

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 86/2

3543 HRES HB 93 - HB 111

419

There are several points that I wish to make about this proposed legislation.

First, recreation rivers must be managed primarily for recreation and habitat values, but should also be available for other resource uses, including forestry, gravel extraction for public purposes, and provision of access, when these activities are compatible with recreation and habitat management.

It has been clear throughout our planning processes and from our contact with local governments and the public that recreation and habitat values are dominant in these river corridors, but that other resource values are also important. River corridors are some of the state's best lands: they are accessible and strategically located. To preserve them without opportunities for resource management and use would contradict the public intent found in our planning processes and could unreasonably prevent uses that can be compatible with recreation and habitat management.

Because the current language may be considered ambiguous in this regard, we will be recommending that the purposes section of the bill be amended to clarify that resource management activities are clearly allowed when compatible with recreation and habitat management purposes and to identify what sorts of resource management activities are envisioned. The same considerations are adequately treated later in the management planning section of the bill, but we are concerned that the purposes section be very plain. The proposed amendment has been provided to your staff for consideration in future mark-ups or workshops on the bill.

Second, because management planning for these rivers will be of concern to members of the public and other state and local agencies, I will outline for you the management planning process that the Department will conduct for these rivers.

As presented, the bill requires the commissioner to develop and adopt a comprehensive management plan for each recreation area through a public process in consultation with affected state, local, and federal agencies. In carrying out this statutory responsibility -- which includes the requirement that the plan establish long-term policies for habitat, recreation, and development management -- the commissioner will assign the Division of Parks and Outdoor Recreation to conduct the planning process.

This Division is the state's leading recreation management agency and has been conducting the public, interdisciplinary planning process for the Kenai River Special Management Area. The management plans for recreation rivers will be developed in a similar manner: the Division will conduct the planning in close coordination with an interagency planning team and broad public participation. Controversial resource management decisions will be elevated to the commissioner for decision.

It is important at this time to emphasize that the dedication of these rivers to the state parks system, on lines 28-29 of page 1, does not make them state parks dedicated for single use. The lands are "assigned to the department for control, maintenance, and development" at lines 4-5 on page 5, and we expect them to be managed generally for their various resource values, as long as the resource management is consistent with management planning and recreation and habitat management.

Third, the legislation will affect only state lands, as shown at lines 16-17 on page 2 of the bill. Borough and private lands will not be affected by the designations or by the management planning unless the Borough decides that these lands should be included. If such an agreement is possible now, this legislation could be amended to accommodate the Borough. Another possible approach would be for the State and the Borough to cooperate in recreation rivers management by a memorandum of understanding.

Fourth, this bill does not include a number of other candidate rivers that have been considered for inclusion in the recreation rivers system. Planning for these other rivers has taken place in the Tanana Basin Area Plan and the Susitna Area Plan, which are in their final draft stages. Although we have a general idea of which rivers will eventually be included in the system, we do not wish at this time to anticipate completion of the plans by submitting them in the legislation.

Several legislators have indicated interest in sponsoring amendments to include other rivers affected by these not yet adopted plans; if such amendments come before you, we will have to remain neutral on their passage. When the Susitna and Tanana plans are complete, the Governor intends to bring forward amendments that will add appropriate rivers to the new system.

The proposed legislation to create a recreation rivers system and designate the Little Susitna as Alaska's first recreation river deserves your support. The bill will provide special attention to the recreation needs of our citizens and will establish a solid foundation for management of important lands and waters.

I will now turn briefly to discussion of the other piece of legislation before you -- HB 86, establishing the Willow Creek State Recreation Area.

HB 86 - Willow Creek State Recreation Area

Since the completion of the Willow Subbasin Plan, which allowed for the eventual establishment of the Willow Creek State Recreation Area, there has been a great deal of cooperative planning by the Matanuska-Susitna Borough and the Division of Parks and Outdoor Recreation. Neil Johannsen, the Director of the Division, is here today to address this proposed designation.

The proposal is to create a state recreation area encompassing about 3,500 acres of state land. Eventually, this area should be developed to include roads and a major facility for camping, boating, hiking, and other recreation activities; the Governor's proposal has been to fund design and engineering for this facility in the coming year and to fund its construction in the following two years. At this point, knowing that revenues are declining, we are unable to recommend any more capital funding than just this portion.

Summary

In a Southcentral Recreation Action Plan presented to Governor Sheffield at his request in December, the Departments of Natural Resources and Fish and Game presented a number of proposed actions that would help meet the growing demand for recreation opportunities in southcentral Alaska. The measures before you today were included in this proposed action plan, but we consider them of statewide significance: the new recreation rivers system provides a new opportunity for special management of appropriate river corridors, and the proposed Willow Creek facility will serve all Alaskans by providing for more recreational opportunity in the southcentral area.

The fiscal impacts of these proposed measures are small, especially when considered with the benefits for Alaskans. As the State of Alaska continues to gain land from its statehood entitlement -- and our ownership has doubled to over 80 million acres in the past four years alone -- we need to give more attention to the special needs of our citizens and the special values of our lands. In this case, we have done so with a large measure of public participation, and our proposed legislation reflects much careful discussion and crafting.

On behalf of the Sheffield administration and the many Alaskans who would benefit from the passage of these pieces of legislation, I urge your support for both HB 86 and HB 93. I am available for questions if members of the Committee would like to discuss them.

League of Women Voters of Alaska

9151 Skywood Lane
Juneau, Alaska
March 22, 1985

Representative Adelheid Herrmann (Co-Chairman)
Representative Richard Shultz (Co-Chairman)
House Resources Committee
Alaska Legislature
Room 116, Capitol Building
Juneau, Alaska 99801

Re: HB 93: Recreational Rivers System

Dear Co-Chairmen Herrmann and Shultz:

House Bill 93 would establish a system of recreational rivers in Alaska, and would begin that system with a portion of the Little Susitna River.

The League of Women Voters of Alaska supports House Bill 93, as a wise dedication to public use emphasizing all types of recreational activities (including those dependent upon wildlife) within each area designated to become part of the recreational river system.

Your committee may be subjected to pressures to weaken HB 93's protections of the recreational and wildlife related uses as they now exist in the bill's statement of purposes (proposed AS 41.21.308) and criteria for the establishment of a comprehensive management plan and regulations (proposed AS 41.21.314). We would oppose any weakening amendments that would tend to compromise the recreational use integrity of a recreational river in favor of resource extraction (e.g. timber, sand and gravel, mining). On the other hand, we would support strengthening amendments, such as any requiring concurrence of the Commissioner of Fish and Game and the Director of the Division of Parks before any specific resource extraction project is permitted within the boundaries of a designated recreational river and its protected margins.

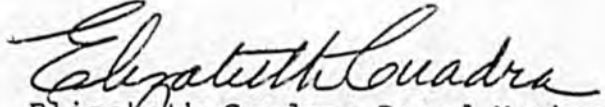
The bill as presently worded already allows more than adequate discretion to the DNR commissioner to provide for such resource extraction activities in such few cases as may exist

Representative Adelheid Herrmann
Representative Richard Shultz
March 22, 1985
Page Two

where there is no feasible alternative site available, and to place conditions on such activities if and where they are allowed under the adopted management plans and regulations. The whole purpose of this legislation, after all, is to protect the recreational qualities of those river segments selected to become part of the recreational river system.

Thank you for considering our views.

Sincerely,


Elizabeth Cuadra, Board Member
(Natural Resources Portfolio)

DEC:sd

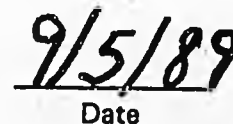
cc: Committee Members (Wallis, Sund, Thompson, M. W. Miller,
Cato, Earce, and Jenkins)
Commissioner Wunnicke (DNR)
Commissioner Collinsworth (DF&G)
Paula Ziegler (LWVAK President)



RECORDS CERTIFICATION

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Signature of Camera Operator


Date

HB

101

(File Nos. 5762, 5815), P.2d (1983).
When sale has taken place. — A sale has taken place when crab are delivered to the processor in Alaska under a previously negotiated contract. *Sjong v. State, Dep't*

of Revenue, Sup. Ct. Op. No. 2269 (File No. 4255), 622 P.2d 967 (1981), appeal dismissed, 454 U.S. 1131, 102 S. Ct. 986, 71 L. Ed. 2d 284 (1982), decided under former AS 43.20.130.

Sec. 43.20.072. Oil and gas producers and pipelines. (a) All business income of a taxpayer engaged in the production of oil or gas from a lease or property in this state or engaged in the transportation of oil or gas by pipeline in this state shall be apportioned to this state in accordance with the Multistate Tax Compact (AS 43.19) as modified by this section.

(b) A taxpayer's business income to be apportioned under this section to the state shall be the federal taxable income of the taxpayer's consolidated business for the tax period, except that

(1) taxes based on or measured by net income that are deducted in the determination of the federal taxable income shall be added back;

(2) intangible drilling and development costs that are deducted as expenses under 26 U.S.C. 263(c) (Internal Revenue Code) in the determination of the federal taxable income shall be capitalized and depreciated as if the option to treat them as expenses under 26 U.S.C. 263(c) (Internal Revenue Code) had not been exercised;

(3) depletion deducted on the percentage depletion basis under 26 U.S.C. 613 (Internal Revenue Code) in the determination of the federal taxable income shall be recomputed and deducted on the cost depletion basis under 26 U.S.C. 612 (Internal Revenue Code) and

~~(4) depreciation shall be computed on the basis of 26 U.S.C. 167 (Internal Revenue Code) as that section read in June 30, 1981.~~

(c) A taxpayer's business income shall be apportioned to this state by multiplying the taxpayer's income determined under (b) of this section by the apportionment factor applicable to the taxpayer among the following factors:

(1) the apportionment factor of a taxpayer subject to this section but not engaged in the production of oil and gas from a lease or property in this state during the tax period is a fraction, the numerator of which is the sum of the property factor under the Multistate Tax Compact (AS 43.19) and the sales factor under (d) of this section for the taxpayer for that tax period, and the denominator of which is two;

(2) the apportionment factor of a taxpayer subject to this section but not engaged in the pipeline transportation of oil or gas in this state during the tax period is a fraction, the numerator of which is the sum of the property factor under (e) of this section and the extraction factor under (f) of this section for the taxpayer for the tax period, and the denominator of which is two;

(3) the apportionment factor of a taxpayer engaged both in the production of oil or gas from a lease or property in this state and in the pipeline transportation of oil or gas in this state during the tax period

is a fraction (d) of this section extraction factor period, and

(d) The sales factor (1) the numerator period:

(A) the transportation factor the tariffs are consolidated

(B) the transportation factor in accordance with the sales already and

(2) the denominator period:

(A) the transportation factor dated business regardless of within the tax period

(B) the transportation factor everywhere, except AS 43.19 tariffs described

(e) Unless a taxpayer's business income

(1) the numerator period:

(A) the transportation factor AS 43.19 owned or rented

(B) the transportation factor capitalized or expensed 263(c) (Internal Revenue Code) gas wells in

(2) the denominator period:

(A) the transportation factor AS 43.19 owned or rented during the tax period

(B) the transportation factor capitalized or expensed 263(c) (Internal Revenue Code) everywhere c

§ 167. Depreciation

(a) General rule.—There shall be allowed as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence)—

- 1) of property used in the trade or business, or
- 2) of property held for the production of income.

(b) Use of certain methods and rates.—For taxable years ending after December 31, 1953, the term "reasonable allowance" as used in subsection (a) shall include (but shall not be limited to) an allowance computed in accordance with regulations prescribed by the Secretary, under any of the following methods:

- 1) the straight line method,
- 2) the declining balance method, using a rate not exceeding twice the rate which would have been used had the annual allowance been computed under the method described in paragraph (1),
- 3) the sum of the years-digits method, and
- 4) any other consistent method productive of an annual allowance which, when added to all allowances for the period commencing with the taxpayer's use of the property and including the taxable year, does not, during the first two-thirds of the useful life of the property, exceed the total of such allowances which would have been used had such allowances been computed under the method described in paragraph (2).

Nothing in this subsection shall be construed to limit or reduce an allowance otherwise allowable under subsection (a).

(c) Limitations on use of certain methods and rates.—Paragraphs 2, (3) and (4) of subsection (b) shall apply only in the case of property (other than intangible property) described in subsection (a) with a useful life of 3 years or more—

- 1) the construction, reconstruction, or erection of which is completed after December 31, 1953, and then only to that portion of the basis which is properly attributable to such construction, reconstruction, or erection after December 31, 1953, or
- 2) acquired after December 31, 1953, if the original use of such property commences with the taxpayer and commences after such date.

