

AND THE OTHER SIDE OF THE ROAD

3199 ST - SB 217 SB 315

TRANSPORTATION FARES AND TRAVEL TIME. DETAILS OF THIS ANALYSIS ARE IN THE FINAL REPORT. THE JETFOIL FARES SELECTED FROM THIS ANALYSIS RESULTED IN PASSENGER TRIP COSTS OF 50 - 60% ABOVE FERRY TRIP COSTS, COMPARED TO AIR WHICH COSTS APPROXIMATELY 150% MORE THAN CONVENTIONAL FERRIES. THIS IS SHOWN IN FIGURE 27

JETFOIL TRAFFIC WAS ESTABLISHED BASED ON THE 440,000 PASSENGER WALK-ON MARKET PROJECTED FOR 1986. JETFOIL TRAFFIC AND MARKET SHARE WAS DETERMINED BY CONSIDERING CONVENIENCE AND FREQUENCY OF THE SERVICE; THE COMPETITIVENESS OF THE SERVICE, INCLUDING SPEED AND CAPACITY; AND SCENIC VALUE OF THE SERVICE. THIS ANALYSIS WE CALLED OUR MEDIUM CASE SCENARIO AND WE BELIEVE IT TO BE THE MOST ACCURATE. THIS CASE IS SHOWN IN FIGURE 28

FOR THE MEDIUM CASE SCENARIO, TOTAL JETFOIL TRAFFIC IS ESTIMATED TO BE 156,400 PASSENGERS ANNUALLY AND \$5,020,000 REVENUE AS SHOWN IN FIGURE 29

Passenger Trip Cost Southeast Alaska

(1983 Dollars)

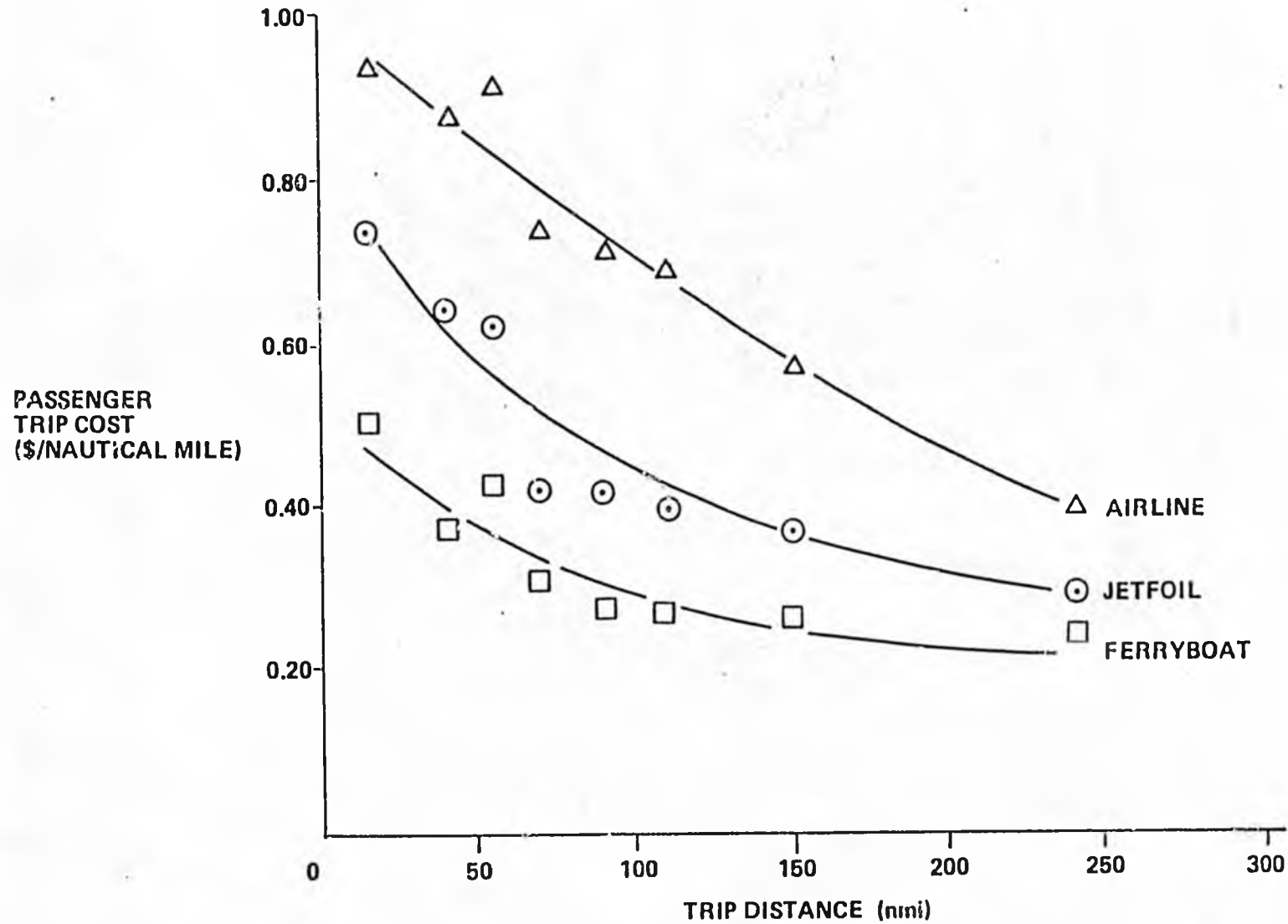


Figure 27

JETFOIL Economic Scenarios

The following three economic scenarios were established for this analysis so that possible changes in traffic demand, economic climate, and fare structure would be considered

	<u>Medium Case</u>	<u>Low Case</u>	<u>High Case</u>
Passenger Traffic	Analysis of individual routes and traffic requirements	-15%	+15%
Passenger Fares	Fares competitive to other modes	Between ferry and medium case	Between air and medium case
Freight Rates	Rates competitive to other modes	Surface rates	Air rates
Costs	-	(Same for all cases)	-
	Based on Alaska labor and material rates, Alaska demo, and other JETFOIL operations		
JETFOIL Schedule	-	(Same for all cases)	-
	Three JETFOILS providing service to 17 communities on weekly cycle (2800 hours per year per boat)		

Passenger Revenue and Market Summary (1986) Southeast Alaska

	<u>With Prince Rupert</u>	<u>Without Prince Rupert</u>	
Forecasted total market*	590,000	540,000	
Forecasted walk-on market*	465,000	440,000	
	<u>Jetfoil Revenue/Traffic Scenarios</u>		
	<u>Medium Case</u>	<u>Low Case</u>	<u>High Case</u>
JETFOIL market share	29%	-15%	+15%
JETFOIL inducement factor	22%**		
JETFOIL passengers (walk-on passengers without Prince Rupert)	156,400	133,000	179,900
JETFOIL passenger load factor	31%	26%	36%
JETFOIL fare yield/nautical mile (average route length—60 nmi)	\$.53	\$.41 (-20%)	\$.64 (+20%)
JETFOIL revenue	\$5,020,000	\$3,265,000 (-35%)	\$6,945,000 (+35%)

* Does not include passengers to/from Seattle

** Represents 28,000 passengers or 6% inducement of walk-on market

Figure 29

FREIGHT RATES FOR FREIGHT TRANSPORTED ABOARD THE JETFOIL WERE ESTIMATED IN A FASHION SIMILAR TO PASSENGER FARES. THIS IS SHOWN IN FIGURE 30

THE CASH FLOW RESULTING FROM THE PASSENGER AND FREIGHT REVENUE IS SHOWN IN FIGURE 31

IN ADDITION TO PASSENGER AND FREIGHT REVENUE, CONSIDERATION MUST ALSO BE GIVEN TO REVENUE RESULTING FROM CARRYING A COMBINATION OF PASSENGERS, FREIGHT AND VEHICLES. IN LINE WITH PASSENGER FARES, IT WAS THE CONSENSUS OF BOTH THE DEPARTMENT OF TRANSPORTATION AND OURSELVES, THAT VEHICLES CARRIED ABOARD THE JETFOIL COULD BE CHARGED A FARE 50% ABOVE CURRENT FERRY FARES. THIS IS SHOWN IN FIGURE 32

THE REVENUE AND RESULTING CASH FLOW WITH A MIXED LOAD OF FREIGHT AND VEHICLES ABOARD, AT THE MINIMUM, IS NO WORSE THAN THE FERRY SYSTEM IN PERCENT SUBSIDY REQUIRED. THIS IS SHOWN IN FIGURE 33

Freight Rates Southeast Alaska

1983 RATES
SMALL UNIT SHIPMENTS (100 lb OR LESS)

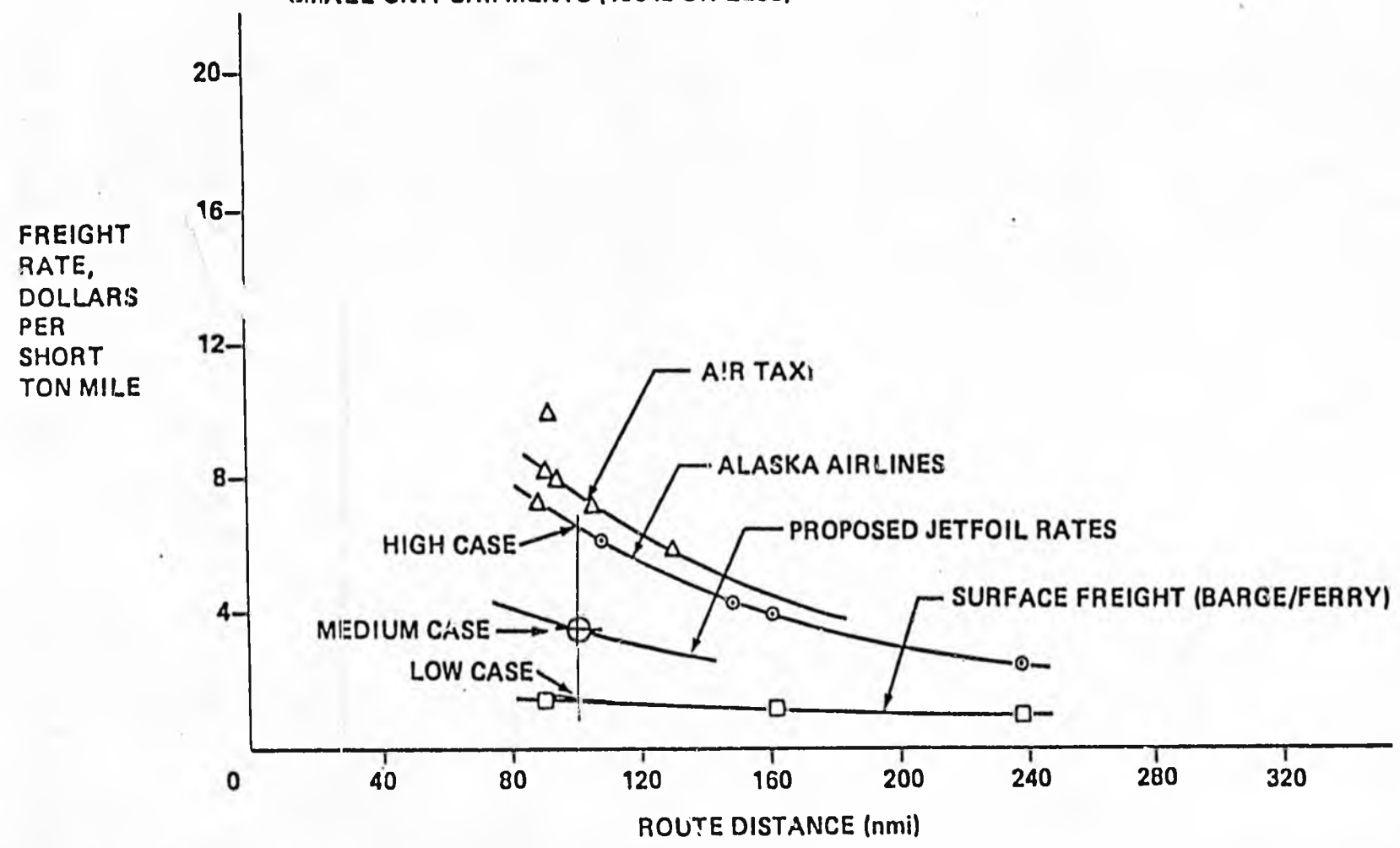


Figure 30

Annual Cash Flow 3 JETFOILS (1983 Dollars in Millions)

