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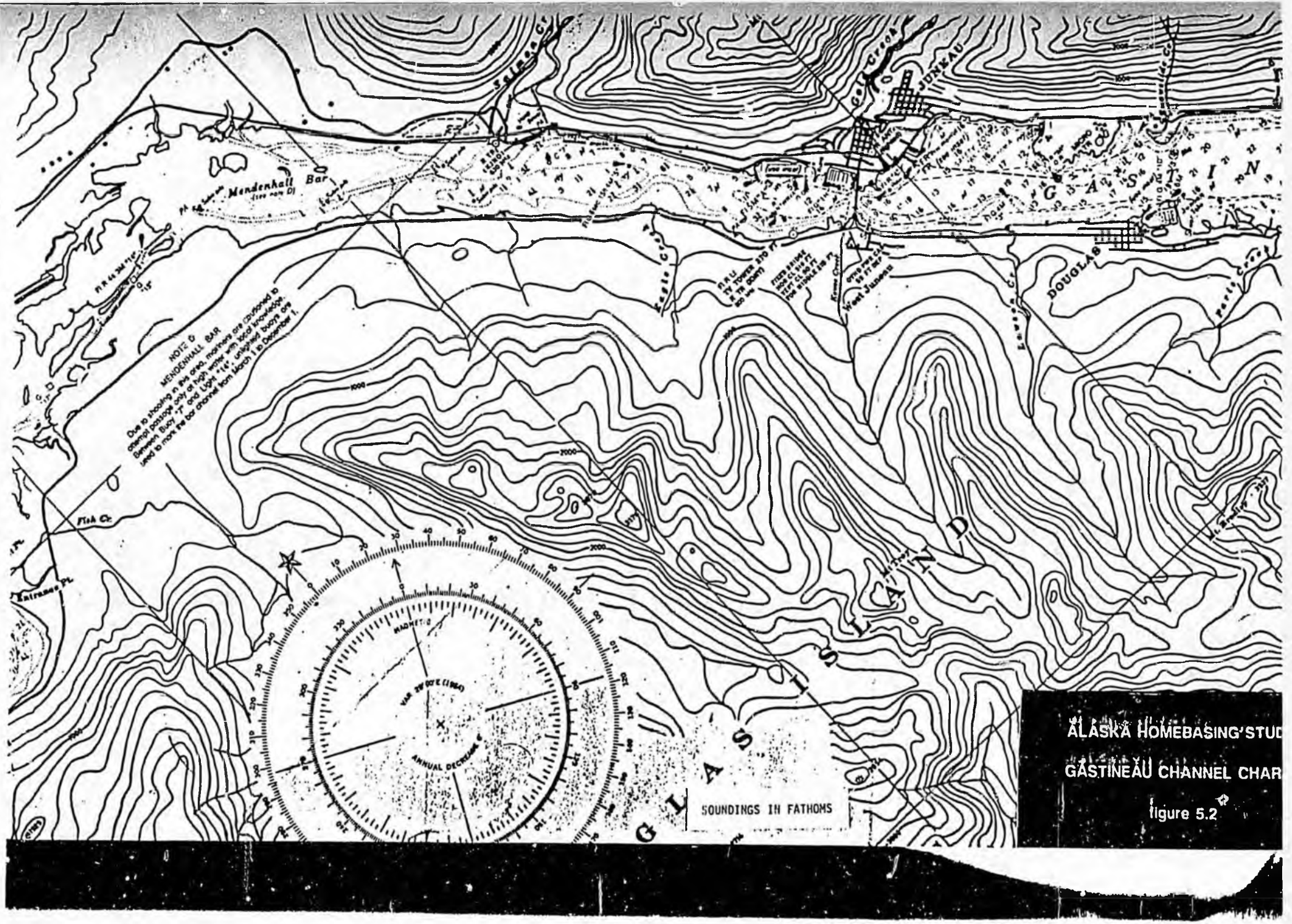
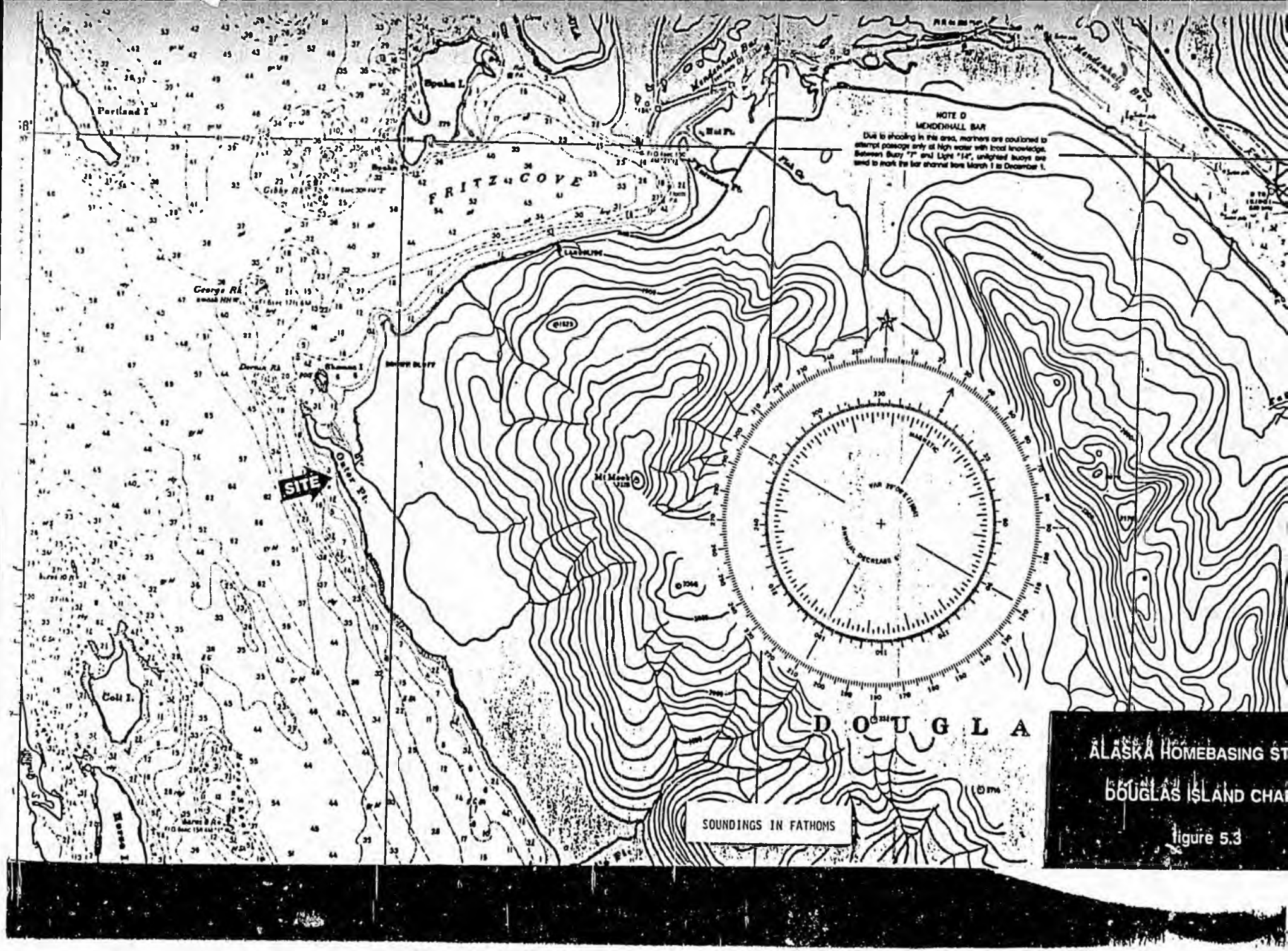
6646 SENATE STATE AFFAIRS



ALASKA HOMEBASING STUDY

GASTINEAU CHANNEL CHART

figure 5.2



ALASKA HOMEBASING ST

DOUGLAS ISLAND CHA

figure 5.3

KENAI/NIKISKI

The Kenai/Nikiski area is located on the Kenai Peninsula 160 miles southwest of Anchorage. Kenai can be reached by highway or by a 35 minute flight from Anchorage.

I. POPULATION

The Kenai/Nikiski area is home to approximately 6,500 people. When the central peninsula area is added in (includes Soldotna, Sterling and unincorporated areas), the population swells to over 25,000.

II. CLIMATOLOGY

Kenai enjoys a typical northern latitude climate characterized by warm summer days averaging 60 degrees and cold, snowy winters where the average daily minimum temperature is -4 degrees. Annual precipitation is 19 inches of rain rather evenly spaced over the spring, summer and fall months and an average snowfall of 60 inches. The annual mean wind speed in the area is 7 mph.

III. HARBOR CHARACTERISTICS

The Port of Nikiski is located approximately 12 miles north of the City of Kenai. Nikiski is a major petrochemical processing/shipment point in Alaska. There is not a harbor per se, but rather three long fueling piers extending into Cook Inlet. Open ocean is 133 miles directly down Cook Inlet. The water depth in the area surrounding the existing piers and the proposed home basing site averages -20' to -25' Mean Low Low Water (MLLW) for a distance of 300' offshore. At that point the channel becomes at least -60' MLLW and is a minimum of 5 miles wide. Immediately upland from the MHHW line there are cliffs extending up 70' to 100'. These cliffs show evidence of erosion from tidal action. Other than offshore oil platforms along the channel there are no overhead or navigation obstructions from open ocean to the proposed site. Surface ice exists only during the coldest winter months, however, ice chunks and floes from upper Cook Inlet are carried past the area by tidal action. The average tidal range in this area of Cook Inlet is 22.4' and currents range from 4 to 6 knots.

IV. PORT SERVICES

There are no port services available in Nikiski.

V. EXISTING WATERFRONT FACILITIES

The existing waterfront facilities consist of three piers utilized by the petrochemical plants. None of these facilities would be available for use by the Navy.

VI. EXISTING ONSHORE FACILITIES

There are no existing onshore facilities available for Navy use.

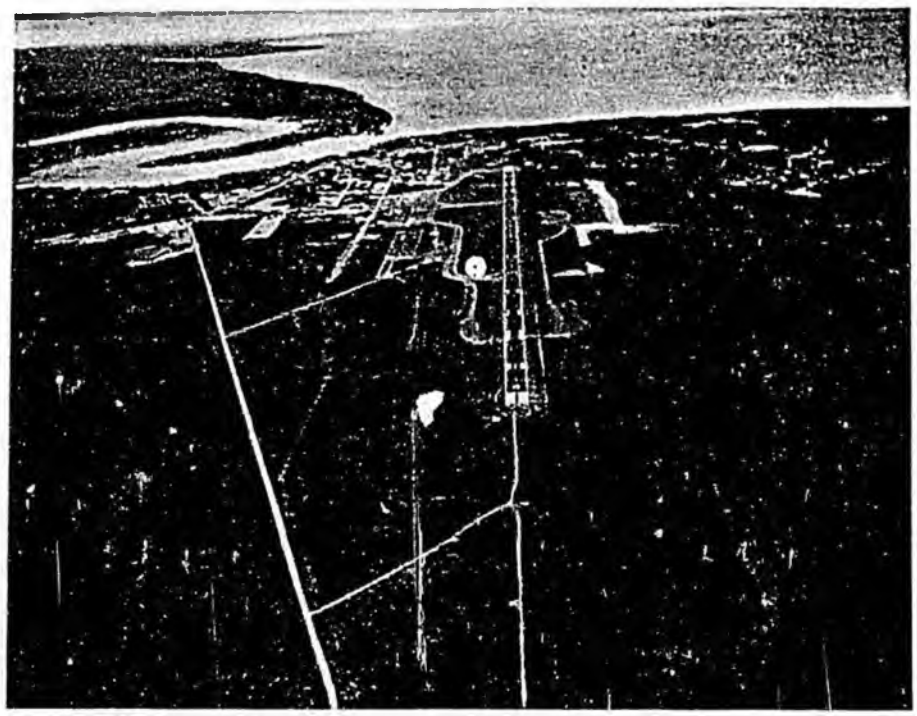
The home base site proposed by the Borough is immediately south of the Unocal Chemical Co. ammonia and urea fertilizer manufacturing plant. The 200 acre site was cleared and leveled sometime in the past in preparation for construction of another chemical plant. Plans for the plant were cancelled and the property is now available. In addition, an undetermined amount of land is available east of the road. All utilities are available along the road adjacent to the site.

In addition to the Borough proposed site, a private land owner has proposed a site located a short distance north known as Boulder Point. Site conditions at both locations are roughly similar.

VII. SEISMIC FACTORS

The central Kenai Peninsula area is located in seismic zone four per NAVFAC P355, Seismic Design for Build-

ings. The peninsula has experienced only two major earthquakes since 1899, the worst being in 1964. During that quake most of Kenai's damage was caused by ground shaking and settling.



VIII. LOGISTIC SUPPORT

Logistic support in Kenai/Soldotna/Nikiski is good since the area is connected by highway to Anchorage. In addition to the highway, Kenai is approximately 85 road miles from the railhead in Seward.

Large supplies of goods and materials are not stocked in the area, therefore, it is anticipated that Navy needs would be serviced out of Anchorage.

Petroleum, oils and lubricants (POL) are available in limited quantities from local suppliers, however, the refineries located in Nikiski store large quantities or can produce any required amount of POL products on short notice.

IX. TRANSPORTATION

Transportation to the central Kenai Peninsula area is by highway or air. Kenai is located 160 miles southwest of Anchorage by highway or 35 minutes by air. Scheduled airline service to and from Kenai is provided by two commercial carriers offering over 30 flights daily to Anchorage and other area communities

The City of Kenai has proposed to Commander in Chief, U.S. Pacific Fleet (CINCPACFLT) that the Kenai Municipal Airport be considered as a basing location for P-3(V) Orion aircraft. In response to a request by CINCPACFLT, the Alaska Home Basing Study Team visited the Kenai Municipal Airport and gathered detailed data on the facility. A summary of that data follows.

a. Runways: Runway 1-19 has a designated length of 7,575 feet and is 150 feet wide. Runway 1 has a 200' X 150' paved overrun area. Runway 19 has a 60' X 150' paved overrun area. The runway is marked with precision instrument markings. The weight-bearing capacity of Runway 1-19 was evaluated in February, 1980; results of the evaluation are included in this section as Table 1-1. Based on information from the Environmental Data Service National Climatic Center, wind observations from 1949 to 1978 indicate that Runway 1-19 has 99.1 percent wind coverage at a crosswind component of 15 miles per hour, and 98.4 percent at 12 miles per hour.

b. Taxiways: The main taxiway system is 5,000' long by 75 feet wide. Taxiways A, B and C connect the taxiway system to the runway. All taxiways are asphalt surfaced and are in good condition.

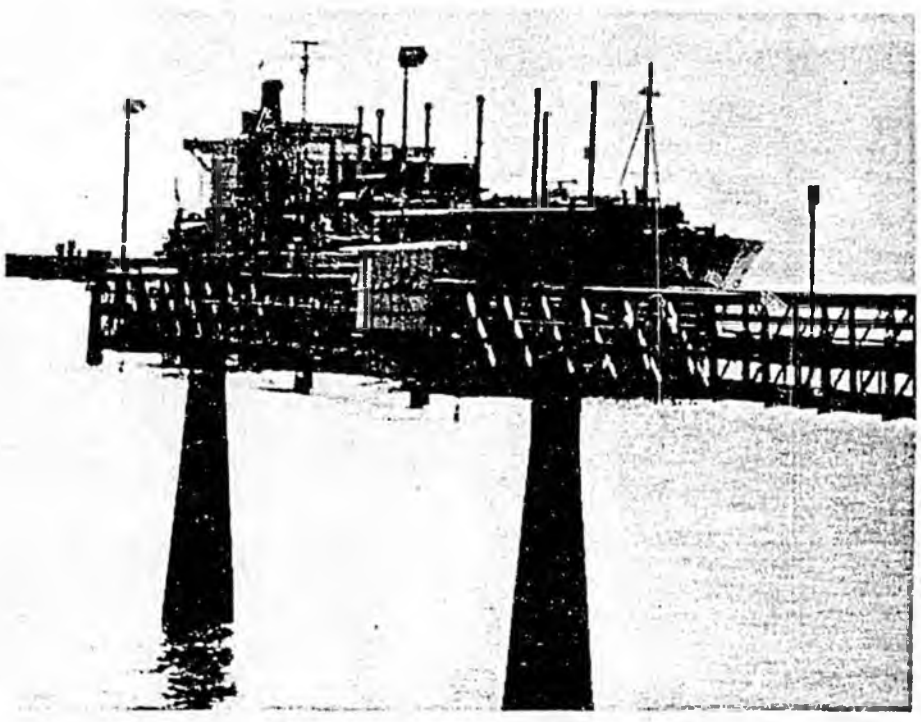
c. Aprons: There is a single, paved 3,200' by 300' apron parallel to the runway on the east side.

d. Lighting: Runway 1-19 has high intensity runway edge lights (HIRL) and threshold lights. Runway 1 has runway end identifier lights (REIL) and visual approach slope indicators (VASI). Runway 19 has medium intensity approach lights with runway alignment indicator lights (MALS-R). The airport has a rotating beacon located off Main Street Loop near the General Aviation

Apron Subdivision. Taxiways A, B and C all have medium intensity taxiway edge lights (MITL). The terminal and transient apron have flood lights.

e. Air Traffic Control and Navigational Aids: The airport has a control tower and 24-hour Flight Service Station (FSS). The control tower is open 0600 to 2200 from 1 May through 30 September, and from 0700 to 1900 from 1 October through 30 April. The airport is equipped with the following electronic air navigational aids:

1. Very High Frequency (VHF) Omni-Directional Radio Range with Distance Measuring Equipment (VOR-DME).



2. Instrument Landing System (ILS); glide slope and localizer.

3. Non-Directional Beacon (NDB)

4. Very High Frequency (VHF) direction finder (VHF/DF)

The ILS on Runway 19 is a standard Category I approach with a 200 foot decision height and 1/2 mile visibility.

f. Automated Flight Service Station (AFSS): The Kenai AFSS is one of three located in Alaska. The facility provides traditional services such as flight plan handling, pilot briefing, enroute air/ground radio communications , emergency assistance, etc.

g. Approach Surfaces and Airspace: Runway 19 has a precision instrument approach clear zone with an approach surface slope of 50:1. Runway 1 has a non-precision instrument clear zone with an approach surface slope of 34:1. According to the Airport Obstruction Chart produced by the National Ocean Survey in 1976, there are several obstructions to the approach surface of Runway 1 including trees, bushes and an antenna on a building.

The City of Kenai is proposing the joint use of Kenai Municipal Airport for home basing Navy aircraft. There is sufficient space on airport property to build support facilities.

X. INDUSTRIAL SUPPORT

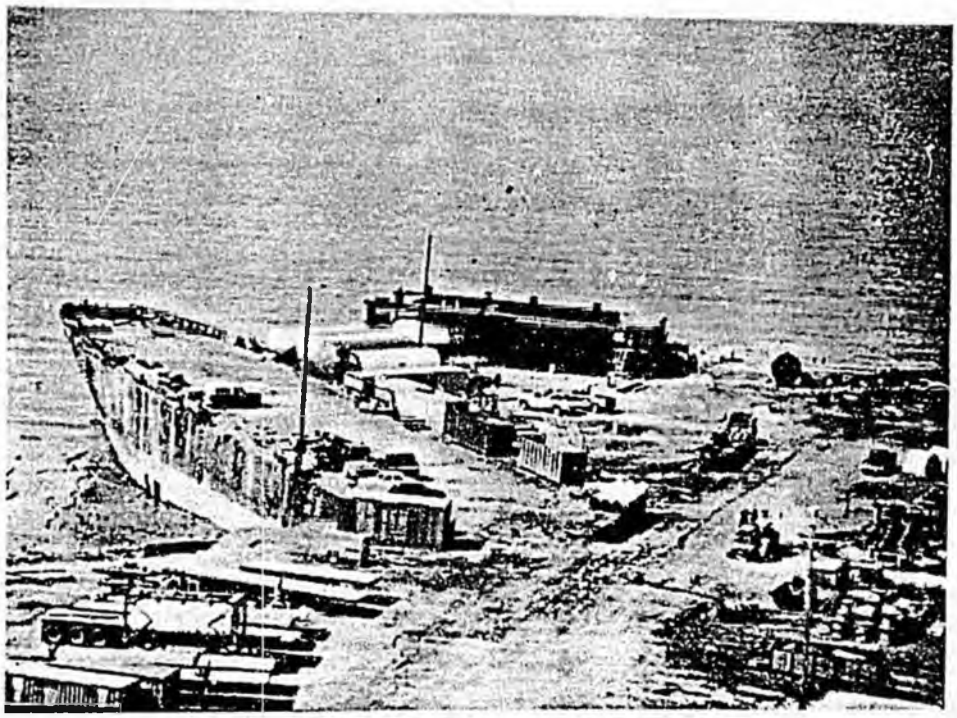
Industrial support in the Kenai/Nikiski area is limited to repairs on small fishing boats. No drydock facility is available. Three crane companies in the area can provide service up to 150 tons.

XI. UTILITIES

Utilities in the Kenai area are supplied either by the city or private utilities.

Electrical energy is supplied by the Homer Electric Association, Inc (HEA). The Association purchases electricity from the Alaska Electric Generation and Transmission Cooperative. Total available capacity in the HEA system is 37,400 KW. Residential service is billed at $14.74 per month plus 6.9 cents per KWh. Commercial (demand metered) service is billed at $176.90 per month plus 5.6 cents per KWh plus a demand charge of $4.29 per KW.

Potable water is supplied by the City of Kenai from wells. Sustained daily capacity from the wells is 2.0 million gallons per day. Current use is estimated to be 50%. Residential water rates are a flat charge of $7.70 per month. Large commercial accounts using a supply line over 2" are billed by special contract.



Sewer service is provided by a secondary treatment plant operated by the city. Current plant capacity is 1.3 million gallons per day with demand running 0.5 million gallons per day. Sewer rates equal water service rates.

Natural gas service is provided by Enstar Natural Gas Co. Current residential rates are $4.50 per month plus 3.4 cents per hundred cubic feet. Large commercial users are billed at $40 per month plus 2.8 cents per hundred cubic feet.

XII. PERSONNEL SUPPORT

Housing in the Kenai/Soldotna area is modern and neat in appearance. Two bedroom apartments rent for an average of $395 and houses for $600. Three bedroom apartments rent for an average of $595 and houses for $675. Local real estate representatives estimate the vacancy rate at 10-20% with seasonal adjustments for tourism. Homes for sale in the area range from $57,250 for two bedrooms to $93,860 for a four bedroom unit.

The Kenai Borough School District operates all public education facilities in the area. The schools are for the most part new, modern, and well equipped. School enrollment throughout the area falls short of school capacity leaving room for student population growth.

The Kenai Peninsula College serves the central peninsula area from its main campus in Soldotna. The college offers two-year Associate of Arts and Associate of Administration degrees, each with a variety of emphasis areas. In addition to degree programs, the college offers a wide variety of Certificate programs aimed at enhancing working skills in several crafts and technologies.

The health care needs of the area are served by 16 private practice and four hospital employee physicians in the Kenai/Soldotna area. Family practice as well as most specialties are represented in the medical community. The Central Peninsula General Hospital, owned by the Borough and operated under contract by LHS Management Co., is a 62 bed facility providing state-of-the-art medical care. Full laboratory service, radiology, physical therapy and respiratory therapy are offered at the facility. The nearest major hospital is located in Anchorage.

The University of Alaska Mining and Petroleum Extension Service has been funded by the State of Alaska to construct a fire training center in Kenai. The purpose of the fire training school is to train representatives of departments from around the state in controlling petroleum based fires, aircraft fires, marine fires and mining catastrophes.

The cultural and social environment of the central Kenai Peninsula centers around a new auditorium build as part of the new Kenai Central High School. Many community events and programs utilize the auditorium year round. The Kenai Arts and Humanities Council

maintains a community center and sponsors a variety of events.

XIII. COMMUNITY IMPACTS

The City of Kenai and Kenai Peninsula Borough officials have indicated that Navy home basing in the area, be it ships, aircraft or both, will not have any negative impacts on the community.

XIV. ENVIRONMENTAL FACTORS

The area surrounding Kenai/Nikiski has abundant wetlands which are heavily used by migratory birds and are feeding grounds for bald eagles. Some of the freshwater wetlands are initial water sources for anadromous fish streams and provide rearing habitat for juvenile salmon and dolly varden trout. The saltwater areas around Nikiski are inhabited by protected marine mammals. Within the City of Kenai are several historic structures, some of which are on the National Register of Historic Places. The City of Kenai does not have a coastal zone management plan, therefore, state guidelines apply. There have been various environmental documents prepared for other projects in the area which are available.

XV. COMMUNITY SUPPORT

Community support for home basing of Navy ships and/or aircraft is very strong Governmental leaders expressed strong support and enthusiasm and are vigorously pursuing this proposed action.