(d) Agreement as to useful life on which depreciation rate is based.—Where, under regulations prescribed by the Secretary, the taxpayer and the Secretary have, after August 16, 1954, entered into an agreement in writing specifically dealing with the useful life and rate of depreciation of any property, the rate so agreed upon shall be binding on both the taxpayer and the Secretary in the absence of

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BILL SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 23, 1985

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to allowable depreciation methods for oil and gas producers and pipelines.

Section 1 of the bill repeals a statutory provision that requires corporations engaged in oil or gas production or pipeline transportation to use a depreciation method allowed under sec. 167 of the Internal Revenue Code, as that section read on June 30, 1981. (26 U.S.C. sec. 167.) Repeal of this provision will allow these corporations to use the ACRS (accelerated cost recovery system) method of depreciation, which is the method now permitted by federal law and used by most taxpayers for federal purposes.

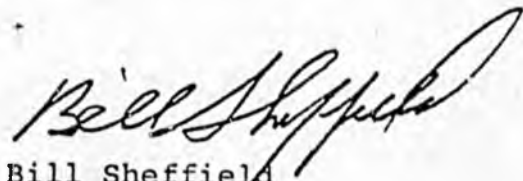
The current provision creates problems both for taxpayers and the Department of Revenue. Strict compliance by the oil and gas companies is virtually impossible, because the law requires separate accounting for a corporation's worldwide assets. Likewise, the law is difficult for the department to administer. First, the department does not now have resources or personnel available to audit a major petroleum company's worldwide depreciation expense. Secondly, because the state depreciation deduction does not conform to federal depreciation, the department is unable to rely on sources such as the Internal Revenue Service and independent accountants to verify accuracy of deductions reported.

While repeal will benefit both the department and the companies, revenues will not be affected. The existing law renders no additional revenues to the state, other than revenues indirectly generated as a result of the accelerated collection of revenues. Under the current law, there is no difference in the total depreciation expense ultimately taken, although there may be a difference in the period of

time over which an asset is depreciated. While this timing difference may result in increased revenues in earlier years, the acceleration is offset by a corresponding decrease in revenues in subsequent years.

Section 2 of the bill makes the change in current law applicable to tax years beginning after December 31, 1984.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield
Governor

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Page 1 of 2

Revision Date 10/19/84

REQUEST

Bill/Resolution No: HB 101
 Title: allowable depreciation methods for oil & gas producers and pipelines
 Sponsor: Governor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Department of Revenue
 Program Category Affected: Collection and Management
 BRU, Program of Subprogram(s) Affected: _____
 Audit Division _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

ANALYSIS: Attach a separate page for analysis.

Prepared By: Maureen O'Brien *Maureen O'Brien*
 Division: Audit Division

Phone: 465-2320
 Date: 10/19/84

Approved by Commissioner: _____
 Agency: _____

Date: _____

Distribution (by Agency preparing fiscal note):

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

"Page 2 of 2

An Act relating to allowable depreciation methods for oil and gas producers and pipelines --

Analysis:

Currently corporations engaged in oil or gas production or pipeline transportation in Alaska are required to use a different depreciation method for Alaska income tax purposes than the method used for Federal income tax purposes. The effect of the current depreciation provision is to create a difference in the time the depreciation expense is taken on the federal return and the time the depreciation expense is taken on the Alaska return. There should be no difference in the total depreciation expense ultimately taken. For Alaska, this law is most advantageous when the timing difference results in a smaller depreciation deduction for Alaska purposes in the earlier years of an asset's useful life as the state's revenues are then accelerated. This acceleration, however, will be offset by a corresponding decrease in revenues in later years. In summary, the existing law renders no additional revenues to the state other than those indirectly generated as a result of the accelerated collection of revenues.

The proposed amendment to AS 43.20.072 would return corporations engaged in oil or gas production or pipeline transportation in Alaska to a federal basis for depreciation. It is impossible to determine the exact impact on the state's revenues as a result of this amendment. There may be a short-term decrease in revenues, however, over the long-term there should be no impact on the state's revenues.

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SUMMARY/EXPLANATION OF INTENT

The essential effect of the current depreciation provision in the law is to create a difference between the time when the depreciation expense is taken on the federal return and the time depreciation expense is taken on the Alaska return. There is no difference in the total depreciation expense ultimately taken although there may be a difference in the period of time over which an asset is depreciated. For Alaska, this law is most advantageous when the timing difference results in a smaller depreciation deduction for Alaska purposes in the earlier years of an asset's useful life, as the state's revenues are then accelerated. This acceleration, however, will be offset by a corresponding decrease in revenues in later years. Among the returns filed for 1982, the first year the law was in effect, there were some cases where the depreciation deduction for Alaska purposes was greater than that taken for federal purposes, resulting in a deferral of revenues. After netting this adjustment for all the oil and gas companies in 1982, this law resulted in approximately \$5 million in accelerated revenues.

From the taxpayer's viewpoint, the benefits the state derives from this acceleration of revenues are not commensurate with the burdens of efforts and costs required of the taxpayers to comply specifically with the unique demands of Alaska's law. A special computer program and separate accounting for a corporation's worldwide assets would be necessary to meet the law's exact requirements. None of the oil and gas companies audited to date have fulfilled the letter of the law; instead all have substituted calculations prepared for other purposes that approximated the Alaska requirement. It has been necessary for the department to deal with the variations by regulation.

From the Audit Division's standpoint, practically speaking, the law is exceedingly difficult, if not impossible, to administer effectively and efficiently because of the difficulty in auditing the taxpayers' compliance with it. An audit of a major petroleum company's worldwide depreciation expense is far beyond the scope of the Division's audits. By divorcing Alaska's depreciation deduction from the federal depreciation, the law deprives the state of its ability to rely on third parties such as the IRS and independent CPA's to insure the accuracy of the depreciation deduction. This reliance on third party policing is especially desirable in the instance of depreciation since the Division itself does not comprehensively audit the deduction.



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Signature of Camera Operator


Date

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REMARKS

by

KAY BROWN, DIRECTOR, DIVISION OF OIL & GAS

on

CS HB 103 (Oil and Gas)

to

HOUSE RESOURCES COMMITTEE

February 25, 1985

Thank you Mr. Chairman. For the record, I'm Kay Brown, Director of the Division of Oil and Gas for the Alaska Department of Natural Resources. I appreciate the opportunity to address the committee on CS HB 103.

This bill makes two technical changes to the royalty oil and gas disposal statute.

SECTION 1 of the bill would remove royalty oil and gas disposals from the procedures that govern all disposals of interest in state land or resources under AS 38. It is unclear whether AS 38.05.035(e) applies to royalty oil and gas sales. Royalty oil and gas sales have detailed finding and notice requirements under AS 38.05.182, 183 and AS 38.06. Although we believe that .035 is not presently applicable to royalty oil and gas sales, the possibility that it does apply would cast a cloud over sales that had to be entered into because of an emergency situation. Further, elimination of the .035 requirement streamlines the procedural requirements by removing conflicting timelines for disposal.

SECTION 2 of the bill would allow continuing competitive royalty oil sales

for terms of less than one year to be conducted without legislative approval of those sales. AS 38.06.055(a) provides that the legislature will approve all royalty oil and gas sales. Subsection (b) of that section sets out several exceptions for short-term and small volume sales which do not require legislative approval. Subsection (b)(1) makes an exception for sales of one year or less to relieve storage or market conditions, and this is the section under which we held the competitive sale in December 1984. Subsection (c), which is the section being amended in CS HB 103, goes on to say that a sale made under (b)(1) may not be continued after the end of one year or renewed with the same party without the prior approval of the legislature under (a) of the statute.

The Department of Law has advised us that there is a serious question as to whether a party who gained royalty oil under one competitive sale could re-bid in a subsequent royalty oil sale if the combination of the two sales would lead to that particular buyer receiving oil for more than a one-year period.

We see no reason why a company which bids and wins in one competitive sale should not be able to bid again the next year and again win the right to receive oil if it bids the highest price.

To await legislative approval under a competitive bid situation for contracts of one year or less would defeat the entire purpose of that type of short-term competitive sale.

Although it has been the consistent position of this and previous

administrations that the requirement of legislative approval is unconstitutional, administrations have always, as a matter of comity, respected the legislature's desire to be consulted in long-term or negotiated royalty oil contracts. Further, the presence of the statute, whether constitutional or not, could cast a cloud on any subsequent competitive sale.

Mr. Chairman, while we have not yet made a firm decision on whether continuing competitive sales would be beneficial to the state, we would like to have that option available for consideration at the same time we are considering the new proposals for in-state use.

That concludes my remarks Mr. Chairman. Thank you very much for your time.

1585K

BILL SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

15109

January 23, 1985

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to royalty oil. The bill would (1) clarify and streamline procedural requirements for royalty oil and gas sales by expressly providing that the best-interest finding set out in AS 38.05.035(e) does not apply to those sales; and (2) enable the Department of Natural Resources to establish a regular program of short-term competitive royalty oil sales.

It is unclear whether AS 38.05.035(e) applies to royalty oil and gas sales. Royalty oil and gas sales have detailed finding and notice requirements set out in AS 38.05.182, 38.05.183, and AS 38.06, and are expressly committed to commissioner actions. AS 38.05.035(e), on the other hand, is essentially duplicative of those other processes and concerns actions taken by the director of the division of lands. Although we believe that the provisions of AS 38.05.035(e) are not presently applicable to oil and gas sales, such confusion does cast a cloud over royalty oil sales (particularly those that are entered into because of an emergency situation). The amendment in sec. 1 of the bill resolves the issue.

The second change, in sec. 2 of the bill, would allow competitive royalty oil sales for terms of less than one year to be conducted without legislative approval of those sales. To await legislative approval under a competitive bid situation for contracts of one year or less would defeat the entire purpose of that type of short-term competitive sales. Under the present statutory scheme, however, there is a serious question as to whether a party who gained royalty oil under one competitive sale could re-bid in a subsequent royalty oil sale if the combination of the two sales would lead to that particular buyer receiving oil for more than a one year period. Although it has been the

consistent position of this and previous administrations that the requirement of legislative approval is unconstitutional, administrations have always, as a matter of comity, respected the legislature's desire to be consulted in long-term or negotiated royalty oil contracts. Further, the presence of the statute, whether or not constitutional, would cast a cloud on any sale. Thus we believe that a clarification to allow short-term competitive royalty oil sales would be in the best interests of all.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield
Governor

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 103

Title: An Act relating to royalty

FISCAL DETAIL

Agency Affected: Natural Resources

Program Category Affected: NRMEC

Sponsor: _____

Requestor: _____

Date of Request: _____

BRU, Program or Subprogram(s) Affected: _____

Minerals and Energy Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

No fiscal impact.

Prepared By: Kay Brown
Division: Oil and Gas

Phone: 265-4241
Date: December 7, 1984

Approved by Commissioner: Minnie D. Arnold, Deputy
Agency: Natural Resources

Date: December 10, 1984

Distribution (by Agency preparing fiscal note):

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

7/1/84

Possible Amendment to AS 38.05.183(d)

(d) Except for sales of one year or less to relieve storage or market conditions, oil or gas taken in-kind by the state as its royalty share may not be sold or otherwise disposed of for export from the state until the commissioner determines that the royalty in-kind oil or gas is surplus to the present and projected intrastate domestic and industrial needs. The commissioner shall make public, in writing, the specific findings and reasons on which his determination is based and shall, within 10 days of the convening of a regular session of the legislature, submit a report showing the immediate and long-range domestic and industrial needs of the state for oil and gas and an analysis of how these needs are to be met.

State of Alaska
Department of Natural Resources
Supplemental Findings
Competitive Royalty Oil Sale
(Prudhoe Bay and Kuparuk River Units)

November 28, 1984

Supplemental Findings
Competitive Royalty Oil Sale
(Prudhoe Bay and Kuparuk River Units)

AS 38.05.183(a) states that oil and gas taken in-kind as the state's royalty share of production may not be sold or otherwise disposed of for export from the state until the Commissioner of Natural Resources determines that the royalty in-kind oil or gas is surplus to the present and projected intrastate domestic and industrial needs for oil and gas. I find that the 90,000 bpd scheduled for competitive sale on December 11, 1984 is surplus to present and projected intrastate domestic and industrial needs for oil.