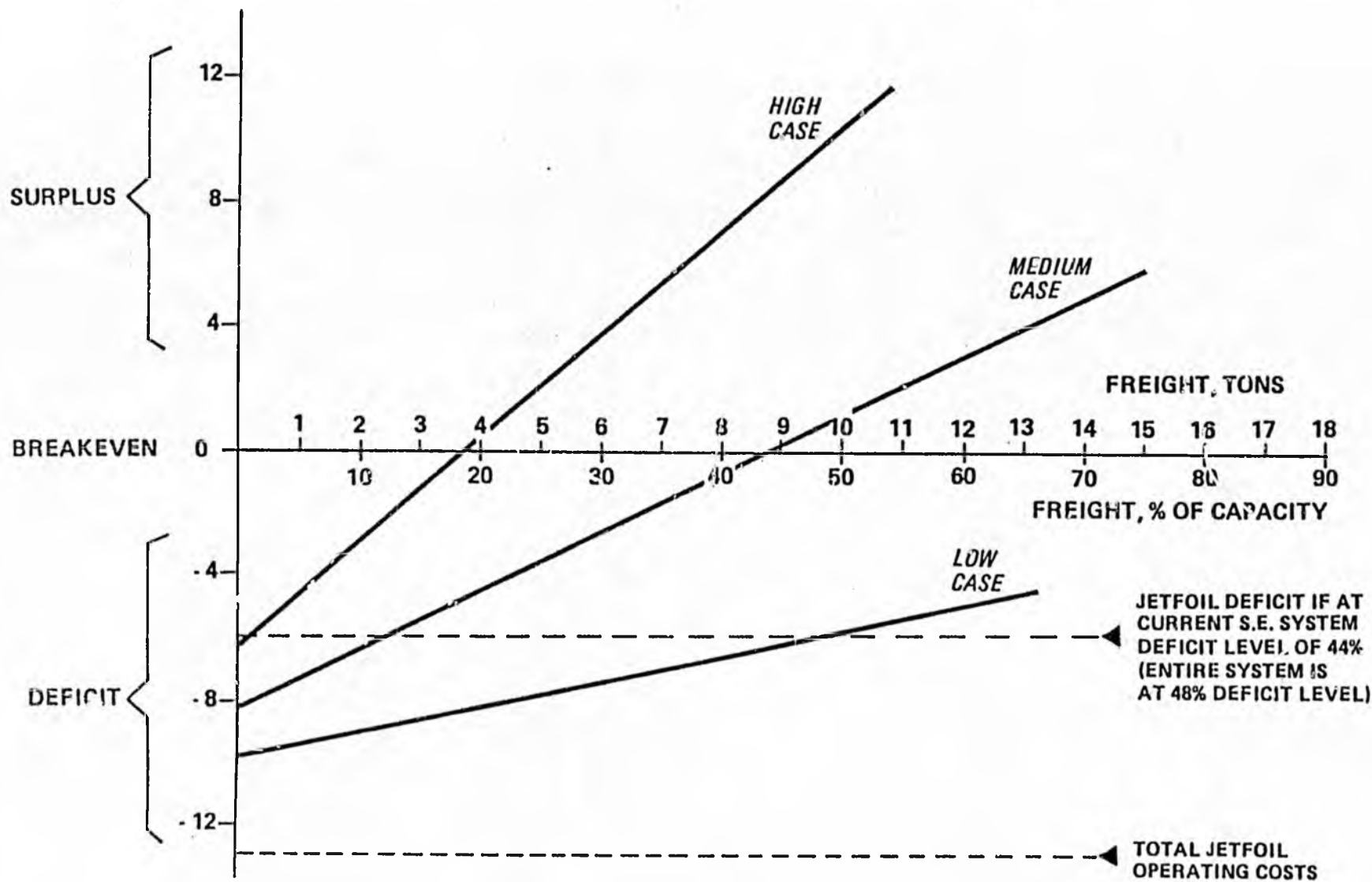


Figure 31

Passenger Vehicle Fare Rates Per Nautical Mile

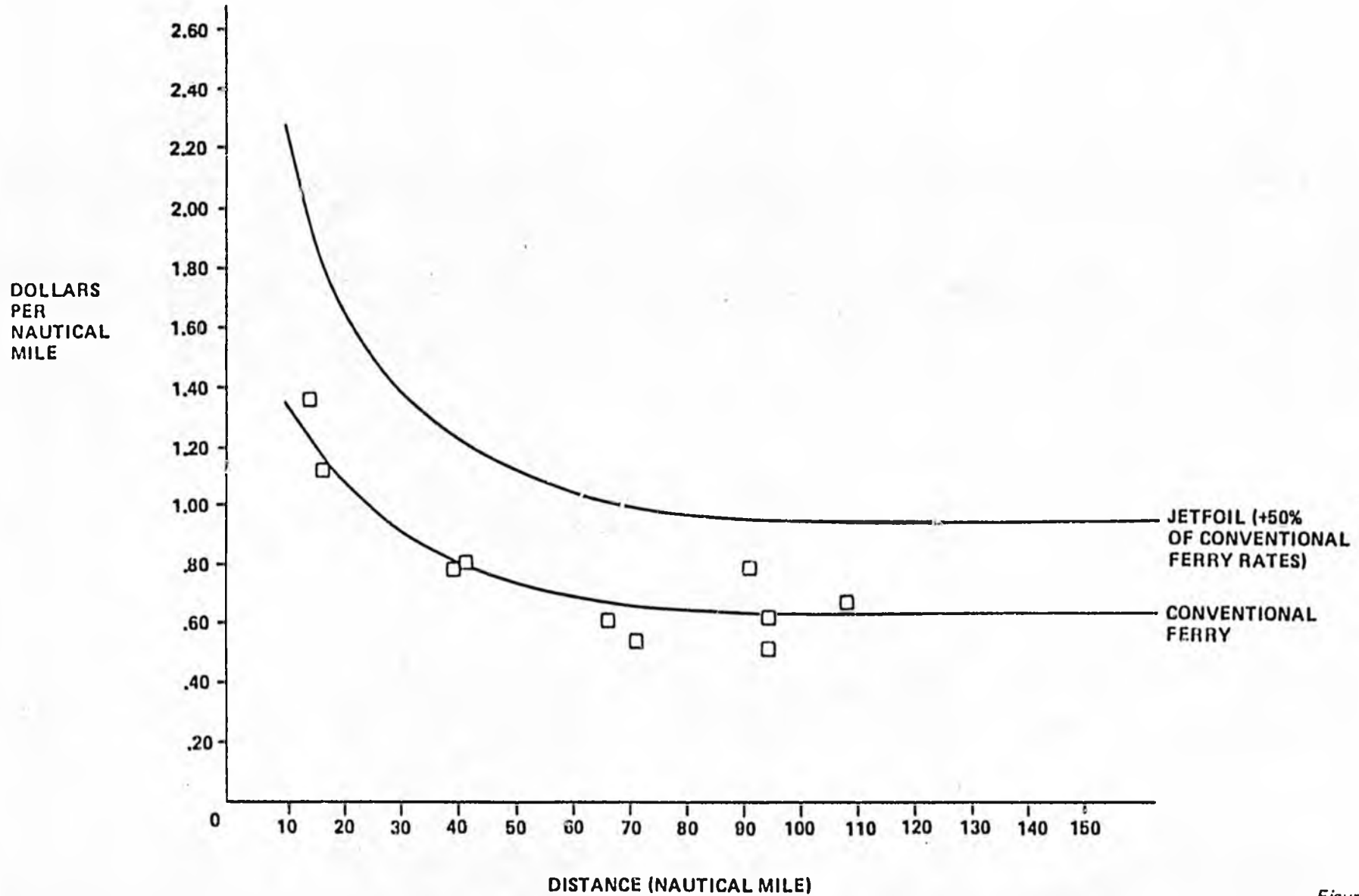


Figure 32

JETFOIL Cash Flow with Combination Freight/Vehicle Revenues

<u>Case</u>	<u>Vehicle Revenue</u>	<u>Freight Revenue</u>	<u>Annual Revenue Including Passengers*</u>	<u>Annual Profit (Loss)</u>
<u>Low Case</u>				
3 vehicles 1 ton freight***	\$ 934,200	\$ 887,000	\$ 6,841,300	\$(6,069,100) 47% subsidy**
<u>Medium Low Case</u>				
2 vehicles 2 tons freight	622,800	1,734,100	7,377,000	(5,533,300) 43% subsidy
<u>Medium Case</u>				
2 vehicles 4 tons freight	622,800	3,548,200	9,191,100	(3,719,300) 29% subsidy
<u>Medium High Case</u>				
2 vehicles 8 tons freight	622,800	7,096,300	12,739,200	(171,100) 1% subsidy
<u>High Case</u>				
0 vehicles 15 tons freight	0	13,305,600	18,325,700	5,415,400 42% gain

* Medium case passenger revenue, \$5,020,100

** Total ferry system subsidy 48%

SE ferry system subsidy 44%

*** 8 ton maximum capacity with 3 vehicles aboard

IN CLOSING THIS PRESENTATION, I WOULD LIKE TO REFER TO A QUOTE I FOUND WHILE SCANNING VARIOUS DOCUMENTS IN THE PREPARATION OF THIS ANALYSIS. ALTHOUGH IT IS ELEVEN YEARS OLD, IT STILL IS SIGNIFICANT.

"TRANSPORTATION, OR THE LACK OF IT, HAS HISTORICALLY BEEN BLAMED FOR THE ECONOMIC ILLS WHICH BESET ALASKA. RECENTLY, ITS EFFECT UPON SOCIAL AILMENTS HAS ALSO RECEIVED SOME SCRUTINY. THERE CAN BE LITTLE DOUBT THAT TRANSPORTATION AS MUCH AS ANY OTHER FACTOR HAS MOLDED LIFE STYLES IN ALASKA."

FEDERAL FIELD COMMITTEE FOR DEVELOPMENT PLANNING IN ALASKA,
ALASKA MARINE HIGHWAY SYSTEM STUDY

JANUARY 1972

IN SUMMARY, FIGURE 34, I WOULD LIKE TO SAY THAT WE BELIEVE THAT JETFOIL IS THE NEXT LOGICAL STEP IN THE DEVELOPMENT OF YOUR WATERWAYS WHICH ARE YOUR HIGHWAYS.

Summary

- JETFOIL is the next logical step in the development of your waterways
 - It provides the convenience and trip time between communities as a roadway does in the lower 48
 - It has proven to be technically feasible in Alaska
 - The people have expressed their need for this service
 - The economics of JETFOIL are competitive to other transportation modes in Alaska
 - It can be not only basic transportation but a significant aid in emergency evacuation or rescue
- It therefore will indeed be an enhancement to the way of life for the Alaskan

- o IT PROVIDES THE CONVENIENCE AND TRIP TIMES BETWEEN COMMUNITIES AS A HIGHWAY DOES IN THE LOWER 48.

- o IT SIGNIFICANTLY IMPROVES VEHICLE AND FREIGHT SERVICE THROUGHOUT SOUTHEAST, AS WELL AS PASSENGER SERVICE.

- o IT HAS PROVEN TO BE TECHNICALLY FEASIBLE IN ALASKA.

- o THE PEOPLE HAVE EXPRESSED THEIR NEED FOR THIS SERVICE.

- o THE ECONOMICS OF JETFOIL ARE COMPETITIVE TO THE OTHER MODES OF TRANSPORTATION IN ALASKA.

- o IT CAN BE NOT ONLY BASIC TRANSPORTATION, BUT A SIGNIFICANT AID IN EMERGENCY EVACUATION OR RESCUE.

PAGE 20

IT THEREFORE WILL INDEED BE AN ENHANCEMENT TO THE WAY OF LIFE FOR
THE ALASKANS.

THANK YOU

ALASKA
JETFOIL TRIAL SERVICE

TIME: JUNE, JULY, AUGUST 1983

SERVICE: JUNEAU (OVERNIGHT BASE)

HOONAH

TENAKEE

ANGOON

SITKA

HAINES

SKAGWAY

GUSTAVUS

WEEKLY CYCLE (7 DAYS/WEEK)

JETFOIL CONFIGURATION: PASSENGER SERVICE WITH FOOD SERVICE
AND BAGGAGE PROVISIONS

FARES: ATTACHMENT

CREW: COMBINATION BOEING AND ALASKA MARINE HIGHWAY

TICKETING/RESERVATIONS: LOCAL SOUTHEAST ALASKA OUTLET
(I.E. TRAVEL AGENCY/TOUR OPERATOR)

OBJECTIVE: EVALUATE ACTUAL JETFOIL RIDERSHIP DURING A TRIAL
SERVICE IN SOUTHEAST ALASKA

PROPOSED JETFOIL FARES

<u>ROUTE</u>	<u>FERRY FARE</u>	<u>AIR FARE</u>	<u>JETFOIL FARE</u>
JUNEAU - HAINES	\$17.00	\$55.00	\$35.00
JUNEAU - SKAGWAY	23.00	70.00	45.00
JUNEAU - SITKA	24.00	57.00	47.00
JUNEAU - HOONAH	13.00	45.00	26.00
JUNEAU - TENAKEE	16.00	45.00	26.00
JUNEAU - ANGOON	19.00	57.00	35.00
JUNEAU - GLACIER BAY	---	42.50*/54.00	33.00

*EXCURSION \$85.00

JETFOIL TRIAL SERVICE

<u>Day</u>	<u>Schedule</u>	<u>JNU</u>	<u>TKE</u>	<u>ANG</u>	<u>SIT</u>	<u>JNU</u>	<u>Underway Time</u>	<u>Duty Time</u>	<u>Crew</u>	
Monday	TKE/SIT	0800 →	1025 1045 →	1145 1205 →	1350 (Fuel) 1450 →	1855	9:15	11:55	(A)	
Tuesday	HNS/SGY	<u>JNU</u>	<u>HNS</u>	<u>SGY</u>	<u>HNS</u>	<u>JNU</u>				
		0800 →	1025 1055 →	1125 1500 →	1530 1600 →	1825	5:50	11:25	(B)	
Wednesday	GLB/HNH	<u>JNU</u>	<u>GLB</u>	<u>HNH</u>	<u>JNU</u>	<u>GLB</u>	<u>JNU</u>			
		0800 →	1015 1045 →	1135 1155 →	1345 (Fuel) 1445 →	1700 1730 →	1945	9:25	12:45	(A)(B)
Thursday	SIT/TKE	<u>JNU</u>	<u>SIT</u>	<u>ANG</u>	<u>TKE</u>	<u>JNU</u>				
		0800 →	1205 (Fuel) 1305 →	1450 (Flag) 1455 →	1555 (Flag) 1600 →	1825	9:15	11:25	(A)	

October 6, 1983

JETFOIL TRIAL SERVICE

<u>Day</u>	<u>Schedule</u>	<u>JNU</u>	<u>HNH</u>	<u>SIT</u>	<u>JNU</u>	<u>Underway Time</u>	<u>Duty Time</u>	<u>Crew</u>
Friday	HNH/SIT	0800 →	0950 1010 →	1315 (Fuel) 1415 →	1820	9:00	11:20	(B)
Saturday	HNS/SGY	0800 →	1025 1055 →	1125 1500 →	1530 1600 →	1825	5:50	11:25 (A)
Sunday	SIT	0800 →	1205 (Fuel) 1400 →	1805			8:10	11:05 (B)

Crew (A) 41:30
 (B) 39:50
81:20

April 18, 1984

The Honorable Bill Sheffield
Governor of Alaska
Pouch A
Juneau, Alaska 99811

Dear Governor Sheffield:

On January 20, 1984, Bob Jacobsen of Wings of Alaska wrote you on behalf of local Air Carriers regarding the proposed Jetfoil Service Project. You responded on January 24, 1984 and February 27, 1984 assuring Air Carriers that alternatives were being investigated. Additionally, you said, "I have asked the Marine Highway Task Force to study your concerns" and "the report will include an analysis." Incidentally, thank you for your letters.

On March 8, 1984, Steve Smith, President of Alaska Air Carriers Association, wrote you regarding the "artificial element in a relatively free market" that the jetfoil would cause and enclosed a resolution opposing the project which passed unanimously by the general membership at the Annual AACA Conference February 4, 1984.

Your Marine Highway Task Force Report, released April 11, 1984, concluded that jetfoil service for Southeast Alaska is not a cost effective alternative or supplement to the ferry system. Legislative reporter Joe La Rocca said, "The study also cites little-known safety hazards, the displacement of private air services and jobs by state-subsidized jetfoil operations, and the high cost of operating and maintaining jetfoil ships as factors leading to its recommendation."

Legislative leaders have also expressed their concern with respect to the utility of subsidized jetfoils in Southeast Alaska. Some Legislators' comments follow:

"It was a lousy appropriation . . . I have cited this expenditure on numerous public occasions as an example of how we should not be spending Alaska's money." Rick Halford, Senate Minority Leader

"The challenge we face is to provide adequate, and perhaps expanded service of the Marine Highway System in the most cost efficient manner while not severely impacting the aviation industry." Joe Hayes, Speaker of the House

". . . the Boeing Jetfoil Project is one of the most blatantly useless projects ever advocated by a State Legislator. Surely the money spent on this unproductive effort could have been spent on some other activity or Capital need in Juneau that has lasting value." Robert Bettisworth, Chairman, Legislative Budget and Audit Committee.

Governor, we concur.

Governor Bill Sheffield

April 18, 1984

Page Two

Senator Bill Ray also wrote us and said, "the three million would go back into the general fund as it was not my appropriation, but the governors." (Governor, we were not aware that a senator had the constitutional capacity to make appropriations.)

Additionally, the Department of Law is privy to an expert in admiralty contracts. In fact, this expert has addressed the Joint Venture between Boeing and the State in a letter dated February 13, 1984. In that letter, Attorney James H. Bauer attempted to apprise the State they were entering a bad deal. Unfortunately, the contract between this powerful Joint Venture was signed April 3, just eight days before the public was advised that the Governor's Task Force recommended against jetfoil service for Southeast.

