valley Gutters	840		9,476,013	891	10,054,050
26	CHANDALAR 728	Entry Stairs	16,800		9,492,813	17,825	10,071,875
26	CHANDALAR 728	Garbage Fencing	840		9,493,653	891	10,072,766
26	CHANDALAR 728	Kitchen Cabinet/Appliances	10,500		9,504,153	11,141	10,083,906
26	CHANDALAR 728	Paint Exterior Surfaces	3,474		9,507,627	3,686	10,087,592
26	CHANDALAR 728	Pave Drives	2,520		9,510,147	2,674	10,090,266
26	CHANDALAR 728	Pipe Insulation	6,580		9,516,727	6,981	10,097,247
26	CHANDALAR 728	Refinish Interior Walls	6,282		9,523,009	6,665	10,103,913
26	CHANDALAR 728	Repaint Door/Window Trim	378		9,523,387	401	10,104,314
26	CHANDALAR 728	Repair Heat Exchanger	700		9,524,087	743	10,105,056
26	CHANDALAR 728	Repair Roof Soffit	526		9,524,613	558	10,105,614
26	CHANDALAR 728	Replace Exterior Door	4,200		9,528,813	4,456	10,110,071
26	CHANDALAR 728	Replace Base Molds	3,528		9,532,341	3,743	10,113,814
26	CHANDALAR 728	Replace Baseboard Heater Cover	8,358		9,540,699	8,868	10,122,682

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30	TANANA DRIVE 701	Replace Window	10,904		10,119,619	11,569	10,736,916
30	TANANA DRIVE 701	Replace Vinyl Floor Covering	2,101		10,121,720	2,229	10,739,145
30	TANANA DRIVE 701	Shingle Roofing	25,624		10,147,344	27,187	10,766,332
30		701 TANANA DRIVE TOTAL:		194,628	10,147,344	0	10,766,332
	TANANA DRIVE 702						
31	(Duplex)	Dielectric Fitting	15,826		10,163,170	16,791	10,783,123
31	TANANA DRIVE 702	Dryer Vent	633		10,163,803	672	10,783,795
31	TANANA DRIVE 702	Kitchen Cabinet/Appliances	34,298		10,198,101	36,390	10,820,185
31	TANANA DRIVE 702	Pipe Insulation	4,129		10,202,230	4,381	10,824,566
31	TANANA DRIVE 702	Refinish Interior Walls	11,652		10,213,882	12,363	10,836,929
31	TANANA DRIVE 702	Repair Acoustic Ceiling	3,249		10,217,131	3,447	10,840,376
31	TANANA DRIVE 702	Repair Roof Soffit	1,457		10,218,588	1,546	10,841,922
31	TANANA DRIVE 702	Repair Spalling Sidewalk	2,839		10,221,427	3,012	10,844,934
31	TANANA DRIVE 702	Replace Exterior Door	10,679		10,232,106	11,330	10,856,264
31	TANANA DRIVE 702	Replace Base Mold	3,079		10,235,185	3,267	10,859,531
31	TANANA DRIVE 702	Replace Baseboard Heater Cover	16,203		10,251,388	17,191	10,876,723
31	TANANA DRIVE 702	Replace Carpet	36,933		10,288,321	39,186	10,915,909
31	TANANA DRIVE 702	Replace Roof Flashing	6,583		10,294,904	6,985	10,922,893
31	TANANA DRIVE 702	Replace Toilet Fixture	8,439		10,303,343	8,954	10,931,847
31	TANANA DRIVE 702	Replace Window	10,904		10,314,247	11,569	10,943,416
31	TANANA DRIVE 702	Replace Vinyl Floor Covering	2,101		10,316,348	2,229	10,945,645
31	TANANA DRIVE 702	Shingle Roof	25,624		10,341,972	27,187	10,972,832
31		702 TANANA DRIVE TOTAL:		194,628	10,341,972	0	10,972,832
	TANANA DRIVE 705						
32	(Duplex)	Dielectric Fitting	15,826		10,357,798	16,791	10,989,624
32	TANANA DRIVE 705	Dryer Vent	633		10,358,431	672	10,990,295
32	TANANA DRIVE 705	Kitchen Cabinet/Appliances	34,298		10,392,729	36,390	11,026,685
32	TANANA DRIVE 705	Pipe Insulation	4,129		10,396,858	4,381	11,031,066
32	TANANA DRIVE 705	Refinish Interior Walls	11,652		10,408,510	12,363	11,043,429
32	TANANA DRIVE 705	Repair Acoustic Ceiling	3,249		10,411,759	3,447	11,046,876
32	TANANA DRIVE 705	Repair Roof Soffit	1,457		10,413,216	1,546	11,048,422
32	TANANA DRIVE 705	Repair Spalling Sidewalk	2,839		10,416,055	3,012	11,051,434
32	TANANA DRIVE 705	Replace Exterior Door	10,679		10,426,734	11,330	11,062,765
32	TANANA DRIVE 705	Replace Base Mold	3,079		10,429,813	3,267	11,066,032
32	TANANA DRIVE 705	Replace Baseboard Heater Cover	16,203		10,446,016	17,191	11,083,223
32	TANANA DRIVE 705	Replace Carpet	36,933		10,482,949	39,186	11,122,409
32	TANANA DRIVE 705	Replace Roof Flashing	6,583		10,489,532	6,985	11,129,393
32	TANANA DRIVE 705	Replace Toilet Fixture	8,439		10,497,971	8,954	11,138,347
32	TANANA DRIVE 705	Replace Window	10,904		10,508,875	11,569	11,149,916
32	TANANA DRIVE 705	Replace Vinyl Floor Covering	2,101		10,510,976	2,229	11,152,146
32	TANANA DRIVE 705	Shingle Roof	25,624		10,536,600	27,187	11,179,333
32		705 TANANA DRIVE TOTAL:		194,628	10,536,600	0	11,179,333
	CHATANIKA 706						
33	(Fraternity House)	Kitchen Cabinet/Appliances	5,500		10,542,100	5,836	11,185,168
33	CHATANIKA 706	Paint Exterior Surfaces	2,573		10,544,673	2,730	11,187,898
33	CHATANIKA 706	Parking Lot and Drainage	10,000		10,554,673	10,610	11,198,508
33	CHATANIKA 706	Pipe Insulation	2,193		10,556,866	2,327	11,200,835
33	CHATANIKA 706	Refinish Interior Walls	8,439		10,565,305	8,954	11,209,789
33	CHATANIKA 706	Repair Roof Soffit	497		10,565,802	527	11,210,316
33	CHATANIKA 706	Replace Base Mold	3,244		10,569,046	3,442	11,213,758
33	CHATANIKA 706	Replace Carpet	15,505		10,584,551	16,451	11,230,209
33	CHATANIKA 706	Replace Gypsum Board	847		10,585,398	899	11,231,107
33	CHATANIKA 706	Replace Insulation/Vapor Barrier	964		10,586,362	1,023	11,232,130
33	CHATANIKA 706	Replace Roof Structure	51,000		10,637,362	54,111	11,286,241
33	CHATANIKA 706	Replace Toilet Fixtures	2,900		10,640,262	3,077	11,289,318
33	CHATANIKA 706	Replace Windows	9,087		10,649,349	9,641	11,298,959
33	CHATANIKA 706	Replace Vinyl Floor Covering	1,050		10,650,399	1,114	11,300,073
33	CHATANIKA 706	Toilet Room Cabinet	681		10,651,080	723	11,300,796
33	CHATANIKA 706	W/Strip Door	656		10,651,736	696	11,301,492
33		706 CHATANIKA TOTAL:		115,136	10,651,736	0	11,301,492
	CHATANIKA 707						
34	(Single)	Kitchen Cabinet/Appliances	5,500		10,657,236	5,836	11,307,327

**FY97 DEFERRED MAINTENANCE
RESIDENTIAL UNFUNDED PRIORITY LISTING
UNIVERSITY OF ALASKA SOUTHEAST**

Priority	Campus	Building	Description	Dollar Amount	Cumul. Total	Inflation to FY2000 6.1%	Cumul. Total
1	Juneau	Student Lodge	Replace Carpet, Vinyl/Kitchen, Bathrooms, Laundry & Repaint Exterior	54,547	54,547	57,874	57,874
2	Juneau	Student Housing, Unit A	Repaint Exterior, Lust Leak Detectors, Replace Vinyl/Kitchen, Bathrooms, Carpet	49,234	103,781	52,237	110,112
3	Juneau	Student Housing, Unit B	Repaint Exterior, Lust Leak Detectors, Replace Vinyl/Kitchen, Bathrooms, Carpet	45,934	149,715	48,736	158,848
4	Juneau	Student Housing, Unit C	Repaint Exterior, Lust Leak Detectors, Replace Vinyl/Kitchen, Bathrooms, Carpet	45,934	195,649	48,736	207,584
5	Juneau	Student Housing, Unit D	Repaint Exterior, Lust Leak Detectors, Replace Vinyl/Kitchen, Bathrooms, Carpet	57,234	252,883	60,725	268,309
6	Juneau	Student Housing, Unit E	Repaint Exterior, Lust Leak Detectors, Replace Vinyl/Kitchen, Bathrooms, Carpet	64,511	317,394	68,446	336,755
7	Juneau	Student Housing, Unit F	Repaint Exterior, Lust Leak Detectors, Replace Vinyl/Kitchen, Bathrooms, Carpet	90,713	408,107	96,246	433,002
8	Juneau	Student Housing, Unit G	Repaint Exterior, Lust Leak Detectors, Replace Vinyl/Kitchen, Bathrooms, Carpet	77,380	485,487	82,100	515,102
9	Juneau	Student Housing Site	Repair Parking Lot Surfaces, Replace Sewage Lift Station Traffic Signage	120,350	605,837	127,691	642,793
10	Juneau	Koschmann House	Replace Foundation Section & Drainage, Lust Leak Detection	33,754	639,591	35,813	678,606
11	Juneau	Mathisen House	Replace Roof & Oil Tank	29,800	669,391	31,618	710,224
UAS RESIDENTIAL DEFERRED MAINTENANCE TOTALS				669,391		710,224	

STATE OF ALASKA

SIX YEAR CAPITAL PLAN FOR FISCAL YEARS 1998-2003 and CAPITAL BUDGET FOR FISCAL YEAR 1998



Tony Knowles
Governor

Prepared by the Office of Management and Budget - February 1997

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

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March 18, 1997

The Honorable Mike Miller, Senate President
The Honorable Gail Phillips, Speaker of the House
State Capitol
Juneau, Alaska

Dear President Miller and Speaker Phillips:

A bright Alaska future depends on quality education, safe communities, healthy citizens, environmentally responsible development and good jobs. With these building blocks, we will get the economy moving and cut government the *right* way — such as by actually reducing juvenile and adult crime rates or helping families get off welfare. Our building blocks must include adequate schools, roads, airports, sanitation facilities and prisons. Alaska needs a plan for our future capital investments in these facilities. We must agree on what is needed, develop appropriate financing methods and be sure they fit into a responsible long-term financial plan.

How should we approach the task of mapping out a capital investment plan? Many Alaska communities hold public hearings on proposed multi-year plans which are then adopted by council or assembly resolution. Last spring, I proposed a Six Year Capital Plan for Alaska to address K-12 and university education, economic development, public safety, transportation, and deferred maintenance. Unfortunately, no legislative hearings were held on the plan.

I believe it would be appropriate to include consideration of a six year plan in the responsibilities of the Task Force on Deferred Maintenance which you have proposed. This updated plan for fiscal years 1998-2003 could serve as a starting point for discussion. I respectfully urge you to hold public hearings during the interim so that a resolution adopting a six year plan could be passed next session.

My proposed fiscal year 1998 capital budget focuses squarely on creating new jobs, ensuring public health and safety, developing our transportation systems, and maintaining our schools and university. Nevertheless, there are significant unmet needs in the areas of schools, prisons and deferred maintenance which require our immediate bipartisan attention. I look forward to joining with you in developing a realistic, financially responsible solution to meeting Alaska's capital needs for fiscal year 1998 as well as for the next five years.

Sincerely,

A handwritten signature of Tony Knowles in dark ink.
Tony Knowles
Governor

**STATE OF ALASKA
SIX YEAR CAPITAL PLAN
Fiscal Years 1998-2003**

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I. Introduction

Alaska faces several important capital investment issues:

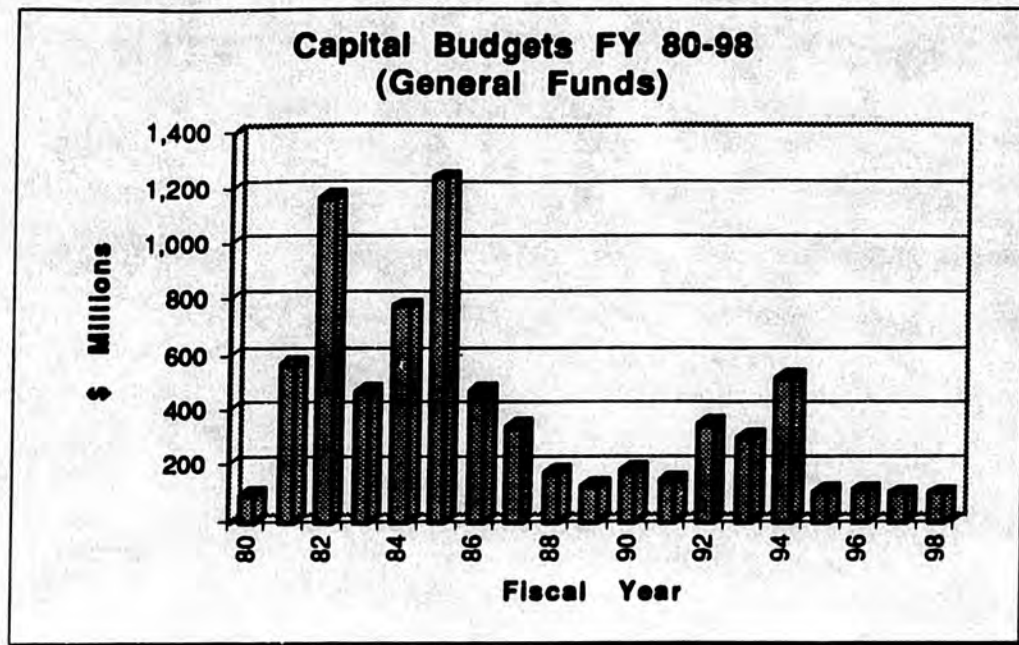
- **Maintaining an adequate level of capital investment while closing the fiscal gap;**
- **Fairly allocating the state's limited funds available for capital investment across the large list of identified capital needs;**
- **Addressing the backlog of deferred maintenance on state facilities; and**
- **Determining the mix of funding sources to be used for capital investment, including decisions on the appropriate role and timing of debt financing for capital projects.**

To address these issues well, Alaska needs a six year capital plan as required by Alaska Statute 37.07.040. The Knowles administration is committed to working with the Legislature to reach agreement on a long-range capital plan that will meet the capital investment needs of Alaska.

A long-term capital plan is an important element of a comprehensive long-term financial plan for Alaska. It will help ensure that the state's financial resources are used most effectively and be helpful in obtaining federal funds, which are often allocated on a long-term basis. The plan will promote stability in the Alaska economy and provide Alaska's communities and construction industry with better information for making their own investment plans.

In the past, there have been huge swings in the size of state capital budgets as state revenues fluctuated. As shown in the chart on the next page, general fund capital spending since FY 80 has ranged from a low of \$92 million in FY 80 to a peak of \$1.2 billion in FY 85. (Federal dollars remained relatively stable during this time.)

"Feast or famine" capital spending makes it difficult for the state's construction industry to maintain jobs for Alaskans in lean times and handle all the work in boom periods. A six year capital plan that is relatively constant in size will help ensure that public works dollars remain with Alaska companies.



II. Total Statewide Capital Needs

The starting point for development of this six year capital plan was the list of total statewide capital needs estimated by state agencies, which is summarized in the following table. The list totals nearly \$4.5 billion. The amounts shown are approximate; in addition, the amounts shown for school construction and maintenance needs do not include all six year needs, because some school districts only submit current year requests.

These needs must be closely evaluated to determine whether alternatives or reductions are possible in light of the necessity to reduce state spending and close the fiscal gap. The state could not reasonably afford to fund even half of this \$4.5 billion list over the next six years.

It is important to develop strategies to address needs that the state will not be able to meet over the next six years. In some cases, phasing over a longer period may be necessary. In others, the state should assess whether to consolidate facilities, transfer them to other entities or close them.

State of Alaska's Capital Needs - Preliminary Assessment

Amounts include general funds only

Agency	Program	Amount In Millions
Administration	Pioneer Home deferred maintenance	97.0
Commerce/Econ. Dev.	Economic development projects	14.0
Community/Regional Affairs	Energy and bulk fuel projects	304.0
Corrections	Prison and jail expansions	149.0
Corrections	Deferred maintenance - existing facilities	29.3
Education	School construction (local requests - see text note above)	534.3
Education	School maintenance (local requests - see text note above)	150.6
Education	School district education technology	60.0
Environmental Conservation	Village water and sewer	1,108.0
Environmental Conservation	Municipal water and sewer	1,191.0
Fish and Game	Facilities, aircraft and vessels	30.0
Health/Social Services	Renovation and repair - existing facilities	24.8
Health/Social Services	Youth detention and treatment facility expansion	35.0
Labor	Facility maintenance and computer systems	23.0
Law	Computer systems	0.7
Military/Veterans	Deferred maintenance and match for fed. funded facilities	24.0
Natural Resources	Park facilities, economic development	42.4
Public Safety	Facilities, aircraft and vessels	42.4
Transportation	Match for federal funds - all modes	204.0
Transportation	Deferred maintenance - all modes and facilities	116.3
Transportation	Non-routine maint. - all modes w/AK Marine Hwy. Sys.	12.0
University	Deferred maintenance	133.0
University	New projects	103.0
Courts	Court buildings	19.3
All State Agencies	ADA compliance	43.8
Total General Fund Needs		4,490.9

III. Availability of Funds

The availability of capital funds over the next six years will depend on several factors, including:

- Development and implementation of a long-range plan to balance and stabilize the state's finances;
- Petroleum prices and production;
- Anticipated changes in federal funding, especially for transportation, water and sewer projects; and

- Utilization of funding sources other than general fund cash.

The FY 97 and proposed FY 98 capital budgets are both about \$100 million in general funds and \$53 million in corporate receipts from Alaska Housing Finance Corporation (AHFC). This is proving to be inadequate for meeting statewide needs.

Corporate receipts from the Alaska Industrial Development and Export Authority (AIDEA) are another source of funds employed in the FY 98 capital budget and available for use in a six year capital plan. The FY 98 capital budget proposes reinvesting the \$16 million AIDEA dividend in projects to leverage more jobs and economic expansion in fisheries, timber, mining and other sectors.

A more reasonable target for state funds allocated to capital spending over the next ten years is approximately \$180-220 million per year. Certainly the state's capital needs are much larger than this amount, but the state's fiscal outlook and the need to close the annual budget gap suggest that general and AHFC funds capital budgets be limited to this range.

IV. Potential Changes in Federal Capital Funds

For the last three years, Alaska has received about \$360 million each year in federal capital funds. The bulk of these federal funds are in two areas: transportation and clean water.

Alaska has been fortunate in recent years to receive federal transportation funds substantially greater than what state residents and businesses pay in federal fuel taxes. Congress is currently reviewing the federal allocations of transportation funds; the outcome of this effort will affect how much Alaska receives in federal transportation dollars. The Knowles Administration is working closely with Alaska's congressional delegation to protect our share of federal transportation funding. In the short term, federal transportation funding apportioned to Alaska is expected to drop from \$220 million in FY 97 to \$215 million in FY 98. In the event that federal funding decreases further, the state will need to consider scaled-down transportation capital budgets and some replacement of federal funds by other fund sources such as state fuel taxes.

Alaska has also been fortunate to receive substantial federal funding for urban and rural sanitation grants and loans. In FY 98, we are receiving \$27 million in Safe Drinking Water funds, most of which are for loans to communities. However, more than \$2 billion in additional capital investment will be necessary to bring Alaska's systems up to national standards. The recent reauthorizations of the Farm Bill and Safe Drinking Water Act each include \$15 million per year in Alaska sanitation funding. While this funding authorization is good news for Alaska, the actual amount that will be appropriated in future years is uncertain and likely to be somewhat less.

V. State and Local Responsibilities for Capital Investments and Maintenance

The division of responsibilities between the state and local governments in Alaska for construction and maintenance of capital investments is an important consideration in developing a long-term capital plan. There is considerable interest from communities in taking on local responsibility for capital facilities such as roads and harbors if a source of funding for maintenance can be secured. The Knowles Administration supports local governments taking more responsibility for capital investments of a local nature. As one example of the state's encouragement of greater local responsibility, the Statewide Transportation Improvement Program developed recently by the Department of Transportation and Public Facilities gives priority points for projects when local governments provide matching funds. Another example is the funding forum, a multi-agency (state, federal, private sector) group that meets regularly to review economic development project proposals and provide alternative financing ideas to project sponsors.

The state can also be more proactive in helping municipalities arrange financing from sources other than cash grants from the state.

VI. Financing Options

There are nine major financing options available to the state for capital investments.

- General fund cash
- Federal matching funds
- Local matching funds
- State corporation bonds and corporate receipts (Alaska Housing, AIDEA, etc.)
- Revolving loan funds
- Debt reimbursement for municipalities
- Lease/purchase and long-term leases
- Revenue bonds, and
- General obligation (G.O.) bonds

With the exception of general obligation bonds, all of these financing options have been used to some extent in recent years.

As state policy makers evaluate financing options for future capital investments, it makes sense to consider total general fund capital spending as the sum of direct capital spending (cash) and debt service payments. In addition, it is critical that the long term operating costs of proposed capital projects be considered when decisions are made to fund particular projects.

One of the most important capital investment decisions is whether to use voter-approved general obligation debt as a financing tool. From statehood through the early 1980s, G.O. bonds were the primary financing mechanism used to meet the State of Alaska's capital needs. With the increase in oil prices and state revenues in the early 80s, the state had surplus revenues available for capital investment and G.O. bonding was discontinued. State debt service payments — including G.O. debt, lease purchase obligations, and school debt reimbursement — have declined from a peak of \$283.7 million in FY 87 to \$81.0 million for FY 98.

With declining state revenues and a large backlog of needed schools, prisons, water/sewer facilities, deferred maintenance and other statewide capital infrastructure, G.O. bond and/or lease purchase financing of approximately \$500 million over the next five to eight years would be an appropriate and fiscally responsible use of Alaska's debt capacity (G.O. bonds would be voter-approved; lease-purchase debt would be legislatively approved). The debt service for these bonds can be accommodated within a sound long-range financial plan. The administration recommends that G.O. bond financing be incorporated into the discussions of both a six year capital plan, and a long-range financial plan for Alaska. It should be considered for possible placement on the ballot in November 1998.

State Debt Capacity

The traditional measures of state debt capacity employed by the bond rating agencies include the ratio of debt service to unrestricted revenues, debt per capita, debt per \$1,000 of statewide personal income, and debt to full value of taxable property. Alaska's oil revenues have produced a high level of per capita revenue relative to other states. Therefore, the rating agencies have relied primarily on the ratio of debt service to unrestricted revenues in evaluating Alaska's credit standing and debt capacity.

During the last ten years, the state's capacity to issue any new G.O. debt has been constrained by two main factors. First, the ratio of G.O. debt service to unrestricted revenues was, for several years, at or near the maximum level consistent with maintaining the state's excellent AA credit rating. Second, the projected decline in petroleum production and revenues, commonly referred to as "the Prudhoe Bay curve" limited the issuance of debt which would be repaid after the year 2000.

During the last two years, the Department of Revenue and the State Bond Committee have worked with the bond rating agencies to demonstrate that Prudhoe Bay production, and corresponding state revenues, have been extended considerably beyond the projections of 5 to 10 years ago. While the rating agencies have generally agreed that the Prudhoe Bay curve has been extended, they remain concerned about the projected gap between revenues and expenditures and reliance on reserve funds to balance the budget. To maintain Alaska's current bond rating with new debt, the state

will have to demonstrate to the financial markets that it is making real progress on closing the fiscal gap and diversifying its revenue base.

The state's policy has been that to maintain its AA credit rating, debt service should not exceed approximately 5 percent of unrestricted revenues. Current projections of state revenues and existing debt service indicate the state could have the debt capacity to issue as much as \$500 million of new general obligation bonds or other debt over the next five to eight years. It is important to note that any private debt issued on the state's behalf, such as the lease/purchase of a prison or other facility, would have the same effect on the state's remaining debt capacity as the sale of an equivalent amount of G.O. bonds.

VII. Capital Project Selection Processes and Criteria

Many program areas within the capital budget include projects from communities around the state — such as schools, roads, and water and sewer facilities. The first phase of identifying and selecting these projects for the six year capital plan and annual capital budget proposal begins with state agencies soliciting capital requests from communities and the public throughout Alaska. The agencies then rank the projects, using detailed selection criteria specific to the types of projects under consideration, as well as some broader selection criteria, such as:

- Is the project necessary to protect public health or safety?
- Would the project reduce future operating costs (state or local)?
- Would it improve the productivity or efficiency of state government?
- Would the project generate economic benefits at the local, regional, or statewide level? Does it create ongoing private sector jobs?
- Does the project address the deferred maintenance backlog for state facilities?
- What are the projected operations and maintenance costs for the project?
- Is there an operations and maintenance plan, which includes training, if appropriate?
- Does the project have documented local government and public support?
- Is alternative financing available?

The state agencies most involved in funding community capital projects are the Department of Transportation and Public Facilities (DOT/PF), the Department of Education (DOE), and the Department of Environmental Conservation (DEC). The project identification and ranking processes used by these three departments are discussed in more detail in Appendix B.

In the second phase of the budget development process, the Governor, the Cabinet, and the Office of Management and Budget review the needs identified by the agencies to determine statewide priorities and funding allocations. This is a difficult process, because hundreds of millions of dollars in capital investment needs must be trimmed to fit within the funds available, leaving many valid needs unmet.

Part B - Six Year Capital Plan

There were four major steps in developing this six year capital plan for the State of Alaska:

- identifying total statewide needs in each basic program area such as education, health and safety, economic development, transportation, justice, and deferred maintenance;
- determining a responsible level of capital funding that fits within a balanced ten year financial plan;
- evaluating the criteria by which priorities are set; and
- proposing allocations of funds among the program areas.

The state's six year capital plan must be a "rolling" plan. Each year, it must take into account new information about statewide needs, priorities and financial resources. It must add a new sixth year as each current year budget is finished.

This plan proposes funding levels for each program area over the next six years. It does not specify individual projects for the years beyond FY 98. In program areas such as K-12 schools, water and sewer facilities and transportation, annual project funding decisions are based on statewide priority lists which are updated each year. Statewide master plans developed for program areas such as corrections identify the facilities proposed for construction over the next several years. (A similar plan for juvenile justice facilities has just been released.) Strategies and financing methods for meeting the state's correctional needs are under discussion with the legislature and the public.

The sum of the annual program allocations is somewhat larger than the recommended total amount for general funds and AHFC. A larger planning target allows for changes in capital priorities over time and the fact that some projects may be financed from non-general fund sources.

Operations and Maintenance

Operations and maintenance costs are an important consideration in planning capital projects. O&M costs for some types of locally-operated projects, such as water, sewer and landfill facilities, will be paid by local governments and will not add to the overall cost of state government. Costs of accommodating more K-12 students in schools built under this plan are already incorporated in the school foundation formula projections for increased enrollment. Some proposed capital projects will reduce O&M costs, especially through more energy efficient renovation or construction.

This plan does not include specific O&M estimates because the actual O&M costs will vary with the particular projects constructed in future years. The most significant O&M increases will be for new correctional facilities. O&M estimates will be developed as part of each year's capital budget.

Proposed Resolution Adopting a Six Year Capital Plan

The Knowles Administration recommends adoption of a legislative resolution which would outline general funding allocations in a six year capital plan. This would be similar to action taken by communities around the state which annually approve multi-year capital plans by assembly or council resolution. A resolution clearly does not appropriate funds or bind future legislatures to specific projects or funding levels. However, it will provide a guideline for the future that helps communities and the private sector make their own plans on a more informed basis.

A resolution establishing a Deferred Maintenance Task Force has passed the House and at this writing is under consideration in the Senate. The Knowles Administration recommends that the Task Force, if established, include the six year capital plan in its deliberations, hold public hearings on the plan during the legislative interim, and include a resolution adopting the six year capital plan in its report to the Legislature. The following resolution is offered as a starting point for consideration by the Task Force:

A RESOLUTION

Relating to a six year capital improvements program

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

WHEREAS there are major needs for construction of new schools, roads, harbors, airports, water and sewer projects, prisons and other public facilities and a large backlog of deferred maintenance on state facilities which must be addressed if these facilities are to remain functional and safe; and

WHEREAS a six year capital plan will promote stability in the Alaska economy and help ensure that state-funded construction projects will employ Alaska companies and workers to the maximum extent possible; and

WHEREAS a six year capital plan will provide Alaska's communities and construction firms with a better basis for making their own investment and employment decisions; and

WHEREAS a six year capital plan promotes public discussion and sound legislative decisions on the appropriate means of financing Alaska's capital needs; and

WHEREAS a six year capital plan will assist in obtaining federal capital funds, which are often allocated on a long-term basis; and

WHEREAS Alaska statutes require the office of management and budget to annually prepare a six year capital improvements program; and

WHEREAS the Governor has presented a proposed State of Alaska Six Year Capital Plan for Fiscal Years 1998 - 2003 to the Legislature; and

WHEREAS the Legislature has held public hearings on the six year capital plan;

BE IT RESOLVED that the Alaska Legislature hereby adopts the attached summary of proposed program allocations as the State of Alaska's Six Year Capital Plan for Fiscal Years 1998 - 2003; and be it

FURTHER RESOLVED that the Governor is requested to make copies of the capital plan available to all local governments of Alaska and other interested parties.

SUMMARY SIX YEAR CAPITAL PLAN FOR THE STATE OF ALASKA

GENERAL FUNDS AND AHFC - Including proposed general obligation bonds or lease-purchases. (All dollars are in thousands.)

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>TOTAL</u>
Education (K-12 and University)	14,669.0	18,040.0	52,540.0	52,540.0	53,040.0	53,040.0	243,869.0
Jobs and economic development (to be supplemented with AIDEA funds)	1,885.0	2,950.0	3,400.0	3,400.0	3,400.0	3,400.0	18,435.0
Health and safety	38,555.0	40,500.0	47,230.0	46,280.0	47,680.0	47,180.0	267,425.0
Justice	9,395.0	5,950.0	36,475.0	35,795.0	35,795.0	35,795.0	159,205.0
Housing	37,400.0	43,260.0	49,300.0	51,960.0	49,400.0	49,040.0	280,360.0
Transportation	34,605.0	35,000.0	36,000.0	36,000.0	36,000.0	36,000.0	213,605.0
Efficiency technology	2,999.0	2,500.0	2,370.0	2,000.0	2,000.0	2,000.0	13,869.0
Deferred maintenance of state facilities			10,000.0	10,000.0	10,000.0	10,000.0	40,000.0
Community capital matching grants	15,000.0	15,000.0	15,000.0	15,000.0	15,000.0	15,000.0	90,000.0

TOTAL	154,508.0	163,200.0	252,315.0	252,975.0	252,315.0	251,455.0	1,326,768.0
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General Fund Total	101,508.0	110,200.0	110,200.0	110,200.0	110,200.0	110,200.0	652,508.0
AHFC Total	53,000.0	53,000.0	53,000.0	53,000.0	53,000.0	53,000.0	318,000.0
Bond Proceeds Total (Assumes \$500 million in bonds over 8 years)			89,115.0	89,775.0	89,115.0	88,255.0	356,260.0

Note: Operations and maintenance costs for proposed projects are an important element in a six year capital plan. The most significant O&M increases will be for new correctional facilities. Specific estimates of O&M costs have not been included here because these costs will vary depending on the particular projects which are constructed in future years.

Six Year Capital Plan by Program Area

*Note: \$500 million in bonds sold over eight years would yield an average of \$62.5 million more each year for capital projects.
Debt service for these bonds could be accommodated within a responsible 10 year financial plan.
Annual amounts are shown on the debt service chart in Appendix A.

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>TOTAL</u>
Education							
K-12 major maintenance and new construction	7,669.0	10,000.0	36,000.0	36,000.0	36,000.0	36,000.0	161,669.0
University deferred maintenance and other projects	7,000.0	7,000.0	15,500.0	15,500.0	16,000.0	16,000.0	77,000.0
UAA Dorms (debt service payments)		1,040.0	1,040.0	1,040.0	1,040.0	1,040.0	5,200.0
Education totals	14,669.0	18,040.0	52,540.0	52,540.0	53,040.0	53,040.0	243,869.0
Jobs and Economic Development* (See AIDEA footnote below)							
Economic development grants and assistance (Commerce and University)		700.0	700.0	700.0	700.0	700.0	3,500.0
Arctic Winter Games/New Community Organization (Comm. & Reg. Aff.)	150.0						150.0
Vessel and aircraft major repair, facility maintenance (Fish & Game)	785.0	500.0	1,000.0	1,000.0	1,000.0	1,000.0	5,285.0
Def. maint, land info automation, timber, geology, oil/gas (Nat. Resources)	200.0	1,000.0	975.0	975.0	975.0	975.0	5,100.0
Fish & Wildlife vessels and aircraft major repairs (Public Safety)	750.0	750.0	725.0	725.0	725.0	725.0	4,400.0
Jobs and Economic Development totals*	1,885.0	2,950.0	3,400.0	3,400.0	3,400.0	3,400.0	18,435.0
Health and safety							
Rural power & Headstart (Community & Regional Affairs)	700.0	850.0	850.0	850.0	850.0	850.0	4,950.0
Village and municipal water/sewer projects (Environmental Conservation)	32,165.2	32,000.0	36,900.0	36,830.0	37,330.0	36,830.0	212,055.2
Bulk fuel tank and system repairs (Environmental Conservation)	0.0	1,600.0	1,600.0	1,600.0	1,600.0	1,600.0	8,000.0
ADA compliance for state facilities (Governor's Office)	500.0	600.0	900.0	1,000.0	1,000.0	1,000.0	5,000.0
National Warning System Upgrade (Military and Veterans Affairs)	377.3						377.3
Welfare reform, juvenile justice, deferred maintenance, (Health & Social Svcs)	4,162.5	5,000.0	6,430.0	5,500.0	6,500.0	6,500.0	34,092.5
Deferred maintenance, Fire Equipment (Natural Resources)	650.0	350.0	350.0	300.0	300.0	300.0	2,250.0
Domestic violence, Civil Air Patrol (Public Safety)		100.0	200.0	200.0	100.0	100.0	700.0
Health and safety totals	38,555.0	40,500.0	47,230.0	46,280.0	47,680.0	47,180.0	267,425.0
Justice							
Deferred maintenance of correctional facilities (Corrections)	900.0	1,000.0	2,000.0	1,850.0	1,850.0	1,850.0	9,450.0
Expansion of regional prison facilities (Corrections)		3,000.0	32,375.0	32,375.0	32,375.0	32,375.0	132,500.0
Criminal Justice Information System/Equipment (Corrections)	900.0						900.0
Youth offender treatment/Public Safety info. system link (Health & Social Svcs)	3,200.0						3,200.0
Youth at Risk Program (Military & Veterans' Affairs)	1,000.0						1,000.0
Deferred maintenance and replacement (Military & Veterans' Affairs)	220.0	625.0	650.0	750.0	750.0	750.0	3,745.0
Armory expansions/replacement (Military & Veterans' Affairs)	825.0	700.0	700.0	70.0	70.0	70.0	2,435.0
Deferred maintenance, Motor Vehicles, equipment (Public Safety)	2,350.0	625.0	750.0	750.0	750.0	750.0	5,975.0
Justice totals	9,395.0	5,950.0	36,475.0	35,795.0	35,795.0	35,795.0	159,205.0

	FY98	FY99	FY00	FY01	FY02	FY03	TOTAL
Housing							
Pioneer Home deferred maintenance (Dept of Admin. with AHFC funds)	752.5	600.0	1,300.0	700.0	1,000.0	1,000.0	5,352.5
Special needs housing (Health & Social Svcs)	1,800.0	1,500.0	1,500.0	1,500.0	1,500.0		7,800.0
Other AHFC housing programs (Revenue)	34,847.5	41,160.0	46,500.0	49,760.0	46,900.0	48,040.0	267,207.5
Housing totals	37,400.0	43,260.0	49,300.0	51,960.0	49,400.0	49,040.0	280,360.0
Transportation, including federal match and Marine Highway	34,605.0	35,000.0	36,000.0	36,000.0	36,000.0	36,000.0	213,605.0
Efficiency technology							
Division of Motor Vehicles, personnel, purchasing systems (Administration)	2,010.0						2,010.0
Library telecommunications/SLED (Administration)	100.0						100.0
Child support system to meet federal requirements (Revenue)	500.0	370.0	370.0				1,240.0
Computer Mainframe Renovation (AHFC)	350.0						350.0
Computer security system project (Revenue)	39.0						39.0
Future efficiency improvements		2,130.0	2,000.0	2,000.0	2,000.0	2,000.0	10,130.0
Efficiency technology totals	2,999.0	2,500.0	2,370.0	2,000.0	2,000.0	2,000.0	13,869.0
Deferred maintenance of priority state facilities			10,000.0	10,000.0	10,000.0	10,000.0	40,000.0
Community capital matching grants	15,000.0	15,000.0	15,000.0	15,000.0	15,000.0	15,000.0	90,000.0
EXECUTIVE BRANCH TOTAL	154,508.0	163,200.0	252,315.0	252,975.0	252,315.0	251,455.0	1,326,768.0

*Note: AIDEA will also play a key role in economic development through projects funded with AIDEA dividend monies and AIDEA's own investments.

Court System's 6 Year Request	5,805.0	6,910.0	1,800.0	500.0			15,015.0
(Court System budget requests are transmitted to Legislature without change).							

EDUCATION SIX YEAR CAPITAL PLAN

	(in thousands)						
	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>6 Year Total</u>
General Funds/Bond Funds:							
K-12 Education	7,669.0	10,000.0	36,000.0	36,000.0	36,000.0	36,000.0	161,669.0
General Funds/Bond Funds:							
University	7,000.0	8,040.0	16,540.0	16,540.0	17,040.0	17,040.0	82,200.0

Types of projects to be funded:

K-12:

- Major maintenance of K-12 schools based on Department of Education (DOE) priority list. DOE and the Board of Education are working on improving the system for establishing project priorities and allocating funding to school districts. There is an estimated \$149 million backlog of major maintenance projects.
- New construction of K-12 schools based on department's priority list. Total need is estimated to be \$534 million.
- Although the emphasis would be on school district needs, state-owned schools and other facilities also need repairs, renovations and equipment replacement.

University:

- Deferred maintenance and code compliance projects. Current backlog of deferred maintenance is estimated at \$150 million; code compliance and ADA access improvements are estimated between \$10 and \$20 million.
- Technology improvements. The University must continue to explore new, cost-effective, methods of delivering educational programs. Capital equipment (including laboratory items) and telecommunications infrastructure are necessary for the continued support of instructional and institutional functions.
- Facility safety, upgrades and renovations. Throughout the system, facilities are in need of classroom completion, renovations, planning and corrections to major safety problems.
- New construction. While the emphasis is on renovation of existing facilities, new construction is needed at some campuses to accommodate increased enrollments and changing programmatic needs.

JOBS AND ECONOMIC DEVELOPMENT SIX YEAR CAPITAL PLAN

	<u>FY98</u>	<u>FY99</u>	(in thousands) <u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>6 Year Total</u>
General Funds	1,885.0	2,950.0	3,400.0	3,400.0	3,400.0	3,400.0	18,435.0

Types of projects to be funded:

Commerce Department and University

- Economic development grants to leverage funds from federal and other non-state agencies or private sector sources for development projects proposed by cities, boroughs, non-profits and private parties. Professional counseling and technical services to encourage expansion of the small business sector in Alaska and to assist small businesses in solving financing, management, marketing and production problems.

Alaska Industrial Development and Export Authority

- This general fund six year plan does not outline future projects financed by AIDEA. However, AIDEA will continue to play a very important role in economic development projects which produce jobs for Alaskans through projects funded with AIDEA dividend monies and AIDEA's own investments.

Fish and Game

- Maintenance of Department of Fish & Game vessels, aircraft and facilities statewide. The amount of deferred maintenance on facilities is estimated to be about \$2.7 million and annual maintenance for vessels and aircraft is estimated at \$300.0 to \$400.0.

- Replacement and improvement of fisheries stock assessment programs, subsistence harvest programs, surveying and cataloging fish streams, and timber and mining habitat research.
- Examples of projects that will be funded by a combination of federal funds and fish and game funds are construction of shooting ranges, the purchase of a new wildlife conservation research vessel, statewide recreational boating and sport fish access, maintenance and repair of sport fish hatcheries and the construction of public viewing areas.

Natural Resources Department

- Inventories of mineral, timber, geology and petroleum resources. Automation of various information collected by the state will assist in continued sound development decisions.

Public Safety Department

- Repair and replacement of vessels, aircraft, and other equipment essential to monitoring commercial fisheries activities.

HEALTH AND SAFETY SIX YEAR CAPITAL PLAN

	<u>FY98</u>	<u>FY99</u>	(in thousands) <u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>6 Year Total</u>
General Funds/Bond Funds:	38,555.0	40,500.0	47,230.0	46,280.0	47,680.0	47,180.0	267,425.0

Types of projects to be funded:

Community & Regional Affairs

- Rural Power System Upgrades. This program will provide approximately \$800.0 a year for upgrade of isolated utilities to applicable standards of safety, reliability and environmental protection. Funding will be provided to priority projects as determined by the department's ranking system. Rural power system upgrade needs are estimated to be in excess of \$54 million. In addition, safety improvements to electrical systems and alternative energy programs have indeterminable needs.
- Head Start Facilities Repair. This program will provide about \$50.0 a year to fourteen statewide Head Start organizations to repair deteriorated facilities. The total need is unknown, but the known backlog is \$500.0.

Natural Resources

- State parks deferred maintenance projects such as improved water sources, upgraded latrines, general replacement/renewal of campsite tables and other necessary safety improvements will allow for continued safe use by Alaskans and out-of-state visitors.

Water & Sewer

- Village safe water grants for water, sewer and landfill projects will be prioritized and funded on an annual needs basis. At least four years of funding beyond the six year plan would be required to catch up on unmet rural sanitation needs.
- Municipal Matching Water/Sewer grants to organized municipalities will continue to be reviewed and prioritized on an annual needs basis.

Bulk Fuel

- Bulk fuel grants for repairs and replacement of community, state-owned and private fuel storage tanks will be reviewed and prioritized annually. Although the statewide need far exceeds funding available today or in the near future the major problem areas can be addressed best through the priority process. Bulk fuel storage tank repair needs are estimated to be in excess of \$200 million.

ADA Compliance

- State-owned buildings must be made accessible to people with disabilities to comply with federal law. This requires installation of new doors, handles, ramps, signage, elevator modifications, and rest room upgrades. The remaining need is estimated at approximately \$44 million.

Health and Social Services

- Statewide emergency medical services communications systems must be improved for volunteer ambulance and first responder services in areas where coverage is inadequate. Obsolete equipment, including old two way radios, must be replaced in accordance with a statewide plan.
- Immediate repairs and equipment are needed for Department of Health and Social Services (DHSS) facilities. Deferred maintenance is needed for 38 state-owned buildings with replacement value of \$240.1 million. Total needs are estimated at \$34 million.

- Statewide maintenance management system which focuses on prevention. The system will track deferred maintenance needs, perform energy audits, identify energy-saving projects and assist in extending the life of existing facilities.
- Youth Services Master Plan. A long-term plan has been completed which addresses the increasing number of youth offenders and the limited facilities now available to deal with them. In conjunction with the Criminal Justice Cabinet and the Youth and Justice Conference, the department is identifying immediate and long-term needs for expansion of detention and treatment facilities. The FY98 budget proposal for the Johnson Youth Center is the first phase of this expansion. Total capital expansion needs are approximately \$37 million.
- Design and construction of public health services facilities, including a new public health laboratory.
- Projects funded and approved by the Mental Health Trust Authority as a direct benefit to Mental Health Trust beneficiaries. The Authority has not yet identified their long-term capital needs for FY99 through FY03. Future six year capital budget plans will incorporate the Authority's proposed needs. Examples include the addition to and renovation of mental health centers and funds for statewide competitive grants for remodeling/renovation.

Revenue Department

- Federal Case Registry of Child Support Orders. This federally-required project funded by a combination of federal funds and general fund match will provide information on the location of absent parents, where they work and what other child support cases they may have. This highly automated match of information at the federal level would provide faster and increased child support collections for children in Alaska and throughout the nation.

JUSTICE SIX YEAR CAPITAL PLAN

	<u>FY98</u>	<u>FY99</u>	(in thousands) <u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>6 Year Total</u>
General Funds/Bond Funds:	9,395.0	5,950.0	36,475.0	35,795.0	35,795.0	35,795.0	159,205.0

Types of projects to be funded:

Corrections

- Facilities deferred maintenance, renewal and replacement.
- Expansion and replacement of facilities statewide to address current overcrowding crises. The state is actively engaged in discussions with local governments, the legislature, and the public to determine the best means for meeting these needs. Alaska's correctional system will require a mix of new construction for long-term incarceration of dangerous offenders, alternative programs for less serious offenses, and use of community residential centers. Expansion of correctional facilities could be financed through G.O. bonding or lease-purchase by the state or local government partners.

Public Safety

- Deferred maintenance, facilities renewal and replacement on Public Safety facilities statewide.
- Replacement of Division of Motor Vehicles equipment for processing registrations, licenses, etc., and purchase license plates and manuals.
- Statewide equipment maintenance and replacement.
- Development and maintenance of essential information management systems.

Military & Veterans Affairs

- Scheduled renewal and replacement of worn out major building components and the retrofitting or replacement of obsolete or inefficient building systems, such as replacement or repair of roofs at state armories.
- New armory construction. Federal funding for the construction of armories around the state is dependent on having state general funds available for design and site preparation.

HOUSING SIX YEAR CAPITAL PLAN

	<u>FY98</u>	<u>FY99</u>	(in thousands) <u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>6 Year Total</u>
AHFC Funds	40,200.0	43,260.0	49,300.0	51,960.0	49,400.0	49,040.0	283,160.0

Types of projects to be funded:

- **Pioneers' Homes renovation and repair.** Numerous repairs and renovations are needed to bring the facilities up to minimum state and federal standards. Fire and other code compliance issues would be addressed.
- **Special needs housing to assist developmentally disabled individuals in living independently.**
- **Supplemental Housing Development Program** which leverages U.S. HUD Indian Housing funds for safe and sanitary housing for rural Alaskans. Approximately 300 new homes per year are to be built by regional housing authorities.
- **Low-Income Weatherization projects** which combine federal funds and corporate receipts to provide cost-effective energy improvements and health and safety repairs to homes of low-income families statewide.
- **Public housing deferred maintenance and renovation projects** which will modernize facilities and increase operational efficiency.
- **Senior Citizens Housing Development Program** which uses corporation funds to assist in the development of senior citizen housing in conjunction with other agencies. Uses include: land, site preparation, building plans, construction or remodel costs.
- **Federal and other competitive grants** that deal with housing issues.
- **Homeless Assistance Program** which uses corporation funds to help local communities develop programs for the homeless or to prevent homelessness by providing assistance to families in imminent danger.