AS 38.05.183 also requires the Commissioner to submit an annual report to the state legislature "showing the immediate and long-term domestic and industrial needs of the state for oil and gas and an analysis of how these needs are to be met." The Department of Natural Resources, Division of Oil & Gas (the Department) complies with that requirement by preparing a document, published each January, entitled Historical and Projected Oil and Gas Consumption (also called the Supply/Demand study). The January 1984 Supply/Demand study concluded, as it had in previous years, that in-state supplies of both oil and gas far exceeded the immediate and long-term domestic and industrial needs of the state for oil and gas.

Due to the absence of any new information concerning the immediate and long-term domestic and industrial needs of the state for oil and gas, the Department again concluded, both in the Preliminary Findings and Determination to Negotiate Backup Royalty Oil Contract(s) and Conduct a Competitive Royalty Oil Sale (July 12, 1984) and the Final Findings and Determination to Conduct a Competitive Royalty Oil Sale for In-Kind Oil from the Prudhoe Bay and Kuparuk River Units (October 10, 1984), that the 90,000 bpd of state royalty oil to be sold competitively on December 11, 1984 is surplus to in-state needs. Consequently, upon the publication of the Preliminary Finding and execution of contracts with backup purchasers, the state gave a six-month notice to the North Slope producers of its intent to take 90,000 bpd of royalty oil in-kind (as provided by procedures in the Prudhoe Bay and Kuparuk River Unit Agreements).

The Department's conclusion was and is based in part on the interpretation of AS 38.05.183 stated in each Supply/Demand study since 1982. In that year, the study first gave specific definitions to certain phrases in that statute. Since 1982, the first chapter of every Supply/Demand study has contained a list of possible definitions for some of the imprecise clauses of AS 38.05.183, such as "how these needs are to be met". The Supply/Demand study definition of that phrase specifies the Department's long-standing position that the state's present and projected intrastate domestic and industrial needs for oil and gas may be met from a variety of sources, including state royalty oil. See 1984 Supply/Demand study page 1.7.

The intent of the statute should not be regarded as complete state self-sufficiency in refined products from state royalty oil. Rather, the Department believes the legislature was aiming at ensuring adequate overall oil and gas supplies for the state. The 1984 Supply/Demand study states that, "Under reasonable assumptions about recoverable reserves and Alaskan consumption, the current inventory of both oil and gas is more than sufficient to meet the presently identifiable needs of Alaskans for the next 15 years." Presently, the Department of Revenue's most recent crude oil price forecasts remain conservative due to the continued surplus in world supplies. While unfavorable from a revenue standpoint, that surplus will likely translate into dampened crude oil prices for Alaska consumers and industrial users. Only if the cost of imported products were significantly above the cost of products which could be refined in Alaska (e.g. when oil is not available to local refiners at the market price), or if Alaska users were suffering from an absolute shortfall in petroleum products, would the Department not consider the royalty oil to be sold at the competitive sale as "surplus" to present and projected in-state needs. Neither of these was found to be the case.

The Department's view of the purpose of AS 38.05.183 stems first from the atmosphere of absolute shortage, particularly in motor fuels, which prevailed at the time the statute was written. The statute was adopted in 1974, when the worldwide oil crisis and the imposition of federal oil contract controls raised the spectre of product shortages in Alaska despite North Slope crude oil production. The Department's view stems second from the apparent paradox of continued imports into regions such as Southeast Alaska, where the landed cost of such imports from Puget Sound undercuts the cost of delivered refined products to Southeast from Railbelt refiners. Under the most constrained interpretation of the statute, the Department would be obliged to promote in-state refining with royalty oil for the sake of absolute self-sufficiency, even when this resulted in higher prices for Alaskans. Clearly, this was not the intent of the statute. Intrastate needs for oil and gas are presently being met from a variety of sources, including state royalty oil. As charged, the 1984 Supply/Demand study identifies those sources and discusses how in-state needs are to be met, given the total supply of hydrocarbons within the state. In terms of total present and projected demand vs. total present and projected supply, intrastate refined product needs can be met with ease by the unprecedented production of crude oil from the North Slope, which is available to any purchaser willing to meet the market clearing price for that oil. For these reasons, the Department determined in the 1984 Supply/Demand study that the state enjoys a surplus of hydrocarbons relative to present and foreseeable demand.

Even if AS 38.05.183(d) were interpreted to require all intrastate needs to be satisfied by royalty oil before export could occur, I would find that the competitive sale amounts are surplus to present and projected intrastate domestic and on industrial needs for two reasons. First, persons who have a demand for oil as a result of current in-state processing or supply activities are granted priority rights to purchase royalty oil at the competitive sale. Second, during the term of the competitive sale contracts, royalty oil will remain in-value and will be available for disposition in-state.

The Department has provided for satisfaction of demand for royalty oil on the part of in-state refiners and in-state suppliers by giving them priority rights to purchase oil at the competitive sale. A priority will be offered to bidders which have sold an average of at least 5,000 bpd of refined petroleum products to distributors or consumers within the State of Alaska during the twelve-month period beginning June 1, 1983 and ending May 31, 1984, and which possess the ability to process crude oil into refined petroleum products at a processing facility owned by the bidder. Priority status will enable the in-state supplier to meet the highest winning bid in each of the three categories of royalty oil to be competitively sold. That right extends to the number of lots remaining in each category after the first round award of lot(s) to the highest winning bidder(s) in each category and priority bidders who have been posted as apparent high bidders. Consequently, in the first round of awards, priority bidders enjoy the possibility of receiving oil at the lowest price posted in each category. In addition, in-state suppliers are reasonably assured of receiving the desired volume of oil in the second round of awards, provided they are willing to meet the competitively established price. 11 AAC 03.250(5) states that:

"present or projected intrastate domestic and industrial needs" means in-state domestic and industrial demand at a competitive market price for the royalty oil, gas, or gas liquids. "Competitive market price" includes, but is not limited to, a price established by competitive bid.

Thus, in-state refiners and suppliers will have the first right to royalty crude at a competitive market price so that their supply is assured.

At the present time the state leaves approximately 104,735 bpd of royalty oil in-value with the North Slope lessees. The lessees export this oil from Alaska and tender the reported netback sale proceeds to the state. During the first six months of the term of the competitive sale contracts, April 1985 to September 1985, approximately 26,013 bpd of royalty oil will remain in-value. During the following six months of the term, October 1985 to March 1986, approximately 41,013 bpd of royalty oil will remain in-value. These amounts will remain available for disposition in-state if the Department finds the disposition(s) to be in the State's best interest. (If a contract currently being negotiated with Golden Valley Electric Association is approved, future amounts available for disposition would be reduced by 5,000 bpd.)

Several parties have recently expressed an interest in purchasing royalty oil from the State. Our conclusion that the competitive sale amounts are surplus to present and projected needs was drawn with the knowledge that all in-state refiners do not have 100% of their projected capacity supplied by state royalty oil. For example, as mentioned in the Preliminary Finding, the Department has conducted negotiations for the sale of royalty oil to MAPCO Inc. to fuel a proposed refinery expansion. The successful outcome of those negotiations is not, however, regarded by the Department as prerequisite to the possible export of the state's royalty oil in the planned competitive sale. First, MAPCO representatives indicated to the Department that the proposed refinery expansion may not be built, throwing the question of MAPCO's projected needs into doubt. Second, if MAPCO had a projected demand for royalty oil at a competitive price, it could have availed itself of its

opportunity to purchase oil at the competitive sale, as a priority bidder. Since it is a current in-state refiner, MAPCO would have been entitled to all the priority rights discussed above. Third, by virtue of its proximity to the Trans Alaska Pipeline (TAPS), MAPCO has unique opportunities to supply its refinery with North Slope oil. MAPCO currently receives 35,000 bpd of royalty oil directly from the State. MAPCO also receives 5,000 bpd of royalty oil through its agreement with another state royalty oil purchaser - the Golden Valley Electric Association. In addition, about 60% of the oil run through the MAPCO refinery is, with a minor quality penalty, reinjected into TAPS to re-emerge as whole oil at Valdez. That oil, which is the property of MAPCO, may be exchanged for more oil from the North Slope and again withdrawn from TAPS at Fairbanks. One of the several advantages that MAPCO enjoys with its state royalty oil contract, relative to other in-state refiners, is this absence of any state control over the return oil. MAPCO could also purchase oil directly from the North Slope lessees to satisfy any demand not met through the purchase and exchange of royalty oil. Finally, MAPCO's location on TAPS allows it to enter into "in-transit stop" arrangements in which MAPCO "borrows" oil from other TAPS shippers. The borrowed oil is processed in MAPCO's refinery with the full amount returned to the original shipper at Valdez through a combination of return oil and quality bank payments. This in-transit stop arrangement remains feasible so long as MAPCO's current contract which does not expire until 2003, remains in effect. The Department believes that any failure by MAPCO to secure oil through these possible sources of supply indicates that MAPCO's demand may exist only so long as it believes the State is willing to supply it with oil at a price below competitive prices. As explained above, 11 AAC 03.250(5) provides that projected needs mean that demand at a competitive price.

Since the Department made its most recent finding of ample in-state hydrocarbon supplies, published in the Final Finding of October 10, 1984, several Alaskan parties in addition to MAPCO have expressed interest in purchasing royalty oil. Chevron has requested further volumes of royalty oil to meet a possible increase in "throughput" at its 18,000 bpd Nikiski Refinery. Chevron owns and exports 12,000 bpd of North Slope production in addition to the 18,000 bpd of royalty oil which it processes at Nikiski. New parties also propose to create additional new refineries in Alaska. Because these proposals were not known to the Department at the time of the most recent determination of an in-state hydrocarbon surplus, the state has decided to reduce the one-year term of those lots offered in the Kuparuk River oil category (category A) to six months. This will enable the state to have an additional 15,000 bpd of royalty oil available in the fall of 1985 for those who offer to purchase state royalty oil at terms which lead the Department to find that the disposition(s) would be in the state's best interest.

As stated, the impressive quantities of oil available within the state, which are the highest in the nation on a per-capita basis, diminish the likelihood of an actual "need" by these groups in the sense of supply availability. However, given the very recent nature of the new proposals received, the Department will further review their merits, as well as supply alternatives in addition to royalty oil. It has been the Division's experience that the term "need" is perceived differently by prospective in-state royalty oil

purchasers. Rather than the physical unavailability of oil due to world shortages or the unwillingness of North Slope producers to sell ANS crude at the market clearing price, prospective in-state royalty oil purchasers often view their feedstock needs in terms of the royalty oil price and terms they require for economic viability. While the Department recognizes that there are a host of oil-related economic activities which can be made viable should the state choose to undercut the market clearing price of Alaska North Slope oil for specific parties, this is not seen as the definition of "need" in AS 38.05.183, nor is it clearly in the State's best interest to do so.

Given the short-term nature of the proposed competitive sale, the consideration extended to in-state refiners and suppliers through the priority bidding system, the lack of demonstrated current need on the part of other potential in-state purchasers, and the amounts of oil remaining in-value available for disposition, I find pursuant to AS 38.05.183 that the royalty oil to be disposed of at the competitive sale is surplus to present and projected intrastate domestic and industrial needs.

Kay Brown

Kay Brown, Director
Division of Oil & Gas
Department of Natural Resources

11-28-84
Date

best interests determination described in 11 AAC 03.010(d). (Eff. 12/12/80, Reg. 76)

Authority: AS 38.05.020
AS 38.05.183
AS 38.06.070

11 AAC 03.070. REJECTION OF PROPOSALS. (a) If the commissioner has either (1) solicited proposals for the noncompetitive sale of royalty oil, gas, or gas liquids, (2) issued a written determination to dispose of royalty oil, gas, or gas liquids by a method other than by competitive bid, or (3) issued written procedures for the noncompetitive disposal of royalty oil, gas, or gas liquids as described in 11 AAC 03.050, and the commissioner proposes to reject any proposal or application received as a result of the solicitation, determination, or written procedures, the commissioner will notify the Alaska Royalty Oil and Gas Development Advisory Board in writing before rejecting the proposal or application.

(b) The notification required by (a) of this section will consist of a list of the names of the prospective buyers whose proposals are rejected along with their proposals and any correspondence received from the prospective buyers.