Kenai

210 Fidalgo
Kenai, Alaska 99611

Home Rule City

Phone: (907) 283-7535

INCORPORATION DATE:	1960
POPULATION:	6,546
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	3%
CITY COUNCIL MEETS:	First and third Wednesdays
MANAGER FORM OF GOV'T:	Yes

MAYOR:	John J. Williams	1989

CITY COUNCIL MEMBERS

Tom Ackerly	1988
Marj O'Reilly	1990
Art McComsey	1989
Chris Monfor	1989
Linda Swarner	1990
Raymond Measles	1988

MUNICIPALLY OWNED UTILITIES:
Water, Sewer, Airport, Leased Lands

ADMINISTRATIVE ASSISTANT	Dana Gerstlauer
AIRPORT MANAGER	Randy Ernst
ANIMAL CONTROL OFFICER	Bill Godek
ATTORNEY	Tim Rogers
CLERK	Janet Whelan
ENGINEER	Jack LaShot
FINANCE DIRECTOR	Charles A. Brown
FIRE CHIEF	Al Ivanoff
LIBRARIAN	Emily DeForest
MANAGER	Bill Brighton
PARKS & RECREATION DIRECTOR	Kayo McGillivray
POLICE CHIEF	Rick Ross
PUBLIC WORKS DIRECTOR	Keith Kornelis
SENIOR CITIZEN COORDINATOR	Pat Porter
WATER/SEWER SUPERINTENDENT	Clyde Johnson

Kenai Peninsula Borough

144 North Binkley Street
Soldotna, Alaska 99669

Second Class Borough

Phone: (907) 262-4441

INCORPORATION DATE:	January 1, 1964
POPULATION:	43,612
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	2%
ASSEMBLY MEETS:	First and third Tuesdays
MANAGER FORM OF GOV'T:	No

MAYOR: Don Gilman 1990

ASSEMBLY MEMBERS

Jonathan W. Sewall, P.O.	1989
Jack Brown	1990
David R. Carey	1989
John Crawford	1990
Betty Glick	1988
Mark Hodgins	1990
Brentley D. Keene	1988
Karen McGahan	1989
Sam McLane	1988
Sharon Moock	1990
Frank Mullen	1990
Phil Nash	1989
Patrick M. O'Connell	1989
Gail Phillips	1988
James W. Skogstad	1990
Marie Walli	1989

PLANNING/ZONING COMMISSION

Peter Ernst, Chair	1988
Phil Bryson	1989
Bill Butler	1988
Chuck Crabaugh	1990
Colleen Denbrock	1990
Susan Mumma	1988
Myron Mickey	1989
Keith Hursh	1990
James Brickey	1989
Chester Thorne	1990

SCHOOL BOARD MEMBERS

Joyce Fischer, Pres.	1988
Cliff Massie	1990
Marilyn Dimmick	1990
Mike Kiley	1990
Eric Weatherby	1988
Millie Martin	1989
Betty Obendorf	1989

BOROUGH POWERS

Areawide: Solid Waste Disposal
Assessing, Taxation, Schools
Non-Areawide: Port & Harbor
Service Areas: Fire Protection, Hospitals, Ambulance, Recreation Facilities

ADMINISTRATOR	Don Gilman
ADMINISTRATIVE ASSISTANT	Marla Huss
ASSESSOR	Don Thomas
ATTORNEY	Tom Boedeker
CIVIL DEFENSE DIRECTOR	Robert Heavlin
CLERK	Joanne Brindley
COMPTROLLER	Ross Kinney
FINANCE DIRECTOR	Roy Barton
PERSONNEL DIRECTOR	Richard Campbell
PLANNING DIRECTOR	Kevin Fenner
PUBLIC WORKS DIRECTOR	Edward Hakert
SUPERINTENDENT OF SCHOOLS	Dr. Fred Pomeroy
TREASURER	Larry Semmens

table 1.1

KENAI MUNICIPAL AIRPORT

RUNWAY PAVEMENT EVALUATION

Gross Weight Evaluation (Pounds)

Runway Section Description	Gear Type		
	Single	Dual	Dual Tandem
50-foot Runway Keel Section Sta 0 + 00 to 50 + 00	75,000	130,000	240,000
Area Outside of Keel Section Sta 0 + 00 to 5 + 00 Sta 17 + 00 to 25 + 00 Sta 45 + 00 to 50 + 50	75,000	130,000	240,000
Area Outside of Keel Section Sta 5 + 00 to 17 + 00 Sta 25 + 50 to 45 + 00	70,000	80,000	160,000
Entire Runway Width Sta 50 + 00 to 75 + 00	75,000	130,000	240,000

table 1.2

KENAI MUNICIPAL AIRPORT RUNWAY

DIMENSIONS AND SEPARATION STANDARD

Item	Airplane Design Group III	Kenai Airport
Runway length	5,400 feet(1)	7,575 feet
Runway width	100 feet	150 feet
Runway shoulder width	20 feet	75 feet
Runway blast pad width	140 feet	150 feet
Runway blast pad length	240 feet	200 feet (1) 100 feet (19)
Runway safety area width	500 feet	325 feet (FAA except.)
Runway safety area length	1,000 feet beyond each runway end	1,700 feet (1) 2,500 feet (19)
Obstacle Free Zone	400 feet	800 feet
Runway centerline to taxiway centerline	400 feet	600 feet
Runway centerline to aircraft parking area	500 feet	750 feet
Property/building restriction line	750 feet(2)	1,375 feet

Source: FAA AC 150/5300-12, AC 150/5325-4; Boeing Company, Commercial Airplane Division

(1) The Boeing 727-200 with a takeoff weight of 150,000 pounds requires approximately 5,400 feet for takeoff field length at sea level and 50 degrees F.

(2) The runway centerline to property/building line separating distance may be reduced to 500 feet, dependent on an FAA determination that shows it is no hazard to air navigation.

ALASKA HOMEBASING STUDY

KENAI/NIKISKI AREA

figure 6.1

KETCHIKAN

The City of Ketchikan is located on Revillagigedo Island along the Tongass Narrows in Southeast Alaska, approximately 600 air miles north of Seattle and 235 air miles south of Juneau. Travel to Ketchikan is either by air or water as there are no connecting roads off the island.

I. POPULATION

The population of the City of Ketchikan is currently estimated at 7,311 while the Ketchikan Gateway Borough population is approximately 14,500. The major population center is the city, while a majority of the remaining residents live in the immediate vicinity of the city limits.

II. CLIMATOLOGY

As with other areas of Southeast Alaska, Ketchikan weather is temperate in comparison with central mainland Alaska. Annual rainfall in Ketchikan averages 162 inches while winter brings an average of 32 inches of snow. Average daily temperatures during July range from a high of 65 degrees to a low of 51 degrees. Average temperatures during January, the coldest month, range from a high of 39 degrees to a low of 29 degrees. Hours of daylight and darkness in Ketchikan follow the extremes associated with Alaska with the longest period of daylight occurring on June 21 (17 hours, 27 minutes), and the shortest period on December 21 (7 hours, 6 minutes). As would be expected in an area receiving an annual rainfall of 162 inches, Ketchikan experiences a great deal of overcast sky conditions. The National Oceanographic and Atmospheric Administration (NOAA) reports clear skies less than 5% of the time, however, visibility is rarely obscured to dangerous conditions. Data on windspeed in Ketchikan is not available, but nearby Annette Island reports average windspeed of 8 mph during summer and 12 mph during winter months. The highest recorded windspeed on Annette Island was 60 mph.

III. HARBOR CHARACTERISTICS

Ketchikan is located 79 miles from open ocean via Nichols Passage southeast of Ketchikan, through Clarence Strait and into the Dixon Entrance. An alternate route from Ketchikan is through the Tongass Narrows northwest, around Guard Island and into Clarence Strait then on into Dixon Entrance. This route, although somewhat longer at 86 miles, is probably the easiest and quickest transit to the open ocean. Tides in the Tongass Narrows range from an extreme low of -5.0' Mean Low Low Water (MLLW) to a Mean Higher High Water (MHHW) of +15.4', with a mean tide range of 13.0'. Currents through the narrows typically average 1.5 to 2.0 knots. The Tongass Narrows channel does not require maintenance dredging and offers a minimum water depth of -48' (MLLW) via any route to open ocean.

There are two navigation hazards within the Tongass Narrows channel. The first is a shipwreck which is well charted and marked by buoys, and the second is Pennock Reef, also charted and marked by buoys. Neither presents a significant hazard to navigation as evidenced by the successful transitof cruise ships throughout the summer. The Tongass Narrows and surrounding area is free of ice year round.

IV. PORT SERVICES

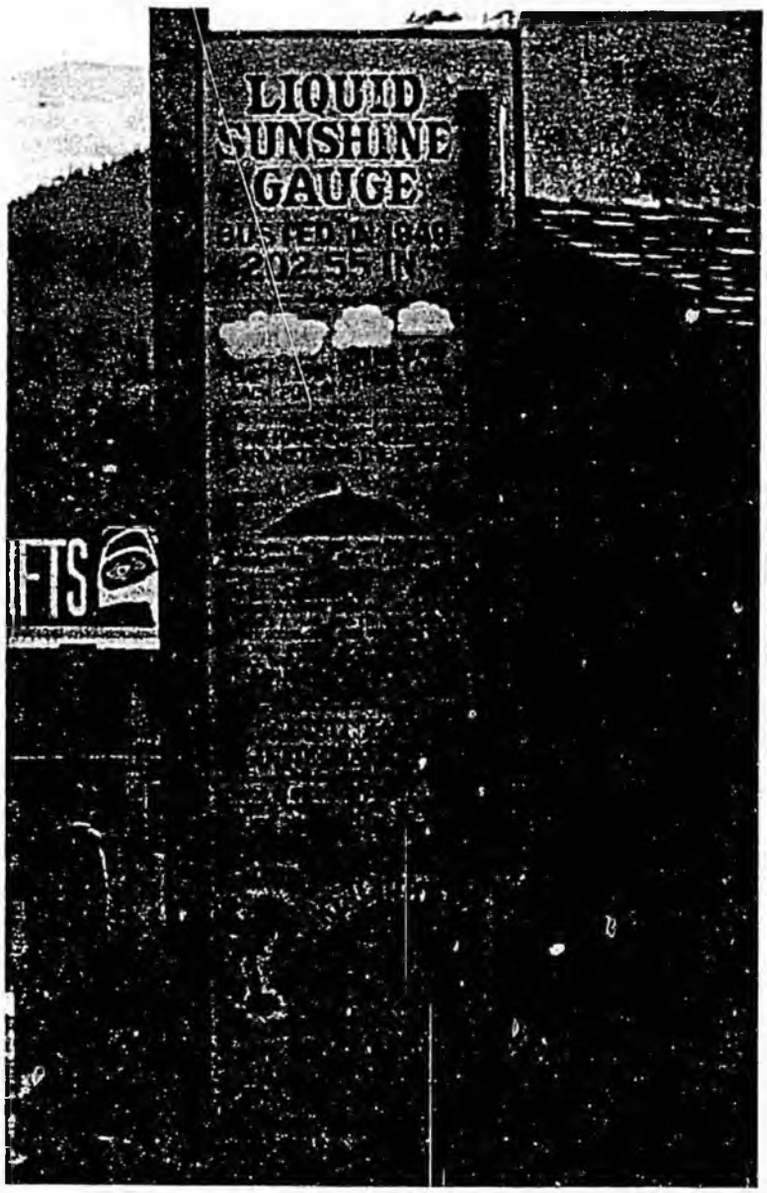
Port services in Ketchikan are offered by several commercial concerns. There are a total of 8 tug boats ranging in size from 750 HP to 2,400 HP, one fuel barge, one refuse collection boat and a salvage and diving boat. In addition to the above, the Port District operates one fire boat and the Borough operates the small ferry running between the airport on Gravina Island and Ketchikan.

V. EXISTING WATERFRONT FACILITIES

There currently are no waterfront facilities available for Navy use. The Ketchikan waterfront is intensively used for cruise ship berthing and support of the fishing fleet. Expansion of the waterfront area is severely restricted by lack of uplands since the harbor is surrounded by steep mountain slopes running down to the water.

VI. EXISTING ONSHORE FACILITIES

Existing onshore facilities available for use by Navy are almost non-existent. A Preliminary Site Evaluation Report for the Alaska Marine Highway Winter Ferry Maintenance Facility was prepared in September, 1979. That report evaluated 21 potential sites in the Ketchikan area for use by the Ferry System. Of the 2. sites, four were deemed acceptable, 5 marginal and 12 as unacceptable. Of the 9 acceptable and marginal sites, none offered buildings or facilities suitable for Navy use. Additionally, most of the sites are very constrained in land available for construction. Potential home basing sites are located northeast of Ketchikan in the Behm Canal area, or south of Ketchikan in the George Inlet area. Neither area is currently developed.



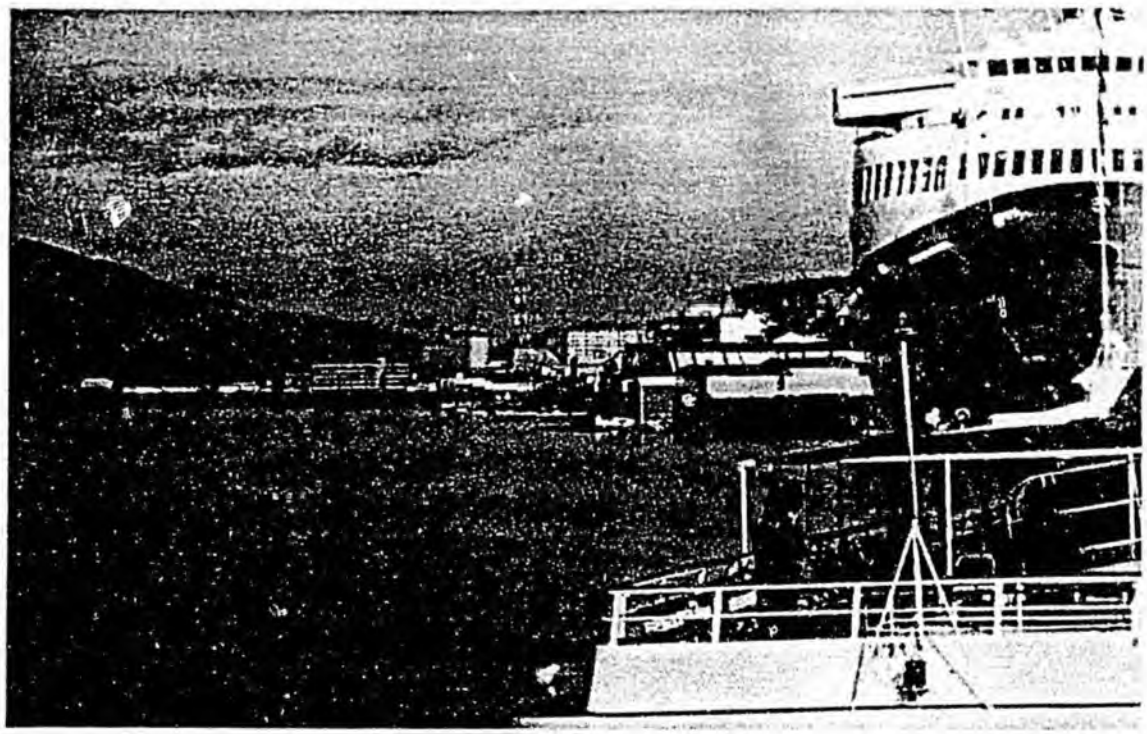
Existing structures available for personnel support functions; ie, administration, bachelor housing, warehousing, messing, etc., are not presently available in Ketchikan. If Ketchikan was selected as a home base site, these facilities would likely be constructed in an area remote from the ship berthing area.

VII. SEISMIC FACTORS

Seismic records indicate that there has not been any earthquake epicenters in the Ketchikan area since 1788. Although several earthquakes generated elsewhere have been felt in Ketchikan, there has been no reported damage. Ketchikan is in seismic zone 3 per Navy reference manuals.

VIII. LOGISTIC SUPPORT

Logistic support in Ketchikan is generally quite good, however, as with most communities in Alaska, availability of goods is heavily dependent upon barge service from Seattle. All types of petroleum, oils and lubricants are available in Ketchikan through commercial suppliers. Delivery is available through tank truck, barge, and in some cases, wharf pipeline.



Fresh provisions are readily available in Ketchikan, as are all other type of goods and services. While wholesalers do not carry extensive stocks of materials, barge service from Seattle is frequent. Conversations with representatives of the supply/service industry indicate that meeting the needs of the Navy would not present any particular problems.

IX. TRANSPORTATION

Transportation to and from Ketchikan is either by air or water since there are no connecting roads off the island. Daily commercial air service north and south is provided by Alaska Airlines (4 daily flights in winter, 5 daily flights in summer) while a host of small charter and commuter services operate between Ketchikan and other Southeast Alaska communities. Ketchikan International Airport, located on Gravina Island in the middle of the Tongass Narrows and accessed by ferry, operates a FAA Flight Service Station but does not have a manned control tower. Marine transportation to Ketchikan is available with the Alaska Marine Highway System ferry service. Scheduled service is via Seattle, Prince Rupert Island and points north.

X. INDUSTRIAL SUPPORT

Ship repair service is available through Ketchikan Shipyard, Inc. This commercial operation offers a floating drydock capable of handling ships to a length of 384 feet, beam of 100 feet and displacement of 9,600 long tons. All "hotel" services are available in the Ketchikan Shipyard and an experienced workforce is available year-round. Crane service to 70 tons is available in the community.

XI. UTILITIES

Utilities in the Ketchikan area are well developed. Electrical energy is generated by diesel and hydroelectric means. Current electrical generating capacity is 50 MW with demand estimated at 50% of capacity. Current electrical rates for residential service are $11.55 per month plus 7.5 cents per kwh. Commercial rates for large users are $51 per month plus 6.5 cents per kwh plus a demand charge of $4.75 per kwh. Additional charges may be levied for adjustments to fuel consumption, maintenance, or variations in cost of purchased electricity.

Potable water for the Ketchikan area is supplied from local lakes. Residential water rates range from $17.80 to $26.35 per month based on location (outside city limits billed at higher rate). Industrial rates for water are determined by size of the supply line, ranging from $23.70 for a 3/4" line to $985 for an 8" line. In addition to the basic charge, there is an additional charge ranging from $29.60 to $70.72 per month for each privately owned fire hydrant, depending on the size of the hydrant.

Current sewage disposal capacity is 5 million gpm with demand estimated at 1.2 million gpm. Charges for sewage are based on a system called Equivalent Residential Units (ERU's) which attempts to balance the disposal cost equally among classes of customers based on amount of effluent discharged. Each ERU is billed at $20 per month. Actual charges are calculated on volume.

XII. PERSONNEL SUPPORT

Family housing in Ketchikan could present a problem with a large influx of new families. The vacancy rate on rental properties is quite low (approximately 4%, adjusted seasonally) which in addition to an availability problem, makes rents relatively high. A survey of two local realty firms indicate that two bedroom units rent for an average of $600 per month, three bedroom units for an average of $825 per month, and four bedroom units rent for an average of $925 per month. Sale prices on two bedroom units average $80,000 while the typical three bedroom home sells for approximately $92,000. More spacious homes on larger lots are available in the area, however, prices rapidly escalate to well over $120,000. Temporary lodging in Ketchikan is available, however, the cost is high. The average hotel/motel double occupancy rate is $72 per night. Two motels offer kitchenettes at an average price of $118 per night. Although it could be reasonably anticipated that local developers would step in to provide temporary housing for transient Navy families, costs will continue to be high.

The Ketchikan Gateway Borough School District serves the entire Ketchikan area with four elementary schools, one junior high school, one high school and a small alternative school serving high school age students. A review of the school system shows a comprehensive program which offers a variety of educational paths to meet the needs of the community. The school facilities are for the most part relatively new and in good condition. Information provided by the school district indicates that an increase in student population resulting from home basing of Navy ships in Ketchikan can be absorbed within the existing physical plant.

The Ketchikan Campus of the University of Alaska Southeast, an integral part of the University of Alaska system, offers a two-year liberal arts and general education program. The college is fully accredited as an institution of higher learning by the Commission on Colleges of the Northwest Association of Schools and Colleges.

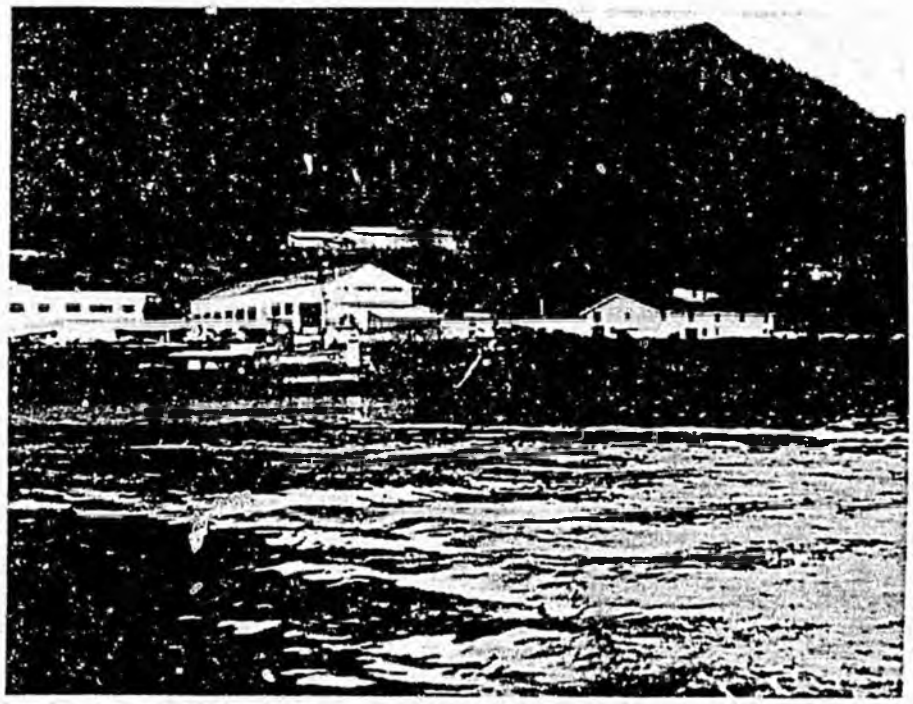
The health care needs of the area are served by Ketchikan General Hospital (a 37 bed facility), 19 physicians (including one physician assigned to the Coast Guard), one psychiatrist, and a OB/GYN Nurse Midwife. Current plans call for a 24,000 square foot expansion of the hospital during the next 5 years. The nearest major medical facility is in Seattle where seriously ill or injured patients are air evacuated.

For a community of its size, Ketchikan is rich in human support facilities ranging from libraries, to cultural assets, to sporting facilities. The area abounds with fraternal, religious, social, and recreational organizations. Local governmental organizations such as Parks and Recreation Departments and voluntary community groups insure that Ketchikan offers services and activities to meet most interests. Ketchikan offers a variety of shopping facilities, including a new indoor mall with 81 stores. There are three large supermarkets as well as numerous small neighborhood groceries. A variety of goods and services are available in the community, however, special orders and catalog shopping remain the lifeblood of the consumer in Ketchikan, as well as most of Alaska.

XIII. COMMUNITY IMPACTS

Population growth due to home basing of Navy ships in Ketchikan would represent an increase of approximately 8.5% (assuming 1,200 military members and dependents). Although housing demand would probably exceed supply initially, it is expected that private developers would meet the housing demand if the Navy made a commitment to homeport in Ketchikan. Public services to support a growing population does not appear to be a problem as both the Borough and City have planned for such growth as a natural result of economic expansion of the area.

Additional street traffic resulting from home basing of Navy ships in Ketchikan would not significantly impact the infrastructure, however, expansion of the system would place additional street maintenance requirements on local government.



XIV. ENVIRONMENTAL ISSUES

Bald eagles are numerous in and around Ketchikan as are some marine mammals. No other endangered species are known to inhabit the area. Eagle nesting and roosting trees are of primary concern to ensure the survival of the bird. There are no wetlands in any areas which are acceptable for home basing. Indian and pioneer history of the area is plentiful. Archaeological sites abound in the area and Ketchikan has many buildings dating back to the turn of the century. Ketchikan Gateway Borough has a Coastal Management Plan in place and several environmental documents have been prepared for projects in the area.

XV. COMMUNITY SUPPORT

Support for Navy home basing in Ketchikan by the local governments is very strong. The media has taken a positive position on home basing. Support for Navy home basing in the community appears to be positive. The citizens of Ketchikan support growth of the community if it is beneficial and properly managed. Several environmentally oriented groups are active in the Ketchikan area and play an aggressive role in monitoring growth as it relates to the natural environment, especially in connection with tourism and fishing.

Ketchikan

334 Front Street
Ketchikan, Alaska 99901

Home Rule City

Phone: (907) 225-3111

INCORPORATION DATE:	August 25, 1900	
POPULATION:	7,311	
REGULAR ELECTION:	First Tuesday in October	
SALES TAX:	5%	
CITY COUNCIL MEETS:	First and third Thursdays	
MANAGER FORM OF GOV'T:	Yes	
MAYOR:	Ted Ferry	1988

CITY COUNCIL MEMBERS

Tom Friesen, V.Mayor	1988
Edward W. Zastrow	1988
Georgia Skannes	1988
Tom Coyne	1990
Charles E. Freeman	1990
Donald F. Hoff, Jr.	1989
Lew M. Williams, III	1990

MUNICIPALLY OWNED UTILITIES
Water, Electricity,
Telephone, Port, Hospital

ASSISTANT MANAGER	Dan Allen
ATTORNEY	Russell W. Walker
CLERK	Karen Miles
ENGINEER	Fred Monrean
FIRE CHIEF	David O'Sullivan
LIBRARIAN	Mary McGee
MANAGER	James A. Van Altvorst
PARKS & RECREATION DIRECTOR	Susie Daly
POLICE CHIEF	Daniel A. Anslinger, III
PUBLIC UTILITY MANAGER	Richard A. Southworth
PUBLIC WORKS DIRECTOR	Jack Pearson

Ketchikan Gateway Borough

344 Front Street
Ketchikan, Alaska 99901

Second Class Borough

Phone: (907) 225-6151

INCORPORATION DATE:	September 6, 1963
POPULATION:	12,982
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	1.5%
ASSEMBLY MEETS:	First and third Mondays
MANAGER FORM OF GOV'T:	Yes

MAYOR: Ralph C. Gregory, Jr. 1990

ASSEMBLY MEMBERS

Kaye King, P.O.	1989
Don Chenhall	1990
Ralph M. Bartholomew	1988
Dennis McCarty	1988
John Cote	1990
Michael Cruise	1989
Marie Westfall	1990

PLANNING/ZONING COMMISSION

John Holst, Chair	1988
Chuck McGee	1990
William C. Thomas, Sr	1988
Bruce Johnstone	1989
Walt Begakla	1990
Richard Olmstead	1990
Don Stewart	1989

SCHOOL BOARD MEMBERS

Dr. Tom Conley, Pres.	1988
Jim Alguire	1988
Lynette Beraldi	1989
Pam Hjorteset	1988
Cheri L. Davis	1990
Bryan Mangum	1990
Kirk Thomas	1989