TRANSPORTATION SIX YEAR CAPITAL PLAN

	<u>FY98</u>	<u>FY99</u>	(in thousands) <u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>6 Year Total</u>
General Funds	34,605.0	35,000.0	36,000.0	36,000.0	36,000.0	36,000.0	213,605.0

Types of projects to be funded (amounts are annual):

- Approximately \$26 million in state funds to match federal highway funds of approximately \$215 million. All potential highway projects would be reviewed during the department's preparation of the annual State Transportation Improvement Plan (STIP).
- Approximately \$6.5 million in state match to federal aviation funds of approximately \$80 million. All potential airport projects would be reviewed during the department's preparation of the Airport Improvement Plan (AIP).
- State match of about \$1.5 million for approximately \$6 million of federal Army Corps of Engineer funds which go directly to communities for work on outer harbor areas. This federal amount will vary, along with the required match percentage.
- Approximately \$1 million in state funds for non-routine maintenance to prevent loss of a facility or emergency or extraordinary repairs.
- Approximately \$4 million in state funds for repairs to Alaska Marine Highway System vessels. If a decision is made to keep the Malaspina ferry in service, maintenance needs would increase.
- Statewide deferred maintenance needs for highways, airports, facilities, harbors and marine vessels and facilities could likely exceed \$200 million.

EFFICIENCY TECHNOLOGY SIX YEAR CAPITAL PLAN

	<u>FY98</u>	<u>FY99</u>	(in thousands) <u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>6 Year Total</u>
General Funds	2,649.0	2,500.0	2,370.0	2,000.0	2,000.0	2,000.0	13,519.0

Types of Projects to be funded:

- Computer and other technology systems are needed to increase the efficiency and cost-effectiveness of state services. Some, like the integrated criminal justice information system, are needed to improve public safety and to deal with enormous caseload increases. Others are required by new federal laws relating to child support enforcement, welfare and Medicaid. Geographic information and similar technology systems are important to public and private economic development efforts and are relied upon heavily by the private sector.
- Replacement of old computer, telephone and other communications equipment is necessary on an ongoing basis.

STATE FACILITY DEFERRED MAINTENANCE SIX YEAR CAPITAL PLAN

	<u>FY98</u>	<u>FY99</u>	(in thousands) <u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>6 Year Total</u>
General Funds			10,000.0	10,000.0	10,000.0	10,000.0	40,000.0

Types of projects to be funded:

- While the program area allocations described above (justice, health & safety, etc.) include minimal funds for facility maintenance, it is not nearly enough to adequately preserve the state investment in its facilities. Over the years, state facilities have not received appropriate maintenance, repairs and routine replacement of roofs, heating and ventilation equipment and other building systems. As a result, the deferred maintenance needs are now in excess of \$250 million statewide. Additional funds for deferred maintenance of \$10 million each year are recommended as part of the six year plan.

Governor's Proposed FY 98 Capital Budget

(Released February 27, 1997)

Governor Knowles' FY 98 Capital Budget Summary

(All dollars in thousands)

Program Area	General Funds	AIDEA Dividend	AHFC Corporate Receipts	Mental Health Trust Income	Fish & Game Fund	Federal Funds	Other Funds	Total Funds
Jobs and Economic Development	1,885.0	6,900.0			655.0	30,765.0	25,950.0	66,155.0
Education	14,019.0	250.0	650.0				1,500.0	16,419.0
Transportation	34,605.0	7,350.0		75.0		244,233.1	32,927.9	319,191.0
Health and Safety	23,955.0		52,000.0	1,415.0	90.0	74,399.7	24,460.8	176,320.5
Justice	9,395.0	1,500.0				19,797.6		30,692.6
Efficiency Technology	2,649.0		350.0			1,773.9	2,637.1	7,410.0
Capital Matching Grants	15,000.0							15,000.0
EXECUTIVE BRANCH TOTAL	101,508.0	16,000.0	53,000.0	1,490.0	745.0	370,969.3	87,475.8	631,188.1

Governor Knowlton FY 98 Capital Budget

Dept.	Project	General Funds	AIDEA Dividend	AHFC Corporate Receipts	Mental Health Trust Income	Fish & Game Fund	Federal Funds	Other Funds	Total Funds
JOBS AND ECONOMIC DEVELOPMENT									
Comm&Reg Aff	Alaska Yukon Kuskokwim Salmon Marketing		250.0						250.0
Comm&Reg Aff	Delta Junction Economic Recovery		175.0				500.0		675.0
Comm&Reg Aff	Arctic Winter Games	100.0							100.0
Comm&Reg Aff	Rural Development Grants						480.0	800.0	1,280.0
Comm&Reg Aff	Community Block Grants						9,000.0		9,000.0
Comm&Reg Aff	Native Heritage Center		800.0						800.0
Comm&Reg Aff	Organizational Grant for New Community	50.0							50.0
Comm&Reg Aff	Southern Southeast Economic Revitalization Initiative		120.0						120.0
Commerce	Pioneer Business Incentive Program		500.0						500.0
Commerce	Kodiak Launch Complex						18,000.0	10,000.0	28,000.0
Commerce	Alaska Visitor Statistics Program		100.0					150.0	250.0
Commerce	Economic Development Matching Grants		350.0						350.0
Fish & Game	Facilities Repair, Maintenance, Replacement	400.0							400.0
Fish & Game	Fisheries Resource Assessment Vessels and Aircraft Maintenance and Repair	275.0							275.0
Fish & Game	Statehood Defense	110.0							110.0
Fish & Game	Anadromous Stream Inventory		250.0						250.0
Fish & Game	Aircraft Maintenance					25.0	75.0		100.0
Fish & Game	Public Access Development					550.0	1,650.0		2,200.0
Fish & Game	South Denali Wildlife Studies		80.0			80.0			160.0
Nat Resources	Complete Land Status Geographic Info System		300.0						300.0
Nat Resources	Coalbed Methane Resources		400.0						400.0
Nat Resources	Parks Emergency Repairs	200.0							200.0
Nat Resources	Reforestation		100.0						100.0
Nat Resources	Airborne Geophysical/Geological Inventory		400.0						400.0
Nat Resources	Oil & Gas Areawide Lease Database		270.0						270.0
Nat Resources	Recorder's Office Information and Imaging System		1,200.0						1,200.0
Nat Resources	National Petroleum Reserve Technical Studies		400.0						400.0
Nat Resources	Oil and Gas Electronic Interface with Industry		150.0						150.0
Nat Resources	Streamgaging Network		200.0						200.0
Nat Resources	Value Added Timber Sale - Southeast		75.0						75.0
Nat Resources	Value Added Timber Sale - Interior		230.0						230.0
Nat Resources	Mt. McKinley Meat Plant Renovations, Repairs		100.0						100.0
Nat Resources	Symms National Recreation Trails						170.0		170.0
Nat Resources	Land and Water Conservation Fund Grants						250.0		250.0
Nat Resources	Historic Preservation Fund Grants						640.0		640.0
Nat Resources	Oil Spill Trustee Council Small Parcel Acquisitions							15,000.0	15,000.0
Public Safety	Fish & Wildlife Aircraft & Vessel Repair/Maintenance	600.0							600.0
Public Safety	Fish & Wildlife Statewide Equipment	150.0							150.0

Governor Knowles' FY 98 Capital Budget

Dept.	Project	General Funds	AIDEA Dividend	AHFC Corporate Receipts	Mental Health Trust Income	Fish & Game Fund	Federal Funds	Other Funds	Total Funds
University	Small Business Development Programs		450.0						450.0
	Jobs and Economic Development Subtotal	1,885.0	6,900.0	0.0	0.0	655.0	30,765.0	25,950.0	66,155.0
EDUCATION									
Education	Mt. Edgecumbe Repairs, Renovations, Equipment	50.0		250.0					300.0
Education	School District Major Maintenance	6,969.0							6,969.0
Education	AK Voc Tech Center Dorm Roof Repairs			250.0					250.0
Education	Regional Vocational Charter School		250.0						250.0
Education	Voc Rehab - Home Modifications			150.0					150.0
University	Deferred Maint, Code Compliance, Renovation	7,000.0							7,000.0
University	Facility Repair and Replacement						up to \$1m GF lapse		
University	UAF International Arctic Research Center							1,500.0	1,500.0
	Education Subtotal	14,019.0	250.0	650.0	0.0	0.0	0.0	1,500.0	16,419.0
TRANSPORTATION									
Transportation	Federal-Aid Highway Program	25,500.0					151,193.0		176,693.0
Transportation	Federal-Aid Airport Program	550.0	4,350.0				76,805.1		81,705.1
Transportation	International Airport Program							18,127.9	18,127.9
Transportation	Federal Transit Administration Grants	30.0					670.0		700.0
Transportation	Cooperative Projects Reimbursed by Communities						5,000.0	2,000.0	7,000.0
Transportation	State Equipment Fleet Replacement							11,800.0	11,800.0
Transportation	Engineering Equipment Replacement							1,000.0	1,000.0
Transportation	Emergency Federal Projects						5,000.0		5,000.0
Transportation	Federal Receipt Contingency						5,000.0		5,000.0
Transportation	Marine Highway Improvements and Overhaul	4,000.0							4,000.0
Transportation	Harbor Deferred Maintenance	1,000.0							1,000.0
Transportation	Emergency and Non Routine Repairs	1,000.0							1,000.0
Transportation	Highway Deferred Maintenance	1,000.0							1,000.0
Transportation	Energy Savings Improvements for State	150.0							150.0
Transportation	Facility Deferred Maintenance and Critical Repairs	650.0							650.0
Transportation	Airport Deferred Maintenance	650.0							650.0
Transportation	Corps of Engineers Match for Local Harbor Projects		2,500.0	with intent for supplemental if more federal funds are received					2,500.0
Transportation	Unalaska Small Boat Harbor		500.0						500.0
Transportation	Weigh Stations Renovations						565.0		565.0
Transportation	Mental Health Beneficiary Transportation	75.0			75.0				150.0
	Transportation Subtotal	34,605.0	7,350.0	0.0	75.0	0.0	244,233.1	32,927.9	319,191.0
HEALTH AND SAFETY									
Administration	Pioneer Homes Renovations, Repairs			700.0					700.0
Administration	Pioneer Homes Dementia Units			52.5	52.5				105.0
Construction Reg Aff	Electrical Emergencies Program							REL 3	

Governor Knowlton FY 98 Capital Budget

Dept.	Project	General Funds	AIDEA Dividend	AHFC Corporate Receipts	Mental Health Trust Income	Fish & Game Fund	Federal Funds	Other Funds	Total Funds
Comm&Reg Aff	Head Start Repairs	100.0							100.0
Comm&Reg Aff	Rural Power Systems Upgrades	600.0							600.0
Comm&Reg Aff	Federal Pass-through for Energy Projects						10,000.0		10,000.0
Education	Development of School Hazardous Spill Plans							reapprop 27.0	
EnvironConserv	Village Safe Water Grants	8,590.6		14,600.0			13,042.1		36,232.7
EnvironConserv	Municipal Matching Grants and Loans	7,576.0					1,150.0	7,821.0	16,547.0
EnvironConserv	Alaska Drinking Water Loan Program						26,820.0	5,364.0	32,184.0
EnvironConserv	Alaska Clean Water Fund Loan Program	1,148.6					5,742.6		6,891.2
EnvironConserv	Laboratory Equipment	250.0							250.0
EnvironConserv	Statewide Hazardous Materials Response							500.0	500.0
EnvironConserv	State-Owned Underground Storage Tanks							2,468.3	2,468.3
EnvironConserv	Trans-Alaska Pipeline Corridor							200.0	200.0
EnvironConserv	Privately Owned Underground Storage Tanks							2,340.5	2,340.5
EnvironConserv	Local Response - Equipment, Training							200.0	200.0
EnvironConserv	State-Owned Aboveground Storage Tanks							1,600.0	1,600.0
EnvironConserv	Rural Aboveground Storage Tanks							1,600.0	1,600.0
EnvironConserv	Kodiak Island Borough Waste Management Implementation							1,630.0	1,630.0
Fish & Game	Sikusuilaq Hatchery Contaminated Site Clean-							350.0	350.0
Fish & Game	Hunter Education Electronic Shooting System					40.0	40.0		80.0
Fish & Game	Sport Fish Hatchery Repair, Maintenance					50.0	150.0		200.0
Governor	Disabilities Act Compliance - State Facilities	500.0							500.0
Health&SocSvc	Client Data Integration Project	187.5			187.5				375.0
Health&SocSvc	Def. Maintenance, Renewal, Equipment	950.0					243.6		1,193.6
Health&SocSvc	Welfare Reform System Modifications	2,950.0					1,072.5		4,022.5
Health&SocSvc	Hope Cottages Intermediate Care Facilities Decertification			240.0	240.0				480.0
Health&SocSvc	Mental Health Trust Beneficiary Facility Modif. Grants			150.0	150.0				300.0
Health&SocSvc	Mental Health Beneficiary Grants - ADA Upgrades				250.0				250.0
Health&SocSvc	Mental Health Beneficiary Grants - Equipment	75.0			75.0				150.0
Military & Vets	National Warning System Upgrade	220.0							220.0
Military & Vets	Emergency Wireless Communications	157.3							157.3
Nat Resources	Fairbanks Building Safety Repairs	100.0							100.0
Nat Resources	Wildland Fires - Urban Interface Support	100.0							100.0
Nat Resources	Fire Communications Equipment	350.0							350.0
Nat Resources	Fire Equipment Replacement	100.0							100.0
Nat Resources	Old Eagle School Site Clean-Up							65.0	65.0
Nat Resources	Mental Health Trust Asset Management				460.0				460.0
AK Housing	Public Housing Environ. Cleanup, Abatement			1,000.0					1,000.0
AK Housing	Central Terrace/Fairmount - Anchorage			1,500.0					1,500.0
AK Housing	Homeless Assistance Program			750.0					750.0
Health&SocSvc	Beneficiary & Special Needs Housing			1,800.0					1,800.0

Governor Knowles' FY 98 Capital Budget

Dept.	Project	General Funds	AIDEA Dividend	AHFC Corporate Receipts	Mental Health Trust Income	Fish & Game Fund	Federal Funds	Other Funds	Total Funds
AK Housing	Low-Income Housing Weatherization			6,527.5			1,200.0		7,727.5
AK Housing	Supplemental Housing Development			8,000.0					8,000.0
AK Housing	Senior & Statewide Deferred Maintenance			2,000.0			988.9		2,988.9
AK Housing	Spruce Park Renovation - Fairbanks			7,000.0			350.0		7,350.0
AK Housing	Senior Citizens Housing Development			3,300.0					3,300.0
AK Housing	HUD Comprehensive Grant Program						3,100.0		3,100.0
AK Housing	HUD Federal HOME Grant			750.0			3,000.0		3,750.0
AK Housing	Federal and Other Competitive Grants			1,500.0			3,000.0		4,500.0
AK Housing	Competitive Grants for Public Housing			1,000.0			2,000.0		3,000.0
AK Housing	Energy Conservation Retrofit			530.0					530.0
AK Housing	Alaska craftsman home program			300.0					300.0
AK Housing	Energy rated homes program			300.0					300.0
AK Housing	Oil Overcharge Restitution Educational						2,500.0		2,500.0
Transportation	Cleanup of State Owned Contaminated Sites							322.0	322.0
Health & Safety Subtotal		23,955.0	0.0	52,000.0	1,415.0	90.0	74,399.7	24,460.8	176,320.5
JUSTICE									
Corrections	Deferred Maintenance, Renewal, Renovation	900.0							900.0
Corrections	Criminal Justice Information System	600.0							600.0
Corrections	Corrections Equipment	300.0							300.0
Corrections	Data and Word Processing Technical Support						303.8		303.8
Corrections	Facilities Expansion						2,383.8		2,383.8
Health&SocSvc	Johnson Youth Center Treatment Unit	3,000.0							3,000.0
Health&SocSvc	Public Safety Info Network (APSIN) Link	200.0							200.0
Military & Vets	Youth-at-Risk Program/ChalleNGe Youth Corp.	1,000.0							1,000.0
Military & Vets	Juneau Armory and Maintenance Shop	120.0							120.0
Military & Vets	Deferred Maintenance	100.0							100.0
Military & Vets	Fairbanks Armory Expansion	700.0							700.0
Military & Vets	Ft. Richardson Maintenance & Training Equip. Site		1,500.0				11,400.0		12,900.0
				(federal reimbursement is possible)					
Military & Vets	Bethel Army Aviation Operating Facility, Phase	125.0					4,600.0		4,725.0
Military & Vets	Fort Richardson Armory Storage Building						835.0		835.0
Military & Vets	Wasilla Armory Storage Building						275.0		275.0
Public Safety	Fingerprint System Replacement	1,400.0							1,400.0
Public Safety	Alaska State Trooper Equipment	400.0							400.0
Public Safety	Domestic Violence/Sexual Assault Data Base	200.0							200.0
Administration	License Plates, Manuals, Equipment	350.0							350.0
Justice Subtotal		9,395.0	1,500.0	0.0	0.0	0.0	19,797.6	0.0	30,692.6
EFFICIENCY TECHNOLOGY									
Administration	Internet Access & Customer Efficiencies for	385.0							385.0
Administration	Personnel System Computerization	300.0							300.0
Administration	Emergency Radio System - Anchorage/MatSu	500.0							500.0

Governor Knowlton FY 98 Capital Budget

Dept.	Project	General Funds	AIDEA Dividend	AHFC Corporate Receipts	Mental Health Trust Income	Fish & Game Fund	Federal Funds	Other Funds	Total Funds
Administration	Automated Purchasing for Efficiency, Vendor Access	225.0							225.0
Administration	Satellite Interconnection Automation	400.0							400.0
Administration	Juneau Support Facility Replacement Planning	100.0							100.0
Administration	Metropolitan Area Network Capability							200.0	200.0
Administration	Public Radio/TV Grants for Technology	100.0							100.0
Administration	Computer and Telecommunications Equipment							2,157.1	2,157.1
Administration	Lease Consolidation Planning							reapprop 25.0	0.0
Education	Library Telecommunications/SLED	100.0							100.0
Education	Post Secondary Educ Computer Replacement							90.0	90.0
AK Housing	Computer Mainframe Renovation			350.0					350.0
Revenue	Computer Security System Project	39.0					21.0		60.0
Revenue	Child Support System to Meet Federal Requirements	500.0					1,752.9		2,252.9
Revenue	Integration of Permanent Fund Office Space							190.0	190.0
	Efficiency Technology Subtotal	2,649.0	0.0	350.0	0.0	0.0	1,773.9	2,637.1	7,410.0
	CAPITAL MATCHING GRANTS PROGRAM	15,000.0							15,000.0
	TOTAL EXECUTIVE BRANCH	101,508.0	16,000.0	53,000.0	1,490.0	745.0	370,969.3	87,475.8	631,188.1
	Alaska Court System Project Requests	5,805.0							

Appendix A

DEBT SERVICE FOR PROJECTS APPROVED THROUGH 2/27/97 FY 98-07

Thousands of Dollars
(Does not include Trustee Fees)

	<u>FY 98</u>	<u>FY 99</u>	<u>FY 00</u>	<u>FY 01</u>	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 05</u>	<u>FY 06</u>	<u>FY 07</u>
Spring Creek Correctional Center	4,152.0	4,148.0	4,151.3	4,138.9	4,133.9	4,128.6	4,126.4	4,116.9	4,110.5	1,026.8
Seward Student Center	634.2	667.6	722.3	-	-	-	-	-	-	-
Palmer Courthouse	411.2	412.0	411.5	414.4	415.8	415.5	-	-	-	-
Kenai Courthouse	562.2	562.4	565.9	562.8	563.0	566.4	-	-	-	-
Wildwood Correctional - Acquisition	993.2	996.9	993.2	-	-	-	-	-	-	-
Wildwood Correctional - Improvements	974.2	967.7	-	-	-	-	-	-	-	-
Court Plaza Building	980.2	977.4	976.7	445.3	-	-	-	-	-	-
Anchorage Times Building	790.3	790.6	790.3	790.3	789.7	789.4	789.3	-	-	-
Palmer Fire Facility*	780.7	780.7	780.7	780.7	780.7	780.7	780.7	780.7	780.7	780.7
Fairbanks Courthouse*	-	3,122.0	3,122.0	3,122.0	3,122.0	3,122.0	3,122.0	3,122.0	3,122.0	3,122.0
Total Lease Finance	\$10,278.2	\$13,425.4	\$12,513.8	\$10,254.5	\$9,805.1	\$9,802.6	\$8,818.4	\$8,019.7	\$8,013.3	\$4,929.5
State G.O. Bonds	14,219.2	8,839.3	2,433.0	-	-	-	-	-	-	-
Subtotal G.O. & Lease/Fin.	24,497.3	22,264.7	14,946.7	10,254.5	9,805.1	9,802.6	8,818.4	8,019.7	8,013.3	4,929.5
School Debt Reimbursement	62,288.4	63,780.6	55,478.3	43,463.1	31,640.7	28,382.8	25,994.8	25,793.1	22,693.9	18,134.6
TOTAL DEBT SERVICE ON APPROVED DEBT	\$86,785.7	\$86,045.3	\$70,425.0	\$53,717.6	\$41,445.8	\$38,185.4	\$34,813.2	\$33,812.8	\$30,707.2	\$23,064.1
Estimated Debt Service for G.O. Bond Amounts Shown in Six Year Capital Plan			9,137.8	18,838.2	29,043.5	39,827.8	39,827.8	39,827.8	39,827.8	39,827.8
TOTAL DEBT SERVICE ON APPROVED AND PROPOSED DEBT	\$86,785.7	\$86,045.3	\$79,562.8	\$72,555.8	\$70,489.3	\$78,013.2	\$74,641.0	\$73,640.5	\$70,534.9	\$62,891.9

* The financing for these projects will be completed in the next 6 - 12 months; debt service amounts are estimates.
School debt reimbursement projections are from Alaska Department of Education, 3/10/97.

OMB/DOR
3/26/97

Appendix B

Capital Project Selection Processes and Criteria

Department of Transportation and Public Facilities

The department has several different programs for transportation and facilities projects. The department requests project nominations for transportation projects from boroughs, cities, and villages as well as other interested parties. The projects are ranked based on a formal priority scoring system, that includes factors such as:

- Safety benefits of the project;
- Improved connectivity between transportation modes such as highway, air, and ferry travel;
- Local funding contributions for both construction and operations and maintenance and;
- Level of public support for the project.

The highest priority transportation projects are combined into the State Transportation Improvement Program (STIP), which is a three year funding plan. Separate programs cover aviation and harbor projects.

Department of Education

The department oversees a statutorily required ranking system for statewide school construction needs. It develops two priority lists: one for new school construction, and a second for major maintenance and renovation projects. A detailed list of requirements and criteria are used in qualifying and ranking projects. The criteria include:

- Percentage by which district enrollment exceeds design capacity of its schools; etc.
- Projected enrollment growth;
- For renovations, the seriousness of life/safety problems and code violations;
- Reasonableness and completeness of the project cost estimate;

- Effectiveness of the district's preventive maintenance program and;
- District's own priority ranking for the project.

Department of Environmental Conservation

DEC operates two major grant programs for water and sewer projects, one for larger municipalities and one for rural villages. In addition, DEC operates the clean water loan program and the drinking water loan program. These four programs use a priority ranking system based on project evaluation criteria which include:

- Existence of a documented human disease problem which the proposed project will correct; etc.
- Environmental pollution problem which will be corrected by the project;
- Project development status, including engineering plans, feasibility studies, and community master plans;
- Availability of other funds to complete the project;
- Capability to operate and maintain the project;
- Documentation of operations and maintenance costs and funding source and;
- Impact of project on economic development and employment opportunities.

Appendix C

ALASKA PUBLIC DEBT

1996-1997

**State of Alaska
Tony Knowles, Governor**

**Department of Revenue
Wilson L. Condon, Commissioner
Ross A. Kinney, Deputy Commissioner**

**This publication was prepared
by the Treasury Division**

January, 1997

TABLE 5.0
State of Alaska
Ratio of General Obligation Bond Debt Service
To Expenditures and Unrestricted Revenues
\$ (Thousands)

<u>Fiscal Year</u>	<u>Debt Service</u>	<u>General Fund Expenditures</u>	<u>Unrestricted Revenues</u>	<u>Ratio of Debt Service to</u>	
				<u>Expenditures</u>	<u>Unrestricted Revenues</u>
1980	\$ 75,072	\$ 1,476,914	\$ 2,467,361	5.1%	3.0%
1981	97,632	4,612,915	3,702,364	2.1%	2.6%
1982	97,459	4,005,604	4,052,956	2.4%	2.4%
1983	143,624	3,846,442	3,587,757	3.7%	4.0%
1984	166,336	3,388,629	3,472,801	4.9%	4.8%
1985	169,523	3,698,469	3,263,041	4.6%	5.2%
1986	163,244	3,653,359	2,912,381	4.5%	5.6%
1987	154,892	3,026,476	1,752,854	5.1%	8.8%
1988	147,906	3,054,559	2,304,835	4.8%	6.4%
1989	135,512	3,185,524	2,186,217	4.3%	6.2%
1990	120,306	2,843,470	2,741,787	4.2%	4.4%
1991	95,482	2,804,676	3,393,059	3.4%	2.8%
1992	68,201	3,023,658	2,801,092	2.3%	2.4%
1993	59,688	3,145,310	2,742,032	1.9%	2.2%
1994	33,819	3,338,553	1,919,787	1.0%	1.8%
1995	22,917	3,290,008	2,458,698	0.7%	0.9%
1996	21,305	3,382,107	2,381,568	0.6%	0.9%

Source: State of Alaska, CAFR, June 30, 1996.

Tables 5.1 and 5.2 provide historical and projected payments for all the types of debt service which are paid from the General Fund.

As shown on Table 5.2, State reimbursement of municipal school debt will amount to 2.8% of unrestricted revenues in FY 1997. Debt service on total State G.O., State Supported, and school debt is projected to be approximately 3.9% of revenues in FY 1997.

Table 5.3 presents the ratio of State G.O.'s to full value of taxable property since 1974. The ratio has declined from 6.0% in 1974 to .1% in 1996. The current median for all states is .9 percent according to Moody's. As a measure of debt capacity, debt to full value is of minor significance in Alaska due to the existence of a State petroleum property tax.

TABLE 5.2
State of Alaska
Debt Service to Unrestricted Revenues
Fall 1996 Revenue Forecast of the Department of Revenue

Actual FY:	Unrestricted General Fund Revenues	State G.O. Debt Service	State Supported Debt Service	Total State Debt Service	School Debt Service	TOTAL DEBT SERVICE TO REVENUES
	\$ (Millions)	%	%	%	%	%
1979	\$ 1,117.5	5.4	1.1	6.5	2.0	8.5
1980	2,467.4	3.0	0.5	3.5	1.0	4.5
1981	3,702.4	2.6	0.4	3.0	1.0	4.0
1982	4,052.9	2.4	0.3	2.7	0.9	3.6
1984	3,472.8	4.8	0.4	5.2	2.7	7.9
1985	3,263.0	5.2	0.4	5.6	2.9	8.5
1986	2,912.4	5.6	0.4	6.0	3.5	9.5
1987	1,752.9	8.8	0.8	9.6	6.4	16.0
1988	2,304.8	6.4	0.7	7.1	4.7	11.8
1989	2,186.2	6.2	0.6	6.8	5.0	11.8
1990	2,741.8	4.4	0.6	5.0	4.3	9.3
1991	3,393.1	2.8	0.5	3.3	4.2	7.5
1992	2,801.1	2.4	0.6	3.0	4.8	7.8
1993	2,742.0	2.2	0.7	2.9	5.0	7.9
1994	1,919.8	1.8	0.7	2.5	5.2	7.7
1995	2,458.7	0.9	0.4	1.3	3.8	5.1
1996	2,381.6	0.9	0.4	1.3	3.3	4.7

**Projected
Mid-Case:**

1997	2,410.0	0.7	0.4	1.1	2.8	3.9
1998	2,015.0	0.7	0.5	1.2	1.9	3.1
1999	1,910.0	0.5	0.5	1.0	1.4	2.4
2000	1,871.0	0.1	0.5	0.6	1.3	1.9
2001	1,898.0	-	0.4	0.4	1.1	1.5
2002	1,842.0	-	0.4	0.4	1.2	1.5
2003	1,797.0	-	0.4	0.4	1.0	1.4
2004	1,736.0	-	0.3	0.3	0.8	1.1
2005	1,672.0	-	0.3	0.3	0.8	1.1

LEGISLATION

LEGISLATION

House Bill 80	1
House Bill 88	2
House Bill 190	3
House Bill 216	4
House Bill 227	5
Senate Bill 11	6
Senate Bill 21	7
Senate Bill 28	8
Senate Bill 36	9
Senate Bill 37	10
Senate Bill 135	11
Senate Bill 171	12
House Concurrent Resolution 8	13
Senate Joint Resolution 21	14
	15

Representative Tom Brice
ALASKA STATE LEGISLATURE

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SPONSOR STATEMENT

HOUSE BILL NO. 80

Establishing an Alaska Transportation Facilities Commission

This bill would establish a Commission, within the Dept. of Administration, that would be responsible for the preparation of transportation plans and the annual proposed budget for capital expenditures for transportation projects.

The commission would allow 8 seats for public members. Each one will represent an area of the state. The Department of Transportation and Public Facilities will designate the 8 transportation areas and each area will contain an approximately equal portion of the total lane miles in the state. The public members would receive per diem and travel expenses and would be appointed by the Governor. The Commissioners of Transportation and Public Facilities, Commerce, and Natural Resources would sit as ex-officio members.

Due to changes in the administration at DOT, \$11.4 million has been spent since FY 1991 on pre-design/pre-construction in the Interior for 20 projects that no longer appear in the program. An additional \$9.1 million has been spent for 6 additional projects that may be started within the next 5 to 10 years. In the same time period, the Southern region had 6 projects shelved costing \$3,352,000 on pre-design/pre-construction. This represents a substantial use of resource that remains idle. It is important as we face federal changes in allocation of highway funds that we use our state dollars as efficiently as possible.



1

HOUSE BILL NO. 80**IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTIETH LEGISLATURE - FIRST SESSION****BY REPRESENTATIVES BRICE, Green****Introduced: 1/21/97****Referred: Transportation, State Affairs, Finance****A BILL****FOR AN ACT ENTITLED**

1 "An Act establishing the Alaska Transportation Commission and relating to
2 planning, design, construction, and maintenance of transportation facilities by the
3 Department of Transportation and Public Facilities; and providing for an effective
4 date."

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

6 * Section 1. AS 44.21 is amended by adding new sections to read:

7 Article 6A. Alaska Transportation Commission.

8 Sec. 44.21.350. Alaska Transportation Commission. (a) There is created
9 in the Department of Administration the Alaska Transportation Commission. The
10 commission is responsible for the preparation of transportation plans and the annual
11 proposed budget for capital expenditures for transportation projects to be constructed,
12 maintained, or operated by the Department of Transportation and Public Facilities.

13 (b) The commission consists of eleven members. The commissioner of
14 transportation and public facilities, commissioner of commerce and economic

development, and commissioner of natural resources are ex officio members of the commission. Eight members of the commission are public members appointed by the governor. The governor shall appoint one public member of the commission from among the residents of each of the eight transportation areas in the state. The public members serve at the pleasure of the governor for staggered four-year terms and until a successor is appointed. A vacancy among the appointed members of the commission occurring other than by expiration of term shall be filled in the same manner as the original appointment but only for the unexpired term and until a successor is appointed and qualified.

(c) The public members of the commission serve without compensation but are entitled to per diem and travel expenses authorized for boards and commissions under AS 39.20.180. The public members of the commission shall comply with AS 39.50 (conflict of interest).

(d) The members of the commission shall select a chair from among its members. Six members of the commission constitute a quorum. The commission may take action upon the affirmative vote of six of its members.

(e) The commission may employ staff as the commission determines necessary to perform its duties.

(f) The operating budget of the commission is subject to AS 37.07.

(g) The Department of Transportation and Public Facilities shall designate eight transportation areas that in total comprise the entire state. Each transportation area shall be compact, consist of contiguous areas, and contain an approximately equal portion of the total lane miles of state roads in the state.

Sec. 44.21.360. Powers and duties of the commission. (a) The commission shall prepare and submit to the governor for inclusion in the state capital projects budget a capital construction and maintenance program for transportation facilities that includes the projects to be undertaken during the following two fiscal years, including a ranking of priorities for proposed transportation capital projects. Funds for transportation construction and maintenance projects and necessary contingencies identified by the commission must be itemized as allocations within the capital budget proposal submitted to the governor.

1 (b) The commission shall prepare the transportation capital projects budget in
2 the manner, and in accordance with the schedule, set out under AS 37.07.

3 (c) The commission may submit proposals for transportation capital projects
4 to the governor for inclusion in supplemental or special appropriation bills.

5 (d) The capital construction and maintenance program for transportation
6 facilities and the capital budget proposal prepared by the commission shall be
7 submitted to the legislature at the same time they are submitted to the governor.

8 **Sec. 44.21.370. State transportation plan.** (a) The commission shall
9 develop annually a comprehensive, intermodal, long-range transportation plan for the
10 state. In developing and revising the state plan, the commission shall consider means
11 and costs of improving existing modes and facilities, state and federal subsidies, and
12 the costs and benefits of new transportation modes and facilities. The commission
13 shall also consider the recommendation of the Alaska Transportation Planning Council.
14 The plan shall be submitted to the governor for submission to the legislature.

15 (b) In developing and revising the plan, the commission shall seek public
16 review and evaluation by any reasonable means and may

17 (1) consult and cooperate with officials and representatives of the
18 federal government, other governments, interstate commissions and authorities, local
19 agencies and authorities, interested corporations, and other organizations concerning
20 problems affecting transportation in the state; and

21 (2) request from the Department of Transportation and Public Facilities
22 or other agency of the state government or of a political subdivision of the state, or
23 from a public authority, the assistance and data that may be necessary to enable the
24 commission to carry out responsibilities under this section; every such entity shall
25 provide the assistance and data requested.

26 (c) Copies of the plan, as revised, shall be kept on file as a public document
27 in the office of the commission, the office of the commissioner of transportation and
28 public facilities, and at each regional office of the Department of Transportation and
29 Public Facilities.

30 (d) The plan must include a description of transportation projects planned for
31 design, construction, and maintenance for the following two years. The description is

1 in addition to the long-range plan required by (a) of this section and by AS 44.21.375.
2 The description must include an itemization of the estimated cost for each project and
3 the total cost of all projects. The commission shall propose a capital project
4 construction and maintenance program that includes the projects to be undertaken
5 during the following two years, including recommended project priorities. The
6 commission shall forward the plan to the governor for review and approval and
7 inclusion in the governor's capital budget request to the legislature.

8 **Sec. 44.21.375. Highway construction and maintenance program.** (a) The
9 commission shall establish a continuing, long-range program for highway construction
10 and maintenance. The program must annually project proposed construction and
11 maintenance of highways for not less than the next succeeding five years. The
12 program must include consideration of plans developed by the Department of
13 Transportation and Public Facilities under AS 19.20 and must include in detail the
14 program prepared under (b) of this section. A statement of the program shall be
15 submitted by the governor to the legislature annually.

16 (b) Before February 2 of each year, the commission shall prepare a statement
17 showing what construction work has been requested and proposed and may be
18 undertaken by the Department of Transportation and Public Facilities. The statement
19 must set out a general itemization of the estimated cost for each project and the total
20 estimates of all projects. The commission shall adopt a construction program that,
21 subject to appropriation by the legislature, must include the projects to be undertaken
22 by the Department of Transportation and Public Facilities during the following
23 construction season and must establish project priorities. The commission may
24 increase, decrease, amend, or revise the construction program from time to time as
25 circumstances warrant.

26 **Sec. 44.21.380. Alaska marine highway system plan.** The commission shall
27 prepare a comprehensive long-range plan for the development and improvement of the
28 Alaska marine highway system and shall revise and update the plan at least every five
29 years. The commission shall submit the comprehensive long-range plan and revisions
30 and updates of the plan to the governor, legislature, and the commissioner of
31 transportation and public facilities.

Sec. 44.21.390. Definitions. In AS 44.21.350 - 44.21.390,

(1) "capital project" means a project with a cost exceeding \$10,000 to acquire or improve an asset with an anticipated life exceeding one year and includes land acquisition, construction, repair, or structural improvement of a facility, engineering and design for a facility, and acquisition or repair of equipment;

(2) "commission" means the Alaska Transportation Commission;

(3) "highway" has the meaning given in AS 19.45.001;

(4) "transportation" includes the following means of conveyance or travel, including related or auxiliary structures, facilities, or services: air, rail, water, highway, and pipeline.

* **Sec. 2.** AS 19.05.010 is amended to read:

Sec. 19.05.010. Department to supervise highway system. The department is responsible for the design [PLANNING], construction, maintenance, protection, and control of the state highway system.

* **Sec. 3.** AS 19.05.030 is amended to read:

Sec. 19.05.030. Duties of department. The department has the following duties:

(1) direct approved highway design [PLANNING] and construction and maintenance, protection, and control of highways;

(2) employ assistants and employees;

(3) certify and approve vouchers;

(4) provide a program of highway research;

(5) prepare a budget;

(6) assist the Alaska Transportation Commission in its review of the annual highway program;

(7) develop and implement an avalanche control plan to protect persons who use public highways.

* **Sec. 4.** AS 19.05.125 is amended to read:

Sec. 19.05.125. Purpose. The purpose of AS 19.05 - AS 19.25 is to establish a highway department capable of carrying out a highway design [PLANNING], construction, and maintenance program that will provide a common defense to the

1 United States and Alaska, a network of highways linking together cities and
2 communities throughout the state (thereby contributing to the development of
3 commerce and industry in the state, and aiding the extraction and utilization of its
4 resources), and otherwise improve the economic and general welfare of the people of
5 the state.

6 * Sec. 5. AS 19.10.120 is amended to read:

7 **Sec. 19.10.120. Research on highway development.** The department may
8 gather, investigate, and compile information concerning the use, construction, and
9 maintenance of highways, the practices and methods of efficient highway organization,
10 financing, and other information, data, and statistics of the state and the extent of the
11 natural resources of road-building materials in the state. The department may enter
12 into agreements with states, municipalities, or research organizations to carry on
13 research and test projects involving highway development. The department shall
14 [MAY] disseminate this information, together with recommendations it considers
15 advisable, to the Alaska Transportation Commission and the public.

16 * Sec. 6. AS 19.30.141 is amended to read:

17 **Sec. 19.30.141. Acquisition and construction programs.** Before October 1
18 of each fiscal year, each local government eligible for allocation of funds under
19 AS 19.30.131 shall submit to the Alaska Transportation Commission
20 [COMMISSIONER] for approval a five-year plan for the acquisition and construction
21 of local service roads and trails. Before December 1 of each fiscal year, the
22 commissioner [COMMISSIONER] shall submit to the governor a five-year plan for
23 the acquisition and construction of local service roads and trails, including the
24 approved local government programs. An organized borough shall include in its five-
25 year plan local service road acquisition and construction programs for all cities other
26 than home rule cities within the boundaries of the borough. The commission
27 [COMMISSIONER] shall include in the five-year plan local service road and trail
28 acquisition and construction within the unorganized borough.

29 * Sec. 7. AS 19.30.310 is amended to read:

30 **Sec. 19.30.310. Report.** No later than August 1 of each year, a municipality
31 that has received money under AS 19.30.270 shall submit a report to the department

1 showing the use of the money by the municipality during the preceding fiscal year.
 2 No later than December 1 of each year, the department shall prepare and submit to the
 3 governor and the Alaska Transportation Commission a report showing the use of
 4 the money allocated under AS 19.30.270 during the preceding fiscal year.

5 * Sec. 8. AS 39.50.200(b) is amended by adding a new paragraph to read:

6 (56) Alaska Transportation Commission (AS 44.21.350).

7 * Sec. 9. AS 43.40.010(g) is amended to read:

8 (g) The proceeds of the revenue from the tax on all motor fuels, except as
 9 provided in (e), (f), and (j) of this section, shall be deposited in a special highway fuel
 10 tax account in the state general fund. The legislature may appropriate funds from it
 11 for expenditure by the Department of Transportation and Public Facilities directly or
 12 as matched with available federal-aid highway money for maintenance of highways,
 13 construction of highway projects and ferries included in the program provided for in
 14 AS 44.21.375 [AS 19.10.150], including approaches, appurtenances, and related
 15 facilities and acquisition of rights-of-way or easements, and other highway costs
 16 including surveys, administration, and related matters. All departments of the state
 17 government authorized to spend funds collected from taxes imposed by this chapter
 18 shall perform, when feasible, all construction or reconstruction projects by contract
 19 after the projects have been advertised for competitive bids, except that, when feasible,
 20 arrangements shall be made with political subdivisions to carry out the construction
 21 or reconstruction projects. If it is not feasible for the work to be performed by state
 22 engineering forces, the commissioner of transportation and public facilities may
 23 contract on a professional basis with private engineering firms for road design, bridge
 24 design, and services in connection with surveys. If more than one private engineering
 25 firm is available for the work, the contracts shall be entered into on a negotiated basis.

26 * Sec. 10. AS 44.42.020(a) is amended to read:

27 (a) The department shall

28 (1) [PLAN,] design, construct, and maintain all state modes of
 29 transportation and transportation facilities and all docks, floats, breakwaters, buildings,
 30 and similar facilities;

31 (2) study existing transportation modes and facilities in the state to

1 determine how they might be improved or whether they should continue to be
2 maintained;

3 (3) study alternative means of improving transportation in the state with
4 regard to the economic costs of each alternative and its environmental and social
5 effects;

6 (4) provide assistance to the Alaska Transportation Commission as
7 necessary to develop a comprehensive, long-range intermodal transportation plan for
8 the state or to develop other transportation plans;

9 (5) study alternatives to existing modes of transportation in urban areas
10 and develop plans to improve urban transportation;

11 (6) cooperate and coordinate with and enter into agreements with
12 federal, state, and local government agencies and private organizations and persons in
13 exercising its powers and duties;

14 (7) manage, operate, and maintain state transportation facilities and all
15 docks, floats, breakwaters, and buildings, including all state highways, vessels,
16 railroads, pipelines, airports, and aviation facilities;

17 (8) study alternative means of transportation in the state, considering
18 the economic, social, and environmental effects of each alternative;

19 (9) coordinate and develop state and regional transportation systems,
20 considering deletions, additions, and the absence of alterations;

21 (10) develop facility program plans for specific transportation facilities,
22 [AND] state buildings, and other facilities [DOCKS, AND BREAKWATERS]
23 required to implement the duties set out in this section, including [BUT NOT
24 LIMITED TO] functional performance criteria and schedules for completion;

25 (11) supervise and maintain all state automotive and mechanical
26 equipment, aircraft, and vessels, except vessels and aircraft used by the Department of
27 Fish and Game or the Department of Public Safety; for state vehicles maintained by
28 the department, the department shall annually evaluate the cost, efficiency, and
29 commercial availability of natural gas for automotive purposes, and the purpose for
30 which the vehicles are intended to be used, and convert or purchase vehicles to utilize
31 natural gas whenever practicable; the department may participate in joint ventures with

1 public or private partners that will foster the availability of natural gas for all
2 automotive fuel consumers;

3 (12) supervise aeronautics inside the state, under AS 02.10;

4 (13) complete and maintain a current inventory of public facilities,
5 including a projection of the serviceability of the facilities and projections of
6 replacements and additions to facilities needed to provide the level of services
7 programmed by the various user agencies, for municipalities with populations of less
8 than 12,000 and for unincorporated communities, and perform those duties on a
9 cooperative basis with larger municipalities;

10 (14) adopt energy performance standards for public facilities of the
11 state, the construction of which begins after July 1, 1980; the standards shall be based
12 on thermal and lighting energy standards established by the American Society of
13 Heating, Refrigeration and Air Conditioning Engineers as adapted for application in
14 high latitude, cold climate environs;

15 (15) provide planning assistance, including but not limited to energy
16 audits and related technical services, to school districts and regional educational
17 attendance areas to develop and implement

18 (A) standards for the design, construction, and operation of rural
19 educational facilities; and

20 (B) energy conservation measures for rural educational facilities.

21 * Sec. 11. AS 19.10.140, 19.10.150; AS 19.65.011; and AS 44.42.050 are repealed.

22 * Sec. 12. DESIGNATION OF TRANSPORTATION AREAS. On or before August 1,
23 1997, the Department of Transportation and Public Facilities shall complete and forward to
24 the governor a description of the eight transportation areas described under AS 44.21.350,
25 added by sec. 1 of this Act.

26 * Sec. 13. INITIAL APPOINTMENT OF PUBLIC MEMBERS OF THE ALASKA
27 TRANSPORTATION COMMISSION. Notwithstanding AS 44.21.350, added by sec. 1 of this
28 Act, the persons appointed to the initial terms on the Alaska Transportation Commission shall
29 be appointed to terms as set out under AS 39.05.055(6).

30 * Sec. 14. This Act takes effect July 1, 1997.

2

CS FOR HOUSE BILL NO. 88(TRA)**IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTIETH LEGISLATURE - FIRST SESSION****BY THE HOUSE TRANSPORTATION COMMITTEE****Offered: 4/10/97****Referred: Finance****Sponsor(s): REPRESENTATIVE WILLIAMS****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to ferries and ferry terminals, establishing the Alaska Marine
2 Highway Authority, and relating to maintenance of state marine vessels; and
3 providing for an effective date."

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

5 * **Section 1. PURPOSE.** The purpose of this Act is to establish an authority for the
6 operation, management, planning, construction, and maintenance of facilities for the marine
7 highway system. The authority shall be the exclusive state agency directly associated with
8 the operation, management, planning, construction, and maintenance of facilities for the marine
9 highway system.

10 * **Sec. 2.** AS 19 is amended by adding a new chapter to read:

11 **Chapter 55. Alaska Marine Highway Authority.**

12 **Article 1. Creation and Organization.**

13 **Sec. 19.55.010. Alaska Marine Highway Authority.** (a) The Alaska Marine
14 Highway Authority is established. The authority is a public corporation of the state.

1 The authority is an instrumentality of the state in the Department of Transportation and
2 Public Facilities but has a legal existence independent of and separate from the state
3 and has continuing succession until its existence is terminated by law.

4 (b) The powers of the authority are vested in the board of directors of the
5 authority.

6 **Sec. 19.55.020. Directors.** (a) The board of directors of the authority consists
7 of seven directors. One director is the commissioner of transportation and public
8 facilities, and six directors are appointed by the governor. The six appointed directors
9 must be state residents who have experience with maritime affairs. The appointed
10 directors are subject to confirmation by a majority of the members of the legislature
11 in joint session. Appointed directors must include

12 (1) two persons who are members of a union that represents employees
13 of the authority; at least one person appointed under this paragraph shall be a member
14 of the maritime union representing the largest number of onboard employees of the
15 authority;

16 (2) two persons who are residents of Southeast Alaska;

17 (3) a person who is a resident of the Gulf of Alaska area west of Icy
18 Cape; and

19 (4) a person who represents the interests of the public.

20 (b) The appointed directors serve staggered five-year terms and may be
21 removed by the governor only for cause. Each director shall hold office for the term
22 of the director's appointment and until a successor is appointed and qualified. A
23 director is qualified for reappointment. A vacancy in a directorship occurring other
24 than by expiration of term shall be filled in the same manner as the original
25 appointment but only for the unexpired term.

26 (c) The directors shall comply with AS 39.50 (Conflict of Interest). Each
27 director before entering upon the director's duties shall subscribe to an oath to perform
28 the duties of office faithfully, impartially, and justly to the best of the director's ability.
29 A record of the oath shall be filed with the Office of the Governor.

30 (d) An appointed director is entitled to compensation at a rate of \$300 for each
31 day the director is engaged in actual performance of duties under this chapter. The

board of directors of the authority may provide by regulation for compensation for partial days for an appointed director. In addition, an appointed director is entitled to per diem and travel expenses authorized for boards and commissions under AS 39.20.180.

Sec. 19.55.030. Officers and quorum. The directors shall elect one of the appointed directors as chair of the board of directors. The directors shall elect a secretary and a treasurer who need not be directors, and the same person may be elected to serve both as secretary and treasurer. Four directors constitute a quorum of the board of directors. Except as provided in AS 19.55.110(7), action may be taken and motions and resolutions adopted by the board of directors at a meeting by the affirmative vote of at least four directors. A vacancy in the board of directors of the authority does not impair the right of a quorum to exercise all the powers and perform all the duties of the board.

Sec. 19.55.040. Staff. (a) The board of directors shall employ a chief executive officer who serves at the pleasure of the board.