Yet, the Aries is on its way to Southeast to dodge orcas, humpbacks, and other marine mammals with tidal debris, gillnets and kyaks interspersed, to provide unfair competition and displace jobs in the air carrier industry and to carry tourists to Southeastern ports at an exorbitant cost to all Alaska residents.

An expert in his field, Attorney James H. Bauer says, "The only unusual or remarkable aspect to this particular transaction is that the State is paying Boeing to sell it a number of jetfoils. For Boeing to receive one-fifth the value (or more) of the jetfoil for such an abbreviated period of time is not commercially reasonable nor consistent with what would usually be charged for hire of a 240 passenger vessel."

Additionally, Governor, when discussing the proposed jetfoil service with a high ranking representative of Alaska Jetfoil Service, he advised us that Boeing would be spending about \$40,000 on a marketing campaign for Southeast, the obvious implication being that the spillover from the thousands of visitors Boeing will attract to Juneau will be beneficial to Air Carriers as well. Understanding that \$40,000 is less than two days of State subsidy to Boeing, we would rather attract our customers through the Division of Tourism's cooperative marketing effort, of which we are all members. We also understand that Alaska Jetfoil Service is planning extra sections during the Southeast Alaska State Fair in Haines. ("extra sections" is a term commonly used in the air carrier industry referring to additional flights to accommodate traffic.) In the past traffic loads have been adequately accommodated by Air Carriers and the present Marine Highway System.

We should also mention that having Boeing (the Alaska/Boeing Joint Venture) sponsor, in part, the evening news on our Public Television Station is insulting.

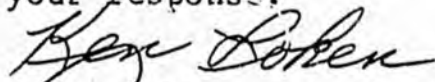
The significance of the injection of this artificial element will be to the detriment of existing rural community service. Roughly two-thirds of local Air Carrier revenues are generated during the summer months. Our summer revenues, much like Marine Highways, are used to provide unprofitable essential air service for rural Alaska during the lean winter months, without government subsidy.

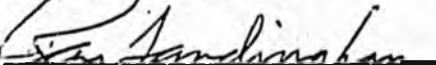
Governor, we have heard sufficient public debate over the past 90 days. A respected 11 member task force found that not only will this jetfoil be unfair to private enterprise, but it is unsafe to passengers and whales and it is not cost effective.

Therefore, is it too late to save the State of Alaska three million dollars? If so, why? A subsidiary question -- why is it; when such a project has little or no merit, received negative expert and public testimony and only a selected few will benefit from its presence, we continue to spend good money after bad without due process? May we remind you, sir, this appropriation never had a public hearing and much of the evidence presented by Boeing during the 1983 Legislative Session was misleading and inaccurate.


If the jetfoil project is necessary for the people of Alaska and the Executive is under "Legislative Mandate" to work out a contract with Boeing, we suggest jetfoil operations begin January 16, 1985 rather than June 16, 1984. The result will be a more accurate test and private enterprise will not be so severely impacted. If the State of Alaska must test the jetfoil during the summer months, could we local air carriers be compensated for our lost revenues to ensure that the present level of air service will continue to be provided to rural Alaska in the winter time.

Thank you very much for your consideration. We look forward to your response.

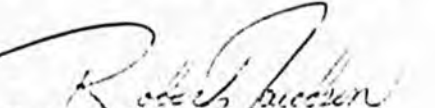




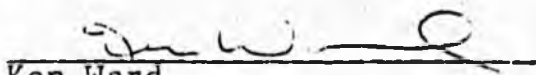
Ken Token, Ray Landingham
Charnel Flying, Inc.



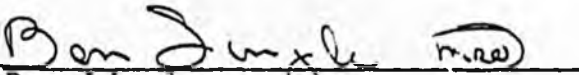
Lynn Bennett
LAB Flying Service



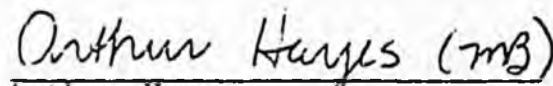
Robert Jacobsen
Wings of Alaska



Ken Ward
Ward Air



Ben Lingle
Skagway Air Service



Arthur Hayes
Glacier Bay Airways

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B

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SB 264 TITLE & SPONSOR SUMMARY
AMENDED TITLE:

11:02 6/27/83 PAGE 1 OF

AN ACT MAKING A SPECIAL APPROPRIATION TO THE DEPARTMENT
OF TRANSPORTATION AND PUBLIC FACILITIES FOR
IMPROVEMENTS AND EXPANSION OF THE TERMINAL AT THE ANCHORAGE
INTERNATIONAL AIRPORT; PROVIDE AN EFFECTIVE DATE

GENERAL DOLLARS: \$28,000,000 (APPROX)

PRIME SPONSOR: SENATE TRANSPORTATION COMMITTEE.

OTHER DOLLARS: \$0

CO-SPONSORS:

CURRENT STATUS: 6/13/83 RET (S) RULES

SB 264 SENATE ACTION

11:02 6/27/83 PAGE 2 OF

DATE	SEQ	PAGE	LEGISLATIVE ACTION
04/17/83	01	0745	FIRST READING -- COMMITTEE REPORTS
05/06/83	02	0913	TRAN -- DP04
06/01/83	03	1158	FIN -- DP05
06/01/83	04	1158	FIN F/NOTE EQUALS ZERO
06/10/83	05	1259	RLS -- OTHER03
06/13/83	06	1281	RECOMMITTED TO RLS BY UNAN CONSENT RULES

*** ** ** ** **

Anchorage airport expansion to begin this summer

By CHUCK KLEESCHULTE
Daily News reporter

Work will start this summer on the first phase of a \$23.1 million project to modernize and expand the existing domestic passenger terminal at Anchorage International Airport.

Governor Bill Sheffield Monday afternoon announced he has directed the state's Department of Transportation and Public Facilities to break ground on the first part of the expansion this summer.

Sheffield said the work initially will involve the renovation of the airport's B Concourse, formerly used for international flights, the construction of a 100-foot addition on the southeast end of the terminal and construction of a concourse for commuter aircraft.

In Anchorage Monday, state Commissioner

of Transportation Dan Casey said the improvements will be financed by the sale of revenue bonds to be repaid through proceeds from the state's International Airport revenue fund.

"The project should greatly ease overcrowding by providing improved commuter gates, more ticket counter space and a standby power generation system," Casey said.

He said Concourse B contains six gates formerly used for international flights. Those flights now operate out of a new international concourse completed last summer.

The B concourse will receive an additional facelift plus electrical improvements, installation of a fire suppression system and renovation of the first-floor area, previously occupied by the Federal Inspection Service (Cus-

toms).

Casey said additional ticket counter space will be provided on the second floor with construction of the 100-foot addition to the front of the terminal. Downstairs, the extension will offer additional baggage make-up and claim space.

The new commuter concourse will provide additional gates for intra-state and small commuter aircraft. Baggage facilities for the flight operations will be included in the concourse addition, Casey said.

Sheffield said he is preparing legislation for submission to lawmakers which will authorize the sale of the needed revenue bonds. He said he expects such legislation to pass this session.

Future phases of the expansion will include extending the front of the current terminal to allow more room for passengers waiting at airline ticket counters.

The renovation plans had been outlined by state officials last year, but had been placed in doubt in January when no funding source for the project appeared in the first draft of Sheffield's capital budget. Casey earlier this month said his department always intended to proceed with the work this coming fiscal year, but was simply awaiting a review of the ability of the revenue fund to pay for the 10-year expansion program.

Casey Monday said the state believes it will be able to start on the project immediately, using existing revenues in the fund.

BILL SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 321/322
Ron

March 31, 1983

RECEIVED

APR 06 1983

The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

DOT/PF
COMMISSIONER'S OFFICE

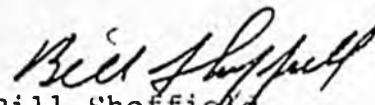
Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting two bills to accomplish the first phase of a comprehensive remodeling and expansion program for the domestic terminal at the Anchorage International Airport. This program is consistent with the comprehensive analysis of air traffic trends and corresponding facility needs for our traveling public.

The first bill will increase the revenue bond authorization contained in AS 37.15.410 by \$28,000,000. The second bill will appropriate the proceeds of the sale of this additional amount of bonds. The appropriation is to the Department of Transportation and Public Facilities for the purpose of making the improvements at the Anchorage International Airport and other expenses required to accomplish the sale of the bonds.

The need for this project is well recognized and I request that you work with me so that these improvements may begin this spring.

Sincerely,


Bill Sheffield
Governor

STATE OF ALASKA
FISCAL NOTEI. REQUEST

Bill/Resolution No.: SB 264
 Title: Anch Int'l. Terminals Improvements
 Sponsor: Senate Transportation Committee
 Requestor: Governor Sheffield

II. FISCAL DETAIL

Agency Affected: DOT&PF
 Program Category Affected: Transportation
 BRU, Program or Subprogram(s) Affected: Anchorage International Airport

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES				500.0	530.0	560.0
200 TRAVEL				250.0	265.0	280.0
300 CONTRACTUAL				58.0	63.0	67.0
400 COMMODITIES				2.0	2.0	3.0
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING				810.0	860.0	910.0
CAPITAL		28,000.0				
REVENUE				500.0	500.0	500.0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)*IARF				810.0	860.0	910.0
INT'L AIRPORT REVENUE BONDS		28,000.0				

*International Airport Revenue Fund

POSITIONS:

FULL-TIME				8.0	8.0	8.0
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

This project will be paid for through revenue generated at the Anchorage International Airport. The revenue projection does not assume any change in rates and fees, but does include anticipated revenue from the expansion, calculated at present terminal rental rates.

IV. ANALYSIS: Attached.

Prepared By: William R. Snell
 Division: Acting Deputy Commissioner

Phone: 266-1440
 Date: 3/30/83

Approved by Commissioner: *W. R. Snell*
 Department: Transportation and Public Facilities

Date: 3/31/83

D

PROJECT NEED:

Existing facilities in the passenger terminal complex are undersized. Facilities are not adequate for present domestic aviation traffic needs. Continued growth in aviation activity is anticipated, therefore, pressure for expanded facilities will increase. Existing international facilities have been relocated to the new international terminal, thus freeing space for domestic aviation needs. The west concourse must be remodeled before use by the domestic air carriers. Additional landside facilities, airport ticket offices, baggage claim and public areas are needed to accommodate domestic flight traffic. Air commuter facilities are minimal. New facilities are essential to provide adequate service to this growing segment of the aviation market. Construction of a new concourse off the east terminal expansion will accommodate commuters. Utility work airside is required in order to make the terminal expansion usable for the air carriers and commuter planes.

PROJECT DESCRIPTION:

Funding requested is for the first phase of a comprehensive remodeling and expansion program, at an estimated cost of \$23.1 million. The project includes the following:

Extension of existing terminal 100-feet to the east (both levels). First level to house additional baggage claim and makeup areas and mechanical room. Second level to provide additional counter space, snack bar, storage, elevator and gate lobbies.

Construction of a commuter concourse providing passenger waiting space, equipment storage, crew lounge area, restroom facilities, snack bar, baggage makeup and baggage claim.

Preliminary engineering and construction to remodel west concourse to accommodate domestic carrier operations.

Preliminary engineering and construction of apron utility work required with the terminal remodeling.

PROJECT COST:

Bond sale costs at 3% to take care of closing costs, audit costs, fees to rating agencies, financial advisor, etc.

$$\$28,000,000 \times 3\% = \$840,000$$

In addition, an estimated \$3 million was assumed for immediate deposit into the bond reserve fund. This is approximately 1 year's principal and interest on the bonds.

The estimated cash available after obligations is \$24,160,000:

$$\$28,000,000 - (\$840,000 + \$3,000,000) = \$24,160,000$$

Capitalized interest during project construction has not been estimated. Depending on investment yield, interest earned on the cash could roughly equal or exceed interest obligations on the bonds. If, however, capitalized interest payments are required, DOT&PF will utilize International Airport Revenue Fund (IARF) cash for such payments. This is consistent with how capitalized interest was treated in earlier revenue bond issues.

OPERATING COSTS:

Costs identified are based upon our current costs for maintenance and custodial which approximate \$11 per square foot.

Added 66,000 sq. ft. x \$11 = \$726,000

1983 cost \$726.0

1986 cost \$810.0. Inflation is estimated at 6% per year.

No estimate is provided for the debt service since the yearly cost would vary so greatly based upon the interest rate and term of borrowings.

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SENATE BILL 315 BY SENATOR FAIKS

SENATOR FAIKS WAS CONCERNED WITH ROADS THAT NOBODY MAINTAINS AND NOBODY HAS THE RESPONSIBILITY TO MAINTAIN. THE ONLY WAY THESE ROAD HAVE BEEN UPGRADED IN THE PAST IS BY A LEGISLATOR PUTTING IT IN THE CAPITAL PROJECTS PROCESS. SENATOR FAIKS WAS INTERESTED IN SETTING UP A PROGRAM THAT WOULD WORK STATE-WIDE TO HELP PEOPLE IF THEY WOULD ALSO HELP THEMSELVES. THIS PROGRAM WOULD DO THIS IF THE PEOPLE WOULD AGREE TO OUT UP 50% OF THE MONEY. THERE WOULD THEN BE A POOL OF MONEY THE MUNICIPALITY WOULD BET BASED ON MILEAGE AND THEY THEN COULD APPLY TO THE STATE FOR 50%.

THERE IS NOTHING IN THIS LEGISLATION THAT WOULD PROHIBIT ANY LEGISLATOR FROM PUTTING IN AN APPROPRIATION TO FIX ROADS. IT WAS NOT HER INTENTION TO SET UP A PROGRAM FOR DIRECT GRANT, THIS IS A 50-50 MATCH.

THIS MONEY CAN NOT BE USED FOR NEW CONSTRUCTION. IT MUST BE USED FOR OLD, EXISTING SUBDIVISIONS AND THE MUNICIPALITIES MUST HAVE A FIVE-YEAR PLANNING PROGRAM AND STANDARDS SET FOR THE ROADS BEFORE THE STATE WILL GIVE THE MONEY. THE 50% MATCH IS IDENTICAL TO THE WATER AND SEWER MATCH THAT DEPARTMENT OF ENVIRONMENTAL CONSERVATION DOES.