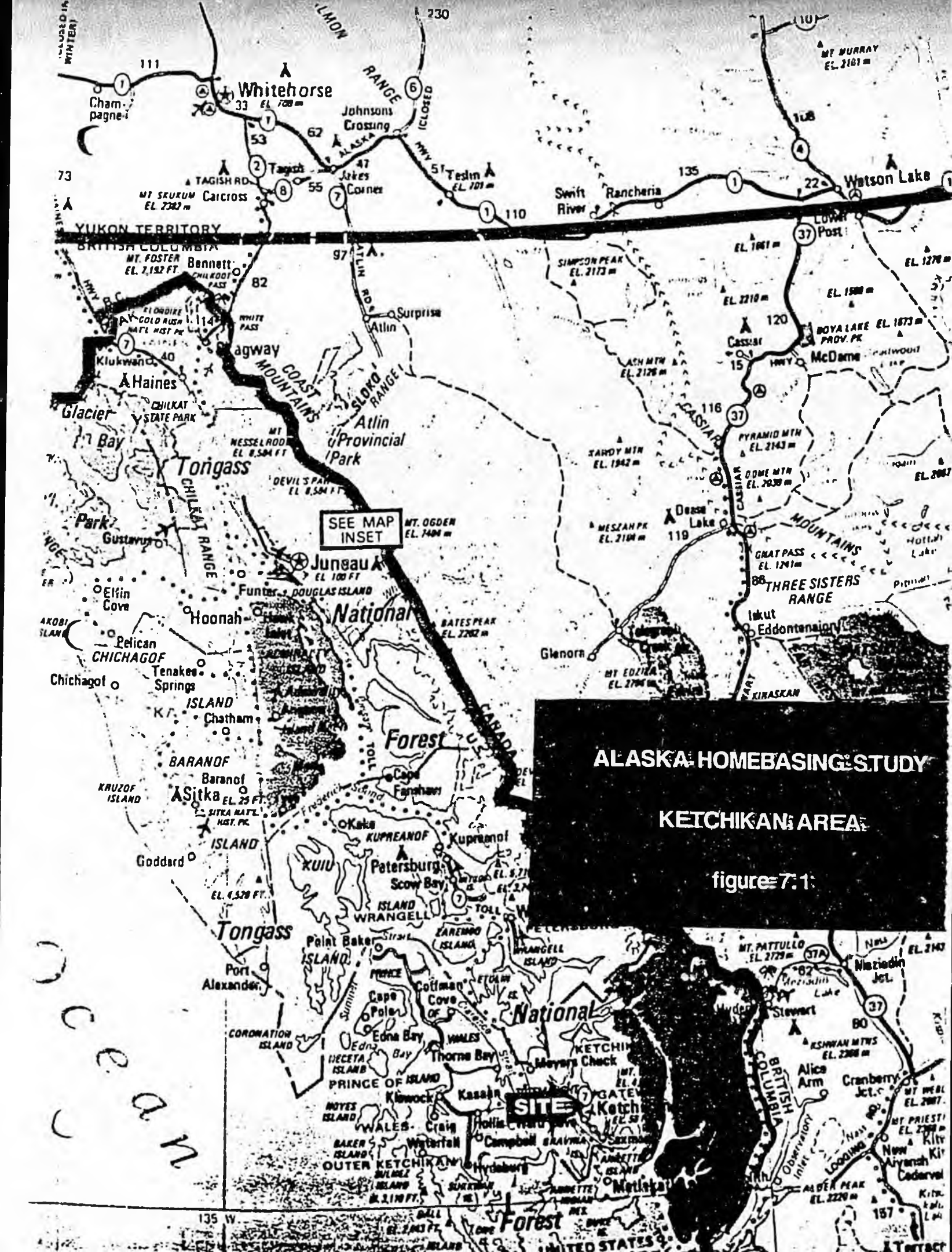
BOROUGH POWERS

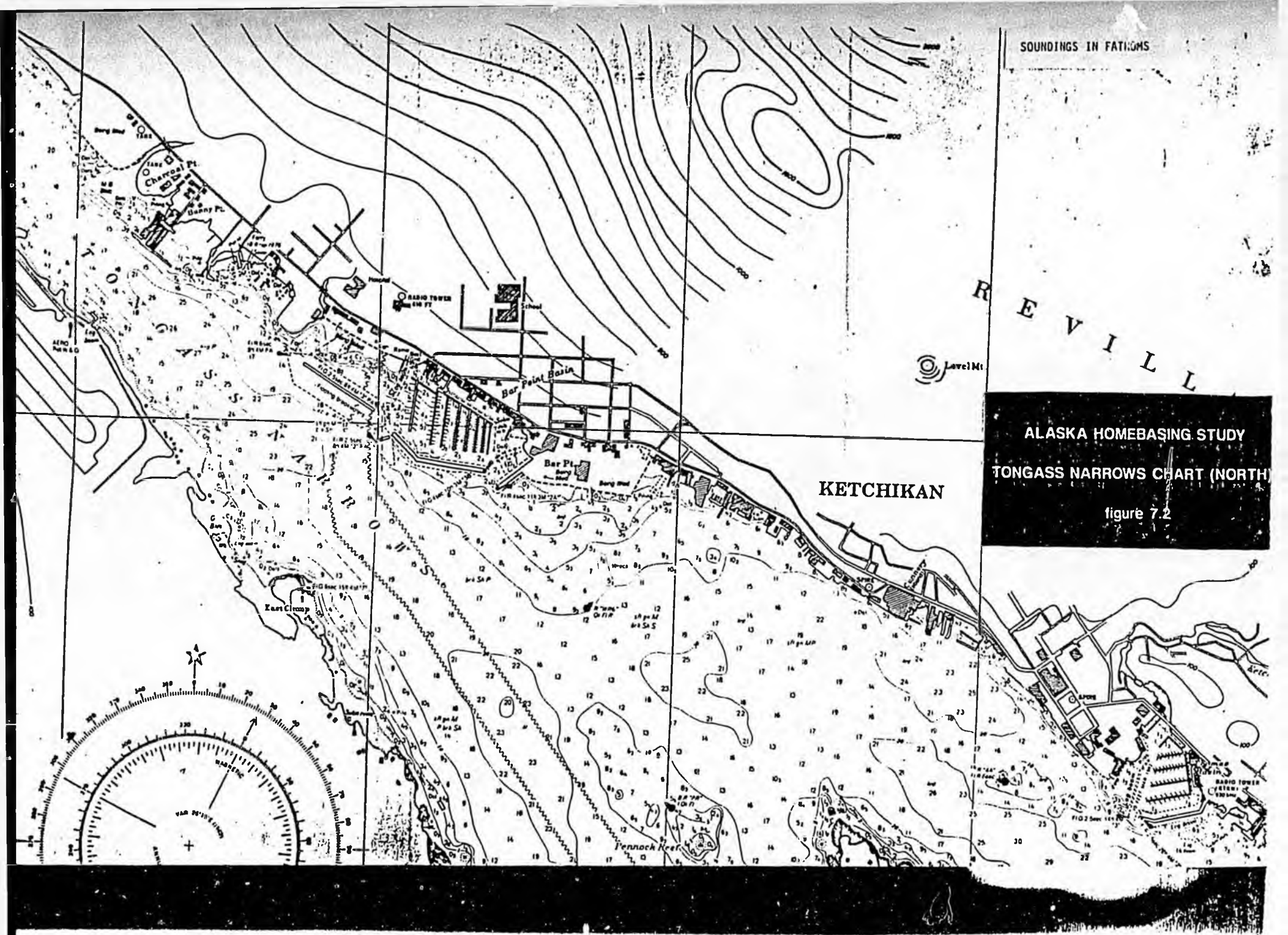
Areawide: Education, Airport, Planning, Animal Control, Taxation
Non-Areawide: Fireworks, Drug Paraphernalia Control, Library
Service Areas: Water, Fire, Sewer, Roads

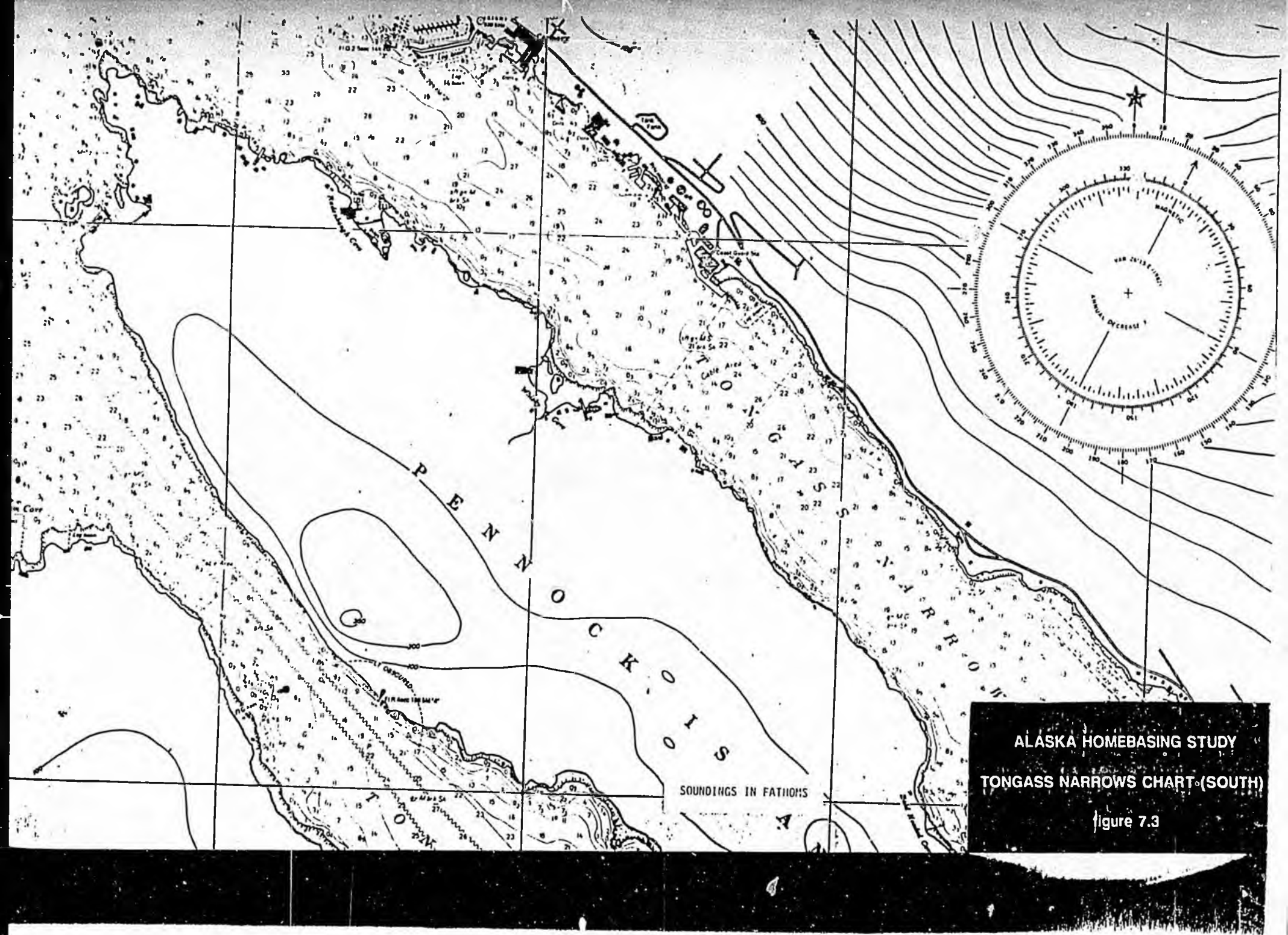
MUNICIPALLY OWNED UTILITIES

Airport

ACCOUNTING DIRECTOR	Marly Gregorioff
ADMINISTRATIVE ASSISTANT	Judith Wright
AIRPORT MANAGER	Ken Linder
ANIMAL CONTROL OFFICER.(Acting)	Terry Richardson
ASSESSOR	Robert Kern
ATTORNEY	Russell Walker
CLERK	Georgianna Booth
MANAGER	David G. Crow
PLANNING DIRECTOR	William Jones
REVENUE DIRECTOR	Sandy Isley


ALASKA HOMEBASING STUDY
KETCHIKAN AREA
figure 7.1
SITE
SEE MAP INSET
Whitehorse
Watson Lake
Teslin
Atlin
Surprise
Bennett
Skagway
Klukwan
Haines
Glacier Bay
Tongass
Atlin Provincial Park
Juneau
Hoonah
Elfin Cove
Pelican
Chichagof
Tenakee Springs
Chatham
Baranof
Sitka
Goddard
Kake
Kupreanof
Petersburg
Scow Bay
Point Baker
Port Alexander
Cape Pole
Edna Bay
Thorne Bay
Meyers Chuck
Kasaan
Klawock
Craig
Hydaburg
Metlakatla
Ketchikan
Alice Arm
Stewart
Dease Lake
Glenora
Iskut
Eddontenaion
Cassiar
McDame
Swift River
Rancheria
Lower Post
Johnsons Crossing
Jakes Corner
Carcross
Tagish
Champagne
Mt. Foster
Mt. Ogden
Mt. Murray
Mt. Nesselrode
Mt. Edziza
Simpson Peak
Pyramid Mtn
Dome Mtn
Bates Peak
Ketchikan Mtns
Mt. Pattullo
Alder Peak
Yukon Territory
British Columbia
Coast Mountains
Sloko Range
Three Sisters Range
Cassiar Mountains
Atlin Range
Chilkat Range
Boya Lake Prov. Pk.
Chilkat State Park
Tongass National Forest
Outer Ketchikan
Prince of Wales Island
Wrangell Island
Kuiu Island
Kupreanof Island
Baranof Island
Chichagof Island
Coronation Island
Revillagigedo Island
Douglas Island
Admiralty Island
Kruzof Island
Etolin Island
Zarembo Island
Deceta Island
Baker Island
Moyes Island
Annette Island
Gravina Island
Duke Island
Campbell
Hollis
Waterfall
Cape Fanshaw
Cape Decision
Cape Fairweather
Frederick Sound
Stikine Strait
Summer Strait
Clarence Strait
Dixon Entrance
Observatory Inlet
Portland Canal
Behm Canal
Revillagigedo Channel
Nazlindin Jct.
Cranberry Jct.
Terrace
Kitimat
New Aiyansh
Cedarvale
Kitwanga
Kitwancool
Kispiox
Hazelton
Smithers
Houston
Burns Lake
Fort St. James
Fort St. John
Dawson Creek
Prince George
Prince Rupert
Queen Charlotte Islands
Hecate Strait
Queen Charlotte Strait
Pacific Ocean
United States
Canada
Alaska
Hwy
Toll
Ferry


SOUNDINGS IN FATHOMS
KETCHIKAN
Charcoal Pt.
Bar Point Basin
Bar Pt.
East Clump
Pennock Reef
ALASKA HOMEBASING STUDY
TONGASS NARROWS CHART (NORTH)
figure 7.2



ALASKA HOMEBASING STUDY

TONGASS NARROWS CHART (SOUTH)

figure 7.3

SITKA

The City of Sitka is located on the west side of Baranof Island, 95 air miles southwest of Juneau and 185 miles west of Ketchikan. Seattle is two hours flying time to the south. Travel to Sitka is by air or water since there are no roads connecting to outside areas.

I. POPULATION

The City and Borough of Sitka have an estimated population of 8,300. The major population area is the City of Sitka, however, a growing number of residents are locating homes in the nearby unincorporated areas.

II. CLIMATOLOGY

The climate in Sitka is classified as marine with abundant precipitation. Annual rainfall in the area is 95 inches with an annual snowfall of 50 inches. The snow received in Sitka is highly saturated and adds significantly to total annual precipitation. The average temperatures range from a low of 26 degrees to a high of 62 degrees. As with most of Alaska, hours of daylight are extreme, the shortest being 7 hours and 43 minutes while the longest is 17 hours and 55 minutes.

Visibility in the Sitka area is often restricted due to the foggy, cloudy, and misty conditions which prevail. In the average year, there are 200 days with some form of precipitation. Conditions are such that air traffic around Sitka is often disrupted or delayed.

III. HARBOR CHARACTERISTICS

Sitka is located 17 miles from the surf line of Sitka Sound via Western channel. Eastern Channel to open ocean water is 22 miles. The Western anchorage area is -24' to -36' Mean Low Low Water (MLLW) in depth while the Eastern anchorage area is -60' MLLW. The depth in Western Channel averages -65' MLLW and the Eastern Channel averages -180' MLLW. Neither channel requires maintenance dredging. All channels are at least 1/4 mile wide at the narrowest point. The channel areas are dotted with many small islands but those presenting a navigation hazard are well charted and marked. Currents through the channels are typically 1 to 2 knots. There are no overhead obstructions in the paths of navigation, although Sitka Channel is crossed by a bridge with a horizontal clearance of 350' and a vertical clearance of 52'. Ocean going ships are not required to pass under this bridge. The Sitka area remains ice free throughout the winter.

IV. PORT SERVICES

Port services in Sitka are somewhat limited due to lack of demand by larger vessels. Small log boom tugs are in the area, however, larger tugs would have to be arranged through commercial concerns in other areas. A small fuel barge is available, however, there is no water service for ships at anchor.

V. EXISTING WATERFRONT FACILITIES

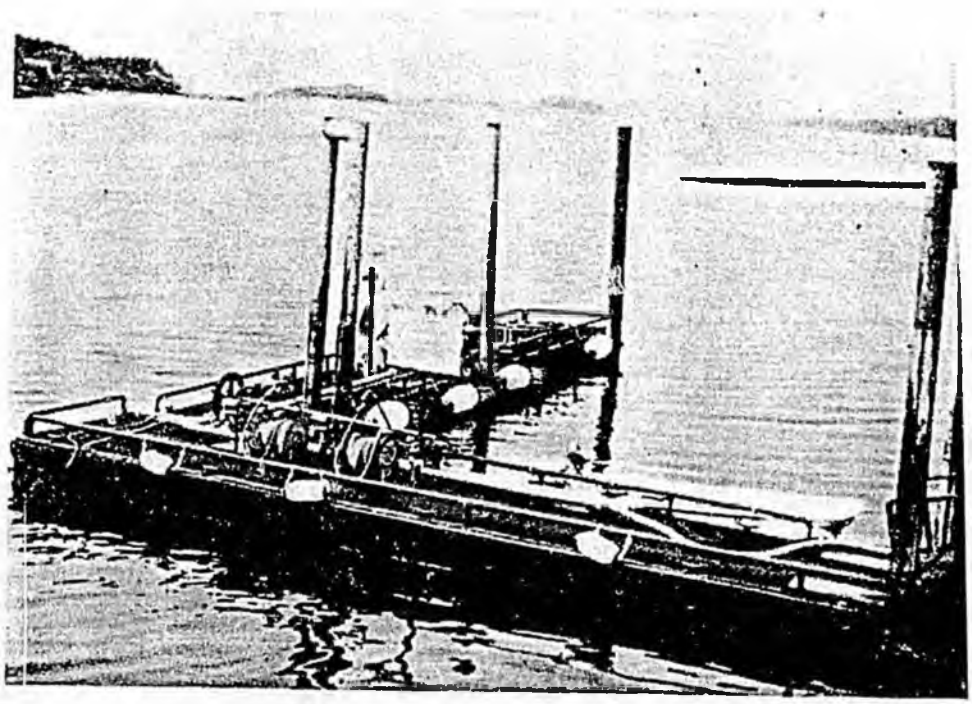
There is one existing marginal wharf in Sitka big enough to accommodate larger vessels. This is a 355' steel piling wharf with rock backfill. A small 1.53 acre laydown area lies behind the wharf. The deck height of the wharf is +16.9' MLLW, however, the depth alongsideis only -18' MLLW and would require extensive dredging to accept larger vessels.

VI. EXISTING ONSHORE FACILITIES

There are currently no existing facilities which would accommodate a Navy home basing effort.

The City-Borough has proposed three alternatives for consideration. The first is a proposed site located on Starrigavan Bay approximately seven miles northwest of downtown Sitka. Water depth at this site is -40' MLLW

or greater, a turning radius of 1/2 mile is available and there are no navigation hazards which present a danger to ship handling. The uplands in the area are under various ownerships, including the Bureau of Land Management and the City-Bourough of Sitka. The waterfront area is bisected by Halibut Point Road which would probably need to be re-routed before substantial development could take place.



The second proposed location is in the Katlian Basin area approximately 17 miles northwest of downtown Sitka, and lies 6 miles beyond the end of the existing road. The site is located in a totally undeveloped area which would require extensive preparation for development. Katlian Bay is a 4.5 square mile bay with an average water depth of 65 fathoms or greater. The uplands in the Katlian Basin lie within the Tongass National Forest, however, the Shee Atika Corporation, a native owned entity created by the Alaska Native Claims Settlement Act of 1971, owns in excess of 3,000 acres in the basin. The Katlian Valley is surrounded by steep slopes averaging over 70 percent. The Basin is subject to several geophysical hazards including land and rock slides, snow avalanches, earthquake, tsunami and seiche waves and river flooding. The Shee Atika Corporation has indicated a willingness to develop this property for a Navy home base.

The third proposal for Navy home basing in Sitka is adjacent to Japonski Island, which was a Naval Air Station during World War II, and currently serves in part as the Sitka Airport. A causeway from Japonski Island connecting several small islands jutting into Sitka sound was constructed by the Army Corps of Engineers during the war, thereby allowing the construction of gun emplacements, personnel quarters, and an underground hospital on the string of islands. The causeway road has been seriously breched by wave action and is currently in poor condition. Access to this site would require construction of a road around the end of the airport runway or an underpass below the runway. The islands, owned by the State of Alaska, would provide berthing in Whiting Harbor. This harbor was dredged during the war and would probably require re-dredging at this time. In addition to the string of islands available, Charcoal and Alice Islands, adjacent to the proposed site and owned by the Shee Atika Corporation, could be made available for support functions. These islands contain the renovated remnants of World War II structures converted to various uses such as administration and storage. Shee Atika Corporation has indicated a willingness to lease the islands and buildings to the Navy.

VII. SEISMIC FACTORS

Although all of Alaska is subject to seismic activity, it must be noted that the Sitka area is especially vulnerable to earthquake and related damage. A large, active fault zone, the Fairweather fault, trends through the area immediately west of Sitka. This fault zone extends from south of the Queen Charlotte Islands north to the vicinity of Cordova, Alaska. Because of volcanic ash deposits dating back thousands of years, the soils of the area are classed as thixotropic, meaning that they are subject to liquefaction during an earthquake. In addition to the earthquake potential, the volcanos of nearby Kruzof Island pose a current threat to Sitka from eruption. Previous eruptions deposited large quantities of ash on the surrounding area which has created soils presenting

construction problems. Landslides are common in steeper sections of the City and Borough. In addition to the potential for earthquake damage, the Sitka area is vulnerable to destructive wave action created by subaerial or subaqueous landslides resulting from earthquakes or volcanos. The area is also threatened by tsunami waves generated anywhere in the Pacific Ocean.

VIII. LOGISTIC SUPPORT

Logistic support in Sitka is quite good. Frequent barge service from Seattle maintains the levels of goods at a satisfactory mark and air cargo service supplies those items in critical need.

Petroleum, oils and lubricants (POL) are readily available from three distributors in Sitka. Stocking levels of fuel between the three dealers is nearly 2 million gallons while diesel oil stock is approximately 1 million gallons. Lubricants are stocked in 55 and 400 gallon drums in addition to one 2,500 gallon bulk tank. Jet fuel and aviation gasoline are stocked in large quantities and can be replenished within one week, as are all POL products.

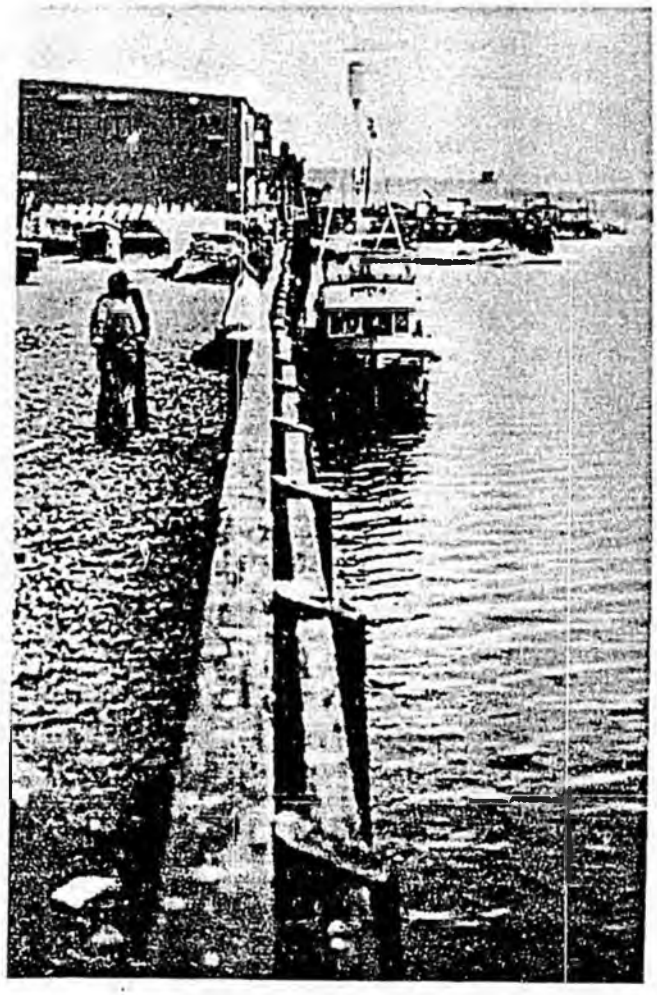
There is one marine supply house in Sitka which carries general purpose boat parts and products. Availability of materials needed by the Navy for ship repair and maintenance is lacking, however, the one dealer can provide general items by order from Seattle and has indicated a willingness to increase stock to meet Navy requirements.

There are no wholesale provisioners in Sitka which could replenish Navy ships. Food items are ordered by local retailers for stock. It is assumed that if the Navy generated a need for additional stocking of food, private enterprise would fill the gap.

IX. TRANSPORTATION

Travel to and from Sitka is by air and water as there are no roads connecting to other areas. Sitka Airport offers air connections via one major airline to points north and south and numerous commuter airlines provide service to other communities in the area. Waterborn transportation is provided to Sitka by the AlaskaMarine Highway System ferries.

The Sitka Airport is a modern facility with a 6,500' runway operating a LDA/DME instrument landing system.



From the appearance of the airport, the facility is well maintained. The FAA operates a Flight Service Station manned 24 hours per day, and general aviation aircraft maintenance and fueling is available.

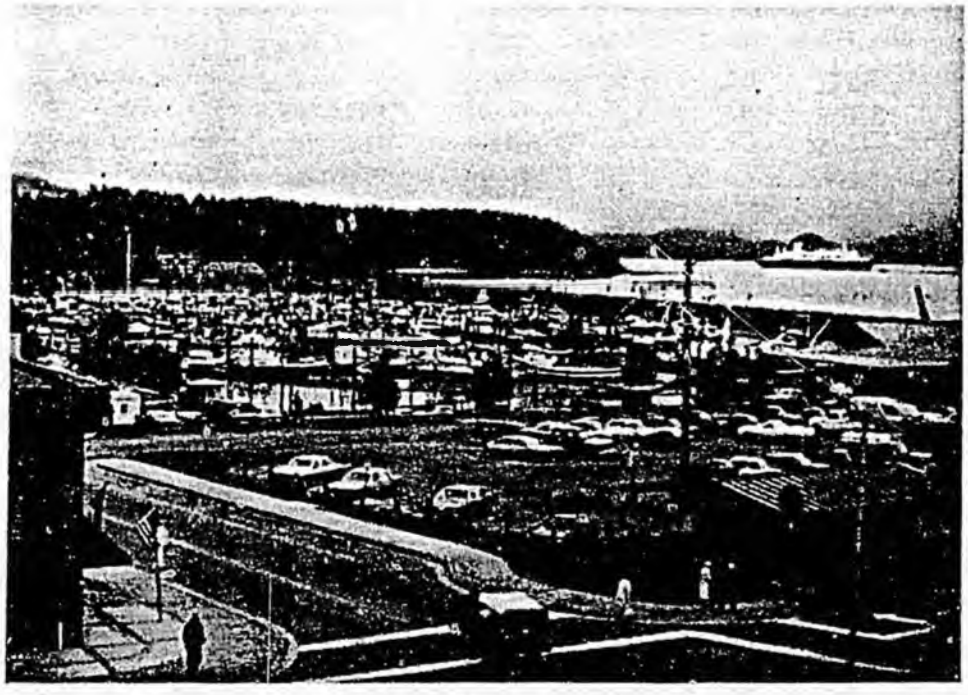
X. INDUSTRIAL SUPPORT

Industrial support for ship repair in Sitka is virtually non-existant. While a small (400 ton) dry dock and a barge railway (800 tons) are available for repair of smaller vessels, there are no facilities in Sitka that can handle large ships, nor is there any crane service available.