(b) The chief executive officer may, with the approval of the board, select and employ additional staff as necessary, including additional administrative officers. All officers and employees of the authority are in the exempt service under AS 39.25.110.

(c) In addition to its staff of employees, the board of directors may contract for and engage the services of consultants and professional, technical, and financial advisors the authority considers necessary for the purpose of developing information, conducting hearings, studies, investigations, or other proceedings, or otherwise exercising its powers.

Article 2. Powers and Duties.

Sec. 19.55.110. Powers of authority. In addition to other powers granted in this chapter, the authority may

- (1) sue and be sued;
- (2) adopt and alter an official seal;
- (3) adopt and enforce regulations for the conduct of its business and for the use of its services and facilities;
- (4) maintain offices at a place in the state and at places out of the state

- 1 that are served by the marine highway system;
- 2 (5) establish terms and conditions of employment by the authority and
- 3 conduct or designate a representative to conduct labor negotiations with employees;
- 4 (6) subject to appropriation by the legislature, acquire, hold, use, and
- 5 dispose of its income, revenues, funds, and money;
- 6 (7) acquire, hold, use, lease, rent, construct, and dispose of personal
- 7 property for its purposes, except that the authority may dispose of a ferry only on
- 8 approval of at least five of its directors;
- 9 (8) acquire, hold, use, lease, or rent real property and dispose of real
- 10 property under AS 19.55.230;
- 11 (9) operate, maintain, improve, and extend a system of ferries
- 12 connecting with the public roads and highways of the state and including the boats,
- 13 vessels, wharves, docks, approaches, landings, and appurtenances the authority
- 14 determines necessary or desirable for safe and efficient operation of the ferry system
- 15 to best serve the public;
- 16 (10) adopt regulations under AS 44.62 (Administrative Procedure Act)
- 17 governing
- 18 (A) access to and use of services and facilities of the authority;
- 19 (B) the authority of the officers and crew of vessels of the
- 20 authority to maintain peace and order as necessary to protect the health, safety,
- 21 and public welfare of the patrons and employees of the authority;
- 22 (C) rates, tariffs, and other charges for transportation and other
- 23 services provided by the authority;
- 24 (11) do all acts and things necessary, convenient, or desirable to carry
- 25 out the powers expressly granted or necessarily implied in this chapter;
- 26 (12) modify scheduled routes after public hearings.
- 27 **Sec. 19.55.120. Duties of authority.** The authority shall
- 28 (1) assist the residents, businesses, and communities of the state in
- 29 obtaining optimal marine passenger and freight service;
- 30 (2) schedule vessel sailings to optimize the frequency of service to all
- 31 ports;

- 1 (3) encourage and integrate with other public and private carriers to the
2 greatest extent possible to provide ferry service within the state and between Alaska
3 ports and ports outside the state in order to provide optimum service within the state;
4 (4) provide reservation access and marketing information throughout
5 the state;
6 (5) encourage vessel construction, maintenance, and service in the state
7 to the greatest extent possible;
8 (6) employ residents of the state to the greatest extent legally possible;
9 (7) recognize Alaska unions and employee associations to the greatest
10 extent legally possible.

11 **Sec. 19.55.130. Use of name authorized.** The authority is authorized to
12 operate its ferry system under the name "Alaska Marine Highway System."

13 **Sec. 19.55.140. Comprehensive long-range plan.** The authority, with the
14 cooperation of the Department of Transportation and Public Facilities, shall prepare a
15 comprehensive long-range plan for the development and improvement of the Alaska
16 marine highway system and shall revise and update the plan at least every five years.
17 The authority shall submit the plan and revisions and updates of the plan to the
18 legislature.

19 **Article 3. Acquisition of Property.**

20 **Sec. 19.55.210. Acquisition of land and easements.** The authority, as part
21 of the cost of constructing, maintaining, or improving the marine highway system, may
22 acquire by purchase, gift, or exchange land in fee simple or easements that it considers
23 necessary and reasonable for either temporary or permanent public use. By the same
24 means, the authority may obtain material, including clay, gravel, sand, or rock, or the
25 land necessary to obtain the material, including access to it. The authority may acquire
26 the land or materials notwithstanding the fact that title to it is vested in the state or a
27 department, agency, commission, or institution of the state.

28 **Sec. 19.55.220. Authority to purchase property for the purpose of**
29 **exchange.** When a majority of the directors of the authority declares that it is in the
30 interest of the state, the authority may acquire by purchase, gift, or exchange privately
31 or publicly owned land or an interest in land for the purpose of exchanging the land

1 for privately or publicly owned land that the authority is authorized by law to acquire.

2 **Sec. 19.55.230. Disposal of land or rights in land.** (a) The authority may
3 vacate land or rights in land acquired for use in the marine highway system by
4 executing and filing a deed in the appropriate recording district. Upon vacating, title
5 reverts to the persons, heirs, successors, or assigns in whom it was vested at the time
6 of the taking.

7 (b) The authority may transfer land not considered necessary for use in the
8 marine highway system to the Department of Natural Resources for disposal. The
9 proceeds of disposal by the Department of Natural Resources shall be credited to the
10 funds from which the purchase was originally made.

11 **Article 4. Vessels and Ferry Terminal Facilities.**

12 **Sec. 19.55.310. Ferry terminal facilities.** (a) The authority may construct,
13 purchase, or lease ferry terminal facilities at locations it selects for the loading and
14 unloading of passengers and vehicles under their own power, on and off ferries. The
15 authority shall repair and maintain those facilities that it owns. Construction and
16 purchasing under this section are governed by AS 36.30 (State Procurement Code),
17 except as otherwise provided by law.

18 (b) The authority may connect ferry terminal facilities with local highway
19 systems.

20 (c) The authority may adopt regulations governing the use of ferry terminal
21 facilities by the public that it considers necessary and proper in the public interest.
22 The authority may charge a fee for the use of ferry terminal facilities, whether the use
23 is under a permit or otherwise, and whether the use is by one or more individuals.

24 (d) A ferry terminal facility in existence and serving the public on January 1,
25 1959, is not subject to (a) - (c) of this section.

26 **Sec. 19.55.320. Naming of vessel or facility.** (a) A vessel or facility
27 constructed or acquired by the authority must be named by law.

28 (b) A maritime vessel must bear the name of an Alaska glacier.

29 (c) A vessel used principally on the inland waterways of the state must bear
30 the name of an historical vessel that used the rivers of the state.

31 **Article 5. Budget and Revenue.**

1 **Sec. 19.55.410. Budget and appropriations.** The authority shall submit its
 2 annual budget to the legislature through the governor as provided for state agencies by
 3 AS 37.07 (Executive Budget Act). The authority shall expend money appropriated by
 4 the legislature as authorized by the legislature.

5 **Article 6. General Provisions.**

6 **Sec. 19.55.910. Annual report.** By January 15 of each year, the board of
 7 directors of the authority shall submit to the governor and the legislature a
 8 comprehensive report describing the operations, income, and expenditures for the
 9 preceding fiscal year.

10 **Sec. 19.55.920. Annual audit.** The authority shall have its financial records
 11 audited annually by a certified public accountant. The legislative auditor may
 12 prescribe the form and content of the financial records of the authority and shall have
 13 access to those records at any time.

14 **Sec. 19.55.990. Definitions.** In this chapter, unless the context requires
 15 otherwise,

16 (1) "authority" means the Alaska Marine Highway Authority;

17 (2) "ferry" means a vessel used in the common carriage of passengers
 18 and vehicles in intrastate or interstate commerce.

19 **Sec. 19.55.995. Short title.** This chapter may be cited as the Alaska Marine
 20 Highway Authority Act.

21 * **Sec. 3.** AS 03.53.010(a) is amended to read:

22 (a) An animal may not be transported into the state aboard a ferry operated by
 23 the Alaska Marine Highway Authority [DIVISION OF MARINE
 24 TRANSPORTATION OF THE DEPARTMENT OF TRANSPORTATION AND
 25 PUBLIC FACILITIES] unless the animal's owner, custodian, or attendant possesses
 26 a valid health certificate for the animal. This certificate shall accompany the animal
 27 or be in the possession of the animal's owner, custodian, or attendant aboard the ferry
 28 and shall be presented when requested by an employee of the state ferry system at the
 29 time the owner, custodian, or attendant makes arrangements to transport the animal,
 30 boards the ferry with the animal, or at any other time.

31 * **Sec. 4.** AS 18.65.755(a) is amended to read:

- 1 (a) A permittee may not carry a concealed handgun into
- 2 (1) a law enforcement or correctional facility;
- 3 (2) or on school grounds or a school bus; in this paragraph, "school
- 4 grounds" has the meaning given in AS 11.71.900;
- 5 (3) a courthouse or a courtroom of this state, unless the permittee
- 6 (A) is a judge; or
- 7 (B) has been authorized to possess a concealed handgun by a
- 8 judge presiding at that courthouse or courtroom;
- 9 (4) a building housing only state or federal offices or the offices of a
- 10 political subdivision of the state, except as authorized under (3) of this subsection;
- 11 (5) an office of the state, federal government, or of a political
- 12 subdivision of the state that is not located in a building described in (4) of this
- 13 subsection;
- 14 (6) a passenger loading or unloading area of an airline terminal;
- 15 (7) a vessel of the Alaska Marine Highway Authority [MARINE
- 16 HIGHWAY SYSTEM];
- 17 (8) a facility providing services to victims of domestic violence or
- 18 sexual assault;
- 19 (9) a residence where notice that carrying a concealed handgun is
- 20 prohibited has been given by the posting of a conspicuous notice or by oral statement
- 21 by the resident to the permittee;
- 22 (10) a meeting of a business, charitable, or other organization or entity
- 23 where notice that carrying a concealed handgun is prohibited has been given by the
- 24 posting of conspicuous notice;
- 25 (11) a financial institution; in this paragraph, "financial institution"
- 26 means a bank, savings bank, savings association, credit union, or other institution
- 27 regulated by the Department of Commerce and Economic Development under AS 06;
- 28 (12) another place where the possession of a deadly weapon or firearm
- 29 is prohibited by law; or
- 30 (13) a municipality or established village that has prohibited the
- 31 possession of concealed handguns by a permit under AS 18.65.780 - 18.65.785.

1 * **Sec. 5.** AS 19.65.050 is amended to read:

2 **Sec. 19.65.050. Legislative findings, purpose, and intent.** (a) The
3 legislature finds that

4 (1) the Alaska Marine Highway Authority [MARINE HIGHWAY
5 SYSTEM] is an essential part of the state transportation system, and that it warrants
6 continued and predictable state support;

7 (2) many communities' economies are dependent on a steady and stable
8 marine highway system service level;

9 (3) the state's tourism industry is greatly enhanced by a dependable
10 marine highway transportation network; and

11 (4) efficient and prudent management of the authority [SYSTEM] will
12 benefit the state's economy and foster economic development.

13 (b) It is the purpose of AS 19.65.050 - 19.65.100 to

14 (1) enable the authority [ALASKA MARINE HIGHWAY SYSTEM]
15 to manage and operate in a manner that will enhance performance and accountability
16 by allowing the authority [SYSTEM] to account for and spend its generated revenue;

17 (2) provide the management tools necessary to efficiently operate the
18 authority [ALASKA MARINE HIGHWAY SYSTEM];

19 (3) within constitutional constraints, provide for a predictable funding
20 base for authority [SYSTEM] operations; and

21 (4) provide for predictability and stability in the service level furnished
22 to communities served by the authority [SYSTEM].

23 (c) It is the intent of AS 19.65.050 - 19.65.100 to

24 (1) encourage prudent administration through cost management and
25 accurate budgeting by the board of directors [MANAGERS] of the authority
26 [ALASKA MARINE HIGHWAY SYSTEM];

27 (2) increase revenue from the operation of the authority [SYSTEM]
28 consistent with the public interest, increase service consistent with sound fiscal policy,
29 and assist the prudent management and operation of the authority [SYSTEM]; and

30 (3) achieve stability in the level of service communities can anticipate
31 through accurate planning and scheduling.

1 * Sec. 6. AS 19.65.060 is amended to read:

2 **Sec. 19.65.060. Alaska Marine Highway Authority [MARINE HIGHWAY**
3 **SYSTEM] fund.** (a) There is created, as a special account in the general fund, the
4 Alaska Marine Highway Authority [MARINE HIGHWAY SYSTEM] fund, into
5 which shall be deposited

6 (1) the gross revenue of the authority [ALASKA MARINE
7 HIGHWAY SYSTEM];

8 (2) money that is appropriated to the [ALASKA MARINE HIGHWAY
9 SYSTEM] fund by the legislature in an amount that is consistent from year to year and
10 is the amount necessary, after consideration of gross revenue, to provide stable services
11 to the public consistent with the provisions of AS 19.65.050(b)(4); unless otherwise
12 provided by the legislature, appropriations to the fund under this paragraph [,
13 WHICH APPROPRIATIONS] are not one-year appropriations and [THE BALANCES
14 OF WHICH] do not lapse under AS 37.25.010; and

15 (3) any other money that is appropriated to the [ALASKA MARINE
16 HIGHWAY SYSTEM] fund by the legislature; unless otherwise provided by the
17 legislature, appropriations to the fund under this paragraph [, WHICH
18 APPROPRIATIONS] are not one-year appropriations and [THE BALANCES OF
19 WHICH] do not lapse under AS 37.25.010.

20 (b) Nothing in AS 19.65.050 - 19.65.100 [THIS CHAPTER] exempts money
21 deposited into the [ALASKA MARINE HIGHWAY SYSTEM] fund from the
22 requirements of AS 37.07 (Executive Budget Act) or dedicates that money for a
23 specific purpose.

24 * Sec. 7. AS 19.65.070 is amended to read:

25 **Sec. 19.65.070. Revenue accounting.** (a) The authority [ALASKA
26 MARINE HIGHWAY SYSTEM] shall account for and remit to the Department of
27 Revenue in accordance with AS 37.10.050 all gross revenue generated from the
28 operation of the authority [ALASKA MARINE HIGHWAY SYSTEM] during each
29 fiscal year [ANNUAL OPERATING CYCLE]. The money shall then be deposited
30 in the Alaska Marine Highway Authority [MARINE HIGHWAY SYSTEM] fund.

31 (b) The authority [ALASKA MARINE HIGHWAY SYSTEM] shall prepare

1 a written report, not [NO] later than the 10th day of each regular legislative session,
 2 regarding the previous fiscal year [ANNUAL OPERATING CYCLE] and notify the
 3 legislature that the report is available. The report must identify

4 (1) gross revenue generated during the previous fiscal year [ANNUAL
 5 OPERATING CYCLE];

6 (2) gross revenue generated during the current fiscal year [ANNUAL
 7 OPERATING CYCLE] and an estimate of gross revenue for the remainder of the
 8 current fiscal year [ANNUAL OPERATING CYCLE];

9 (3) projections of the gross revenue to be generated during the next
 10 fiscal year [ANNUAL OPERATING CYCLE]; and

11 (4) the difference between previous gross revenue estimates prepared
 12 under this section and the revenues actually generated.

13 (c) The Department of Revenue shall prepare a written report, no later than the
 14 10th legislative day of each regular legislative session, regarding the earnings on gross
 15 revenue of the authority [ALASKA MARINE HIGHWAY SYSTEM] that was
 16 deposited into the Alaska Marine Highway Authority [MARINE HIGHWAY
 17 SYSTEM] fund during the prior fiscal year and projected earnings on gross revenue
 18 of the authority [ALASKA MARINE HIGHWAY SYSTEM] that is projected to be
 19 deposited into the Alaska Marine Highway Authority [MARINE HIGHWAY
 20 SYSTEM] fund for the current fiscal year and the next fiscal year. The Department
 21 of Revenue shall notify the legislature that the report is available.

22 * Sec. 8. AS 19.65.080 is amended to read:

23 **Sec. 19.65.080. Annual appropriation.** (a) Commencing with appropriations
 24 for the fiscal year that begins July 1, 1991, on an annual basis and under AS 37.07
 25 (Executive Budget Act), the legislature may appropriate amounts from the [ALASKA
 26 MARINE HIGHWAY SYSTEM] fund for management and operation of [TO] the
 27 authority [ALASKA MARINE HIGHWAY SYSTEM].

28 (b) The authority [DEPARTMENT OF TRANSPORTATION AND PUBLIC
 29 FACILITIES] may request the legislature to appropriate money from the [ALASKA
 30 MARINE HIGHWAY SYSTEM] fund to the authority [MARINE HIGHWAY
 31 SYSTEM] for capital improvements [,] if

- 1 (1) the appropriation under (a) of this section has been made;
 2 (2) the amount in the fund, without regard to the appropriation under
 3 (a) of this section, exceeds the total of gross revenue deposited in the fund and the
 4 general fund appropriations under AS 19.65.060(a)(2) by 10 percent; and
 5 (3) the amount requested for appropriation under this subsection does
 6 not exceed 50 percent of the balance remaining after the appropriation for annual
 7 management and operations is made under (a) of this section.

8 (c) The unexpended and unobligated balance of money appropriated from the
 9 [ALASKA MARINE HIGHWAY SYSTEM] fund lapses into the [ALASKA MARINE
 10 HIGHWAY SYSTEM] fund at the end of the fiscal year for which it was appropriated.

11 * Sec. 9. AS 19.65.100 is amended to read:

12 Sec. 19.65.100. DEFINITIONS. In AS 19.65.050 - 19.65.100,

13 (1) "authority" means the Alaska Marine Highway Authority
 14 ["ANNUAL OPERATING CYCLE" MEANS THE ANNUAL STATE FISCAL YEAR
 15 BEGINNING ON JULY 1 AND ENDING AT MIDNIGHT ON THE FOLLOWING
 16 JUNE 30];

17 (2) "fiscal year" has the meaning given in AS 37.07.120;

18 (3) "fund" means the Alaska Marine Highway Authority fund;

19 (4) "gross revenue" means all money, except money refunded to ticket
 20 holders and others for unused services, that is generated from the operation of the
 21 authority [ALASKA MARINE HIGHWAY SYSTEM], including that derived from
 22 vessel operations and uses of authority [ALASKA MARINE HIGHWAY SYSTEM]
 23 facilities.

24 * Sec. 10. AS 23.40.040 is amended to read:

25 Sec. 23.40.040. Collective bargaining agreement. The Alaska Marine
 26 Highway Authority [COMMISSIONER OF TRANSPORTATION AND PUBLIC
 27 FACILITIES] or an authorized representative, in accordance with AS 23.40.020 -
 28 23.40.030, may negotiate and enter into collective bargaining agreements concerning
 29 wages, hours, working conditions, and other employment benefits with the employees
 30 of the authority [DIVISION OF MARINE TRANSPORTATION] engaged in
 31 operating the state ferry system as masters or members of the crews of vessels or their

1 bargaining agent. [A COLLECTIVE BARGAINING AGREEMENT IS NOT FINAL
 2 WITHOUT THE CONCURRENCE OF THE COMMISSIONER OF
 3 TRANSPORTATION AND PUBLIC FACILITIES.] The authority
 4 [COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES] may make
 5 provision in the collective bargaining agreement for the settlement of labor disputes
 6 by arbitration.

7 * Sec. 11. AS 29.35.722 is amended to read:

8 Sec. 29.35.722. Ownership or operation of certain state facilities
 9 prohibited. The state may not, without the approval of the legislature,

10 (1) convey or transfer the assets of the Alaska Marine Highway
 11 Authority [MARINE HIGHWAY SYSTEM], the Anchorage or Fairbanks international
 12 airports, or any other state asset, except undeveloped state land as provided in
 13 AS 38.05.810 or surplus property, to an authority; or

14 (2) enter into an agreement with an authority under which the authority
 15 would operate the Alaska marine highway system, the Anchorage or Fairbanks
 16 international airports, or any other state facility, system, or function that employs one
 17 or more employees.

18 * Sec. 12. AS 35.10.015(c) is amended to read:

19 (c) In this section, "public facilities" includes vessels owned by the state and
 20 operated by the Alaska Marine Highway Authority [DIVISION OF MARINE
 21 TRANSPORTATION OF THE DEPARTMENT AS A PART OF THE ALASKA
 22 MARINE HIGHWAY SYSTEM]. All ferries owned or operated by the state shall be
 23 equipped with elevators or other passenger lifting equipment, ramps, or other facilities
 24 and devices to ensure that these vessels are accessible to and usable by physically
 25 handicapped, aged, or infirm passengers. In this subsection, "accessible to and usable
 26 by" means that a physically handicapped, aged, or infirm passenger can board,
 27 disembark, and move between decks and about the public areas aboard a state ferry
 28 with personal comfort and safety, and with safety to, other passengers and members
 29 of the crew.

30 * Sec. 13. AS 35.10.015(d) is amended to read:

31 (d) A [AFTER JUNE 25, 1976, A] ferry may not be constructed, lengthened,

1 completely renovated, or purchased for use or entered into service by the Alaska
 2 Marine Highway Authority [DIVISION OF MARINE TRANSPORTATION OF THE
 3 DEPARTMENT AS A PART OF THE ALASKA MARINE HIGHWAY SYSTEM]
 4 that does not include adequate facilities and devices to ensure that the vessel is
 5 accessible to and usable by physically handicapped, aged, or infirm passengers. Some
 6 staterooms and all restrooms, indoor passageways, outdoor weather decks, and other
 7 public areas aboard the vessel shall be so designed and constructed as to permit access
 8 and use by physically handicapped, aged, or infirm passengers, including [BUT NOT
 9 LIMITED TO] those persons occupying a wheelchair.

10 * Sec. 14. AS 35.27.020(c) is amended to read:

11 (c) At least one percent or, in the case of a rural school facility, at least one-
 12 half of one percent of the construction cost of a building or facility approved for
 13 construction by the legislature after September 1, 1977, will be reserved for the
 14 following purposes: the design, construction, mounting, and administration of works
 15 of art in a school, office building, court building, vessel of the Alaska Marine
 16 Highway Authority [MARINE HIGHWAY SYSTEM], or other building or facility
 17 that [WHICH] is subject to substantial public use.

18 * Sec. 15. AS 35.27 is amended by adding a new section to read:

19 **Sec. 35.27.025. Application to Alaska Marine Highway Authority.** This
 20 chapter applies to the Alaska Marine Highway Authority. Compliance with this
 21 chapter is the sole responsibility of the authority with respect to the vessels, public
 22 buildings, and facilities of the authority.

23 * Sec. 16. AS 35.27.030(1) is amended to read:

24 (1) "building" or "facility" means a permanent improvement constructed
 25 by the department or authority; the term

26 (A) includes, but is not limited to,

27 (i) schools, office buildings, and court buildings;

28 (ii) other buildings that [WHICH] the commissioner
 29 determines are designed for substantial public use;

30 (iii) boats and vessels of the authority [MARINE
 31 HIGHWAY SYSTEM];

1 (iv) transportation facilities that [WHICH] accommodate
2 traveling passengers;

3 (B) excludes other transportation facilities;

4 * Sec. 17. AS 35.27.030 is amended by adding a new paragraph to read:

5 (4) "authority" means the Alaska Marine Highway Authority.

6 * Sec. 18. AS 36.30.015(g) is amended to read:

7 (g) The Alaska Marine Highway Authority [DEPARTMENT OF
8 TRANSPORTATION AND PUBLIC FACILITIES] shall adopt regulations to manage
9 the procurement of supplies, services, professional services, and construction for the
10 repair, maintenance, and reconstruction of vessels, docking facilities, and passenger and
11 vehicle transfer facilities of the Alaska marine highway system. The regulations must
12 be based on principles of competitive procurement consistent with this chapter to
13 satisfy the special requirements of the Alaska marine highway system as determined
14 by the Alaska Marine Highway Authority [DEPARTMENT OF
15 TRANSPORTATION AND PUBLIC FACILITIES].

16 * Sec. 19. AS 36.30.850(b)(29) is amended to read:

17 (29) construction of new vessels by the Alaska Marine Highway
18 Authority [DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES]
19 for the Alaska marine highway system;

20 * Sec. 20. AS 36.30.990(1) is amended to read:

21 (1) "agency"

22 (A) means a department, institution, board, commission,
23 division, authority, public corporation, the Alaska Pioneers' Home, or other
24 administrative unit of the executive branch of state government;

25 (B) does not include

- 26 (i) the University of Alaska;
- 27 (ii) the Alaska Railroad Corporation;
- 28 (iii) the Alaska Housing Finance Corporation;
- 29 (iv) a regional Native housing authority created under
- 30 AS 18.55.996 or a regional electrical authority created under
- 31 AS 18.57.020;

1 (v) the Alaska Marine Highway Authority
 2 [DEPARTMENT OF TRANSPORTATION AND PUBLIC
 3 FACILITIES], in regard to the repair, maintenance, and reconstruction
 4 of vessels, docking facilities, and passenger and vehicle transfer
 5 facilities of the Alaska marine highway system;

6 (vi) the Alaska Aerospace Development Corporation;

7 (vii) the Alaska State Pension Investment Board;

8 (viii) the Alaska Seafood Marketing Institute;

9 * **Sec. 21.** AS 36.90.050(a) is amended to read:

10 (a) Marine vessels owned by the state shall be maintained and repaired at a
 11 shipyard facility located in the state unless the commissioner of the department that
 12 operates the marine vessel determines in writing that there is no shipyard facility
 13 located in the state that is equipped or qualified to perform the particular maintenance
 14 or repair required, or, after taking into consideration the Alaska bidder preference set
 15 out in AS 36.30.170 and the interport differential, as determined by the Alaska Marine
 16 Highway Authority under this section [MARINE HIGHWAY SYSTEM], that the
 17 proposed cost of the maintenance or repair work is unreasonable. In making the
 18 determination, the commissioner shall consider, and document in writing, the
 19 direct and indirect benefits to the economy and labor force in the state that would
 20 be derived by performing the vessel maintenance and repair at a facility in the
 21 state. A detailed list of the costs and factors considered in calculating the
 22 interport differential must be provided to each person who expresses an interest
 23 in submitting a bid to perform maintenance or repair work on a marine vessel
 24 owned by the state. [IN THIS SUBSECTION, "COMMISSIONER OF THE
 25 DEPARTMENT THAT OPERATES THE MARINE VESSEL" INCLUDES THE
 26 PRESIDENT OF THE UNIVERSITY OF ALASKA WITH REGARD TO A VESSEL
 27 OPERATED BY THE UNIVERSITY.]

28 * **Sec. 22.** AS 36.90.050 is amended by adding new subsections to read:

29 (c) The commissioner of a department that operates a marine vessel shall adopt
 30 regulations establishing the criteria that the department shall use to determine whether
 31 the cost of maintenance or repair work at a shipyard facility located in the state is

1 reasonable under (a) of this section. The commissioner shall designate by regulation
 2 the designated base port for each vessel operated by the department. A vessel's
 3 designated base port is the vessel's delivery and redelivery port. The Alaska Marine
 4 Highway Authority shall adopt regulations establishing the criteria that the authority
 5 shall use in calculating the interport differential under this section. The criteria for
 6 calculating the interport differential must include costs incurred from the time that the
 7 vessel leaves the vessel's designated base port to enter the shipyard facility until the
 8 time that the vessel returns to the designated base port from the shipyard facility.

9 (d) In this section,

10 (1) "commissioner of the department that operates the marine vessel"
 11 includes the president of the University of Alaska with regard to a vessel operated by
 12 the university and the chief executive officer of the Alaska Marine Highway Authority
 13 with regard to a vessel operated by the Alaska Marine Highway Authority;

14 (2) "interport differential" includes all costs related to the performance
 15 of the maintenance or repair work of a marine vessel at a shipyard located outside of
 16 the state, including travel costs incurred moving the vessel from its designated base
 17 port to the shipyard outside of the state; additional fuel consumption; cost of
 18 consumables including lubricants and other engine and deck stores; maintenance costs
 19 incurred during running time; cost of crew transfers including airfare between Alaska
 20 and the shipyard; wages in travel status; crew room and board; and other interport
 21 costs identified by the Alaska Marine Highway Authority.

22 * Sec. 23. AS 37.05.550 is amended to read:

23 **Sec. 37.05.550. Alaska Marine Highway Authority [MARINE HIGHWAY**
 24 **SYSTEM] vessel replacement fund.** (a) There is in the general fund the Alaska
 25 **Marine Highway Authority [MARINE HIGHWAY SYSTEM] vessel replacement**
 26 **fund.** The fund consists of money appropriated to it by the legislature. Money
 27 appropriated to the fund does not lapse. The Department of Revenue shall manage the
 28 fund. Interest received on money in the fund shall be accounted for separately and may
 29 be appropriated into the fund annually. The legislature may appropriate money from
 30 the fund for refurbishment of existing state ferry vessels, acquisition of additional state
 31 ferry vessels, or replacement of retired or outmoded state ferry vessels.

(b) The legislature may appropriate to the fund money received by the state as Alaska Marine Highway Authority [MARINE HIGHWAY SYSTEM] program receipts or from a settlement or final judicial determination of the Dinkum Sands case (United States v. Alaska) [AND THE NORTH SLOPE ROYALTY CASE (STATE V. AMERADA HESS, ET AL.)] and not deposited into the Alaska permanent fund under AS 37.13.010(a)(1) or (2) or into the public school trust fund under AS 37.14.150.

(c) The Department of Revenue shall prepare a written report, no later than the 10th legislative day of each regular legislative session, regarding the earnings of the Alaska Marine Highway Authority [MARINE HIGHWAY SYSTEM] vessel replacement fund during the prior fiscal year and projected earnings of the Alaska Marine Highway Authority [MARINE HIGHWAY SYSTEM] vessel replacement fund for the current fiscal year and the next fiscal year. The Department of Revenue shall notify the legislature that the report is available.

* Sec. 24. AS 39.20.310(8) is amended to read:

(8) persons employed by the Alaska Marine Highway Authority [DIVISION OF MARINE TRANSPORTATION] as masters and members of the crews operating the state ferry system who are covered by collective bargaining agreements as provided in AS 23.40.040, ~~except~~ as expressly provided by law;

* Sec. 25. AS 39.25.110(11) is amended to read:

(11) the officers and employees of the following boards, commissions, and authorities:

(A) [REPEALED]

(B)] Alaska Permanent Fund Corporation;

~~(B)~~ [(C)] Alaska Industrial Development and Export Authority;

~~(C)~~ [(D)] Alaska Commercial Fisheries Entry Commission;

~~(D)~~ [(E)] Alaska Commission on Postsecondary Education;

~~(E)~~ [(F)] Alaska Aerospace Development Corporation;

(F) Alaska Marine Highway Authority;

* Sec. 26. AS 39.30.150(b) is amended to read:

(b) Employees of the Alaska Marine Highway Authority [DIVISION OF MARINE TRANSPORTATION] included in the public employees' retirement system

1 through the process of collective bargaining under AS 39.35.680(21)(D) may, under
 2 the terms of a collective bargaining agreement, utilize contributions made under (a) of
 3 this section on their behalf to offset the costs of inclusion in the public employees'
 4 retirement system; however,

5 (1) the state is placed under no obligation to continue making
 6 contributions under this section if the state resumes participation in the federal social
 7 security system;

8 (2) the bargaining agreement must provide a mechanism for satisfying
 9 any residual liabilities that might exist if the state resumes participation in the federal
 10 social security system; and

11 (3) funds contributed under (a) of this section on behalf of employees
 12 who are not covered by maritime union contracts may not be obligated or expended
 13 to pay any costs associated with the inclusion of marine transportation employees in
 14 the public employees' retirement system.

15 * Sec. 27. AS 39.35.680(21) is amended to read:

16 (21) "member" or "employee"

17 (A) means a person eligible to participate in the system and
 18 who is covered by the system;

19 (B) includes

20 (i) active member;

21 (ii) inactive member;

22 (iii) vested member;

23 (iv) deferred vested member;

24 (v) non-vested member;

25 (vi) disabled member;

26 (vii) retired member;

27 (viii) an elected public officer under AS 39.35.381;

28 (C) does not include

29 (i) former members;

30 (ii) persons compensated on a contractual or fee basis;

31 (iii) casual or emergency workers or nonpermanent

employees as defined in AS 39.25.200;

(iv) persons covered by the Alaska Teachers' Retirement System except as provided under AS 39.35.131 and 39.35.381, or persons covered by the optional university retirement program;

(v) employees of the Alaska Marine Highway Authority [DIVISION OF MARINE TRANSPORTATION] engaged in operating the state ferry system who are covered by a union or group retirement system to which the state makes contributions;

(vi) justices of the supreme court or judges of the court of appeals or of the superior or district courts of Alaska;

(vii) the administrative director of courts appointed under art. IV, sec. 16 of the state constitution unless the director becomes a member under AS 39.35.158; and

(viii) members of the elected public officers' retirement system (former AS 39.37);

(D) may include employees of the Alaska Marine Highway Authority [DIVISION OF MARINE TRANSPORTATION] excluded under (C)(v) of this paragraph provided that

(i) the State of Alaska formally agrees to their inclusion through the process of collective bargaining; and

(ii) no collective bargaining agreement has the effect of obligating contributions made by the state under AS 39.30.150 in the event the state resumes participation in the federal social security system;

* Sec. 28. AS 39.50.200(b) is amended by adding a new paragraph to read:

(56) Alaska Marine Highway Authority (AS 19.55.010).

* Sec. 29. AS 44.42.020(a)(1) is amended to read:

(1) plan, design, construct, and maintain all state modes of transportation and transportation facilities and all docks, floats, breakwaters, buildings, and similar facilities, except that the department is not responsible for planning, design, construction, or maintenance of transportation modes or facilities under

1 **the jurisdiction of the Alaska Marine Highway Authority;**

2 * **Sec. 30.** AS 44.42.020(a)(7) is amended to read:

3 (7) manage, operate, and maintain state transportation facilities and all
4 docks, floats, breakwaters, and buildings, including all state highways, vessels,
5 railroads, pipelines, airports, and aviation facilities, **except that the department is not**
6 **responsible for management, operation, or maintenance of transportation**
7 **facilities, vessels, or equipment under this jurisdiction of the Alaska Marine**
8 **Highway Authority;**

9 * **Sec. 31.** TRANSFER OF APPROPRIATIONS, EMPLOYEES, AND ASSETS TO
10 ALASKA MARINE HIGHWAY AUTHORITY. (a) Employees of the Department of
11 Transportation and Public Facilities assigned to the management, operation, and maintenance
12 of the Alaska marine highway system on the effective date of this section are transferred to
13 the Alaska Marine Highway Authority as state employees of the authority. The commissioner
14 of transportation and public facilities shall determine which employees are transferred to the
15 authority. An employee who is transferred to the authority under this subsection shall
16 continue to participate without interruption in the supplemental employee benefits program
17 under AS 39.30.150 - 39.30.180 and in the public employees' retirement system under
18 AS 39.35 if the employee was a participant in these programs on the day before the employee
19 was transferred to the authority.

20 (b) Nothing in this Act terminates or modifies recognition of an exclusive bargaining
21 representative or a collective bargaining agreement that is in effect on the effective date of this
22 Act. The Alaska Marine Highway Authority shall abide by the collective bargaining
23 agreements that are in effect for employees transferred to the authority on the date of transfer.
24 A collective bargaining agreement covering employees transferred under this Act shall remain
25 in effect for the term of the agreement unless the agreement is renegotiated by the parties.

26 (c) The unexpended and unobligated balances of operating and capital appropriations
27 for the Department of Transportation and Public Facilities, Alaska marine highway system,
28 shall be transferred to the Alaska Marine Highway Authority.

29 (d) The personal property assets and real property assets, including ferries, equipment,
30 buildings, and associated facilities, of the Department of Transportation and Public Facilities,
31 Alaska marine highway system, shall be transferred to the Alaska Marine Highway Authority.

- 1 * **Sec. 32. INITIAL APPOINTMENT OF DIRECTORS OF THE ALASKA MARINE**
2 **HIGHWAY AUTHORITY.** (a) Notwithstanding AS 19.55.020(b), added by sec. 2 of this
3 Act, and AS 39.05.055, the initially appointed directors of the board of directors of the Alaska
4 Marine Highway Authority shall be appointed by the governor to terms as follows: one
5 director serves for one year, one director serves for two years, one director serves for three
6 years, one director serves for four years, and two directors serve for five years.
- 7 (b) The governor shall appoint the initial members of the board of directors of the
8 Alaska Marine Highway Authority, as provided for under AS 19.55.020(a), added by sec. 2
9 of this Act, before December 1, 1997.
- 10 * **Sec. 33.** AS 19.65.011, 19.65.020, 19.65.030; and AS 39.25.110(16) are repealed.
- 11 * **Sec. 34.** Section 5, ch. 94, SLA 1992, is repealed.
- 12 * **Sec. 35.** Sections 1, 21, 22, 32, and 34 of this Act take effect immediately under
13 AS 01.10.070(c).
- 14 * **Sec. 36.** Except as provided in sec. 35 of this Act, this Act takes effect January 1, 1998.

3

During Session:
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Alaska State Legislature
REPRESENTATIVE REGGIE JOULE
SPONSOR STATEMENT

HB 190

**"AN ACT RELATING TO PARTICIPATING SHARE FOR SCHOOL
CONSTRUCTION GRANTS; AND PROVIDING FOR AN EFFECTIVE
DATE"**

HB 190 deals with the participating share that school districts are required to contribute as "local match" for school construction projects.

SB 135 substitutes a three part means test for the existing waiver criteria. Under the provisions of HB 190, a school district must meet all three criteria established in the bill to have their participating share waived. The three criteria are:

- (1) An assessed valuation per average daily membership of \$200,000 or less;
- (2) An unemployment rate in the district of 10% or more; and
- (3) An average per capita income for residents in the district that is 85% or less of the statewide average per capita income.

Although each of these measurements has its own specific shortcomings, the combination of criteria provides the Commissioner of Education a good idea of local economic circumstances. School construction projects are badly needed throughout the state. Passage of HB 190 would allow school construction to proceed in an equitable and expeditious manner.

HOUSE BILL NO. 190**IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTIETH LEGISLATURE - FIRST SESSION****BY REPRESENTATIVE JOULE****Introduced: 3/12/97****Referred: Health, Education and Social Services, State Affairs, Finance****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to the participating share for school construction grants; and
2 providing for an effective date."

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

4 * Section 1. AS 14.11.008(d) is repealed and reenacted to read:

5 (d) The commissioner shall waive the district's participating share required
6 under this section if, in the calendar year in which the grant was received,

7 (1) the district has a full value per ADM of \$200,000 or less;

8 (2) the district has an unemployment rate of 10 percent or more; and

9 (3) the average per capita income of residents in the district is 85
10 percent or less of the state average per capita income.

11 * Sec. 2. This Act takes effect July 1, 1997.

4

HOUSE BILL NO. 216**IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTIETH LEGISLATURE - FIRST SESSION****BY REPRESENTATIVES KOTT, Green****Introduced: 3/26/97****Referred: Health, Education and Social Services, Finance****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to the Education Facilities Financing Authority; and providing
2 for an effective date."

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

4 *** Section 1. FINDINGS.** The legislature finds that

5 (1) there is an urgent need for improvement to existing primary and secondary
6 school and university facilities and for new primary and secondary school and university
7 facilities throughout the state;

8 (2) the establishment of the Education Facilities Financing Authority as
9 provided in this Act will provide an effective means of financing school and university
10 facilities.

11 *** Sec. 2.** AS 44.27 is amended by adding new sections to read:

12 **Article 3. Education Facilities Financing Authority.**

13 **Sec. 44 27.100. Education Facilities Financing Authority.** The Education
14 Facilities Financing Authority is created as a public corporation of the state in the

1 Department of Education. The authority is an instrumentality of the state but has a
2 legal existence independent of and separate from the state and has continuing
3 succession until its existence is terminated by law. The authority is subject to
4 AS 37.07 (Executive Budget Act).

5 **Sec. 44.27.110. Board of directors.** The authority is governed by a board of
6 three directors, consisting of the commissioner of revenue, the commissioner of
7 education, and the commissioner of transportation and public facilities. The directors
8 are subject to AS 39.50 (conflict of interest). Before entering upon the duties of
9 office, a director shall take and subscribe to an oath to perform the duties faithfully,
10 impartially, and justly to the best of the director's ability. A record of the oath shall
11 be filed in the Office of the Governor.

12 **Sec. 44.27.120. Officers, quorum, and meetings.** (a) The board of directors
13 shall elect one of their number as chair. The board shall elect a secretary and a
14 treasurer who need not be directors, and the same person may be elected to serve both
15 as secretary and treasurer. The powers of the authority are vested in the board of
16 directors, and two directors of the authority constitute a quorum. Action may be taken
17 and motions and resolutions adopted by the authority at any meeting by the affirmative
18 vote of at least two directors. A vacancy in the directorship of the authority does not
19 impair the right of a quorum to exercise all of the powers and perform all of the duties
20 of the authority.

21 (b) The directors and officers of the authority may meet and transact business
22 by an electronic medium if (1) public notice of the time and locations where the
23 meeting will be held by an electronic medium has been given in the same manner as
24 if the meeting were held in a single location; (2) participants and members of the
25 public in attendance can hear and have the same right to participate in the meeting as
26 if the meeting were conducted in person; and (3) copies of pertinent reference
27 materials, statutes, regulations, and audio-visual materials are reasonably available to
28 participants and to the public. A meeting by an electronic medium as provided in this
29 subsection has the same legal effect as a meeting in person.

30 (c) The authority may appoint persons as employees it considers advisable and
31 may employ professional advisors, counsel, technical experts, agents, and others as

1 appropriate. The employees of the authority are in the exempt service under
2 AS 39.25.110.

3 **Sec. 44.27.130. Powers of the authority.** The authority may

- 4 (1) sue and be sued;
- 5 (2) adopt and alter an official seal;
- 6 (3) make and enforce bylaws and regulations for the conduct of its
7 business and for the use of its services and facilities;
- 8 (4) maintain an office at any place in the state;
- 9 (5) acquire, hold, use, and dispose of its income, revenue, funds, and
10 money;
- 11 (6) acquire, rent, lease, hold, use, and dispose of other personal
12 property for its purposes;
- 13 (7) subject to AS 44.27.160, issue revenue bonds or notes and provide
14 for and secure payment of the revenue bonds or notes, provide for the rights of their
15 holders, and purchase, hold, and dispose of any of its revenue bonds or notes;
- 16 (8) fix and revise from time to time and charge and collect fees and
17 charges for the use of its services or facilities;
- 18 (9) accept gifts or grants from the United States, or from any
19 governmental unit or person, carry out the terms or provisions or make agreements
20 with respect to the gifts or grants, and do all things necessary, useful, desirable, or
21 convenient in connection with procuring, accepting, or disposing of the gifts or grants;
- 22 (10) do anything authorized by AS 44.27.100 - 44.27.250, through its
23 officers, agents, or employees, or by contracts with a person;
- 24 (11) make, enter into, and enforce all contracts necessary, convenient,
25 or desirable for the purposes of the authority or pertaining to a purchase or sale of
26 bonds or other investments, or the performance of its duties and execution of any of
27 its powers under AS 44.27.100 - 44.27.250;
- 28 (12) purchase or hold bonds at prices and in a manner the authority
29 considers advisable;
- 30 (13) adopt and amend regulations by motion, by resolution, or in
31 another manner permitted under the bylaws of the authority;

(14) procure insurance against any losses in connection with its property, operations, or assets in amounts and from insurers it considers desirable;

(15) to the extent permitted under its contracts with the holders of bonds or notes of the authority, consent to modification of the rate of interest, time and payment of installment of principal or interest, security, or any other term of a bond or note, contract, or agreement of any kind to which the authority is a party; and

(16) do all acts and things necessary, convenient, or desirable to carry out the powers expressly granted or necessarily implied in AS 44.27.100 - 44.27.250.

Sec. 44.27.140. Issuance of bonds and pledges of assets. (a) Subject to AS 44.27.160, the authority may issue its bonds or notes in principal amounts sufficient to provide funds for the construction of schools or school facilities that are projects approved under AS 14.11.015(a) and authorized by the legislature.

(b) Subject to AS 44.27.170, the authority may enter into agreements providing for financial covenants or pledging amounts to secure bonds of municipalities or the University of Alaska and pay amounts for the following:

(1) the reimbursement up to 70 percent of net payments as determined by the authority made by a municipality that is a school district for the retirement of principal and interest on bonds issued to pay the cost of constructing school facilities that are projects approved under AS 14.11.015(a);

(2) the reimbursement up to 100 percent of the net payments as determined by University of Alaska for the retirement of principal and interest on bonds issued to pay the cost of constructing university facilities.

(c) Bonds or notes may be issued or agreements made for a facility under (a) and (b) of this section only when

(1) the legislature has authorized the facility and its construction cost;

(2) for agreements made under (b) of this section, the legislature has authorized the percentage of reimbursement that the authority shall agree to reimburse with respect to the facility; and

(3) the commissioner of education has certified that

(A) the facility is designed in accordance with the energy performance standards adopted under AS 44.42.020(a); or

1 (B) the designer and constructor of the facility have certified
2 that the facility will be designed and constructed in accordance with the energy
3 performance standards and regulations adopted under AS 44.42.020(a).

4 (d) The authority may issue its bonds or notes in principal amounts that it
5 considers necessary to provide funds for

6 (1) payment, funding, or refunding of the principal of, or interest or
7 redemption premiums on, bonds or notes issued by it, whether the bonds or notes or
8 interest to be funded or refunded have or have not become due;

9 (2) the establishment or increase of reserves to secure or to pay bonds
10 or notes or interest on bonds or notes and all other costs or expenses of the authority
11 incident to and necessary or convenient to carry out its corporation purposes and
12 powers.

13 (e) The authority and a municipality or the authority and the University of
14 Alaska may enter into agreements as provided by law providing for financial covenants
15 or pledging amounts for the benefit of bondholders of a municipality or the University
16 of Alaska to secure the reimbursement of the net payments to be made by the
17 municipality or the University of Alaska.

18 (f) Except as otherwise provided in AS 44.27.100 - 44.27.250 or by the
19 authority, every issue of bonds or notes shall be payable out of the revenue or funds
20 of the authority, subject only to agreements with the holders of particular bonds or
21 notes pledging particular revenue or funds.

22 (g) Bonds shall be authorized by resolution of the authority and shall be dated
23 and mature as the resolution may provide, except that a bond may not mature more
24 than 15 years from the date of its issue. Bonds shall bear interest at rates, be in the
25 denominations, be in the form, either coupon or registered, carry the registration
26 privileges, be executed in the manner, be payable in the medium of payment, at the
27 place or places, and be subject to the terms of redemption that the resolution or a
28 subsequent resolution may provide. Bonds or notes may be sold at a public or private
29 sale.

30 (h) The authority may disburse funds necessary to comply with the
31 construction and reimbursement provisions of (a) and (b) of this section. The authority

1 shall administer the reimbursement payments authorized under (b) of this section and
 2 shall provide by regulation for the filing of applications for reimbursement, the form
 3 of proof of costs for which application for reimbursement is made, and other
 4 regulations necessary to administer this section. An agreement not to modify an
 5 appropriation for construction or reimbursement after bonds or notes have been issued
 6 for the purpose is valid. The authority shall exclude from the total school construction
 7 cost of the local district all state and federal funds included in these costs except funds
 8 provided under this section and AS 43.50.140. In approving applications for
 9 reimbursement under (b)(1) of this section, the authority shall offset against the amount
 10 of reimbursement authorized the amount of any funds distributed to the municipality
 11 in the second preceding fiscal year from the school fund provided for in AS 43.50.140.