AMENDMENTS MADE BY THE HOUSE TRANSPORTATION COMMITTEE TO SB 315

PAGE 3, LINE 12 CHANGED [OCTOBER 1] TO AUGUST 1

PAGE 3, LINE 15 CHANGED [12 MONTHS] TO FISCAL YEAR

Original sponsor: Faiks

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 CS FOR SENATE BILL NO. 315 (Finance) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act relating to road maintenance service areas;
7 and providing for an effective date."
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 * Section 1. AS 19.30 is amended by adding new sections to read:
10 ARTICLE 4. ROAD MAINTENANCE SERVICE AREAS.
11 Sec. 19.30.260. PURPOSE. The purpose of AS 19.30.260 - 19.30.-
12 320 is to facilitate funding for the upgrading, reconstruction, reha-
13 bilitation, or paving of existing subdivision roads within a road
14 maintenance service area established under AS 29.63 or under a home
15 rule charter.
16 Sec. 19.30.270. ALLOCATION OF MONEY. (a) During each fiscal
17 year each municipality shall receive money from the department that
18 has been appropriated or otherwise designated for expenditure for road
19 improvements within the municipality, based on the total road mileage
20 in each road maintenance service area in the municipality. The
21 amounts that are available shall be distributed pro rata among eligi-
22 ble municipalities.
23 (b) Money allocated to a municipality under this section shall
24 be disbursed by the municipality for road maintenance service areas
25 based on a first come, first served priority of road maintenance
26 service area applications, subject to a 50 percent match by each road
27 maintenance service area.
28 (c) Money allocated under this section shall be available for
29 expenditure in the road maintenance service area for which the funds

1 are authorized for a period of five years after the end of the fiscal
2 year for which the funds are authorized. Money allocated for a road
3 maintenance service area that is unexpended and unobligated at the end
4 of the five-year period shall be used for other road maintenance
5 service areas in the same municipality in accordance with AS 19.30.-
6 260 - 19.30.320. If there are no other road maintenance service areas
7 in the municipality for which the money can be used, the municipality
8 shall remit the unexpended and unobligated money to the department and
9 it shall lapse into the general fund.

10 (d) Fifty percent of the cost of construction in a road mainte-
11 nance service area may be paid by road improvement district assess-
12 ments.

13 Sec. 19.30.280. ELIGIBILITY. (a) After establishing a road
14 maintenance service area under AS 29.63, or under a home rule charter,
15 a municipality may apply to the department for a grant as money is
16 available for road improvements, subject to regulations adopted by the
17 department to carry out the provisions of AS 19.30.260 - 19.30.320.
18 The department shall require a municipality to submit a five-year plan
19 for the upgrading, reconstructing, rehabilitating, or paving of main-
20 tenance service area roads for approval before October 1 of each
21 fiscal year.

22 (b) A municipality shall establish design standards for con-
23 struction in a road maintenance service area. An application for a
24 grant for improving an existing road under this section which is
25 constructed after the effective date of this bill may not be granted
26 by the department until the existing road meets the minimum design
27 standards of the municipality.

28 Sec. 19.30.290. ADMINISTRATION. (a), A contract entered into by
29 a municipality for road construction within a road maintenance service

1 area for which funds allocated to the municipality under AS 19.30.-
2 260 - 19.30.320 are used shall be awarded only on the basis of the
3 lowest responsible bid by a bidder meeting established criteria of
4 responsibility.

5 (b) Construction under AS 19.30.260 - 19.30.320 shall be admin-
6 istered by the municipality in which the road maintenance service area
7 is located.

8 Sec. 19.30.300. MAINTENANCE. The road maintenance service area
9 shall be responsible for maintaining roads constructed under AS 19.-
10 30.260 - 19.30.320. The road maintenance service area may contract
11 with a municipality for maintenance of the roads.

→12 Sec. 19.30.310. REPORT. No later than ~~October 1~~ ^{Aug. 1} of each year, a
13 municipality that has received money under AS 19.30.270 shall submit a
14 report to the department showing the use of the money by the munici-
→15 pality during the preceding ^{fiscal year} ~~12 months~~. No later than December 1 of
16 each year, the department shall prepare and submit to the governor a
17 report showing the use of the money allocated under AS 19.30.270
18 during the preceding ~~12 months~~.

19 Sec. 19.30.320. DEFINITIONS. In AS 19.30.260 - 19.30.320

20 (1) "construction" or "road improvement" has the meaning
21 given in AS 19.45.001 and includes utility and drainage costs but
22 excludes financial costs, right-of-way costs, and new road construc-
23 tion;

24 (2) "department" means the Department of Transportation and
25 Public Facilities;

26 (3) "municipality" means a municipality that has road
27 construction or maintenance powers;

28 (4) "subdivision" has the meaning given in AS 40.15.190(2).

29 * Sec. 2. This Act takes effect July 1, 1984.

Offered: 4/5/84
Referred: Finance

File

Original sponsor: Faiks

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE
2 HOUSE CS FOR CS FOR SENATE BILL NO. 315 (Transportation)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION
5 A BILL

6 For an Act entitled: "An Act relating to road maintenance service areas;
7 and providing for an effective date."

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

9 * Section 1. AS 19.30 is amended by adding new sections to read:

10 ARTICLE 4. ROAD MAINTENANCE SERVICE AREAS.

11 Sec. 19.30.260. PURPOSE. The purpose of AS 19.30.260 - 19.30.-
12 320 is to facilitate funding for the upgrading, reconstruction, reha-
13 bilitation, or paving of existing subdivision roads within a road
14 maintenance service area established under AS 29.63 or under a home
15 rule charter.

16 Sec. 19.30.270. ALLOCATION OF MONEY. (a) During each fiscal
17 year each municipality shall receive money from the department that
18 has been appropriated or otherwise designated for expenditure for road
19 improvements within the municipality, based on the total road mileage
20 in each road maintenance service area in the municipality. The
21 amounts that are available shall be distributed pro rata among eligi-
22 ble municipalities.

23 (b) Money allocated to a municipality under this section shall
24 be disbursed by the municipality for road maintenance service areas
25 based on a first come, first served priority of road maintenance
26 service area applications, subject to a 50 percent match by each road
27 maintenance service area.

28 (c) Money allocated under this section shall be available for
29 expenditure in the road maintenance service area for which the funds

1 are authorized for a period of five years after the end of the fiscal
2 year for which the funds are authorized. Money allocated for a road
3 maintenance service area that is unexpended and unobligated at the end
4 of the five-year period shall be used for other road maintenance
5 service areas in the same municipality in accordance with AS 19.30.-
6 260 - 19.30.320. If there are no other road maintenance service areas
7 in the municipality for which the money can be used, the municipality
8 shall remit the unexpended and unobligated money to the department and
9 it shall lapse into the general fund.

10 (d) Fifty percent of the cost of construction in a road mainte-
11 nance service area may be paid by road improvement district assess-
12 ments.

13 Sec. 19.30.280. ELIGIBILITY. (a) After establishing a road
14 maintenance service area under AS 29.63, or under a home rule charter,
15 a municipality may apply to the department for a grant as money is
16 available for road improvements, subject to regulations adopted by the
17 department to carry out the provisions of AS 19.30.260 - 19.30.320.
18 The department shall require a municipality to submit a five-year plan
19 for the upgrading, reconstructing, rehabilitating, or paving of main-
20 tenance service area roads for approval before October 1 of each
21 fiscal year.

22 (b) A municipality shall establish design standards for con-
23 struction in a road maintenance service area. An application for a
24 grant for improving an existing road under this section which is
25 constructed after the effective date of this bill may not be granted
26 by the department until the existing road meets the minimum design
27 standards of the municipality.

28 Sec. 19.30.290. ADMINISTRATION. (a) A contract entered into by
29 a municipality for road construction within a road maintenance service

1 area for which funds allocated to the municipality under AS 19.30.-
2 260 - 19.30.320 are used shall be awarded only on the basis of the
3 lowest responsible bid by a bidder meeting established criteria of
4 responsibility.

5 (b) Construction under AS 19.30.260 - 19.30.320 shall be admin-
6 istered by the municipality in which the road maintenance service area
7 is located.

8 Sec. 19.30.300. MAINTENANCE. The road maintenance service area
9 shall be responsible for maintaining roads constructed under AS 19.-
10 30.260 - 19.30.320. The road maintenance service area may contract
11 with a municipality for maintenance of the roads.

12 Sec. 19.30.310. REPORT. No later than August 1 of each year, a
13 municipality that has received money under AS 19.30.270 shall submit a
14 report to the department showing the use of the money by the munici-
15 pality during the preceding fiscal year. No later than December 1 of
16 each year, the department shall prepare and submit to the governor a
17 report showing the use of the money allocated under AS 19.30.270
18 during the preceding 12 months.

19 Sec. 19.30.320. DEFINITIONS. In AS 19.30.260 - 19.30.320

20 (1) "construction" or "road improvement" has the meaning
21 given in AS 19.45.001 and includes utility and drainage costs but
22 excludes financial costs, right-of-way costs, and new road construc-
23 tion;

24 (2) "department" means the Department of Transportation and
25 Public Facilities;

26 (3) "municipality" means a municipality that has road
27 construction or maintenance powers;

28 (4) "subdivision" has the meaning given in AS 40.15.190(2).

29 * Sec. 2. This Act takes effect July 1, 1984.

Offered: 4/11/84
Referred: Rules

Original sponsor: Faiks

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 HOUSE CS FOR CS FOR SENATE BILL NO. 315 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION
5 A BILL

6 For an Act entitled: "An Act relating to road maintenance service areas;
7 and providing for an effective date."

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

9 * Section 1. AS 19.30 is amended by adding new sections to read:

10 ARTICLE 4. ROAD MAINTENANCE SERVICE AREAS.

11 Sec. 19.30.260. PURPOSE. The purpose of AS 19.30.260 - 19.30.-
12 320 is to facilitate funding for the upgrading, reconstruction, reha-
13 bilitation, or paving of existing subdivision roads within a road
14 maintenance service area established under AS 29.63 or under a home
15 rule charter.

16 Sec. 19.30.270. ALLOCATION OF MONEY. (a) During each fiscal
17 year each municipality shall receive money from the department that
18 has been appropriated or otherwise designated for expenditure for road
19 improvements within the municipality, based on the total road mileage
20 in each road maintenance service area in the municipality. The
21 amounts that are available shall be distributed pro rata among eligi-
22 ble municipalities.

23 (b) Money allocated to a municipality under this section shall
24 be disbursed by the municipality for road maintenance service areas
25 based on a first come, first served priority of road maintenance
26 service area applications, subject to a 50 percent match by each road
27 maintenance service area.

28 (c) Money allocated under this section shall be available for
29 expenditure in the road maintenance service area for which the funds

1 are authorized for a period of five years after the end of the fiscal
2 year for which the funds are authorized. Money allocated for a road
3 maintenance service area that is unexpended and unobligated at the end
4 of the five-year period shall be used for other road maintenance
5 service areas in the same municipality in accordance with AS 19.30.-
6 260 - 19.30.320. If there are no other road maintenance service areas
7 in the municipality for which the money can be used, the municipality
8 shall remit the unexpended and unobligated money to the department and
9 it shall lapse into the general fund.

10 (d) Fifty percent of the cost of construction in a road mainte-
11 nance service area shall be paid by the road maintenance service area
12 through road improvement district assessments, grants, or other
13 appropriate financing means.

14 Sec. 19.30.280. ELIGIBILITY. (a) After establishing a road
15 maintenance service area under AS 29.63, or under a home rule charter,
16 a municipality may apply to the department for a grant as money is
17 available for road improvements, subject to regulations adopted by the
18 department to carry out the provisions of AS 19.30.260 - 19.30.320.
19 The department shall require a municipality to submit a five-year plan
20 for the upgrading, reconstructing, rehabilitating, or paving of main-
21 tenance service area roads for approval before October 1 of each
22 fiscal year.

23 (b) A municipality shall establish design standards for con-
24 struction in a road maintenance service area. An application for a
25 grant for improving an existing road under this section which is
26 constructed after the effective date of this bill may not be granted
27 by the department until the existing road meets the minimum design
28 standards of the municipality.

29 Sec. 19.30.290. ADMINISTRATION. (a) A contract entered into by

1 a municipality for road construction within a road maintenance service
2 area for which funds allocated to the municipality under AS 19.30.-
3 260 - 19.30.320 are used shall be awarded only on the basis of the
4 lowest responsible bid by a bidder meeting established criteria of
5 responsibility.

6 (b) Construction under AS 19.30.260 - 19.30.320 shall be admin-
7 istered by the municipality in which the road maintenance service area
8 is located.

9 Sec. 19.30.300. MAINTENANCE. The road maintenance service area
10 shall be responsible for maintaining roads constructed under AS 19.-
11 30.260 - 19.30.320. The road maintenance service area may contract
12 with a municipality for maintenance of the roads.

13 Sec. 19.30.310. REPORT. No later than ^{transp.} August 1 of each year, a
14 municipality that has received money under AS 19.30.270 shall submit a
15 report to the department showing the use of the money by the munici-
16 pality during the preceding ^{transp.} fiscal year. No later than December 1 of
17 each year, the department shall prepare and submit to the governor a
18 report showing the use of the money allocated under AS 19.30.270
19 during the preceding ^{finance} fiscal year.

20 Sec. 19.30.320. DEFINITIONS. In AS 19.30.260 - 19.30.320

21 (1) "construction" or "road improvement" has the meaning
22 given in AS 19.45.001 and includes utility and drainage costs but
23 excludes financial costs, right-of-way costs, and new road construc-
24 tion;

25 (2) "department" means the Department of Transportation and
26 Public Facilities;

27 (3) "municipality" means a municipality that has road
28 construction or maintenance powers;

29 (4) "subdivision" has the meaning given in AS 40.15.190(2).



Dept. of Transportation & Public Facilities

Position Paper

BILL NO: CS SB 315

APPROVED: *[Signature]*

TITLE: "An Act Relating to Road Maintenance Service Areas; and Providing for an Effective Date."

DATE: April 2, 1984

The intent of this proposed legislation is to provide funds to municipalities for improvement of existing subdivision roads within newly created road service maintenance areas. Funds appropriated for this purpose would be made available subject to a 50% match by the road maintenance service areas desiring to improve their roads.

The Department supports this bill. It will provide a mechanism to upgrade a class of roads which are not eligible for such work under existing Department authority. Home owners in subdivisions that have already been built without adequate provisions for road construction and drainage will have the opportunity to upgrade them without having to bear the entire financial burden. Access to and from connecting roads on the State or local systems will be improved and this is a benefit to the general traveling public. The required five year plan for road maintenance service area roads should provide for logical orderly improvements.

In order to keep authorizations and reporting requirements under this bill on a calendar year basis or preferably a fiscal year basis, the Department would like to see the deadline dates in Section 19.30. 310 revised accordingly.

June 20, 1983

REPORT NO. 22INTRODUCTION OF BILLS (Senate)Road
Improvement
Districts

SENATE BILL NO. 315, by Senator Faiks. Provides for state grants to municipalities to "facilitate funding for the upgrading, reconstructing, rehabilitating, and paving of subdivision roads within a road improvement district established under AS 29.63 or under a charter of a home rule or unified municipality."

Each year a municipality would receive funds based on total road mileage in each road improvement district in that municipality, subject to a 50 percent match by each road improvement district. After establishing a road improvement district, a municipality could apply to the state for a grant as funds are available. The state could require a municipality to submit a yearly five-year plan for the upgrading, reconstructing, rehabilitating, and paving of improvement district roads. A municipality that receives funding would be required to make a yearly report showing the use of the money. Does not provide for an effective date (becomes law 90 days after the Governor's signature).

Introduced June 15 and referred to Transportation and Finance.