XI. UTILITIES

Utilities in Sitka are provided by the City either by in-house operation or, as in the case of trash removal, by a contractor.

Electricity is provided by two sources, the Blue Lake Hydroelectric Project and an intertie with Alaska Pulp Corporation. Total capacity of the two systems is 12,470/7,200 ACV. The residential rate for electrical service is $12 for the first 100 kwh and 6 cents for each additional kwh. Inasmuch as there are no large commercial electrical consumers connected to the system, the City has not developed a rate schedule for such service.



Potable water service is provided from three sources, the Blue Lake Reservoir, Cascade Creek and Indian River. The combined capacity of these sources is 3.1 million gpd. Residential service is provided at a flat rate of $7.50 per month. Once again, the lack of a large commercial user has resulted in the City not establishing a commercial rate schedule.

Sewer service is provided by the City at a residential cost of $16.80 per month. The current system utilizes a sludge pond and water separation system with a daily capacity of 5.3 mgpd. The sludge is burned in the city operated incinerator while liquids are pumped to a sewage outfall in Middle Channel in Sitka Sound. A large commercial customer rate structure has not been developed.

XII. PERSONNEL SUPPORT

Housing in the Sitka area appears to be a problem if Navy home basing takes place. Interviews with local realtors indicate a very tight rental market with a vacancy rate well below 1 percent. Although a very low vacancy rate would usually result in extremely high rents, the demand for housing in Sitka appears to be quite stable and results in level, non-inflationary rents. Typical rent for a one bedroom unit averages $450 per month, a two bedroom unit for $550 and three bedroom unit for $650. Sale prices on homes in Sitka range from $95,000 for a two bedroom unit to $140,000 for a four bedroom unit.

The Sitka School District operates a progressive school system in which standardized test scores consistantly place the district among the top ten statewide. Available capacity in the schools appears sufficient to handle an influx of students created by a Navy home basing action.

Higher education in Sitka is provided by two schools. Islands College, a branch of the University of Alaska Southeast, serves Sitka and surrounding communities via teleconference course offerings. Sheldon Jackson College, a four year private college, is the oldest educational institution in Alaska. The college offers baccalaureate degrees in aquatic resources, natural resources, elementary teacher education, business administration and liberal arts.

The health care needs of Sitka are provided for by the Sitka Community Hospital (a new 24 bed facility) and eight practicing physicians, including two surgeons, three internal medicine and three family practice physicians. In addition to the community physicians, the Coast Guard Flight Surgeon [illegible] practices at the Community Hospital. Specialist[illegible]t the community on a regular basis to expand ava[illegible]e services. The Mt. Edgecumbe Hospital, operated by the Southeast Regional Health Corporation, is also located in Sitka. Mt. Edgecumbe Hospital provides general medical, surgical and obstetrical services to local native Alaskans and the residents of the small viliages in the area. This hospi-

tal employs 9 physicians and 4 dentists. In addition to the usual medical services, Mt. Edgecumbe provides support programs in the areas of chemical dependency and mental health.

Sitka has an abundance of recreational facilities ranging from an indoor swimming pool, a gymnasium, softball leagues, pistol and rifle ranges, tennis courts, and hiking trails to camping facilities. The Parks and Recreation Department organizes almost any type activity desired and conducts an excellent program. Complementing the recreation program and sports facilities are the City-Borough parks system which strives to meet the needs of everyone.

Cultural and social activities are a real bright star in Sitka led by the annual Sitka Summer Music Festival which draws participants and audiences from around the world. On a lesser scale, events are scheduled year round involving theater groups, stage performances, and native dance groups. The community is represented by several service club organizations such as Lions, Rotary, Soroptomist International and others. The religious needs of the community are served by many major denominations.

The library system in Sitka is somewhat unique in that the City-Borough system is linked to the libraries of the local colleges and available to all members of the community. The combined resources amount to 129,000 volumes. In addition to volumes locally held, the system is also linked to the Alaska University library system via an on-line computer system and request by mail service.

Shopping in Sitka is limited in numbers of stores, however, the local retailers do a very credible job of satisfying customer needs. There are two major supermarket stores and a number of small food markets. The Coast Guard operates a small Exchange and a commissary facility at the Air Station, and there are several variety stores and three thrift stores in town. Stocking levels are quite good due to frequent barge service from Seattle.

XIII. COMMUNITY IMPACTS

Community impacts resulting from a Navy home basing effort would fall into two major areas; housing and traffic. As discussed earlier, the growth in housing would be mandated by the influx of Navy families which would in turn dictate expansion of the public infrastructure. Traffic patterns would be dictated by site selection, but with a limited road system the anticipated impact would probably be significant.

XIV. ENVIRONMENTAL ISSUES

Bald eagles, peregrine falcons and protected marine mammals inhabit many areas of Baranof Island. Wetlands exist throughout the area but could easily be avoided during the siting process. Sitka is rich in Indian and Russian history, however, due to a devastating fire, few historical structures remain today. There are numerous cultural and historical sites of significance. The City and Borough of Sitka has a Coastal Management Plan in the draft stage and awaiting State approval. There are several environmental documents in existence which were prepared for other projects in the area.

XV. COMMUNITY SUPPORT

The Sitka community seems to be generally receptive to the idea of a Navy presence, however, discussions with various community and business leaders did seem to indicate a wait and see attitude. The citizens of Sitka are pro growth, but not growth at any expense. They are proud of their community and dedicated to insuring that new ventures are done correctly.

City and Borough of Sitka

304 Lake Street, Room 104
Sitka, Alaska 99835

Unified Home Rule Municipality

Phone: (907) 747-3294

INCORPORATION DATE:	December 2, 1971
POPULATION:	8,160
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	4% plus 4% hotel tax
ASSEMBLY MEETS:	Second and fourth Tuesdays
MANAGER FORM OF GOV'T:	Yes

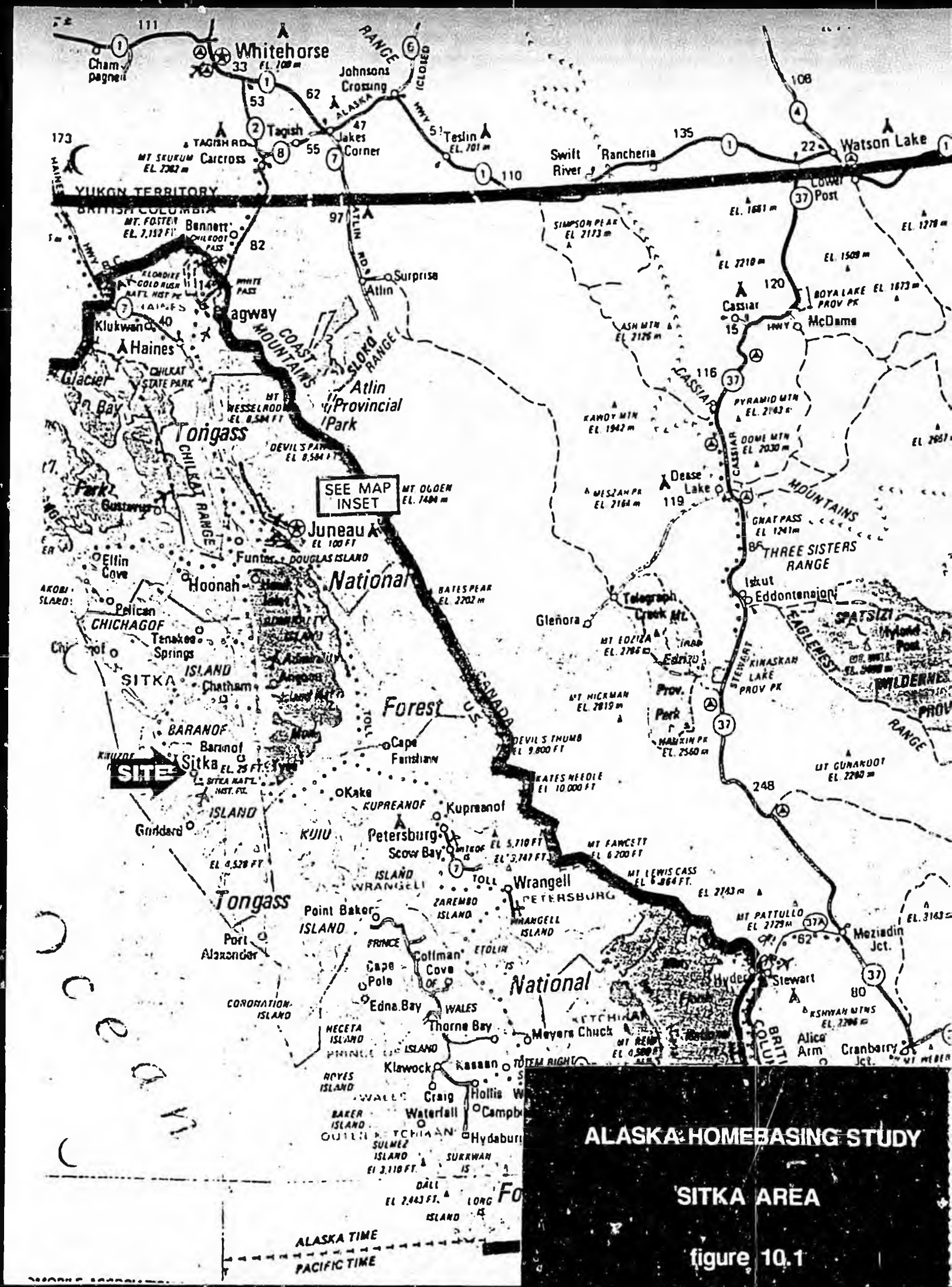
MAYOR: John E. Dapcevich 1989

ASSEMBLY MEMBERS		PLANNING COMMISSION		SCHOOL BOARD MEMBERS	
John E. Dapcevich, P.O.	1989	Harold Stocker, Chair	1989	Michael Meier, Pres.	1988
Tom Pratt	1989	Susan Froetschel	1988	Sandi Hicks	1988
Alice Johnstone	1989	Bert K. Stedman	1990	Shirley McCoy	1989
Dave Dapcevich	1988	J. Russell Ellis	1989	Harold Stocker	1990
Dick Griffin	1988	Larry Nelson	1990	Dennis Vettese	1990
Robert Schell	1990				
Peter Hallgren	1990				

BOROUGH POWERS: Areawide: Health, Water, Education, Animal Control, Solid Waste, Sewer, Library, Planning & Zoning, Fire, Police, Taxation, Building Code Enforcement, Roads/Streets, Jail, Ambulance Service, Civil Defense, Parks

MUNICIPALLY OWNED UTILITIES: Electricity, Airport, Harbors, Hospital, Water, Port Development, Landfill, Wastewater Treatment, Sewer, Incinerator

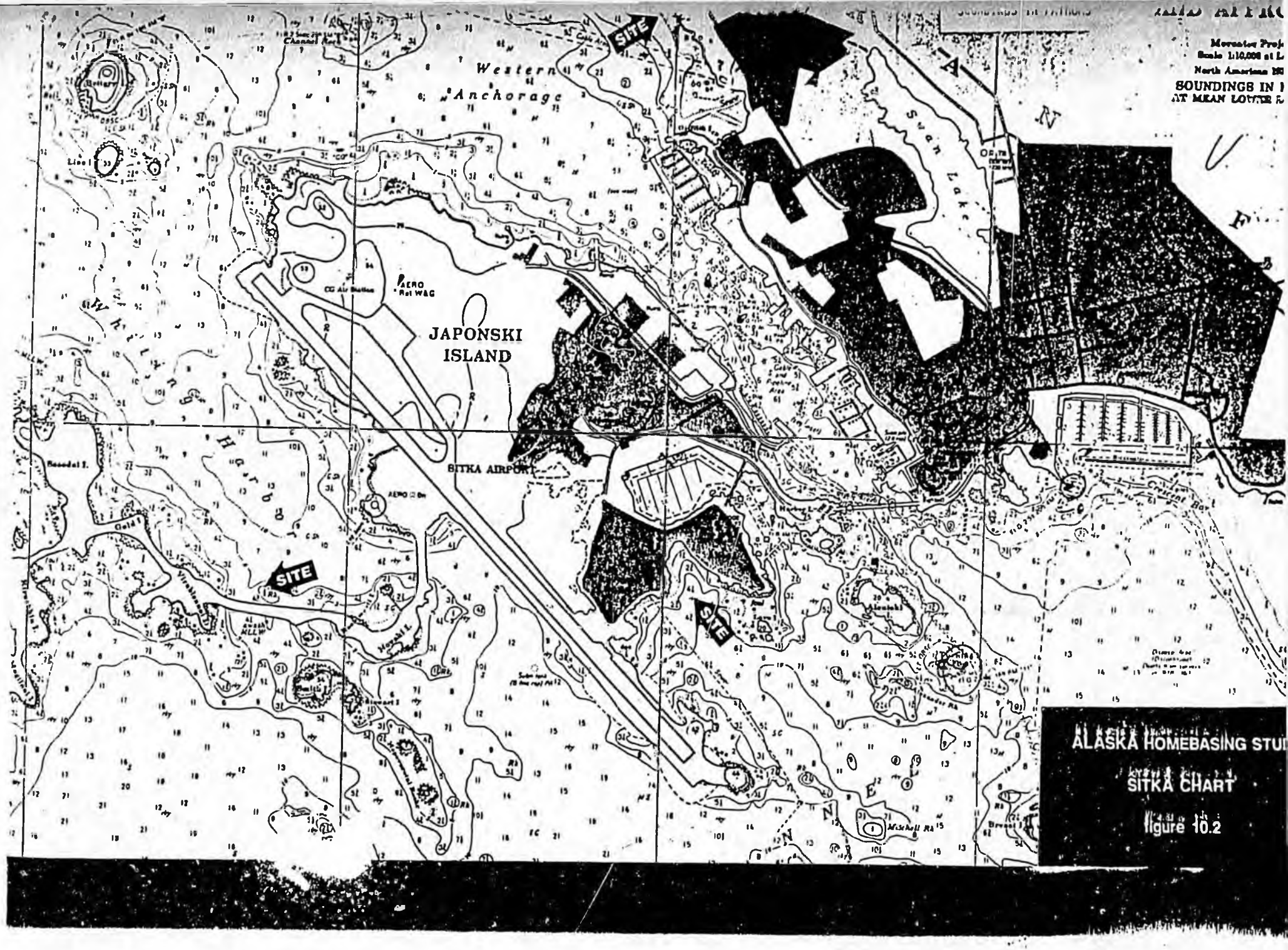
ADMINISTRATOR.....Richard Anderson
AIRPORT MANAGER.....Mike Binkie
ASSESSOR.....Steve Reuter
ATTORNEY.....Theron J. Cole
BUILDING INSPECTOR.....Bob Goss
CIVIL DEFENSE DIRECTOR.....Gerry Helland
CLERK.....Dolores Ingwersen, CMC
COMPTROLLER.....Gary McCarty
ELECTRICAL SUPERINTENDENT.....Greg Grissom
ENGINEER.....Larry Harmon
FIRE CHIEF.....Gerry Helland
FINANCE DIRECTOR.....John McCracken
HARBORMASTER.....Richard Guhl
HEALTH OFFICER.....Edward Spencer, M.D.
HOSPITAL ADMINISTRATOR.....Ed Malewski
LIBRARIAN.....Nancy Gustavson
PLANNING DIRECTOR.....Mike Schmidt
POLICE CHIEF.....John Newell
PUBLIC WORKS DIRECTOR.....Jerry Simpson
SUPERINTENDENT OF SCHOOLS.....Art Woodhouse
WASTEWATER TREATMENT PLANT SUPERINTENDENT.....Don Albert
WATER FOREMAN.....Pat Welsh



ALASKA HOMEBASING STUDY

SITKA AREA

figure 10.1


SITE
Western
Anchorage
Swan Lake
JAPONSKI
ISLAND
AERO
Rel W&G
CG Air Station
SITKA AIRPORT
Harbor
SITE
SITE
Mercator Proj
SOUNDINGS IN
AT MEAN LOWER
ALASKA HOMEBASING STU
SITKA CHART
Figure 10.2

VALDEZ

The City of Valdez is located on mainland Alaska 115 air miles and 304 highway miles from Anchorage. Ocean access to the port is via Prince William Sound to Valdez Arm, through the Valdez Narrows and into Port Valdez.

I. POPULATION

The City of Valdez has a stable population of 3,271, however, at the height of the pipeline construction, the city supported a population of approximately 9,000.

II. CLIMATOLOGY

The weather in Valdez ranges from mild summers to frozen winters. The mean July temperature is 55 degrees while the mean January temperature is 25 degrees. Precipitation averages 56.7 inches of rain and 292 inches of snow annually. Cloudy, overcast conditions prevail an average of 255 days per year while clear days average only 63 days per year. Heavy fog resulting in visibility of less than 1/4 mile occurs an average of 19 days per year. June 21, the longest day of the year, provides 19 hours and 21 minutes of daylight, while December 21, the shortest day, provides 5 hours and 28 minutes of daylight.

III. HARBOR CHARACTERISTICS

The Port of Valdez is located 90 miles from open ocean via Port Valdez, through Valdez Narrows into Prince William Sound and on to the Gulf of Alaska. There are no navigation hazards between the Gulf of Alaska and Valdez Narrows. Water depth to the narrows averages -600' Mean Low Low Water (MLLW) per NOAA soundings. At the north end of Valdez Narrows is Middle Rock, a pinnacle barely covered at extreme high tide, but marked with a light. Water depth through the narrows at the shallowest point is -120' MLLW. Water depth throughout Port Valdez Harbor averages -500' MLLW. Valdez Narrows is the narrowest point (0.5 miles) on this transit route. The entire route from Prince William Sound to the Port of Valdez is under vessel traffic control by the Coast Guard. Currents along the transit route are usually too variable and weak to predict. Currents along the north end of Valdez Harbor can be as much as 2 to 3 knots resulting from freshwater discharge from the Robe River. The entire area is ice free year round, however, icebergs calved into Prince Willaim Sound from Columbia Glacier could be a hazard. The diurnal tidal range in Port Valdez is 12'.

IV. PORT SERVICES

Tug boat service is available in Valdez from Puget Sound Tug and Barge, Inc. There are no lighterage nor passenger services available.

V. EXISTING WATERFRONT FACILITIES

Valdez has three pier facilities in addition to the Alaska Oil Pipeline Terminal. The first is a 700' by 100' floating concrete pier with 2 mooring dolphins making an overall berthing length of 1,200'. This facility is in excellent condition. Deck height of the floating pier is 15' above the waterline and depth of water alongside is -55' MLLW. The pier load limit is 300 PSF.

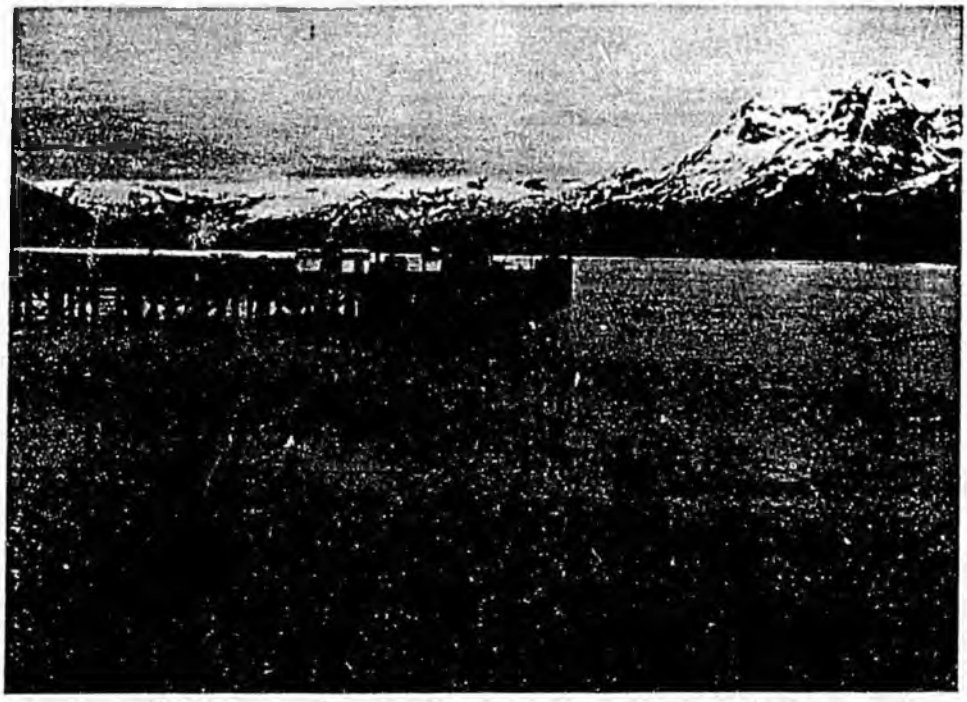
The second pier facility is the City Dock, a 600' by 60' wooden pier in average condition. The deck height is +16' MLLW and depth alongside is -40' MLLW. The load limit is unknown.

The third facility is owned by Valdez Dock Company and serves as a fuel pier. The pier is 200' by 40' with dolphins and is in good condition. The deck height is +26' MLLW and depth alongside is -35' MLLW. The load limit is unknown.

City officials have expressed a preference for shared use development of a Navy home base at the floating concrete pier with upland development in the area of Old Valdez.

VI. EXISTING ONSHORE FACILITIES

There are no existing onshore facilities currently available for use by the Navy in connection with a home basing effort. The Valdez Industrial Park, located in a glacier outwash valley at the end of Port Valdez, is not yet developed. The city proposed Navy home basing location is either in or adjacent to the industrial park.



VII. SEISMIC FACTORS

Southcentral Alaska is one of the most seismically active areas of the world, and Valdez is no exception. The City of Valdez is surrounded by several faults (Denali, Knik, Jack Bay, Whalen Bay, Chugach and St. Elian) which all have potential for causing severe earthquake damage. Several severe earthquakes have hit Valdez in the past 100 years, however, the 1964 Good Friday Earthquake was the most damaging. That seismic event (magnitude 9.2 on the Richter Scale), epicentered in Prince Willaim Sound 45 miles west of Valdez, was responsible for the complete devastation of the city of Valdez.

VIII. LOGISTIC SUPPORT

Logistic support in Valdez is quite good considering the size of the community. Frequent barge service from Seattle insures a steady supply of retail and commercial goods.

Petroleum, oils and lubricants (POL) are well stocked by Chevron USA, Inc. Diesel fuel supply averages 3.9 million gallons, aviation gas (80 and 100) at 600,000 gallons, jet A-50 stocked at 980,000 gallons and gasoline 730,000 gallons. Lubricants are stored in 55 gallon drums in quantities to meet demand. Alaska Pacific Refining, Inc. has plans to construct a refinery in Valdez with construction beginning in 1989.

There are no ship chandlers or marine hardware sources in Valdez. All parts for ship and boat repair must be brought in from Seattle or Anchorage

Provisioning of ships would most likely have to be done by Navy supply sources since there are no wholesalers in Valdez. Barge service from Seattle is reliable and would meet transportation needs.

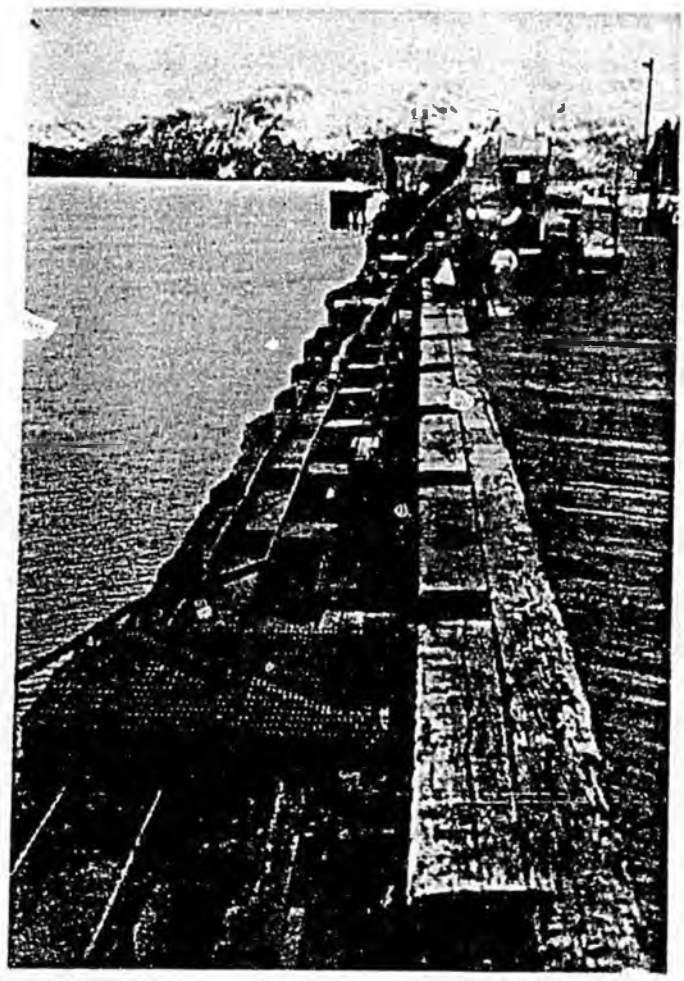
IX. TRANSPORTATION

Travel to and from Valdez can is by highway to Anchorage, air service or via the Alaska Marine Highway System ferry. Valdez is connected by road to Anchorage, some 304 miles distant.

Air service to Valdez is provided by one major airline and several smaller air services. The airport features a 6,500'asphalt runway with a Bendix microwave landing system. The air terminal is relatively new and sufficient to handle passenger volumes well into the future.

X. INDUSTRIAL SUPPORT

Currently there are no industrial support facilities capable of serving potential Navy needs. A small repair facility is operated by a private concern, who has indicated to city officials that the business will expand to meet any Navy needs.



XI. UTILITIES

Electrical service to Valdez is provided by the Copper Valley Electric Association, Inc. The Association relies on hydroelectric power and diesel generators with an option to connect to an intertie with Anchorage and Fairbanks. Current capacity of the system is 30 MW and could be expanded to 75 MW by utilizing the intertie. Electricity costs in Valdez for residential service is $7.50 per month plus 15.9 cents per kwh for the first 600 kwh plus 15.3 cents per kwh for each kwh over 600. Large commercial accounts are billed at 13.3 cents per kwh for the first 25,000 kwh plus 9.0 cents per kwh for each kwh over 25,000. There is also a $8.00 per kwh demand charge. The reliability factor for electric service in the area is very high.

Potable water service is provided by the City of Valdez from a river fed reservoir. Current capacity is 3 MGD while useage is only 0.6 MGD.

Sewer service is provided by the City of Valdez by means of a gravity flow and pump system. Sewage treatment capacity is 1.25 MGD through the treatment plant. Treated effluent is allowed to flow from the sewage ponds into a receiving stream and then into Valdez Harbor.

XII. PERSONNEL SUPPORT

Housing in Valdez would likely be a problem if ships were home based there. Being a smaller community with a stable population base, Valdez does not have an expanding housing market. Such a condition results in a low vacancy rate in the rental market, in this case about 5 percent. Although 5% seems high, this figure represents only 30 units. Typical rental rates in the area range from $600 plus per month for a two bedroom unit to $800 plus for a four bedroom home. Of the 600 residences in the community, 60 were for sale during June, 1988. Two bedroom homes range in price from $62,000 to $85,000 while three bedroom units were $80,000 and up. Four bedroom home prices begin at $105,000.