(c) The commissioner will, in his or her discretion, reject unsolicited or uninvited proposals for the noncompetitive disposal of royalty oil, gas, or gas liquids without notifying the Alaska Royalty Oil and Gas Development Advisory Board. (Eff. 12/12/80, Reg. 76; am 8/8/84, Reg. 91)

Authority: AS 38.05.020
AS 38.06.050

11 AAC 03.080. STORAGE CONDITIONS. The commissioner disposes of royalty oil, gas, or gas liquids to relieve storage conditions when

(1) the royalty oil, gas, or gas liquids have either been noticed for a taking in-kind or are being taken in-kind or are being taken in-kind by the state; and

(2) the disposition planned for the oil, gas, or gas liquids at the time of the notice to take the oil, gas, or gas liquids in-kind can no longer be effectuated for any reason, or the disposition is

no longer in the best interests of the state. (Eff. 12/12/80, Reg. 76; am 8/8/84, Reg. 91)

Authority: AS 38.05.020
AS 38.05.183
AS 38.06.055

11 AAC 03.090. MARKET CONDITIONS. The commissioner disposes of royalty oil, gas, or gas liquids to relieve market conditions when

(1) in a noncompetitive disposition of royalty oil, gas, or gas liquids the price to be received under the noncompetitive disposition is higher than the amount being received by the state, either in-value or in-kind, at the time of the disposition and the commissioner estimates that the sale price will be higher than the in-value amount throughout the term of the contract for disposition;

(2) in a disposition by competitive bid the commissioner determines, at the time of issuance of the invitation to bid, that there is a substantial probability that the state will receive more than the in-value price as a result of the disposition by competitive bid;

(3) the royalty oil, gas, or gas liquids disposed of will be used to meet in-state needs for crude oil, gas, or gas liquids or petroleum products and the sale price of that royalty oil, gas, or gas liquids is at least equal to the in-value amount which would have been received by the state during the same period; or

(4) there is or will be an emergency in-state need for crude oil, gas, or gas liquids or petroleum products, which could be alleviated by the sale of the royalty oil, gas, or gas liquids. (Eff. 12/12/80, Reg. 76; am 8/8/84, Reg. 91)

Authority: AS 38.05.020
AS 38.05.183
AS 38.06.055

11 AAC 03.091. PROVISIONS APPLICABLE TO ROYALTY CONTRACTS. (a) Within 10 days after receiving written notice from a royalty purchaser of its intent to renegotiate price, as provided for by the terms of that purchaser's state royalty contract, or within 10 days after giving a royalty purchaser written notice of the state's intent to renegotiate price, as provided for by the terms of that purchaser's state royalty contract,

or before the adoption of any material amendment to a royalty contract which appreciably reduces the consideration received by the state, the commissioner will publish notice of the intent to renegotiate price or amend the contract in a newspaper of general statewide circulation. In addition, the commissioner will, in his or her discretion, publish notice by radio, television, or other electronic media. The notice will include

(1) a summary of information pertinent to the royalty contract, including quantity, current price, and termination date;

(2) a statement indicating where copies of the contract may be obtained; and

(3) a statement that any person may file written comments on the notice with the commissioner within 30 days after publication of the notice.

(b) In establishing or renegotiating the price of a royalty contract, the commissioner will obtain a price at least equal to the price that would have been received had the oil, gas, or gas liquids been taken in-value, plus field costs incurred by the royalty share, unless the commissioner determines that a lower price for the royalty gas would best serve the state's interests.

(c) The commissioner will submit to the legislature for approval any material amendment to a royalty contract which appreciably reduces the consideration received by the state. (Eff. 8/8/84, Reg. 91)

Authority: AS 38.05.020
AS 38.05.182
AS 38.05.183

11 AAC 03.100. DISPOSITION BY COMPETITIVE BID. (a) A disposition of royalty oil, gas, or gas liquids by competitive bid will, in the commissioner's discretion, be made without a written determination by the commissioner that the disposition of royalty oil, gas, or gas liquids by competitive bidding is in the best interests of the state.

(b) A disposition of royalty oil, gas or gas liquids by competitive bid will, in the commissioner's discretion, be made by the commissioner without notice to the Alaska Roy-

alty Oil and Gas Development Advisory Board; however, the commissioner will follow the procedures set out in 11 AAC 03.210 and 11 AAC 03.240. (Eff. 12/12/80, Reg. 76; am 8/8/84, Reg. 91)

Authority: AS 38.05.020
AS 38.05.183

11 AAC 03.110. SEALED BIDS. A disposition of royalty oil, gas, or gas liquids by competitive bid will be by sealed bid. The bids must be addressed to the commissioner and must be delivered in the manner, to the place, and by the date and time specified in the invitation to bid. Bids will be opened in public at the date, time, and place specified in the invitation to bid, unless the commissioner designates a later time for opening. (Eff. 12/12/80, Reg. 76; am 8/8/84, Reg. 91)

Authority: AS 38.05.020
AS 38.05.183

11 AAC 03.120. INVITATION TO BID. A disposition of royalty oil, gas, or gas liquids by competitive bid will be initiated by the commissioner by issuance of an invitation to bid. The invitation to bid will specify the quantity of oil, gas, or gas liquids to be sold, the term of disposition, the point of delivery, and any other terms and conditions of the disposition considered necessary by the commissioner. The commissioner will, in his or her discretion, include a form contract in the invitation rather than specifying terms and conditions. The invitation will specify qualifications of bidders and, if a determination of the qualification of a bidder by the commissioner is required, an explanation of the procedure for qualification. If priorities among bidders are to be assigned, the invitation will include an explanation of the procedure for obtaining a priority designation. The invitation will specify where, when, and how bids may be submitted to the commissioner and will specify the bond or other security which must accompany the bid. The invitation will specify the date, time, and place of bid opening, and the procedures under which the royalty oil will be awarded and contracts for disposition executed. (Eff. 12/12/80, Reg. 76; am 8/8/84, Reg. 91)

Authority: AS 38.05.020
AS 38.05.183

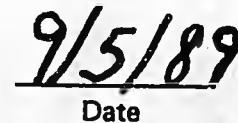
11 AAC 03.130. SECURITY. The commissioner may require that security, which in his



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Date

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May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Transportation Committee, 2/26/85, 7:00 am
" " " 3/5/85, 7:00 am
" " " 3/14/85, 7:00 am

Alaska State Legislature

COMMITTEES:

Committee on Community and Regional Affairs
Committee on Transportation
Special Committee on Oil and Gas
Special Committee on Fisheries
Finance Sub-committee on Fish and Game



District 5

Kenai Sterling
Soldotna Anchor Point
Homer Point Graham
Seldovia English Bay
Kachemak Nikolaevsk
Kasilof Halibut Cove
Ninilchik Clam Gulch

Representative Andre Marrou

March 26, 1985

To: Richard Shultz, Co-Chairman Resources Committee
From: Andre Marrou *AM*

Subject: CSHB 111

Following is a request for two amendments to CSHB 111, "An Act relating to local service roads and trails"; which is currently in the Resources Committee.

They are:

- 1) Page 1, Lines 12, 15 & 18; reinsert old language "or first class".
Page 2, Line 2; reinsert old language "and first class".

Justification: This provision has been in place since 1981 to allow first class cities to apply directly to the state for these funds. If it is taken out, boroughs will incur a duplication of effort, increased bureaucracy and a diminished return under this program.

- 2) Page 1, Line 19; insert new language, "latest available federal, state or state certified census."

Justification: Many areas of the State have experienced a great influx of people in the last few years, so a federal census that is done only once every ten years is simply not adequate.

Your consideration of these amendments will be greatly appreciated. Please call if you have any questions.

*in our
Committee*

LOCAL SERVICE ROADS AND TRAILS PROGRAM

FUNDING STATUS February 26, 1985

<u>PROGRAM NUMBER</u>	<u>PROGRAM NAME</u>	<u>COLLOCATION CODE</u>	<u>UNPROGRAMMED FUNDS</u>	<u>UNPROGRAMMED FUNDS PER FISCAL YEAR</u>
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CENTRAL REGION

M11018	Ch 118/80 LSR&T (Central)	24-81-1-325	3,098	-----3,098
M11017	Ch 24/84 LSR&T Dist. 1	24-81-1-439	765,559	
M11015	Ch 24/84 LSR&T Dist. 4 South	24-81-1-440	189,616	-----985,632
M11016	CH 24/84 LSR&T Dist. 5 South	24-81-1-441	30,457	
M11012	Ch 94/83 LSR&T Dist. 1	24-81-1-560	578,576	
M11014	Ch 94/83 LSR&T Dist. 4 South	24-81-1-561	407	-----639,897
M11013	Ch 94/83 LSR&T Dist. 5 South	24-81-1-562	60,914	
Central Region total			<u>1,628,627</u>	

NORTHERN REGION

M21003	Ch 118/80 LSR&T (Interior)	24-81-2-416	7,525	-----57,146
M21004	Ch 118/80 LSR&T (Western)	24-81-2-417	49,621	
M21007	Ch 24/84 LSR&T Dist. 2	24-81-2-524	759,168	---1,202,965
M21008	Ch 24/84 LSR&T Dist. 4 North	24-81-2-525	443,797	
M21011	Ch 94/83 LSR&T Dist. 2	24-81-2-632	122,983	-----392,576
M21012	Ch 94/83 LSR&T Dist. 4 North	24-81-2-633	269,593	
M21019	LSR&T Legislative Grant to FNSB Ch 80/79	24-80-2-104	111,353	-----111,353
Northern Region total			<u>1,764,040</u>	

SOUTHEASTERN REGION

M31001	Ch 24/84 LSR&T Dist. 3	24-81-3-372	355,082	-----355,082
Southeastern Region total			<u>355,082</u>	

Fiscal Year Summary:

*FY'80	171,597
FY'83	1,032,473
FY'84	2,543,679

*includes 111,353 from special grant

GRAND TOTAL ----> 3,747,749

March 4, 1985

SECTION 1. PROPOSED CHANGE TO ALLOCATION DISTRICT BOUNDARIES

1. The present five allocation district boundaries represent the five highway district boundaries in 1971.
2. The proposed three allocation district boundaries coincide with the department's operating regions.
3. The proposed change would have the following impact on the program:
 - A. Eases administration by eliminating the distribution of fractured allocation districts to the present department operating regions.
 - B. Drastic changes in allocations utilizing the same distribution formula, such as:
 - a) Central Region
 - ° Municipality of Anchorage increases 23%
 - ° Remaining nine local governments decrease by 32% to 64%.
 - ° Unorganized borough increases slightly.
 - b) Northern Region
 - ° Fairbanks North Star Borough, cities of Fairbanks, North Pole and Nenana increase by 20% to 23%.
 - c) Southeastern Region is unaffected.

ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES
Local Service Roads & Trails

DISTRIBUTION FORMULA
COMPARISONS
(Not reflecting first class cities)

Present
5-District
Concept
50% Pop.
50% Area

Proposed
3-Region
Concept
50% Pop.
50% Area

LOCATION	POPULATION	AREA	AMOUNT	AMOUNT
STATE OF ALASKA	401,851	586,499	7,000,000	7,000,000
<u>REGION 1</u>	<u>259,895</u>	<u>206,157</u>	<u>3,493,872</u>	<u>3,493,872</u>
MUNICIPALITY OF ANCHORAGE	174,431	1,884	918,385	1,188,437
KENAI PEN BOROUGH	25,282	14,692	400,165	257,984
CITY OF KENAI	4,324	32	39,553	25,499
CITY OF SEWARD	1,843	22	16,988	10,952
KODIAK ISLAND BOROUGH	9,939	5,440	130,821	85,870
CITY OF KODIAK	4,756	2	41,186	27,034
MAT-SU BOROUGH	17,816	20,544	517,406	276,155
CITY OF PALMER	2,141	4	33,134	17,684
CITY OF CORDOVA	1,879	7	24,709	12,689
BRISTOL BAY BOROUGH	1,094	1,200	25,614	17,522
UNORGANIZED BOROUGH 1	29,454	162,390	1,345,971	1,574,043
<u>REGION 2</u>	<u>88,063</u>	<u>339,996</u>	<u>2,795,967</u>	<u>2,795,967</u>
FAIRBANKS NORTH STAR BOROUGH	53,983	7,500	565,453	693,691
CITY OF FAIRBANKS	22,645	30	153,235	187,986
CITY OF NORTH POLE	724	3	4,998	6,131
NORTH SLOPE BOROUGH	4,199	88,281	454,994	429,649
CITY OF NENANA	470	9	6,046	7,498
CITY OF VALDEZ	3,079	274	68,307	50,005
UNORGANIZED BOROUGH 2	26,332	243,932	1,542,934	1,421,007
<u>REGION 3</u>	<u>53,893</u>	<u>40,346</u>	<u>710,161</u>	<u>710,161</u>
CITY AND BOROUGH OF JUNEAU	19,528	3,100	155,945	155,945
CITY AND BOROUGH OF SITKA	7,803	2,900	76,934	76,934
HAINES BOROUGH	1,680	2,620	34,127	34,127
KETCHIKAN GATEWAY BOROUGH	11,316	1,250	58,278	58,278
CITY OF KETCHIKAN	7,198	2	27,280	27,280
CITY OF PETERSBURG	2,821	46	18,991	18,991
CITY OF WRANGELL	2,184	43	14,768	14,768
UNORGANIZED BOROUGH 3	8,561	30,387	323,838	323,838

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Page 1 of 3

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 111
 Title: An act relating to local service roads and trails
 Sponsor: _____
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: DOT&PF
 Program Category Affected: Design and Construction
 BRU, Program or Subprogram(s) Affected: Capitol Program

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

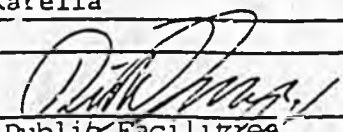
Attached

Prepared By: Charles D. Karella

Phone: 465-4070

Division: _____

Date: 10/19/84

Approved by Commissioner: 
 Agency: Transportation & Public Facilities

Date: 11/15/84

Distribution (by Agency preparing fiscal note):

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

7/1/84

The proposed bill is strictly a housekeeping measure and has no fiscal impact on either the operating or capital budget. No additional positions are required.