Interest
Rates

SENATE BILL NO. 316, by the Labor & Commerce Committee. Amends laws governing maximum allowable interest rates in Alaska as follows:

--Amends AS 06.40.120(c) relating to the interest charged on premium financing agreements to allow a maximum of "two percent a month on that part of the balance of premiums due as does not exceed \$10,000 and at a rate agreed by contract on the balance of premiums due exceeding \$10,000." Currently the maximum rate is "the maximum rate of 15 percent plus an additional charge of \$10 per premium finance agreement which need not be refunded upon cancellation or prepayment."

--Amends AS 09.55.440(a) relating to judgment interest to provide that a judgment include interest "at the rate of five percentage points above the annual rate charged member banks for advances by the 12th Federal Reserve District on the date of the judgment." Currently judgment interest is six percent a year.

--Amends AS 45.10.120(b) to increase maximum allowable interest charged on retail installment contracts. For balances of \$10,000 or less rate would be 1-3/4%. For balances over \$10,000, the interest rate would be agreed upon by contract (currently five-sixths of one percent on balances of \$1,000 or less, and two-thirds of one percent on balances over \$1,000).

--Amends AS 45.10.120(c) to increase maximum allowable interest

COMMITTEE REPORTS (Senate)(cont'd)

SB 311 (cont'd)

The State Affairs CS deletes: "Best known as the father of Alaska Statehood, Ernest Gruening fought to protect and wisely use Alaska's natural resources, while winning national acclaim as an ardent fighter for the rights of the individual and for efforts toward strengthening world peace." Remainder identical and would establish February 6 of each year as Ernest Gruening Day.

History: Introduced June 9, 1983 by Senator Vic Fischer and referred to State Affairs.

Road
Improvement
Districts

SENATE BILL NO. 315, (see page 941, 1983 report). Reported back to the Senate on January 18 by Transportation with the committee recommending it be replaced with a Transportation CS and a majority recommending do pass. Concurring: Moss (Chairman), Faiks and Gilman. To Finance.

The following is a summary of the bill, noting Transportation CS changes:

The original bill sought to facilitate funding for road maintenance of existing subdivision roads within a "road improvement district" established under AS 29.63 or under a local government charter. The Transportation CS changes wording to "road maintenance service area" throughout the bill to conform to terms used in AS 29.63.

Provides that each fiscal year eligible municipalities will receive state road improvement funds based on total road mileage in each "road maintenance service area" in the municipality, subject to a 50% match by each service area. CS adds: "The amounts which are available shall be distributed pro rata among eligible municipalities."

Changes provision which would have required municipalities to disburse funds based on a needs assessment. Transportation CS provides that money shall be disbursed on a first come, first service priority of applications.

Funds would be available for expenditure in a particular service area for a period of five years. After that, the money could be spent in other road maintenance service areas in the municipality, unless there are no other service areas, in which case the money would be returned to the state.

A municipality may apply to the state for road maintenance funds after it has established a road maintenance service area under AS 29.63, or under charter of home rule or unified municipality. The state may require the municipality to submit a five-year plan for the upgrading, reconstructing, rehabilitation, or paving of maintenance service area roads.

The municipality would be responsible for establishing design standards for construction in a road maintenance service area, and would administer construction of all projects. Requires that contracts entered into by a municipality for road projects funded

COMMITTEE REPORTS (Senate)(cont'd)

SB 315 (cont'd)

under this program be awarded only on the basis of the lowest responsible bid.

Maintenance of roads constructed under the program would be the responsibility of the road maintenance service area (responsibility of the municipality under the original version). A service area could contract with the state or with a local government for maintenance.

Municipalities receiving money must make an annual report to the state, by October 1, showing the use of the money during the preceding 12 months. The Dept. of Transportation and Public Facilities must, in turn report to the Governor by December 1.

Definition of "construction or road improvement" includes utility and drainage costs but excludes financial costs, right-of-way costs, and new road construction.

History: Original bill was introduced June 15, 1983 by Senator Faiks and referred to Transportation and Finance.

Pacific Time
Zone
(changing
statutory
references)

SENATE BILL NO. 341, (see page 11). Reported back to the Senate on January 18 by State Affairs with the committee recommending it do pass. Concurring: Vic Fischer (Chairman), Ray, Rodey, Strugulewski and Kelly. To Judiciary.

Appropriation
(supplemental)
(operation of
Legislature)

SENATE BILL NO. 348, (see page 16). Reported back to the Senate on January 19 by Finance with a majority of the committee recommending it be replaced with a CS and that it do pass. Concurring: Bennett (Co-Chmn.), Sackett, Vic Fischer, Ferguson, Faiks and Mulcahy. To Rules.

The Finance CS increases appropriation from \$250,000 to \$667,500, and lists the allocations as follows:

--Television coverage of Senate proceedings	- \$250,000
--Modular furniture for the pressroom	- 42,500
--Senate Resources Committee for a lobbying effort to influence U.S. Senate action amending the Export Administration Act to all export of a limited amount of Alaska crude oil	- 300,000
--operating expenses of the Senate Oil & Gas Committee	- 75,000

Regulation of
Religious
Schools

SENATE BILL NO. 354, (see page 18). The five-day hearing notice rule was waived on January 16 so the bill could be heard in Judiciary. January 17 a Health, Education & Social Services referral was added. Reported back from Judiciary on January 19 with the committee recommending it be replaced with a CS and as follows: Ray (Chairman) and Ziegler signed "no recommendation"; Pettyjohn and Eliason signed "do pass." To Health, Education & Social Services.

SB 301 (cont'd)

designed to "enhance the furbearer population, increase the productivity of furbearer habitats, initiate useful furbearer research programs, and educate trappers consistent with the goal to provide for an optimum population of furbearers." The department could adopt regulations to administer the program. Legislative intent is that the appropriations made to the fund equal at least 50% of the fees collected for resident trapping licenses. The bill increases the resident trapping license fee (in AS 16.05.340(a)(3)(B)) from \$3 to \$10. Provides that money appropriated to the Furbearer Management Fund is for capitalization of a loan fund and does not lapse. Effective July 1, 1983.

The Resources CS makes the following changes:

--Updates the effective date from July 1, 1983 to January 1, 1985.

--Instead of creating a separate "Furbearer Management Fund" in the Dept. of Fish and Game, the Resources CS amends AS 16.05.130 (relating to uses of money received from the sale of sport fishing, hunting, and trapping licenses or permit fees) by adding: "Money accruing to the state from the sale of resident trapping licenses may only be used for furbearer management." Further directs the Department of Fish & Game to maintain a Furbearer Management Account within the Fish and Game Fund to separate accounting of receipt and expenditure of money from the sale of resident trapping licenses. Stipulates that "furbearer management shall be designed to enhance the furbearer population, increase the productivity of furbearer habitats, initiate useful furbearer research, and educate trappers consistent with the goal to provide for an optimum population of furbearers."

--Increases fee for resident hunting and trapping licenses from \$15 to \$22 (amends AS 16.05.340(a)(3)). Increases resident trapping license fee (AS 16.05.340(a)(4)) from \$3 to \$10. Increases resident hunting, trapping, and sportfishing license fee (AS 16.05.340(a)(6)) from \$25 to \$32.

Road
Improvement
Districts

SENATE BILL NO. 315, (see page 73). Reported back to the Senate on March 16 by Finance with the committee recommending it be replaced with a Finance CS and as follows: Bennett (Co-Chairman) and Faiks signed "do pass." Mulcahy and Josephson signed "no recommendation." To Rules.

The Finance CS makes the following changes to the Transportation CS:

--Adds effective date of July 1, 1984.

--Makes basic language clean-up, rearranging paragraphs and changing wording where necessary to improve clarity.

--Changes "under a charter of a home rule or unified municipality" to "under a home rule charter" throughout. Redundant--a unified municipality operates under a home rule charter.

--Municipalities would be required to submit a five-year plan for

COMMITTEE REPORTS (Senate)(cont'd)

SB 315 (cont'd)

the upgrading, reconstructing, rehabilitating, or paving of maintenance service area roads for approval before October 1 of each fiscal year. Under previous version, the five-year plan was not mandatory, but could be required by the Department of Transportation & Public Facilities.

--Rewrites (b) under section on eligibility to read: "A municipality shall [, SUBJECT TO APPROVAL OF THE DEPARTMENT,] establish design standards for construction in a road maintenance service area. An application for a grant for improving an existing road under this section may not be granted by the department until the existing road meets the minimum design standards of the municipality." (Bracketed material deleted from Transportation CS, underlined material added.)

Agric. Loan Act
(amending)

SENATE BILL NO. 342, (see pages 11;244). Reported back to the Senate on March 13 by Finance with the committee recommending it be replaced with a Finance CS and the majority signing do pass. Concurring: Bennett (Co-Chairman), Sackett and Mulcahy. Ferguson and Vic Fischer signed "no recommendation." To Rules.

The Finance CS changes provision in Sec. 3 relating to extending the term of short term loans (see p. 245). Under Finance CS the term could only be extended for up to three years. Remainder identical to the Resources version.

Appropriation (supplemental) (Legislators' salaries)

SENATE BILL NO. 365, (see page 70). Reported back to the Senate on March 15 by Finance with the committee recommending do pass. Concurring: Bennett (Co-Chairman), Sackett, Vic Fischer, Mulcahy, Faiks and Josephson. To Rules.

Land Disposal & Management

SENATE BILL NO. 375, (see page 115). Reported back to the Senate on March 13 by Resources with the committee recommending it be replaced with a Resources CS and the majority signing "do pass." Concurring: Fahrenkamp (Chairman), Vic Fischer, Eliason and Ziegler. Mulcahy signed "no recommendation." To Finance.

The Resources CS includes several new sections. New sections 3, 17, 34, 40, 47, 65, 66, 72-75, and 77 amend various state land laws to reflect passage in 1983 of SB 41, which awarded the University of Alaska ownership and management of certain state lands. References to "university" land are deleted or appropriately amended, and provisions are added to AS 38.04 and 38.05 specifically stating that those laws do not apply to land owned by the Board of Regents of the University of Alaska.

Also contains provisions of SB 344/HB 455 relating to title defects in state lands. Those provisions would be effective immediately (rather than July 1, 1984, as is rest of bill) and are contained in Secs. 18, 34 and 41.

Further amends AS 38.05.050 to eliminate requirement that land disposals be held in a community "in which regular sessions of a

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

3/16/84

Revision Date: _____

REQUEST

Bill/Resolution No.: CSSB 315 (Fin)

Title: Act relating to road maintenance service areas

Sponsor: Faiks

Requestor: _____

Date of Request: _____

FISCAL DETAIL

Agency Affected: Trans. & Public Facilities

Program Category Affected: _____

BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		22.0				
200 TRAVEL		2.5				
300 CONTRACTUAL		.8				
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		25.3				
CAPITAL		3,000.0				
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		3,025.3				
FEDERAL FUNDS						
OTHER						
TOTAL		3,025.3				

POSITIONS:

FULL-TIME		0				
PART-TIME		0				
TEMPORARY		0				

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: [Signature]

Division: Don Bennett, Co-chairman

Approved by Senate Finance Committee
Commissioner: _____

Agency: _____

Phone: 465-3753

Date: March 15, 1984

Date: _____

Distribution (by Agency preparing fiscal note):

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

12/1/83

FISCAL NOTE

Revision Date: 2/6/84

REQUEST

Bill/Resolution No.: CS SB 315
 Title: "An Act relating to road maintenance service areas."
 Sponsor: Faiks
 Requestor: _____
 Date of Request: 1/19/84

FISCAL DETAIL

Agency Affected: Trans. & Public Facilities
 Program Category Affected: _____
 BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	-0-	22.0	9.4	9.4	9.4	9.4
200 TRAVEL	-0-	2.5				
300 CONTRACTUAL	-0-	.8				
400 SUPPLIES						
500 EQUIPMENT						
500 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
300 MISCELLANEOUS						
TOTAL OPERATING	-0-	25.3	9.4	9.4	9.4	9.4
CAPITAL		15,000.0	15,000.0	15,000.0	15,000.0	15,000.0
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	15,025.3	15,009.4	15,009.4	15,009.4	15,009.4
FEDERAL FUNDS						
OTHER						
TOTAL		15,025.3	15,009.4	15,009.4	15,009.4	15,009.4

POSITIONS:

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

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not identified in the bill.

ANALYSIS: Attach a separate page for analysis

Prepared By: John J. Simpson Phone: 789-6261
 Division: Standards & Technical Services Division Date: 2/2/84

Approved by Commissioner: Dr. Melick Date: 2/7/84
 Agency: Acting Deputy Commissioner DOT&PF

Distribution (by Agency preparing fiscal note):

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

12/1/83

ANALYSIS - CS SB 315

- I. This bill proposes to provide grant funds to municipalities for road improvements of existing subdivision roads that are within newly created road maintenance service areas. The State would provide half the funding and the road maintenance service area would provide the other half on a matching basis.

Under this bill it is assumed that the Department of Transportation and Public Facilities (DOT&PF) would be required to do the following things:

- a) Administer grants to municipalities applying for the road maintenance service area funds;
- b) Review annual submittal of a five-year plan for road improvements to these service area roads and analyze them for logic, completeness and conformance to established boundaries;
- c) Establish regulations to carry out the grant process;
- d) Review and approve design standards for service area roads;
- e) Prepare an annual report to the Governor showing how the funding for the preceding twelve months was used.

We assumed that the task of developing regulations for the grant process is a one-time effort and would occur in FY 85 only. All other tasks were assumed to be an annual cost. All costs are general fund costs.

OPERATING COSTS

- A. One-time cost of developing and implementing program guidelines, criteria and regulations:

1. Personal Services - 486 hours @ 26 dollars/hr. (Range 19)	= 12,636
2. Travel and Per Diem -	= 2,500
3. Attorney General's office time on regulations (10 hours @ \$80/hr.)	= <u>800</u>
Subtotal	15,936 °

B. Annual Costs

1. Review design standards:

Assume 20 sets of design standards @ \$26/hr., 3 hrs. each = 1,560

2. Review of grant application costs

Assume 20 applications, 8 hours each @ \$26/hr. = 4,160

3. Review of five-year programs:

Assume 20 programs, 5 hours each @ \$26/hr. = 2,600

C. Prepare annual report:

1. 40 hours @ \$26/hr. = 1,040

Subtotal \$9,360

First year costs, \$15,420
Continuing costs, 9,360/yr.

CAPITAL COSTS

A. Costs to upgrade, reconstruct, rehabilitate or pave existing eligible subdivision roads.

Estimated existing eligible mileage is 1500 miles. Estimate construction costs per mile, subdivision-type road, range from \$75,000 to \$300,000 depending on scope of work. For estimating purposes, we used \$100,000 per mile.

$$1500 \times \$100,000 = \$150,000,000 \times 50\% \text{ match} = \$75,000,000$$

Assuming 5 years for completion of initially eligible roads, capital costs per year would be 15 mill/yr.

COMMENTS ON CS SB 315

Page 1, line 14

It appears that the definition of "municipality" would preclude both the North Star Borough and the Kenai Borough from being eligible since they do not have road powers. This should be clarified.

Page 1, line 15

There is a discussion on allocation of funds. It is not clear who will be distributing the funds.

Page 1, line 19

It is suggested that the phrase "subject to a 50% match by each road service maintenance area" be deleted. If the phrase were added to section (b), line 22 it would clarify the intent.