The school system consists of three schools, all located in central Valdez. Hutchens Elementary School serves grades K-6, while grades 7 and 8 attend Gilson Junior High School and grades 9 through 12 attend Valdez High School. It is noteworthy that Valdez High School was the first high school in Alaska to receive the U.S. Department of Education's "Excellence In Education Award". Given current enrollments and population trends, the existing facilities would be able to absorb all students associated with a Navy home basing effort without difficulty.

Prince William Community College (PWCC) provides post high school education to the Valdez community. The college, a member of the University of Alaska network, offers Associate degrees in Arts and Applied Sciences. Credit courses are offered in a variety of voca-

tional programs including welding, fisheries, hydraulics, mechanics, and business administration.

Medical care in the community is provided by the Valdez Community Hospital, a 15 bed acute care facility. Adjacent to the hospital is the Valdez Medical clinic staffed by three physicians. Valdez has one dentist in residence.

Valdez offers a great variety of outdoor recreation activities including fishing, hunting, hiking, camping, skiing, boating, softball, tennis, and court sports. Indoor recreation is provided by the City Parks and Recreation Department in cooperation with the school district. Swimming, basketball, racquetball and gym sports are all available to the community.

The Valdez Civic Center provides facilities for community entertainment and cultural events. Completed in 1982, the Civic Center offers a 500 seat theater with stage, ballroom, kitchen facilities and conference rooms. The Valdez Heritage Center serves as a museum and facility for traveling exhibits. The Valdez Consortium Library offers a collection of 32,000 volumes, visual and audio media, conducts many special programs such as preschoolers reading and storytelling, and is a member of the Alaska Interlibrary Borrow System. The religious needs of the community are served by several local churches of various denominations.

The shopping needs of the community are served by two large grocery stores, several smaller convenience stores, an auto parts distributor and several clothing, gift and specialty stores. Although small in numbers, the businesses of Valdez present a comprehensive line of products with good inventory and speedy re-supply by barge from Seattle.

XIII. COMMUNITY IMPACTS

Community impacts from a Navy home basing initiative would not be severe. Valdez stands ready to absorb newcomers into the community and make them feel at home. During the pipeline and terminal construction the city was home to 9,000 people. Basic infrastructure from that era is still in place and could be reactivated to serve a new influx of people.

XIV. ENVIRONMENTAL ISSUES

The Valdez area is home to Bald Eagles and marine mammals. No other known endangered species inhabit the area. The harbor has extensive wetland areas and tidal flats along the northeast edge of the bay, but it is unlikely that home basing would be desirable in that area. While there are several sites of historical and archaeological significance, there are no remaining historical structures. The City of Valdez has a Coastal Management Plan in place and numerous environmental documents have been prepared for other projects.

XV. COMMUNITY SUPPORT

The Valdez community appears very supportive of Navy home basing. Media coverage of the issue has been positive and there are no known groups in opposition.

XV. COMMUNITY SUPPORT

The Valdez community appears very supportive of Navy home basing. Media coverage of the issue has been positive and there are no known groups in opposition.

Valdez

P.O. Box 307
Valdez, Alaska 99686

Home Rule City

Phone: (907) 835-4313

INCORPORATION DATE:	June 11, 1901
POPULATION:	3,271
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	None
CITY COUNCIL MEETS:	First and third Mondays
MANAGER FORM OF GOV'T:	Yes

MAYOR: John Devens, Ph. D. 1988

CITY COUNCIL MEMBERS	
John Devens	1989
Lynn Chrystal	1989
George Maykowskyj	1988
Mark Cradduck	1989
Dennis Holtz	1988
Bob Larson	1989
Sally McAdoo	1988

PLANNING/ZONING COMMISSION	
Mary Jo Evans, Chair	1990
John Hilgendorf	1991
Ken Edwards	1992
Debbie Dahl-Amundsen	1990
Lyle VonBargen	1991
Richard Rutledge	1992
Betty Conley	1990

SCHOOL BOARD	
Don Wegner, Pres.	1988
Dennis McAlpine	1989
Janis Johnson	1990
Bernard Gerard	1988
Sue Sontag	1990
Sara Irwin	1989

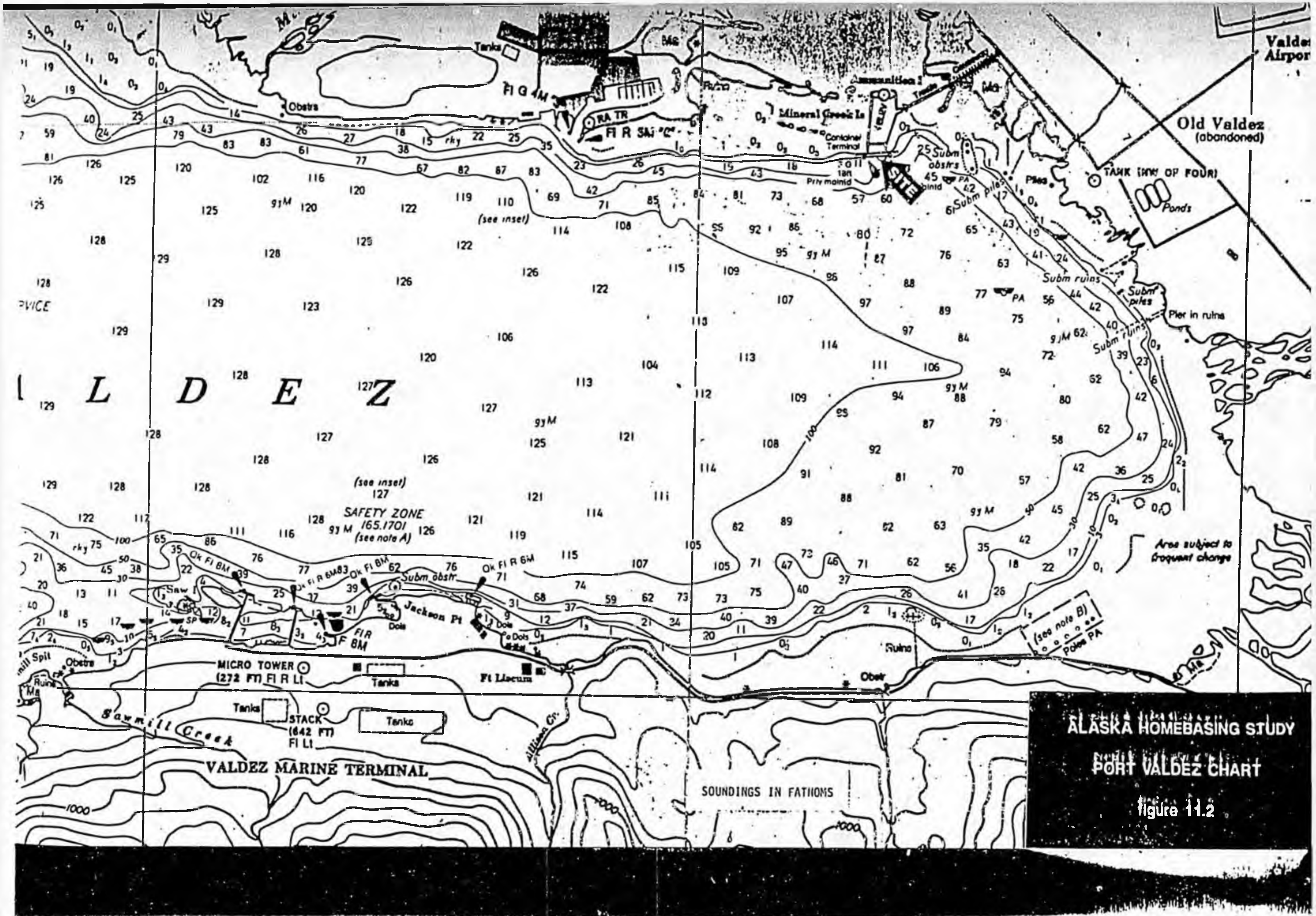
MUNICIPALLY OWNED UTILITIES

Water, Port, Hospital, Airport, Civic Center, Refuse Collection, Foreign Trade Zone, Counseling Center

ADMINISTRATOR/MANAGER.....Doug Griffin
AIRPORT MANAGER.....Tom McAlister
ASSISTANT MANAGER.....Tom Gilson
ATTORNEY.....Hughes, Thorsness
CIVIL DEFENSE DIRECTOR.....Tom McAlister
CLERK.....Jeanne Donald
COMPTROLLER.....Lois Pearce
COUNSELING CENTER DIRECTOR.....Bob Donald
EMERGENCY SERVICES DIRECTOR.....Rayme Vinson
ENGINEER.....Marshall Jones
HEALTH OFFICER.....Bob Donald
HOSPITAL ADMINISTRATOR.....Joy Keating
LIBRARIAN.....Karen Weiland
PARKS & RECREATION DIRECTOR.....Steve Weber
PLANNING DIRECTOR.....Marshall Jones
PORT DIRECTOR.....Tom McAlister
PUBLIC UTILITY MANAGER.....Lee Schlitz
PUBLIC WORKS DIRECTOR.....Lee Schlitz
SUPERINTENDENT OF SCHOOLS.....Harry Rogers
TREASURER.....Tom Gilson
WATER/SEWER SUPERINTENDENT.....Lee Schlitz

ALASKA HOMEBASING STUDY — VALDEZ AREA

figure 11.1


Old Valdez
(abandoned)
Ponds
Pier in ruins
Subm ruins
Subm piles
Subm obstrs
Mineral Creek Is
Container Terminal
SITE
Obstrs
(see inset)
SAFETY ZONE
165.1701
(see note A)
Area subject to frequent change
Jackson Pt
Saw I
Subm obstr
Ruins
Obstr
(see note B)
Poles PA
MICRO TOWER
(272 FT) Fl R Lt
Tanks
Ft Liscum
STACK
(642 FT)
Fl Lt
Sawmill Creek
VALDEZ MARINE TERMINAL
SOUNDINGS IN FATHOMS

ALASKA HOMEBASING STUDY

PORT VALDEZ CHART

figure 11.2

WHITTIER

The City of Whittier is located at the head of Prince William Sound, 75 miles south of Anchorage. Travel to Whittier is by a combination of car-railroad or water.

I. POPULATION

The year round population of Whittier is approximately 300. During the summer months many people weekend or vacation from Anchorage since Whittier offers the closest small boat harbor.

II. CLIMATOLOGY

The climate of Whittier ranges from a typical summer Alaska coastal marine environment where temperatures range from 49 degrees to 63 degrees to harsh winters with temperatures in the lower 20's and snowfall accumulation averaging 22 feet. The winter of 1987-88 brought a total snowfall of 32 feet. The winds in Whittier average 10-15 mph, however, sustained winds of 40-60 mph are not uncommon. During such high winds, Passage Canal experiences wind generated waves of 4-6 feet. Visibility in Whittier is frequently obscured by either fog or snow. During summer months the area enjoys over 19 hours of daylight while winter brings short days averaging only 5 hours of daylight.

III. HARBOR CHARACTERISTICS

The Port of Whittier is located at the head of Passage Canal, about 145 miles from open ocean via Wells Passage, Knight Island Passage and into Montaque Strait. There are two other routes to open ocean, both about the same distance. There are no navigation obstructions between Whittier and the open ocean.

The average tidal range in Whittier is 12.1 feet. Extreme high tide is 18.7 feet while the extreme low measures -3.0 feet. Currents in Passage Canal average 1.0 knot with maximum currents at 5 knots. Passage Canal is free of ice year round.

IV. PORT SERVICES

Port facilities in Whittier are limited to tug service, however, other services can be arranged with advance planning.

V. EXISTING WATERFRONT FACILITIES

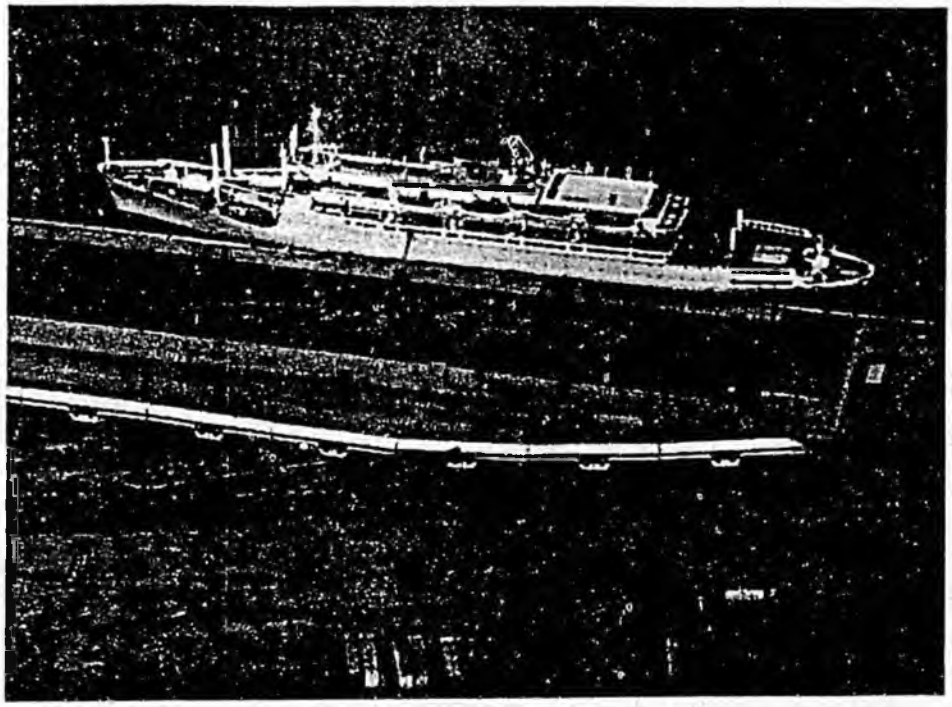
Existing waterfront facilities in Whittier consist of two piers. The first is the "Outside Dock" which is a 200 foot by 40 foot concrete pier with berthing on one side only. The pier is in good condition. Deck height is 30 feet and depth alongside is -30 feet Mean Low Low Water (MLLW). The second is the Alaska Railroad/U.S. Army Corps of Engineers pier, a 1,300 foot by 50 foot concrete structure in good condition. Deck height on this pier is 30 feet and depth alongside ranges from -30 feet to -60 feet MLLW. The Alaska Railroad pier is currently in use and unavailable for Navy home basing.

VI. EXISTING ONSHORE FACILITIES

Existing onshore facilities are limited to small administrative spaces in Begich Towers (the town residential facility) and the Anchor Annex. The largest unoccupied asset in Whittier is the Buckner Building, a huge facility constructed to serve the Army during World War II. This building is massive, with berthing, messing, medical and recreational facilities all under one roof. Unfortunately, the structure has remained unoccupied for many years and is in extremely poor condition. The building has suffered from natural deterioration and vandalism, and in some cases, has a great deal of water standing on several of its floors. Rehabilitation of the Buckner Building would be a massive and expensive undertaking.

In addition to the area described above, a local landowner has offered a 165 acre site for sale to the Navy. The parcel is located immediately adjacent to the Whit-

tier end of the tunnel and borders the waterfront but is bisected by the railroad tracks.



VII. SEISMIC FACTORS

Whittier is bordered on the west by the Border Range Fault and on the east by the Port Wells Fault. The latter crosses Passage Canal in the area of Shotgun Cove.

Whittier was hard struck during the 1964 Alaska Earthquake; most waterfront facilities were destroyed by three massive sea waves, the largest measuring in excess of 40 feet. Violent ground motion resulted in the area subsiding over 8 feet.

The three waves hitting Whittier during the 1964 earthquake were generated by submarine landslides within Passage Canal. Because the submarine slopes were not significantly decreased by the 1964 quake, more slides and corresponding destructive waves may be expected following another earthquake of comparable magnitude. The Alaska Tsunami Warning Center has rated the hazard to Whittier from waves generated at some distance as low, however, waves generated within Passage Canal have a capacity for wave ride-up to 100 feet in height.

VIII. LOGISTIC SUPPORT

Logistic support in Whittier is limited except for fuel. The Army maintains large storage quantities of diesel oil (1,092,000 gallons), JP5 jet fuel (24,000,000 gallons) and gasoline (1,050,000 gallons). Aviation gasoline is not available in Whittier. Lube oil products are available from commercial sources in limited quantities.

There are no ship chandlers in Whittier, however, parts could be made available from Anchorage via the Alaska Railroad.

Ship provisioning in Whittier would by necessity be done via the railroad from Anchorage. Local stocks of food items and dry goods are very limited. Most residents of Whittier do their major shopping in the Anchorage markets.

IX. TRANSPORTATION

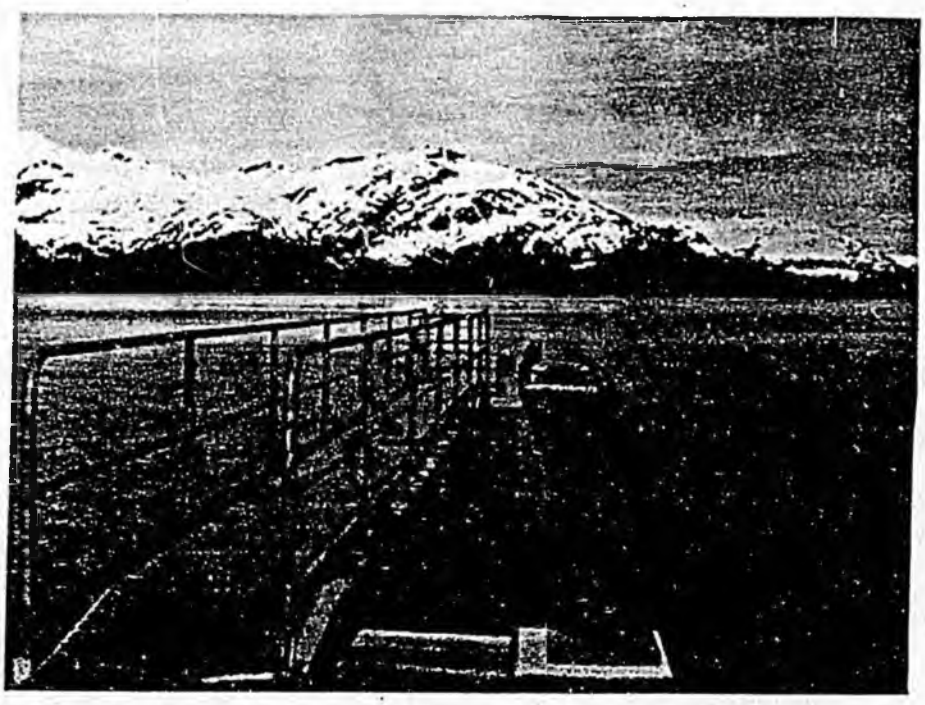
Transportation to and from Whittier is via a combination of car and train, or water. There are no connecting roads to Whittier, however, the city has hopes of a road tunnel being constructed from Portage to Whittier oneday. If such a tunnel were constructed, Whittier to Anchorage would be about a 55 mile drive.

The Alaska Marine Highway System provides ferry service to Valdez and Cordova on a limited schedule. The Whittier Airport consists of a 1,200 foot dirt strip maintained only during the summer. Weather factors make flying into Whittier a dangerous affair. There are no facilities at the airstrip.

X. INDUSTRIAL SUPPORT

There currently is no industrial support in Whittier.

XI. UTILITIES



Electrical energy is supplied to the Whittier area by the Chugach Electric Association via overhead and underground transmission lines originating at the Portage substation. Current capacity available to Whittier is 2,000 KW, the current load is approximately 1,000 KW. There is no back-up to the primary distribution line to Whittier. Residential electrical service in Whittier is billed at $12.50 per month plus 6.9 cents per KWh. Large usage customers are billed at $31 per month plus 3.5 cents per KWh with a demand charge of $8.29 per KW. It is expected that a very large use customer will establish energy rates by negotiation with the utility.

Chugach Electric Association is on record as indicating that power requirements resulting from Navy home basing most likely cannot be met without substantial upgrade of the system starting at the Portage substation, including new transformers and enlargement of the transmission line from the substation to Whittier.

Potable water and sewer systems are operated by the City of Whittier. Water is provided from three wells and distributed by a system constructed by the Army during World War II. The current rate for residential water service is $8.89 per month. Commercial service is provided at a cost of $2.18 per 1,000 gallons. The sewer system offers primary treatment only at a flat rate of $8.00 per month for residential service and an assessed amount based on discharge for commercial service. In the case of both water and sewer, Mayor Georgia Buck indicates that new systems would be required to serve Navy home basing.

XII. PERSONNEL SUPPORT

Permanent housing in Whittier is available only in the Begach Towers Condominium building. The vacancy rate in the facility is 50%, but that is somewhat seasonal based on vacationers. Rental rates range from $300 for a two bedroom unit to $450 for a three bedroom unit. There are no four bedroom units currently available. Sale prices on two bedroom units average $24,000 and three bedroom units sell for $30,000. There are 30 commercial rooms for rent in Whittier, some with kitchenettes.

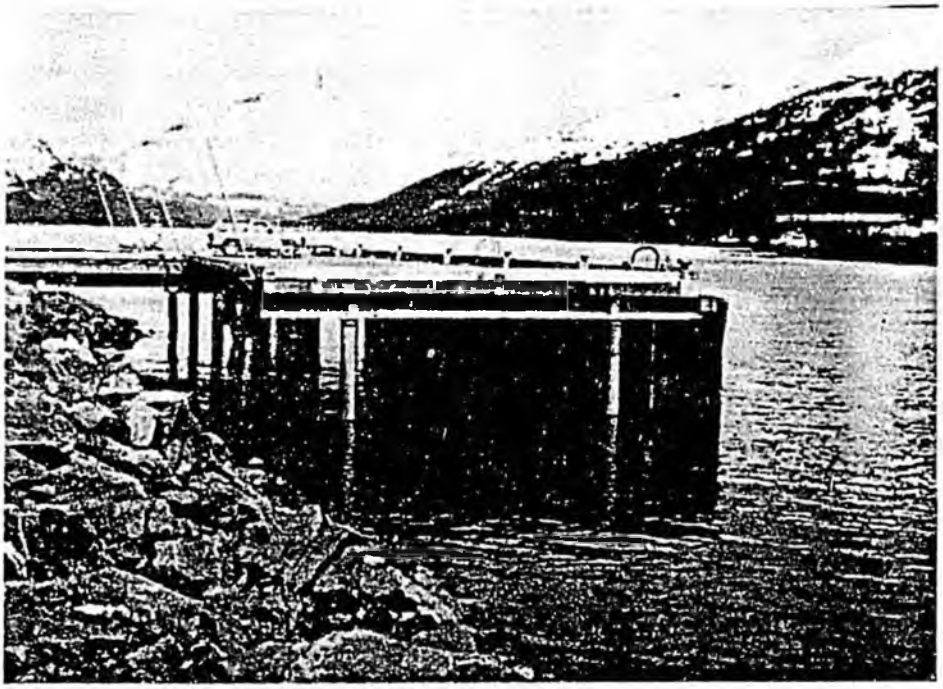
The Whittier School offers K-12 public education for a maximum of 100 students. Prince William Sound Community College offers extension classes in Whittier based on demand.

Medical care in Whittier is provided through a community sponsored clinic staffed by a Physician's Assistant under the supervision of an Anchorage physician. The nearest hospital is located in Anchorage. Emergency medical attention is provided by a community EMT service with medical evacuation to Anchorage by helicopter or an ambulance capable of running on railroad tracks to Portage, then highway to the hospital.

Recreation in Whittier is limited to the school gymnasium with volleyball, basketball, rollerskating and weight training. Fishing is a popular pastime as is hiking.

Whittier does not enjoy the services of social or service clubs at this time. There are no churches, but occasionally a transient minister will hold religious services.

Shopping in Whittier is limited to four small general stores. Most residents travel to Anchorage to satisfy their needs.



XIII. COMMUNITY IMPACTS

The impact of Navy home basing in Whittier is probably unmeasurable. Assuming the home basing of two smaller ships with crews and dependents, the population of Whittier would grow approximately 300%. The impact on city services, recreation, educational facilities, housing and society of such growth would most likely be overwhelming.

XIV. ENVIRONMENTAL ISSUES

With the exception of marine mammals, there are no known endangered or protected species in the area. There are tidal flats and estuaries in the vicinity which require protection. At the west end of Passage Canal there was an Eskimo village that was probably destroyed during the development of Whittier which may be of archaeological interest. The City considers the current townsite of historic interest based on its construction during World War II as a transshipment site for war materials.

Local officials expressed concern for encroachment on big game habitat, potential pollution of marine habitat, air quality and construction over the Whittier watershed and aquifer.

A Coastal Management Plan for the Whittier area is being developed at this time. Various environmental studies have been prepared for projects in the area and are available if needed.

XV. COMMUNITY SUPPORT

Support for Navy home basing in Whittier could not be stronger. City officials and residents view home basing as the key to building of the road tunnel to Portage. Such a tunnel would be an economic boon to the area and provide many advantages to the residents. Beyond the economics of home basing, the residents of Whittier seem to be very pro-military and supportive of the Navy.