The proposed bill revises A.S. 19.30 in five areas:

- 1) AS 19.30.127 and AS 19.30.131(a) are reworded to make allocation district boundaries coincide with DOT&PF regional boundaries. This simplifies the allocation process of LSR&T monies.
- 2) AS 19.30.131(c) and AS 19.30.141 removes first class cities from district allocation. This change returns the first class cities to their former status which allows them to receive adequate funds to construct a project.
- 3) AS 19.30.161 is reworded to require LSR&T projects constructed on a federal-aid secondary route to be approved by the Commissioner of DOT&PF. This language change is needed to assure that federal requirements for roadway width, design standards and right-of-way are met.
- 4) AS 19.30.241(3) is necessary to enable any political subdivision of the State to construct and maintain a project under the provisions of this act.
- 5) AS 19.30.241(4) is reworded to limit LSR&T construction to low volume roads. The break between high volume roads and low volume roads is 750 vehicles per day. Correction of an oversight of past legislation in defining specific routes of the Federal-aid highway system is necessary.

An Act relating to local service roads, trails and providing for an effective date.

These amendments to the Act are necessary in order to revise the out-of-date allocation areas, assure sufficient funding of projects under the priority system, clarify design standards for secondary federal routes, revise the local government definition to conform with other Alaska Statutes, limit LSR&T construction to low volume roads and correct an oversight of defining specific routes of the federal highway system.



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 23, 1985

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the local service roads and trails program. The bill makes minor amendments to existing statutes.

Section 1 repeals and reenacts AS 19.30.127. The current language establishes five allocation districts. The proposed language creates allocation districts by simply saying that they are identical to the Department of Transportation and Public Facilities' operating regions. When the local service roads and trails program was enacted in 1971 there were five highway districts within the Department of Highways. The allocation districts established in the statute coincided with those highway districts. Those allocation districts bear little relationship to the manner in which the state's highway program is administered today. There are currently three regional offices with headquarters in Anchorage, Fairbanks, and Juneau, respectively. This amendment will allow the program to be administered in a way that is consistent with the Department of Transportation and Public Facilities' current administrative structure. The amendment will enable the allocation districts to match any future changes in geographic organization of the department.

Additionally, sec. 1 of the bill provides a mechanism to address the problem of local governments which lie within two allocation districts. Subsection (b) of AS 19.30.127 will provide that the boundary between the allocation districts is to be adjusted to include the local government within the allocation district in which the largest portion of the local government's land is located.

Section 2 amends AS 19.30.131(a) by deleting the reference

to five allocation districts. This amendment is necessary because of the new method of establishing the allocation districts found in sec. 1 of the bill.

Section 3 amends AS 19.30.131(c) by deleting first-class cities from direct allocations.

The need for this change is to provide first-class cities with adequate funds to construct local service roads. Presently, the law treats allocation of funds to first-class cities the same as home rule cities. Present allocations for most first-class cities are not adequate to construct a local service road project. This change in the law allows funding of projects for first-class cities through their respective borough or unorganized borough on a priority basis.

Section 4 amends AS 19.30.141 by deleting first-class cities from direct allocations as explained above.

Section 5 amends AS 19.30.161 by adding language requiring the prior approval of design standards, rights-of-way, and widths for projects which are constructed on a federal-aid secondary route, even though the project will be constructed by a local government that has assumed road powers. As a general proposition under the local service roads and trails program, if a local government has assumed road powers it is responsible for the maintenance of the facility after construction. Consequently, the state has little concern over the standards. In 1981, the nature of the program changed when AS 19.30.111 was amended to allow the use of program money on the federal-aid secondary highway system. These facilities can be quite complicated and the state is required to comply with various standards to continue to receive federal aid for the route. It is therefore appropriate that the commissioner of DOT/PF have a right of prior approval of design standards, rights-of-way, and width.

Section 6 amends AS 19.30.241(3) by adding language which includes second-class cities to conform with the definition of municipality in AS 29.78.010(8). This change is necessary to enable any political subdivision of the state to construct and maintain a project under the provisions of this bill.

Section 7 amends the definition of local service road to make it more precise.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield
Governor

Introduced: 3/15/85
Referred: Transportation and
Finance

<u>Funding Information</u>	
General Fund	\$7,000,000
Other Funds	-0-
	<u>\$7,000,000</u>

1 IN THE HOUSE BY THE TRANSPORTATION COMMITTEE
2 HOUSE BILL NO. 291
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Transportation and Public Facilities for
8 local service roads and trails; and providing for an
9 effective date."
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
11 * Section 1. The sum of \$7,000,000 is appropriated from the general
12 fund to the Department of Transportation and Public Facilities for alloca-
13 tions for local service roads and trails authorized under AS 19.30.111 -
14 19.30.251.
15 * Sec. 2. The appropriation made by this Act is for allocation to
16 capital projects and is subject to AS 37.25.020.
17 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).

F-228071
140832
1407

<u>Funding Information</u>	
General Fund	\$7,000,000
Other Funds	-0-
	<u>\$7,000,000</u>

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IN THE HOUSE BY THE TRANSPORTATION COMMITTEE

HOUSE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making a special appropriation to the Department of Transportation and Public Facilities for local service roads and trails; and providing for an effective date."

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

* Section 1. The sum of \$7,000,000 is appropriated from the general fund to the Department of Transportation and Public Facilities for allocations for local service roads and trails authorized under AS 19.30.111 - 19.30.251.

* Sec. 2. The appropriation made by this Act is for allocation to capital projects and is subject to AS 37.25.020.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.-10.070(c).

Funding Information

General Fund	\$7,000,000
Other Funds	-0-
	<u>\$7,000,000</u>

1 IN THE HOUSE

BY THE TRANSPORTATION COMMITTEE

2 HOUSE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Transportation and Public Facilities for
8 local service roads and trails; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$7,000,000 is appropriated from the general
12 fund to the Department of Transportation and Public Facilities for alloca-
13 tions for local service roads and trails authorized under AS 19.30.111 -
14 19.30.251.

15 * Sec. 2. The appropriation made by this Act is for allocation to
16 capital projects and is subject to AS 37.25.020.

17 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE TRANSPORTATION COMMITTEE

2 CS FOR HOUSE BILL NO. 111 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to local service roads and trails;
7 and providing for an effective date."

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

9 * Section 1. AS 19.30.131(c) is amended to read:

10 (c) The commissioner shall also further allocate portions of the
11 sum allocated to any borough, either organized or unorganized, and to
12 any home rule [OR FIRST CLASS] city within the borough in the follow-
13 ing manner:

14 (1) one-half in the ratio which the area of each home rule
15 [OR FIRST CLASS] city bears to the total area of the borough excluding
16 salt water areas; and

17 (2) one-half in the ratio which the population of each home
18 rule [OR FIRST CLASS] city bears to the total population of the bor-
19 ough as shown by the latest available federal census.

20 * Sec. 2. AS 19.30.141 is amended to read:

21 Sec. 19.30.141. ACQUISITION AND CONSTRUCTION PROGRAMS. Before
22 October 1 of each fiscal year each local government eligible for
23 allocation of funds under AS 19.30.131 shall submit to the commis-
24 sioner for approval a five-year plan for the acquisition and construc-
25 tion of local service roads and trails. Before December 1 of each
26 fiscal year the commissioner shall submit to the governor a five-year
27 plan for the acquisition and construction of local service roads and
28 trails, including the approved local government programs. An or-
29 ganized borough shall include in its five-year plan local service road

acquisition and construction programs for all cities other than home rule [AND FIRST CLASS] cities within the boundaries of the borough. The commissioner shall include in the [HIS] five-year plan local service road and trail acquisition and construction within the unorganized borough.

* Sec. 3. AS 19.30.161 is amended to read:

Sec. 19.30.161. DESIGN STANDARDS, RIGHTS-OF-WAY AND WIDTHS. Design standards, rights-of-way and widths for each local service road and trail project must [SHALL] have the prior approval of the commissioner, unless the project is under the supervision of a local government that has assumed local road powers. If the project is under the supervision of a local government that has assumed road powers, and the project is not located on a federal-aid secondary route, design standards, rights-of-way and widths shall be established by the local government. If a project under the supervision of a local government that has assumed road powers is located on a federal-aid secondary route, design standards, rights-of-way, and widths must have the prior approval of the commissioner.

* Sec. 4. AS 19.30.241(3) is amended to read:

(3) "local government" means an organized borough of any class, a unified municipality organized under AS 29.68.240 - 29.68.-440, [A HOME RULE CITY,] or a city of any [THE FIRST] class;

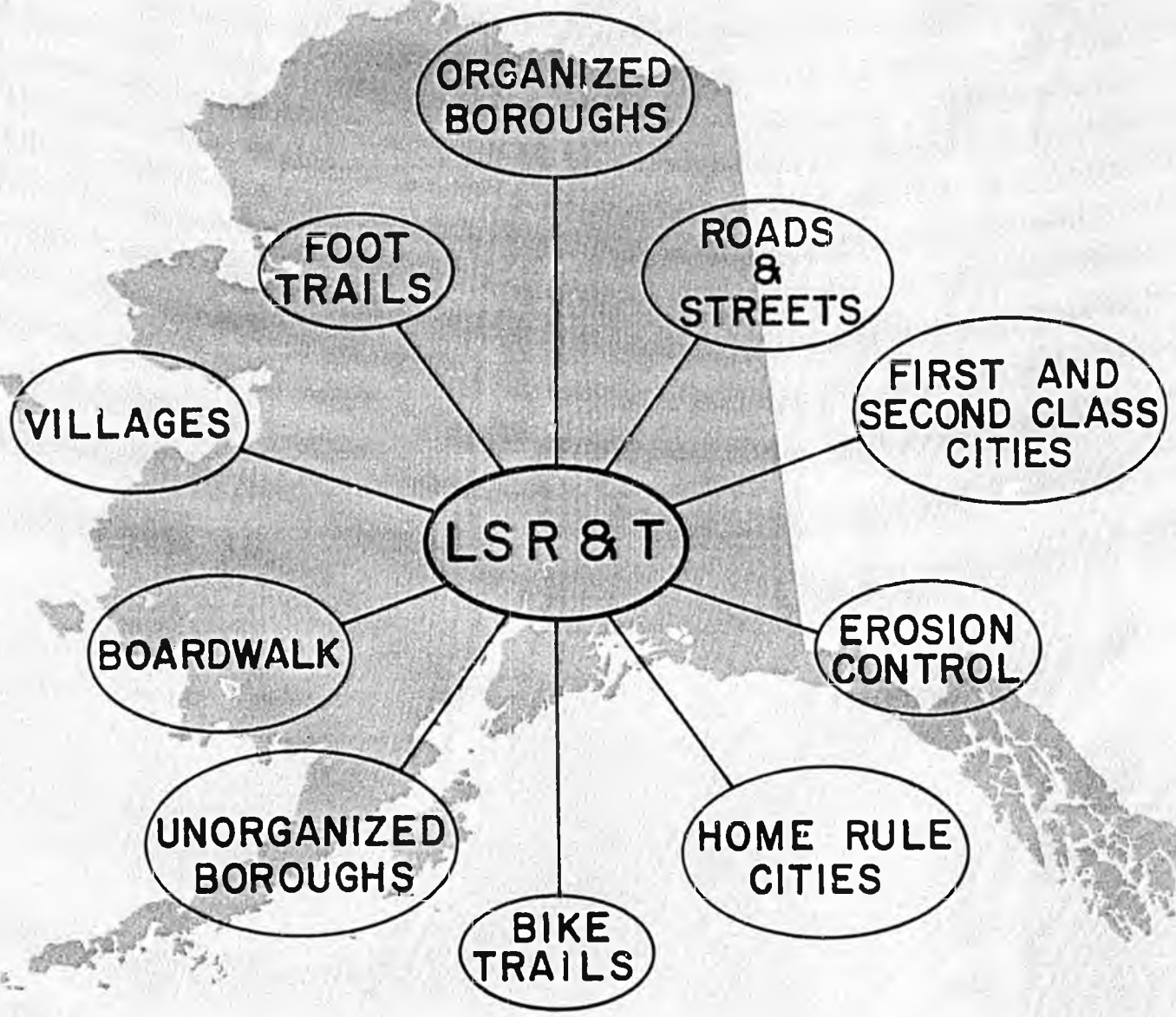
* Sec. 5. AS 19.30.241(4) is amended to read:

(4) "local service road" means a public road that is used by an average of fewer than 750 vehicles each day and that [WHICH] is not designated as a route on the approved primary, urban, or interstate federal-aid highway system;

* Sec. 6. This Act takes effect immediately in accordance with AS 01.-10.070(c).