12 **Sec. 44.27.150. Trust indentures and trust agreements.** (a) In the discretion
 13 of the authority, an issue of bonds may be secured by a trust indenture or trust
 14 agreement between the authority and a corporate trustee, including a trust company,
 15 bank, or national banking association, with corporate trust powers, located inside or
 16 outside the state, or by a secured loan agreement or other instrument or under a
 17 resolution giving powers to a corporate trustee by means of which the authority may
 18 (1) make and enter into any and all the covenants and agreements with
 19 the trustee or the holders of the bonds that the authority may determine to be necessary
 20 or desirable, including, without limitation, covenants, provisions, limitations, and
 21 agreements as to

22 (A) the application, investment, deposit, use, and disposition of
 23 the proceeds of bonds of the authority or of money or other property of the
 24 authority in which it has an interest;

25 (B) the terms and conditions upon which additional bonds of the
 26 authority may be issued; and

27 (C) the vesting in a trustee of rights, powers, duties, funds, or
 28 property in trust for the benefit of bondholders, including the right to enforce
 29 payment, performance, and all other rights of the authority or of the
 30 bondholders, under any agreement of the authority;

31 (2) pledge, mortgage, or assign money, agreements, property, or other

1 rights or assets of the authority either presently in hand or to be received in the future,
2 or both; and

3 (3) provide for other matters of like or different character that in any
4 way affect the security or protection of the bonds.

5 (b) For the purpose of securing one or more issues of its bonds, the authority
6 may establish one or more special funds, called "capital reserve funds," and shall pay
7 into the capital reserve funds the proceeds of the sale of its bonds and other money
8 that may be made available to the authority for the purposes of those funds from
9 another source. The funds shall be established only if the authority determines that the
10 establishment would enhance the marketability of the bonds. Money held in a capital
11 reserve fund, except as provided in this section, shall be used as required solely for (1)
12 the payment of the principal of, and interest on, bonds or of the sinking fund payments
13 with respect to those bonds, (2) the purchase or redemption of bonds, or (3) the
14 payment of a redemption premium required to be paid when those bonds are redeemed
15 before maturity; however, money in a fund may not be withdrawn from it at any time
16 in an amount that would reduce the amount of that fund to less than the capital reserve
17 requirement set out in (2) of this subsection, except for the purpose of making, with
18 respect to those bonds, payment, when due, of principal, interest, redemption
19 premiums, and the sinking fund payments for the payment of which other money of
20 the authority is not available. Income or interest earned by, or increment to, a capital
21 reserve fund, due to the investment of the fund or any other amounts in it, may be
22 transferred by the authority to other funds or accounts of the authority to the extent
23 that the transfer does not reduce the amount of the capital reserve fund below the
24 capital reserve fund requirement under (c) of this section.

25 (c) If the authority decides to issue bonds secured by a capital reserve fund,
26 the bonds may not be issued if the amount in the capital reserve fund is less than an
27 amount that may be established by resolution of the authority, called the "capital
28 reserve fund requirement," unless the authority, at the time of issuance of the
29 obligations, deposits in the capital reserve fund from the proceeds of the obligations
30 to be issued or from other sources, an amount which, together with the amount then
31 in the fund, is not less than the capital reserve fund requirement.

(d) In computing the amount of a capital reserve fund for the purpose of this section, securities in which all or a portion of the funds are invested shall be valued by a reasonable method established by the authority by resolution. Valuation on a particular date shall include the amount of any interest earned or accrued to that date.

(e) The chair of the authority shall annually, not later than January 2, make and deliver to the governor and the legislature a certificate stating the amount, if any, required to restore a capital reserve fund to the capital reserve fund requirement. The legislature may appropriate the amount described in this subsection, and all money appropriated during the then current fiscal year by the legislature for the restoration shall be deposited by the authority in the proper capital reserve fund. Nothing in this section creates a debt or liability of the state.

(f) If the authority decides to covenant to issue bonds secured by a capital reserve fund, the bonds may not be issued until 10 days after the authority has mailed notification to the state bond committee and the Legislative Budget and Audit Committee by certified mail of its intention to establish a capital reserve fund to secure the bond issue. The notification must include the amount of the capital reserve fund to be established and the amount of bonds proposed to be issued. The notification must be accompanied by an estimate by the authority of the need to withdraw money from the capital reserve fund during the term of the bond issue, the amount that it may be necessary to withdraw, and the time at which withdrawals are estimated to be needed. The authority shall annually prepare a revised estimate, considering the same factors, and a statement of all withdrawals that have occurred from the date of issuance of the bonds to the end of the calendar year. The revised estimate and statement shall be submitted to the state bond committee and the Legislative Budget and Audit Committee by January 30 of the year following preparation of the revised estimate.

Sec. 44.27.160. Bonding limitations. The authority may not issue bonds or make agreements under AS 44.27.140 unless the money in the education facilities fund (AS 44.27.200) equals or exceeds \$1,200,000,000.

Sec. 44.27.170. Bond reimbursement limitation. The authority may not enter into an agreement to reimburse a municipality or the University of Alaska for payments made to retire principal and interest on bonds issued to construct education

1 facilities or University of Alaska facilities unless the money in the education facilities
2 fund (AS 44.27.200) equals or exceeds \$1,200,000,000 and the bonds issued by the
3 municipality or the University of Alaska comply with AS 44.27.140(g), except that the
4 bonds need not be authorized by the authority.

5 **Sec. 44.27.180. Nonliability on bonds.** (a) Neither the members of the
6 authority nor a person executing the bonds is personally liable on the bonds or is
7 subject to personal liability or accountability as a result of the issuance of the bonds.

8 (b) Bonds issued by the authority do not constitute an indebtedness or other
9 liability of the state or of a political subdivision of the state, except the authority.
10 Bonds shall be payable solely from the income and receipts or other funds or property
11 of the authority. The authority may not pledge the faith or credit of the state or of a
12 political subdivision of the state, except the authority, to the payment of a bond.

13 **Sec. 44.27.190. Pledge of the state.** (a) The state pledges to and agrees with
14 the holders of bonds issued under AS 44.27.100 - 44.27.250 that the state will not limit
15 or alter the rights and powers vested in the authority by AS 44.27.100 - 44.27.250 to
16 fulfill the terms of a contract made by the authority with the holders and that the state
17 will not in any way impair the rights and remedies of the holders until the bonds,
18 together with the interest on them with interest on unpaid installments of interest, and
19 all costs and expenses in connection with an action or proceeding by or on behalf of
20 the holders are fully met and discharged. The authority is authorized to use this
21 pledge and agreement of the state in agreements involving holders of bonds of the
22 authority.

23 (b) The pledge of the state is limited to the express provisions of (a) of this
24 section and is not a guarantee, surety, promise, undertaking, or assurance of repayment
25 or performance of any obligation of the authority.

26 **Sec. 44.27.200. Education facilities fund.** (a) The education facilities fund
27 is established in the authority. The fund consists of appropriations made to the fund
28 by the legislature, and, subject to appropriation, the income of the fund. The authority
29 may enter into agreements for financial covenants or pledge amounts in the fund that
30 exceed \$1,200,000,000 to secure the payment of bonds of the authority and may make
31 expenditures from the fund for the purposes of the agreements.

(b) The fund and any other funds of the authority shall be invested by the Alaska Permanent Fund Corporation as agent of the authority in the manner provided for assets of the permanent fund under AS 37.13.120 unless otherwise provided in a trust agreement securing bonds.

Sec. 44.27.210. Annual audit. The authority shall have its financial records audited annually by a certified public accountant. The legislative auditor may prescribe the form and content of the financial records of the authority and may have access to the records at any time.

Sec. 44.27.220. Annual report. Before March 1 of each year, the authority shall submit to the governor and the legislature a comprehensive report describing operations, income, and expenditures for the preceding 12-month period.

Sec. 44.27.250. Definitions. In AS 44.27.100 - 44.27.250, unless the context requires otherwise,

(1) "authority" means the Education Facilities Financing Authority established under AS 44.27.100;

(2) "bonds" means revenue bonds, notes, or other obligations of the authority issued under AS 44.27.100 - 44.27.250;

(3) "fund" means the education facilities fund established under AS 44.27.200.

* **Sec. 3.** AS 36.30.850(b) is amended by adding a new paragraph to read:

(38) contracts of the Education Facilities Financing Authority (AS 44.27.100).

* **Sec. 4.** AS 39.25.110 is amended by adding a new paragraph to read:

(33) the employees of the Education Facilities Financing Authority.

* **Sec. 5.** AS 39.50.200(b) is amended by adding a new paragraph to read:

(56) Education Facilities Financing Authority (AS 44.27.100).

* **Sec. 6. AUTHORIZATION OF FACILITIES.** (a) The Education Facilities Financing Authority established under AS 44.27.100, enacted in sec. 2 of this Act, is authorized under AS 44.27.140(a) to issue its bonds for construction of the following facilities at the following costs:

(1) Small Municipality or Rural

1	District Name	Project/Location	Amount
2	Kashunamiut	Chevak School replacement	\$ 25,506,000
3	Lower Yukon	Pilot Station K-12 expansion	18,036,000
4	Lower Yukon	Kotlik K-12 expansion	18,692,000
5	Chatham	Hobart Bay recovery of funds	59,000
6	Northwest Arctic	Buckland School remediation	14,304,000
7	Southwest Region	Togiak School replacement	27,687,000
8	Lower Kuskokwim	Newtok	4,941,000
9	Yukon Flats	Arctic Village K-12	2,762,000
10		remodel and expansion	
11	Iditarod	Takotna training center	1,123,000
12	Lower Yukon	Sheldon Point K-12 expansion	11,102,000
13	Bering Strait	Golovin	12,245,000
14	Denali	Tri-Valley addition and remodel	12,874,000
15	Bering Strait	Elim	12,198,000
16	Yupit	Akiachak replacement/renovation	14,274,000
17	Bering Strait	Teller	12,146,000
18	Craig	New secondary	17,937,000
19	Kuspuk	Upper Kalskag	3,521,000
20	North Slope	Bulk fuel systems upgrade	6,012,000
21	Bering Straits	Diomedede structural remediation	346,000
22	Northwest Arctic	Kiana High School renovation	2,252,000
23	Southwest Region	Koliganek basement repair	1,368,000
24	Sitka	High school renovation	10,261,000
25	Delta/Greely	Delta roof repair and fire alarm	1,074,000
26		replacement	
27	Sitka	Baranof renovation	5,926,000
28	Hoonah	Roof, foundation, and fuel	1,294,000
29		tank replacement	
30	Lake & Peninsula	Pedro Bay renovation	1,008,000
31	Lake & Peninsula	District wide fuel system upgrade	1,250,000

1	Chatham	Tenakee retaining wall replacement	239,000
2	Northwest Arctic	Noorvik High School renovation	2,664,000
3	Cordova	School renovations	136,000
4	Chugach	Whittier drainage	145,000
5	Lake & Peninsula	District wide sprinkler systems	1,515,000
6	Annette Island	Major maintenance renovation	3,556,000
7	Pelican	Major maintenance	781,000
8	Lower Kuskokwim	Mikelnguut Elitnaurviat roof repair	1,384,000
9	Lower Kuskokwim	Bulk fuel tank repairs at 9 sites	3,160,000
10	Klawock	Major maintenance	2,034,000
11	Wrangell	Exterior windows	166,000
12	Alaska Gateway	Northway wastewater treatment	144,000
13	Haines	High school roof replacement	404,000
14	Galena	Roofing and sprinkler renovation	1,277,000
15	Lower Yukon	Hooper Bay major maintenance	1,607,000
16	Northwest Arctic	Ambler High School renovation	2,009,000
17	Annette Island	Asbestos abatement	118,000
18	Wrangell	Civil site work	89,000
19	Kake	District wide maintenance	3,001,000
20	Lower Kuskokwim	Nelson Island, Tooksook Bay roof repairs	998,000
21	Tanana	Electrical retrofit	278,000
22	Wrangell	Parking development	264,000
23	Iditarod	Lime Village oil spill remediation	396,000
24	Iditarod	Grayling bulk fuel storage	163,000
25	Northwest Arctic	Noatak major maintenance	254,000
26	Bristol Bay	Sprinkler system	2,551,000
27	Lower Kuskokwim	District wide water treatment: 8 sites	8,167,000
28	Southwest Region	Weather protection - 4 buildings	772,000
29	Alaska Gateway	Northway bulk fuel storage	178,000
30	Northwest Arctic	Shungnak major maintenance	380,000
31	Alaska Gateway	Mentasta bulk storage	562,000

001,001	Alaska Gateway	Northway soil remediation	3,798,000
002,081	Hydaburg	Heating system renovation	184,000
003,005	Nenana	Handicap access improvements	139,000
004,081	Nenana	Interior lighting	65,000
005,011	Hydaburg	Major maintenance	857,000
006,008	Chatham	Angoon High School major maintenance	302,000
7 (2)	Large Municipality		
008,005,0	School District	Project	Amount
009,008,1	Anchorage	Romig roof replacement	\$ 1,785,000
010,002,7	Anchorage	Birchwood roof replacement	960,000
11	Anchorage	Taku elementary addition and replacement	6,200,000
012,002,0			
013,000,0	Anchorage	Muldoon new elementary school	12,704,000
014,000,0	Anchorage	Chugiak High School addition	9,500,000
015,000,0	Anchorage	Central Junior High renovation	8,000,000
016,000,0	Anchorage	Site acquisition: Muldoon middle and Chugiak elementary schools	2,850,000
17			
018,000,0	Anchorage	Nunaka Valley renewal, programmatic, and code upgrades	5,400,000
019,000,0			
020,000,0	Anchorage	Ocean View renewal, programmatic, and code upgrades	444,000
021,000,0			
022,000,0	Fairbanks	Barnette School renovation	5,718,000
23	Fairbanks	Denali School renovation	8,807,000
024,002,1	Fairbanks	Hunter School renovation	3,195,000
025,002,1	Fairbanks	Nordale School renovation	9,299,000
026,000,1	Fairbanks	Physical plant renovation and addition	5,819,000
027,002	Fairbanks	Food service facility	4,828,000
028,001,1	Juneau	Marie Drake roof replacement	1,189,000
29	Juneau	Mendenhall River School roof replacement	2,231,000
030,000,1			
031,000,1	Juneau	Auke Bay School roof replacement	848,000

1	Juneau	High school mechanical renovation	107,000
2	Juneau	Floyd Dryden School floor replacement	184,000
3	Juneau	High school overpass	202,000
4	Juneau	Gastineau School heating repairs	183,000
5	Juneau	Auke Bay School sewer treatment	112,000
6	Kenai	District wide handicap access	869,000
7		improvements	
8	Ketchikan	Houghtaling School renovation	3,339,000
9	Ketchikan	Valley Park School renovation	1,894,000
10	Matanuska-Susitna	Talkeetna School addition and	7,568,000
11		renovation	
12	Matanuska-Susitna	Atlaska Middle School	30,526,000

13 (b) The Education Facilities Financing Authority is authorized under
 14 AS 44.27.140(b)(2) to agree to pay amounts and to pay amounts sufficient to reimburse 100
 15 percent of net payments, as determined by the authority, made by the University of Alaska
 16 for the retirement of principal and interest on bonds issued to pay the following costs of
 17 constructing the following university facilities:

18	Location	Project	Amount
19	Fairbanks	UAF deferred maintenance code compliance	\$35,000,000
20	Anchorage	UAA deferred maintenance code compliance	25,000,000
21	Southeast	UAS deferred maintenance code compliance	2,000,000
22	Statewide	System wide instructional equipment and	6,000,000
23		telecommunications	
24	Anchorage	UAA computer network improvements	1,500,000
25	Auke Cape	UAF School of Fisheries Auke Cape Facility	1,500,000
26	Anchorage	UAA Anchorage library facility	1,400,000
27	Anchorage	UAA museum planning/match	500,000
28	Sitka	UAS Sitka classroom renovations and	1,195,000
29		completion	
30	Statewide	System wide ADA compliance	1,000,000
31	Fairbanks	UAF facility and infrastructure renovation	1,000,000

1	Kachemak Bay	UAA Kachemak Bay renovation	200,000
2	Anchorage/Kodiak	UAA Anchorage and Kodiak renovation	2,005,000
3	Ketchikan	UAS Ketchikan Campus remodel/renovation	300,000
4	Bristol Bay	UAF Bristol Bay classroom addition	900,000
5	Statewide	UA Small Business Development programs	450,000

6 (c) The University of Alaska is authorized to issue bonds and enter into obligations
7 with the Education Facilities Financing Authority necessary to finance projects identified under
8 (b) of this section, as required under AS 14.40.253.

9 * Sec. 7. This Act takes effect immediately under AS 01.10.070(c).

5

"There is general agreement that our transportation and public facility infrastructure is wearing out and needs rebuilding. There is never enough money to do all the things that should be done. The situation is aggravated by siphoning off the money we do have to projects that do not meet basic planning priorities. The Alaska Capital Improvement Planning Authority will bring discipline to our capital projects program." (Rep. Gail Phillips, R-Homer)

**HB 227 SPONSOR STATEMENT: SPEAKER GAIL PHILLIPS
ALASKA CAPITAL IMPROVEMENT PLANNING AUTHORITY
(ACIPA)**

The purpose of House Bill 227 is to increase public involvement, stability and discipline in capital project planning for the State of Alaska.

Planning for Alaska's capital improvement projects is presently carried out by the Planning Division of the DOT/PF. Research and planning is carried out by three regional planning teams (Central, Northern and Southeast). The Regional Planning Teams coordinate with the local governments, including AMATS and FMATS, within their regions. They feed their regional plans into the Statewide Planning Team in headquarters, Juneau. HQ Juneau consolidates the local and regional plans into statewide plans. Statewide plans are required for internal management and to meet requirements for federal funding.

HB 227 comes into play at the level of statewide prioritization and funding alternatives. It would not change the basic planning process now in use. It will change the method by which projects are rated, prioritized and submitted to the governor and legislature.

Whereas currently, DOT/PF sets up a Project Evaluation Board to prioritize projects, HB227 establishes an independent Authority, the Alaska Capital Improvement Project Authority (ACIPA), to perform the functions that lead to finalizing our capital spending priorities. The Authority will have all the expertise available from DOT/PF's Planning Division. It will have greater public participation and community sensitivity built into it by virtue of the diverse composition of its members. And, it will be more independent of political influence by virtue of the staggered tenure of its appointees.

Despite efforts by DOT/PF over the years to make the planning process more inclusive and transparent to the public, capital project planning remains a dark science to most Alaskans. We don't know how or why Project A gets funded before Project B, and why Project C doesn't get funded at all. Part of the problem is that there are several different plans arrived at by different methods. All are subject to political intrigues between the governor and legislature.

Planning is hindered by a lack of continuity at the executive level. DOT/FF Commissioners have an average tenure under two years. The permanent professional planners get committed to the projects they work on and the people they work with.

The provisions in HB 227 are intended to make the capital project planning process more comprehensive, coherent to the public and stable in its role of building Alaska's infrastructure. The Authority will have a single purpose mission rather than be entangled with the multi-purposes of the governor, legislature and DOT/PF.

This bill also vests in the Authority the power to set tolls on toll facilities and to establish signing standards and speed limits for Capital Improvement Projects.

The sponsors of HB 227 look forward to the constructive critique, and changes where necessary, of this legislation.

HOUSE BILL NO. 227**IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTIETH LEGISLATURE - FIRST SESSION****BY REPRESENTATIVES PHILLIPS, Cowdery****Introduced: 4/3/97****Referred: Transportation****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to the Alaska Capital Improvement Project Authority; relating
2 to the powers and duties of the Department of Transportation and Public
3 Facilities; and providing for an effective date."

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

5 * **Section 1.** AS 44.42 is amended by adding new sections to read:

6 **Article 2. Alaska Capital Improvement Project Authority.**

7 **Sec. 44.42.110. Alaska Capital Improvement Project Authority.** (a) There
8 is created in the Department of Transportation and Public Facilities the Alaska Capital
9 Improvement Project Authority.

10 (b) The authority consists of seven members. Members of the authority are
11 appointed by the governor and subject to confirmation by a majority of the members
12 of the legislature in joint session. The members serve for staggered five-year terms
13 and until a successor is appointed. A vacancy among the members of the authority
14 occurring other than by expiration of term shall be filled in the same manner as the

1 original appointment but only for the unexpired term and until a successor is
2 appointed. The members of the authority may be removed by the governor only for
3 cause.

4 (c) The governor shall appoint at least one member, but not more than two
5 members, of the authority from among the residents of each of the four judicial
6 districts in the state. Two members of the authority must have experience in the
7 operation, management, or use of modes of surface transportation facilities, including
8 highways, railroads, mass transportation facilities, or recreational transportation
9 facilities. Two members of the authority must have experience in the operation,
10 management, or use of modes of air transportation facilities, including airports,
11 commercial or private aviation facilities, or passenger or freight air services facilities.
12 Two members of the authority must have experience in the operation, management, or
13 use of modes of water-borne transportation facilities, including ports and harbors,
14 passenger or freight service facilities, recreational transportation facilities, or ferries.
15 One member of the authority must have experience in the operation, management, or
16 use of public buildings or public facilities other than transportation facilities.

17 (d) The members of the authority serve without compensation but are entitled
18 to per diem and travel expenses authorized for boards and commissions under
19 AS 39.20.180. The members of the authority shall comply with AS 39.50 (conflict of
20 interest).

21 (e) The members of the authority shall select a chair from among its members.
22 Four members of the authority constitute a quorum. The authority may take action
23 upon the affirmative vote of four of its members.

24 **Sec. 44.42.120. Powers and duties of the authority.** (a) The authority shall
25 review, revise as appropriate, and approve the following plans and programs prepared
26 by the department for capital improvement projects for the construction and
27 maintenance of transportation and public facilities constructed, operated, or maintained
28 by the department:

29 (1) construction and maintenance program for state-owned airports and
30 air navigation facilities under AS 02.15.065;

31 (2) construction and maintenance program for highways under

1 AS 19.10.140 and 19.10.150;

2 (3) five-year plan for local service roads and trails under AS 19.30.141;

3 (4) comprehensive plan for the Alaska marine highway system under

4 AS 19.65.011;

5 (5) construction and maintenance program for state-owned marine
6 facilities under AS 35.10.085;

7 (6) state transportation plan under AS 44.42.050;

8 (7) state public facilities plan under AS 44.42.055.

9 (b) Plans and programs approved by the authority shall be submitted to the
10 governor and legislature.

11 (c) The authority shall review, revise as appropriate, and approve the capital
12 improvement projects budget for transportation and public facilities prepared and
13 proposed by the department to implement the plans and programs approved by the
14 authority under (a) of this section. The department shall include in the proposed
15 budget submitted to the authority the projects to be undertaken during the following
16 two fiscal years and a ranking of priorities for the projects. The capital improvement
17 project budget approved by the authority shall be submitted to the governor for
18 inclusion in the state capital projects budget and to the legislature.

19 (d) The authority may submit proposals for capital improvement projects for
20 construction and maintenance of transportation and public facilities to the governor for
21 inclusion in supplemental or special appropriation bills.

22 (e) The authority may hire the minimum of staff, including a director,
23 necessary to efficiently perform the functions of the authority.

24 (f) The authority has independent fiscal, budgeting, and administrative powers
25 necessary to independently perform the functions of the authority. The authority is a
26 state agency for purposes of AS 37.07.

27 (g) The annual operating budget of the department is not subject to review or
28 approval under this section.

29 **Sec. 44.42.130. Fees; regulations.** (a) The authority shall set fees, charges,
30 tolls, and rentals for the use of toll facilities under AS 37.15.740 by regulations
31 adopted under AS 44.62 (Administrative Procedure Act).

1 (b) The authority shall establish standards for marking and posting highways,
2 for traffic control signals, and for determination of speed limits and speed zones by
3 regulations adopted under AS 44.62 (Administrative Procedure Act).

4 * **Sec. 2.** AS 02.15 is amended by adding a new section to read:

5 **Sec. 02.15.065. Construction and maintenance program for airports and**
6 **air navigation facilities.** (a) The department shall establish a continuing, long-range
7 planning procedure for construction and maintenance of state-owned airports and air
8 navigation facilities.

9 (b) The department shall prepare annually a capital improvement project
10 construction and maintenance program for state-owned airports and air navigation
11 facilities that, subject to appropriation by the legislature, must include the projects to
12 be undertaken by the department during the following construction season, must
13 establish project priorities, and must describe proposed capital improvement projects
14 for construction and maintenance of state-owned airports and air navigation facilities
15 for at least the next succeeding two fiscal years. The department may propose
16 increases, decreases, amendments, or revisions to the construction and maintenance
17 program from time to time as circumstances warrant. The capital improvement project
18 construction and maintenance program and changes to the program, as proposed by the
19 department, are subject to review, revision, and approval of the Alaska Capital
20 Improvement Project Authority.

21 (c) Before February 2 of each year, the department shall prepare a list of
22 capital improvement projects for construction and maintenance of airports and air
23 navigation facilities that have been either proposed by the department, approved by the
24 Alaska Capital Improvement Project Authority, or funded by an appropriation by the
25 legislature. The statement must set out a general itemization of the estimated cost for
26 each project and the total estimates of all projects.

27 (d) This section does not apply to the state-owned international airports at
28 Anchorage and Fairbanks.

29 * **Sec. 3.** AS 19.05.040 is amended to read:

30 **Sec. 19.05.040. Powers of department.** The department may

31 (1) acquire property;

- 1 (2) exercise the power of eminent domain;
- 2 (3) take immediate possession of real property, or any interest in it
- 3 under a declaration of taking or by other lawful means;
- 4 (4) acquire rights-of-way for present or future use;
- 5 (5) control access to highways;
- 6 (6) regulate roadside development;
- 7 (7) preserve and maintain the scenic beauty along state highways;
- 8 (8) dispose of property acquired for highway purposes;
- 9 (9) accept and dispose of federal funds or property available for
- 10 highway construction, maintenance, or equipment;
- 11 (10) enter into contracts or agreements relating to highways with the
- 12 federal government, municipalities, a political subdivision, or with a foreign
- 13 government, if the contract is approved by the federal government;
- 14 (11) [ESTABLISH, LEVY, AND] collect tolls, fees, charges, and
- 15 rentals for the use of state roads, highways, bridges, tunnels, crossings, and causeways;
- 16 and
- 17 (12) exercise any other power necessary to carry out the purpose of
- 18 AS 19.05 - AS 19.25.

19 * Sec. 4. AS 19.10.040 is amended to read:

20 **Sec. 19.10.040. Uniform system of marking and posting.** The department
 21 shall classify, designate, and mark highways under its jurisdiction under standards
 22 adopted by the Alaska Capital Improvement Project Authority. The Alaska
 23 Capital Improvement Project Authority shall adopt regulations establishing
 24 standards for [AND SHALL PROVIDE] a uniform system of marking and posting
 25 these highways. The system of marking and posting must correlate with and, as far
 26 as possible, conform to the recommendations of the Manual on Traffic Control Devices
 27 as adopted by the American Association of State Highway Officials.

28 * Sec. 5. AS 19.10.050 is amended to read:

29 **Sec. 19.10.050. Traffic control signals.** The Alaska Capital Improvement
 30 Project Authority [DEPARTMENT] shall prescribe types of traffic control signals to
 31 regulate traffic on highways. These signals must correlate with and, as far as possible,

conform to the recommendations of the Manual on Uniform Traffic Control Devices as adopted by the American Association of State Highway Officials. The Alaska Capital Improvement Project Authority [DEPARTMENT] shall adopt uniform regulations for the placing and installation of traffic control signals.

* Sec. 6. AS 19.10.070 is amended to read:

Sec. 19.10.070. Speed limits and zones. The department may conduct investigations with the assistance of the Department of Public Safety and shall determine safe speed limits and safe speed zones on highways and other roadways under its jurisdiction in accordance with standards adopted by the Alaska Capital Improvement Project Authority.

* Sec. 7. AS 19.10.072(a) is amended to read:

(a) In determining safe speed limits and safe speed zones, the department shall comply with [CONSIDER] the standards adopted by the Alaska Capital Improvement Project Authority under this section. The Alaska Capital Improvement Project Authority shall adopt standards for determining safe speed limits and safe speed zones. In adopting the standards, the Alaska Capital Improvement Project Authority shall consider the following factors in the order of priority listed:

(1) neighborhood safety, including the presence of children and pedestrian traffic;

(2) the presence of schools, houses, parks, and crosswalks;

(3) the presence of driveways, parked vehicles, and multiple turn locations;

(4) that speed at which safe and prudent drivers could pass through the speed zone; [AND]

(5) the effectiveness of local enforcement of the speed zone; and

(6) other factors the Alaska Capital Improvement Project Authority considers appropriate.

* Sec. 8. AS 19.10.140 is amended to read:

Sec. 19.10.140. Long-range program for highway construction and maintenance. The [GOVERNOR SHALL REQUIRE THE] department shall [TO]

1 establish a continuing, long-range program for highway construction and maintenance.
 2 Subject to review, revision, and approval by the Alaska Capital Improvement
 3 Project Authority, the [THE] program must annually project proposed capital
 4 improvement projects for construction and maintenance of highways for not less than
 5 the next succeeding two [FIVE] years. A statement of the approved program shall
 6 be submitted by the governor to the legislature annually, and the approved long-range
 7 program shall include in detail the construction program proposed [PREPARED]
 8 under AS 19.10.150.

9 * Sec. 9. AS 19.10.150 is amended to read:

10 **Sec. 19.10.150. Construction program.** (a) Before February 2 of each year,
 11 the department shall prepare a statement showing what capital improvement projects
 12 for construction of highways have been either proposed [WORK HAS BEEN
 13 REQUESTED AND PROPOSED AND MAY BE UNDERTAKEN] by the department,
 14 approved by the Alaska Capital Improvement Project Authority, or funded by an
 15 appropriation by the legislature. The statement must set out [FORTH] a general
 16 itemization of the estimated cost for each project and the total estimates of all projects.

17 (b) The department shall prepare [ADOPT] a construction program which
 18 must include the projects to be undertaken by the department [IT] during the
 19 following construction season and must establish project priorities. The department
 20 may propose increases, decreases, amendments, or revisions of [INCREASE,
 21 DECREASE, AMEND, OR REVISE] the construction program from time to time as
 22 circumstances warrant. The construction program and changes to the program are
 23 subject to review, revision, and approval by the Alaska Capital Improvement
 24 Project Authority.

25 * Sec. 10. AS 19.10.180 is amended to read:

26 **Sec. 19.10.180. Request for public bids.** Requests for public bids are
 27 governed by AS 36.30 (State Procurement Code). The request for public bids may
 28 require the contractor to furnish equipment, labor, materials, and supplies for the
 29 project, or the request for bids [IT] may state that the department will furnish the
 30 materials and supplies. If the department elects to provide materials and supplies for
 31 a project, the department [IT] shall make the election before the department

releases the request for bids [DO SO AT THE TIME IT ADOPTS THE CONSTRUCTION PROGRAM]. The department shall acquire these materials and supplies under AS 36.30 by requesting bids for them according to the class, type, and nature of the materials and supplies. The contract for materials and supplies may be awarded either upon the basis of delivery to the construction project directly or to a central storehouse or storehouses maintained by the department. Those materials and supplies so purchased by the department may be delivered to the project site without expense to the contractor, or the department [IT] may sell the materials and supplies [THEM] to the contractor at cost and make the materials and supplies a part of the construction cost.

* Sec. 11. AS 19.30.141 is amended to read:

Sec. 19.30.141. Acquisition and construction programs. Before October 1 of each fiscal year, each local government eligible for allocation of funds under AS 19.30.131 shall submit to the commissioner [FOR APPROVAL] a five-year plan for the acquisition and construction of local service roads and trails. Before December 1 of each fiscal year, the commissioner shall submit to the Alaska Capital Improvement Project Authority for review, revision, and approval [GOVERNOR] a five-year plan for the acquisition and construction of local service roads and trails, including the approved local government programs. An organized borough shall include in its five-year plan local service road acquisition and construction programs for all cities other than home rule cities within the boundaries of the borough. The commissioner shall include in the five-year plan local service road and trail acquisition and construction within the unorganized borough. The five-year plan approved by the Alaska Capital Improvement Project Authority shall be submitted to the governor and the legislature.

* Sec. 12. AS 19.65.011 is amended to read:

Sec. 19.65.011. Comprehensive long-range plan. The Department of Transportation and Public Facilities shall prepare a comprehensive long-range plan for the development and improvement of the Alaska marine highway system and shall revise and update the plan at least every five years. The department shall submit the comprehensive long-range plan and revisions and updates of the plan to the Alaska

1 **Capital Improvement Project Authority for review, revision, and approval. The**
2 **department shall submit the approved plan to the legislature.**

3 * **Sec. 13.** AS 30.15.010 is amended to read:

4 **Sec. 30.15.010. State grants for port facilities construction.** To the extent
5 funds are appropriated by the legislature, or from the proceeds from the sale of bonds,
6 the state may make grants to municipalities to finance a portion of the cost of
7 constructing local, regional, or state port facilities. The state shall participate only in
8 those projects approved by the governor on recommendation of the commissioner **and**
9 **the Alaska Capital Improvement Project Authority.**

10 * **Sec. 14.** AS 35.10 is amended by adding a new section to article 2 to read:

11 **Sec. 35.10.085. Construction and maintenance program for marine**
12 **facilities.** (a) The department shall establish a continuing, long-range planning
13 procedure for construction and maintenance of state-owned marine facilities, including
14 harbors, docks, breakwaters, and waterways.

15 (b) The department shall prepare annually a capital improvement project
16 construction and maintenance program for state-owned marine facilities that, subject
17 to appropriation by the legislature, must include the projects to be undertaken by the
18 department during the following construction season, must establish project priorities,
19 and must describe proposed capital improvement projects for construction and
20 maintenance of state-owned marine facilities for at least the next succeeding two fiscal
21 years. The department may propose increases, decreases, amendments, or revisions to
22 the construction and maintenance program from time to time as circumstances warrant.
23 The capital improvement project construction and maintenance program and changes
24 to the program, as proposed by the department, are subject to review, revision, and
25 approval of the Alaska Capital Improvement Project Authority.

26 (c) Before February 2 of each year, the department shall prepare a list of
27 capital improvement projects for construction and maintenance of marine facilities that
28 have been either proposed by the department, approved by the Alaska Capital
29 Improvement Project Authority, or funded by an appropriation by the legislature. The
30 statement must set out a general itemization of the estimated cost for each project and
31 the total estimates of all projects.

1 * **Sec. 15.** AS 35.10.100 is amended to read:

2 **Sec. 35.10.100. Determining need and priority of projects.** The department
3 shall prepare the preliminary determination of need for each project of the type
4 described in AS 35.10.090 and its feasibility and appropriateness through
5 representations and data submitted to it by the residents of each community desiring
6 a project, and from other information available to it. The department shall submit the
7 preliminary determination for each project to the Alaska Capital Improvement
8 Project Authority. The Alaska Capital Improvement Project Authority may
9 approve and make the final determination of those projects, and their order or priority
10 for which application is made.

11 * **Sec. 16.** AS 35.15.020 is amended to read:

12 **Sec. 35.15.020. Request for public bids.** The solicitation of bids for
13 construction of public works is governed by AS 36.30 (State Procurement Code). The
14 request for bids may require the contractor to furnish equipment, labor, materials, and
15 supplies for the project, or the request for bids [IT] may state that the department will
16 furnish the materials and supplies. If the department elects to provide materials and
17 supplies for a project, the department [IT] shall make the election before the
18 department releases the request for bids [AT THE TIME IT ADOPTS THE
19 CONSTRUCTION PROGRAM]. The department shall acquire these materials and
20 supplies under AS 36.30 by requesting bids for them according to the class, type, and
21 nature of the materials and supplies. The contract may be awarded either upon the
22 basis of delivery to the construction project directly or to a central storehouse or
23 storehouses maintained by the department. Those materials and supplies so purchased
24 by the department may be delivered to the project site without expense to the
25 contractor, or the department [IT] may sell the materials and supplies [THEM] to
26 the contractor at cost and make the materials and supplies a part of the construction
27 cost.

28 * **Sec. 17.** AS 37.15.730 is amended to read:

29 **Sec. 37.15.730. Review of toll facility projects.** A toll facility may be
30 financed under AS 37.15.610 - 37.15.760 if the following conditions are met for that
31 toll facility:

(1) the department submits to the governor and the legislature a feasibility study reviewed and approved by the Alaska Capital Improvement Project Authority that finds that the toll facility is financially feasible and able to produce revenue adequate to repay the bonds with which it is financed;

(2) if financing in addition to revenue bonds is required to finance the toll facility, the department submits to the governor and legislature a finance plan reviewed and approved by the Alaska Capital Improvement Project Authority that includes an estimate of the total cost of the toll facility and a description of the sources of money that will be used to finance the total cost of the toll facility; and

(3) the office of management and budget reviews the feasibility study and the finance plan, if required, and reports its findings and recommendations to the governor and legislature not later than 90 days after the study and plan are received by the office.

* Sec. 18. AS 37.15.740 is amended to read:

Sec. 37.15.740. Toll facility charges. The Alaska Capital Improvement Project Authority [COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES] shall fix [AND COLLECT] the fees, charges, tolls, and rentals for the use of state toll facilities. The Department of Transportation and Public Facilities shall collect the fees, charges, tolls, and rentals owing to [DERIVED BY] the state from the ownership, lease, use, and operation of the facilities authorized by AS 37.15.720 and 37.15.730 and improvements of the facilities. The amount of fees, charges, tolls, and rentals set by the authority shall [AS WILL] provide revenue sufficient to comply with all of the covenants of the bond resolution.

* Sec. 19. AS 37.15.760(7) is amended to read:

(7) "toll facilities" means highways, roads, bridges, tunnels, crossings, and causeways upon which tolls, charges, rentals, or other user fees are placed by the Alaska Capital Improvement Project Authority [COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES].

* Sec. 20. AS 39.50.200(b) is amended by adding a new paragraph to read:

(56) Alaska Capital Improvement Project Authority (AS 44.42.110).

* Sec. 21. AS 44.42.020(a) is amended to read:

1 (a) The department shall

2 (1) plan, design, construct, and maintain all state modes of
3 transportation and transportation facilities and all docks, floats, breakwaters, buildings,
4 and similar facilities;

5 (2) study existing transportation modes and facilities in the state to
6 determine how they might be improved or whether they should continue to be
7 maintained;

8 (3) study alternative means of improving transportation in the state with
9 regard to the economic costs of each alternative and its environmental and social
10 effects;

11 (4) develop a comprehensive, long-range intermodal transportation plan
12 for the state;

13 (5) study alternatives to existing modes of transportation in urban areas
14 and develop plans to improve urban transportation;

15 (6) cooperate and coordinate with and enter into agreements with
16 federal, state, and local government agencies and private organizations and persons in
17 exercising its powers and duties;

18 (7) manage, operate, and maintain state transportation facilities and all
19 docks, floats, breakwaters, and buildings, including all state highways, vessels,
20 railroads, pipelines, airports, and aviation facilities;

21 (8) study alternative means of transportation in the state, considering
22 the economic, social, and environmental effects of each alternative;

23 (9) coordinate and develop state and regional transportation systems,
24 considering deletions, additions, and the absence of alterations;

25 (10) develop facility program plans for transportation and state
26 buildings, docks, and breakwaters required to implement the duties set out in this
27 section, including [BUT NOT LIMITED TO] functional performance criteria and
28 schedules for completion;

29 (11) supervise and maintain all state automotive and mechanical
30 equipment, aircraft, and vessels, except vessels and aircraft used by the Department of
31 Fish and Game or the Department of Public Safety; for state vehicles maintained by

1 the department, the department shall annually evaluate the cost, efficiency, and
 2 commercial availability of natural gas for automotive purposes, and the purpose for
 3 which the vehicles are intended to be used, and convert or purchase vehicles to use
 4 [UTILIZE] natural gas whenever practicable; the department may participate in joint
 5 ventures with public or private partners that will foster the availability of natural gas
 6 for all automotive fuel consumers;

7 (12) supervise aeronautics inside the state, under AS 02.10;

8 (13) complete and maintain a current inventory of public facilities,
 9 including a projection of the serviceability of the facilities and projections of
 10 replacements and additions to facilities needed to provide the level of services
 11 programmed by the various user agencies, for municipalities with populations
 12 of less than 12,000 and for unincorporated communities, and perform those
 13 duties on a cooperative basis with larger municipalities;

14 (14) adopt energy performance standards for public facilities of the
 15 state, the construction of which begins after July 1, 1980; the standards shall be based
 16 on thermal and lighting energy standards established by the American Society of
 17 Heating, Refrigeration and Air Conditioning Engineers as adapted for application in
 18 high latitude, cold climate environs;

19 (15) provide planning assistance, including [BUT NOT LIMITED TO]
 20 energy audits and related technical services, to school districts and regional educational
 21 attendance areas to develop and implement

22 (A) standards for the design, construction, and operation of rural
 23 educational facilities; and

24 (B) energy conservation measures for rural educational facilities

25 (16) implement the safety and financial responsibility requirements for
 26 air carriers under AS 02.40.010 - 02.40.990;

27 (17) inspect weights and measures;

28 (18) submit to the Alaska Capital Improvement Project Authority
 29 for review, revision, and approval

30 (A) plans and programs prepared by the department that
 31 are described under AS 44.42.120;

1 **(B) proposed capital improvement project budgets to fund**
 2 **the plans and programs approved by the Alaska Capital Improvement**
 3 **Project Authority;**

4 **(19) provide assistance, information, staff, and other support**
 5 **requested by the Alaska Capital Improvement Project Authority.**

6 * Sec. 22. AS 44.42.050(a) is amended to read:

7 (a) The commissioner shall develop annually a comprehensive, intermodal,
 8 long-range transportation plan for the state. In developing and revising the state plan,
 9 the commissioner shall consider means and costs of improving existing modes and
 10 facilities, state and federal subsidies, and the costs and benefits of new transportation
 11 modes and facilities. The commissioner shall also consider the recommendation of the
 12 Alaska Transportation Planning Council. The plan shall be submitted to the **Alaska**
 13 **Capital Improvement Project Authority** [GOVERNOR] for review, **revision**, and
 14 approval. **The department shall submit the approved plan to** [AND SUBMITTED
 15 BY] the governor **and** to the legislature.

16 * Sec. 23. AS 44.42.050(c) is amended to read:

17 (c) Copies of the plan **and revisions of the plan**, as **approved by the Alaska**
 18 **Capital Improvement Project Authority** [REVISED], shall be kept on file as a
 19 public document in the office of the commissioner and at each regional office of the
 20 department.

21 * Sec. 24. AS 44.42.050(d) is amended to read:

22 (d) The plan must include a description of projects planned for design and
 23 construction for the following two **fiscal** years. The description is in addition to the
 24 long-range **programs** [PLAN] required by (a) of this section and by **AS 02.15.065,**
 25 **AS 19.10.140, and AS 35.10.085.** The description must include an itemization of the
 26 estimated cost for each project and the total cost of all projects. The commissioner
 27 shall propose and forward to the **Alaska Capital Improvement Project Authority**
 28 [GOVERNOR] for review, **revision**, and approval [AND INCLUSION,
 29 AS APPROVED, IN THE CAPITAL BUDGET] a construction program that includes
 30 the projects to be undertaken during the following two **fiscal** years, including
 31 recommended project priorities. **The Alaska Capital Improvement Project**

1 Authority shall submit the approved construction program to the governor for
2 inclusion in the capital budget and to the legislature. Funds for transportation
3 construction projects and necessary contingencies shall be itemized as allocations
4 within the bill for the General Appropriations Act.

5 * Sec. 25. AS 44.42.055(b) is amended to read:

6 (b) In developing and biennially revising the facility procurement plan, the
7 commissioner shall

8 (1) request and receive on an annual basis from all state agencies a
9 projection of the anticipated facility needs of the agency for the next annual capital
10 improvement program;

11 (2) consult with officials and representatives of municipalities, the
12 federal government, interested corporations and other organizations concerning public
13 facility needs in the state;

14 (3) develop specific facility procurement plans for projects in each of
15 the following categories:

16 (A) sewage and other wastewater collection, treatment, and
17 disposal facilities;

18 (B) water source, treatment, and distribution facilities;

19 (C) solid waste collection and disposal facilities;

20 (D) hazardous and toxic waste collection and disposal facilities;

21 (E) electrical generation and distribution systems;

22 (F) health care and social services facilities;

23 (G) educational facilities;

24 (H) transportation facilities;

25 (I) public safety and justice facilities;

26 (J) recreational facilities;

27 (K) sanitation facilities; and

28 (L) cultural facilities;

29 (4) prepare recommendations to accommodate the various levels of
30 service identified by state agencies and other parties with respect to the services
31 described in (3) of this subsection, to include

- 1 (A) current and future facility needs;
 2 (B) space standards and design guidelines for the appropriate
 3 facility types;
 4 (C) maintenance and operations standards for the appropriate
 5 facility types;
 6 (D) construction techniques and contracting methods;
 7 (E) facility project budget requirements; and
 8 (F) relative costs of identified alternatives (life cycle cost
 9 analysis) including but not limited to the installation and operation of energy
 10 systems that are not dependent on oil or gas for water heating, space heating
 11 and cooling requirements, and for the generation of electrical or mechanical
 12 power;
 13 (5) identify common public facility needs among the various user
 14 agencies; [AND]
 15 (6) submit its findings, plans, and recommendations to the Alaska
 16 Capital Improvement Project Authority for review, revision as appropriate, and
 17 approval; and
 18 (7) submit the approved findings, plans, and recommendations to
 19 the governor and to the appropriate state agency to facilitate the development of
 20 agency capital improvement budget requests.

21 * **Sec. 26.** AS 44.42.900 is amended by adding new paragraphs to read:

22 (4) "authority" means the Alaska Capital Improvement Project
 23 Authority;

24 (5) "capital improvement project" means a project with a cost
 25 exceeding \$10,000 to acquire or improve a transportation or public facility with an
 26 anticipated life exceeding one year; in this paragraph, "project" includes land
 27 acquisition, construction, repair, or structural improvement of a facility, engineering
 28 and design for a facility, and acquisition or repair of equipment.

29 * **Sec. 27.** AS 44.47.092 is amended to read:

30 **Sec. 44.47.092. Land use planning and state facility procurement plan.**

31 The department shall make recommendations to the Department of Transportation and

1 Public Facilities, to the Alaska Capital Improvement Project Authority, and to
2 appropriate program agencies concerning the effect upon the comprehensive plan or
3 other land use plans or proposals of municipalities and unincorporated communities
4 with respect to the facility procurement plan required to be prepared in accordance
5 with AS 35.10.170 and AS 44.42.055.

6 * **Sec. 28. SAVINGS CLAUSE.** (a) Litigation, hearings, investigations, and other
7 proceedings pending under a law amended or repealed by this Act, or in connection with
8 functions transferred by this Act, continue in effect and may be continued and completed
9 notwithstanding a transfer or amendment or repeal provided for in this Act.

10 (b) The regulations adopted by the Department of Transportation and Public Facilities
11 that relate to functions transferred by this Act remain in effect and may be implemented and
12 enforced by the department until the Alaska Capital Improvement Project Authority adopts its
13 own regulations under AS 44.42 and those regulations take effect.

14 * **Sec. 29. INITIAL APPOINTMENT OF MEMBERS OF THE ALASKA CAPITAL**
15 **IMPROVEMENT PLANNING AUTHORITY.** Notwithstanding AS 44.42.110, added by
16 sec. 1 of this Act, the governor shall designate persons initially appointed to serve as members
17 of the Alaska Capital Improvement Project Authority to terms as follows: one person to a one-
18 year term, one person to a two-year term, two persons to a three-year term, one person to a
19 four-year term, and two persons to a five-year term.

20 * **Sec. 30.** This Act takes effect July 1, 1997.

6



Official Business

Alaska State Legislature

Senate

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Senate Bill 11 Sponsor Statement

School Construction Debt Reimbursement

The State of Alaska has historically participated in the funding of school construction. For school districts in the unorganized areas of the State that provide no local tax contribution, the funding mechanism has been, and remains, direct capital appropriation for the total construction costs. For the organized areas, the predominate funding mechanism has been through school bond debt reimbursement to the local government.

Since Chapter 249 SLA 1970 was enacted, we have had statutes on the books that provide for state participation in the cost of constructing schools through school bond debt reimbursement. Beginning as a fifty percent reimbursement in 1970, the level was raised to ninety percent during the oil boom. The State's portion was subsequently reduced to eighty percent in 1983 and seventy percent in 1993.

In addition to reducing the level of reimbursement to seventy percent, Chapter 78 SLA 1993 also imposed a cap of 250 million dollars of statewide school construction authorization. Since that action, the school construction debt reimbursement program has been closed to new projects.