Page 2, line 18

We believe the municipality and not DOT&PF should be responsible for approving design standards. There could be legal ramifications with DOT&PF approving standards established by the municipality if problems occur.

Page 3, line 4

It is recommended that the reference to the "department" be deleted. Even though the language is permissive, we are not in a position to perform maintenance on geographically scattered off-system subdivision roads. The department is currently attempting to get out of local road maintenance and construction as a matter of policy. We also believe it would be cumbersome and time-consuming to implement the process to receive revenue directly in the Regional maintenance budgets for services performed.

A rough estimate of the road miles eligible for funding under this bill was made. Depending on the interpretation of "municipality", the total mileage eligible under the bill as of right now could exceed 1900 miles. If a maintenance cost of \$6,000 per mile is used, the total cost to the department could be several million dollars.

MEMORANDUM

TO: All Members
Senate Finance Committee

FROM: Senator Jan Faiks

RE: CSSB 315

DATE: February 10, 1984

At the Finance Committee meeting on February 7th on SB 315 several issues were raised. This memo is in response to those questions.

1. What is the average assessment of homes in the Hillside area?

Answer The average assessment of homes in South Anchorage, as well as areawide is \$130,000.

2. What is the mil rate within the ARDSA (Anchorage Roads and Drainage Service Area)?

Answer In 1983 the mil rate was .6 in all of the ARDSA. In 1984 the mil rate is estimated to be 1.24.

3. What is the ratio of property taxes generated on homes versus taxes on businesses.

Answer Approximately 60% of property taxes come from residential dwellings and 40% from property taxes on businesses.

4. Some neighborhoods will not be able to afford even 50% of the cost of the improvements.

Answer The 50% match may be raised by an assessment on the entire service area or a mil rate levied on the houses on a particular street. The money may be accumulated over a five year period, so there would be an opportunity for a road maintenance service area to raise the money over an extended period of time.

5. What protections are in the bill to prevent new developers from applying for funding through this program?

Answer The purpose clause states that this funding is for existing subdivision roads. Also, the definition of

"construction" or "road improvement" says the funding is not for new construction.

6. How many miles of service roads are there in the various Senate districts.

Answer I have attached the pertinent pages from the FY 1983 State Revenue Sharing Entitlements for Municipalities. This will tell you how many miles of road in each borough or city received the \$2500 per mile maintenance money. Please keep in mind that these figures are from FY 83 and the mileage has increased substantially in the past year.

THE FOLLOWING DOCUMENT(S) MAY NOT FILM
LEGIBLY BECAUSE OF POOR QUALITY OF THE
ORIGINAL.

BY 1963 MUNICIPAL REVENUE SHARING ENTITLEMENT (1)
 TOTAL ENTITLEMENT = 157,721,000

AUGUST 17, 1963

KEY	COMMUNITY	ROADS	WATER	HOSPITAL	HEALTH FACILITIES	HOSPITAL
KEY	COMMUNITY	MILES	MILES	ENTITLEMENT	ENTITLEMENT	CONST. AID
BOROUGH AND SERVICE AREAS						
0010	ANCHORAGE B.W.	400.00	1.00	119,757	1,327,669	52,037,240
0020	CITY B.W.	0.00	0.00	10	10	
0030	FACTORYVILLE	15.00	0.00	10	10	
0040	CHUCKLEW	0.00	0.00	10	10	
0050	GIPPOVOD	10.00	0.00	10	10	
0070	GREEN ALPS	10.00	0.00	10	10	
0080	FIRE B.W.	0.00	0.00	10	10	
0090	ROADS & DRAINAGE	0.00	0.00	10	10	
0095	LIMITED ROAD B.W.	0.00	0.00	10	10	
0100	POLICE B.W.	0.00	0.00	10	10	
0110	PARKS & RECREATION	0.00	0.00	10	10	
0120	P.P. & UTILITIES	0.00	0.00	10	10	
0130	SOLID WASTE B.W.	0.00	0.00	10	10	
0140	CHUCKLEW/SOLID WASTE	0.00	0.00	10	10	
0150	BUILDING SAFETY	0.00	0.00	10	10	
0160	CITY ST. ROADS & DRAINAGE	0.00	0.00	10	10	
0170	SERVICE AREA 10	0.00	0.00	10	10	
0175	UPPER CUMMERTON	14.70	0.00	10	10	
0180	PORT OF ANCH.	0.00	0.00	10	10	
0185	ROADS (incl. toll)	18.17	0.00	10	10	
0190	AIRPORT B.W.	0.00	0.00	10	10	
0195	PUBLIC TRANSIT	0.00	1.00	10	10	
0200	SEWERAGE B.W.	0.00	0.00	10	10	
			590.11			
0210	BRISTOL BAY BOROUGH	7.00	0.00	10	10	
0230	FAIRBANKS BOROUGH	105.00	0.00	10	10	
0240	ESTER B.W.	0.00	0.00	10	10	
0250	NORTH STAR B.W.	0.00	0.00	10	10	
0260	UNIVERSITY B.W.	0.00	0.00	10	10	
0270	HAINES BOROUGH	0.00	0.00	10	10	

590.91 x 2,500 =
 1,477,275

FY 1987 MUNICIPAL REVENUE SHARING ENTITLEMENTS (RD)
 TOTAL ENTITLEMENT = \$35,721,000

AUGUST 17, 1987

KEY	COMMUNITY	PUBLIC ROAD MILES	ICE ROAD MILES	HOSPITAL ENTITLEMENT	HEALTH FACILITIES ENTITLEMENT	HOSPIT CONST. AI
0250	FIRE DISTRICT	0.00	0.00	10	10	1
0290	JUNEAU BOROUGH S.A.	0.00	0.00	\$199,335	\$145,113	\$30
0300	S.A. 1	14.24	0.00	10	10	1
0310	S.A. 2	5.03	0.00	10	10	1
0320	S.A. 3	40.17	0.00	10	10	1
0330	S.A. 4	0.10	0.00	10	10	1
0340	S.A. 5	0.00	0.00	10	10	1
0350	S.A. 6	0.00	0.00	10	10	1
0360	S.A. 7	0.00	0.00	10	10	1
0370	S.A. 8	0.00	0.00	10	10	1
0380	KENAI PENINSULA BOROUGH	643.95 \$37.11	0.00	10	10	
0385	CENTRAL PENINSULA HOSPITAL	0.00	0.00	\$214,566	10	\$541,171
0390	NIKISKI F.P.	0.00	0.00	10	10	10
0395	SOUTH PENINSULA HOSPITAL	0.00	0.00	\$214,566	10	10
0400	NORTH KENAI P.C.	0.00	0.00	10	10	10
0410	BEAR CREEK F.P.	0.00	0.00	10	10	10
0420	KETCHIKAN BOROUGH	0.00	0.00	10	10	
0430	SHORELINE S.A.	0.00	0.00	10	10	10
0440	KODIAK ISLAND BOROUGH	0.00	0.00	\$214,566	\$193,670	
0450	FIRE DISTRICT 1	0.00	0.00	10	10	10
0455	SERVICE DISTRICT	0.00	0.00	10	10	10
0460	ROAD DISTRICT	15.00	0.00	10	10	10
0470	MAT-SU BOROUGH	0.00	0.00	10	10	
0480	WASILLA F.P.	0.00	0.00	10	10	10
0490	BUTTE F.P.	0.00	0.00	10	10	10
0500	GREATER PALMER F.P.	0.00	0.00	10	10	10

AUGUST 17, 1993

BY 1-101 UNIFORMS REVENUE SHARING AGREEMENTS (L)

TOTAL ENROLLMENT = 105,721,000

PUBLIC ROAD 100 ROAD HOSPITAL HEALTH FACILITIES HOSPITAL CONST. AI

KEY COMMUNITY WILDS WILDS ENROLLMENT ENROLLMENT ENROLLMENT

KEY	COMMUNITY	WILDS	WILDS	ENROLLMENT	ENROLLMENT	ENROLLMENT
0510	BUTTON FLD	0.00	0.00	00	00	00
0520	VALLEY FLD	0.00	0.00	00	00	00
0530	TALBERT FLD	0.00	0.00	00	00	00
0540	SALON FLD	0.00	0.00	00	00	00
0541	WIDEN	0.00	0.00	00	00	00
0550	TALBERT FLD	0.00	0.00	00	00	00
0560	TALBERT FLD	0.00	0.00	00	00	00
0570	TALBERT FLD	0.00	0.00	00	00	00
0580	TALBERT FLD	0.00	0.00	00	00	00
0590	TALBERT FLD	0.00	0.00	00	00	00
0600	TALBERT FLD	0.00	0.00	00	00	00
0610	TALBERT FLD	0.00	0.00	00	00	00
0620	TALBERT FLD	0.00	0.00	00	00	00
0630	TALBERT FLD	0.00	0.00	00	00	00
0640	TALBERT FLD	0.00	0.00	00	00	00
0650	TALBERT FLD	0.00	0.00	00	00	00
0660	TALBERT FLD	0.00	0.00	00	00	00
0670	TALBERT FLD	0.00	0.00	00	00	00
0680	TALBERT FLD	0.00	0.00	00	00	00
0690	TALBERT FLD	0.00	0.00	00	00	00
0700	TALBERT FLD	0.00	0.00	00	00	00
0710	TALBERT FLD	0.00	0.00	00	00	00
0720	TALBERT FLD	0.00	0.00	00	00	00
0730	TALBERT FLD	0.00	0.00	00	00	00
0740	TALBERT FLD	0.00	0.00	00	00	00
0750	TALBERT FLD	0.00	0.00	00	00	00
0760	TALBERT FLD	0.00	0.00	00	00	00
0770	TALBERT FLD	0.00	0.00	00	00	00
0780	TALBERT FLD	0.00	0.00	00	00	00
0790	TALBERT FLD	0.00	0.00	00	00	00
0800	TALBERT FLD	0.00	0.00	00	00	00
0810	TALBERT FLD	0.00	0.00	00	00	00
0820	TALBERT FLD	0.00	0.00	00	00	00
0830	TALBERT FLD	0.00	0.00	00	00	00
0840	TALBERT FLD	0.00	0.00	00	00	00
0850	TALBERT FLD	0.00	0.00	00	00	00
0860	TALBERT FLD	0.00	0.00	00	00	00
0870	TALBERT FLD	0.00	0.00	00	00	00
0880	TALBERT FLD	0.00	0.00	00	00	00
0890	TALBERT FLD	0.00	0.00	00	00	00
0900	TALBERT FLD	0.00	0.00	00	00	00
0910	TALBERT FLD	0.00	0.00	00	00	00
0920	TALBERT FLD	0.00	0.00	00	00	00
0930	TALBERT FLD	0.00	0.00	00	00	00
0940	TALBERT FLD	0.00	0.00	00	00	00
0950	TALBERT FLD	0.00	0.00	00	00	00
0960	TALBERT FLD	0.00	0.00	00	00	00
0970	TALBERT FLD	0.00	0.00	00	00	00
0980	TALBERT FLD	0.00	0.00	00	00	00
0990	TALBERT FLD	0.00	0.00	00	00	00
1000	TALBERT FLD	0.00	0.00	00	00	00
1010	TALBERT FLD	0.00	0.00	00	00	00
1020	TALBERT FLD	0.00	0.00	00	00	00
1030	TALBERT FLD	0.00	0.00	00	00	00
1040	TALBERT FLD	0.00	0.00	00	00	00
1050	TALBERT FLD	0.00	0.00	00	00	00
1060	TALBERT FLD	0.00	0.00	00	00	00
1070	TALBERT FLD	0.00	0.00	00	00	00
1080	TALBERT FLD	0.00	0.00	00	00	00
1090	TALBERT FLD	0.00	0.00	00	00	00
1100	TALBERT FLD	0.00	0.00	00	00	00
1110	TALBERT FLD	0.00	0.00	00	00	00
1120	TALBERT FLD	0.00	0.00	00	00	00
1130	TALBERT FLD	0.00	0.00	00	00	00
1140	TALBERT FLD	0.00	0.00	00	00	00
1150	TALBERT FLD	0.00	0.00	00	00	00
1160	TALBERT FLD	0.00	0.00	00	00	00
1170	TALBERT FLD	0.00	0.00	00	00	00
1180	TALBERT FLD	0.00	0.00	00	00	00
1190	TALBERT FLD	0.00	0.00	00	00	00
1200	TALBERT FLD	0.00	0.00	00	00	00
1210	TALBERT FLD	0.00	0.00	00	00	00
1220	TALBERT FLD	0.00	0.00	00	00	00
1230	TALBERT FLD	0.00	0.00	00	00	00
1240	TALBERT FLD	0.00	0.00	00	00	00
1250	TALBERT FLD	0.00	0.00	00	00	00
1260	TALBERT FLD	0.00	0.00	00	00	00
1270	TALBERT FLD	0.00	0.00	00	00	00
1280	TALBERT FLD	0.00	0.00	00	00	00
1290	TALBERT FLD	0.00	0.00	00	00	00
1300	TALBERT FLD	0.00	0.00	00	00	00
1310	TALBERT FLD	0.00	0.00	00	00	00
1320	TALBERT FLD	0.00	0.00	00	00	00
1330	TALBERT FLD	0.00	0.00	00	00	00
1340	TALBERT FLD	0.00	0.00	00	00	00
1350	TALBERT FLD	0.00	0.00	00	00	00
1360	TALBERT FLD	0.00	0.00	00	00	00
1370	TALBERT FLD	0.00	0.00	00	00	00
1380	TALBERT FLD	0.00	0.00	00	00	00
1390	TALBERT FLD	0.00	0.00	00	00	00
1400	TALBERT FLD	0.00	0.00	00	00	00
1410	TALBERT FLD	0.00	0.00	00	00	00
1420	TALBERT FLD	0.00	0.00	00	00	00
1430	TALBERT FLD	0.00	0.00	00	00	00
1440	TALBERT FLD	0.00	0.00	00	00	00
1450	TALBERT FLD	0.00	0.00	00	00	00
1460	TALBERT FLD	0.00	0.00	00	00	00
1470	TALBERT FLD	0.00	0.00	00	00	00
1480	TALBERT FLD	0.00	0.00	00	00	00
1490	TALBERT FLD	0.00	0.00	00	00	00
1500	TALBERT FLD	0.00	0.00	00	00	00