FIVE YEAR LOCAL SERVICE ROADS AND TRAILS PROGRAM

1985 - 1989



STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

BILL SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 2, 1985

Fellow Alaskans:

It is my pleasure to submit for your review the Five Year Local Service Roads and Trails Program for FY85 through FY89.

This is a long-range planning document of the Department of Transportation and Public Facilities, and, as with all such plans, changing conditions may require modification of the plan in future years.

This program provides for the construction of transportation-related projects such as trails, boardwalks, roads, streets, sidewalks, and drainage facilities, requested by local governments. It serves as a much-needed supplement to the federal aid highway program.

The widespread support shown by Alaskans for the program is gratifying and indicates the commitment of the public to the program's objectives.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Bill Sheffield
Governor

NARRATIVE

LOCAL SERVICE ROADS & TRAILS PROGRAM

The Local Service Roads and Trails Program provides for construction of local roads and trails which are not included in the federal-aid primary, urban or interstate highway systems.

Under the Local Service Roads & Trails Act, funds for home rule and first class cities, municipalities and organized boroughs are allocated by strict formula. These local governments then establish their own project scheduling; therefore, this publication is merely a listing of their individual programs as submitted. Project priorities and scheduling in the unorganized boroughs are based primarily on requests and recommendations of village councils and residents. Personal contact with the communities is established by LSR&T representatives from the Department's regional offices. Community needs are thus determined first-hand, along with approximate costs. Since the cost of requested projects usually exceeds the funds available, priorities must be established based on need. Local communities often participate in project costs with their own funds.

Local labor and equipment are utilized wherever practical in the construction of these projects. Not only is this beneficial to the economy of the communities, but it normally reduces the overall cost of the project. A side benefit is the training of local residents who will, in many cases, be maintaining the completed project.

This five year LSR&T Program is based on funds from a recent allocation of \$3,500,000 for fiscal year 1985 and with proposed allocations of \$7,000,000 for fiscal years 1986 through 1989.

It is anticipated that the funding shown in this program will be used by the end of fiscal year 1985. Therefore, projects shown for fiscal years beyond 1985 can only proceed if additional funds are made available.

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STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 1

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1985			
MUNICIPALITY OF ANCHORAGE	Misc. Street & Pedestrian Improvements, (Anchorage Roads & Drainage Serv. Area)	1.	209,000
	Misc. Street & Pedestrian Improvements, (Hillside--Girdwood Area)	2.	223,200
	Misc. Street & Pedestrian Improvements, (Eagle River--Chugiak Area)	3.	228,600
	Trails (Anchorage P & R Serv. Area)	4.	90,000
	Trails (Girdwood P & R Serv. Area)	5.	30,000
	Trails (Eagle River--Chugiak Serv. Area)	6.	48,000
KENAI PENINSULA BOROUGH	Greer Drive Phase II	7.	106,100
	Browns Lake	8.	532,000
MATANUSKA-SUSITNA BOROUGH	Service Area #27 Meadow Lakes Roads	9.	64,500
	Service Area #23 North Colony Roads	10.	64,500
	Service Area #20 Greater Willow Roads	11.	64,500
	Service Area #29 Greater Talkeetna Roads	12.	64,500
KODIAK ISLAND BOROUGH	Sargent Creek/Birch Circle Road	13.	66,000
	Sharatin/Perenosa Road	14.	66,000
	Beaver Lake Drive/Peotter Drive Road	15.	66,200
CITY OF KENAI	City Streets	16.	66,000
	Accumulating Funds		59,300
CITY OF SEWARD	Accumulation of funds for 1986		58,600
CITY OF HOMER	Utilized all Funding		
CITY OF SOLDOTNA	Accumulating Funds		31,600
CITY OF SELDOVIA	Accumulation of Funds		6,500
CITY OF KODIAK	Accumulation of Funds		66,400
CITY OF PALMER	Traffic and Parking Study	17.	17,800
	Accumulating Funds		36,700
UNORGANIZED BOROUGH I WHITTIER	Railroad Lease Area Paving - Construction Phase I	18.	100,000
	Road & Bridge	19.	58,900
FILE BAY	Accumulating funds for Whittier - Recreation Access Road		94,600

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 1

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1986*			
MUNICIPALITY OF ANCHORAGE	Misc. Street & Pedestrian Improvements, (Anchorage Roads & Drainage Serv. Area)	20.	418,300
	Misc. Street & Pedestrian Improvements, (Hillside--Girdwood Area)	21.	133,000
	Misc. Street & Pedestrian Improvements, (Eagle River-Chugiak Area)	22.	137,000
	Trails (Anchorage P & R Serv. Area)	23.	170,000
	Trails (Girdwood P & R Serv. Area)	24.	20,000
	Trails (Eagle River--Chugiak Serv. Area)	25.	40,000
KENAI PENINSULA BOROUGH	No Program Submitted		354,600
MATANUSKA-SUSITNA BOROUGH	Service Area #15 Caswell Road	26.	129,000
	Service Area #14 Fairview Road	27.	129,000
	Service Area #17 Knik Road	28.	129,000
	Service Area #21 Big Lake Road	29.	129,000
KODIAK ISLAND BOROUGH	King Crab Way/Spruce Road	30.	43,000
	Spruce Road	31.	43,000
	Peotter Drive Road Phase I	32.	44,800
CITY OF KENAI	Accumulating Funds for 1988		39,500
CITY OF SEWARD	Second Avenue Paving	33.	75,600
CITY OF HOMER	Kachemak Way Paving	34.	20,100
CITY OF SOLDOTNA	Endicott Drive, Chugach Drive and Brooks Street Drainage	35.	26,000
	Columbia Street, Lupine Street and Aspen Drive Drainage	36.	26,000
CITY OF SELDOVIA	Accumulation of Funds		4,300
CITY OF KODIAK	Accumulation of Funds		41,100
CITY OF PALMER	No Program Submitted		33,100
UNORGANIZED BOROUGH I			
NEW CHENEGA	Boardwalks	37.	60,000
WHITTIER	Railroad Lease Area Paving -- Phase II	38.	266,000

*Unfunded with present allocations

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 1

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1987*			
MUNICIPALITY OF ANCHORAGE	Misc. Street & Pedestrian Improvements, (Anchorage Roads & Drainage Serv. Area)	39.	418,300
	Misc. Street & Pedestrian Improvements, (Hillside--Girdwood Area)	40.	133,000
	Misc. Street & Pedestrian Improvements, (Eagle River-Chugiak Area)	41.	137,000
	Trails (Anchorage P & R Serv. Area)	42.	170,000
	Trails (Girdwood P & R Serv. Area)	43.	20,000
	Trails (Eagle River--Chugiak Serv. Area)	44.	40,000
KENAI PENINSULA BOROUGH	Pipeline Road	45.	354,600
MATANUSKA-SUSITNA BOROUGH	Service Area #26 Greater Butte Road	46.	129,000
	Service Area #16 South Colony Road	47.	129,000
	Service Area #30 Trapper Creek Road	48.	129,000
	Service Area #28 Gold Trails Road	49.	129,000
KODIAK ISLAND BOROUGH	Peotter Drive Road Phase II		26,000
	Three Sisters Way	50.	26,000
	Stover Road	51.	26,000
	Greville/Sequel Road	52.	26,000
	S. Russian Creek Road	53.	26,800
CITY OF KENAI	Accumulating Funds for 1988		39,500
CITY OF SEWARD	Government Road Paving	54.	17,000
CITY OF HOMER	Hillside Campground Road Upgrade & Trail	55.	20,100
CITY OF SOLDOTNA	Fireweed Street, Banner Land & Crest Dr. Drainage and Edwards Court Resurfacing	56.	10,000
	Foothill Street Drainage and Upgrading of Karen Lane & Cody Court.	57.	10,000
CITY OF SELDOVIA	Accumulating Funds		4,300
CITY OF KODIAK	Accumulating Funds		41,100
CITY OF PALMER	No Program Submitted		33,100
UNORGANIZED BOROUGH I	Accumulating Funds for Whitter - Recreation Access Road		189,800

*Unfunded with present allocations

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 1

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1988*			
MUNICIPALITY OF ANCHORAGE	Misc. Street & Pedestrian Improvements, (Anchorage Roads & Drainage Serv. Area)	58.	418,300
	Misc. Street & Pedestrian Improvements, (Hillside--Girdwood Area)	59.	133,000
	Misc. Street & Pedestrian Improvements, (Eagle River-Chugiak Area)	60.	137,000
	Trails (Anchorage P & R Serv. Area)	61.	170,000
	Trails (Girdwood P & R Serv. Area)	62.	20,000
	Trails (Eagle River--Chugiak Serv. Area)	63.	40,000
KENAI PENINSULA BOROUGH	Taurianen Trail Road	64.	354,600
MATANUSKA-SUSITNA BOROUGH	Service Area #25 Bogard Road	65.	129,000
	Service Area #19 Lazy Mountain Road	66.	129,000
	Service Area #31 Alpine Road	67.	129,000
	Service Area #9 Midway Road	68.	129,000
KODIAK ISLAND BOROUGH	Vista View Drive	69.	32,000
	Beaver Lake Vista Road	70.	32,000
	Marmot Drive - Reconstruction	71.	32,000
	Woodland Drive - Reconstruction	72.	34,800
CITY OF KENAI	Standard, Richfield & Thompson Roads	73.	118,000
CITY OF SEWARD	Dimond Boulevard Paving	74.	17,000
CITY OF HOMER	Grubstake Avenue Design	75.	20,100
CITY OF SOLDOTNA	Trumpeter Avenue, Riverview & Hill Crest Lane Drainage	76.	20,000
CITY OF SELDOVIA	Accumulating Funds		4,300
CITY OF KODIAK	Accumulating Funds		41,100
CITY OF PALMER	No Program Submitted		33,100
UNORGANIZED BOROUGH I	Accumulating Funds for Whittier - Recreation Access Road		189,800