While the State continues to fund the full cost of constructing a school in an unorganized area, school districts in the organized areas have almost no opportunity for school construction assistance from the State.

Senate Bill 11 will help correct that inequity by providing organized areas and their taxpayers a fifty percent reimbursement for the debt they incur in constructing and renovating schools. This reimbursement will be limited to qualifying projects that have a demonstrated need and received local voter approval.

Passage of SB 11 will be a big step toward equity in State funding of school construction. It's time we return to a mechanism which will allow municipal school districts and their taxpayers to meet the needs of growing student populations.

CS FOR SENATE BILL NO. 11(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 3/24/97

Referred: Finance

Sponsor(s): SENATORS HALFORD, Phillips, Green

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state aid for school construction debt; and providing for an
2 effective date."

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

4 * Section 1. AS 14.11.100(a) is amended to read:

5 (a) During each fiscal year, the state shall allocate to a municipality that is a
6 school district [,] the following sums:

7 (1) payments made by the municipality during the fiscal year two years
8 earlier for the retirement of principal and interest on outstanding bonds, notes, or other
9 indebtedness incurred before July 1, 1977, to pay costs of school construction;

10 (2) 90 percent of

11 (A) payments made by the municipality during the fiscal year
12 two years earlier for the retirement of principal and interest on outstanding
13 bonds, notes, or other indebtedness incurred after June 30, 1977, and before
14 July 1, 1978, to pay costs of school construction;

1 (B) cash payments made after June 30, 1976, and before July 1,
2 1978, by the municipality during the fiscal year two years earlier to pay costs
3 of school construction;

4 (3) 90 percent of

5 (A) payments made by the municipality during the fiscal year
6 two years earlier for the retirement of principal and interest on outstanding
7 bonds, notes, or other indebtedness incurred after June 30, 1978, and before
8 January 1, 1982, to pay costs of school construction projects approved under
9 AS 14.07.020(a)(11);

10 (B) cash payments made after June 30, 1978, and before July 1,
11 1982, by the municipality during the fiscal year two years earlier to pay costs
12 of school construction projects approved under AS 14.07.020(a)(11);

13 (4) subject to (h) and (i) of this section, up to 90 percent of

14 (A) payments made by the municipality during the current fiscal
15 year for the retirement of principal and interest on outstanding bonds, notes, or
16 other indebtedness incurred after December 31, 1981, and authorized by the
17 qualified voters of the municipality before July 1, 1983, to pay costs of school
18 construction, additions to schools, and major rehabilitation projects that exceed
19 \$25,000 and are approved under AS 14.07.020(a)(11); [AND]

20 (B) cash payments made after June 30, 1982, and before July 1,
21 1983, by the municipality during the fiscal year two years earlier to pay costs
22 of school construction, additions to schools, and major rehabilitation projects
23 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

24 (C) payments made by the municipality during the current fiscal
25 year for the retirement of principal and interest on outstanding bonds, notes, or
26 other indebtedness to pay costs of school construction, additions to schools, and
27 major rehabilitation projects that exceed \$25,000 and are submitted to the
28 department for approval under AS 14.07.020(a)(11) before July 1, 1983, and
29 approved by the qualified voters of the municipality before October 15, 1983,
30 not to exceed a total project cost of (i) \$6,600,000 if the annual growth rate of
31 average daily membership of the municipality is more than 7 percent but less

1 than 12 percent, or (ii) \$20,000,000 if the annual growth rate of average daily
 2 membership of the municipality is 12 percent or more; payments made by a
 3 municipality under this subparagraph [PARAGRAPH] on total project costs
 4 that exceed the amounts set out in (i) and (ii) of this subparagraph
 5 [PARAGRAPH] are subject to (5)(A) of this subsection;

6 (5) subject to (h) - (j) [(h), (i), AND (j)] of this section, 80 percent of
 7 (A) payments made by the municipality during the fiscal year
 8 for the retirement of principal and interest on

9 [(i)] outstanding bonds, notes, or other indebtedness
 10 authorized by the qualified voters of the municipality

11 (i) after June 30, 1983, but before March 31, 1990, to
 12 pay costs of school construction, additions to schools, and major
 13 rehabilitation projects that exceed \$25,000 and are approved under
 14 AS 14.07.020(a)(11); or

15 (ii) [OUTSTANDING BONDS, NOTES, OR OTHER
 16 INDEBTEDNESS AUTHORIZED BY THE QUALIFIED VOTERS OF
 17 THE MUNICIPALITY] before July 1, 1989, and reauthorized before
 18 November 1, 1989, to pay costs of school construction, additions to
 19 schools, and major rehabilitation projects that exceed \$25,000 and are
 20 approved under AS 14.07.020(a)(11); and

21 (B) cash payments made after June 30, 1983, by the
 22 municipality during the fiscal year two years earlier to pay costs of school
 23 construction, additions to schools, and major rehabilitation projects that exceed
 24 \$25,000 and are approved by the department before July 1, 1990, under
 25 AS 14.07.020(a)(11);

26 (6) subject to (h) - (j) [(h), (i), (j),] and (m) of this section, 70 percent
 27 of payments made by the municipality during the fiscal year for the retirement of
 28 principal and interest on outstanding bonds, notes, or other indebtedness authorized by
 29 the qualified voters of the municipality on or after April 30, 1993, but before July 1,
 30 1995, to pay costs of school construction, additions to schools, and major rehabilitation
 31 projects that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

(7) subject to ~~(h) - (j)~~ [(h), (i), (j),] and (m) of this section, 70 percent of payments made by the municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality after March 31, 1990, but before April 30, 1993, to pay costs of school construction, additions to schools, and major rehabilitation projects;

(8) subject to (i) and (j) of this section, 70 percent of payments made by the municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after July 1, 1995, but before July 1, 1997, to pay costs of school construction, additions to schools, and major rehabilitation projects;

(9) subject to (i) and (j) of this section, 75 percent of payments made by the municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after July 1, 1997, to pay costs of school construction, additions to schools, and major rehabilitation projects.

* Sec. 2. AS 14.11.100(b) is amended to read:

(b) The commissioner shall administer the program of reimbursement authorized under this section and shall provide by regulation for the filing of applications for reimbursement, the form of proof of costs for which application for reimbursement is made, and other regulations necessary to administer the program.

An amount due a municipality for reimbursement under this section may not be reduced by the cost to the department to administer the reimbursement program.

The commissioner shall exclude from the total school construction cost of the local district all state and federal funds included in these costs except funds provided under this section and AS 43.50.140. In approving applications for reimbursement, the commissioner shall offset against the amount of reimbursement authorized the amount of any funds distributed to the borough or city in the second preceding fiscal year from the school fund provided for in AS 43.50.140.

* Sec. 3. AS 14.11.100(h) is amended to read:

(h) An allocation under (a)(4) - (7) [(a)(4) OR (5)] of this section for school construction begun after July 1, 1982, shall be reduced by the amount of money used for the construction of residential space, hockey rinks, planetariums, saunas, and other facilities for single purpose sporting or recreational uses that are not suitable for other activities and by the money used for construction that exceeds the amount needed for construction of a facility of efficient design as determined by the department. An allocation under (a)(4) - (7) [(a)(4) OR (5)] of this section may not be reduced by the amount of money used for construction of a small swimming pool, tank, or water storage facility used for water sports. However, an allocation shall be reduced by the difference between the amount of money used to construct a swimming pool that exceeds the standards adopted by the department and the amount of money that would have been used to construct a small swimming pool, tank, or water storage facility, as determined by the commissioner.

* Sec. 4. AS 14.11.100(i) is amended to read:

(i) For the purposes of (a)(4) - (9) [(a)(4) AND (5)] of this section,

(1) an indebtedness for bonds is incurred after the bonds are sold;

(2) reimbursement for a cash payment may only be made after the payment is made to a vendor; and

(3) payments may not be made for costs that are incurred under a contract after the contract has been released.

* Sec. 5. AS 14.11.100(j) is amended to read:

(j) Except as provided in (l) of this section, the state may not allocate money to a municipality for a school construction project under (a)(5) - (9) [(a)(5), (6), OR (7)] of this section unless the municipality complies with the requirements of (1) - (4) of this subsection, the project is approved by the commissioner before the local vote on the bond issue for the project or for bonds authorized after March 31, 1990, but on or before April 30, 1993, the bonds are approved by the commissioner before reimbursement by the state, and the local vote occurs before July 1, 1987, or after June 30, 1988. In approving a project under this subsection, the commissioner shall require

(1) the municipality to include on the ballot for the bond issue, for

1 bonds authorized on or before March 31, 1990, or after April 30, 1993, the estimated
 2 total cost of each project including estimated total interest, estimated annual operation
 3 and maintenance costs, the estimated amounts that will be paid by the state and by the
 4 municipality, and the approximate amount that would be due in annual taxes on
 5 \$100,000 in assessed value to retire the debt;

6 (2) that the bonds may not be refunded unless the annual debt service
 7 on the refunding issue is not greater than the annual debt service on the original issue;

8 (3) that the bonds must be repaid in approximately equal annual
 9 principal payments or approximately [APPROXIMATE] equal debt service payments
 10 over a period of at least 10 years;

11 (4) the municipality to demonstrate need for the project by establishing
 12 that the school district has

13 (A) projected long-term student enrollment that indicates the
 14 district has inadequate facilities to meet present or projected enrollment; [OR]

15 (B) facilities that require repair or replacement in order to meet
 16 health and safety laws or regulation or building codes;

17 (C) demonstrated that the project will result in a reduction
 18 in annual operating costs that economically justifies the cost of the project;
 19 or

20 (D) facilities that require modification or rehabilitation for
 21 the purpose of improving the instructional program.

22 * Sec. 6. This Act is retroactive to July 1, 1995.

23 * Sec. 7. This Act takes effect immediately under AS 01.10.070(c).

7

Alaska State Legislature

Chairman,
Judiciary Committee

Member,
Resources Committee
Rules Committee
Committee on Committees



State Capitol
Juneau, Alaska 99801-1182
(907) 465-3873
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Senator Robin L. Taylor
Senate Majority Leader

Sponsor Statement

Senate Bill 21

Senate Bill 21 would establish an Alaska Marine Highway Authority to assume management of the Marine Highway System from the Department of Transportation and Public Facilities.

The Authority would be a public corporation of the state as an instrumentality of DOT/PF, but would have a legal existence independent and separate from the state. The new Authority would be comparable to the Alaska Housing Finance Corporation or the Alaska Industrial Development and Export Authority.

The powers of the authority would rest with a seven member Board, appointed by the Governor. One member would be the Commissioner of Transportation. The six other members would be required to have experience in maritime affairs, would serve staggered five year terms and would be subject to legislative confirmation. The Board would hire the system director.

Establishment of such an authority board would bring maritime experience, accountability and continuity to the management of the Alaska Marine Highway System.

Based on information gathered at public hearings over the interim, the Senate Task Force on the Alaska Marine Highway System concluded that the legislature should consider the creation of such an Authority.

District A:

Hyder • Ketchikan • Kupreanof • Meyers Chuck • Petersburg • Saxman • Sitka • Wrangell

Sponsor Statement

SB 21

Page Two

Testimony received by the Task Force indicated that DOT management of the Marine Highway lacks focus and that AMHS administration under DOT lacks maritime experience.

Management under DOT has become insular and is unresponsive to input from vessel employees and the general public. Scheduling is chaotic and the fare structure has discouraged ridership. The reservations system has been an abject failure.

While concerns over funding levels are valid, the naturally bureaucratic mind-set of the Department has tightened what former director Jim Ayers termed a "death spiral".

Establishment of the Alaska Marine Highway Authority will not be a panacea, but will give the system a new perspective.

This bill has earned the endorsement of the Inland Boatmen's Union of the Pacific, the International Organization of Masters, Mates and Pilots and the Marine Engineers Beneficial Association. These unions represent the majority of AMHS employees.

SB 21 has also been endorsed by the Ketchikan City Council, the Ketchikan Gateway Borough Assembly, the Ketchikan Indian Corporation, the Greater Ketchikan Chamber of Commerce and the Ketchikan Visitors Bureau.

CS FOR SENATE BILL NO. 21(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/25/97
Referred: Rules

Sponsor(s): SENATORS TAYLOR, Pearce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to ferries and ferry terminals, establishing the Alaska Marine
2 Highway Authority, and relating to maintenance of state marine vessels; and
3 providing for an effective date."

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

5 * Section 1. PURPOSE. The purpose of this Act is to establish an authority for the
6 operation, management, planning, construction, and maintenance of facilities for the marine
7 highway system. The authority shall be the exclusive state agency directly associated with
8 the operation, management, planning, construction, and maintenance of facilities for the marine
9 highway system.

10 * Sec. 2. AS 19 is amended by adding a new chapter to read:

Chapter 55. Alaska Marine Highway Authority.

Article 1. Creation and Organization.

13 Sec. 19.55.010. Alaska Marine Highway Authority. (a) The Alaska Marine
14 Highway Authority is established. The authority is a public corporation of the state.

1/4810210 The authority is an instrumentality of the state in the Department of Transportation and
 2 Public Facilities but has a legal existence independent of and separate from the state
 3 and has continuing succession until its existence is terminated by law.

4 (b) The powers of the authority are vested in the board of directors of the
 5 authority.

6 **Sec. 19.55.020. Directors.** (a) The board of directors of the authority consists
 7 of seven directors. One director is the commissioner of transportation and public
 8 facilities, and six directors are appointed by the governor. The six appointed directors
 9 must be state residents who have experience with maritime affairs. The appointed
 10 directors are subject to confirmation by a majority of the members of the legislature
 11 in joint session. Appointed directors must include

12 (1) two persons who are members of a union that represents employees
 13 of the authority; at least one person appointed under this paragraph shall be a member
 14 of the maritime union representing the largest number of onboard employees of the
 15 authority;

16 (2) two persons who are residents of Southeast Alaska, have a
 17 significant high level of experience in the private sector, and are not employees of the
 18 authority;

19 (3) a person who is a resident of the Gulf of Alaska area west of Icy
 20 Cape, has a significant high level of experience in the private sector, and is not an
 21 employee of the authority; and

22 (4) a person who represents the interests of the public.

23 (b) The appointed directors serve staggered five-year terms and may be
 24 removed by the governor only for cause. Each director shall hold office for the term
 25 of the director's appointment and until a successor is appointed and qualified. A
 26 director is qualified for reappointment. A vacancy in a directorship occurring other
 27 than by expiration of term shall be filled in the same manner as the original
 28 appointment but only for the unexpired term.

29 (c) The directors shall comply with AS 39.50 (conflict of interest). Each
 30 director before entering upon the director's duties shall subscribe to an oath to perform
 31 the duties of office faithfully, impartially, and justly to the best of the director's ability.

1 A record of the oath shall be filed with the Office of the Governor.

2 (d) An appointed director is entitled to compensation at a rate of \$300 for each
3 day the director is engaged in actual performance of duties under this chapter. The
4 board of directors of the authority may provide by regulation for compensation for
5 partial days for an appointed director. In addition, an appointed director is entitled to
6 per diem and travel expenses authorized for boards and commissions under
7 AS 39.20.180.

8 **Sec. 19.55.030. Officers and quorum.** The directors shall elect one of the
9 appointed directors as chair of the board of directors. The directors shall elect a secre-
10 tary and a treasurer who need not be directors, and the same person may be elected
11 to serve both as secretary and treasurer. Four directors constitute a quorum of the
12 board of directors. Except as provided in AS 19.55.110(a)(7), action may be taken and
13 motions and resolutions adopted by the board of directors at a meeting by the affirma-
14 tive vote of at least four directors. A vacancy in the board of directors of the authority
15 does not impair the right of a quorum to exercise all the powers and perform all the
16 duties of the board.

17 **Sec. 19.55.040. Staff.** (a) The board of directors shall employ a chief
18 executive officer who serves at the pleasure of the board.

19 (b) The chief executive officer may, with the approval of the board, select and
20 employ additional staff as necessary, including additional administrative officers. All
21 officers and employees of the authority are in the exempt service under AS 39.25.110.

22 (c) In addition to its staff of employees, the board of directors may contract
23 for and engage the services of consultants and professional, technical, and financial
24 advisors the authority considers necessary for the purpose of developing information,
25 conducting hearings, studies, investigations, or other proceedings, or otherwise
26 exercising its powers.

27 **Article 2. Powers and Duties.**

28 **Sec. 19.55.110. Powers of authority.** (a) In addition to other powers granted
29 in this chapter, the authority may

- 30 (1) sue and be sued;
- 31 (2) adopt and alter an official seal;

1 (3) adopt and enforce regulations for the conduct of its business and
2 for the use of its services and facilities;

3 (4) maintain offices at a place in the state and at places out of the state
4 that are served by the marine highway system;

5 (5) establish terms and conditions of employment by the authority and
6 conduct or designate a representative to conduct labor negotiations with employees;

7 (6) subject to appropriation by the legislature, acquire, hold, use, and
8 dispose of its income, revenues, funds, and money;

9 (7) acquire, hold, use, lease, rent, construct, and dispose of personal
10 property for its purposes, except that the authority may dispose of a ferry only on
11 approval by the legislature by law;

12 (8) acquire, hold, use, lease, or rent real property and dispose of real
13 property under AS 19.55.230;

14 (9) operate, maintain, improve, and extend a system of ferries
15 connecting with the public roads and highways of the state and including the boats,
16 vessels, wharves, docks, approaches, landings, and appurtenances the authority
17 determines necessary or desirable for safe and efficient operation of the ferry system
18 to best serve the public;

19 (10) adopt regulations under AS 44.62 (Administrative Procedure Act)
20 governing

21 (A) access to and use of services and facilities of the authority;

22 (B) the authority of the officers and crew of vessels of the
23 authority to maintain peace and order as necessary to protect the health, safety,
24 and public welfare of the patrons and employees of the authority;

25 (C) rates, tariffs, and other charges for transportation and other
26 services provided by the authority;

27 (11) do all acts and things necessary, convenient, or desirable to carry
28 out the powers expressly granted or necessarily implied in this chapter;

29 (12) modify scheduled routes after public hearings.

30 (b) The authority may participate at any stage in any transportation planning
31 process undertaken by the Department of Transportation and Public Facilities. The

1 authority may designate representatives to participate as full members of any
2 transportation planning committee, working group, planning team, rating panel, or
3 similar organization established by the department or required for state participation
4 in federal transportation programs. The department shall include the authority as a full
5 participant in the departmental transportation planning process, including the statewide
6 transportation plan and the statewide transportation improvement program.

7 **Sec. 19.55.120. Duties of authority.** The authority shall

8 (1) assist the residents, businesses, and communities of the state in
9 obtaining optimal marine passenger and freight service;

10 (2) schedule vessel sailings to optimize the frequency of service to all
11 ports;

12 (3) encourage and integrate with other public and private carriers to the
13 greatest extent possible to provide ferry service within the state and between Alaska
14 ports and ports outside the state in order to provide optimum service within the state;

15 (4) provide reservation access and marketing information throughout
16 the state;

17 (5) encourage vessel construction, maintenance, and service in the state
18 to the greatest extent possible;

19 (6) employ residents of the state to the greatest extent legally possible;

20 (7) recognize Alaska unions and employee associations to the greatest
21 extent legally possible.

22 **Sec. 19.55.130. Use of name authorized.** The authority is authorized to
23 operate its ferry system under the name "Alaska Marine Highway System".

24 **Sec. 19.55.140. Comprehensive long-range plan.** The authority, with the
25 cooperation of the Department of Transportation and Public Facilities, shall prepare a
26 comprehensive long-range plan for the development and improvement of the Alaska
27 marine highway system and shall revise and update the plan at least every five years.
28 The authority shall submit the plan and revisions and updates of the plan to the
29 legislature.

30 **Article 3. Acquisition of Property.**

31 **Sec. 19.55.210. Acquisition of land and easements.** The authority, as part

1 of the cost of constructing, maintaining, or improving the marine highway system, may
 2 acquire by purchase, gift, or exchange land in fee simple or easements that it considers
 3 necessary and reasonable for either temporary or permanent public use. By the same
 4 means, the authority may obtain material, including clay, gravel, sand, or rock, or the
 5 land necessary to obtain the material, including access to it. The authority may acquire
 6 the land or materials notwithstanding the fact that title to it is vested in the state or a
 7 department, agency, commission, or institution of the state.

8 **Sec. 19.55.220. Authority to purchase property for the purpose of**
 9 **exchange.** When a majority of the directors of the authority declares that it is in the
 10 interest of the state, the authority may acquire by purchase, gift, or exchange privately
 11 or publicly owned land or an interest in land for the purpose of exchanging the land
 12 for privately or publicly owned land that the authority is authorized by law to acquire.

13 **Sec. 19.55.230. Disposal of land or rights in land.** (a) The authority may
 14 vacate land or rights in land acquired for use in the marine highway system by
 15 executing and filing a deed in the appropriate recording district. Upon vacating, title
 16 reverts to the persons, heirs, successors, or assigns in whom it was vested at the time
 17 of the taking.

18 (b) The authority may transfer land not considered necessary for use in the
 19 marine highway system to the Department of Natural Resources for disposal. The
 20 proceeds of disposal by the Department of Natural Resources shall be credited to the
 21 funds from which the purchase was originally made.

22 **Article 4. Vessels and Ferry Terminal Facilities.**

23 **Sec. 19.55.310. Ferry terminal facilities.** (a) The authority may construct,
 24 purchase, or lease ferry terminal facilities at locations it selects for the loading and
 25 unloading of passengers and vehicles under their own power, on and off ferries. The
 26 authority shall repair and maintain those facilities that it owns. Construction and
 27 purchasing under this section are governed by AS 36.30 (State Procurement Code),
 28 except as otherwise provided by law.

29 (b) The authority may connect ferry terminal facilities with local highway
 30 systems.

31 (c) The authority may adopt regulations governing the use of ferry terminal

1 facilities by the public that it considers necessary and proper in the public interest.
 2 The authority may charge a fee for the use of ferry terminal facilities, whether the use
 3 is under a permit or otherwise, and whether the use is by one or more individuals.

4 (d) A ferry terminal facility in existence and serving the public on January 1,
 5 1959, is not subject to (a) - (c) of this section.

6 **Sec. 19.55.320. Naming of vessel or facility.** (a) A vessel or facility
 7 constructed or acquired by the authority must be named by law.

8 (b) A maritime vessel must bear the name of an Alaska glacier.

9 (c) A vessel used principally on the inland waterways of the state must bear
 10 the name of an historical vessel that used the rivers of the state.

11 **Article 5. Budget and Revenue.**

12 **Sec. 19.55.410. Budget and appropriations.** The authority shall submit its
 13 annual budget to the legislature through the governor as provided for state agencies by
 14 AS 37.07 (Executive Budget Act). The authority shall expend money appropriated by
 15 the legislature as authorized by the legislature.

16 **Article 6. General Provisions.**

17 **Sec. 19.55.910. Annual report.** By January 15 of each year, the board of
 18 directors of the authority shall submit to the governor and the legislature a
 19 comprehensive report describing the operations, income, and expenditures for the
 20 preceding fiscal year.

21 **Sec. 19.55.920. Annual audit.** The authority shall have its financial records
 22 audited annually by a certified public accountant. The legislative auditor may
 23 prescribe the form and content of the financial records of the authority and shall have
 24 access to those records at any time.

25 **Sec. 19.55.990. Definitions.** In this chapter, unless the context requires
 26 otherwise,

27 (1) "authority" means the Alaska Marine Highway Authority;

28 (2) "ferry" means a vessel used in the common carriage of passengers
 29 and vehicles in intrastate or interstate commerce.

30 **Sec. 19.55.995. Short title.** This chapter may be cited as the Alaska Marine
 31 Highway Authority Act.

1 * Sec. 3. AS 03.53.010(a) is amended to read:

2 (a) An animal may not be transported into the state aboard a ferry operated by
3 the Alaska Marine Highway Authority [DIVISION OF MARINE
4 TRANSPORTATION OF THE DEPARTMENT OF TRANSPORTATION AND
5 PUBLIC FACILITIES] unless the animal's owner, custodian, or attendant possesses
6 a valid health certificate for the animal. This certificate shall accompany the animal
7 or be in the possession of the animal's owner, custodian, or attendant aboard the ferry
8 and shall be presented when requested by an employee of the state ferry system at the
9 time the owner, custodian, or attendant makes arrangements to transport the animal,
10 boards the ferry with the animal, or at any other time.

11 * Sec. 4. AS 18.65.755(a) is amended to read:

12 (a) A permittee may not carry a concealed handgun into

13 (1) a law enforcement or correctional facility;

14 (2) or on school grounds or a school bus; in this paragraph, "school
15 grounds" has the meaning given in AS 11.71.900;

16 (3) a courthouse or a courtroom of this state, unless the permittee

17 (A) is a judge; or

18 (B) has been authorized to possess a concealed handgun by a
19 judge presiding at that courthouse or courtroom;

20 (4) a building housing only state or federal offices or the offices of a
21 political subdivision of the state, except as authorized under (3) of this subsection;

22 (5) an office of the state, federal government, or of a political
23 subdivision of the state that is not located in a building described in (4) of this
24 subsection;

25 (6) a passenger loading or unloading area of an airline terminal;

26 (7) a vessel of the Alaska Marine Highway Authority [MARINE
27 HIGHWAY SYSTEM];

28 (8) a facility providing services to victims of domestic violence or
29 sexual assault;

30 (9) a residence where notice that carrying a concealed handgun is
31 prohibited has been given by the posting of a conspicuous notice or by oral statement.

1 by the resident to the permittee;

2 (10) a meeting of a business, charitable, or other organization or entity
3 where notice that carrying a concealed handgun is prohibited has been given by the
4 posting of conspicuous notice;

5 (11) a financial institution; in this paragraph, "financial institution"
6 means a bank, savings bank, savings association, credit union, or other institution
7 regulated by the Department of Commerce and Economic Development under AS 06;

8 (12) another place where the possession of a deadly weapon or firearm
9 is prohibited by law; or

10 (13) a municipality or established village that has prohibited the
11 possession of concealed handguns by a permit under AS 18.65.780 - 18.65.785.

12 * Sec. 5. AS 19.65.050 is amended to read:

13 **Sec. 19.65.050. Legislative findings, purpose, and intent.** (a) The
14 legislature finds that

15 (1) the Alaska Marine Highway Authority [MARINE HIGHWAY
16 SYSTEM] is an essential part of the state transportation system, and that it warrants
17 continued and predictable state support;

18 (2) many communities' economies are dependent on a steady and stable
19 marine highway system service level;

20 (3) the state's tourism industry is greatly enhanced by a dependable
21 marine highway transportation network; and

22 (4) efficient and prudent management of the authority [SYSTEM] will
23 benefit the state's economy and foster economic development.

24 (b) It is the purpose of AS 19.65.050 - 19.65.100 to

25 (1) enable the authority [ALASKA MARINE HIGHWAY SYSTEM]
26 to manage and operate in a manner that will enhance performance and accountability
27 by allowing the authority [SYSTEM] to account for and spend its generated revenue;

28 (2) provide the management tools necessary to efficiently operate the
29 authority [ALASKA MARINE HIGHWAY SYSTEM];

30 (3) within constitutional constraints, provide for a predictable funding
31 base for authority [SYSTEM] operations; and

1 (4) provide for predictability and stability in the service level furnished
2 to communities served by the authority [SYSTEM].

3 (c) It is the intent of AS 19.65.050 - 19.65.100 to

4 (1) encourage prudent administration through cost management and
5 accurate budgeting by the board of directors [MANAGERS] of the authority
6 [ALASKA MARINE HIGHWAY SYSTEM];

7 (2) increase revenue from the operation of the authority [SYSTEM]
8 consistent with the public interest, increase service consistent with sound fiscal policy,
9 and assist the prudent management and operation of the authority [SYSTEM]; and

10 (3) achieve stability in the level of service communities can anticipate
11 through accurate planning and scheduling.

12 * Sec. 6. AS 19.65.060 is amended to read:

13 Sec. 19.65.060. Alaska Marine Highway Authority [MARINE HIGHWAY
14 SYSTEM] fund. (a) There is created, as a special account in the general fund, the
15 Alaska Marine Highway Authority [MARINE HIGHWAY SYSTEM] fund, into
16 which shall be deposited

17 (1) the gross revenue of the authority [ALASKA MARINE
18 HIGHWAY SYSTEM];

19 (2) money that is appropriated to the [ALASKA MARINE HIGHWAY
20 SYSTEM] fund by the legislature in an amount that is consistent from year to year and
21 is the amount necessary, after consideration of gross revenue, to provide stable services
22 to the public consistent with the provisions of AS 19.65.050(b)(4); unless otherwise
23 provided by the legislature, appropriations to the fund under this paragraph [,
24 WHICH APPROPRIATIONS] are not one-year appropriations and [THE BALANCES
25 OF WHICH] do not lapse under AS 37.25.010; and

26 (3) any other money that is appropriated to the [ALASKA MARINE
27 HIGHWAY SYSTEM] fund by the legislature; unless otherwise provided by the
28 legislature, appropriations to the fund under this paragraph [, WHICH
29 APPROPRIATIONS] are not one-year appropriations and [THE BALANCES OF
30 WHICH] do not lapse under AS 37.25.010.

31 (b) Nothing in AS 19.65.050 - 19.65.100 [THIS CHAPTER] exempts money

1 deposited into the [ALASKA MARINE HIGHWAY SYSTEM] fund from the
2 requirements of AS 37.07 (Executive Budget Act) or dedicates that money for a
3 specific purpose.

4 * Sec. 7. AS 19.65.070 is amended to read:

5 Sec. 19.65.070. Revenue accounting. (a) The authority [ALASKA
6 MARINE HIGHWAY SYSTEM] shall account for and remit to the Department of
7 Revenue in accordance with AS 37.10.050 all gross revenue generated from the
8 operation of the authority [ALASKA MARINE HIGHWAY SYSTEM] during each
9 fiscal year [ANNUAL OPERATING CYCLE]. The money shall then be deposited
10 in the Alaska Marine Highway Authority [MARINE HIGHWAY SYSTEM] fund.

11 (b) The authority [ALASKA MARINE HIGHWAY SYSTEM] shall prepare
12 a written report, not [NO] later than the 10th day of each regular legislative session,
13 regarding the previous fiscal year [ANNUAL OPERATING CYCLE] and notify the
14 legislature that the report is available. The report must identify

15 (1) gross revenue generated during the previous fiscal year [ANNUAL
16 OPERATING CYCLE];

17 (2) gross revenue generated during the current fiscal year [ANNUAL
18 OPERATING CYCLE] and an estimate of gross revenue for the remainder of the
19 current fiscal year [ANNUAL OPERATING CYCLE];

20 (3) projections of the gross revenue to be generated during the next
21 fiscal year [ANNUAL OPERATING CYCLE]; and

22 (4) the difference between previous gross revenue estimates prepared
23 under this section and the revenues actually generated.

24 (c) The Department of Revenue shall prepare a written report, no later than the
25 10th legislative day of each regular legislative session, regarding the earnings on gross
26 revenue of the authority [ALASKA MARINE HIGHWAY SYSTEM] that was
27 deposited into the Alaska Marine Highway Authority [MARINE HIGHWAY
28 SYSTEM] fund during the prior fiscal year and projected earnings on gross revenue
29 of the authority [ALASKA MARINE HIGHWAY SYSTEM] that is projected to be
30 deposited into the Alaska Marine Highway Authority [MARINE HIGHWAY
31 SYSTEM] fund for the current fiscal year and the next fiscal year. The Department

1 of Revenue shall notify the legislature that the report is available.

2 * Sec. 8. AS 19.65.080 is amended to read:

3 **Sec. 19.65.080. Annual appropriation.** (a) Commencing with appropriations
4 for the fiscal year that begins July 1, 1991, on an annual basis and under AS 37.07
5 (Executive Budget Act), the legislature may appropriate amounts from the [ALASKA
6 MARINE HIGHWAY SYSTEM] fund for management and operation of [TO] the
7 authority [ALASKA MARINE HIGHWAY SYSTEM].

8 (b) The authority [DEPARTMENT OF TRANSPORTATION AND PUBLIC
9 FACILITIES] may request the legislature to appropriate money from the [ALASKA
10 MARINE HIGHWAY SYSTEM] fund to the authority [MARINE HIGHWAY
11 SYSTEM] for capital improvements [,] if

12 (1) the appropriation under (a) of this section has been made;

13 (2) the amount in the fund, without regard to the appropriation under
14 (a) of this section, exceeds the total of gross revenue deposited in the fund and the
15 general fund appropriations under AS 19.65.060(a)(2) by 10 percent; and

16 (3) the amount requested for appropriation under this subsection does
17 not exceed 50 percent of the balance remaining after the appropriation for annual
18 management and operations is made under (a) of this section.

19 (c) The unexpended and unobligated balance of money appropriated from the
20 [ALASKA MARINE HIGHWAY SYSTEM] fund lapses into the [ALASKA MARINE
21 HIGHWAY SYSTEM] fund at the end of the fiscal year for which it was appropriated.

22 * Sec. 9. AS 19.65.100 is amended to read:

23 **Sec. 19.65.100. DEFINITIONS.** In AS 19.65.050 - 19.65.100,

24 (1) "authority" means the Alaska Marine Highway Authority
25 ["ANNUAL OPERATING CYCLE" MEANS THE ANNUAL STATE FISCAL YEAR
26 BEGINNING ON JULY 1 AND ENDING AT MIDNIGHT ON THE FOLLOWING
27 JUNE 30];

28 (2) "fiscal year" has the meaning given in AS 37.07.120;

29 (3) "fund" means the Alaska Marine Highway Authority fund;

30 (4) "gross revenue" means all money, except money refunded to ticket
31 holders and others for unused services, that is generated from the operation of the

1 authority [ALASKA MARINE HIGHWAY SYSTEM], including that derived from
 2 vessel operations and uses of authority [ALASKA MARINE HIGHWAY SYSTEM]
 3 facilities.

4 * Sec. 10. AS 23.40.040 is amended to read:

5 **Sec. 23.40.040. Collective bargaining agreement.** The Alaska Marine
 6 Highway Authority [COMMISSIONER OF TRANSPORTATION AND PUBLIC
 7 FACILITIES] or an authorized representative, in accordance with AS 23.40.020 -
 8 23.40.030, may negotiate and enter into collective bargaining agreements concerning
 9 wages, hours, working conditions, and other employment benefits with the employees
 10 of the authority [DIVISION OF MARINE TRANSPORTATION] engaged in
 11 operating the state ferry system as masters or members of the crews of vessels or their
 12 bargaining agent. [A COLLECTIVE BARGAINING AGREEMENT IS NOT FINAL
 13 WITHOUT THE CONCURRENCE OF THE COMMISSIONER OF
 14 TRANSPORTATION AND PUBLIC FACILITIES.] The authority
 15 [COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES] may make
 16 provision in the collective bargaining agreement for the settlement of labor disputes
 17 by arbitration.

18 * Sec. 11. AS 29.35.722 is amended to read:

19 **Sec. 29.35.722. Ownership or operation of certain state facilities**
 20 **prohibited.** The state may not, without the approval of the legislature,

21 (1) convey or transfer the assets of the Alaska Marine Highway
 22 Authority [MARINE HIGHWAY SYSTEM], the Anchorage or Fairbanks international
 23 airports, or any other state asset, except undeveloped state land as provided in
 24 AS 38.05.810 or surplus property, to an authority; or

25 (2) enter into an agreement with an authority under which the authority
 26 would operate the Alaska marine highway system, the Anchorage or Fairbanks
 27 international airports, or any other state facility, system, or function that employs one
 28 or more employees.

29 * Sec. 12. AS 35.10.015(c) is amended to read:

30 (c) In this section, "public facilities" includes vessels owned by the state and
 31 operated by the Alaska Marine Highway Authority [DIVISION OF MARINE

TRANSPORTATION OF THE DEPARTMENT AS A PART OF THE ALASKA MARINE HIGHWAY SYSTEM]. All ferries owned or operated by the state shall be equipped with elevators or other passenger lifting equipment, ramps, or other facilities and devices to ensure that these vessels are accessible to and usable by physically handicapped, aged, or infirm passengers. In this subsection, "accessible to and usable by" means that a physically handicapped, aged, or infirm passenger can board, disembark, and move between decks and about the public areas aboard a state ferry with personal comfort and safety, and with safety to, other passengers and members of the crew.

* Sec. 13. AS 35.10.015(d) is amended to read:

(d) A [AFTER JUNE 25, 1976, A] ferry may not be constructed, lengthened, completely renovated, or purchased for use or entered into service by the Alaska Marine Highway Authority [DIVISION OF MARINE TRANSPORTATION OF THE DEPARTMENT AS A PART OF THE ALASKA MARINE HIGHWAY SYSTEM] that does not include adequate facilities and devices to ensure that the vessel is accessible to and usable by physically handicapped, aged, or infirm passengers. Some staterooms and all restrooms, indoor passageways, outdoor weather decks, and other public areas aboard the vessel shall be so designed and constructed as to permit access and use by physically handicapped, aged, or infirm passengers, including [BUT NOT LIMITED TO] those persons occupying a wheelchair.

* Sec. 14. AS 35.27.020(c) is amended to read:

(c) At least one percent or, in the case of a rural school facility, at least one-half of one percent of the construction cost of a building or facility approved for construction by the legislature after September 1, 1977, will be reserved for the following purposes: the design, construction, mounting, and administration of works of art in a school, office building, court building, [VESSEL OF THE MARINE HIGHWAY SYSTEM,] or other building or facility that [WHICH] is subject to substantial public use.

* Sec. 15. AS 35.27 is amended by adding a new section to read:

Sec. 35.27.025. Application to Alaska Marine Highway Authority. This chapter applies to the Alaska Marine Highway Authority. Compliance with this

1 chapter is the sole responsibility of the authority with respect to the buildings and
2 facilities of the authority.

3 * Sec. 16. AS 35.27.030(1) is amended to read:

4 (1) "building" or "facility" means a permanent improvement constructed
5 by the department or authority; the term

6 (A) includes, but is not limited to,

7 (i) schools, office buildings, and court buildings;

8 (ii) other buildings that [WHICH] the commissioner
9 determines are designed for substantial public use;

10 (iii) [BOATS AND VESSELS OF THE MARINE
11 HIGHWAY SYSTEM;

12 (iv)] transportation facilities that [WHICH]
13 accommodate traveling passengers;

14 (B) excludes other transportation facilities and boats and
15 vessels of the authority;

16 * Sec. 17. AS 35.27.030 is amended by adding a new paragraph to read:

17 (4) "authority" means the Alaska Marine Highway Authority.

18 * Sec. 18. AS 36.30.015(g) is amended to read:

19 (g) The Alaska Marine Highway Authority [DEPARTMENT OF
20 TRANSPORTATION AND PUBLIC FACILITIES] shall adopt regulations to manage
21 the procurement of supplies, services, professional services, and construction for the
22 repair, maintenance, and reconstruction of vessels, docking facilities, and passenger and
23 vehicle transfer facilities of the Alaska marine highway system. The regulations must
24 be based on principles of competitive procurement consistent with this chapter to
25 satisfy the special requirements of the Alaska marine highway system as determined
26 by the Alaska Marine Highway Authority [DEPARTMENT OF
27 TRANSPORTATION AND PUBLIC FACILITIES].

28 * Sec. 19. AS 36.30.850(b)(29) is amended to read:

29 (29) construction of new vessels by the Alaska Marine Highway
30 Authority [DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES]
31 for the Alaska marine highway system;

1 * Sec. 20. AS 36.30.990(1) is amended to read:

2 (1) "agency"

3 (A) means a department, institution, board, commission,
4 division, authority, public corporation, the Alaska Pioneers' Home, or other
5 administrative unit of the executive branch of state government;

6 (B) does not include

7 (i) the University of Alaska;

8 (ii) the Alaska Railroad Corporation;

9 (iii) the Alaska Housing Finance Corporation;

10 (iv) a regional Native housing authority created under
11 AS 18.55.996 or a regional electrical authority created under
12 AS 18.57.020;

13 (v) the Alaska Marine Highway Authority
14 [DEPARTMENT OF TRANSPORTATION AND PUBLIC
15 FACILITIES], in regard to the repair, maintenance, and reconstruction
16 of vessels, docking facilities, and passenger and vehicle transfer
17 facilities of the Alaska marine highway system;

18 (vi) the Alaska Aerospace Development Corporation;

19 (vii) the Alaska State Pension Investment Board;

20 (viii) the Alaska Seafood Marketing Institute;

21 * Sec. 21. AS 36.90.050(a) is amended to read:

22 (a) Marine vessels owned by the state shall be maintained and repaired at a
23 shipyard facility located in the state unless the commissioner of the department that
24 operates the marine vessel determines in writing that there is no shipyard facility
25 located in the state that is equipped or qualified to perform the particular maintenance
26 or repair required, or, after taking into consideration the Alaska bidder preference set
27 out in AS 36.30.170 and the interport differential, as determined by the Alaska Marine
28 Highway Authority under this section [MARINE HIGHWAY SYSTEM], that the
29 proposed cost of the maintenance or repair work is unreasonable. In making the
30 determination, the commissioner shall consider, and document in writing, the
31 direct and indirect benefits to the economy and labor force in the state that would

1 be derived by performing the vessel maintenance and repair at a facility in the
2 state. A detailed list of the costs and factors considered in calculating the
3 interport differential must be provided to each person who expresses an interest
4 in submitting a bid to perform maintenance or repair work on a marine vessel
5 owned by the state. [IN THIS SUBSECTION, "COMMISSIONER OF THE
6 DEPARTMENT THAT OPERATES THE MARINE VESSEL" INCLUDES THE
7 PRESIDENT OF THE UNIVERSITY OF ALASKA WITH REGARD TO A VESSEL
8 OPERATED BY THE UNIVERSITY.]

9 * Sec. 22. AS 36.90.050 is amended by adding new subsections to read:

10 (c) The commissioner of a department that operates a marine vessel shall adopt
11 regulations establishing the criteria that the department shall use to determine whether
12 the cost of maintenance or repair work at a shipyard facility located in the state is
13 reasonable under (a) of this section. The commissioner shall designate by regulation
14 the designated base port for each vessel operated by the department. A vessel's
15 designated base port is the vessel's delivery and redelivery port. The Alaska Marine
16 Highway Authority shall adopt regulations establishing the criteria that the authority
17 shall use in calculating the interport differential under this section. The criteria for
18 calculating the interport differential must include costs incurred from the time that the
19 vessel leaves the vessel's designated base port to enter the shipyard facility until the
20 time that the vessel returns to the designated base port from the shipyard facility.

21 (d) In this section,

22 (1) "commissioner of the department that operates the marine vessel"
23 includes the president of the University of Alaska with regard to a vessel operated by
24 the university and the chief executive officer of the Alaska Marine Highway Authority
25 with regard to a vessel operated by the Alaska Marine Highway Authority;

26 (2) "interport differential" includes all costs related to the performance
27 of the maintenance or repair work of a marine vessel at a shipyard located outside of
28 the state, including travel costs incurred moving the vessel from its designated base
29 port to the shipyard outside of the state; additional fuel consumption; cost of
30 consumables including lubricants and other engine and deck stores; maintenance costs
31 incurred during running time; cost of crew transfers including airfare between Alaska

1 and the shipyard; wages in travel status; crew room and board; and other interport
2 costs identified by the Alaska Marine Highway Authority.

3 * **Sec. 23.** AS 37.05.550 is amended to read:

4 **Sec. 37.05.550. Alaska Marine Highway Authority [MARINE HIGHWAY**
5 **SYSTEM] vessel replacement fund.** (a) There is in the general fund the Alaska
6 **Marine Highway Authority [MARINE HIGHWAY SYSTEM] vessel replacement**
7 **fund.** The fund consists of money appropriated to it by the legislature. Money
8 appropriated to the fund does not lapse. The Department of Revenue shall manage the
9 fund. Interest received on money in the fund shall be accounted for separately and may
10 be appropriated into the fund annually. The legislature may appropriate money from
11 the fund for refurbishment of existing state ferry vessels, acquisition of additional state
12 ferry vessels, or replacement of retired or outmoded state ferry vessels.

13 (b) The legislature may appropriate to the fund money received by the state
14 as Alaska **Marine Highway Authority [MARINE HIGHWAY SYSTEM]** program
15 receipts or from a settlement or final judicial determination of the Dinkum Sands case
16 (United States v. Alaska) [AND THE NORTH SLOPE ROYALTY CASE (STATE V.
17 AMERADA HESS, ET AL.)] and not deposited into the Alaska permanent fund under
18 AS 37.13.010(a)(1) or (2) or into the public school trust fund under AS 37.14.150.

19 (c) The Department of Revenue shall prepare a written report, no later than the
20 10th legislative day of each regular legislative session, regarding the earnings of the
21 Alaska **Marine Highway Authority [MARINE HIGHWAY SYSTEM]** vessel
22 replacement fund during the prior fiscal year and projected earnings of the Alaska
23 **Marine Highway Authority [MARINE HIGHWAY SYSTEM]** vessel replacement
24 fund for the current fiscal year and the next fiscal year. The Department of Revenue
25 shall notify the legislature that the report is available.

26 * **Sec. 24.** AS 39.20.310(8) is amended to read:

27 (8) persons employed by the **Alaska Marine Highway Authority**
28 **[DIVISION OF MARINE TRANSPORTATION]** as masters and members of the crews
29 operating the state ferry system who are covered by collective bargaining agreements
30 as provided in AS 23.40.040, except as expressly provided by law;

31 * **Sec. 25.** AS 39.25.110(11) is amended to read:

1 (11) the officers and employees of the following boards, commissions,
2 and authorities:

- 3 (A) [REPEALED
4 (B)] Alaska Permanent Fund Corporation;
5 (B) [(C)] Alaska Industrial Development and Export Authority;
6 (C) [(D)] Alaska Commercial Fisheries Entry Commission;
7 (D) [(E)] Alaska Commission on Postsecondary Education;
8 (E) [(F)] Alaska Aerospace Development Corporation;
9 (F) Alaska Marine Highway Authority;

10 * Sec. 26. AS 39.30.150(b) is amended to read:

11 (b) Employees of the Alaska Marine Highway Authority [DIVISION OF
12 MARINE TRANSPORTATION] included in the public employees' retirement system
13 through the process of collective bargaining under AS 39.35.680(21)(D) may, under
14 the terms of a collective bargaining agreement, utilize contributions made under (a) of
15 this section on their behalf to offset the costs of inclusion in the public employees'
16 retirement system; however,

17 (1) the state is placed under no obligation to continue making
18 contributions under this section if the state resumes participation in the federal social
19 security system;

20 (2) the bargaining agreement must provide a mechanism for satisfying
21 any residual liabilities that might exist if the state resumes participation in the federal
22 social security system; and

23 (3) funds contributed under (a) of this section on behalf of employees
24 who are not covered by maritime union contracts may not be obligated or expended
25 to pay any costs associated with the inclusion of marine transportation employees in
26 the public employees' retirement system.

27 * Sec. 27. AS 39.35.680(21) is amended to read:

28 (21) "member" or "employee"

29 (A) means a person eligible to participate in the system and
30 who is covered by the system;

31 (B) includes

- 1 (i) active member;
- 2 (ii) inactive member;
- 3 (iii) vested member;
- 4 (iv) deferred vested member;
- 5 (v) non-vested member;
- 6 (vi) disabled member;
- 7 (vii) retired member;
- 8 (viii) an elected public officer under AS 39.35.381;
- 9 (C) does not include
 - 10 (i) former members;
 - 11 (ii) persons compensated on a contractual or fee basis;
 - 12 (iii) casual or emergency workers or nonpermanent
 - 13 employees as defined in AS 39.25.200;
 - 14 (iv) persons covered by the Alaska Teachers' Retirement
 - 15 System except as provided under AS 39.35.131 and 39.35.381, or
 - 16 persons covered by the optional university retirement program;
 - 17 (v) employees of the Alaska Marine Highway
 - 18 Authority [DIVISION OF MARINE TRANSPORTATION] engaged
 - 19 in operating the state ferry system who are covered by a union or group
 - 20 retirement system to which the state makes contributions;
 - 21 (vi) justices of the supreme court or judges of the court
 - 22 of appeals or of the superior or district courts of Alaska;
 - 23 (vii) the administrative director of courts appointed
 - 24 under art. IV, sec. 16 of the state constitution unless the director
 - 25 becomes a member under AS 39.35.158; and
 - 26 (viii) members of the elected public officers' retirement
 - 27 system (former AS 39.37);
 - 28 (D) may include employees of the Alaska Marine Highway
 - 29 Authority [DIVISION OF MARINE TRANSPORTATION] excluded under
 - 30 (C)(v) of this paragraph provided that
 - 31 (i) the State of Alaska formally agrees to their inclusion

1 through the process of collective bargaining; and

2 (ii) no collective bargaining agreement has the effect of
3 obligating contributions made by the state under AS 39.30.150 in the
4 event the state resumes participation in the federal social security
5 system;

6 * Sec. 28. AS 39.50.200(b) is amended by adding a new paragraph to read:

7 (56) Alaska Marine Highway Authority (AS 19.55.010).