11,271

1,421,421

BY 1987 MUNICIPAL REVENUE SHARING ENTITLEMENTS (M) TOTAL ENTITLEMENT = 155,701,000

AUGUST 17, 1987

KEY	COMMUNITY	MILEAGE		ENTITLEMENT		CONST. AT
		PUBLIC ROAD	LOCAL ROAD	HOSPITAL	HEALTH FACILITIES	
5230	DELTA DIVISION	10.54	0.00	10	18,584	10
5240	DICKENS	0.00	0.00	10	10	10
5250	FRULL	1.09	0.00	10	10	10
5260	HEX	0.00	0.00	10	18,563	10
5270	BEARN	0.00	0.00	10	18,563	10
5280	BLIN	1.00	0.00	10	18,584	10
5290	EMADJAK	1.41	0.00	10	18,563	10
5300	FORT YUKON	10.00	0.00	10	18,584	10
5310	FORTUNA LEDGE	0.00	1.00	10	18,563	10
5320	GATTELL	1.00	0.00	10	10	10
5330	GOLDFISH	1.10	10.00	10	18,584	10
5340	GOODWIN BAY	0.75	0.00	10	18,563	10
5350	BRAYLINE	0.50	0.00	10	18,584	10
5360	HOLY CROSS	4.00	0.00	10	18,584	10
5370	HOOVER BAY	0.00	0.00	10	10	10
5380	HOUSTON	11.00	0.00	10	10	10
5390	HUSHED	1.00	0.00	10	10	10
5400	HUSLIA	12.00	0.00	10	18,584	10
5410	KACHEMAY	0.00	0.00	10	10	10
5420	KANTOVIN	0.00	0.00	10	10	10
5430	KALTAS	1.00	0.00	10	18,584	10
5440	KASARN	0.00	0.00	10	18,573	10
5450	KIAMA	1.70	0.00	10	18,584	10
5470	KIVALINA	0.00	0.00	10	10	10
5480	KOLUK	0.00	0.00	10	18,584	10
5490	KOTLIK	0.00	0.00	10	18,563	10
5500	KOTTERGE	10.50	0.00	10	10	10
5510	KOYUK	1.70	0.00	10	18,584	10
5520	KOYUKUK	0.00	0.00	10	10	10
5530	KUPPERLOF	0.00	0.00	10	10	10
5540	KWETHLUK	0.00	0.00	10	18,563	10
5550	LARSEN BAY	0.00	0.00	10	10	10
5555	LOWER KALSKAG	1.00	10.00	10	18,584	10
5560	MANOKOTAK	0.00	0.00	10	10	10
5570	MCCRATH	11.00	0.00	10	18,584	10
5580	MEKORYUK	0.00	0.00	10	18,563	10

FY 1967 MUNICIPAL REVENUE SHARING ENTITLEMENTS (1-2)
 TOTAL ENTITLEMENT = \$50,701,000

AUGUST 17, 1966

KEY	COMMUNITY	PUBLIC ROAD		HOSPITAL		HEALTH FACILITIES		HOSPIT
		MILES	MILES	ENTITLEMENT	ENTITLEMENT	CONST. AT		
5590	MOUNTAIN VILLAGE	21.00	0.00	10	18,563			10
5600	NAPAKTAK	0.47	0.00	10	10			10
5610	NARADYIA	0.30	0.00	10	18,563			10
5620	NEWHALEY	0.30	0.00	10	18,253			10
5630	NEW STUYAKOK	0.00	0.00	10	10			10
5640	NEWTON	0.00	0.00	10	18,563			10
5650	NIGHTMUTE	0.00	0.00	10	18,563			10
5660	NIKOLAI	1.30	0.00	10	10			10
5670	NONDALTON	1.00	0.00	10	18,253			10
5680	NOORVIA	2.47	0.00	10	18,894			10
5690	NULATO	6.30	0.00	10	18,894			10
5700	NUISLUT	0.00	0.00	10	10			10
5710	OLD HARBOUR	4.45	0.00	10	10			10
5720	OUTYAKIF	3.10	0.00	10	10			10
5730	PILOT STATION	2.00	0.00	10	10			10
5740	PLATINUM	1.00	0.00	10	10			10
5750	POINT ROSE	0.00	0.00	10	10			10
5760	PORT ALEXANDER	0.00	0.00	10	10			10
5770	PORT HEIDEN	15.60	0.00	10	18,253			10
5780	PORT LIONS	3.37	0.00	10	10			10
5790	QUINHAGAK	1.00	0.00	10	18,563			10
5800	RUBY	0.00	0.00	10	10			10
5810	RUSSIAN VISION	0.00	0.00	10	10			10
5820	SAINTE MICHAEL	0.00	0.00	10	18,894			10
5830	SAINT PAUL	77.80	0.00	10	10			10
5840	SAVOONGA	0.00	0.00	10	10			10
5850	SAXMAN	3.30	0.00	10	10			10
5860	SCAYMON BAY	1.25	0.00	10	18,563			10
5870	SELAWIK	0.00	0.00	10	10			10
5880	SHAGELUY	2.54	0.00	10	10			10
5890	SHAKTOOLIK	3.50	12.00	10	18,894			10
5900	SHELDON POINT	0.00	0.00	10	10			10
5910	SHISHMARLF	1.90	0.00	10	10			10
5920	SHUNGNAK	1.50	0.00	10	18,894			10
5930	STERBINS	0.00	0.00	10	18,894			10
5950	TELLER	2.00	0.00	10	18,894			10

FY 1983 MUNICIPAL REVENUE SHARING ENTITLEMENTS (A2)
 TOTAL ENTITLEMENT = \$58,731,000

AUGUST 17, 1983

KEY	COMMUNITY	PUBLIC ROAD MILES	HOSPITAL ENTITLEMENT	HEALTH FACILITIES ENTITLEMENT	HOSPIT CONST. AD
5980	BEAVER CREEK	1.00	10	18,248	10
5990	BOZEMAN	1.00	10	18,253	10
6000	BOZEMAN	1.00	10	18,253	10
6010	BOZEMAN	1.00	10	18,253	10
6015	BOZEMAN	1.00	10	18,253	10
6020	BOZEMAN	1.00	10	18,253	10
6030	BOZEMAN	1.00	10	18,253	10
6040	BOZEMAN	1.00	10	18,253	10
6050	BOZEMAN	1.00	10	18,253	10
6060	BOZEMAN	1.00	10	18,253	10
6070	BOZEMAN	1.00	10	18,253	10
6080	BOZEMAN	1.00	10	18,253	10
6090	BOZEMAN	1.00	10	18,253	10
6100	BOZEMAN	1.00	10	18,253	10
		TOTAL	13,242,753	22,475,577	14,043,037

FY 83 amount → $2,905.58 \times 2,500 \times 1.15 (\text{MVA}) = 8,353,543$

FY 84 projection → FY 84 - project Statewide public road mileage of between 3,200 to 3,300 miles

Call if you have question. Druff

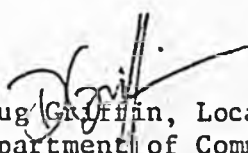
MEMORANDUM

TO: Sandy Stone
Senator Jan Faiks' Office

DATE January 11, 1984

FILE NO.

TELEPHONE NO.

FROM:  Doug Griffin, Local Gov't Specialist
Department of Community and
Regional Affairs
Division of Municipal and Regional Assistance

SUBJECT Road Service Areas

Here is the information you requested on behalf of Senator Faiks regarding the number of road service areas within the State. This information assumes that the data provided to this Department by the municipalities is accurate.

Road Service Areas within Boroughs

Municipality of Anchorage	16
Bristol Bay Borough	1
Fairbanks North Star Borough	25
City and Borough of Juneau	8
Kenai Peninsula Borough	6
Ketchikan Gateway Borough	1
Kodiak Island Borough	2
Mat-Su Borough	9
North Slope Borough	0
City and Borough of Sitka	<u>1</u>
TOTAL	69

Road service Areas within
Cities in the unorganized
Borough 24

Road Service Areas Statewide 93

[Handwritten notes and scribbles]

SENATE
JOURNAL SUPPLEMENT

3/16/84

No. 61

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

CSSB
315

REQUEST Bill/Resolution No.: <u>CSSB 315 (Fin)</u> Title: <u>Act relating to road maintenance service areas</u> Sponsor: <u>Faika</u> Requestor: _____ Date of Request: _____	FISCAL DETAIL Agency Affected: <u>Trans. & Public Facil</u> Program Category Affected: _____ BRU, Program or Subprogram(s) Affected: _____
---	--

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		22.0				
200 TRAVEL		2.5				
300 CONTRACTUAL		.8				
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		25.3				
CAPITAL		3,000.0				
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		3,025.3			
FEDERAL FUNDS					
OTHER					
TOTAL		3,025.3			

POSITIONS:

FULL-TIME		0			
PART-TIME		0			
TEMPORARY		0			

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis:

Prepared By: *Don Bennett* Phone: 465-3753
 Division: Don Bennett, Co-chairman Date: March 15, 1984
 Senate Finance Committee

No. 2 be adopted?" The
It:

l, Gilman,
Pettyjohn, Ziegler

Fahrenkamp,
Vic, Josephson,
loss, Ray, Sackett,

consent that CS FOR
red engrossed, advanced
assage. Without objec-

s read the third time.

ATE BILL NO. 78 (HESS)
agreements; efd) pass
the following result:

Fahrenkamp,
Paul, Fischer Vic,
Josephson, Kelly,
Pettyjohn, Ray,

Sackett, Ziegler

am passed the Senate.

consent that the roll
sidered the roll call
objection, it was so

SB 7S cont'd

CS FOR SENATE BILL NO. 78 (HESS) am was engrossed, signed by
the President and Secretary and transmitted to the House for
consideration.

SB 446

SENATE BILL NO. 446 (personal safety curriculum in public
schools) was read the second time.

Senator Faiks moved and asked unanimous consent for the adop-
tion of the Rules Committee Substitute offered on page 2472.
Without objection, CS FOR SENATE BILL NO. 446 (RLS) was
adopted.

CS FOR SENATE BILL NO. 446 (RLS) was read the second time.

Senator Ray moved and asked unanimous consent that CS FOR
SENATE BILL NO. 446 (RLS) be considered engrossed, advanced
to third reading and placed on final passage. Without objec-
tion, it was so ordered.

CS FOR SENATE BILL NO. 446 (RLS) was read the third time.

Senator Ray moved and asked unanimous consent that CS FOR
SENATE BILL NO. 446 (RLS) be moved to the bottom of the
calendar. Without objection, it was so ordered.

SENATE BILLS IN SECOND READING

SB 315

CS FOR SENATE BILL NO. 315 (FIN) (road maintenance service
areas; efd) which was held from March 26 was before the Senate
in second reading.

March 27, 1984

SB 315 cont'd

Senator Faiks offered the following Amendment No. 1:

Page 2, line 24: After "section" insert
"which was constructed after the effective
date of this bill"

Senator Faiks moved and asked unanimous consent for the adoption of Amendment No. 1. Senator Gilman objected for the purpose of a technical amendment to change "was" to "is". Senator Gilman withdrew his objection. There being no further objection, Amendment No. 1 with the technical amendment was adopted.

Senator Ray moved and asked unanimous consent that CS FOR SENATE BILL NO. 315 (FIN) be considered engrossed, advanced to third reading and placed on final passage. Without objection, it was so ordered.

CS FOR SENATE BILL NO. 315 (FIN) am was read the third time

The question being: "Shall CS FOR SENATE BILL NO. 315 (FIN) am (road maintenance service areas; efd) pass the Senate?" The roll was taken with the following result:

CSSB 315 FIN AM 3RD

Yeas:	17	Bernelt, Elisson, Fahrenkamp, Faiks, Ferguson, Fischer Paul, Fischer Vic, Gilman, Halford, Josephson, Kelly, Kerttula, Moss, Mulcahy, Pettyjohn, Sturpalewski, Ziegler
Nays:	1	Ray
Excused:	1	Rodey
Absent:	1	Sackett

and so, CS FOR SENATE BILL NO. 315 (FIN) am passed the Senate.

Senator Ray moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the effective date clause. Without objection, it was so ordered.

March 27, 1984

SB 315 cont'd

CS FOR SENATE BILL NO. the President and Secret consideration.

SB 500

CS FOR SENATE BILL NO. 5 recovery of materials at held from March 26 was

Senator Vic Fischer off

Page 4, line 3: Do insert January 1, 1

Senator Vic Fischer mov the adoption of Amendment No. 1 was adopted.

Senator Ray moved and a SENATE BILL NO. 500 (SA) to third reading and plation, it was so ordered.

CS FOR SENATE BILL NO.

The question being: "Sh (reduction of litter and from litter; efd) pass the following result:

CSSB 500 SA AM 3RD

Yeas:	18	Ben Fall Fis Jos Mul Stu
Nays:	0	
Excused:	1	Rod
Absent:	1	Sack

and so, CS FOR SENATE BILL

March 27, 1984

March 27, 1984

2479

Amendment No. 1:

1" insert
effective

us consent for the adon-
Gilman objected for the
change "was" to "is".
There being no further
technical amendment was

us consent that CS FOR
tered engrossed, advanced
passage. Without objec-

as read the third time.

SENATE BILL NO. 315 (FIN)
did) pass the Senate?"
result:

Mr. Fahrenkamp,
Fischer Paul,
Mr. Halford,
Mr. Kerttula, Moss,
Mr. Sturgulewski.

3) am passed the Senate.

us consent that the roll
considered the roll call
at objection, it was so

SB 315 cont.'d

CS FOR SENATE BILL NO. 315 (FIN) am was engrossed, signed by
the President and Secretary and transmitted to the House for
consideration.

SB 500

CS FOR SENATE BILL NO. 500 (SA) (reduction of litter and the
recovery of materials and energy from litter; efd) which was
held from March 26 was before the Senate in second reading.

Senator Vic Fischer offered the following Amendment No. 1:

Page 4, line 3: Delete July 1, 1984 and
insert January 1, 1985

Senator Vic Fischer moved and asked unanimous consent for
the adoption of Amendment No. 1. Without objection, Amendment
No. 1 was adopted.

Senator Ray moved and asked unanimous consent that CS FOR
SENATE BILL NO. 500 (SA) am be considered engrossed, advanced
to third reading and placed on final passage. Without objec-
tion, it was so ordered.

CS FOR SENATE BILL NO. 500 (SA) am was read the third time.

The question being: "Shall CS FOR SENATE BILL NO. 500 (SA) am
(reduction of litter and the recovery of materials and energy
from litter; efd) pass the Senate?" The roll was taken with
the following result:

CSSB 500 SA AM 3RD

Yeas: 18 Bennett, Eliason, Fahrenkamp,
Faiks, Ferguson, Fischer Paul,
Fischer Vic, Gilman, Halford,
Josephson, Kelly, Kerttula, Moss,
Mulcahy, Pettyjohn, Ray,
Sturgulewski, Ziegler

Nays: 0

Excused: 1 Rodey

Absent: 1 Sackett

and so, CS FOR SENATE BILL NO. 500 (SA) am passed the Senate.

Alaska State Legislature



Speaker of the House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3720

Official Business

March 28, 1984

To: Rep. Bette Cato
Chairman
House Transportation Committee

From: Rep. Joe Hayes
Speaker of the House *JHA*

Re; SB 315...road maintenance districts

Today I have referred SB 315 relating to road maintenance districts to your committee. This piece of legislation is extremely important specifically to Anchorage and my district which is experiencing tremendous growth and residential development.

The legislation will assist homeowners to improve subdivision roads which are in poor condition, especially in my district and the Eagle River area.

I would appreciate expeditious handling of this legislation. If possible, I would like to see it considered on the committee calendar in the next week.

Thanks for your consideration.

COMMITTEE REPORT

4/5

HOUSE

(9)

FURTHER:

FINANCE

3/28/84

Date: 3-28-84

The Committee on TRANSPORTATION has had CSSE 315 (Fin) am

"An Act relating to road maintenance service areas; and providing for an effective date."