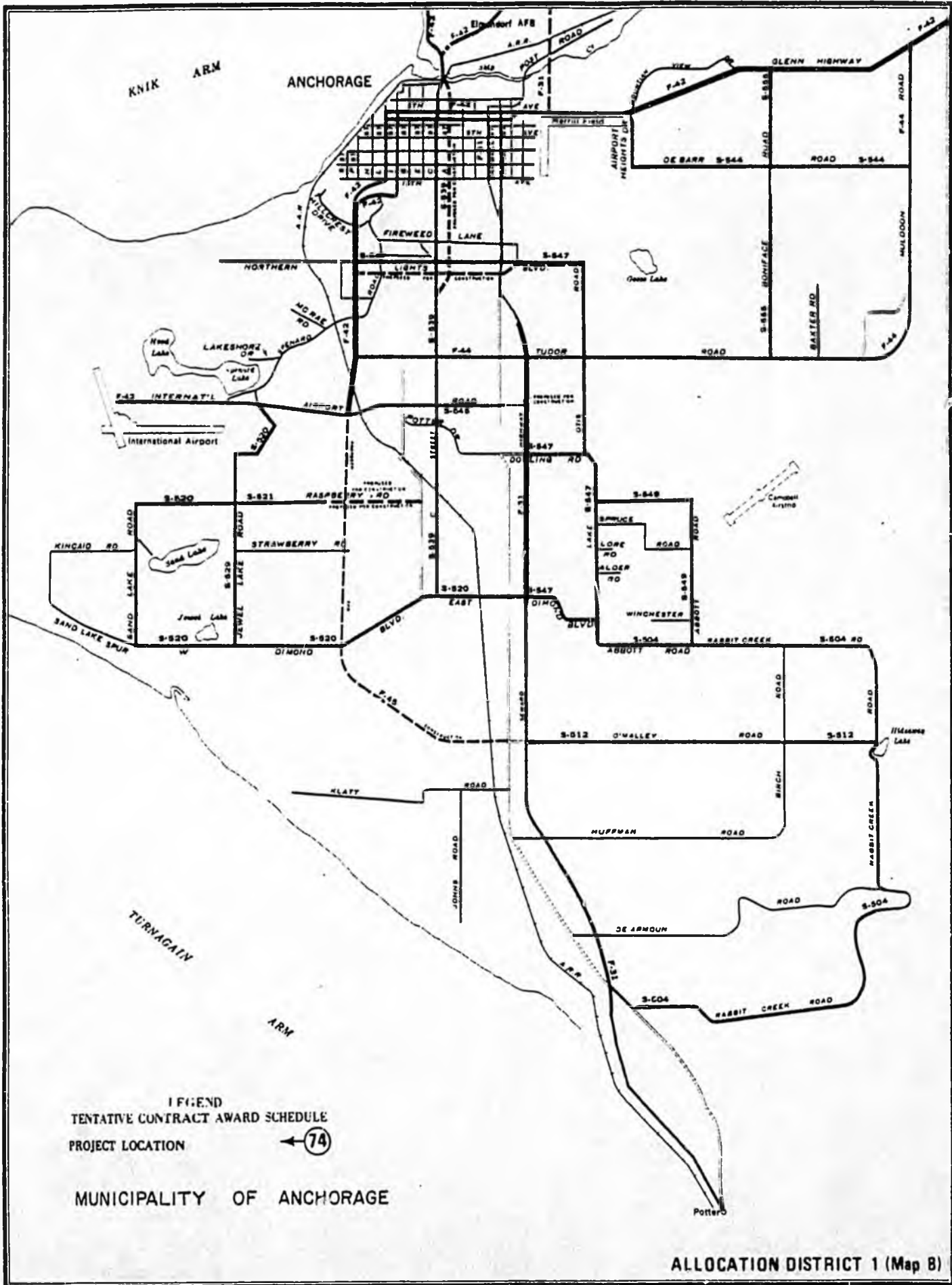
*Unfunded with present allocations

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 1

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1989*			
MUNICIPALITY OF ANCHORAGE	Misc. Street & Pedestrian Improvements, (Anchorage Roads & Drainage Serv. Area)	77.	418,300
	Misc. Street & Pedestrian Improvements, (Hillside--Girdwood Area)	78.	133,000
	Misc. Street & Pedestrian Improvements, (Eagle River-Chugiak Area)	79.	137,000
	Trails (Anchorage P & R Serv. Area)	80.	170,000
	Trails (Girdwood P & R Serv. Area)	81.	20,000
	Trails (Eagle River--Chugiak Serv. Area)	82.	40,000
KENAI PENINSULA BOROUGH	Accumulation of Funds		354,600
MATANUSKA-SUSITNA BOROUGH	Service Area #29 Greater Talkeetna Road	83.	129,000
	Service Area #27 Meadow Lakes Road	84.	129,000
	Service Area #23 North Colony Road	85.	129,000
	Service Area #20 Greater Willow Road	86.	129,000
KODIAK ISLAND BOROUGH	Peotter Drive - Phase III	87.	16,000
	Bells Flats Road	88.	16,000
	Middle Bay/Pauloff Circle	89.	16,000
	Woman's Bay Drive/Otter Road	90.	16,000
	Gara/Snek/Osin Road	91.	16,000
	Kodiak Avenue	92.	16,000
	Leta/Panamaroff Creek Road	93.	16,000
	Pillar/Beaver Road	94.	18,800
CITY OF KENAI	Accumulating Funds		39,500
CITY OF SEWARD	Railroad Avenue Paving	95.	17,000
CITY OF HOMER	Beluga Slough Trail	96.	20,100
CITY OF SOLDOTNA	Little Ave, Parkwood St, Leibrock St & Leibrock Circle Drainage	97.	21,000
CITY OF SELDOVIA	Accumulating Funds		4,300
CITY OF KODIAK	Accumulating Funds		41,100
CITY OF PALMER	No Program Submitted		33,100
UNORGANIZED BOROUGH I			
WHITTIER	Recreation Access Road	98.	569,300

*Unfunded with present allocations



STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 2

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1985			
FAIRBANKS NORTH STAR BOROUGH	Dawson Road	1.	} 1,068,900
	Cripple Creek Road	2.	
	Rosie Creek Road	3.	
	Landfill/So. Cushman St. Ext.	4.	
	Park Ridge Road	5.	
	Various Locations - Collection Roads and Arterials	6.	
NORTH SLOPE BOROUGH			
WAINWRIGHT	Community Roads	** 7.	187,500
CITY OF FAIRBANKS	No Program Submitted		76,600
CITY OF NORTH POLE	No Program Submitted		7,500
CITY OF NENANA	No Program Submitted		9,000
CITY OF TANANA	No Program Submitted		7,400
UNORGANIZED BOROUGH II			
HEALY-OTTO LAKE AREA	Road Construction	8.	250,000
JAN LAKE	Foot Trail	9.	150,000
VARIOUS LOCATIONS	Roads & Trails	10.	25,200

**Refer to Map A Allocation District 4

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 2

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1986*			
FAIRBANKS NORTH STAR BOROUGH	Various Locations - Collector Roads & Arterials	11.	565,400
NORTH SLOPE BOROUGH			
ATGASUK	Community Roads	** 12.	375,100
CITY OF FAIRBANKS	No Program Submitted		153,200
CITY OF NORTH POLE	No Program Submitted		5,000
CITY OF NENANA	No Program Submitted		6,000
CITY OF TANANA	No Program Submitted		5,000
UNORGANIZED BOROUGH II			
NORTHWAY	Village Streets	13.	250,000
BEAVER	Dump Site Road	14.	100,000
RAMPART	Local Roads	15.	100,000
MINTO	Village Streets	16.	100,000
VARIOUS LOCATIONS	Roads & Trails	17.	171,300

*Unfunded with present allocations

** Refer to Map A Allocation District 4

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 2

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1987*			
FAIRBANKS NORTH STAR BOROUGH	Various Locations - Collector Roads & Arterials	18.	565,400
NORTH SLOPE BOROUGH			
POINT LAY	Community Roads	** 19.	375,100
CITY OF FAIRBANKS	No Program Submitted		153,300
CITY OF NORTH POLE	No Program Submitted		5,000
CITY OF NENANA	No Program Submitted		6,000
CITY OF TANANA	No Program Submitted		5,000
UNORGANIZED BOROUGH II			
WISEMAN	Local Roads	20.	250,000
ANDERSON-NENANA	Local Roads	21.	200,000
CANTWELL-HEALY	Local Roads	22.	200,000
VARIOUS LOCATIONS	Roads & Trails	23.	71,300

* Unfunded with present allocations

** Refer to Map A Allocation District 4

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 2

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1988*			
FAIRBANKS NORTH SIDE BOROUGH	Various Locations -- Collector Roads & Arterials	24.	565,400
NORTH SLOPE BOROUGH			
POINT HOPE	Community Roads	** 25.	375,100
CITY OF FAIRBANKS	No Program Submitted		153,000
CITY OF NORTH POLE	No Program Submitted		5,000
CITY OF NENANA	No Program Submitted		6,000
CITY OF TANANA	No Program Submitted		5,000
UNORGANIZED BOROUGH II			
DELTA	Community Roads	26.	250,000
DOT LAKE	Community Roads	27.	150,000
TOK	Community Roads	28.	200,000
VARIOUS LOCATIONS	Roads & Trails	29.	121,300

* Unfunded with present allocations

** Refer to Map A Allocation District 4

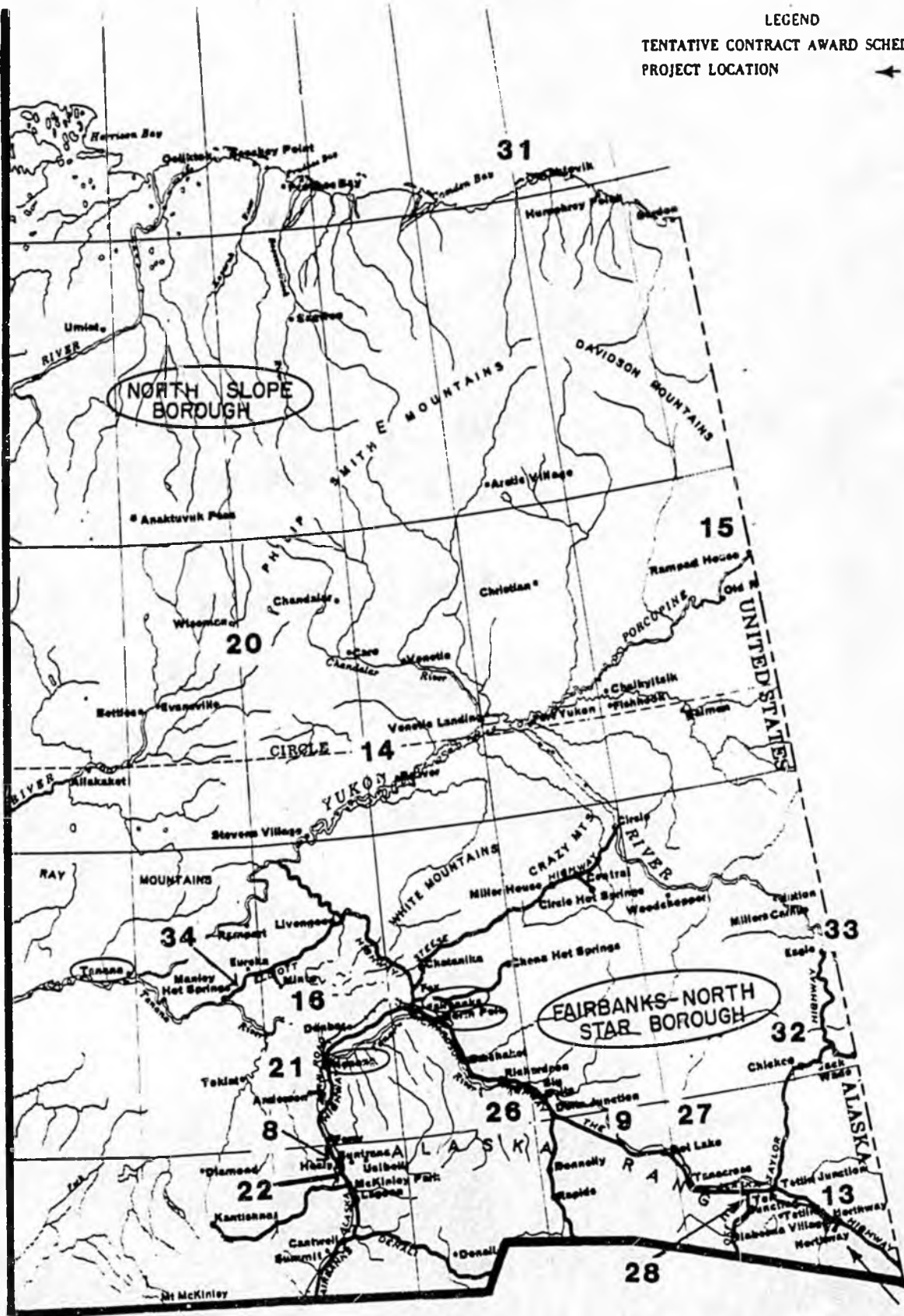
STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 2