Whittier

P.O. Box 608
Whittier, Alaska 99693

Second Class City

Phone: (907) 472-2327

INCORPORATION DATE:	July 15, 1969
POPULATION:	333
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	3%
CITY COUNCIL MEETS:	First Tuesday and third Thursday
MANAGER FORM OF GOV'T:	Yes

MAYOR: Georgia L. Buck 1990

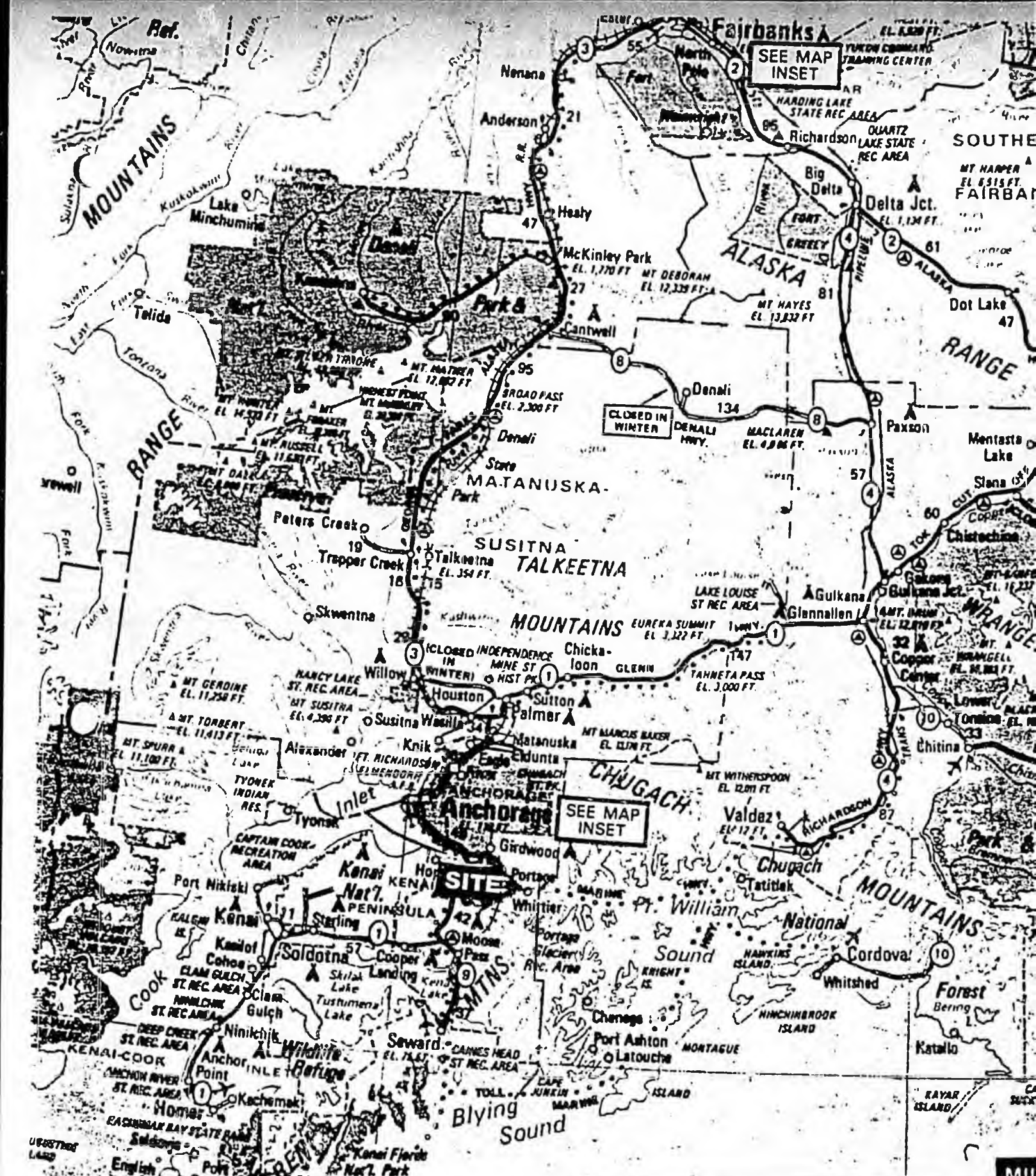
CITY COUNCIL MEMBERS	
Peer A. Buck	1990
Jackie Summerhays	1989
Doris "Virginia" Bender	1989
Lawrence S. Tyree	1988
Lyndale Hill	1988
T. Kent Barker	1990

PLANNING/ZONING COMMISSION	
Amanda L. Hale, Chair	1989
Lawrence Morin	1990
Duane Dvorak	1989
Penny Mendenhall	1988
Vacant	

SCHOOL BOARD
Apryle Wooten, P.O.
Carolyn Kompkoff
Robert Wardlow
Darcy Parks

MUNICIPALLY OWNED UTILITIES
Water, Refuse Collection
Clinic, Small Boat Harbor,
Sewer

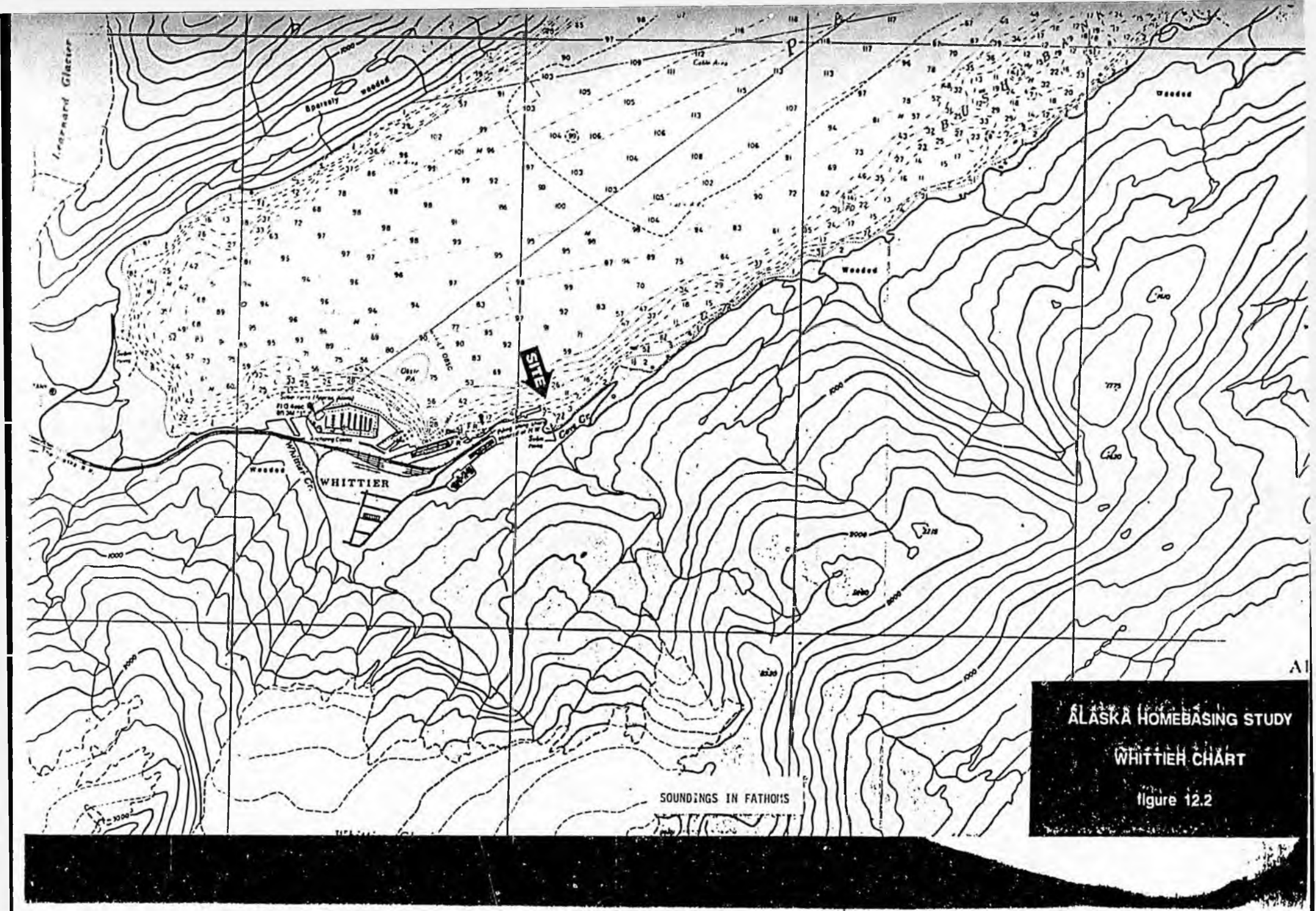
ASSESSOR	By Contract
ATTORNEY	Wohlforth, Flint, & Gruening
CLERK	Duane Dvorak
CLINIC ADMINISTRATOR	Myra L. Jones, PAC
FINANCE DIRECTOR	Cecil A. DePedro
FIRE CHIEF	Charlton Griffin
HARBORMASTER	Penny L. Mendenhall
LIBRARIAN	Sandra J. Muise
MANAGER	John E. Wise
PUBLIC SAFETY DIRECTOR	Kim L. Moeller
PUBLIC WORKS DIRECTOR	John LaBowe



ALASKA HOMEBASING STUDY

WHITTIER AREA

figure 12.1



ALASKA HOMEBASING STUDY

WHITTIER CHART

figure 12.2

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

NEWS RELEASE

FOR INFORMATION CONTACT: GINGER JOHNSON, INFORMATION OFFICER (907) 465-3900

FOR IMMEDIATE RELEASE

NAVY PICKS SEWARD, KODIAK FOR POSSIBLE HOMEPORTING

February 6, 1989

#89-509

JUNEAU--Kodiak and Seward have been picked by the U.S. Navy as the sites with the most potential in terms of operational feasibility for possible basing of vessels in Alaska.

This news was communicated to Commissioner Mark Hickey in a letter just received from Assistant Secretary of the Navy Everett Pyatt. The Navy's Homebasing Report was also transmitted to the state at the same time.

Pyatt's letter stated the Navy's conclusion is based on the potential of basing two frigates in Alaska. Pyatt indicated that "frigates have a compliment of approximately 200 personnel each, and depending on the shore facilities, could require an additional 120 military support personnel ashore."

Pyatt's response elaborated on previous correspondence that "due to the construction budget climate in Washington, the entire capital cost of a new homeport facility in Alaska would be an Alaskan investment."

MORE

The Navy also suggested the next step is to begin joint work to prepare an Environmental Impact Statement (EIS) to examine the environmental impacts associated with the proposed action.

Commissioner Hickey expressed pleasure at receiving this information stating, "The Navy's identification of their community short list and conclusion of the Homebasing Report signifies the accomplishment of an important milestone in our ongoing discussion to base Navy vessels in Alaska. However, it's important to underscore that there remains considerable work to be done before any final decisions can be made."

Hickey also explained that while his staff has not yet had an opportunity to assess fully the Navy's material, it's clear from a preliminary review that the state will need more specific information to understand the Navy's decisions and expectations for state assistance.

Hickey agreed that preparation of an EIS will probably be needed as one of the next steps, but believes the state may first need to have a better understanding of whether acceptable terms can be achieved, particularly in the area of state financial assistance.

MORE

"The state needs a clear picture of the Navy's plans and their expectations for required state assistance," Hickey stated, "then we can meet our own planning responsibilities and present a comprehensive picture to the Governor and Legislature for their consideration."

Hickey further stated, "The state has consistently expressed a strong interest to make Navy homeporting in Alaska a reality, assuming the state achieves a reasonable economic return from the use of public funds or other resources. Given the Navy's desire to have the state pay all capital costs for needed infrastructure, we must ensure that arrangements can be structured to produce the desired economic results. In all probability, this will require a combination of consideration for employment benefits, financial guarantees underwriting the state's investment, and lease payments or some other form of direct, long-term payback."

The Department of Transportation and Public Facilities will provide more specific details about future work efforts following completion of their review of the Navy's report and consultation with the Governor's Homeport Mini-Cabinet, interested Legislators, affected community officials, and the Navy.

The Navy picked Kodiak and Seward from a list of cities that also included Anchorage, Cordova, Homer, Juneau, Kenai/Nikiski, Ketchikan, Sitka, Valdez and Whittier.###

(Stevens Navy

RECEIVED -- 2 1 1988

SEWARD ROTARY
P.O. BOX 1785
SEWARD, ALASKA

INTRODUCED BY: BRAD SNOWDEN

A RESOLUTION OF THE SEWARD ROTARY CLUB, SEWARD, ALASKA, ENDORSING THE STATE SENATE PROPOSAL TO HOMEPORT U.S. NAVY VESSELS IN THE STATE OF ALASKA

WHEREAS, the Alaska State Senate is developing a proposal for the homeporting of U. S. Navy vessels in Alaska; and

WHEREAS, Alaska coastal communities and the State of Alaska will benefit economically from the homeporting of Navy vessels here; and

WHEREAS, an influx of federal dollars through Navy payroll and provisioning will have a stabilizing effect on the state's economy; and

WHEREAS, Alaskan waters will provide a strategic location for the U.S. Navy;

WHEREAS, the membership of the Seward Rotary Club represents a cross section of the Seward Business Community; and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERSHIP OF THE ROTARY CLUB OF SEWARD, ALASKA, that:

Section 1. The Seward Rotary Club endorse the Alaska State Senate's proposal to homeport U.S. Navy vessels in the State of Alaska.

Section 2. The Seward Rotary Club urges our congressional delegation to work with the State of Alaska and the appropriate federal agencies to homeport an element of the U.S. Navy in the State of Alaska.

Section 3. Copies of this resolution shall be forwarded to the Honorable Senators Stevens and Murkowski; the Honorable Representative Young; the Honorable State Senators, Faiks, Kerttula, Halford and Szymanski; the Honorable State Representative Cato; and the Honorable Governor Cowper.

Section 4. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE MEMBERSHIP OF THE ROTARY CLUB OF SEWARD, ALASKA, this 26th day of February, 1988.

SEWARD ROTARY CLUB, SEWARD, ALASKA

EVERETT P. DIENER, PRESIDENT

Pacific Northwest Branch Office
Western Division
Naval Facilities Engineering Command

P.O. Box 2366
Silverdale, Washington
98383-2366

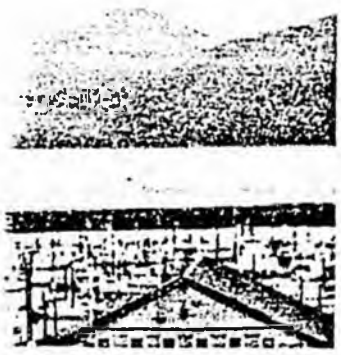
date ?

The entire report is available from committee staff.

ALASKA HOMEBASING REPORT

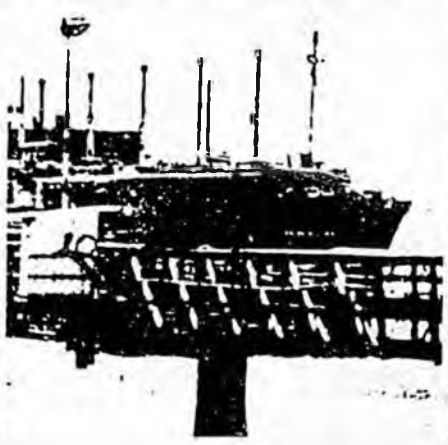













Encl (1)

EXECUTIVE SUMMARY

In response to tasking by the Commander In Chief U.S. Pacific Fleet, the Pacific Northwest Branch Office, Western Division, Naval Facilities Engineering Command undertook a study of community facilities in 11 locations in the state of Alaska as potential home basing sites for Naval surface units or aircraft.

The assigned task was to inventory community facilities such as waterfront structures, upland assets which could potentially be used for home basing, utilities, housing and personnel support items such as schools, libraries, shopping and recreational facilities.

The methodology employed to gather data for the study involved literature search, on-site visits and interviews with local officials, businesspersons and residents. Without exception, each community formed a task force to prepare information for the team visit. The data presented to the team was well organized, thorough and of immense help in preparing this document.

The report that follows addresses each community individually, following the format used to gather the data. In each case every attempt was made to deal with the subject matter in a similar fashion. Differences in the volume of data presented has no significance other than to reflect the quantity of assets to report upon. The exception to this approach was Kenai. At the direction of Commander In Chief U.S. Pacific Fleet, Kenai, although not a port city, was included as a potential home base for Navy aircraft. While visiting Kenai, the team also included the Port of Nikiski which is 12 miles north of Kenai. The data gathered on waterfront facilities in Nikiski is included in the section on Kenai.

In accordance with the tasking, this study does not attempt to draw conclusions concerning the suitability of any location to serve as a home base for Navy ships or aircraft, nor does it make any recommendation on home basing. As with any informational study, the data contained in this report is presented only to assist others in the decision making process.

KODIAK

The City of Kodiak is located on Kodiak Island. The Kodiak Island group lies in the Gulf of Alaska south of Cook Inlet and the Kenai Peninsula, 460 air miles southwest of Anchorage.

I. POPULATION

The City of Kodiak has an estimated population of 6,681 and the Kodiak Island Borough has a population outside the city limits estimated at 7,527. Total Borough population, therefore, is placed at 14,208.

II. CLIMATOLOGY

The climate of Kodiak Island is typically mild, both summer and winter. The average daily temperature in July is 54 degrees while the average daily temperature in January is 30 degrees. Annual precipitation on Kodiak averages 54 inches of rain and 74 inches of snow. May and October are the wettest months with an average rainfall of 6 inches. Average windspeed on the island is 20 mph, however, Kodiak is subjected to much greater winds generated by storms both in the Bering Sea and the Gulf of Alaska.

III. HARBOR CHARACTERISTICS

From pier facilities in downtown Kodiak it is approximately 11 miles to open ocean through St. Paul Harbor and Chiniak Bay. The channel through the harbor is restricted to 400 feet in width by numerous submerged and exposed rocky pinnacles and minimum depth is -35 feet Mean Low Low Water (MLLW). Once into Chiniak Bay the minimum depth encountered is -60 feet MLLW and the width is 10 miles.

From the Coast Guard Station on Nyman Peninsula the channel is only 400 feet wide, but well marked. Average depth through the channel is -30 feet MLLW. Immediate grounding would result if a ship left the channel. Once through the channel the depth becomes much greater and the width is much wider.

Currents throughout the harbor area averages 2 to 3 knots. The approach to Kodiak harbor areas is over rock and reef formations which present a potential hazard to larger vessels. The potential for grounding forces larger vessels to occasionally wait offshore or bypass Kodiak during bad weather. The Port of Kodiak is free of ice year round, however, Woman's Bay in the area of the Coast Guard Station experiences surface ice several inches thick during winter months.

IV. PORT SERVICES

Tug boat service is available in Kodiak from a commercial firm. Several small lighters operate in the area servicing commercial and fishing vessels. The Coast Guard does not operate tugs or lighters as services are available pierside.

V. EXISTING WATERFRONT FACILITIES

The Port of Kodiak has extensive waterfront facilities serving the fishing fleet, however, there are no facilities in the City Pier (Pier 2) area which could be made available to the Navy. Pier 3, which serves as the cargo container operations pier, has the potential to serve Navy ships but is in full time use by SeaLand Corporation. For informational purposes, Pier 2 is a 360 foot by 64 foot wooden pier in average condition.A concrete pier addition is in the design stage and once completed could support Navy vessels. Local officials have indicated that if and when the addition is completed, it may possibly be available for Navy use. Including dolphins, the overall length of this pier is 930 feet. The container pier, pier 3, is a 490 foot by 64 foot concrete pier in good condition. Dolphins have been added to make an overall length of 880 feet.

The Coast Guard Support Facility is located on the site of the former NAS Kodiak. Waterfront facilities include two piers. The original berthing pier is a 640 foot by 60 foot concrete pier in average condition. An addition to the berthing pier was constructed in 1985, adding a new section measuring 406 feet by 42 feet. Water depth alongside the berthing pier is -32 MLLW and deck height is 20 feet. The Fuel Pier is a 590 foot by 45 foot wooden structure in poor condition. During the 1964 Alaska Earthquake the pier sank 8 feet. Following the earthquake, 8 feet of piling was added to the existing piles to return the pier to its original height. The station has proposed a project to upgrade the fuel pier to current standards. Water depth alongside the pier is -35 feet MLLW and deck height is 17.5 feet. Maintenance dredging is not required at either pier. In addition to these two piers there is a marginal wharf which is in extremely poor condition and unusable.

VI. EXISTING ONSHORE FACILITIES

Since all onshore facilities in the Port of Kodiak are in use, there are no facilities which could be made available to the Navy for home basing.

In 1972 the Navy turned NAS Kodiak over to the Coast Guard. Since that time, Coast Guard Support Facility Kodiak has operated 3 to 4 ships and several fixed-wing and helicopter aircraft from the facility. Most of the original buildings are still in use with many being upgraded. New construction on the station has added several structures including an administration building and medical facility. Most utilities have been upgraded and expanded by the Coast Guard. There is still buildable land upon which Navy facilities could be constructed. The Commanding Officer indicated that a joint Coast Guard-Navy use of the facility could be possible.

In addition to the Coast Guard Station, City and Borough officials proposed the construction of a Navy home basing facility on Gull Island, a 13 acre island located in Kodiak Harbor. The island could be linked to Near Island by a causeway, which would in turn provide road access to the city. The island would require leveling and the installation of all utilities to be of any use. Indications are that initial dredging would be extensive.

VII. SEISMIC FACTORS

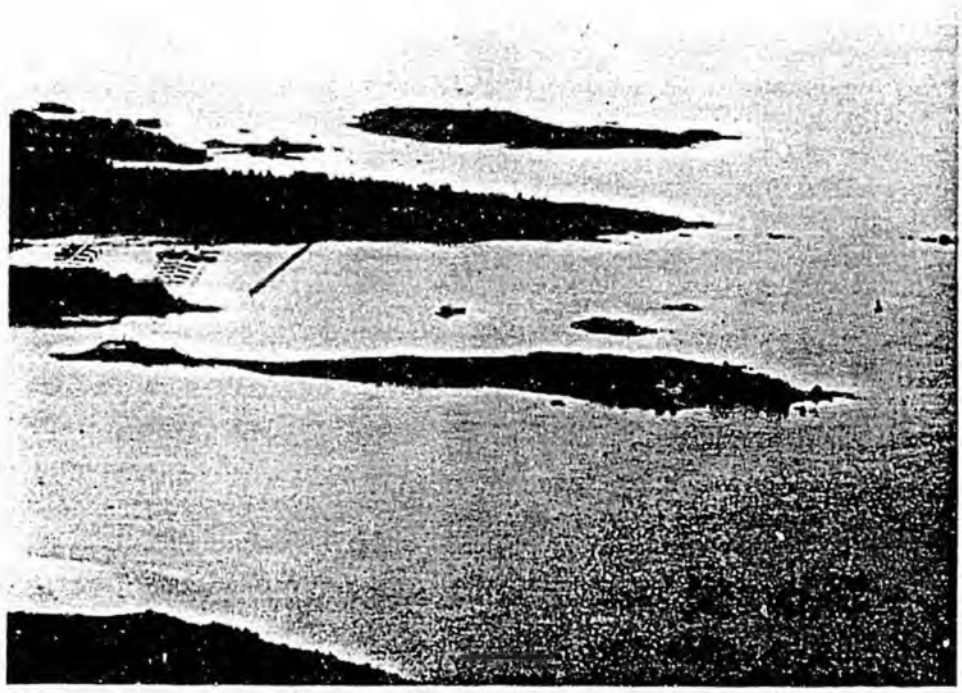
Kodiak Island, a seismic zone 4 area, is located 190 miles from the nearest earthquake fault. As with most of coastal Alaska, Kodiak is vulnerable to both shock and sea wave damage. During the 1964 Alaska Earthquake Kodiak experienced a 5.6 foot tectonic subsidence and a train of ten seismic sea waves (the highest was 25 feet tall) which inundated the low lying areas of town. Destruction in the waterfront section of town was nearly total.

The Coast Guard Station, in addition to being within seismic zone 4, also lies in the 100 year flood plain and within the danger zone for potential tsunami wave action.

VIII. LOGISTIC SUPPORT

Logistic support in Kodiak is much the same as other island locations served by barges and container ships.

Petroleum, oils and lubricants (POL) arrive in Kodiak by barge. There are two commercial suppliers serving the island with both delivery and pierside service. Depth alongside the fuel piers range from -28 feet to -35 feet. The stocks of POL are 240,000 gallons of No. 1 diesel, 2,066,000 gallons of No. 2 diesel, unlimited lubricants both in bulk and 55 gallon drums and smaller quantities of both aviation gas and jet fuel. The Coast Guard operates a smaller fuel farm on the base.



There are a number of ship chandlers located in Kodiak serving the needs of the fishing fleet. None currently have the capacity to satisfy Navy requirements. Importation of large or speciality parts required for Navy operations would be by barge, container or air freight.

Provisioning of Navy ships could be accomplished by a combination of local wholesalers and container service. Many food items such as bread are available locally. Depending on requirements, joint use of Coast Guard supply facilities is a possibility.

IX. TRANSPORTATION

Travel to and from Kodiak is by air or water. Air service to surrounding communities and Anchorage is provided by three scheduled airlines. The Kodiak airport is a joint use facility between the Coast Guard Support Activity and the civilian airport. The longest runway is 7,549 feet. Two additional runways are available, but because of winds and the topography, this airport is considered somewhat dangerous. The Alaska Marine Highway System offers passenger and vehicle transportation to various Southcentral Alaska communities.

X. INDUSTRIAL SUPPORT

Ship repair facilities in Kodiak are limited to servicing the fishing fleet. Most deck, hull, engine, hydraulic and electrical repairs can be accomplished on a smaller scale. There is currently a workforce of about 100 in the ship repair industry. Crane service is limited to one 90 ton mobile crane, one 30 ton gantry crane and two 20 ton mobile cranes. There is no drydock facility in Kodiak.

XI. UTILITIES

Electrical service is provided by the Kodiak Electric Association, Inc. Power is generated by hydroelectric and diesel generators with a total generation capacity of 52,375 KW. The peak demand on the system is 15,200 KW. Residential service rates are $7.50 per month plus 15.25 cents per KWH. Large commercial customers pay $50 per month plus 14.1cents per KWH for the first 20,000 KWH, 12,7 cents per KWH for all addition consumption and a demand charge of $6. per KW.

Potable water is supplied by the City of Kodiak from stream fed reservoirs with a capacity of 72,000,000 gallons. The monthly residential charge for water is a flat $17.50. Large commercial customers are billed at a rate determined by supply line size; a 8 inch line is $225 per month plus 81 cents per 1,000 gallons. Water costs for

customers located outside the city limits are calculated at the same rate as for those in the city plus 37.5 per cent.

Sewage system service is provided by the City of Kodiak. The wastewater treatment plant has a daily capacity of 4.2 million gallons. This capacity will serve the needs of the area into the future except in times of heavy rain. Due to surface runoff being channeled into the system, some collector legs and pump stations are at time overtaxed and fail to function properly. Residential sewer rates are a flat $20 per month. Large commercial users are billed on the basis of effluent discharge and negotiation of rate.

XII. PERSONNEL SUPPORT

Housing availability in Kodiak appears to be totally unpredictable. Information provided by local real estate agents indicate that the rental market fluctuates greatly depending on the fishing fleet activity and fish processor industry. On average, the rental vacancy rate is less than 1%. Rentals, when available, range from $550 to $1,100 per month. The housing sale market is similarly unpredictable. If available, the average 3 bedroom home sells in the range of $105,000 to $145,000. Discussions with the Commanding Officer, Coast Guard Support Facility, indicated that there is Coast Guard property available for construction of family housing. The property has previously been engineered and is ready for installation of utilities and construction of approximately 90 homes.

All public schools on Kodiak Island are operated by the Kodiak Island Borough School District. There are three elementary schools (K-5) in Kodiak, including one located on board the Coast Guard Support Facility. The student capacity in the elementary schools is 1,200 with an enrollment of 1,135. Kodiak Junior High (grades 6-8) is at design capacity with an enrollment of 450 students. Kodiak Senior High has a design capacity of 650 students with an enrollment of 550. Although the student population figures indicate that the schools are very near being overcrowded, in reality the overall population of the area seems to be steady and the need for additional school facilities has not been determined.

Health care is provided to the community by 10 physicians representing family practice, internal medicine, general surgery and radiology. Kodiak Island Hospital, a 25 bed acute care facility, is the only hospital on the island. A new medical facility at the Coast Guard Support Facility is under construction at this time. The Commanding Officer has indicated that Navy personnel could be cared for at this facility with additional staffing by the Navy.

Kodiak Island and the various governmental agencies offer a wide range of recreational facilities. There are playing fields of all kinds, court sports facilities, swimming pools, theaters, hiking, camping, fishing, backpacking, hunting, etc. The Coast Guard also maintains many recreational facilities which would be available to Navy personnel.