8 * Sec. 29. AS 44.42.020(a)(1) is amended to read:

9 (1) plan, design, construct, and maintain all state modes of
10 transportation and transportation facilities and all docks, floats, breakwaters, buildings,
11 and similar facilities, except that departmental planning, design, construction, or
12 maintenance of transportation modes or facilities under the jurisdiction of the
13 Alaska Marine Highway Authority is subject to direction by the Alaska Marine
14 Highway Authority;

15 * Sec. 30. AS 44.42.020(a)(7) is amended to read:

16 (7) manage, operate, and maintain state transportation facilities and all
17 docks, floats, breakwaters, and buildings, including all state highways, vessels,
18 railroads, pipelines, airports, and aviation facilities, except that the department is not
19 responsible for management or operation of transportation facilities under the
20 jurisdiction of the Alaska Marine Highway Authority or for management,
21 operation, or maintenance of vessels or equipment under the jurisdiction of the
22 Alaska Marine Highway Authority;

23 * Sec. 31. TRANSFER OF APPROPRIATIONS, EMPLOYEES, AND ASSETS TO
24 ALASKA MARINE HIGHWAY AUTHORITY. (a) Employees of the Department of
25 Transportation and Public Facilities assigned to the management, operation, and maintenance
26 of the Alaska marine highway system on the effective date of this section are transferred to
27 the Alaska Marine Highway Authority as state employees of the authority. The commissioner
28 of transportation and public facilities shall determine which employees are transferred to the
29 authority. An employee who is transferred to the authority under this subsection shall
30 continue to participate without interruption in the supplemental employee benefits program
31 under AS 39.30.150 - 39.30.180 and in the public employees' retirement system under

1 AS 39.35 if the employee was a participant in these programs on the day before the employee
2 was transferred to the authority.

3 (b) During the term of a collective bargaining agreement that applies to employees
4 who are transferred to the Alaska Marine Highway Authority and that is in effect on the
5 effective date of this section, nothing in this Act terminates or modifies recognition of the
6 exclusive bargaining representative for those employees or that collective bargaining
7 agreement. The Alaska Marine Highway Authority shall abide by the collective bargaining
8 agreements that are in effect for employees transferred to the authority on the date of transfer.
9 A collective bargaining agreement covering employees transferred under this Act shall remain
10 in effect for the term of the agreement unless the agreement is renegotiated by the Alaska
11 Marine Highway Authority and the exclusive bargaining representative. The legislature finds
12 that the community of interest of shore-based employees of the Alaska Marine Highway
13 Authority is substantially different from the community of interest of the employees of the
14 executive branch in the classified service. Accordingly, the shore-based employees of the
15 Alaska Marine Highway Authority are severed from their recognized collective bargaining
16 units in effect on the effective date of this section on expiration of the collective bargaining
17 agreement in effect on the effective date of this section for their unit. The severed units shall
18 continue as units of the Alaska Marine Highway Authority with the exclusive representative
19 in place at the time of the severance until actions under AS 23.40.070 - 23.40.260 (Public
20 Employment Relations Act) change the units or representatives.

21 (c) The unexpended and unobligated balances of operating and capital appropriations
22 for the Department of Transportation and Public Facilities, Alaska marine highway system,
23 shall be transferred to the Alaska Marine Highway Authority.

24 (d) The personal property assets and real property assets, including ferries, equipment,
25 buildings, and associated facilities, of the Department of Transportation and Public Facilities,
26 Alaska marine highway system, shall be transferred to the Alaska Marine Highway Authority.

27 * Sec. 32. INITIAL APPOINTMENT OF MEMBERS OF THE ALASKA MARINE
28 HIGHWAY AUTHORITY. (a) Notwithstanding AS 19.55.020(b), added by sec. 2 of this
29 Act, and AS 39.05.055, the initially appointed members of the board of directors of the Alaska
30 Marine Highway Authority shall be appointed by the governor to terms as follows: one
31 member serves for one year, one member serves for two years, one member serves for three

1 years, one member serves for four years, and two members serve for five years.

2 (b) The governor shall appoint the initial members of the board of directors of the
3 Alaska Marine Highway Authority, as provided for under AS 19.55.020(a), added by sec. 2
4 of this Act, before December 1, 1997.

5 * Sec. 33. AS 19.65.011, 19.65.020, 19.65.030; and AS 39.25.110(16) are repealed.

6 * Sec. 34. Section 5, ch. 94, SLA 1992, is repealed.

7 * Sec. 35. Sections 1, 21, 22, 32, and 34 of this Act take effect immediately under
8 AS 01.10.070(c).

9 * Sec. 36. Except as provided in sec. 35 of this Act, this Act takes effect January 1, 1998.

8

Alaska State Legislature

Committee Membership

Senate Finance
Senate Resources
Senate Rules
Legislative Budget & Audit



Senator John Torgerson

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Sponsor Statement - SB 28 Unincorporated Community Matching Grants

The purpose of the capital project matching grant program is to:

- (1) provide a capital project funding system that is equitable to municipalities and unincorporated communities throughout the state;
- (2) enhance the role of communities in initiating and prioritizing the construction of capital projects;
- (3) encourage a sense of local ownership in capital projects by requiring local participation; and
- (4) improve the process for making grants for capital projects by providing a more orderly and thoughtful planning process that involves the local community, the executive branch, and the legislature.

SB 28 revises the **Unincorporated Community Capital Project Matching Grant Program** by:

- Expanding the program to include unincorporated communities within boroughs and unified municipalities
- Changing the grant amount from an automatic minimum of \$25,000 per year to a maximum of \$25,000 per year, based on approved projects;
- Requiring borough assembly approval of an unincorporated community's nonprofit entity and its list of requested project;
- Revising the timeline of grants from automatically receiving funds and then applying for grants to first applying for grants and then receiving funds for approved projects; and
- Maintaining local share requirements of 5 percent for unincorporated communities in the unorganized borough but requiring that unincorporated communities within boroughs provide the same local share percentage as their borough; and
- Changing the time in which unexpended and unobligated funds are spent from five years to four years.

SB 28: 1/31/97: mj

Representing the Kenai Peninsula

SENATE BILL NO. 28

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY SENATOR TORGERSON

Introduced: 1/13/97

Referred: CRA, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the unincorporated community capital project matching grant
2 program; and providing for an effective date."

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

4 * Section 1. AS 37.06.020(b) is amended to read:

5 (b) The unincorporated community capital project matching grant fund is
6 established in the department and consists of appropriations to the fund. Appropriations
7 to the fund do not lapse except as provided in (h) of this section. The money in the fund
8 is held by the department in custody under this subsection for each unincorporated
9 community eligible for an allocation under this subsection. The department shall
10 establish an individual grant account within the fund for each eligible unincorporated
11 community [THAT WAS ENTITLED TO RECEIVE STATE AID UNDER
12 AS 29.60.140 DURING THE PRECEDING FISCAL YEAR]. As provided in this
13 subsection, each fiscal year the department shall allocate, to the individual grant
14 accounts, appropriations to the fund. An unincorporated community is eligible for an
15 allocation in a fiscal year if the requirements of (d) are met and the community was

1 a place in the state in which 25 or more individuals resided as a social unit
 2 [ELIGIBLE TO RECEIVE STATE AID UNDER AS 29.60.140] during the preceding
 3 fiscal year. The department shall credit interest earned on money in an individual grant
 4 account to that account. Except as provided in (c) of this section, the amount allocated
 5 under this subsection to an individual grant account in a fiscal year is the amount
 6 needed to fund the projects presented to the legislature under (e) of this section
 7 [DETERMINED BY DIVIDING THE TOTAL AMOUNT APPROPRIATED TO THE
 8 FUND DURING THAT FISCAL YEAR BY THE NUMBER OF UNINCORPORATED
 9 COMMUNITIES ELIGIBLE FOR AN ALLOCATION DURING THAT FISCAL
 10 YEAR].

11 * Sec. 2. AS 37.06.020(c) is amended to read:

12 (c) A maximum [MINIMUM] of \$25,000 may [SHALL] be allocated to each
 13 eligible unincorporated community's grant account each fiscal year under (b) of this
 14 section. If appropriations are not sufficient to fully fund the [MINIMUM] amount for
 15 each eligible unincorporated community, the amount appropriated shall be allocated on
 16 a pro rata basis [EQUALLY] among the eligible unincorporated communities. If
 17 appropriations exceed the amount necessary to fully fund the amount for each
 18 eligible unincorporated community, the excess amount lapses into the general fund.

19 * Sec. 3. AS 37.06.020(d) is amended to read:

20 (d) The department shall designate, in each eligible unincorporated community,
 21 a [AN INCORPORATED] nonprofit corporation [ENTITY OR A NATIVE VILLAGE
 22 COUNCIL] that agrees to receive and spend grant money allocated to the unincorporated
 23 community's individual grant account under (b) of this section. If the community is
 24 located in a borough or a unified municipality, the department may only designate
 25 the corporation that has been approved by the assembly and the department must
 26 have written evidence of that approval. If there is more than one qualified
 27 corporation [ENTITY] in a community in the unorganized borough, the department
 28 shall designate the corporation [ENTITY] that the department finds most qualified to
 29 make draws from that unincorporated community's individual grant account and spend
 30 the money. If there is no qualified [INCORPORATED] nonprofit corporation [ENTITY
 31 OR NATIVE VILLAGE COUNCIL] in an unincorporated community that will agree to
 32 receive and spend money allocated to the community under (b) of this section, draws

1 may not be made from the unincorporated community's individual grant account and the
 2 amount allocated to the account lapses into the general fund. A corporation qualifies
 3 for designation under this subsection only if it

4 (1) was formed to serve a public or civic purpose;

5 (2) is registered and in good standing with the Department of
 6 Commerce and Economic Development;

7 (3) agrees to use the grant money for a public purpose;

8 (4) provides the residents of the community with a public facility or
 9 service;

10 (5) has held a public meeting to give residents of the community the
 11 opportunity to express their preferences and ideas for use of the grant money; and

12 (6) agrees to make a facility provided with grant money available to
 13 every person in the community.

14 * Sec. 4. AS 37.06.020(e) is amended to read:

15 (e) By October 1 of each fiscal year, the [INCORPORATED] nonprofit
 16 corporation [ENTITY OR NATIVE VILLAGE COUNCIL] designated by the
 17 department under (d) of this section shall submit to the governor a prioritized list of
 18 capital projects and estimated costs to be financed with money from the community's
 19 individual grant account established under (b) of this section. The list must include the
 20 amount and source of the local share required by AS 37.06.030. If the community is
 21 located in a borough or unified municipality, the list is subject to approval of the
 22 assembly and must be accompanied by written evidence of that approval. The
 23 governor shall include in the capital improvements program presented to the legislature
 24 under AS 37.07.060 the projects submitted by designated corporations [ENTITIES]
 25 under this subsection that the governor recommends for funding. If, in the capital
 26 improvements program, the governor includes projects in other than the priority order
 27 submitted by a designated corporation [ENTITY], the governor shall provide the
 28 legislature with a written statement of the reasons for that action.

29 * Sec. 5. AS 37.06.020(h) is amended to read:

30 (h) A corporation [AN ENTITY] designated by the department under (d) of this
 31 section shall repay to the department money it has drawn from an unincorporated
 32 community's individual grant account if substantial, ongoing work on the project is not

1 started within four [FIVE] years after the effective date of the appropriation from which
 2 the draw is funded. Money repaid shall be deposited into the general fund. Money from
 3 an allocation to an unincorporated community's individual grant account that has not
 4 been drawn out by a designated corporation [ENTITY] within four [FIVE] years after
 5 the effective date of the appropriation from which the allocation is funded lapses into the
 6 general fund.

7 * Sec. 6. AS 37.06.030(b) is amended to read:

8 (b) For each draw made by a corporation [AN ENTITY OR COUNCIL] under
 9 AS 37.06.020, the nonprofit corporation [INCORPORATED ENTITY OR NATIVE
 10 VILLAGE COUNCIL] that makes the draw shall contribute a local share of the cost of
 11 the capital project for which the draw is made. The amount of the local share for an
 12 unincorporated community in a borough or unified municipality is the amount of
 13 the local share for that borough or unified municipality as calculated under (a) of
 14 this section. The amount of the local share for an unincorporated community in the
 15 unorganized borough equals the local share percentage as calculated under (1) of this
 16 subsection, divided by the state share percentage as calculated under (2) of this
 17 subsection, multiplied by the amount of the draw. For purposes of this subsection,

18 (1) the local share percentage is five percent;

19 (2) the state share percentage equals one minus the local share
 20 percentage;

21 (3) the local share may be satisfied from (A) federal or local money; (B)
 22 labor, materials, or equipment used directly in the construction of the project, or land,
 23 including land transferred by the state; the department shall determine the value of a
 24 contribution under this subparagraph; (C) money from another nonstate source; (D)
 25 money received by the unincorporated community under AS 29.60.010 - 29.60.375; or
 26 (E) money obtained from the sale or lease of land or other assets transferred by the state;
 27 except as provided in this paragraph, the local share may not be satisfied with money
 28 from, or with the portion of an asset that was obtained with money from, an
 29 appropriation, allocation, entitlement, grant, or other payment from the state.

30 * Sec. 7. TRANSITION. A Native village council that has made a draw before the effective
 31 date of this Act from an unincorporated community's individual grant account for a capital
 32 project that has not been completed by the effective date of this Act may continue to make

- 1 draws for that project. For purposes of this section, AS 37.06.020(b) - (e) and (g) and
- 2 37.06.030(b) apply as they read immediately before the effective date of this Act.
- 3 * Sec. 8. AS 37.06.020(g) is repealed.
- 4 * Sec. 9. This Act takes effect immediately under AS 01.10.070(c).

9



ALASKA STATE LEGISLATURE
SENATOR RANDY PHILLIPS
SENATE DISTRICT L

SESSION
State Capitol
Juneau, AK 99801
(907) 465-4949
800-478-4950
Fax: 465-4979

INTERIM
P.O. Box 142
Eagle River AK 99577
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SB 36 Sponsor Statement

I introduced Senate Bill 36, "An Act relating to the public school foundation program." to make a number of changes to the public school foundation system. The funding system for education in Alaska has not been changed since 1987.

Senate Bill 36 makes fundamental changes in the way education is funded in Alaska.

- **More total money is made available for K-12 education.**
- **The disparity in funding between the richest and the poorest school districts is reduced.**
- **The local tax burden for education is made more equitable.**
- **Additional funding is given to school districts based on the number of students.**
- **Additional funding for single site schools is included in the formula.**
- **Categorical funding for gifted and talented and bilingual students is changed to reduce the incentives to abuse the current system.**

Overview SB 36

- Provides that the Department of Education shall reimburse school districts at the same rate for pupil transportation regardless of whether the district contracts for the transportation or provides it with district owned school busses.
- Defines "unhoused students" to include students that are housed in temporary relocatable facilities for the purpose of providing capital improvement project grants.
- The local contribution requirement is changed from 4 mills or 35% of basic need to 4.5 mills equivalent tax effort.
- Requires municipal school districts to contribute the amount that 4.5 mills equivalent tax effort generates over basic need to the public school foundation account.
- A funding community must have at least **10 students** in average daily membership.
- Allows a school district to offset a reduction of five percent or more in elementary and secondary school instructional units that the district is to receive under the foundation formula.
- Eliminates instructional units for funding communities with less than ten ADM.
- The single site school districts with an ADM of 900 or less shall receive between 6 and 12 percent additional K-12 units. Currently additional support for single site schools is funded outside the formula.
- Bilingual education instructional units are no longer weighted by language dominance and receive .021 instructional units per student. Current regulations provide weights from .1 to 1 in five categories which are multiplied times .042 instructional units.
- Special Education Funding for gifted and talented students is funded based on 4.5% of ADM in each school district.
- Adds Supplemental Equalization Aid, a formula that provides additional state aid to school districts based on ADM and assessed value per ADM.
- Changes the date for making student counts

Senate Bill 36. Sec. 1

Anchorage School District:

**FY96 Total pupil transportation expenditures
as stated in district audit special revenue fund:** **\$11,211,243**

**Less: Total contracted transportation
(includes in lieu of agreements (\$24,081) and
district deducts* for hazard and kindergarten routes)** **(6,079,071)**

\$5,132,172

Add: Vehicle depreciation (from statement of operations) **413,570**

\$5,545,742

**Less: Reimbursement under current method
(66.83% of total costs as stated on the district's pupil
transportation statement of operations for district-
operated services, \$5,904,409)** **(3,945,917)**

Difference Between Current and Proposed Method **\$1,599,825**

FY97 3% increase	\$1,647,820
FY98 3% increase	\$1,697,254
FY99 3% increase	\$1,748,172
FY00 3% increase	\$1,800,617
FY01 3% increase	\$1,854,636
FY02 3% increase	\$1,910,275
FY03 3% increase	\$1,967,583

Assumptions:

Includes all costs incurred by Anchorage School District for to/from school transportation except for contracted transportation expenses. If contract administration costs are not included, reimbursement would be reduced approximately \$204,000 based on June 1996 Altman, Rogers study.

*** Deducts are the district's share of hazard and kindergarten routes. Per A.S. 14.09.010(c), the cost of transporting students on hazard routes is shared equally between the district and the state. Routes which transport only kindergarten students are not eligible for state reimbursement per 4 AAC 27.010(c).**

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(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

January 22, 1997

SUBJECT: Sectional Summary of SB 36

TO: Senator Randy Phillips
Attn: Jerry Burnette

FROM: Michael F. Ford *M. F.*
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Requires the Department of Education to reimburse school districts for pupil transportation costs at the same level, whether transportation is by contract or by district owned school vehicles.

Section 2. Would require that only students in temporary facilities that are also relocatable would qualify as unhoused students for purposes of qualifying for state education grant funds.

Section 3. Provides that the school foundation account includes municipal contributions made under AS 14.17.025(i).

Section 4. Requires that the required local contribution for a city or borough school district is the equivalent of a 4.5 mill tax levy on real and personal property in the district, except that if the tax levy is greater than the district's basic need as determined under AS 14.17.021(c), then the local contribution is equal to the amount of the district's basic need determined under AS 14.17.021(c).

Section 5. Under subsection (i), a city or borough school district that is required to make a local contribution under AS 14.17.025(a)(2), is also required to pay into the public school foundation account an amount determined by subtracting the amount determined under AS 14.17.025(a)(2) from the amount determined under AS 14.17.025(a)(1). Under (j), a city

or school district is also required to make a supplemental local contribution under AS 14.17.065(a)(1)(B), under sec.13.

Section 6. Requires that a funding community with each school district consist of at least 10 students. Adds a new funds category for gifted and talented education under (a)(5), as required by sec. 12. Also under (b), a district is allowed to avoid a reduction in state funding by using the previous fiscal year as a base year and offsetting the reduction by certain percentages, if the districts instructional units decrease by five percent or more.

Section 7. Repeals funding for schools that have less than 10 students in grades K-12.

Section 8. Provides additional funding for a district that consists of one funding community and has 900 or less students.

Section 9. Technical amendment.

Section 10. Technical amendment.

Section 11. Provides that for bilingual education, each student generates 0.021 instructional units in additional funding.

Section 12. Establishes a formula for determining education funding for gifted and talented students.

Section 13. Provides state funds for operation of a school district in addition to the funds provided under the existing foundation program. The additional funding is calculated under a formula set out under (a) of this section.

Section 14. Changes the deadline for submission of student count estimates and clarifies what fiscal year applies to the estimates.

Section 15. Authorizes the commissioner of education to allow a district to use a different counting period in the same school year for purposes of determining average daily membership.

Section 16. Allows the Department of Education to immediately adopt regulations to implement this Act.

Section 17. Effective date for sec. 16.

Section 18. Effective date for all sections except sec. 16.

ALASKA DEPARTMENT OF EDUCATION
PROJECTED FY98 FOUNDATION PROGRAM
SB36

North Slope

Section 5

Basic Need	<u>\$20,066,560</u>
Required Local 4.5 mills	<u>54,585,520</u>
Public School Foundation Account	<u>\$34,518,960</u>

The Basic Need listed above includes all amendments listed in SB36.

The excess revenue that 4.5 mills generates over Basic Need is deposited
in the Public School Foundation Account.

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 36

Revision Date: _____
Title: An Act relating to transportation of public school
students; relating to school construction grants; etc.
Sponsor: Senator Phillips
Requester: _____

Department Affected: Education
BRU: K-12
Component: Pupil Transportation

COMPONENT SERIAL NO. 144

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	\$1,697.3	\$1,748.2	\$1,800.6	\$1,854.6	\$1,910.3	\$1,967.6
MISCELLANEOUS						
TOTAL OPERATING	\$1,697.3	\$1,748.2	\$1,800.6	\$1,854.6	\$1,910.3	\$1,967.6

CAPITAL EXPENDITURES	0.0					
-----------------------------	------------	--	--	--	--	--

CHANGE IN REVENUES	0.0					
---------------------------	------------	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	\$1,697.3	\$1,748.2	\$1,800.6	\$1,854.6	\$1,910.3	\$1,967.6
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	\$1,697.3	\$1,748.2	\$1,800.6	\$1,854.6	\$1,910.3	\$1,967.6

POSITIONS:

FULL-TIME	0					
PART-TIME	0					
TEMPORARY	0					

Estimate of current year (FY97) impact: \$ 0

ANALYSIS: (Attach a separate page if necessary.)

The fiscal impact noted above is based on the assumption that Anchorage School District would be reimbursed for all costs associated with to/from school transportation, including contract administration costs of approximately \$204,000, but not including deducts from contracted transportation for hazardous or kindergarten routes. An inflation factor of 3% is assumed for FY99 through FY03.

Prepared by: Bill Wright, Pupil Transportation Administrator
Division: Education Support Services
Approved by Commissioner: Shirley J. Holloway, Ph. D.
Agency: Department of Education

Phone: 465-8687
Date: 1/30/97
Date: _____

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ALASKA DEPARTMENT OF EDUCATION
PROJECTED FY98 FOUNDATION PROGRAM
SB36

	Section 4	Impact Aid Adjustment	Section 6 & 7	Section 6b	Section 8	Section 11	Section 12	REAA State Aid	Section 13	Total FY98 Impact
ALASKA GATEWAY	0	0	(111,630)	0	0	99,430	8,540	(30)	486,952	483,262
ALEUTIAN REGION	0	0	0	0	61,610	0	3,050	530	18,522	83,712
ALEUTIANS EAST	(46,273)	(29,672)	0	0	0	0	28,670	0	179,985	132,710
ANCHORAGE	(6,647,533)	(582,190)	0	0	0	(1,781,810)	161,040	0	22,433,157	13,582,664
ANNETTE ISLANDS	0	0	0	0	161,040	0	12,200	1,415	391,608	566,263
BERING STRAIT	0	0	0	0	0	81,130	101,870	1,500	1,480,966	1,665,466
BRISTOL BAY	(93,757)	(17,213)	0	0	0	0	(18,300)	0	96,019	(33,251)
CHATHAM	0	0	0	0	0	0	21,350	175	297,499	319,024
CHUGACH	0	0	0	0	0	0	4,270	35	127,008	131,313
COPPER RIVER	0	0	(213,500)	227,530	0	0	52,460	540	580,929	647,959
CORDOVA	(83,091)	(1,857)	0	0	166,530	0	(78,080)	0	240,366	243,868
CRAIG	(39,335)	(1,612)	0	0	179,950	0	14,030	0	245,072	398,105
DELTA/GREELY	0	0	0	0	0	(40,870)	(4,270)	(370)	780,261	734,751
DENALI	(57,907)	(1,742)	0	0	0	0	(19,520)	0	182,784	103,615
DILLINGHAM	(67,595)	(25,031)	0	0	207,400	123,220	(56,730)	0	267,240	448,504
FAIRBANKS	(1,939,562)	(424,886)	0	0	0	(54,290)	(186,660)	0	8,224,320	5,618,922
GALENA	(8,854)	(7,422)	0	0	171,410	143,350	0	0	99,150	397,634
HAINES	(78,227)	(1,037)	0	0	0	0	31,720	0	190,051	142,507
HOONAH	(12,350)	(5,894)	0	0	128,100	42,090	20,130	0	195,990	368,066
HYDABURG	(2,949)	(236)	0	33,550	101,870	0	7,320	0	87,358	226,913
ITAROD	0	0	0	0	0	216,550	(12,200)	1,675	372,689	578,714
JUNEAU	(1,046,654)	(1,114)	0	0	0	9,150	(530,700)	0	2,344,024	774,706
KAKE	(8,706)	(7,307)	0	0	140,910	0	13,420	0	133,000	271,317
KASHUNAMIUT	0	0	0	0	154,940	231,800	22,570	3,360	215,208	627,878
KENAI	(1,857,100)	(5,002)	0	0	0	(453,230)	38,430	0	4,482,385	2,205,483
KETCHIKAN	(545,022)	(603)	0	0	0	(42,700)	140,910	0	1,205,719	758,304
KLAWOCK	(7,997)	(15,596)	0	0	155,550	0	(1,830)	0	161,150	291,277
KODIAK	(438,873)	(86,921)	0	0	0	(78,080)	63,440	0	1,358,342	817,908
KUSPUK	0	0	0	0	0	0	14,640	120	413,085	427,845
LAKE AND PENINSULA	(34,067)	(24,989)	0	0	0	5,490	20,130	0	316,505	283,069
LOWER KUSKOKWIM	0	0	(127,490)	0	0	(4,388,950)	104,920	(36,160)	2,888,682	(1,558,998)
LOWER YUKON	0	0	0	0	0	1,966,640	156,770	17,390	1,495,166	3,635,966
MAT-SU	(1,169,929)	(742)	0	0	0	204,960	112,850	0	6,849,212	5,996,351
NENANA	(8,265)	(284)	0	0	152,500	0	610	0	109,963	254,524
NOME	(76,855)	(2,036)	0	0	280,600	235,460	21,960	0	405,321	864,450

ALASKA DEPARTMENT OF EDUCATION
PROJECTED FY98 FOUNDATION PROGRAM
SB36

	Section 4	Impact Aid Adjustment	Section 6 & 7	Section 6b	Section 8	Section 11	Section 12	REAA State Aid	Section 13	Total FY98 Impact
NORTH SLOPE	(11,951,605)	0	0	0	0	0	0	0	0	(11,951,605)
NORTHWEST ARCTIC	(131,536)	(87,526)	0	0	0	803,980	89,060	0	1,197,668	1,871,646
PELICAN	(7,784)	0	0	0	51,240	0	3,050	0	15,683	62,189
PETERSBURG	(112,623)	(938)	0	0	212,890	0	(7,320)	0	360,197	452,206
PRIBILOF	0	0	0	0	0	214,720	3,050	1,790	187,998	407,558
SITKA	(291,651)	(10,175)	0	0	0	0	61,000	0	832,045	591,219
SKAGWAY	(173,890)	0	0	0	112,850	0	9,760	0	30,987	(20,293)
SOUTHEAST	0	0	(111,020)	353,190	0	0	17,080	2,125	308,568	569,943
SOUTHWEST	0	0	0	0	0	126,270	48,190	1,435	555,484	731,379
ST. MARY'S	(2,224)	(6,131)	0	0	145,790	137,250	7,320	0	103,796	385,801
TANANA	(2,950)	(3,689)	0	0	117,120	0	8,540	0	70,406	189,427
UNALASKA	(652,624)	(130)	0	0	192,150	0	13,420	0	81,497	(365,687)
VALDEZ	(2,461,003)	(20,106)	0	0	267,180	25,010	14,030	0	197,065	(1,977,824)
WRANGELL	(66,869)	(99)	0	0	148,840	0	20,740	0	290,820	393,432
YAKUTAT	(16,051)	(1,671)	0	0	139,080	0	9,760	0	101,500	232,618
YUKON FLATS	0	0	(124,440)	0	0	541,680	(6,100)	3,355	372,751	787,246
YUKON/KOYUKUK	0	0	0	0	0	410,530	30,500	3,610	551,338	995,978
YUPIIT	0	0	0	0	0	(19,520)	40,260	170	341,334	362,244
STATE ACS	0	0	0	0	0	0	74,542	0	0	74,542
MT. EDGE CUMBE	0	0	0	0	0	0	19,520	0	0	19,520
TOTALS	(\$30,141,711)	(\$1,373,851)	(\$688,080)	\$614,270	\$3,449,550	(\$1,240,740)	\$725,412	\$2,665	\$64,954,825	\$36,302,340

Section 4 - Amends AS 14.17.025(a), requires all municipal school districts to contribute the equivalent of 4.5 mills capped at Basic Need.

Impact Aid Adjustment - As local effort increases so does the deductible Impact Aid.

Section 6 - Amends AS 14.17.031(a), sets the minimum size of a funding community at 10 ADM.

Section 6(b) - Amends AS 14.17.031(b), changes the hold harmless provision from a decrease of 10% to 5% of K-12 units.

Section 7 - Amends AS 14.17.041(a), eliminated instructional units for funding communities less than 10 ADM.

Section 8 - Amends AS 14.17.041, adds a new table for single site school district units with less than 900 ADM.

Section 11 - Amends AS 14.17.047, amends bilingual education units to one weight of .021 for all students.

Section 12 - adds AS 14.17.048, establishes new instructional units for gifted and talented at 4.5% of ADM, weight factor of .025.

REAA State Aid - Changes in adjusted units result in changes to REAA supplemental state aid.

Section 13 - Amends AS 14.17, adds a new section AS 14.17.065. Supplemental Equalization Aid

FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 36

1997 LEGISLATIVE SESSION

Revision Date: 1/31/97

Department Affected: Education

Title: An act relating to transportation of public school

BRU: K-12

students; relating to school construction grants;

Component: Foundation Program

Sponsor: Senator Phillips

Requester:

COMPONENT SERIAL NO. 141

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	36,302.3	36,542.3	36,782.3	37,022.3	37,262.3	37,502.3
MISCELLANEOUS						
TOTAL OPERATING	36,302.3	36,542.3	36,782.3	37,022.3	37,262.3	37,502.3

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES	34,519.0	34,519.0	34,519.0	34,519.0	34,519.0	34,519.0
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1,783.3	2,023.3	2,263.3	2,503.3	2,743.3	2,983.3
1005 GF/Program Receipts	34,519.0	34,519.0	34,519.0	34,519.0	34,519.0	34,519.0
1006 GF/MHTIA						
Other						
TOTAL	36,302.3	36,542.3	36,782.3	37,022.3	37,262.3	37,502.3

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY97) impact: \$ -0-

ANALYSIS: (Attach a separate page if necessary.)

Refer to the attached spreadsheets for sectional analysis of fiscal impact. Section 5 is reflected as general fund program receipts. If the state is unsuccessful in collecting the \$34.5 million general fund program receipts, the foundation program unit value would be prorated to approximately \$58,300, or an additional \$34.5 million in general funds would have to be appropriated to cover full entitlements for FY98. The increased cost over FY98 to the foundation program to implement the proposed changes is approximately \$240,000 annually, based on a 1.5% estimated enrollment increase for FY99 through FY04. 1.5% is an average increase for enrollment based on the last four years.

Prepared by: Eddy Jeans, School Finance Manager

Phone: 465-8679

Division: Education Support Services

Date: February 7, 1997

Approved by Commissioner: Shirley J. Holloway, Ph. D., Commissioner

Agency: Education

Date: February 7, 1997

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SENATE BILL NO. 36**IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTIETH LEGISLATURE - FIRST SESSION****BY SENATORS PHILLIPS, Taylor, Halford****Introduced: 1/13/97****Referred: HESS, Finance****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to transportation of public school students; relating to school
2 construction grants; relating to the public school foundation program and to local
3 aid for education; and providing for an effective date."

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

5 * **Section 1.** AS 14.09.010(b) is amended to read:

6 (b) Each school district mentioned in (a)(1) of this section is entitled to receive
7 reimbursement from the state for the operation of the transportation system on a unit
8 cost basis determined by the department. In determining an appropriate amount of
9 eligible transportation reimbursement to a school district under this subsection, the
10 department shall provide [REVIEW] the same level of reimbursement for
11 transportation provided on a motor vehicle owned by the school district as [AND] for
12 transportation provided on a motor vehicle operated under a contract with the school
13 district.

14 * **Sec. 2.** AS 14.11.013(a) is amended to read:

1 (a) With regard to projects for which grants are requested under AS 14.11.011,
2 the department shall

3 (1) annually review the six-year plans submitted by each district under
4 AS 14.11.011(b) and recommend to the board a revised and updated six-year capital
5 improvement project grant schedule that serves the best interests of the state and each
6 district; in recommending projects for this schedule, the department shall verify that
7 each proposed project meets the criteria established under AS 14.11.014(b) and
8 qualifies as a project required to

9 (A) avert imminent danger or correct life-threatening situations;

10 (B) house students who would otherwise be unhoused; for
11 purposes of this subparagraph, students are considered unhoused if the students
12 attend school in temporary relocatable facilities;

13 (C) protect the structure of existing school facilities;

14 (D) correct building code deficiencies that require major repair
15 or rehabilitation in order for the facility to continue to be used for the
16 educational program;

17 (E) achieve an operating cost savings;

18 (F) modify or rehabilitate facilities for the purpose of improving
19 the instructional program;

20 (G) meet an educational need not specified in (A) - (F) of this
21 paragraph, identified by the department;

22 (2) prepare an estimate of the amount of money needed to finance each
23 project;

24 (3) provide to the governor, by November 1, and to the legislature
25 within the first 10 days of each regular legislative session, a revised and updated six-
26 year capital improvement project grant schedule, together with a proposed schedule of
27 appropriations.

28 * Sec. 3. AS 14.17.010(a) is amended to read:

29 (a) The public school foundation account is established. The account consists
30 of municipal contributions made under AS 14.17.025(i) and appropriations for
31 distribution to school districts, the state boarding school, and for centralized

1 correspondence study programs under this chapter.

2 * Sec. 4. AS 14.17.025(a) is amended to read:

3 (a) Local contributions to a city or borough school district

4 (1) shall ~~be~~ [INCLUDE AT LEAST THE LESSER OF

5 (1)] the equivalent of a 4.5 [FOUR] mill tax levy on the full and true
6 value of the taxable real and personal property in the district as of January 1 of the
7 second preceding fiscal year, as determined by the Department of Community and
8 Regional Affairs under AS 14.17.140 and AS 29.45.110; or

9 (2) if the amount determined under (1) of this subsection is greater
10 than the district's basic need for the current fiscal year as determined under
11 AS 14.17.021(c), shall be [35 PERCENT OF] the district's basic need for the current
12 [PRECEDING] fiscal year, as determined under AS 14.17.021(c) [AS 14.17.021(b)].

13 * Sec. 5. AS 14.17.025 is amended by adding new subsections to read:

14 (i) A city or borough school district that is required to make a local
15 contribution under (a)(2) of this section shall also pay into the public school foundation
16 account an amount determined by subtracting the amount under (a)(2) of this section
17 from the amount under (a)(1) of this section in that district.

18 (j) In addition to the amount contributed under (a) of this section, a city or
19 borough school district shall make a local contribution that is equal to the amount
20 determined under AS 14.17.065(a)(1)(B).

21 * Sec. 6. AS 14.17.031 is amended to read:

22 Sec. 14.17.031. Allowable instructional units. (a) The department shall
23 adopt regulations defining funding communities within each district that reflect
24 geographic and attendance area factors and that include at least 10 students in
25 average daily membership. For the purpose of determining instructional units,
26 students are counted in the district and the funding community from which they
27 receive educational services. The total number of instructional units in a school
28 district is the sum of the following units for each funding community within the
29 district, as determined by the department:

30 (1) the number of units for elementary and secondary students
31 determined under AS 14.17.041(a) or (b);

1 (2) the number of units for vocational education determined under
2 AS 14.17.043;

3 (3) the number of units for special education determined under
4 AS 14.17.045; [AND]

5 (4) the number of units for bilingual education determined under
6 AS 14.17.047; and

7 (5) the number of units for gifted and talented education
8 determined under AS 14.17.048.

9 (b) If the total elementary and secondary instructional units that a school
10 district is eligible to receive under (a) of this section decrease by five [10] percent or
11 more from one fiscal year to the next, the school district may use the last fiscal year
12 before the reduction as a base fiscal year and offset its reduction according to the
13 following schedule: (1) for the first fiscal year after the base fiscal year, the school
14 district is eligible to receive the total elementary and secondary instructional units
15 determined under (a)(1) of this section plus 75 percent of the difference in total
16 elementary and secondary instructional units between the base fiscal year and the first
17 fiscal year after the base fiscal year; (2) for the second fiscal year after the base fiscal
18 year, the school district is eligible to receive the total elementary and secondary
19 instructional units determined under (a)(1) of this section plus 50 percent of the
20 difference in total elementary and secondary instructional units between the base fiscal
21 year and the second fiscal year after the base fiscal year; (3) for the third fiscal year
22 after the base fiscal year, the school district is eligible to receive the total elementary
23 and secondary instructional units determined under (a)(1) of this section plus 25
24 percent of the difference in total elementary and secondary instructional units between
25 the base fiscal year and the third fiscal year after the base fiscal year. The schedule
26 established in this subsection is available to a school district for the three fiscal years
27 following the base fiscal year only if the total elementary and secondary instructional
28 units received by the school district under (a)(1) of this section for each fiscal year are
29 less than the total elementary and secondary instructional units received by the school
30 district in the base fiscal year. This subsection does not apply to a decrease in total
31 elementary and secondary instructional units resulting from a loss of enrollment that

occurs as a result of a boundary change under AS 29.

* Sec. 7. AS 14.17.041(a) is amended to read:

(a) For funding communities that have an average daily membership of less than 200 in grades K-6 or less than 200 in grades 7-12, combined elementary and secondary instructional units are determined under the following table:

ADM	No. Instructional Units
[1 - 10	2]
<u>10</u> [11] - 20	2 + ((ADM-10)/5)
21 - 60	4 + ((ADM-20)/8)
61 - 120	9 + ((ADM-60)/12)
121 - 525	14 + ((ADM-120)/15).

* Sec. 8. AS 14.17.041 is amended by adding a new subsection to read:

(e) A district with an ADM of 900 or less that consists of one funding community shall increase the elementary and secondary instructional units received under (a) or (b) of this section by multiplying the instructional units by a factor determined under the following table:

District ADM	Factor
1 - 250	1.12
251 - 525	1.08
526 - 900	1.06.

* Sec. 9. AS 14.17.045(a) is amended to read:

(a) An exceptional child, other than a gifted child, as both are defined in AS 14.30.350, who is enrolled in a special education program, approved by the department, on the last day of the counting period for which a determination is being made, generates [0.025 INSTRUCTIONAL UNITS IF THE CHILD RECEIVES GIFTED SERVICES,] 0.056 instructional units if the child receives resource services, 0.1 instructional units if the child receives self-contained services, or 0.333 instructional units if the child receives intensive or hospital/homebound services, as those categories of service are defined by the department by regulation, in the funding community in which the child is served. A child may be counted in one special education category only.

1 * **Sec. 10.** AS 14.17.045(b) is amended to read:

2 (b) Notwithstanding (a) of this section, in a district that offers a special
3 education program for exceptional children other than gifted children, as both are
4 defined in AS 14.30.350, each funding community receives a minimum of 0.25
5 instructional units for special education for each funding community in which such a
6 child is served or the district receives a minimum of 1.00 instructional units for special
7 education, whichever is greater.

8 * **Sec. 11.** AS 14.17.047 is amended to read:

9 **Sec. 14.17.047. Bilingual education instructional units.** A student for whom
10 an appropriate bilingual program must be provided under regulations adopted by the
11 department, and who is enrolled in a bilingual program, approved by the department,
12 as of the last day of the counting period for which a determination is being made,
13 generates, in the funding community in which the student is served, 0.021
14 instructional units [THE NUMBER OF BILINGUAL EDUCATION
15 INSTRUCTIONAL UNITS THAT IS THE PRODUCT OBTAINED BY
16 MULTIPLYING 0.042 BY THE STUDENT'S LANGUAGE DOMINANCE
17 CATEGORY WEIGHT UNDER DEPARTMENT REGULATIONS]. A funding
18 community in which a bilingual program approved by the department is operated
19 receives a minimum of 0.10 instructional units for bilingual education, or a district in
20 which a bilingual program is operated receives a minimum of 1.00 instructional units,
21 whichever is greater.

22 * **Sec. 12.** AS 14.17 is amended by adding a new section to read:

23 **Sec. 14.17.048. Gifted and talented instructional units.** Gifted and talented
24 instructional units for a funding community in a district are calculated by

25 (1) multiplying by .045 the elementary and secondary student
26 enrollment in the funding community on the last day of the student counting period
27 under AS 14.17.160; and

28 (2) multiplying the product obtained under (1) of this section by a
29 supplemental revenue weighting factor specified in regulations adopted by the
30 department.

31 * **Sec. 13.** AS 14.17 is amended by adding a new section to read:

1 **Sec. 14.17.065. Supplemental equalization aid.** (a) In addition to state
 2 foundation aid for which a district may qualify under AS 14.17.021, a school district
 3 is eligible to receive supplemental equalization funds as follows:

4 (1) in a city or borough school district, supplemental equalization aid
 5 is equal to a

6 (A) state share under the following formula:

7 funding = $V_s / (V_s + V_i) \times V_s \times 2.5 \text{ mills} \times \text{district ADM}$;

8 (B) local share under the following formula:

9 funding = $V_s \times 2.5 \text{ mills} \times \text{district ADM}$ - the amount
 10 determined under (A) of this paragraph;

11 (2) in a regional educational attendance area, supplemental equalization
 12 aid is equal to the amount determined under the formula provided under (1)(A) of this
 13 subsection in that regional educational attendance area.

14 (b) In this section,

15 (1) "Vi" means the amount determined by dividing the full and true
 16 value of the taxable real and personal property in the district as calculated under
 17 AS 14.17.140 and AS 29.45.110 by the district ADM for the same fiscal year for
 18 which the valuation of real and personal property was made;

19 (2) "Vs" means the amount determined by dividing the sum of the
 20 property valuations of all districts in the state by the total ADM of all districts in the
 21 state.

22 * **Sec. 14.** AS 14.17.080 is amended to read:

23 **Sec. 14.17.080. Student count estimates.** Each district shall prepare and
 24 submit to the department, by November 20 [OCTOBER 15] of each fiscal year, in the
 25 manner and on forms prescribed by the department, an estimate of its average daily
 26 membership and other student count data for the succeeding fiscal year, upon which
 27 computations can be made of the amount of estimated state foundation aid for which
 28 the district will be eligible under AS 14.17.021 in that fiscal year. In making this
 29 estimate for the succeeding fiscal year, the district shall consider its average daily
 30 membership in the current fiscal year, other student count data, the pattern of growth
 31 or decline in preceding years, and other pertinent information available to the district.

1 The preliminary reports required by this section are the basis for estimating the need
2 for state foundation aid for the next fiscal year.

3 * **Sec. 15.** AS 14.17.160(b) is amended to read:

4 (b) Upon written request and for good cause shown, the commissioner may
5 permit a district to use a 20-school-day counting period from the same school year
6 other than the periods set out in (a) of this section. However, the counting period must
7 be 20 consecutive school days.

8 * **Sec. 16.** TRANSITION: REGULATIONS. The Department of Education may
9 immediately proceed to adopt regulations necessary to implement this Act. The regulations
10 take effect under the Administrative Procedure Act, but not before July 1, 1997.

11 * **Sec. 17.** Section 16 of this Act takes effect immediately under AS 01.10.070(c).

12 * **Sec. 18.** Except as provided in sec. 17 of this Act, this Act takes effect July 1, 1997.

10



SENATOR JERRY MACKIE

ALASKA STATE LEGISLATURE

SPONSOR STATEMENT

SSSB 37, Relating to the Education Facilities Financing Authority

It is the purpose of this Legislation to meet the following objectives:

- 1. Provide funding for critical rural and urban school construction and major maintenance projects and for University of Alaska capital projects which cannot otherwise be funded by appropriation under a balance-budget plan.**
- 2. Resume funding of net debt service for school bonds of organized municipalities under contractual 70: 30 reimbursement agreements, and provide for continuing this funding indefinitely without impacting the balanced budget plan.**
- 3. Establish a continuing mechanism by which future facility needs can be organized, evaluated, and funded while retaining legislative oversight and authorization.**
- 4. Fund necessary school construction by means more advantageous than G.O. Bonds. The drawbacks of the G. O. bonding option is that project funding is delayed until after a favorable election result in the fall of 1998 and then it is, in effect, a one shot affair.**

To accomplish these objectives, the legislation would establish the Education Facilities Finance Authority (EFFA) within the Department of Education, and the Education Facilities Fund ("EF Fund") as an asset of the authority. The EFFA would:

- 1. Sell EFFA bonds to directly finance construction of schools upon approval of specific projects by the Legislature. It is contemplated that this method of funding would be used primarily for construction of schools in rural jurisdictions with insufficient tax bases to issue bonds.**

2. Contract to pay up to 70% of net debt service on municipal bonds issued to finance municipal school facilities and up to 100% of net debt service on University of Alaska bonds, provided that each specific facility has been approved by the Legislature for a specified level of reimbursement.

3. Apply non-corpus balances of the EF Fund to debt service on EFFA bonds and to the specified percentage of net debt service under authorized reimbursement agreements for municipal school bonds and university bonds.

4. Pledge assets of the EF Fund as security for EFFA bonds for the EFFA's obligations under authorized reimbursement agreements for municipal school bond and University bond debt service.

The EF Fund would be managed by the Permanent Fund Corporation under its statutes, and would require no special or unique investment policy by the Permanent Fund. Initial capitalization would come from the constitutional budget reserve. Correspondingly, SB 111 was introduced to appropriate \$1.2 billion from the CBR to the fund.

The bill would initially authorize \$500 million worth of school construction and repair projects. \$285 million are for projects selected from the DOE priority lists for rural and small municipalities. \$135 million are for projects selected from priority lists submitted by large municipal school districts. The final \$80 million is for University of Alaska projects and a large backlog of deferred maintenance needs.

Future legislatures could continue to authorize more bonds and reimbursement agreements within the financial capabilities of the education facilities fund. The fund would have bonding capacity equal to or exceeding the initial capitalization, without risking the original corpus appropriated to it.

Under reasonable projections of future demands on the fund, the fund would continue to grow due to the fact that investments of the fund would yield more than would bonds issued by the EFFA and by municipalities and the University subject to reimbursement obligations.

REVISED SSSB 37

SUMMARY Alaska Education Facilities Financing Program

OBJECTIVES:

1. Provide for the funding of critical urban and rural school construction and major maintenance projects and University of Alaska capital projects when the projects are needed, but before they could be funded by appropriation under a balanced-budget plan.
2. Establish an on-going mechanism, under which projects could be funded indefinitely in an organized manner, under strict criteria and legislative authorization.
3. Protect a portion (\$1.2 billion) of the Constitutional Budget Reserve Account for future use. The corpus of the initial capitalization of the Education Facilities Fund could not be drawn -- A portion of the earnings from the fund would pay for the projects, and allow the fund to grow as well.