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1989*			
FAIRBANKS NORTH STAR BOROUGH	Various Locations - Collector Roads & Arterials	30.	565,400
NORTH SLOPE BOROUGH			
KAKTOVIK	Community Roads	31.	375,100
CITY OF FAIRBANKS	No Program Submitted		153,200
CITY OF NORTH POLE	No Program Submitted		5,000
CITY OF NENANA	No Program Submitted		6,000
CITY OF TANANA	No Program Submitted		5,000
UNORGANIZED BOROUGH II			
CHICKEN	Community Roads	32.	200,000
EAGLE	Community Roads	33.	200,000
TOFTY ROAD	Sullivan Creek Bridge	34.	321,300

* Unfunded with present allocations

LEGEND
 TENTATIVE CONTRACT AWARD SCHEDULE
 PROJECT LOCATION ← 11



ALLOCATION DISTRICT 2 (Map A)

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 3

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1985			
CITY & BOROUGH OF JUNEAU	Accumulating Funds for 1985		83,600
CITY & BOROUGH OF SITKA	Accumulating Funds for 1986		44,100
KETCHIKAN GATEWAY BOROUGH			
SAXMAN	Drainage Parking Area	1.	50,000
CITY OF KETCHIKAN	No Program Submitted		28,900
HAINES BOROUGH	Funds Utilized		
CITY OF HAINES	Tlingit Park Walkway	2.	5,000
CITY OF WRANGELL	Accumulating Funds		22,100
CITY OF PETERSBURG	8th Gauffin & Union Streets	3.	165,400
CITY OF PELICAN	Boardwalks	4.	1,800
CITY OF CRAIG	No Program Submitted		5,300
CITY OF SKAGWAY	Funds Utilized		
CITY OF YAKUTAT	Funds Utilized		
CITY OF KAKE	Streets	5.	5,500
CITY OF HOONAH	Accumulating Funds		6,700
CITY OF HYDABURG	No Program Submitted		2,900
CITY OF KLAWOCK	No Program Submitted		3,100
UNORGANIZED BOROUGH			
GUSTAVUS	Good River Bridge	6.	5,000
KASAAN	Trails	7.	10,000
TENAKEE	Tenakee Avenue	8.	45,000
VARIOUS LOCATIONS	Roads & Trails	9.	113,600

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 3

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1986			
CITY & BOROUGH OF JUNEAU	Accumulating Funds for 1988		156,000
CITY & BOROUGH OF SITKA	Kashevaroff Street	10.	19,000
	Guardrail - Wolff & Jamestown Drive	11.	22,000
KETCHIKAN GATEWAY BOROUGH	Pave Rotary Beach Parking	12.	22,000
CITY OF KETCHIKAN	Ketchikan Creek Trail - Phase I	13.	27,000
HAINES BOROUGH	Chilkat Lake Road	14.	24,000
CITY OF HAINES	Park Trail	15.	10,100
CITY OF WRANGELL	Church, Episcopal & Howell Streets	16.	36,000
CITY OF PETERSBURG	Accumulating Funds		19,000
CITY OF PELICAN	Boardwalk	17.	1,200
CITY OF CRAIG	Watertank road	18.	3,600
CITY OF SKAGWAY	Boardwalk & Surfacing	19.	8,900
CITY OF YAKUTAT	Roadway Topping	20.	3,000
CITY OF KAKE	Upgrade Cemetery Road	21.	3,700
CITY OF HOONAH	Accumulating Funds		4,500
CITY OF HYDABURG	No Program Submitted		2,000
CITY OF KLAWOCK	No Program Submitted		2,100
UNORGANIZED BOROUGH			
HYDER	5th Street	22.	29,000
TENAKEE	Trails & Footbridges	23.	30,000
THORNE BAY	Street Improvements	24.	32,000
KASAAN	Street Improvements	25.	50,000
ANGOON	Relay Road	26.	30,000
EDNA BAY	Boardwalk	27.	30,000
PORT PROTECTION	Boardwalk	28.	25,000
VARIOUS LOCATIONS	Roads & Trails		69,000

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 3

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1987			
CITY & BOROUGH OF JUNEAU	Accumulating Funds for 1988		156,000
CITY & BOROUGH OF SITKA	Jarvis Street	29.	55,000
KETCHIKAN GATEWAY BOROUGH	No Program Submitted		58,000
CITY OF KETCHIKAN	Ketchikan Creek Trail Phase II	30.	27,000
HAINES BOROUGH	Chilkat Lake Road	31.	24,000
CITY OF HAINES	No Program Submitted		10,100
CITY OF WRANGELL	Peninsula Street	32.	14,700
CITY OF PETERSBURG	Accumulating Funds		19,000
CITY OF PELICAN	Boardwalks	33.	1,200
CITY OF CRAIG	Spruce Street	34.	3,600
CITY OF SKAGWAY	Boardwalk & Surfacing	35.	8,900
CITY OF YAKUTAT	Road Surfacing	36.	3,000
CITY OF KAKE	Stairway	37.	3,700
CITY OF HOONAH	Accumulating Funds		4,500
CITY OF HYDABURG	No Program Submitted		2,000
CITY OF KLAWOCK	No Program Submitted		2,100
UNORGANIZED BOROUGH			
ELFIN COVE	Boardwalk	38.	30,000
PORT ALEXANDER	Boardwalk	39.	25,000
KUPREANOF	Trail - Phase II	40.	40,000
VARIOUS LOCATIONS	Roads & Trails	41.	200,000

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 3

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1988			
CITY & BOROUGH OF JUNEAU	7th Street Retaining Wall	42.	546,000
CITY & BOROUGH OF SITKA	Price Street	43.	20,000
	Beardslee Street	44.	50,000
KETCHIKAN GATEWAY BOROUGH	No Program Submitted		58,000
CITY OF KETCHIKAN	Trails	45.	27,000
HAINES BOROUGH	Chilkat Lake Road	46.	12,000
	Battery Piont Road	47.	12,000
CITY OF HAINES	No Program Submitted		10,100
CITY OF WRANGELL	Reid Street	48.	14,700
CITY OF PETERSBURG	Accumulating Funds	49.	19,000
CITY OF PELICAN	Boardwalk	50.	1,200
CITY OF CRAIG	Port Bagail Blvd.	51.	3,600
CITY OF SKAGWAY	No Program Submitted		8,900
CITY OF YAKUTAT	Monti Bay Heights	52.	3,000
CITY OF KAKE	Trails	53.	3,700
CITY OF HOONAH	Accumulating Funds		4,500
CITY OF HYDABURG	No Program Submitted		2,000
CITY OF KLAWOCK	No Program Submitted		2,100
UNORGANIZED BOROUGHES			
TENAKEE	Trails & Bridges	54.	30,000
HYDER	5th Street	55.	25,000
VARIOUS LOCATIONS	Roads & Trails	56.	240,000

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 3

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T EXPENSES (DOLLARS)
Fiscal Year 1989			
CITY & BOROUGH OF JUNEAU	Gastineau Avenue - Retaining Wall	57.	156,000
CITY & BOROUGH OF SITKA	Cascade Creek Road	58.	75,000
KETCHIKAN GATEWAY BOROUGH	No Program Submitted		58,000
CITY OF KETCHIKAN	Trails	59.	27,000
HAINES BOROUGH	Battery Point Road	60.	24,000
CITY OF HAINES	No Program Submitted		10,100
CITY OF WRANGELL	Reid Street	61.	14,700
CITY OF PETERSBURG	Accumulating Funds		19,000
CITY OF PELICAN	Boardwalk	62.	1,200
CITY OF CRAIG	Cold Storage Road	63.	3,600
CITY OF SKAGWAY	No Program Submitted		8,900
CITY OF YAKUTAT	Hemlock Street	64.	3,000
CITY OF KAKE	Trails	65.	3,700
CITY OF HOONAH	Lumbago Road	66.	24,700
CITY OF HYDABURG	No Program Submitted		2,000
CITY OF KLAWOCK	No Program Submitted		2,100
UNORGANIZED BOROUGH			
VARIOUS LOCATIONS	Roads & Trails	67.	295,000



LEGEND
 TENTATIVE CONTRACT AWARD SCHEDULE
 PROJECT LOCATION ← 74

ALLOCATION DISTRICT 3

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 4

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1985			
<u>CENTRAL REGION</u>			
BRISTOL BAY BOROUGH	Funds Expended		
CITY OF DILLINGHAM	No Program Submitted		45,000
CITY OF KING COVE	No Program Submitted		13,200
CITY OF ST. MARY'S	Accumulating Funds for 1986		11,200
CITY OF SAND POINT	Accumulating Funds for 1986		18,000
CITY OF UNALASKA	Funds Expended		
UNORGANIZED BOROUGH IV (SOUTH)			
CHIGNIK BAY	Streets and Bridge	1.	70,000
CLARKS POINT	Roads Erosion Control	2.	30,000
NONDALTON	Streets	3.	50,000

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 4

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LS&T FUNDS (DOLLARS)
Fiscal Year 1985			
<u>NORTHERN REGION</u>			
CITY OF BARROW	No Program Submitted		39,907
CITY OF NOME	No Program Submitted		87,400
CITY OF GALENA	No Program Submitted		9,700
UNORGANIZED BOROUGH IV (NORTH)			
AREA WIDE	Winter Trail Staking	4.	63,000
AREA WIDE	Reconnaissance, Administration and Construction Equipment	5.	84,700
KOYUK	Roads	6.	30,000
SAINT MICHAEL	Streets	7.	100,000

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
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LOCAL SERVICE ROADS AND TRAILS

Allocation District 4

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1986*			
<u>CENTRAL REGION</u>			
BRISTOL BAY BOROUGH	Accumulating Funds		25,600
CITY OF DILLINGHAM	No Program Submitted		30,000
CITY OF KING COVE	Ram Creek Boardwalk Phase I	8.	20,000
CITY OF ST. MARY'S	Reconstruct & Surface City Streets	9.	18,800
CITY OF SAND POINT	Boardwalk	10.	15,000
CITY OF UNALASKA	Accumulating Funds for 1989		25,400
UNORGANIZED BOROUGH IV (SOUTH)			
CHIGNIK LAKE	Streets	11.	400,000
CHIGNIK BAY	Streets & Bridge	12.	30,000
MANOKOTAK	Roads	13.	100,000
NONDALTON	Streets	14.	50,000
PEDRO BAY	Trail & Bridges	15.	150,000
PERRYVILLE	Safety	16.	13,000
TAKOTNA	Streets Phase I	17.	130,000

* Unfunded with present allocations

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 4

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1986*			
<u>NORTHERN REGION</u>			
CITY OF BARROW	No Program Submitted		79,800
CITY OF NOME	No Program Submitted		58,200
CITY OF GALENA	No Program Submitted		19,400
UNORGANIZED BOROUGH IV (NORTH)			
AREA WIDE	Winter Trail Staking	18.	110,000
AREA WIDE	Reconnaissance Administration & Construction Equipment	19.	201,200
SAINT MICHAEL	Streets	20.	200,000
STEBBINS	Roads	21.	20,000
GOLOVIN	Streets	22.	20,000

* Unfunded with present allocations

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 4

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1987*			
<u>CENTRAL REGION</u>			
BRISTOL BAY BOROUGH	Accumulating Funds		25,600
CITY OF DILLINGHAM	No Program Submitted		30,000
CITY OF KING COVE	Ram Creek Boardwalk Phase II	23.	11,000
CITY OF ST. MARY'S	Construct City Streets	24.	2,500
CITY OF SAND POINT	Accumulating Funds		22,300
CITY OF UNALASKA	Accumulating Funds for 1989		25,400
UNORGANIZED BOROUGH IV (SOUTH)			
LEVELOCK	Streets	25.	450,000
CHIGNIK BAY	Streets & Bridge	26.	150,000
EKWOK	Streets	27.	150,000
MANOKOTAK	Roads	28.	100,000
TAKOTNA	Streets Phase II	29.	40,000

* Unfunded with present allocations

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
LOCAL SERVICE ROADS AND TRAILS

Allocation District 4

PROJECT LOCATION	PROJECT DESCRIPTION	PROJECT NUMBER	LSR&T FUNDS (DOLLARS)
Fiscal Year 1987*			
<u>NORTHERN REGION</u>			
CITY OF BARROW	No Program Submitted		79,800
CITY OF NOME	No Program Submitted		58,200
CITY OF GALENA	No Program Submitted		19,400
UNORGANIZED BOROUGH IV (NORTH)			
AREA WIDE	Winter Trail Staking	30.	110,000
AREA WIDE	Reconnaissance & Administration	31.	61,200
GOLOVIN	Streets	32.	280,000
WHITE MOUNTAIN	Streets	33.	100,000

* Unfunded with present allocations