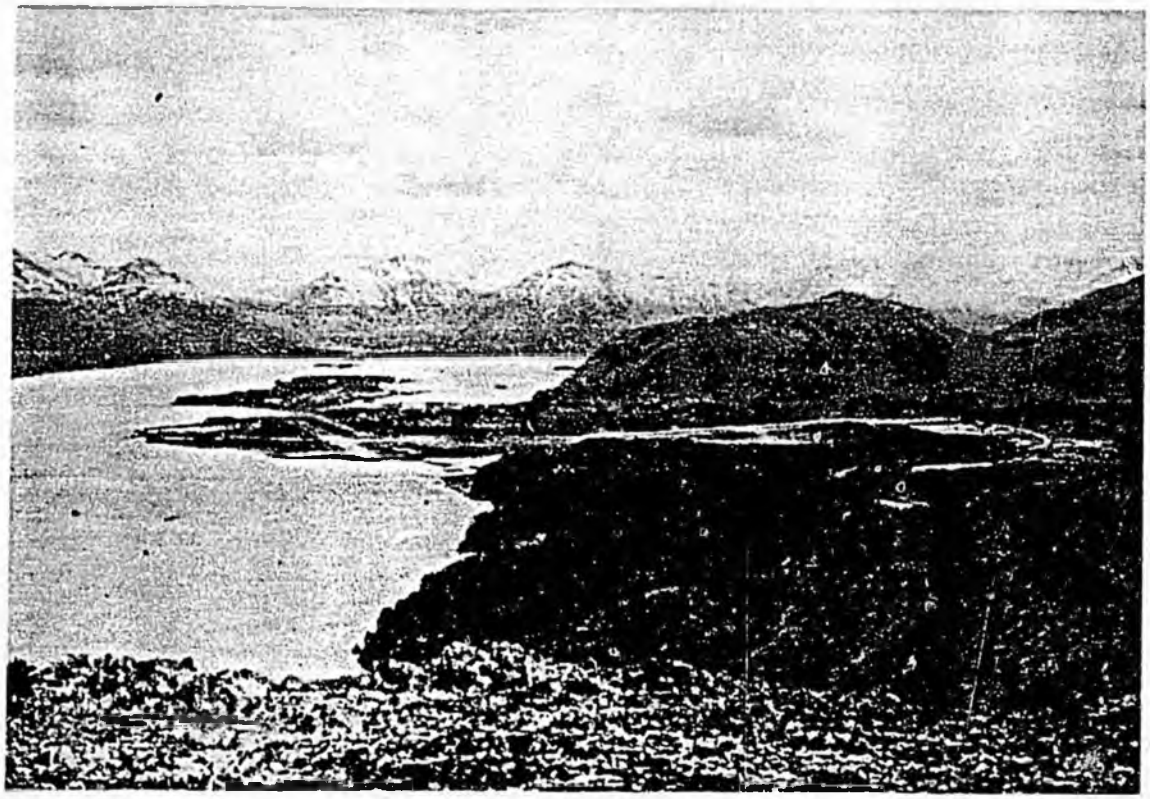
The Kodiak Public Library houses a collection of 41,885 volumes, an audio-visual collection, meeting rooms and a children's library section. A computerized circulation section is planned in the near future as well as a fully automated library. The library staff conducts a variety of library programs year round, with special emphasis on children's activities.

The social and cultural needs of the community are cared for by several organizations. The Kodiak Arts Council sponsors several stage production each year as well as a variety of musical events ranging from popular singers to chamber music. The Kodiak Museum and the Baranof Museum have fine collections of native and historical artifacts. Kodiak also has many churches representing the major denominations.

Shopping in Kodiak is a pleasant experience with a wide variety of goods and services available. Many modern stores provide any type of item or materials desired. In addition, the Coast Guard Support Facility operates an exchange complex and commissary store.

XIII. COMMUNITY IMPACTS

There appear to be two major areas of concern regarding impacts from Navy home basing in Kodiak. First, the school system is near capacity and would require in depth study to determine the additional student population impact of home basing. Second, housing may present a problem for both the City and the Navy. As with other locations, private developers may come forward if a commitment to home base were made. As pointed out earlier, construction of Navy Family Housing is a possibility on property owned by the Coast Guard. A precise housing survey and analysis should be undertaken prior to any commitment to home base in Kodiak.



XIV. ENVIRONMENTAL FACTORS

As with most of Alaska, Kodiak has a substantial bald eagle population and numerous protected marine mammals. A very large portion of the island is dedicated to the Kodiak National Wildlife Refuge and another portion is under consideration for inclusion in the Alaska Maritime National Wildlife Refuge. There are several wetlands in the area which require protection. A number of historical buildings and areas are identified in Kodiak, however, no archaeological sites have been discovered in areas likely to be used for home basing. The Kodiak Island Borough has a Coastal Management Plan in place. Numerous environmental documents prepared for other projects in the area are available.

XV. COMMUNITY SUPPORT

The concept of Navy home basing in Kodiak was warmly received, but local officials appeared to be skeptical. The impact of the Navy departure from NAS Kodiak in 1972 is well remembered and spoken of frequently, usually in negative tones. The current attitude towards home basing seems to be positive.

Kodiak

P O. Box 1397
Kodiak, Alaska 99615

Home Rule City

Phone: (907) 486-3224

INCORPORATION DATE:	September 11, 1940
POPULATION:	6,681
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	5% plus 5% transient room tax
CITY COUNCIL MEETS:	Second and fourth Thursdays
MANAGER FORM OF GOV'T:	Yes

MAYOR:	Robert B. Brodie	1989

CITY COUNCIL MEMBERS

Alfred B. Cratty, Sr.	1989
Joseph A. Perrozzi	1989
Christine J. Blackburn	1990
Louis P. Iani	1988
Noreen E. Thompson	1990
James H. Ramaglia	1988

MUNICIPALLY OWNED UTILITIES
Water, Sewer, Airport, Port

ATTORNEY	Melvin M. Stephens, II
CLERK	Marcella H. Dalke, CMC/AAE
DEPUTY CLERK	Nancy E. Jones, CMC
EMERGENCY PREPAREDNESS DIRECTOR	Samuel C. Gesko, Jr.
ENGINEER	Lawrence K. Monroe
FIRE CHIEF	Michael F. Dolph
FINANCE DIRECTOR	Roy A. Deebel
HARBORMASTER	George V. (Corky) McCorkel
LIBRARIAN	Barbara L. Rudio
MANAGER	Samuel C. Gesko, Jr.
MUSEUM DIRECTOR	Marian J. Johnson
PARKS & RECREATION DIRECTOR	Ian B. Fulp
POLICE CHIEF	Max K. Hurlbut
PUBLIC WORKS DIRECTOR	Herman T. Beukers
PURCHASING OFFICER	Carolyn M. Thomas

Kodiak Island Borough

710 Mill Bay Road
Kodiak, Alaska 99615

Second Class Borough

Phone: (907) 486-5736

INCORPORATION DATE:	September 24, 1963
POPULATION:	14,127
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	None
ASSEMBLY MEETS:	First and third Thursdays
MANAGER FORM OF GOV'T:	No

MAYOR: Jerome M. Selby 1989

ASSEMBLY MEMBERS

Lorne E. White, P.O.	1990
Ann Barker	1989
Jack McFarland	1990
Tom Merriman	1990
Wayne Stevens	1989
Alan Austerman	1988
Ken Gregg	1988

PLANNING/ZONING COMMISSION

Steve Rennell, Chr.	1988
Mike Anderson	1987
Robin Heinrichs	1989
Tom Hendel	1989
Mary Lou Knudsen	1988
D. L. Smedley	1987
Scott Thompson	1988

SCHOOL BOARD MEMBERS

Suzanne Hancock, Pres.	1986
Alice Knowles	1988
R. David Herrnsteen	1990
Cheryl McNeil	1989
Bill Oliver	1990

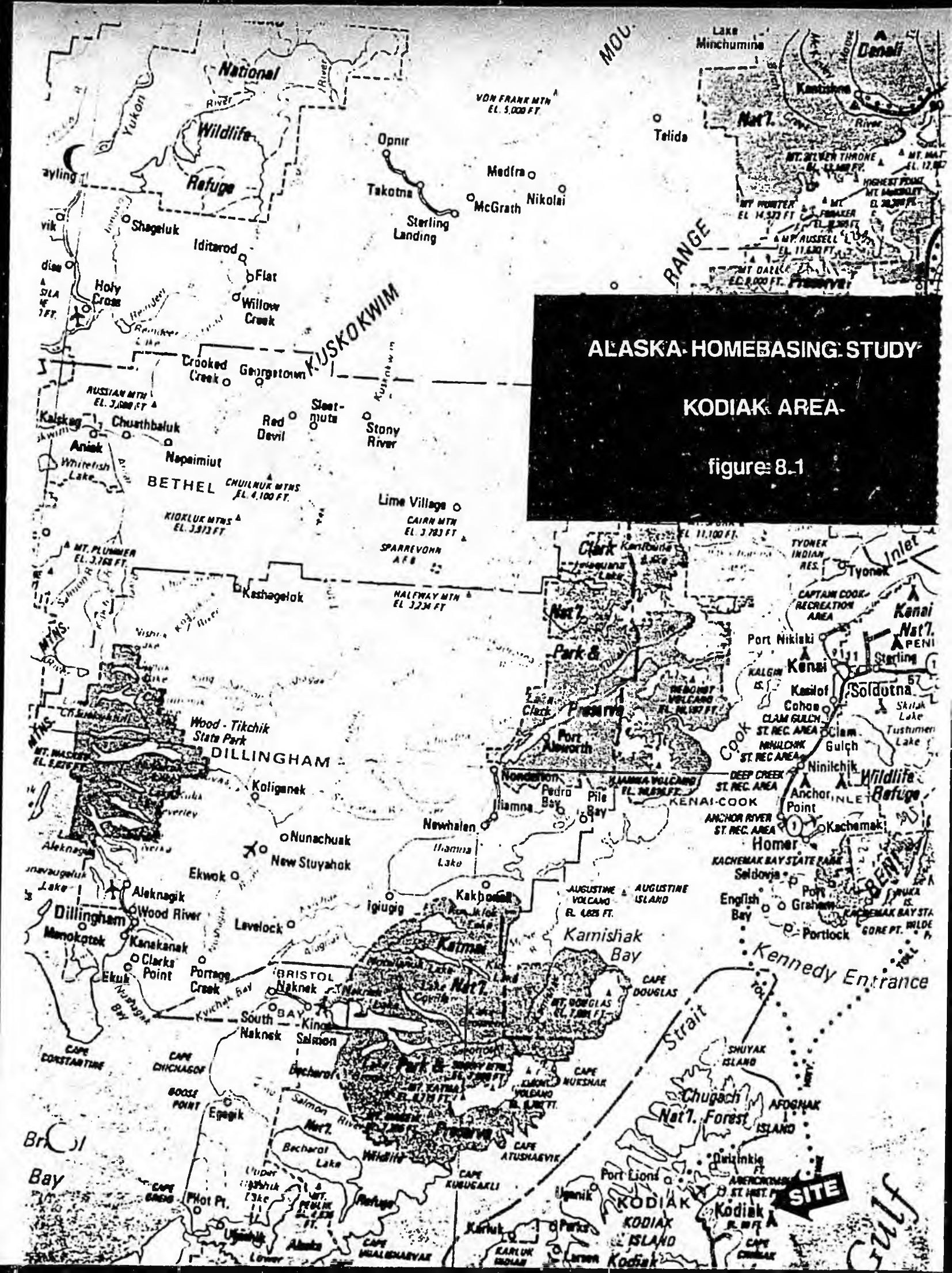
BOROUGH POWERS

Areawide: Education, Planning & Zoning, Health, Taxation
Non-Areawide: Parks and Recreation, Solid Waste, Economic Development
Service Areas: Water, Sewer, Fire Protection, Roads

MUNICIPALLY OWNED UTILITIES

Water, Hospital

ASSESSOR	Wayne Haerer, Jr.
ATTORNEY	Jamin , Ebell, Bolger & Gentry
CLERK	Gaye J. Vaughan, CMC/AAE
DATA PROCESSING MANAGER	Perry L. Page
ENGINEER	David C. Crowe
FACILITIES COORDINATOR	Robert McFarland
FINANCE DIRECTOR	Bryce S. Weeks
HOSPITAL ADMINISTRATOR	Donald Wee
MENTAL HEALTH CENTER	Dr. Pam Baglien
PLANNING DIRECTOR	Linda Freed
SUPERINTENDENT OF SCHOOLS	John Witteveen


ALASKA HOMEBASING STUDY
KODIAK AREA
figure 8.1
SITE
Kodiak
KODIAK ISLAND
Port Lions
Chugach Nat'l. Forest
Kennedy Entrance
Kamishiak Bay
Dillingham
Bethel
Kuskokwim
Yukon
Denali
Nat'l.
Wildlife Refuge
Kenai Nat'l. Park
Homer
Seldovia
Kenai
Soldotna
Kodiak Nat'l. Refuge
Becharof Lake
Katmai
Naknek
King Salmon
Iliamna
Newhalen
Nunachuak
New Stuyahok
Koliganek
Wood - Tikchik State Park
Aleknagik
Wood River
Levelock
Igiugig
Kakhonak
Port Alsworth
Nondalton
Pedro Bay
Pile Bay
Lime Village
Stony River
Red Devil
Sleetmute
Georgetown
Crooked Creek
Holy Cross
Shageluk
Iditarod
Flat
Willow Creek
Takotna
McGrath
Nikolai
Medfra
Opnir
Telida
Lake Minchumina
Tyonek
Inlet
Cook
Ninilchik
Anchor Point
Kachemak
Port Graham
English Bay
Portlock
Afognak Island
Shuyak Island
Cape Douglas
Cape Chiniak
Cape Greig
Cape Ugat
Cape Atushaevik
Cape Kubugakli
Cape Constantine
Cape Chichagof
Goose Point
Phot Pt.
Egegik
Ekuk
Clarks Point
Manokotak
Kanakanak
Portage Creek
Naknek
South Naknek
Kvichak Bay
Nushagak Bay
Bristol Bay
Aniak
Chuathbaluk
Napaimiut
Kalskag
Kwethluk
Tuluksak
Oscarville
Bethel
Kasigluk
Nunapitchuk
Atmautluak
Eek
Tuntutuliak
Napakiak
Napaskiak
Oscarville
Kwethluk
Akiachak
Akiak
Tuluksak
Lower Kalskag
Upper Kalskag
Aniak
Crooked Creek
Georgetown
Flat
Iditarod
Shageluk
Holy Cross
Opnir
Takotna
McGrath
Nikolai
Medfra
Sterling Landing
Telida
Lake Minchumina
Denali
Nat'l.
Kantishna
Mt. Silver Throne
Mt. Hunter
Mt. Foraker
Mt. Russell
Mt. Dall
Mt. Deception
Mt. Foraker
Mt. Hunter
Mt. Silver Throne
Mt. Russell
Mt. Dall
Mt. Deception
Mt. Plummer
Mt. Wascott
Mt. Katmai
Mt. Douglas
Mt. Augustine
Mt. Iliamna
Mt. Redoubt
Mt. Spurr
Mt. Iliamna
Mt. Augustine
Mt. Douglas
Mt. Katmai
Mt. Redoubt
Mt. Spurr
Chuilnuk Mts.
Kiokluk Mts.
Cairn Mtn.
Halfway Mtn.
Sparrevohn AFB
Kashagelok
Whitefish Lake
Aniak
Napaimiut
Chuathbaluk
Kalskag
Red Devil
Sleetmute
Stony River
Lime Village
Newhalen
Nondalton
Port Alsworth
Iliamna Lake
Lake Clark
Lake Clark Nat'l. Park & Preserve
Wood - Tikchik State Park
Becharof Lake
Becharof Nat'l. Wildlife Refuge
Katmai Nat'l. Park & Preserve
Kamishiak Bay
Kennedy Entrance
Strait
Cook Inlet
Kenai Peninsula
Kenai Nat'l. Moose Range
Kenai Nat'l. Park
Kenai Nat'l. Wildlife Refuge
Chugach Nat'l. Forest
Afognak Island
Shuyak Island
Kodiak Island
Kodiak Nat'l. Refuge
Alaska Peninsula
Bristol Bay
Kvichak Bay
Nushagak Bay
Naknek
South Naknek
King Salmon
Egegik
Ekuk
Clarks Point
Manokotak
Kanakanak
Portage Creek
Dillingham
Aleknagik
Wood River
Levelock
Igiugig
Kakhonak
Ekwok
New Stuyahok
Nunachuak
Koliganek
Iliamna
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Ekuk
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Kanakanak
Portage Creek
Dillingham
Aleknagik
Wood River
Levelock
Igiugig
Kakhonak
Ekwok
New Stuyahok
Nunachuak
Koliganek
Iliamna
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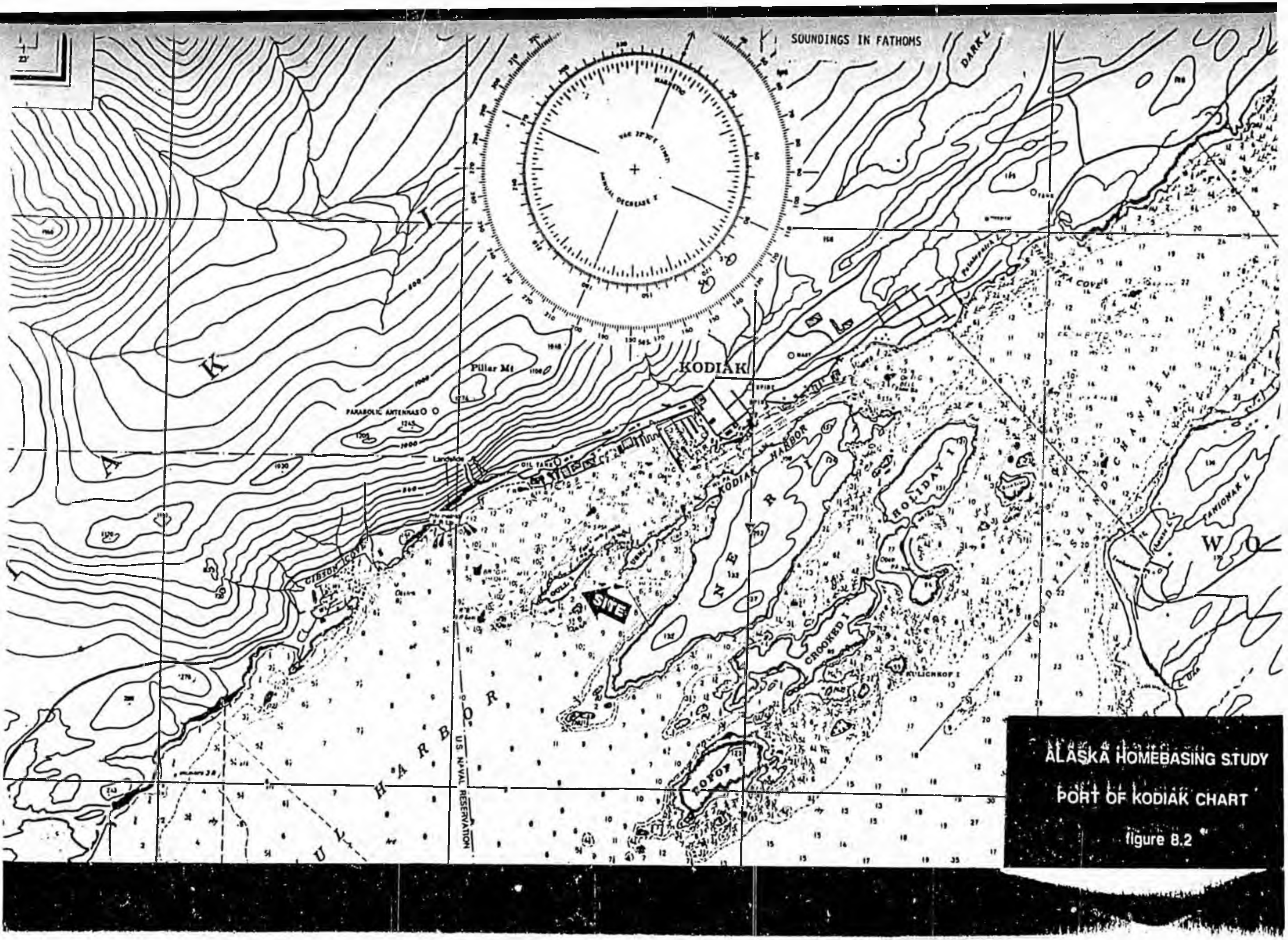
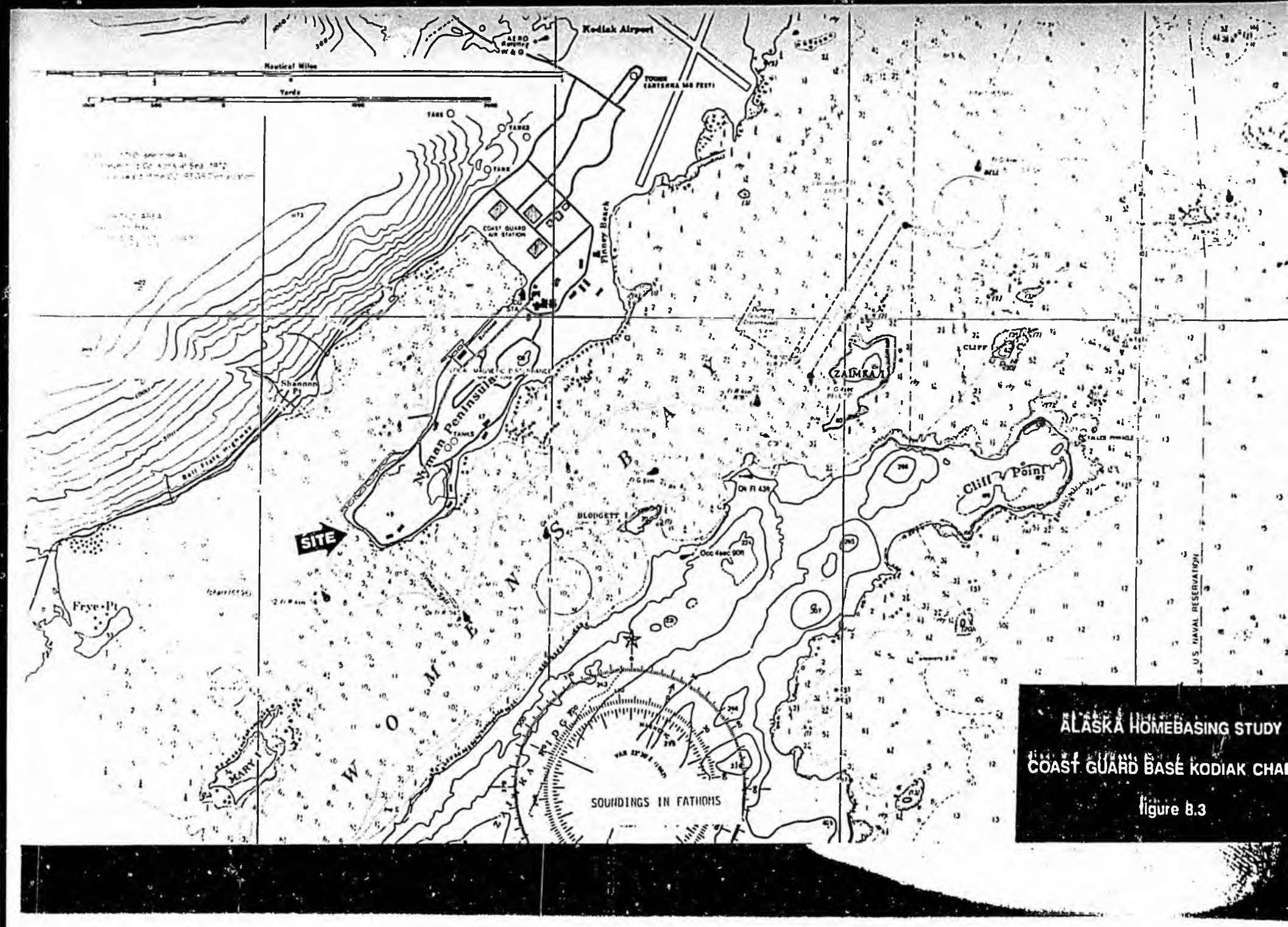
Nushagak Bay



ALASKA HOMEBASING STUDY

PORT OF KODIAK CHART

figure 8.2



ALASKA HOMEBASING STUDY

COAST GUARD BASE KODIAK CHA

figure 8.3

SEWARD

The City of Seward is located at the head of Resurrection Bay on the Kenai Peninsula, 160 highway miles southwest of Anchorage or 35 minutes by air from Anchorage.

I. POPULATION

The City of Seward has an estimated population of 2,726. When the population of the surrounding area outside the city limits is included, the total population swells to 3,840.

II. CLIMATOLOGY

The climate of Seward is characterized as mild with the average July temperature at 56 degrees and January temperature at 25 degrees. Total precipitation in Seward is 66 inches with the majority in the form of snow. Average snowfall in the area is 80 inches. Visibility is usually good with an average of 9 foggy days per month in late summer and fall. As with most of Alaska, Seward enjoys long sunlit days during summer (June 21 with 19 hours and 21 minutes), and conversely, short sunlit days in winter (December 21 with 5 hours and 28 minutes). Wind in Resurrection Bay is typically less than 10 mph with occasional gusts over 30 mph in winter. Resurrection Bay is clear, silt-free water and does not require maintenance dredging.

III. HARBOR CHARACTERISTICS

The Port of Seward is located at the head of Resurrection Bay some 18 miles from open ocean. Tides in the bay average 10.5 feet with extreme highs of +14.8 feet and extreme lows of -4.2 feet. Average water depth throughout the bay is +650 feet Mean Low Low Water (MLLW) with a depth of +50 feet MLLW within 300 feet of the proposed home base site. The average current range in the bay is 0.2 to 0.6 knots with currents above 1.5 knots occurring less than 5% of the time. Standing waves (seiches) occur frequently with an average wave height of 4 feet. There are no overhead or navigation obstructions anywhere in Resurrection Bay. The bay is ice free year round, including shore ice.

IV. PORT SERVICES

Port services in Seward are provided by a variety of sources. Tug and barge service is available from a commercial company with three tugs, the smallest of which is an 1,800 hp twin screw vessel. There are no lighters available, however, development of the port facilities has eliminated the need for them. Specific resources are discussed in paragraph VI.