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for CS SB 315 (transportation) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

M.W. Miller

R.B. Stewart

W.H. ...

Joe ...

Mike Davis

Deloid ...

...

...

...

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Changes to S. Trans CS

Original sponsor: Faiks

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 315 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to road maintenance service areas;
7 and providing for an effective date."

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

9 * Section 1. AS 19.30 is amended by adding new sections to read:

10 ARTICLE 4. ROAD MAINTENANCE SERVICE AREAS.

11 Sec. 19.30.260. PURPOSE. The purpose of AS 19.30.260 - 19.30.-
12 320 is to facilitate funding for the upgrading, reconstruction, reha-
13 bilitation, or paving of existing subdivision roads within a road
14 maintenance service area established under AS 29.63 or under a home
15 rule charter. *or unified municipality*

16 Sec. 19.30.270. ALLOCATION OF MONEY. (a) During each fiscal
17 year each municipality shall receive money from the department that
18 has been appropriated or otherwise designated for expenditure for road
19 improvements within the municipality, based on the total road mileage
20 in each road maintenance service area in the municipality. The
21 amounts that are available shall be distributed pro rata among eligi-
22 ble municipalities.

23 (b) Money allocated to a municipality under this section shall
24 be disbursed by the municipality for road maintenance service areas
25 based on a first come, first served priority of road maintenance
26 service area applications, subject to a 50 percent match by each road
27 maintenance service area.

28 (c) Money allocated under this section shall be available for
29 expenditure in the road maintenance service area for which the funds

1 are authorized for a period of five years after the end of the fiscal
2 year for which the funds are authorized. Money allocated for a road
3 maintenance service area that is unexpended and unobligated at the end
4 of the five-year period shall be used for other road maintenance
5 service areas in the same municipality in accordance with AS 19.30.-
6 260 - 19.30.320. If there are no other road maintenance service areas
7 in the municipality for which the money can be used, the municipality
8 shall remit the unexpended and unobligated money to the department and
9 it shall lapse into the general fund.

10 (d) Fifty percent of the cost of construction in a road mainte-
11 nance service area shall be paid by the road maintenance service area
12 through road improvement ^(may) district assessments, grants, or other
13 appropriate financing means.

14 Sec. 19.30.280. ELIGIBILITY. (a) After establishing a road
15 maintenance service area under AS 29.63, or under a home rule charter,
16 ^{unified municipality} a municipality may apply to the department for a grant as money is
17 available for road improvements, subject to regulations adopted by the
18 department to carry out the provisions of AS 19.30.260 - 19.30.320.
19 The department shall require a municipality to submit a five-year plan
20 for the upgrading, reconstructing, rehabilitating, or paving of main-
21 tenance service area roads for approval before October 1 of each
22 fiscal year.

23 (b) A municipality shall establish design standards ^{50% to 75% of Dept.} for con-
24 struction in a road maintenance service area. An application for a
25 grant for improving an existing road under this section which is
26 constructed after the effective date of this bill shall not be granted
27 by the department until the existing road meets the minimum design
28 standards of the municipality.

29 Sec. 19.30.290. ADMINISTRATION. (a) A contract entered into by

1 a municipality for road construction within a road maintenance service
2 area for which funds allocated to the municipality under AS 19.30.-
3 260 - 19.30.320 are used shall be awarded only on the basis of the
4 lowest responsible bid by a bidder meeting established criteria of
5 responsibility.

6 (b) Construction under AS 19.30.260 - 19.30.320 shall be admin-
7 istered by the municipality in which the road maintenance service area
8 is located.

9 Sec. 19.30.300. MAINTENANCE. The road maintenance service area
10 shall be responsible for maintaining roads constructed under AS 19.-
11 30.260 - 19.30.320. The road maintenance service area may contract
12 with a municipality for maintenance of the roads.

13 Sec. 19.30.310. REPORT. No later than ^{oct 1} August 1 of each year, a
14 municipality that has received money under AS 19.30.270 shall submit a
15 report to the department showing the use of the money by the munici-
16 pality during the preceding ^{12 months} fiscal year. No later than December 1 of
17 each year, the department shall prepare and submit to the governor a
18 report showing the use of the money allocated under AS 19.30.270
19 during the preceding ^{12 months} fiscal year.

20 Sec. 19.30.320. DEFINITIONS. In AS 19.30.260 - 19.30.320

21 (1) "construction" or "road improvement" has the meaning
22 given in AS 19.45.001 and includes utility and drainage costs but
23 excludes financial costs, right-of-way costs, and new road construc-
24 tion;

25 (2) "department" means the Department of Transportation and
26 Public Facilities;

27 (3) "municipality" means a municipality that has road
28 construction or maintenance powers;

29 (4) "subdivision" has the meaning given in AS 40.15.190(2).

1 * Sec. 2. This Act takes effect July 1, 1986.
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COMMITTEE REPORT

SENATE

6/15/83

FURTHER: Finance

Date: July 11, 1983

Mr. President:

The Committee on Transportation has had SB 315
Relating to road improvement districts.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Poppy Har
Jan [unclear]
A. [unclear]

CHAIRMAN

Alaska State Legislature

H PAPPY MOSS, CHAIRMAN
BETTYE FAHRENKAMP, VICE CHAIRMAN
JAN FAIKS
DON GILMAN
JALMAR KERTTULA



STATE CAPITOL
POUCH V
JUNEAU, ALASKA
99811
(907) 465-4797
(907) 465-4921

Senate Committee on Transportation

MEMORANDUM

Date: January 10, 1984

Subject: Senate Transportation Committee Meeting

To: All Committee Members
Senate Transportation Committee

From: Senator H. Pappy Moss, Chairman *H. P. Moss*
Senate Transportation Committee *Sen.*

Attached please find information provided to us concerning SB 315, "An Act relating to road improvement districts," scheduled for a hearing at 1:30 p.m. on January 12, 1984.

In addition to the legislation being considered, a task force from DOT/PF will be present to outline the Department's plans for correcting the problems already discussed in committee and outlined in the Capital Project Assumptive Audit conducted by the Arthur Young Company. Copies of the audit were forwarded to all committee members by the Department under a cover letter dated January 5, 1984. The review of DOT/PF's plans concerning the audit is scheduled as the first item on the agenda.

SENATE BILL 315
AN ACT RELATING TO ROAD IMPROVEMENT DISTRICTS

SB 315 establishes a mechanism through which municipalities may receive state funds to improve subdivision roads within established Road Improvement Districts. Funds will be available on a 50/50 match basis with one-half the funds being state dollars, and the other half matched by assessments from the Road Improvement District.

Under the legislation, a municipality would be allocated funds based on the total road mileage in each Road Improvement District. Each participating municipality will prepare a Needs Assessment for expenditure of the funds. The municipality will be responsible for maintenance of the roads.

The bill was introduced June 15, 1983 by Senator Jan Faiks and is pending in the Senate Transportation Committee with a further referral to Finance.

SENATE BILL 315
AN ACT RELATING TO ROAD IMPROVEMENT DISTRICTS

Sectional Analysis

Section 1. Adds a new Article, Road Improvement Districts, under the existing Local Service Roads and Trails chapter.

PURPOSE

To facilitate funding for improving subdivision roads within a road improvement district established with municipalities or under AS 29.63 (Special Assessments and Service Areas).

ALLOCATION OF FUNDS

(a) Each fiscal year a municipality shall receive funds based on the total road mileage in each road improvement district, subject to a 50% match by each road improvement district.

(b) A municipality shall disburse the funds based on a needs assessment (which shall include the level of use, quality of road surface and sub-surface, amount of traffic per day, and maintenance costs).

(c) Funds allocated to a specific road improvement district under this chapter shall be available for use for five years. Should the monies not be spent or obligated, they become available for use in other road improvement districts within that municipality. Should there not be other eligible road improvements within that municipality, the funds shall be remitted back to the state and shall lapse into the general fund.

(d) 50% of the construction costs shall be covered through assessments within the road improvement district.

ELIGIBILITY

After establishing a road improvement district, a municipality may apply for funds. DOT/PF may require the municipality to submit a five-year plan for road improvement districts by October 1.

ADMINISTRATION

(a) A municipality shall establish road design and construction standards which will be approved by DOT/PF.

(b) Construction contracts shall be awarded to the lowest bidder who meets an established criteria of responsibility.

(c) Construction projects shall be administered by the municipality.

MAINTENANCE

A municipality will be responsible for the maintenance of roads improved under this program either through a road maintenance service area or on a contractual basis with DOT/PF or the municipality.

REPORT

By October 1 of each year, a participating municipality shall submit a report to DOT/PF showing how the money was used in the preceding 12 months. By the following December 1, the department shall submit a report to the Governor showing the allocation of funds.

DEFINITIONS

Includes the following:

(1) "construction" or "road improvement" is the same as that defined in AS 14.007 (construction, reconstruction, alteration, improvement or major repair) and includes utility and drainage costs, but excludes financial and right-of-way costs; and

(4) "road improvement district" means a special assessment area established under AS 29.63 for road improvements (AS 29.63 provides for the establishment Special Assessments and Service Areas);

(5) "road maintenance service area" means a service area established under AS 29.63 for road maintenance (AS 29.63 enables a municipality to establish service areas to provide special services and levy assessments or taxes to finance the special services);

(6) "subdivision" is defined in AS 50.15.190(2) and means, in part, (A) "the division of a tract or parcel of land into two or more lots, sites, or other divisions for the purpose, whether immediate or future, of sale or building development" and (B) does not include cadastral plats, cadastral control plats, open-to-entry plats, or remote parcel plats created by or on behalf of the state.

Article 3. Vacation and Change of Plats and Streets.

[Repealed]

40.15.140 — 40.15.180.

Repealed by § 1 ch 118 SLA 1972.

Editor's notes. — The repealed article §§ 3, 4, ch. 128, SLA 1970; § 3, ch. 112, SLA 1971; §§ 1 — 5, (ch. III), ch. 115, SLA 1971; §§ 70, 71, ch. 69, SLA 1970;

Article 4. General Provisions.

Definitions

Application to state and political subdivisions

Sec. 40.15.190. Definitions. In this chapter

(1) "street" includes streets, avenues, boulevards, roads, lanes, ways, and other ways;

(2) "subdivision"

(A) means the division of a tract or parcel of land into two or more sites, or other divisions for the purpose, whether immediate or future, of sale or building development, and includes resubdivision and, when appropriate to the context, relates to the process of subdividing or to the land or areas subdivided;

(B) does not include cadastral plats, cadastral control plats, open-to-entry plats, or remote parcel plats created by or on behalf of the state regardless of whether these plats include easements or other public dedications. (§ 7 (ch II) ch 115 SLA 1953; am § 3 ch 95 SLA 1965; ar. § 41 ch 113 SLA 1981)

Effect of amendments. — The 1981 amendment, designated the language beginning "means the division" and ending with "areas subdivided" as subparagraph (A) and added subparagraph (B) in paragraph (2).

Sec. 40.15.200. Application to state and political subdivisions.

All subdivisions of land made by the state, its agencies, instrumentalities and political subdivisions are subject to the provisions of this chapter and AS 29.33.150 — 29.33.240, or home rule ordinances or regulations governing subdivisions, and shall comply with ordinances and other local regulations adopted under this chapter and AS 29.33.150 — 29.33.240, or under home rule authority, in the same manner and to the same extent as subdivisions made by other landowners. (§ 2 ch 89 SLA 1972; am § 4 ch 118 SLA 1972; am § 2 ch 63 SLA 1974)

Chapter 45. Miscellaneous Provisions.

Section

01. Definitions

02. Penalties

15. Highway construction near airports

Sec. 19.45.001. Definitions. In AS 19.05 — 19.40

(1) "commissioner" means the commissioner of transportation and public facilities;

(2) "construction" or any derivation means construction, reconstruction, alteration, improvement or major repair;

(3) "controlled-access facility" means a highway especially designed for through traffic, and over, from, or to which owners or occupants of abutting land or other persons have either no right or easement or only a controlled right or easement of access, light, air, or view;

(4) "cost of change, relocation, or removal" means the entire cost incurred by the utility properly attributed to the change, relocation, or removal of a facility, less any costs for improvements or upgrading over and above the cost of a functionally equal facility; if a facility is to be relocated and replaced with new equipment, there shall also be subtracted from the entire cost any salvage value derived from the old facility;

(5) "department" means the Department of Transportation and Public Facilities;

(6) "excess lands" means land acquired by the state in excess of land required for a highway, when the remaining portion of a parcel of land so acquired is left in such shape or condition as to be of little or no value to its owner, or to give rise to claims or litigation concerning severance or other damage;

(7) "federal-aid primary, federal aid secondary, and interstate system" include any highway which is a part of the federal-aid systems as provided in the Federal-Aid Highway Act of 1956, and any laws amending or supplementing it;

(8) "highway" includes a highway (whether included in primary or secondary systems), road, street, trail, walk, bridge, tunnel, drainage structure and other similar or related structure or facility, and right-of-way thereof, and further includes a ferry system, whether operated solely inside the state or to connect with a Canadian highway, and any such related facility;

(9) "maintenance" means the preservation of each type of highway, roadside structure and facility as nearly as possible in its original condition as constructed, or as subsequently improved, and the operation of highway facilities and services to provide satisfactory and safe highways;

(10) "municipality" means an incorporated city or political subdivision which has jurisdiction over highways in its incorporated area;

(2) "subdivision" means the division of a tract or parcel of land into two or more lots, sites, or other divisions for the purpose, whether immediate or future, of sale or building development, and includes resubdivision and, when appropriate to the context, relates to the process of subdividing or to the land or areas subdivided. (§ 7 (ch II) ch 115 SLA 1953; am § 3 ch 95 SLA 1955)

Quoted in *Tullinen v. Gielarowski*, 2 Alas. L.J. No. 11, p. 169 (Dec., 1964).

Chapter 18. Preservation of Public Records.

Section
10 — 30. [Repealed]

Secs. 40.18.010 — 40.18.030.
Repealed by § 3 ch 191 SLA 1970.

Editor's note. — The repealed chapter derived from § 1, ch. 10, SLA 1968, and § 9, ch. 40, SLA 1969.

Chapter 20. Disposal of Public Records.

Section
10 — 30. [Repealed]

Secs. 40.20.010 — 40.20.030.
Repealed by § 3 ch 191 SLA 1970.

Editor's note. — The repealed chapter derived from ch. 147, SLA 1957.

Chapter 21. Management and Preservation of Public Records.

Article
1. Public Records (§§ 40.21.010 — 40.21.140)
2. General Provisions (§ 40.21.150)

Article 1. Public Records.

Section	Section
10. Purpose	90. Transfer of public records of political subdivision to department
20. Archival and records management program creation and administration	100. Assistance to legislative and judicial branches
30. Duties of the state archivist	110. Care of records
40. Gifts, bequests or endowments of money	120. Standards of clarity, accuracy, and permanency of copies or reproductions of public records
50. Regulations	130. Alteration and replacement of public records
60. Duties of chief executive officers of state agencies	140. Use of copies and replacements as evidence
70. Records management for local records	
80. Disposal of public records by political subdivision	

Sec. 40.21.010. Purpose. The purpose of this chapter is to provide for