SUMMARY

1. Following the examples of AIDEA and AHFC, establish the Education Facilities Finance Authority as a paper corporation within the Department of Education, and the Education Facilities Fund ("EF Fund") as an asset of the authority. The EFFA would:

- Sell EFFA bonds to directly finance the State's share of construction and major maintenance for urban and rural school districts and the University of Alaska.
- The revised bill provides for \$607 million of EFFA bonds to fund the state's share of \$731 million of construction & maintenance over the next three years. Construction & maintenance activities could begin next spring.
- Apply a portion of non-corpus balances of the EF Fund to debt service on EFFA bonds.
- The balance of the earnings could be returned to the revenue stream as dividends or retained in the fund to increase earnings.

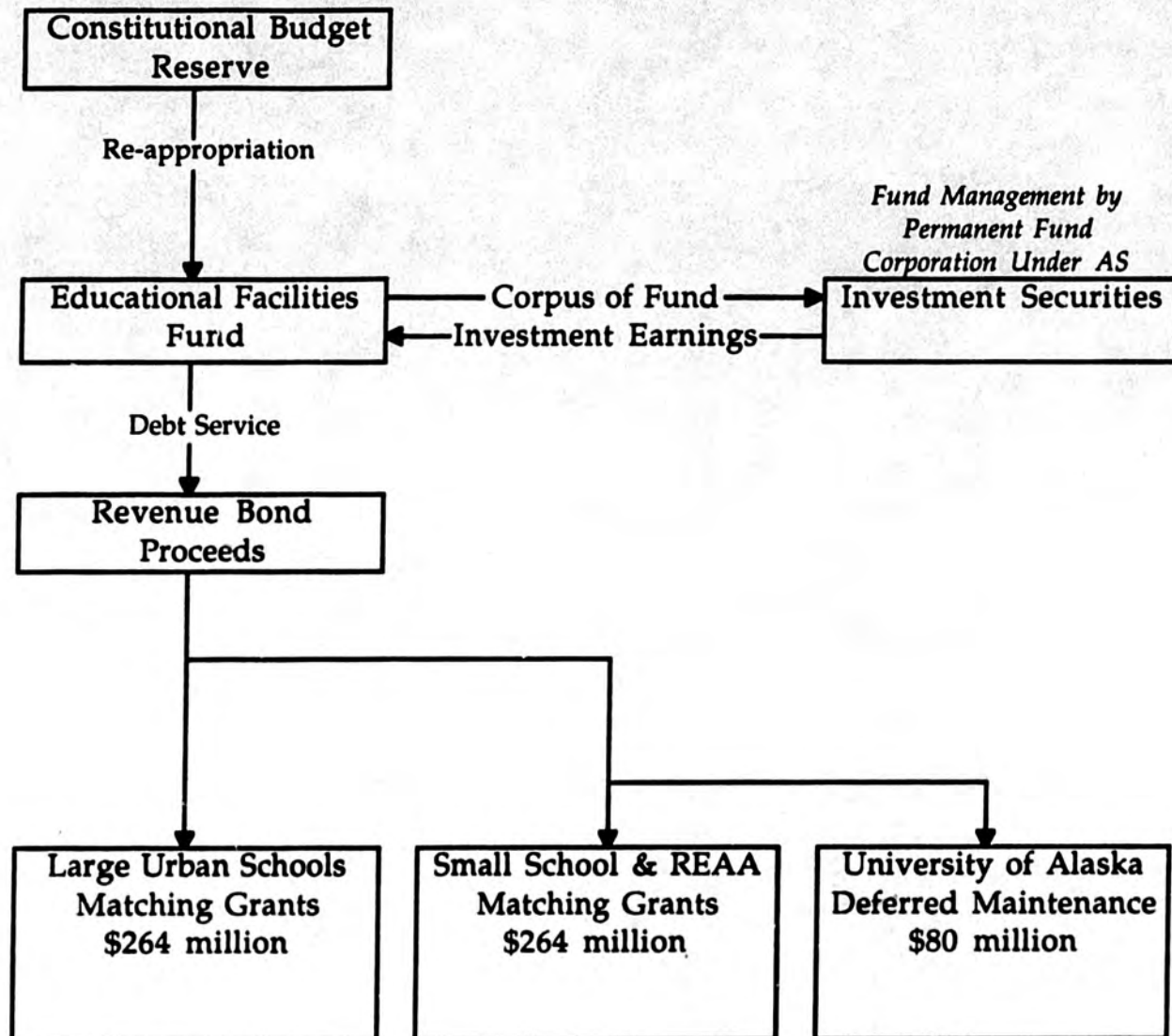
2. The Fund would be managed by the Permanent Fund Corporation under its statutes.

Future legislatures could continue to authorize more bonds or reimbursement agreements within the financial capabilities of the education facilities fund. The fund would have bonding capacity equal close to the initial capitalization, without risking the original corpus.

Under reasonable projections of future demands on the fund, it would continue to grow if investments of the fund yield more than bonds issued by the EFFA . This should occur with proper management of the authority.

April 21, 1997

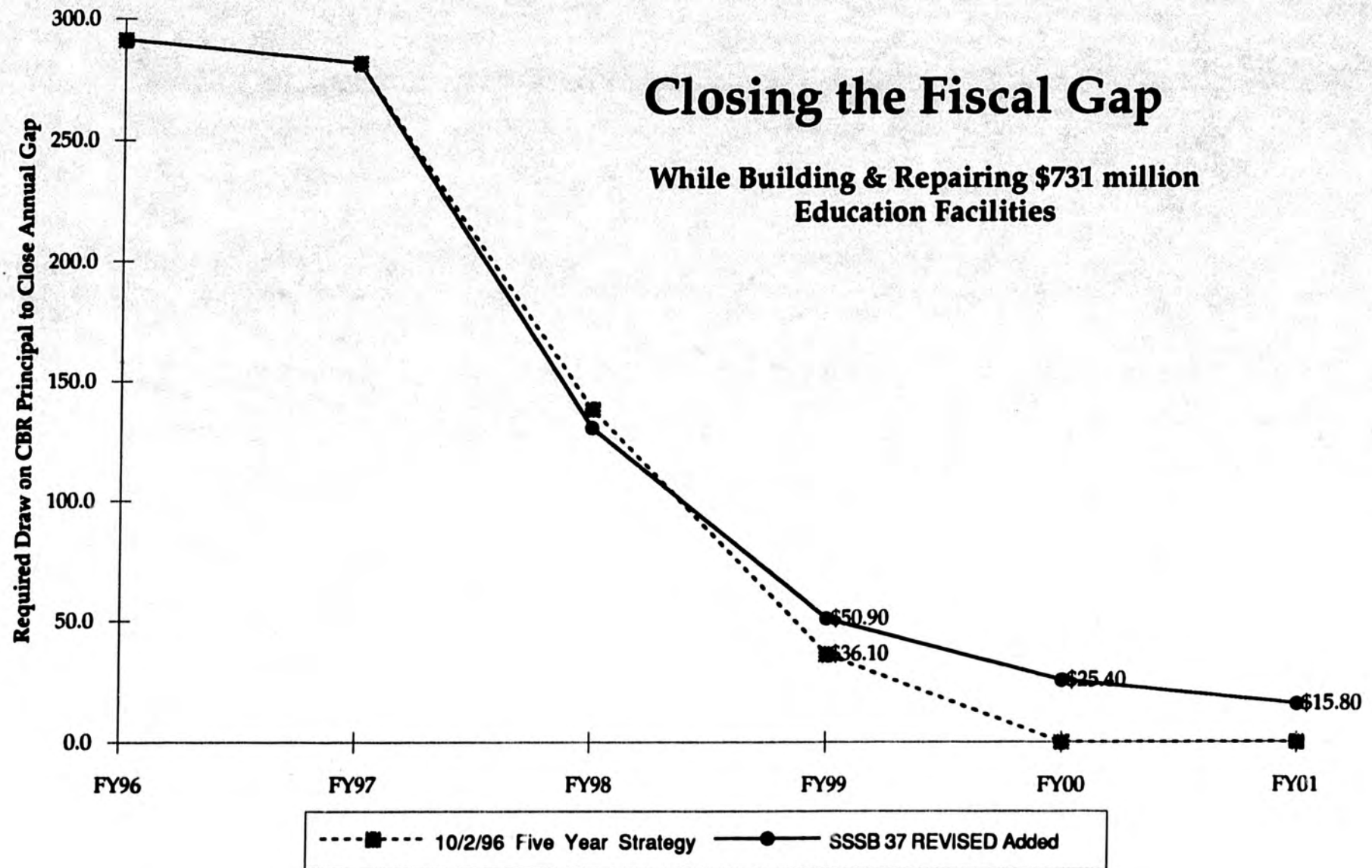
Education Facilities Financing Structure



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Closing the Fiscal Gap

While Building & Repairing \$731 million
Education Facilities



ALASKA LEGISLATIVE MAJORITY - FIVE YEAR BUDGET STRATEGY as of October 2, 1996

WITH SSSB 37 REVISED (EDUCATION FACILITIES FUND)

(\$731 Million total projects over three years, with local match)

	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
Revenues						
1/Unrestricted Revenues	2,042.0	1,910.0	1,844.0	1,890.2	1,886.1	1,846.7
1/Other Sources/Adjustments	101.7	33.5	30.0	30.0	30.0	39.0
1/AHFC Dividend	70.0	50.0	72.1	74.3	76.5	78.8
1/AIDEA Dividend	0.0	15.0	25.6	26.5	28.0	28.4
2/EFFA Dividend (line 6b)	0.0	0.0	65.2	42.0	18.7	18.7
3/Projected CBRF Earnings	0.0	125.0	98.1	99.5	106.6	112.0
1/New Revenues	0.0	5.0	66.0	68.0	70.0	72.0
Total Revenues	2,213.7	2,138.5	2,201.0	2,230.5	2,215.9	2,195.6
(Total Revenues Projected in Five Year Budget Strategy)	2,213.7	2,138.5	2,221.8	2,274.0	2,270.0	2,240.0
Expenditures						
1/Operating	2,218.1	2,192.2	2,131.5	2,089.7	2,066.4	2,053.6
1/Debt Service	109.4	93.1	91.0	82.8	66.1	48.9
1/Capital	116.0	100.1	100.0	100.0	100.0	100.0
4/(Less) Programmed Capital Projects of EFFA	0.0	0.0	(28.6)	(28.6)	(28.6)	(28.6)
1/Specials/Transfers/Fund Capitalizations	18.6	15.4	17.5	17.5	17.5	17.5
1/Revised Programs/Supplementals	43.0	19.2	20.0	20.0	20.0	20.0
Total Expenditures	2,505.1	2,420.0	2,331.4	2,281.4	2,241.4	2,211.4
(Total On-Budget Expenditures Projected in Five Year Budget Strategy)	2,505.1	2,420.0	2,360.0	2,310.0	2,270.0	2,240.0
1/Expenditure Reduction from Previous FY		(85.1)	(88.6)	(50.0)	(40.0)	(30.0)
1/As a % of Total Expenditures		-3.40%	-3.66%	-2.14%	-1.75%	-1.34%
1/Projected Fiscal Gap/(Surplus) - from CBRF	291.4	281.5	138.2	36.1	0.0	0.0
(Projected Fiscal Gap in 10/2/96 Five Year Strategy)	291.4	281.5	138.2	36.1	0.0	0.0
CBRF Beginning Balance	2,135.4	2,499.6	1,368.1	1,387.8	1,486.9	1,561.5
1/Projected Earnings	124.6	125.0	98.1	99.5	106.6	112.0
1/Transfers to General Fund	0.0	(125.0)	(98.1)	(99.5)	(106.6)	(112.0)
5/Transfers to Education Facilities Fund	0.0	(1,200.0)	0.0	0.0	0.0	0.0
1/Additional Settlement Deposits	551.5	350.0	150.0	150.0	100.0	100.0
1/Net of Sweep Provisions	(20.5)	0.0	0.0	0.0	0.0	0.0
1/Principal to Full Fiscal Gap [Transfers (to)/from budget]	(291.4)	(281.5)	(130.3)	(50.9)	(25.4)	(15.8)
CBRF Ending Balance	2,499.6	1,368.1	1,387.8	1,486.9	1,561.5	1,645.7
6/Education Facilities Fund						
a/Beginning Balance	0.0	0.0	1,200.0	1,200.0	1,200.0	1,200.0
b/Transfer From CBRF/(To) Revenues, EFFA Dividend (line 2)	0.0	1,200.0	(65.2)	(42.0)	(18.7)	(18.7)
c/Earnings	0.0	0.0	88.5	88.5	88.5	88.5
d/Bond Proceeds	0.0	0.0	202.6	202.6	202.6	0.0
e/Debt Service	0.0	0.0	(23.3)	(46.5)	(69.8)	(69.8)
f/School Construction/Maintenance	0.0	0.0	(202.6)	(202.6)	(202.6)	0.0
Education Fac. Fund Ending Balance	0.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0
7/Consolidated CBRF/Ed. Fac. Fund Balances	2,499.6	2,568.1	2,587.8	2,686.9	2,761.5	2,845.7
(1/CBRF Ending Balance projected in October 2 Budget Strategy)	2,499.6	2,568.1	2,579.8	2,693.8	2,807.5	2,933.7
8/Cumulative Gain/(Loss) in net Revenues with EF Fund	0.0	0.0	8.0	(6.9)	(46.0)	(88.0)
9/Cumulative Capital Assets Acquired (Construction/Maint.)	0.0	0.0	243.7	487.4	731.1	731.1
10/Total Capital and Cash Assets / CBRF	2,499.6	2,568.1	2,831.5	3,174.3	3,492.6	3,576.8
(1/CBRF Ending Balance projected in October 2 Budget Strategy)	2,499.6	2,568.1	2,579.8	2,693.8	2,807.5	2,933.7
11/Cumulative Gain/(Loss) with EF Fund	+0.0	+0.0	+251.7	+480.5	+685.1	+643.1

ALASKA LEGISLATIVE MAJORITY FIVE YEAR BUDGET STRATEGY
as of October 2, 1996

**Modified to Include \$731 million New School Construction and Deferred
Maintenance Using REVISED SSSB 37 Methodology**

- School Construction & Deferred Maintenance program modeled:

**School Construction and
Deferred Maintenance Funded**

FY 1998	\$243,696,067
FY 1999	\$243,696,067
FY 2000	<u>\$243,696,067</u>
Total	\$731,088,200

- General assumptions regarding the Education Facilities Fund:
 - Earnings will be the same as projected in the Five Year Strategy for the CBRF (7.17%, as projected by the Permanent Fund Corporation).
 - True interest cost of bonds will be that of 'AA-' rated bonds marketed in the US the week of 4/18/97. This is the likely rating for an uninsured Alaska Moral Obligation Bond.
 - Earnings not required to pay debt service are paid as Dividends to the State annually in order to consolidate them into the Five Year Strategy.

- Consolidation of the REVISED SSSB 37 program with the Five Year Budget Strategy included modifying the following lines of the Five Year Strategy model as described below:

1/ No modifications to assumptions or methodology in these lines. They are the same assumptions/methodology as in the original Five Year Strategy model.

2/ All earnings of the Education Facilities Finance Authority surplus to its debt service obligations are treated as Dividends to the State's general revenue stream.

3/ The Five Year Budget Strategy shows the earnings of the CBRF as revenues. This consolidation shows the earnings of the smaller CBRF.

4/ The Educational Facilities Finance Authority will fund projects that otherwise would be funded out of the annual Capital budget. This consolidation offsets the cost of these projects, assumed to be the average of the last three fiscal years (FY95, FY96 and FY97) capital budget items for school construction and deferred maintenance. This average is \$28.6 million annually.

5/ Line 5 shows the \$1.2 billion that would be transferred from the CBRF to the Ed. Fac. Fund by SSSB 37 and SB 111, the accompanying appropriation bill. This transfer ties to line 6b.

6/ This new section projects the operation of the Education Facilities Fund established by SSSB 37. In this consolidation, the Fund's earnings (line 6c) pay debt service on Authority bonds (line 6e), with the balance being transferred to general revenues in line "2/Education Facilities Financing Authority (EFFA) Dividend."

7/ Line 7 is the sum of "CBRF Ending Balance" and "Education Fac. Fund Ending Balance."

8/ Line 8 is the difference between the ending balance in the CBRF as projected in the Five Year Budget Strategy and the combined ending balances of the CBRF and the Ed. Fac. Fund.

9/ Line 9 is the total capital provided for school construction and deferred maintenance by the Education Facilities Finance Authority and required local match. In this example, the total is \$731.1 million, evenly split between FY98, FY99, and FY00.

10/ Line 10 is the sum of the combined ending balances of the CBRF and the Ed. Fac. Fund, plus the capital assets underwritten by the Education Facilities Finance Authority. (line 7 plus line 9)

11/ Line 11 is the difference between line 10 and the ending balance in the CBRF as projected in the Five Year Budget Strategy, and approximates the net gain in assets that occurs under REVISED SSSB 37 methodology.

This gain in assets is achieved by providing \$731 million of school construction & deferred maintenance during the 5-year budget strategy period for a net cash flow cost to the balance sheet of only \$88.0 million.

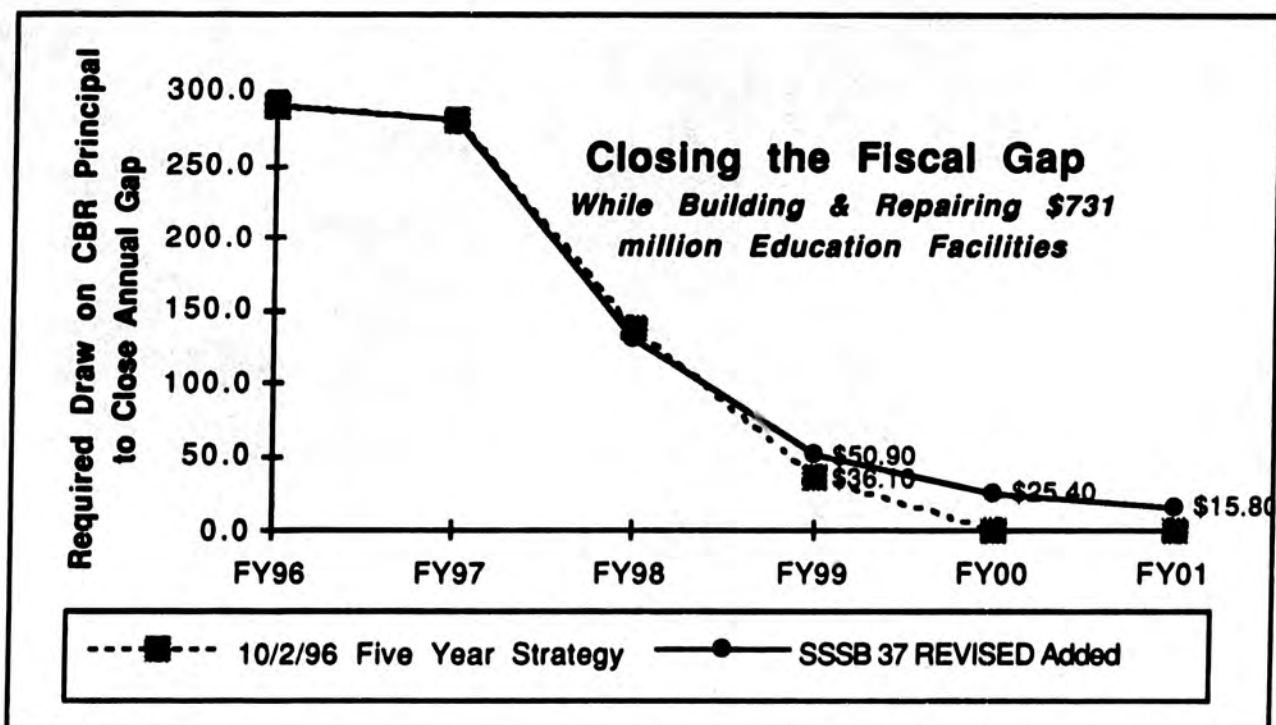
ALASKA LEGISLATIVE MAJORITY FIVE YEAR BUDGET STRATEGY
as of October 2, 1996

Modified to Include \$731 million New School Construction and Deferred Maintenance Using REVISED SSSB 37 Methodology

Noteworthy Results:

• Adding the SSSB 37 EFA methodology does not significantly slow the reduction of the "fiscal gap." In short, SSSB 37 methodology can be readily meshed with the Five Year Strategy, without causing noticeable changes – while providing \$731 million in construction & major maintenance at the same time.

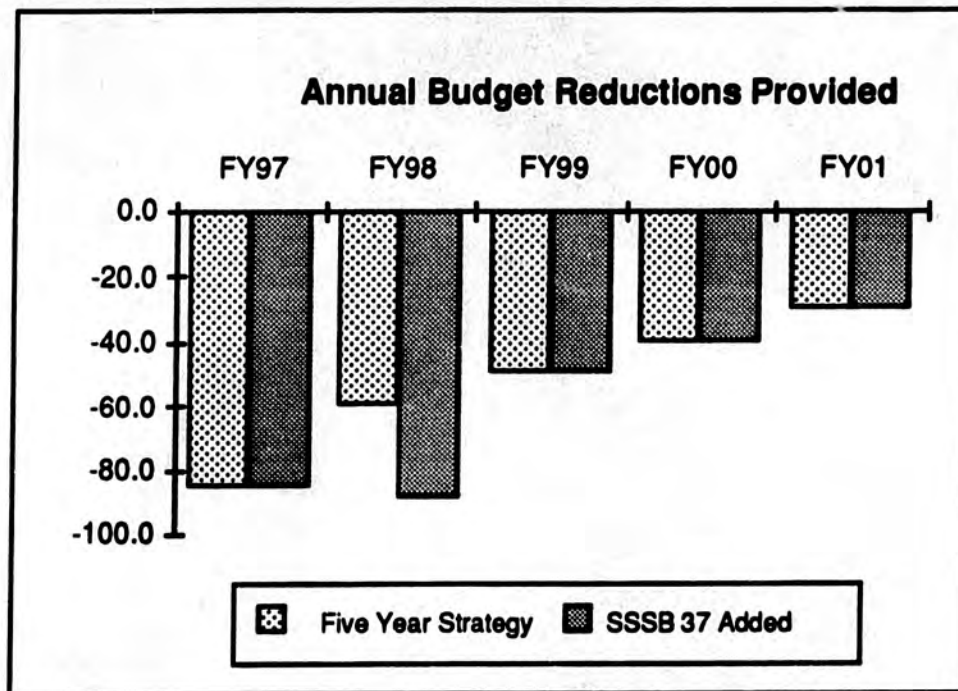
	Annual Fiscal Gap					
	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
10/2/96 Five Year Strategy	291.4	281.5	138.2	36.1	0.0	0.0
SSSB 37 REVISED Added	291.4	281.5	130.3	50.9	25.4	15.8



- Adding the SSSB 37 EFA methodology allows the FY98 budget to be cut by more than the Five Year Strategy, while still providing the identical services (because the Ed. Fac. Finance Authority provides deferred maintenance and construction that would otherwise be funded by the Capital budget).

Annual Budget Cuts - Same Services Provided

	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Five Year Strategy	(85.1)	(60.0)	(50.0)	(40.0)	(30.0)
SSSB 37 Added	(85.1)	(88.6)	(50.0)	(40.0)	(30.0)



Annual Percent Budget Cuts - Same Services Provided

	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Five Year Strategy	-3.40%	-2.48%	-2.12%	-1.73%	-1.32%
SSSB 37 Added	-3.40%	-3.66%	-2.14%	-1.75%	-1.34%

Education Facilities Fund

\$731 Million Scenario

12-Year Bond Maturities

<i><u>Year</u></i>	<i><u>Beginning Balance</u></i>	<i><u>Earnings</u></i>	<i><u>New Bonds</u></i>	<i><u>Debt Service</u></i>	<i><u>Ending Balance</u></i>	<i><u>Available for CBR Deposit</u></i>	<i><u>Remaining Capacity</u></i>
1998	\$1,200,000	\$120,000	\$202,602	\$23,265	\$1,296,735		\$842,433
1999	\$1,296,735	\$129,674	\$202,602	\$46,529	\$1,379,880		\$724,074
2000	\$1,379,880	\$137,988	\$202,602	\$69,794	\$1,448,074	\$750,138	\$593,879
2001	\$1,448,074	\$144,807	\$0	\$69,794	\$1,523,088	\$825,151	\$653,267
2002	\$1,523,088	\$152,309	\$0	\$69,794	\$1,605,603	\$907,666	\$718,594
2003	\$1,605,603	\$160,560	\$0	\$69,794	\$1,696,370	\$998,433	\$790,453
2004	\$1,696,370	\$169,637	\$0	\$69,794	\$1,796,213	\$1,098,276	\$869,499
2005	\$1,796,213	\$179,621	\$0	\$69,794	\$1,906,041	\$1,208,104	\$956,449
2006	\$1,906,041	\$190,604	\$0	\$69,794	\$2,026,851	\$1,328,914	\$1,052,093
2007	\$2,026,851	\$202,685	\$0	\$69,794	\$2,159,743	\$1,461,806	\$1,157,303
2008	\$2,159,743	\$215,974	\$0	\$69,794	\$2,305,923	\$1,607,987	\$1,273,033
2009	\$2,305,923	\$230,592	\$0	\$69,794	\$2,466,722	\$1,768,785	\$1,400,336
2010	\$2,466,722	\$246,672	\$0	\$46,529	\$2,666,865	\$2,201,574	\$1,742,972
2011	\$2,666,865	\$266,686	\$0	\$23,265	\$2,910,287	\$2,677,641	\$2,119,872
2012	\$2,910,287	\$291,029	\$0	\$0	\$3,201,315	\$3,201,315	\$2,534,462
2013	\$3,201,315	\$320,132	\$0	\$0	\$3,521,447	\$3,521,447	\$2,787,908
2014	\$3,521,447	\$352,145	\$0	\$0	\$3,873,592	\$3,873,592	\$3,066,699
2015	\$3,873,592	\$387,359	\$0	\$0	\$4,260,951	\$4,260,951	\$3,373,368

Assumes: \$731 Million construction/major maintenance financed over first three years, including local matches required.

12-year series of AA- bonds yield what they did week of April 18, 1997 (5.31% avg. to maturity).

Fund earnings average 10% during period.

April 22, 1997

Education Facilities Fund

"Billion Dollar Schools" Scenario

12-Year Bond Maturities

<u>Year</u>	<u>Beginning Balance</u>	<u>Earnings</u>	<u>New Bonds</u>	<u>Debt Service</u>	<u>Ending Balance</u>	<u>Available for CBR Deposit</u>	<u>Remaining Capacity</u>
1998	\$1,200,000	\$120,000	\$202,602	\$23,265	\$1,296,735		\$842,433
1999	\$1,296,735	\$129,674	\$202,602	\$46,529	\$1,379,880		\$724,074
2000	\$1,379,880	\$137,988	\$202,602	\$69,794	\$1,448,074		\$593,879
2001	\$1,448,074	\$144,807	\$80,000	\$78,980	\$1,513,902		\$573,267
2002	\$1,513,902	\$151,390	\$80,000	\$88,166	\$1,577,126		\$550,594
2003	\$1,577,126	\$157,713	\$63,566	\$95,465	\$1,639,373	\$684,718	\$542,087
2004	\$1,639,373	\$163,937	\$0	\$95,465	\$1,707,845	\$753,190	\$596,296
2005	\$1,707,845	\$170,784	\$0	\$95,465	\$1,783,164	\$828,509	\$655,925
2006	\$1,783,164	\$178,316	\$0	\$95,465	\$1,866,014	\$911,360	\$721,518
2007	\$1,866,014	\$186,601	\$0	\$95,465	\$1,957,150	\$1,002,496	\$793,670
2008	\$1,957,150	\$195,715	\$0	\$95,465	\$2,057,400	\$1,102,746	\$873,037
2009	\$2,057,400	\$205,740	\$0	\$95,465	\$2,167,675	\$1,213,020	\$960,341
2010	\$2,167,675	\$216,767	\$0	\$72,201	\$2,312,241	\$1,590,232	\$1,258,977
2011	\$2,312,241	\$231,224	\$0	\$48,936	\$2,494,529	\$2,005,166	\$1,587,477
2012	\$2,494,529	\$249,453	\$0	\$25,672	\$2,718,310	\$2,461,592	\$1,948,827
2013	\$2,718,310	\$271,831	\$0	\$16,485	\$2,973,656	\$2,808,801	\$2,223,710
2014	\$2,973,656	\$297,366	\$0	\$7,299	\$3,263,722	\$3,190,730	\$2,526,081
2015	\$3,263,722	\$326,372	\$0	\$0	\$3,590,094	\$3,590,094	\$2,842,255

Assumes: \$1.0 Billion construction/major maintenance financed over first six years, including local matches required.

12-year series of AA- bonds yield what they did week of April 18, 1997 (5.31% avg. to maturity).

Fund earnings average 10% during period.

April 22, 1997

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 37
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - FIRST SESSION

BY SENATOR MACKIE

Introduced: 2/27/97

Referred: CRA, HESS, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the Education Facilities Financing Authority; and providing**
2 **for an effective date."**

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

4 *** Section 1. FINDINGS.** The legislature finds that

5 (1) there is an urgent need for improvement to existing primary and secondary
6 school and university facilities and for new primary and secondary school and university
7 facilities throughout the state;

8 (2) the establishment of the Education Facilities Financing Authority as
9 provided in this Act will provide an effective means of financing school and university
10 facilities.

11 *** Sec. 2.** AS 44.27 is amended by adding new sections to read:

12 **Article 3. Education Facilities Financing Authority.**

13 **Sec. 44.27.100. Education Facilities Financing Authority.** The Education
14 Facilities Financing Authority is created as a public corporation of the state in the

1 Department of Education. The authority is an instrumentality of the state but has a
2 legal existence independent of and separate from the state and has continuing
3 succession until its existence is terminated by law. The authority is subject to
4 AS 37.07 (Executive Budget Act).

5 **Sec. 44.27.110. Board of directors.** The authority is governed by a board of
6 three directors, consisting of the commissioner of revenue, the commissioner of
7 education, and the commissioner of transportation and public facilities. The directors
8 are subject to AS 39.50 (conflict of interest). Before entering upon the duties of
9 office, a director shall take and subscribe to an oath to perform the duties faithfully,
10 impartially, and justly to the best of the director's ability. A record of the oath shall
11 be filed in the Office of the Governor.

12 **Sec. 44.27.120. Officers, quorum, and meetings.** (a) The board of directors
13 shall elect one of their number as chair. The board shall elect a secretary and a
14 treasurer who need not be directors, and the same person may be elected to serve both
15 as secretary and treasurer. The powers of the authority are vested in the board of
16 directors, and two directors of the authority constitute a quorum. Action may be taken
17 and motions and resolutions adopted by the authority at any meeting by the affirmative
18 vote of at least two directors. A vacancy in the directorship of the authority does not
19 impair the right of a quorum to exercise all of the powers and perform all of the duties
20 of the authority.

21 (b) The directors and officers of the authority may meet and transact business
22 by an electronic medium if (1) public notice of the time and locations where the
23 meeting will be held by an electronic medium has been given in the same manner as
24 if the meeting were held in a single location; (2) participants and members of the
25 public in attendance can hear and have the same right to participate in the meeting as
26 if the meeting were conducted in person; and (3) copies of pertinent reference
27 materials, statutes, regulations, and audio-visual materials are reasonably available to
28 participants and to the public. A meeting by an electronic medium as provided in this
29 subsection has the same legal effect as a meeting in person.

30 (c) The authority may appoint persons as employees it considers advisable and
31 may employ professional advisors, counsel, technical experts, agents, and others as

1 appropriate. The employees of the authority are in the exempt service under
2 AS 39.25.110.

3 **Sec. 44.27.130. Powers of the authority.** The authority may

- 4 (1) sue and be sued;
- 5 (2) adopt and alter an official seal;
- 6 (3) make and enforce bylaws and regulations for the conduct of its
7 business and for the use of its services and facilities;
- 8 (4) maintain an office at any place in the state;
- 9 (5) acquire, hold, use, and dispose of its income, revenue, funds, and
10 money;
- 11 (6) acquire, rent, lease, hold, use, and dispose of other personal
12 property for its purposes;
- 13 (7) subject to AS 44.27.160, issue revenue bonds or notes and provide
14 for and secure payment of the revenue bonds or notes, provide for the rights of their
15 holders, and purchase, hold, and dispose of any of its revenue bonds or notes;
- 16 (8) fix and revise from time to time and charge and collect fees and
17 charges for the use of its services or facilities;
- 18 (9) accept gifts or grants from the United States, or from any
19 governmental unit or person, carry out the terms or provisions or make agreements
20 with respect to the gifts or grants, and do all things necessary, useful, desirable, or
21 convenient in connection with procuring, accepting, or disposing of the gifts or grants;
- 22 (10) do anything authorized by AS 44.27.100 - 44.27.250, through its
23 officers, agents, or employees, or by contracts with a person;
- 24 (11) make, enter into, and enforce all contracts necessary, convenient,
25 or desirable for the purposes of the authority or pertaining to a purchase or sale of
26 bonds or other investments, or the performance of its duties and execution of any of
27 its powers under AS 44.27.100 - 44.27.250;
- 28 (12) purchase or hold bonds at prices and in a manner the authority
29 considers advisable;
- 30 (13) adopt and amend regulations by motion, by resolution, or in
31 another manner permitted under the bylaws of the authority;

1 (14) procure insurance against any losses in connection with its
2 property, operations, or assets in amounts and from insurers it considers desirable;

3 (15) to the extent permitted under its contracts with the holders of
4 bonds or notes of the authority, consent to modification of the rate of interest, time and
5 payment of installment of principal or interest, security, or any other term of a bond
6 or note, contract, or agreement of any kind to which the authority is a party; and

7 (16) do all acts and things necessary, convenient, or desirable to carry
8 out the powers expressly granted or necessarily implied in AS 44.27.100 - 44.27.250.

9 **Sec. 44.27.140. Issuance of bonds and pledges of assets.** (a) Subject to
10 AS 44.27.160, the authority may issue its bonds or notes in principal amounts
11 sufficient to provide funds for the construction of schools or school facilities that are
12 projects approved under AS 14.11.015(a) and authorized by the legislature.

13 (b) Subject to AS 44.27.170, the authority may enter into agreements providing
14 for financial covenants or pledging amounts to secure bonds of municipalities or the
15 University of Alaska and pay amounts for the following:

16 (1) the reimbursement up to 70 percent of net payments as determined
17 by the authority made by a municipality that is a school district for the retirement of
18 principal and interest on bonds issued to pay the cost of constructing school facilities
19 that are projects approved under AS 14.11.015(a);

20 (2) the reimbursement up to 100 percent of the net payments as
21 determined by University of Alaska for the retirement of principal and interest on
22 bonds issued to pay the cost of constructing university facilities.

23 (c) Bonds or notes may be issued or agreements made for a facility under (a)
24 and (b) of this section only when

25 (1) the legislature has authorized the facility and its construction cost;

26 (2) for agreements made under (b) of this section, the legislature has
27 authorized the percentage of reimbursement that the authority shall agree to reimburse
28 with respect to the facility; and

29 (3) the commissioner of education has certified that

30 (A) the facility is designed in accordance with the energy
31 performance standards adopted under AS 44.42.020(a); or

1 (B) the designer and constructor of the facility have certified
2 that the facility will be designed and constructed in accordance with the energy
3 performance standards and regulations adopted under AS 44.42.020(a).

4 (d) The authority may issue its bonds or notes in principal amounts that it
5 considers necessary to provide funds for

6 (1) payment, funding, or refunding of the principal of, or interest or
7 redemption premiums on, bonds or notes issued by it, whether the bonds or notes or
8 interest to be funded or refunded have or have not become due;

9 (2) the establishment or increase of reserves to secure or to pay bonds
10 or notes or interest on bonds or notes and all other costs or expenses of the authority
11 incident to and necessary or convenient to carry out its corporation purposes and
12 powers.

13 (e) The authority and a municipality or the authority and the University of
14 Alaska may enter into agreements as provided by law providing for financial covenants
15 or pledging amounts for the benefit of bondholders of a municipality or the University
16 of Alaska to secure the reimbursement of the net payments to be made by the
17 municipality or the University of Alaska.

18 (f) Except as otherwise provided in AS 44.27.100 - 44.27.250 or by the
19 authority, every issue of bonds or notes shall be payable out of the revenue or funds
20 of the authority, subject only to agreements with the holders of particular bonds or
21 notes pledging particular revenue or funds.

22 (g) Bonds shall be authorized by resolution of the authority and shall be dated
23 and mature as the resolution may provide, except that a bond may not mature more
24 than 15 years from the date of its issue. Bonds shall bear interest at rates, be in the
25 denominations, be in the form, either coupon or registered, carry the registration
26 privileges, be executed in the manner, be payable in the medium of payment, at the
27 place or places, and be subject to the terms of redemption that the resolution or a
28 subsequent resolution may provide. Bonds or notes may be sold at a public or private
29 sale.

30 (h) The authority may disburse funds necessary to comply with the
31 construction and reimbursement provisions of (a) and (b) of this section. The authority

1 shall administer the reimbursement payments authorized under (b) of this section and
 2 shall provide by regulation for the filing of applications for reimbursement, the form
 3 of proof of costs for which application for reimbursement is made, and other
 4 regulations necessary to administer this section. An agreement not to modify an
 5 appropriation for construction or reimbursement after bonds or notes have been issued
 6 for the purpose is valid. The authority shall exclude from the total school construction
 7 cost of the local district all state and federal funds included in these costs except funds
 8 provided under this section and AS 43.50.140. In approving applications for
 9 reimbursement under (b)(1) of this section, the authority shall offset against the amount
 10 of reimbursement authorized the amount of any funds distributed to the municipality
 11 in the second preceding fiscal year from the school fund provided for in AS 43.50.140.

12 **Sec. 44.27.150. Trust indentures and trust agreements.** (a) In the discretion
 13 of the authority, an issue of bonds may be secured by a trust indenture or trust
 14 agreement between the authority and a corporate trustee, including a trust company,
 15 bank, or national banking association, with corporate trust powers, located inside or
 16 outside the state, or by a secured loan agreement or other instrument or under a
 17 resolution giving powers to a corporate trustee by means of which the authority may

18 (1) make and enter into any and all the covenants and agreements with
 19 the trustee or the holders of the bonds that the authority may determine to be necessary
 20 or desirable, including, without limitation, covenants, provisions, limitations, and
 21 agreements as to

22 (A) the application, investment, deposit, use, and disposition of
 23 the proceeds of bonds of the authority or of money or other property of the
 24 authority in which it has an interest;

25 (B) the terms and conditions upon which additional bonds of the
 26 authority may be issued; and

27 (C) the vesting in a trustee of rights, powers, duties, funds, or
 28 property in trust for the benefit of bondholders, including the right to enforce
 29 payment, performance, and all other rights of the authority or of the
 30 bondholders, under any agreement of the authority;

31 (2) pledge, mortgage, or assign money, agreements, property, or other

1 rights or assets of the authority either presently in hand or to be received in the future,
2 or both; and

3 (3) provide for other matters of like or different character that in any
4 way affect the security or protection of the bonds.

5 (b) For the purpose of securing one or more issues of its bonds, the authority
6 may establish one or more special funds, called "capital reserve funds," and shall pay
7 into the capital reserve funds the proceeds of the sale of its bonds and other money
8 that may be made available to the authority for the purposes of those funds from
9 another source. The funds shall be established only if the authority determines that the
10 establishment would enhance the marketability of the bonds. Money held in a capital
11 reserve fund, except as provided in this section, shall be used as required solely for (1)
12 the payment of the principal of, and interest on, bonds or of the sinking fund payments
13 with respect to those bonds, (2) the purchase or redemption of bonds, or (3) the
14 payment of a redemption premium required to be paid when those bonds are redeemed
15 before maturity; however, money in a fund may not be withdrawn from it at any time
16 in an amount that would reduce the amount of that fund to less than the capital reserve
17 requirement set out in (2) of this subsection, except for the purpose of making, with
18 respect to those bonds, payment, when due, of principal, interest, redemption
19 premiums, and the sinking fund payments for the payment of which other money of
20 the authority is not available. Income or interest earned by, or increment to, a capital
21 reserve fund, due to the investment of the fund or any other amounts in it, may be
22 transferred by the authority to other funds or accounts of the authority to the extent
23 that the transfer does not reduce the amount of the capital reserve fund below the
24 capital reserve fund requirement under (c) of this section.

25 (c) If the authority decides to issue bonds secured by a capital reserve fund,
26 the bonds may not be issued if the amount in the capital reserve fund is less than an
27 amount that may be established by resolution of the authority, called the "capital
28 reserve fund requirement," unless the authority, at the time of issuance of the
29 obligations, deposits in the capital reserve fund from the proceeds of the obligations
30 to be issued or from other sources, an amount which, together with the amount then
31 in the fund, is not less than the capital reserve fund requirement.

1 (d) In computing the amount of a capital reserve fund for the purpose of this
2 section, securities in which all or a portion of the funds are invested shall be valued
3 by a reasonable method established by the authority by resolution. Valuation on a
4 particular date shall include the amount of any interest earned or accrued to that date.

5 (e) The chair of the authority shall annually, not later than January 2, make
6 and deliver to the governor and the legislature a certificate stating the amount, if any,
7 required to restore a capital reserve fund to the capital reserve fund requirement. The
8 legislature may appropriate the amount described in this subsection, and all money
9 appropriated during the then current fiscal year by the legislature for the restoration
10 shall be deposited by the authority in the proper capital reserve fund. Nothing in this
11 section creates a debt or liability of the state.

12 (f) If the authority decides to covenant to issue bonds secured by a capital
13 reserve fund, the bonds may not be issued until 10 days after the authority has mailed
14 notification to the state bond committee and the Legislative Budget and Audit
15 Committee by certified mail of its intention to establish a capital reserve fund to secure
16 the bond issue. The notification must include the amount of the capital reserve fund
17 to be established and the amount of bonds proposed to be issued. The notification
18 must be accompanied by an estimate by the authority of the need to withdraw money
19 from the capital reserve fund during the term of the bond issue, the amount that it may
20 be necessary to withdraw, and the time at which withdrawals are estimated to be
21 needed. The authority shall annually prepare a revised estimate, considering the same
22 factors, and a statement of all withdrawals that have occurred from the date of issuance
23 of the bonds to the end of the calendar year. The revised estimate and statement shall
24 be submitted to the state bond committee and the Legislative Budget and Audit
25 Committee by January 30 of the year following preparation of the revised estimate.

26 **Sec. 44.27.169. Bonding limitations.** The authority may not issue bonds or
27 make agreements under AS 44.27.140 unless the money in the education facilities fund
28 (AS 44.27.200) equals or exceeds \$1,200,000,000.

29 **Sec. 44.27.170. Bond reimbursement limitation.** The authority may not enter
30 into an agreement to reimburse a municipality or the University of Alaska for
31 payments made to retire principal and interest on bonds issued to construct education

1 facilities or University of Alaska facilities unless the money in the education facilities
2 fund (AS 44.27.200) equals or exceeds \$1,200,000,000 and the bonds issued by the
3 municipality or the University of Alaska comply with AS 44.27.140(g), except that the
4 bonds need not be authorized by the authority.

5 **Sec. 44.27.180. Nonliability on bonds.** (a) Neither the members of the
6 authority nor a person executing the bonds is personally liable on the bonds or is
7 subject to personal liability or accountability as a result of the issuance of the bonds.

8 (b) Bonds issued by the authority do not constitute an indebtedness or other
9 liability of the state or of a political subdivision of the state, except the authority.
10 Bonds shall be payable solely from the income and receipts or other funds or property
11 of the authority. The authority may not pledge the faith or credit of the state or of a
12 political subdivision of the state, except the authority, to the payment of a bond.

13 **Sec. 44.27.190. Pledge of the state.** (a) The state pledges to and agrees with
14 the holders of bonds issued under AS 44.27.100 - 44.27.250 that the state will not limit
15 or alter the rights and powers vested in the authority by AS 44.27.100 - 44.27.250 to
16 fulfill the terms of a contract made by the authority with the holders and that the state
17 will not in any way impair the rights and remedies of the holders until the bonds,
18 together with the interest on them with interest on unpaid installments of interest, and
19 all costs and expenses in connection with an action or proceeding by or on behalf of
20 the holders are fully met and discharged. The authority is authorized to use this
21 pledge and agreement of the state in agreements involving holders of bonds of the
22 authority.

23 (b) The pledge of the state is limited to the express provisions of (a) of this
24 section and is not a guarantee, surety, promise, undertaking, or assurance of repayment
25 or performance of any obligation of the authority.

26 **Sec. 44.27.200. Education facilities fund.** (a) The education facilities fund
27 is established in the authority. The fund consists of appropriations made to the fund
28 by the legislature, and, subject to appropriation, the income of the fund. The authority
29 may enter into agreements for financial covenants or pledge amounts in the fund that
30 exceed \$1,200,000,000 to secure the payment of bonds of the authority and may make
31 expenditures from the fund for the purposes of the agreements.

(b) The fund and any other funds of the authority shall be invested by the Alaska Permanent Fund Corporation as agent of the authority in the manner provided for assets of the permanent fund under AS 37.13.120 unless otherwise provided in a trust agreement securing bonds.

Sec. 44.27.210. Annual audit. The authority shall have its financial records audited annually by a certified public accountant. The legislative auditor may prescribe the form and content of the financial records of the authority and may have access to the records at any time.

Sec. 44.27.220. Annual report. Before March 1 of each year, the authority shall submit to the governor and the legislature a comprehensive report describing operations, income, and expenditures for the preceding 12-month period.

Sec. 44.27.250. Definitions. In AS 44.27.100 - 44.27.250, unless the context requires otherwise,

(1) "authority" means the Education Facilities Financing Authority established under AS 44.27.100;

(2) "bonds" means revenue bonds, notes, or other obligations of the authority issued under AS 44.27.100 - 44.27.250;

(3) "fund" means the education facilities fund established under AS 44.27.200.

* **Sec. 3.** AS 36.30.850(b) is amended by adding a new paragraph to read:

(38) contracts of the Education Facilities Financing Authority (AS 44.27.100).

* **Sec. 4.** AS 39.25.110 is amended by adding a new paragraph to read:

(33) the employees of the Education Facilities Financing Authority.

* **Sec. 5.** AS 39.50.200(b) is amended by adding a new paragraph to read:

(56) Education Facilities Financing Authority (AS 44.27.100).

* **Sec. 6. AUTHORIZATION OF FACILITIES.** (a) The Education Facilities Financing Authority established under AS 44.27.100, enacted in sec. 2 of this Act, is authorized under AS 44.27.140(a) to issue its bonds for construction of the following facilities at the following costs:

(1) Small Municipality or Rural

	District Name	Project/Location	Amount
1	Kashunamiut	Chevak School replacement	\$ 25,506,000
2	Lower Yukon	Pilot Station K-12 expansion	18,036,000
3	Lower Yukon	Kotlik K-12 expansion	18,692,000
4	Chatham	Hobart Bay recovery of funds	59,000
5	Northwest Arctic	Buckland School remediation	14,304,000
6	Southwest Region	Togiak School replacement	27,687,000
7	Lower Kuskokwim	Newtok	4,941,000
8	Yukon Flats	Arctic Village K-12	2,762,000
9		remodel and expansion	
10	Iditarod	Takotna training center	1,123,000
11	Lower Yukon	Sheldon Point K-12 expansion	11,102,000
12	Bering Strait	Golovin	12,245,000
13	Denali	Tri-Valley addition and remodel	12,874,000
14	Bering Strait	Elim	12,198,000
15	Yupiit	Akiachak replacement/renovation	14,274,000
16	Bering Strait	Teller	12,146,000
17	Craig	New secondary	17,937,000
18	Kuspuk	Upper Kalskag	3,521,000
19	North Slope	Bulk fuel systems upgrade	6,012,000
20	Bering Straits	Diomedede structural remediation	346,000
21	Northwest Arctic	Kiana High School renovation	2,252,000
22	Southwest Region	Koliganek basement repair	1,368,000
23	Sitka	High school renovation	10,261,000
24	Delta/Greely	Delta roof repair and fire alarm	1,074,000
25		replacement	
26	Sitka	Baranof renovation	5,926,000
27	Hoonah	Roof, foundation, and fuel	1,294,000
28		tank replacement	
29	Lake & Peninsula	Pedro Bay renovation	1,008,000
30	Lake & Peninsula	District wide fuel system upgrade	1,250,000

1	Chatham	Tenakee retaining wall replacement	239,000
2	Northwest Arctic	Noorvik High School renovation	2,664,000
3	Cordova	School renovations	136,000
4	Chugach	Whittier drainage	145,000
5	Lake & Peninsula	District wide sprinkler systems	1,515,000
6	Annette Island	Major maintenance renovation	3,556,000
7	Pelican	Major maintenance	781,000
8	Lower Kuskokwim	Mikelnguut Elitnaurviat roof repair	1,384,000
9	Lower Kuskokwim	Bulk fuel tank repairs at 9 sites	3,160,000
10	Klawock	Major maintenance	2,034,000
11	Wrangell	Exterior windows	166,000
12	Alaska Gateway	Northway wastewater treatment	144,000
13	Haines	High school roof replacement	404,000
14	Galena	Roofing and sprinkler renovation	1,277,000
15	Lower Yukon	Hooper Bay major maintenance	1,607,000
16	Northwest Arctic	Ambler High School renovation	2,009,000
17	Annette Island	Asbestos abatement	118,000
18	Wrangell	Civil site work	89,000
19	Kake	District wide maintenance	3,001,000
20	Lower Kuskokwim	Nelson Island, Tooksook Bay roof repairs	998,000
21	Tanana	Electrical retrofit	278,000
22	Wrangell	Parking development	264,000
23	Iditarod	Lime Village oil spill remediation	396,000
24	Iditarod	Grayling bulk fuel storage	163,000
25	Northwest Arctic	Noatak major maintenance	254,000
26	Bristol Bay	Sprinkler system	2,551,000
27	Lower Kuskokwim	District wide water treatment: 8 sites	8,167,000
28	Southwest Region	Weather protection - 4 buildings	772,000
29	Alaska Gateway	Northway bulk fuel storage	178,000
30	Northwest Arctic	Shungnak major maintenance	380,000
31	Alaska Gateway	Mentasta bulk storage	562,000

1	Alaska Gateway	Northway soil remediation	3,798,000
2	Hydaburg	Heating system renovation	184,000
3	Nenana	Handicap access improvements	139,000
4	Nenana	Interior lighting	65,000
5	Hydaburg	Major maintenance	857,000
6	Chatham	Angoon High School major maintenance	302,000
7 (2)	Large Municipality		
8	School District	Project	Amount
9	Anchorage	Romig roof replacement	\$ 1,785,000
10	Anchorage	Birchwood roof replacement	960,000
11	Anchorage	Taku elementary addition and	6,200,000
12		replacement	
13	Anchorage	Muldoon new elementary school	12,704,000
14	Anchorage	Chugiak High School addition	9,500,000
15	Anchorage	Central Junior High renovation	8,000,000
16	Anchorage	Site acquisition: Muldoon middle and	2,850,000
17		Chugiak elementary schools	
18	Anchorage	Nunaka Valley renewal, programmatic,	5,400,000
19		and code upgrades	
20	Anchorage	Ocean View renewal, programmatic,	444,000
21		and code upgrades	
22	Fairbanks	Barnette School renovation	5,718,000
23	Fairbanks	Denali School renovation	8,807,000
24	Fairbanks	Hunter School renovation	3,195,000
25	Fairbanks	Nordale School renovation	9,299,000
26	Fairbanks	Physical plant renovation and addition	5,819,000
27	Fairbanks	Food service facility	4,828,000
28	Juneau	Marie Drake roof replacement	1,189,000
29	Juneau	Mendenhall River School roof	2,231,000
30		replacement	
31	Juneau	Auke Bay School roof replacement	848,000

1	Juneau	High school mechanical renovation	107,000
2	Juneau	Floyd Dryden School floor replacement	184,000
3	Juneau	High school overpass	202,000
4	Juneau	Gastineau School heating repairs	183,000
5	Juneau	Auke Bay School sewer treatment	112,000
6	Kenai	District wide handicap access	869,000
7		improvements	
8	Ketchikan	Houghtaling School renovation	3,339,000
9	Ketchikan	Valley Park School renovation	1,894,000
10	Matanuska-Susitna	Talkeetna School addition and	7,568,000
11		renovation	
12	Matanuska-Susitna	Ataska Middle School	30,526,000

13 (b) The Education Facilities Financing Authority is authorized under
 14 AS 44.27.140(b)(2) to agree to pay amounts and to pay amounts sufficient to reimburse 100
 15 percent of net payments, as determined by the authority, made by the University of Alaska
 16 for the retirement of principal and interest on bonds issued to pay the following costs of
 17 constructing the following university facilities:

18	Location	Project	Amount
19	Fairbanks	UAF deferred maintenance code compliance	\$35,000,000
20	Anchorage	UAA deferred maintenance code compliance	25,000,000
21	Southeast	UAS deferred maintenance code compliance	2,000,000
22	Statewide	System wide instructional equipment and	6,000,000
23		telecommunications	
24	Anchorage	UAA computer network improvements	1,500,000
25	Auke Cape	UAF School of Fisheries Auke Cape Facility	1,500,000
26	Anchorage	UAA Anchorage library facility	1,400,000
27	Anchorage	UAA museum planning/match	500,000
28	Sitka	UAS Sitka classroom renovations and	1,195,000
29		completion	
30	Statewide	System wide ADA compliance	1,000,000
31	Fairbanks	UAF facility and infrastructure renovation	1,000,000

1	Kachemak Bay	UAA Kachemak Bay renovation	200,000
2	Anchorage/Kodiak	UAA Anchorage and Kodiak renovation	2,005,000
3	Ketchikan	UAS Ketchikan Campus remodel/renovation	300,000
4	Bristol Bay	UAF Bristol Bay classroom addition	900,000
5	Statewide	UA Small Business Development programs	450,000

6 (c) The University of Alaska is authorized to issue bonds and enter into obligations
7 with the Education Facilities Financing Authority necessary to finance projects identified under
8 (b) of this section, as required under AS 14.40.253.

9 * Sec. 7. This Act takes effect immediately under AS 01.10.070(c).

11

Alaska State Legislature

Senator Al Adams

WHILE IN SESSION
State Capitol
Juneau, Alaska 99801-1182
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OUT OF SESSION
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Official Business

Sponsor Statement

SB 135

"An Act Relating to the participating share for school construction grants, and providing for an effective date"

SB 135 deals with the participating share that school districts are required to contribute as the "local match" for school construction projects.

SB 135 substitutes a three part means test for the existing waiver criteria. Under the provisions of SB 135, a school district must meet all three criteria established in the bill to have their participating share waived. The three part test consists of:

- (1) An assessed valuation per average daily membership of \$200,000 or less; (in existing law)
- (2) An unemployment rate in the district of 10% or more; and
- (3) An average per capita income for residents in the district that is 85% or less of the statewide average per capita income.

Although each of these measurements has it's own specific shortcomings, the combination of criteria provides the Commissioner of Education a pretty good idea of local economic circumstances. School construction projects are badly needed throughout the state. Passage of SB 135 would allow school construction to proceed in an equitable and expeditious manner.

SENATE BILL NO. 135

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY SENATOR ADAMS

Introduced: 3/12/97

Referred: CRA, HESS, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the participating share for school construction grants; and
2 providing for an effective date."

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

4 * **Section 1.** AS 14.11.008(d) is repealed and reenacted to read:

5 (d) The commissioner shall waive the district's participating share required
6 under this section if, in the calendar year in which the grant was received,

7 (1) the district has a full value per ADM of \$200,000 or less;

8 (2) the district has an unemployment rate of 10 percent or more; and

9 (3) the average per capita income of residents in the district is 85
10 percent or less of the state average per capita income.

11 * **Sec. 2.** This Act takes effect July 1, 1997.

12

SENATE BILL NO. 171**IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTIETH LEGISLATURE - FIRST SESSION****BY SENATOR MILLER****Introduced: 4/11/97****Referred: Transportation, Finance****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to the Alaska Capital Improvement Project Authority; relating
2 to the powers and duties of the Department of Transportation and Public
3 Facilities; and providing for an effective date."

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

5 ***Section 1.** AS 44.42 is amended by adding new sections to read:

6 **Article 2. Alaska Capital Improvement Project Authority.**

7 **Sec. 44.42.110. Alaska Capital Improvement Project Authority.** (a) There
8 is created in the Department of Transportation and Public Facilities the Alaska Capital
9 Improvement Project Authority.

10 (b) The authority consists of seven members. Members of the authority are
11 appointed by the governor and subject to confirmation by a majority of the members
12 of the legislature in joint session. The members serve for staggered five-year terms
13 and until a successor is appointed. A vacancy among the members of the authority
14 occurring other than by expiration of term shall be filled in the same manner as the

1 original appointment but only for the unexpired term and until a successor is
2 appointed. The members of the authority may be removed by the governor only for
3 cause.

4 (c) The governor shall appoint at least one member, but not more than two
5 members, of the authority from among the residents of each of the four judicial
6 districts in the state. Two members of the authority must have experience in the
7 operation, management, or use of modes of surface transportation facilities, including
8 highways, railroads, mass transportation facilities, or recreational transportation
9 facilities. Two members of the authority must have experience in the operation,
10 management, or use of modes of air transportation facilities, including airports,
11 commercial or private aviation facilities, or passenger or freight air services facilities.
12 Two members of the authority must have experience in the operation, management, or
13 use of modes of water-borne transportation facilities, including ports and harbors,
14 passenger or freight service facilities, recreational transportation facilities, or ferries.
15 One member of the authority must have experience in the operation, management, or
16 use of public buildings or public facilities other than transportation facilities.

17 (d) The members of the authority serve without compensation but are entitled
18 to per diem and travel expenses authorized for boards and commissions under
19 AS 39.20.180. The members of the authority shall comply with AS 39.50 (conflict of
20 interest).

21 (e) The members of the authority shall select a chair from among its members.
22 Four members of the authority constitute a quorum. The authority may take action
23 upon the affirmative vote of four of its members.

24 **Sec. 44.42.120. Powers and duties of the authority.** (a) The authority shall
25 review, revise as appropriate, and approve the following plans and programs prepared
26 by the department for capital improvement projects for the construction and
27 maintenance of transportation and public facilities constructed, operated, or maintained
28 by the department:

29 (1) construction and maintenance program for state-owned airports and
30 air navigation facilities under AS 02.15.065;

31 (2) construction and maintenance program for highways under

1 AS 19.10.140 and 19.10.150;

2 (3) five-year plan for local service roads and trails under AS 19.30.141;

3 (4) comprehensive plan for the Alaska marine highway system under
4 AS 19.65.011;

5 (5) construction and maintenance program for state-owned marine
6 facilities under AS 35.10.085;

7 (6) state transportation plan under AS 44.42.050;

8 (7) state public facilities plan under AS 44.42.055.

9 (b) Plans and programs approved by the authority shall be submitted to the
10 governor and legislature.

11 (c) The authority shall review, revise as appropriate, and approve the capital
12 improvement projects budget for transportation and public facilities prepared and
13 proposed by the department to implement the plans and programs approved by the
14 authority under (a) of this section. The department shall include in the proposed
15 budget submitted to the authority the projects to be undertaken during the following
16 two fiscal years and a ranking of priorities for the projects. The capital improvement
17 project budget approved by the authority shall be submitted to the governor for
18 inclusion in the state capital projects budget and to the legislature.

19 (d) The authority may submit proposals for capital improvement projects for
20 construction and maintenance of transportation and public facilities to the governor for
21 inclusion in supplemental or special appropriation bills.

22 (e) The authority may hire the minimum of staff, including a director,
23 necessary to efficiently perform the functions of the authority.

24 (f) The authority has independent fiscal, budgeting, and administrative powers
25 necessary to independently perform the functions of the authority. The authority is a
26 state agency for purposes of AS 37.07.

27 (g) The annual operating budget of the department is not subject to review or
28 approval under this section.

29 **Sec. 44.42.130. Fees; regulations.** (a) The authority shall set fees, charges,
30 tolls, and rentals for the use of toll facilities under AS 37.15.740 by regulations
31 adopted under AS 44.62 (Administrative Procedure Act).

1 (b) The authority shall establish standards for marking and posting highways,
2 for traffic control signals, and for determination of speed limits and speed zones by
3 regulations adopted under AS 44.62 (Administrative Procedure Act).

4 * **Sec. 2.** AS 02.15 is amended by adding a new section to read:

5 **Sec. 02.15.065. Construction and maintenance program for airports and**
6 **air navigation facilities.** (a) The department shall establish a continuing, long-range
7 planning procedure for construction and maintenance of state-owned airports and air
8 navigation facilities.

9 (b) The department shall prepare annually a capital improvement project
10 construction and maintenance program for state-owned airports and air navigation
11 facilities that, subject to appropriation by the legislature, must include the projects to
12 be undertaken by the department during the following construction season, must
13 establish project priorities, and must describe proposed capital improvement projects
14 for construction and maintenance of state-owned airports and air navigation facilities
15 for at least the next succeeding two fiscal years. The department may propose
16 increases, decreases, amendments, or revisions to the construction and maintenance
17 program from time to time as circumstances warrant. The capital improvement project
18 construction and maintenance program and changes to the program, as proposed by the
19 department, are subject to review, revision, and approval of the Alaska Capital
20 Improvement Project Authority.

21 (c) Before February 2 of each year, the department shall prepare a list of
22 capital improvement projects for construction and maintenance of airports and air
23 navigation facilities that have been either proposed by the department, approved by the
24 Alaska Capital Improvement Project Authority, or funded by an appropriation by the
25 legislature. The statement must set out a general itemization of the estimated cost for
26 each project and the total estimates of all projects.

27 (d) This section does not apply to the state-owned international airports at
28 Anchorage and Fairbanks.

29 * **Sec. 3.** AS 19.05.040 is amended to read:

30 **Sec. 19.05.040. Powers of department.** The department may

31 (1) acquire property;

A/0902.10

- 1 (2) exercise the power of eminent domain;
- 2 (3) take immediate possession of real property, or any interest in it
- 3 under a declaration of taking or by other lawful means;
- 4 (4) acquire rights-of-way for present or future use;
- 5 (5) control access to highways;
- 6 (6) regulate roadside development;
- 7 (7) preserve and maintain the scenic beauty along state highways;
- 8 (8) dispose of property acquired for highway purposes;
- 9 (9) accept and dispose of federal funds or property available for
- 10 highway construction, maintenance, or equipment;
- 11 (10) enter into contracts or agreements relating to highways with the
- 12 federal government, municipalities, a political subdivision, or with a foreign
- 13 government, if the contract is approved by the federal government;
- 14 (11) [ESTABLISH, LEVY, AND] collect tolls, fees, charges, and
- 15 rentals for the use of state roads, highways, bridges, tunnels, crossings, and causeways;
- 16 and
- 17 (12) exercise any other power necessary to carry out the purpose of
- 18 AS 19.05 - AS 19.25.

19 * Sec. 4. AS 19.10.040 is amended to read:

20 **Sec. 19.10.040. Uniform system of marking and posting.** The department
 21 shall classify, designate, and mark highways under its jurisdiction under standards
 22 adopted by the Alaska Capital Improvement Project Authority. The Alaska
 23 Capital Improvement Project Authority shall adopt regulations establishing
 24 standards for [AND SHALL PROVIDE] a uniform system of marking and posting
 25 these highways. The system of marking and posting must correlate with and, as far
 26 as possible, conform to the recommendations of the Manual on Traffic Control Devices
 27 as adopted by the American Association of State Highway Officials.

28 * Sec. 5. AS 19.10.050 is amended to read:

29 **Sec. 19.10.050. Traffic control signals.** The Alaska Capital Improvement
 30 Project Authority [DEPARTMENT] shall prescribe types of traffic control signals to
 31 regulate traffic on highways. These signals must correlate with and, as far as possible,

conform to the recommendations of the Manual on Uniform Traffic Control Devices as adopted by the American Association of State Highway Officials. The Alaska Capital Improvement Project Authority [DEPARTMENT] shall adopt uniform regulations for the placing and installation of traffic control signals.

* Sec. 6. AS 19.10.070 is amended to read:

Sec. 19.10.070. Speed limits and zones. The department may conduct investigations with the assistance of the Department of Public Safety and shall determine safe speed limits and safe speed zones on highways and other roadways under its jurisdiction in accordance with standards adopted by the Alaska Capital Improvement Project Authority.

* Sec. 7. AS 19.10.072(a) is amended to read:

(a) In determining safe speed limits and safe speed zones, the department shall comply with [CONSIDER] the standards adopted by the Alaska Capital Improvement Project Authority under this section. The Alaska Capital Improvement Project Authority shall adopt standards for determining safe speed limits and safe speed zones. In adopting the standards, the Alaska Capital Improvement Project Authority shall consider the following factors in the order of priority listed:

(1) neighborhood safety, including the presence of children and pedestrian traffic;

(2) the presence of schools, houses, parks, and crosswalks;

(3) the presence of driveways, parked vehicles, and multiple turn locations;

(4) that speed at which safe and prudent drivers could pass through the speed zone; [AND]

(5) the effectiveness of local enforcement of the speed zone; and

(6) other factors the Alaska Capital Improvement Project Authority considers appropriate.

* Sec. 8. AS 19.10.140 is amended to read:

Sec. 19.10.140. Long-range program for highway construction and maintenance. The [GOVERNOR SHALL REQUIRE THE] department shall [TO]

1 establish a continuing, long-range program for highway construction and maintenance.
 2 Subject to review, revision, and approval by the Alaska Capital Improvement
 3 Project Authority, the [THE] program must annually project proposed capital
 4 improvement projects for construction and maintenance of highways for not less than
 5 the next succeeding two [FIVE] years. A statement of the approved program shall
 6 be submitted by the governor to the legislature annually, and the approved long-range
 7 program shall include in detail the construction program proposed [PREPARED]
 8 under AS 19.10.150.

9 * Sec. 9. AS 19.10.150 is amended to read:

10 **Sec. 19.10.150. Construction program.** (a) Before February 2 of each year,
 11 the department shall prepare a statement showing what capital improvement projects
 12 for construction of highways have been either proposed [WORK HAS BEEN
 13 REQUESTED AND PROPOSED AND MAY BE UNDERTAKEN] by the department,
 14 approved by the Alaska Capital Improvement Project Authority, or funded by an
 15 appropriation by the legislature. The statement must set out [FORTH] a general
 16 itemization of the estimated cost for each project and the total estimates of all projects.

17 (b) The department shall prepare [ADOPT] a construction program which
 18 must include the projects to be undertaken by the department [IT] during the
 19 following construction season and must establish project priorities. The department
 20 may propose increases, decreases, amendments, or revisions of [INCREASE,
 21 DECREASE, AMEND, OR REVISE] the construction program from time to time as
 22 circumstances warrant. The construction program and changes to the program are
 23 subject to review, revision, and approval by the Alaska Capital Improvement
 24 Project Authority.

25 * Sec. 10. AS 19.10.180 is amended to read:

26 **Sec. 19.10.180. Request for public bids.** Requests for public bids are
 27 governed by AS 36.30 (State Procurement Code). The request for public bids may
 28 require the contractor to furnish equipment, labor, materials, and supplies for the
 29 project, or the request for bids [IT] may state that the department will furnish the
 30 materials and supplies. If the department elects to provide materials and supplies for
 31 a project, the department [IT] shall make the election before the department

1 releases the request for bids [DO SO AT THE TIME IT ADOPTS THE
 2 CONSTRUCTION PROGRAM]. The department shall acquire these materials and
 3 supplies under AS 36.30 by requesting bids for them according to the class, type, and
 4 nature of the materials and supplies. The contract for materials and supplies may be
 5 awarded either upon the basis of delivery to the construction project directly or to a
 6 central storehouse or storehouses maintained by the department. Those materials and
 7 supplies so purchased by the department may be delivered to the project site without
 8 expense to the contractor, or the department [IT] may sell the materials and
 9 supplies [THEM] to the contractor at cost and make the materials and supplies a part
 10 of the construction cost.

11 * Sec. 11. AS 19.30.141 is amended to read:

12 **Sec. 19.30.141. Acquisition and construction programs.** Before October 1
 13 of each fiscal year, each local government eligible for allocation of funds under
 14 AS 19.30.131 shall submit to the commissioner [FOR APPROVAL] a five-year plan
 15 for the acquisition and construction of local service roads and trails. Before
 16 December 1 of each fiscal year, the commissioner shall submit to the Alaska Capital
 17 Improvement Project Authority for review, revision, and approval [GOVERNOR]
 18 a five-year plan for the acquisition and construction of local service roads and trails,
 19 including the approved local government programs. An organized borough shall
 20 include in its five-year plan local service road acquisition and construction programs
 21 for all cities other than home rule cities within the boundaries of the borough. The
 22 commissioner shall include in the five-year plan local service road and trail acquisition
 23 and construction within the unorganized borough. The five-year plan approved by
 24 the Alaska Capital Improvement Project Authority shall be submitted to the
 25 governor and the legislature.

26 * Sec. 12. AS 19.65.011 is amended to read:

27 **Sec. 19.65.011. Comprehensive long-range plan.** The Department of
 28 Transportation and Public Facilities shall prepare a comprehensive long-range plan for
 29 the development and improvement of the Alaska marine highway system and shall
 30 revise and update the plan at least every five years. The department shall submit the
 31 comprehensive long-range plan and revisions and updates of the plan to the Alaska

1 **Capital Improvement Project Authority for review, revision, and approval. The**
2 **department shall submit the approved plan to the legislature.**

3 * **Sec. 13.** AS 30.15.010 is amended to read:

4 **Sec. 30.15.010. State grants for port facilities construction.** To the extent
5 funds are appropriated by the legislature, or from the proceeds from the sale of bonds,
6 the state may make grants to municipalities to finance a portion of the cost of
7 constructing local, regional, or state port facilities. The state shall participate only in
8 those projects approved by the governor on recommendation of the commissioner **and**
9 **the Alaska Capital Improvement Project Authority.**

10 * **Sec. 14.** AS 35.10 is amended by adding a new section to article 2 to read:

11 **Sec. 35.10.085. Construction and maintenance program for marine**
12 **facilities.** (a) The department shall establish a continuing, long-range planning
13 procedure for construction and maintenance of state-owned marine facilities, including
14 harbors, docks, breakwaters, and waterways.

15 (b) The department shall prepare annually a capital improvement project
16 construction and maintenance program for state-owned marine facilities that, subject
17 to appropriation by the legislature, must include the projects to be undertaken by the
18 department during the following construction season, must establish project priorities,
19 and must describe proposed capital improvement projects for construction and
20 maintenance of state-owned marine facilities for at least the next succeeding two fiscal
21 years. The department may propose increases, decreases, amendments, or revisions to
22 the construction and maintenance program from time to time as circumstances warrant.
23 The capital improvement project construction and maintenance program and changes
24 to the program, as proposed by the department, are subject to review, revision, and
25 approval of the Alaska Capital Improvement Project Authority.

26 (c) Before February 2 of each year, the department shall prepare a list of
27 capital improvement projects for construction and maintenance of marine facilities that
28 have been either proposed by the department, approved by the Alaska Capital
29 Improvement Project Authority, or funded by an appropriation by the legislature. The
30 statement must set out a general itemization of the estimated cost for each project and
31 the total estimates of all projects.

1 * Sec. 15. AS 35.10.100 is amended to read:

2 **Sec. 35.10.100. Determining need and priority of projects.** The department
3 shall prepare the preliminary determination of need for each project of the type
4 described in AS 35.10.090 and its feasibility and appropriateness through
5 representations and data submitted to it by the residents of each community desiring
6 a project, and from other information available to it. The department shall submit the
7 preliminary determination for each project to the Alaska Capital Improvement
8 Project Authority. The Alaska Capital Improvement Project Authority may
9 approve and make the final determination of those projects, and their order or priority
10 for which application is made.

11 * Sec. 16. AS 35.15.020 is amended to read:

12 **Sec. 35.15.020. Request for public bids.** The solicitation of bids for
13 construction of public works is governed by AS 36.30 (State Procurement Code). The
14 request for bids may require the contractor to furnish equipment, labor, materials, and
15 supplies for the project, or the request for bids [IT] may state that the department will
16 furnish the materials and supplies. If the department elects to provide materials and
17 supplies for a project, the department [IT] shall make the election before the
18 department releases the request for bids [AT THE TIME IT ADOPTS THE
19 CONSTRUCTION PROGRAM]. The department shall acquire these materials and
20 supplies under AS 36.30 by requesting bids for them according to the class, type, and
21 nature of the materials and supplies. The contract may be awarded either upon the
22 basis of delivery to the construction project directly or to a central storehouse or
23 storehouses maintained by the department. Those materials and supplies so purchased
24 by the department may be delivered to the project site without expense to the
25 contractor, or the department [IT] may sell the materials and supplies [THEM] to
26 the contractor at cost and make the materials and supplies a part of the construction
27 cost.

28 * Sec. 17. AS 37.15.730 is amended to read:

29 **Sec. 37.15.730. Review of toll facility projects.** A toll facility may be
30 financed under AS 37.15.610 - 37.15.760 if the following conditions are met for that
31 toll facility:

(1) the department submits to the governor and the legislature a feasibility study reviewed and approved by the Alaska Capital Improvement Project Authority that finds that the toll facility is financially feasible and able to produce revenue adequate to repay the bonds with which it is financed;

(2) if financing in addition to revenue bonds is required to finance the toll facility, the department submits to the governor and legislature a finance plan reviewed and approved by the Alaska Capital Improvement Project Authority that includes an estimate of the total cost of the toll facility and a description of the sources of money that will be used to finance the total cost of the toll facility; and

(3) the office of management and budget reviews the feasibility study and the finance plan, if required, and reports its findings and recommendations to the governor and legislature not later than 90 days after the study and plan are received by the office.

* Sec. 18. AS 37.15.740 is amended to read:

Sec. 37.15.740. Toll facility charges. The Alaska Capital Improvement Project Authority [COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES] shall fix [AND COLLECT] the fees, charges, tolls, and rentals for the use of state toll facilities. The Department of Transportation and Public Facilities shall collect the fees, charges, tolls, and rentals owing to [DERIVED BY] the state from the ownership, lease, use, and operation of the facilities authorized by AS 37.15.720 and 37.15.730 and improvements of the facilities. The amount of fees, charges, tolls, and rentals set by the authority shall [AS WILL] provide revenue sufficient to comply with all of the covenants of the bond resolution.

* Sec. 19. AS 37.15.760(7) is amended to read:

(7) "toll facilities" means highways, roads, bridges, tunnels, crossings, and causeways upon which tolls, charges, rentals, or other user fees are placed by the Alaska Capital Improvement Project Authority [COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES].

* Sec. 20. AS 39.50.200(b) is amended by adding a new paragraph to read:

(56) Alaska Capital Improvement Project Authority (AS 44.42.110).

* Sec. 21. AS 44.42.020(a) is amended to read:

1 (a) The department shall

2 (1) plan, design, construct, and maintain all state modes of
3 transportation and transportation facilities and all docks, floats, breakwaters, buildings,
4 and similar facilities;

5 (2) study existing transportation modes and facilities in the state to
6 determine how they might be improved or whether they should continue to be
7 maintained;

8 (3) study alternative means of improving transportation in the state with
9 regard to the economic costs of each alternative and its environmental and social
10 effects;

11 (4) develop a comprehensive, long-range intermodal transportation plan
12 for the state;

13 (5) study alternatives to existing modes of transportation in urban areas
14 and develop plans to improve urban transportation;

15 (6) cooperate and coordinate with and enter into agreements with
16 federal, state, and local government agencies and private organizations and persons in
17 exercising its powers and duties;

18 (7) manage, operate, and maintain state transportation facilities and all
19 docks, floats, breakwaters, and buildings, including all state highways, vessels,
20 railroads, pipelines, airports, and aviation facilities;

21 (8) study alternative means of transportation in the state, considering
22 the economic, social, and environmental effects of each alternative;

23 (9) coordinate and develop state and regional transportation systems,
24 considering deletions, additions, and the absence of alterations;

25 (10) develop facility program plans for transportation and state
26 buildings, docks, and breakwaters required to implement the duties set out in this
27 section, including [BUT NOT LIMITED TO] functional performance criteria and
28 schedules for completion;

29 (11) supervise and maintain all state automotive and mechanical
30 equipment, aircraft, and vessels, except vessels and aircraft used by the Department of
31 Fish and Game or the Department of Public Safety; for state vehicles maintained by

1 ~~1.1 of~~ the department, the department shall annually evaluate the cost, efficiency, and
2 ~~2.1 of~~ commercial availability of natural gas for automotive purposes, and the purpose for
3 which the vehicles are intended to be used, and convert or purchase vehicles to use
4 ~~4.1 of~~ [UTILIZE] natural gas whenever practicable; the department may participate in joint
5 ventures with public or private partners that will foster the availability of natural gas
6 for all automotive fuel consumers;

7 ~~7.1 of~~ (12) supervise aeronautics inside the state, under AS 02.10;

8 ~~8.1 of~~ (13) complete and maintain a current inventory of public facilities,
9 including a projection of the serviceability of the facilities and projections of
10 replacements and additions to facilities needed to provide the level of services
11 programmed by the various user agencies, for municipalities with populations
12 of less than 12,000 and for unincorporated communities, and perform those
13 duties on a cooperative basis with larger municipalities;

14 ~~14.1 of~~ (14) adopt energy performance standards for public facilities of the
15 state, the construction of which begins after July 1, 1980; the standards shall be based
16 on thermal and lighting energy standards established by the American Society of
17 Heating, Refrigeration and Air Conditioning Engineers as adapted for application in
18 high latitude, cold climate environs;

19 ~~19.1 of~~ (15) provide planning assistance, including [BUT NOT LIMITED TO]
20 energy audits and related technical services, to school districts and regional educational
21 attendance areas to develop and implement

22 ~~22.1 of~~ (A) standards for the design, construction, and operation of rural
23 educational facilities; and

24 ~~24.1 of~~ (B) energy conservation measures for rural educational facilities

25 ~~25.1 of~~ (16) implement the safety and financial responsibility requirements for
26 air carriers under AS 02.40.010 - 02.40.990;

27 ~~27.1 of~~ (17) inspect weights and measures;

28 ~~28.1 of~~ **(18) submit to the Alaska Capital Improvement Project Authority**
29 **for review, revision, and approval**

30 ~~30.1 of~~ **(A) plans and programs prepared by the department that**
31 **are described under AS 44.42.120;**

1 (B) proposed capital improvement project budgets to fund
 2 the plans and programs approved by the Alaska Capital Improvement
 3 Project Authority;

4 (19) provide assistance, information, staff, and other support
 5 requested by the Alaska Capital Improvement Project Authority.

6 * Sec. 22. AS 44.42.050(a) is amended to read:

7 (a) The commissioner shall develop annually a comprehensive, intermodal,
 8 long-range transportation plan for the state. In developing and revising the state plan,
 9 the commissioner shall consider means and costs of improving existing modes and
 10 facilities, state and federal subsidies, and the costs and benefits of new transportation
 11 modes and facilities. The commissioner shall also consider the recommendation of the
 12 Alaska Transportation Planning Council. The plan shall be submitted to the Alaska
 13 Capital Improvement Project Authority [GOVERNOR] for review, revision, and
 14 approval. The department shall submit the approved plan to [AND SUBMITTED
 15 BY] the governor and to the legislature.

16 * Sec. 23. AS 44.42.050(c) is amended to read:

17 (c) Copies of the plan and revisions of the plan, as approved by the Alaska
 18 Capital Improvement Project Authority [REVISED], shall be kept on file as a
 19 public document in the office of the commissioner and at each regional office of the
 20 department.

21 * Sec. 24. AS 44.42.050(d) is amended to read:

22 (d) The plan must include a description of projects planned for design and
 23 construction for the following two fiscal years. The description is in addition to the
 24 long-range programs [PLAN] required by (a) of this section and by AS 02.15.065,
 25 AS 19.10.140, and AS 35.10.085. The description must include an itemization of the
 26 estimated cost for each project and the total cost of all projects. The commissioner
 27 shall propose and forward to the Alaska Capital Improvement Project Authority
 28 [GOVERNOR] for review, revision, and approval [AND INCLUSION,
 29 AS APPROVED, IN THE CAPITAL BUDGET] a construction program that includes
 30 the projects to be undertaken during the following two fiscal years, including
 31 recommended project priorities. The Alaska Capital Improvement Project

1 Authority shall submit the approved construction program to the governor for
2 inclusion in the capital budget and to the legislature. Funds for transportation
3 construction projects and necessary contingencies shall be itemized as allocations
4 within the bill for the General Appropriations Act.

5 * Sec. 25. AS 44.42.055(b) is amended to read:

6 (b) In developing and biennially revising the facility procurement plan, the
7 commissioner shall

8 (1) request and receive on an annual basis from all state agencies a
9 projection of the anticipated facility needs of the agency for the next annual capital
10 improvement program;

11 (2) consult with officials and representatives of municipalities, the
12 federal government, interested corporations and other organizations concerning public
13 facility needs in the state;

14 (3) develop specific facility procurement plans for projects in each of
15 the following categories:

16 (A) sewage and other wastewater collection, treatment, and
17 disposal facilities;

18 (B) water source, treatment, and distribution facilities;

19 (C) solid waste collection and disposal facilities;

20 (D) hazardous and toxic waste collection and disposal facilities;

21 (E) electrical generation and distribution systems;

22 (F) health care and social services facilities;

23 (G) educational facilities;

24 (H) transportation facilities;

25 (I) public safety and justice facilities;

26 (J) recreational facilities;

27 (K) sanitation facilities; and

28 (L) cultural facilities;

29 (4) prepare recommendations to accommodate the various levels of
30 service identified by state agencies and other parties with respect to the services
31 described in (3) of this subsection, to include

- 1 (A) current and future facility needs;
 2 (B) space standards and design guidelines for the appropriate
 3 facility types;
 4 (C) maintenance and operations standards for the appropriate
 5 facility types;
 6 (D) construction techniques and contracting methods;
 7 (E) facility project budget requirements; and
 8 (F) relative costs of identified alternatives (life cycle cost
 9 analysis) including but not limited to the installation and operation of energy
 10 systems that are not dependent on oil or gas for water heating, space heating
 11 and cooling requirements, and for the generation of electrical or mechanical
 12 power;
 13 (5) identify common public facility needs among the various user
 14 agencies; [AND]
 15 (6) submit its findings, plans, and recommendations to the Alaska
 16 Capital Improvement Project Authority for review, revision as appropriate, and
 17 approval; and
 18 (7) submit the approved findings, plans, and recommendations to
 19 the governor and to the appropriate state agency to facilitate the development of
 20 agency capital improvement budget requests.

21 * Sec. 26. AS 44.42.900 is amended by adding new paragraphs to read:

22 (4) "authority" means the Alaska Capital Improvement Project
 23 Authority;

24 (5) "capital improvement project" means a project with a cost
 25 exceeding \$10,000 to acquire or improve a transportation or public facility with an
 26 anticipated life exceeding one year; in this paragraph, "project" includes land
 27 acquisition, construction, repair, or structural improvement of a facility, engineering
 28 and design for a facility, and acquisition or repair of equipment.

29 * Sec. 27. AS 44.47.092 is amended to read:

30 **Sec. 44.47.092. Land use planning and state facility procurement plan.**

31 The department shall make recommendations to the Department of Transportation and

1 Public Facilities, to the Alaska Capital Improvement Project Authority, and to
2 appropriate program agencies concerning the effect upon the comprehensive plan or
3 other land use plans or proposals of municipalities and unincorporated communities
4 with respect to the facility procurement plan required to be prepared in accordance
5 with AS 35.10.170 and AS 44.42.055.

6 * **Sec. 28. SAVINGS CLAUSE.** (a) Litigation, hearings, investigations, and other
7 proceedings pending under a law amended or repealed by this Act, or in connection with
8 functions transferred by this Act, continue in effect and may be continued and completed
9 notwithstanding a transfer or amendment or repeal provided for in this Act.

10 (b) The regulations adopted by the Department of Transportation and Public Facilities
11 that relate to functions transferred by this Act remain in effect and may be implemented and
12 enforced by the department until the Alaska Capital Improvement Project Authority adopts its
13 own regulations under AS 44.42 and those regulations take effect.

14 * **Sec. 29. INITIAL APPOINTMENT OF MEMBERS OF THE ALASKA CAPITAL**
15 **IMPROVEMENT PLANNING AUTHORITY.** Notwithstanding AS 44.42.110, added by
16 sec. 1 of this Act, the governor shall designate persons initially appointed to serve as members
17 of the Alaska Capital Improvement Project Authority to terms as follows: one person to a one-
18 year term, one person to a two-year term, two persons to a three-year term, one person to a
19 four-year term, and two persons to a five-year term.

20 * **Sec. 30.** This Act takes effect July 1, 1997.

13

HOUSE CONCURRENT RESOLUTION NO. 8
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE PHILLIPS

Introduced: 2/7/97

Referred: State Affairs

A RESOLUTION

1 Creating the Deferred Maintenance Task Force.

2 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

3 WHEREAS the maintenance costs for public facilities represent a significant expense
4 of state government; and

5 WHEREAS a substantial amount of maintenance costs for public facilities have been
6 deferred from previous years; and

7 WHEREAS these deferred maintenance costs should be addressed in a comprehensive
8 manner that gives due regard both to the importance of preserving the value of the facilities
9 with proper maintenance and to the restricted availability of funds to meet maintenance needs;

10 BE IT RESOLVED that the Alaska State Legislature establishes the Deferred
11 Maintenance Task Force to make recommendations to the Governor and the legislature on how
12 to address the deferred maintenance needs of public facilities, including transportation
13 facilities, educational facilities, and the other types of public facilities described and defined
14 in AS 44.42.055; and be it

15 FURTHER RESOLVED that the task force shall consist of the following ten voting
16 members:

17 (1) five members of the House of Representatives appointed by the Speaker

1 of the House; at least one member shall be a member of the majority and at least one a
2 member of the minority; and

3 (2) five members of the Senate appointed by the President of the Senate; at
4 least one member shall be a member of the majority and at least one a member of the
5 minority; and be it

6 **FURTHER RESOLVED** that the task force includes the Speaker of the House of
7 Representatives and the President of the Senate as nonvoting members; and be it

8 **FURTHER RESOLVED** that the task force shall select a chair and vice-chair from
9 among its members, shall meet as frequently as the task force determines necessary to perform
10 its work, may meet during the interim, and may meet and vote by teleconference; and be it

11 **FURTHER RESOLVED** that the task force shall

12 (1) review and evaluate state policy and strategy recommendations and
13 assumptions from reports and publications from similar efforts in the past made by the
14 executive branch, the legislative branch, and other public and private individuals and
15 organizations;

16 (2) identify and evaluate all current and deferred maintenance needs for public
17 facilities, including their location, estimated costs, and the priority with which they should be
18 addressed; the task force shall coordinate with the University of Alaska, the principal state
19 departments, municipalities, the office of management and budget, and other affected entities
20 in order to ensure that the task force's work is as comprehensive and complete as possible;

21 (3) disseminate information and solicit public comment about its subject of
22 consideration;

23 (4) submit a report of its findings and recommendations to the Governor and
24 the legislature by the convening of the Second Regular Session of the Twentieth Alaska State
25 Legislature concerning the current scope of deferred maintenance for public facilities and, to
26 the extent necessary, a plan for funding the expenses of the deferred maintenance needs
27 identified by the task force; and be it

28 **FURTHER RESOLVED** that the task force may begin work immediately upon the
29 appointment of its full membership and is terminated upon the convening of the Second
30 Regular Session of the Twentieth Alaska State Legislature.

14

MEMBER

TENTH ALASKA LEGISLATURE
ELEVENTH ALASKA LEGISLATURE
TWELFTH ALASKA LEGISLATURE
THIRTEENTH ALASKA LEGISLATURE
FOURTEENTH ALASKA LEGISLATURE
FIFTEENTH ALASKA LEGISLATURE
SIXTEENTH ALASKA LEGISLATURE
EIGHTEENTH ALASKA LEGISLATURE
NINETEENTH ALASKA LEGISLATURE
TWENTIETH ALASKA LEGISLATURE

ALASKA STATE SENATE



SENATOR TIM KELLY

MAR 12 1997

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GOAL: To increase Alaska's annual capital budget and infrastructure investment from the present \$100 million to \$200-\$300 million that will fit within our rolling 5-year plan to balance annual revenues and expenditures.

SJR 21 PUBLIC FACILITIES CAPITAL FUND

Senate Joint Resolution 21 would establish, within the state constitution, a Public Facilities Capital Fund, to serve as a permanent revolving account for funding most of Alaska's public works projects.

Funding for eligible projects within the PFCF would be available for design, acquisition, construction, and major maintenance, and be limited to public buildings, roads, highways, airports, harbors, ports, schools, water/sewer, and correctional facilities. The facility would have to be wholly owned by the state, a municipality, a school district, or the University of Alaska. There would be a matching funds requirement for municipalities and school districts.

The PFCF would be capitalized with an initial appropriation from the Constitutional Budget Reserve, and its investment and administrative functions performed by the Alaska Permanent Fund Corporation. The Public Facilities Capital Fund would be a separate and distinct account within the APFC with no effect on the Permanent Fund investment, earnings, or dividend check policies.

The PFCF would fundamentally be a revolving bond fund with some annual cash appropriations. Investment income from the fund, not principal, would automatically be used each year to pay debt-service on voter-approved bond issues. Any bond package must be authorized by the Legislature and the Governor as is now currently done, and submitted to the public for approval at each general

election. Interest earning funds in excess of debt-service would be available each year for legislative appropriation.

The Public Facilities Capital Fund, as created in SJR 21, would address several of the Legislative Majority's elements of its COMMITMENT TO ALASKA, would respond to the expressed concerns of the Governor in his STATE OF THE STATE ADDRESS, and help solve one of the state's most elusive and continuing problems, to find a financially responsible way to invest more than the ongoing \$100 million a year in Alaska's infrastructure.

Public Facilities Capital Fund

SJR 21

Senate Joint Resolution 21 establishes a Public Facilities Capital Fund (PFCF) within the state constitution. Its interest income could be used for either bond debt-service or cash appropriations.

The PFCF would:

- + Constitutionally create a revolving bond fund, the interest income from which would repay PFCF bonds for construction and major maintenance of publicly-owned infrastructure throughout the state.
- + Have no fiscal impact until FY 2000.
- + Be capitalized with an initial appropriation from the Constitutional Budget Reserve.
- + Have the constitutional amendment approved in the 1998 general election, with the initial bonding approvals authorized at the same time, subject to SJR 21 passage.
- + Have its administrative and investment activity managed as a separate account by the Alaska Permanent Fund Corporation, with no change to the earnings, distribution, operations or dividend check policies of the Alaska Permanent Fund.
- + Use existing procedures of approval and prioritization of public projects through the legislative process.
- + Require a statewide vote in each general election to approve debt obligation for eligible projects.
- + Require local matching funds for municipalities and school districts.

- + Reduce a considerable portion of the state's annual "fiscal gap" by moving most of the capital projects, debt-service, and lease-purchase budgets out of the General Fund into their own revolving account similar to the Alaska Student Loan Fund, AHFC, and AIEDA programs.

Issues for further development:

- a) an inflation-proofing/growth-of-principal mechanism
- b) cash to debt-service ratio
- c) IRS arbitrage language questions
- d) Voter approval: Statewide / Judicial District / Legislative District?

For further information, please call the office of Senator Tim Kelly at 465-3770.

SENATE JOINT RESOLUTION NO. 21

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY SENATORS KELLY, Mackie

Introduced: 3/6/97

Referred: State Affairs, Judiciary, Finance

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to the**
2 **public facilities capital fund, the Alaska Permanent Fund Corporation, and to**
3 **appropriations from the constitutional budget reserve fund to the public facilities**
4 **capital fund.**

5 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 *** Section 1. Article IX, sec. 15, Constitution of the State of Alaska, is amended to read:**

7 **Section 15. Alaska Permanent Fund. (a) At least twenty-five per cent of**
8 **all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue**
9 **sharing payments and bonuses received by the State shall be placed in a permanent**
10 **fund, the principal of which shall be used only for those income-producing investments**
11 **specifically designated by law as eligible for permanent fund investments. All income**
12 **from the permanent fund shall be deposited in the general fund unless otherwise**
13 **provided by law.**

14 **(b) The Alaska Permanent Fund Corporation, a public corporation, shall**
15 **manage and invest the assets of the permanent fund and assets of the public**
16 **facilities capital fund established in Section 18 of this article.**

1 * **Sec. 2.** Article IX, sec. 17(a), Constitution of the State of Alaska, is amended to read:

2 (a) There is established as a separate fund in the State treasury the budget
3 reserve fund. Except for money deposited into the permanent fund under Section 15
4 of this article, all money received by the State after July 1, 1990, as a result of the
5 termination, through settlement or otherwise, of an administrative proceeding or of
6 litigation in a State or federal court involving mineral lease bonuses, rentals, royalties,
7 royalty sale proceeds, federal mineral revenue sharing payments or bonuses, or
8 involving taxes imposed on mineral income, production, or property, shall be deposited
9 in the budget reserve fund. Money in the budget reserve fund shall be invested so as
10 to yield competitive market rates to the fund. Income of the fund shall be retained in
11 the fund. Section 7 of this article does not apply to deposits made to the fund under
12 this subsection. Money may be appropriated from the fund only as authorized under
13 (b), (c), or (e) [OR (c)] of this section.

14 * **Sec. 3.** Article IX, sec. 17, Constitution of the State of Alaska, is amended by adding a
15 new subsection to read:

16 (e) An appropriation may be made from the budget reserve fund to the
17 principal of the public facilities capital fund established in Section 18 of this article
18 at any time. Subsection (d) of this section does not apply to appropriations made
19 under this subsection.

20 * **Sec. 4.** Article IX, Constitution of the State of Alaska, is amended by adding a new
21 section to read:

22 **Section 18. Public Facilities Capital Fund.** (a) There is established as a
23 separate fund in the State treasury the public facilities capital fund, the principal of
24 which shall be used only for those income-producing investments specifically
25 designated by law as eligible for permanent fund investments. Appropriations may be
26 made to the principal of the fund. Income of the fund shall be retained in the fund
27 until withdrawn under (b) of this section or appropriated under (c) of this section.

28 (b) Notwithstanding other provisions of this constitution, income of the public
29 facilities capital fund shall be withdrawn and used to pay the principal and interest on
30 state general obligation bonds issued for acquisition, construction, and major
31 maintenance and renovation of roads and highways, schools, airports, harbors and

1 ports, water and sewer projects, correctional facilities, and buildings that are wholly
2 owned by the State, by a municipality or school district of the State, or by the
3 University of Alaska. The income may be withdrawn from the fund only to make
4 bond payments that are due or will be due within thirty days after the date the income
5 is withdrawn. Income withdrawn from the fund under this subsection and used for
6 bond payments is not subject to appropriation.

7 (c) At the end of each fiscal year after withdrawals for bond payments under
8 (b) of this section have been made, the balance of the income of the public facilities
9 capital fund may be appropriated only for acquisition, construction, and major
10 maintenance and renovation of roads and highways, schools, airports, harbors and
11 ports, water and sewer projects, correctional facilities, and buildings. Income from the
12 fund may be appropriated only if the capital project is wholly owned by the State, by
13 a municipality or school district of the State, or by the University of Alaska. Income
14 from the fund may not be appropriated for ongoing operating expenses of public
15 facilities. On February 1 of each fiscal year, the Alaska Permanent Fund Corporation
16 shall report to the legislature the amount of fund income that will be available for
17 appropriation at the end of that fiscal year. Section 7 of this article does not apply to
18 appropriations made under this subsection.

19 (d) Income from the public facilities capital fund that is appropriated under (c)
20 of this section for a capital project owned by a municipality or school district may be
21 expended only if the municipality or school district makes a contribution of local
22 money or land for the project as established by law.

23 * Sec. 5. The amendments proposed by this resolution shall be placed before the voters of
24 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
25 State of Alaska, and the election laws of the state.