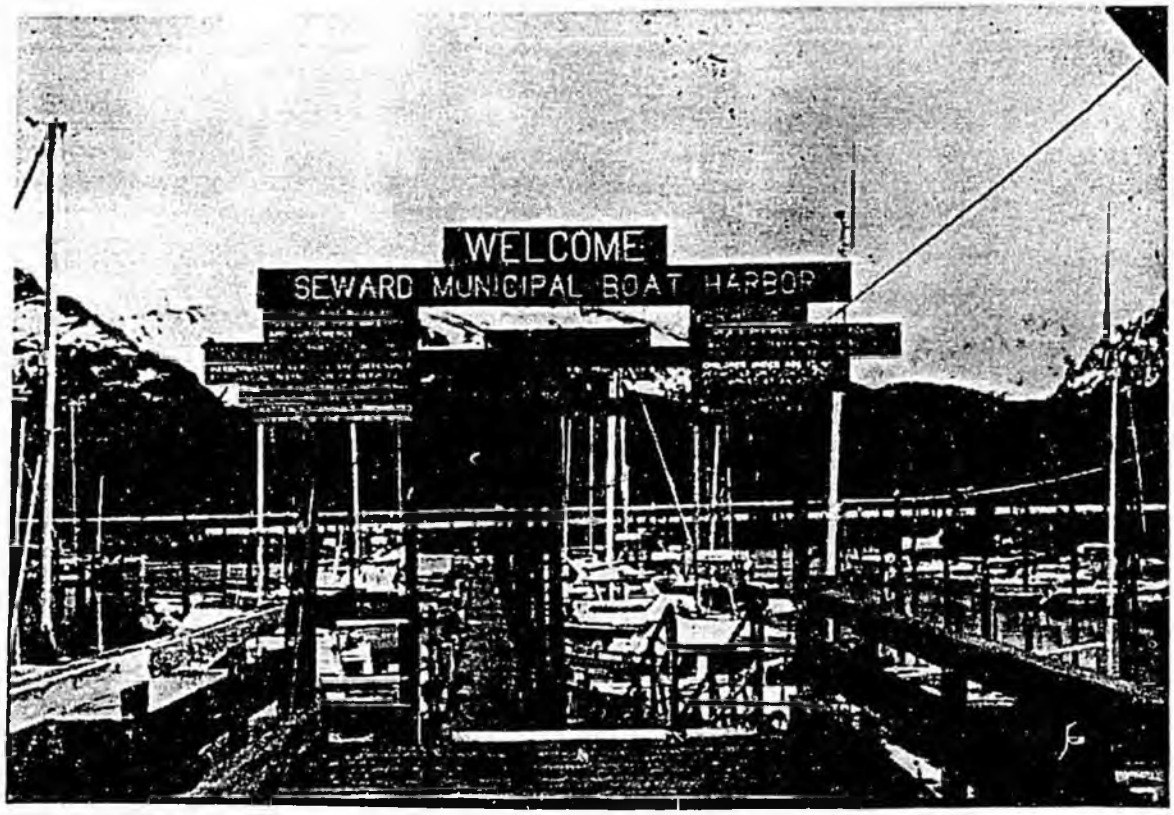
V. EXISTING WATERFRONT FACILITIES

All existing waterfront facilities in Seward are currently in use by commercial operations and the fishing fleet.

VI. EXISTING ONSHORE FACILITIES

There are no sites in Seward proper available for Navy use. Except for the Seward Marine Industrial Complex (SMIC) located across Resurrection Bay, all waterfront facilities are currently in use.

Although land and facilities are not available in Seward proper, the City has proposed development of a Navy home base at the Seward Marine Industrial Complex. The proposed homeport site contains 80 acres of flat land adjacent to a 35 foot deep berthingarea. Initially, dredging would be required to increase berthing depth at the site. There are 55 additional acres available across the road and further inland. This whole area, also known as 4th of July Creek, lies within the 100 year flood plain. A protective dike system has been constructed to protect the area from seasonal flooding, however, the Anchorage office of the U.S. Corps of Engineers report that the dike will provide little if any protection during a 100 year



flood. In the event of such a flood, the entire area will be under water and potentially threatened by rocks and boulders washing down from above.

VII. SEISMIC FACTORS

Seward is located in a seismic zone 4 per Navy reference manuals. During the 1964 Alaska Earthquake, Seward suffered severe damage. The Resurrection River Delta area subsided 6 to 8 feet as a result of the earthquake while ground sliding and tsunami waves caused other extensive damage.

VIII. LOGISTIC SUPPORT

Logistic support in Seward has advantages not found elsewhere. In addition to barge service, there is highway and rail service to Anchorage which enhances movement of materials and supplies.

Petroleum, oils and lubricants (POL) are delivered to Seward by a variety of means, including barge, rail and truck. Stocking levels of diesel fuels are 2,000,000 gallons, aviation gas is 35,000 gallons, jet fuel is 90,000 gallons, gasoline is 150,000 gallons and bulk lubricants is 10,000 gallons. Packaged lube storage equals 50,000 gallons.

There are two ship chandlers in Seward. Both firms provide repair service and parts for local vessels and the fishing fleet, however, neither can currently serve the needs of Navy vessels.

Ship provisioning can be accomplished easily since Seward has road, rail and air connections to Anchorage. Fresh food products are available year-round.

IX. TRANSPORTATION

Travel to and from Seward is by highway, railroad, air and ferry. The drive to Anchorage is a 3 hour trip covering 160 miles. The road is in good condition and remains open year round. Some delays caused by snow are experienced during winter but they are usually of short duration. In addition to the highway to Anchorage, connections to Kenai and Homer are via the Sterling Highway. Twice weekly bus service is available between Anchorage and Seward.

Rail service between Seward, Anchorage and Fairbanks provides freight service to the area. During sum-

mer months, the Alaska Railroad offers daily passenger service to Anchorage.

Airline passenger service to Anchorage is available twice daily from Seward Airport. The airport has two runways, 4,700 foot and 2,300 foot. Flight approach to the airport is by visual flight rules (VFR). Fuel and maintenance services are also available.

X. INDUSTRIAL SUPPORT

Seward Marine Industrial Park (SMIC) is adjacent to the proposed Navy home basing site. Although not fully developed at this time, SMIC currently offers a repair facility with a 3,600 ton synchrolift capable of handling vessels of 300 foot keel length and 80 foot beam. A rail transfer system and pit is in operation to allow vessel movement to 3 dry berthing areas. Additional small boat repairs are available in the Seward Small Boat Harbor. A small ship repair workforce is available in Seward and should grow significantly as the SMIC is developed. Crane service from dockside or barge up to 140 tons is available.

XI. UTILITIES

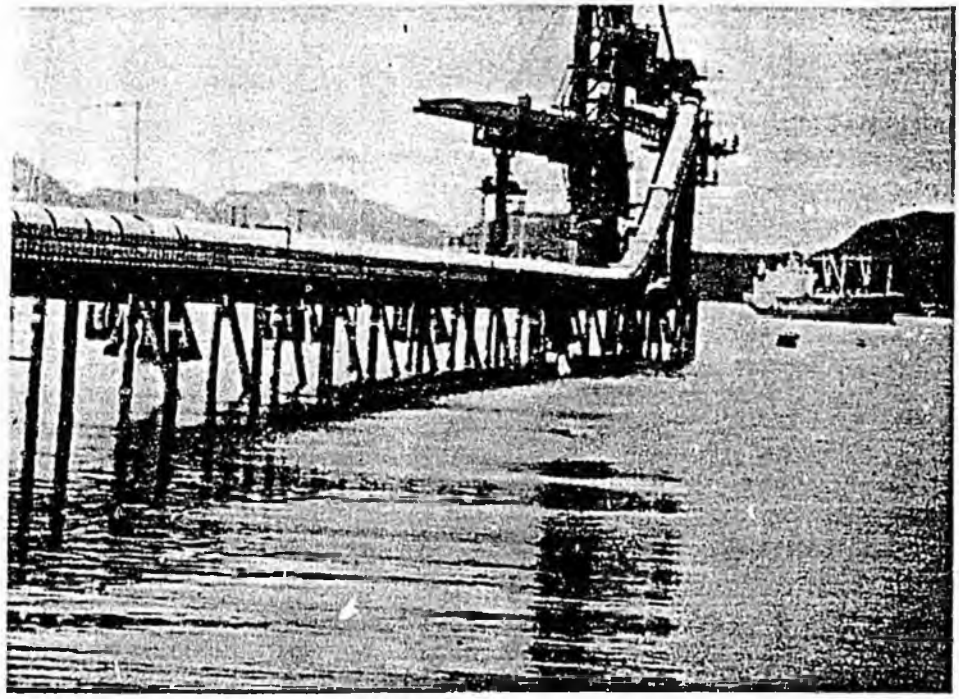
Electric service for the area is provided by the City of Seward Electrical Utility. Power is purchased by the utility from the Chugach Electric Association for distribution to local customers. The City also maintains backup diesel generators which provide 8,500 KW. Transmission lines from Chugach Electric have been oversized to handle a load capable of serving a population of 20,000. The proposed home basing site has a 10 megawatt substation in place with 440 VAC available. Residential rates for electric service are a base charge of $17.90 plus 8.08 cents per KWH. Large industrial customers, such as a Navy home base, negotiate electric service charges with the Utility. Potable water service is provided by the City of Seward from a combination of surface sources and wells. Water service at the Seward Marine Industrial Complex is drawn from wells at the rate of 10,000 gpm and stored in on-site tanks with a capacity of 500,000 gallons. Distribution on site is by 12 inch and 16 inch mains. Water pressure throughout the system is maintained at 80 psi. The residential water service rate in Seward is a flat charge of $16 per month. Metered commercial water customers are charged on a sliding scale based on consumption; $2 per thousand gallons for the first 10,000 gallons, $1.60 per thousand gallons for the next 40,000 gallons, etc.

Sewer service is provided by the City of Seward to all areas of the city, including the Seward Marine Industrial Complex which has a newly constructed treatment plant with a capacity of 2,000,000 gallons per day. Residential sewer rates are a flat $24 per month. Large commercial users are billed on a sliding scale starting at $2.40 per thousand gallons for the first 10,000 gallons, $2.20 per thousand gallons for the next 40,000 gallons, etc.

XII. PERSONNEL SUPPORT

Housing in Seward is modern and well equipped. There are currently 1,324 housing units in the Seward area and the vacancy rate hovers around 5 percent. Rental rates for 2 to 3 bedroom units range from $550 to $700 per month, including heat. Considering heating requirements, the inclusion of heat makes the effective rent of

the unit $375 to $500 per month. Sale prices in Seward for new 3 bedroom units range from $85,000 to $95,000. In anticipation of Navy home basing in Seward, the city has contacted developers concerning their ability to rapidly provide housing to meet Navy needs. All have indicated that development of moderately priced housing could be made available within months if a commitment for home basing was made. To accommodate this growth, there are 220 homesites available for immediate construction and an additional 400 acres zoned residential and awaiting platting and construction.



The Kenai Peninsula Borough School District operates an elementary school (grades K-6) and a Junior/Senior High School (grades 7-12) in Seward. The elementary school is nearing capacity with 340 students and a second school will be constructed in the very near future. Land has been dedicated for the school and the State Legislature has funded the state's portion of construction cost. The Junior/Senior High School has a current enrollment of 245 students, which represents 80% of capacity. The Alaska Department of Education operates the Alaska Vocational Technical Center (AVTEC) in Seward. This vocational school offers training to 250 students in a variety of technical fields. The University of Alaska Institute of Marine Sciences is located in Seward and offers graduate courses and research in the areas of oceanography, and shellfish and bottom fish resources.

Health care in Seward is provided for by three resident physicians, several visiting specialists, and the Seward General Hospital. The hospital is a 33 bed facility in need of modernizing. Current plans, which have been approved by state agencies, call for the construction of a new 20 to 25 bed hospital facility.

Recreational opportunities in the Seward area and throughout the Kenai Peninsula are boundless. The city provides gymnasiums, tennis and handball courts, soccer, football and softball fields, and ice skating rinks. Outdoor activities range from fishing, hiking, kayaking, boating, and skiing to touring Southcentral Alaska. In addition to the activities listed, both the Army and Air Force operate recreation camps in Seward offering camping, boat rentals, recreation halls, food service and exchange facilities.

The cultural and social needs of the community are provided for by many city, state, federal and private organizations. Seward is home for the headquarters of Kenai Fjords National Park and the park operates a visitors center on the waterfront. There are various public and private museums, art galleries and other cultural functions in the city. The religious needs are met by 15 churches representing the major denominations. In addition to local assets, Anchorage is a 3 hour drive away and offers all the cultural and social amenities found in a major metropolitan area.

Shopping facilities in Seward are typical for a community of 11,000 people. There are a variety of retail stores offering all types of goods and services. Of particular advantage in Seward is the easy access to the Anchorage market or delivery of goods to Seward from Anchorage.

XIII. COMMUNITY IMPACTS

Impacts on Seward as a Navy home base are not expected to be severe. The city has planned for growth of the area and taken steps to make that growth happen is a reasonable manner. Development of community resources in anticipation of industrial growth at the Seward Marine Industrial Complex, along with planning for residential growth, has placed the city in the position of action as opposed to reaction.

XIV. ENVIRONMENTAL ISSUES

An Environmental Assessment was prepared and approved for the Seward Marine Industrial Complex, which is located adjacent to the proposed site. There are no endangered species on the site although peregrine falcons fly though the area on their annual migration. Protected marine mammals inhabit the waters in the immediate vicinity. The proposed site lies in what is technically a wetland area although the channelization of 4th of July Creek has essentially changed that classification. There are no historical structures or archaeological sites in the area.

XV. COMMUNITY SUPPORT

The City of Seward and its residents are very supportive of Navy home basing and are enthusiastically and aggressively seeking to make it happen.

Seward

P.O. Box 167
Seward, Alaska 99664

Home Rule City

Phone: (907) 224-3331

INCORPORATION DATE:	June 1, 1912
POPULATION:	2,279
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	3%
CITY COUNCIL MEETS:	Second and fourth Mondays
MANAGER FORM OF GOV'T:	Yes

MAYOR: Harry E. Gieseler 1985

CITY COUNCIL MEMBERS	
Patrick O'Brien	1989
Beverly Dunham	1988
David L. Hilton, Sr.	1989
Michael J. Meehan	1989
William C. Noll	1988
Leslie Simutis	1988

PLANNING & ZONING COMMISSION	
John Woodruff, Chair	1989
Margaret Branson	1990
Larry Johnson	1989
Chester Thorne	1990
Donald A. Sutherland	1988
Pierre Authier	1989
Kurt R. Lindsey	1988

MUNICIPALLY OWNED UTILITIES
Water, Electricity, Port, Hospital, Refuse Collection, Wastewater Treatment

ADMINISTRATIVE ASSISTANT	Kerry T. Martin
ASSISTANT MANAGER	Darryl Schaefermeyer
ATTORNEY	Fred B. Arvidson
CIVIL DEFENSE DIRECTOR	John Gage
CLERK	Linda S. Murphy, CMC
ENGINEER	E. Paul Diener
FINANCE DIRECTOR	Robert D. Peirson
FIRE CHIEF	John Gage
HOSPITAL ADMINISTRATOR	C. Keith Campbell
MANAGER	Ron A. Garzini
PARKS & RECREATION DIRECTOR	Judy Andrijanorr
POLICE CHIEF	Louis A. Bencardino
PORT DIRECTOR	Foster Singleton
PUBLIC UTILITY MANAGER/PUBLIC WORKS DIRECTOR	E. Paul Diener
PURCHASING OFFICER	Judith Ledet
TREASURER	Darryl Schaefermeyer
WATER/SEWER SUPERINTENDENT	Lloyd Welch

Kenai Peninsula Borough

144 North Binkley Street
Soldotna, Alaska 99669

Second Class Borough

Phone: (907) 262-4441

INCORPORATION DATE:	January 1, 1964
POPULATION:	43,612
REGULAR ELECTION:	First Tuesday in October
SALES TAX:	2%
ASSEMBLY MEETS:	First and third Tuesdays
MANAGER FORM OF GOV'T:	No

MAYOR: Don Gilman 1990

ASSEMBLY MEMBERS

Jonathan W. Sewall, P.O.	1989
Jack Brown	1990
David R. Carey	1989
John Crawford	1990
Betty Glick	1988
Mark Hodgins	1990
Brentley D. Keene	1988
Karen McGahan	1989
Sam McLane	1988
Sharon Moock	1990
Frank Mullen	1990
Phil Nash	1989
Patrick M. O'Connell	1989
Gail Phillips	1988
James W. Skogstad	1990
Marie Walli	1989

PLANNING/ZONING COMMISSION

Peter Ernst, Chair	1988
Phil Bryson	1989
Bill Butler	1988
Chuck Crabaugh	1990
Colleen Denbrock	1990
Susan Mumma	1988
Myron Mickey	1989
Keith Hursh	1990
James Brickey	1989
Chester Thorne	1990

SCHOOL BOARD MEMBERS

Joyce Fischer, Pres.	1988
Cliff Massie	1990
Marilyn Dimmick	1990
Mike Wiley	1990
Eric Weatherby	1988
Millie Martin	1989
Betty Obendorf	1989

BOROUGH POWERS

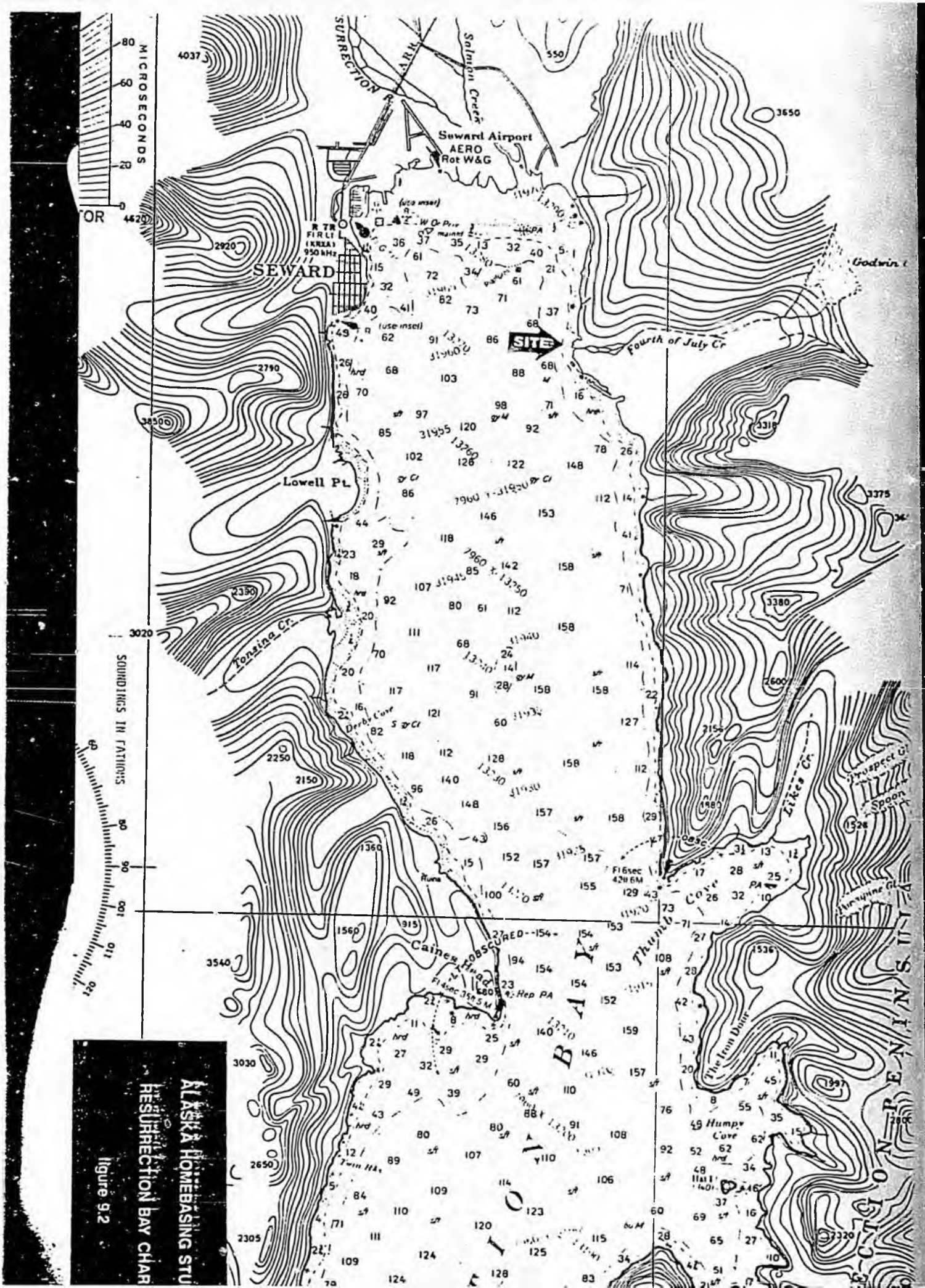
Areawide: Solid Waste Disposal
Assessing, Taxation, Schools
Non-Areawide: Port & Harbor
Service Areas: Fire Protection, Hospitals,
Ambulance, Recreation Facilities

ADMINISTRATOR	Don Gilman
ADMINISTRATIVE ASSISTANT	Marla Huss
ASSESSOR	Don Thomas
ATTORNEY	Tom Boedeker
CIVIL DEFENSE DIRECTOR	Robert Heavlin
CLERK	Joanne Brindley
COMPTROLLER	Ross Kinney
FINANCE DIRECTOR	Roy Barton
PERSONNEL DIRECTOR	Richard Campbell
PLANNING DIRECTOR	Kevin Fenner
PUBLIC WORKS DIRECTOR	Edward Hakert
SUPERINTENDENT OF SCHOOLS	Dr. Fred Pomeroy
TREASURER	Larry Semmens

ALASKA HOMEBASING STUDY

SEWARD AREA

figure 9.1



ALASKA HOMEBASING STU
RESURRECTION BAY CHAR
figure 9.2

SB 203

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SB 203

SPONSOR Pearce – 4993_JO

BILL TITLE PFD's in installments

DATE REFERRED 3-3-89

HEARING SCHEDULED 1.19.90

FISCAL NOTE PREPARED - Requested Cliff Groh.

SPONSOR CONTACTED _✓JO

INTERESTED PARTIES CONTACTED

Anch. Coalition of Small Businesses – Joe Hayes

Susie

George Kallas
Jim Henderer
Buzz Hoffman
Bill Dudley

203

Jo said she went past the dishwasher & got to the head man!

D.

Re SB 203

George Kallas

Fri 1/19/90 @ 1:30

Call him at
274-1252

He is to call in to:

463-5163

Anch-Times Editorial Thurs. Feb. 22, 1990

Dividend options

REPUBLICAN Reps. Fritz Pettyjohn and Jim Zawacki of Anchorage have introduced a bill in the House to allow those eligible for the Permanent Fund dividend to select the number of dividend payments to be received.

HB 84 would allow the following payment options:

- A lump-sum payment of the entire amount;
- Four approximately equal quarterly payments;
- Or 12 approximately equal monthly payments.

A similar bill, SB 203, has been introduced in the Senate by Drue Pearce. Sen. Pearce's bill allows eligible recipients to select either the annual payment plan or the quarterly installment version.

Sounds great doesn't it? Just choose a method of payment to fit your lifestyle. Two simple bills representing a motherhood-and-apple-pie issue. Ah, but things are not as simple as they seem.

THE DEPARTMENT of Revenue, in a fiscal note analysis of SB 203, estimates that 25 percent of eligibile individuals would select the installment payment option.

That equates to 390,000 additional checks and envelopes plus postage — which means an additional handling cost of $118,800.

But that's only the tip of the iceberg.

You'd have to add to that the costs for additional personnel to rewrite the computer program, to screen the applications and to handle the expected 50,000 more people contacts per year. And that adds up to a pretty piece of change.

The real costs, however, come into play with the administration of the so-called "hold harmless" agreements the state has with the federal government regarding the entitlement programs. These include such things as Aid For Dependent Children, Adult Public Assistance, Food Stamp Program and Supplemental Security Income.

The hold harmless agreements protect individuals from losing eligibility for these programs or having the benefit levels reduced as a result of the payment of the Permanent Fund dividend.

IN OTHER words, the state pays the tab when the dividend dollars put an individual's or a family's income over the maximum income level allowed for participation in the respective program.

The Department of Revenue estimates the cost resulting from the hold harmless agreements would be $3.8 million — if the assumption is that 25 percent of dividend recipients opted for the quarterly installment payment.

The Department of Health and Social Services cited similar costs in its position paper and recommended against passage of SB 203.

Too bad, too. The idea sounds terrific. But when you consider the prospect of three or four million dollars a year in added expenses and potential liabilities, our ardor cools.

In view of the costs, we find ourselves forced to agree with the adverse recommendation from Health and Social Services.

Alaska State Legislature

3111 C Street, Suite 150
Anchorage, Alaska 99503
(907) 561-2038

During Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4993

NO

Senator Drue Pearce
District G

MEMORANDUM

TO: All Senators

FROM: Senator Drue Pearce

RE: Request for Co-Sponsors
Senate Bill 203

DATE: March 2, 1989

Periodic payments of Permanent Fund dividends have been proposed by the Anchorage Coalition of Small Business as an effective way of providing more consistent stimulation to the Alaskan economy. The theory is that if people received smaller distributions more frequently they would buy more goods and services in Alaska rather than using the money spending the money Outside. More frequent distribution might also help alleviate the need of some to sell their dividend checks.

Attached is a draft of Senate Bill 203 that would allow an applicant for a Permanent Fund Dividend to elect annually to receive a lump-sum payment or to receive four installment payments over a 12-month period.

While I acknowledge that there may be some higher costs associated with the more frequent distribution of PFD's, I believe the economic and social benefits might well outweigh the monetary costs. It certainly bears discussion.

If you would like to be a co-sponsor on this bill, please call Jo Fenety of my office by Thursday at 5:00 PM.

Attachment

DP:jf

Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Faiks, Vice Chairman
Sen. Al Adams
Sen. Tim Kelly
Sen. Rick Uehling

P.O. Box V
State Capitol
Juneau, Alaska 99811

907-465-3712

Senate State Affairs Committee

HEARING SCHEDULE January 18, 1990

Div. of Policy

Friday, January 19 1:30-3:30 pm Room 211 Capitol
SB 203, An Act relating to an option for receiving permanent fund dividends in installment payments; and providing for an effective date.

SB 341, An Act making an appropriation to the disaster relief fund; making appropriations from the disaster relief fund for relief of flooding and replacement of a high school; and providing for an effective date.

Monday, January 22 1:30-3:30 pm Room 211 Capitol
TELECONFERENCE
SB 5, An Act amending and making effective an annuity program and amendments to the longevity bonus program and the permanent fund dividend program.

SSSB 150, An Act establishing a senior housing office and loan program in the Department of Community And Regional Affairs; and authorizing the issuance of bonds for senior housing.

Wednesday, January 24 1:30-3:30 pm Room 211 Capitol
TELECONFERENCE; Testimony by Invitation
Ballot Initiatives on intrastate long distance telephone competition.
SB 206, An Act relating to intrastate competition in telecommunications.

Friday, January 26 1:30-3:30 pm Room 211 Capitol
Possible continuation of bills heard on January 22 and January 24.

Monday, January 29 1:30-3:30 pm Room 211 Capitol
HB 45, An Act relating to eligibility for retirement benefits under the Public Employees' Retirement System for delegates to the Alaska Constitutional Convention; and providing for an effective date.
HB 311, An Act approving the issuance of revenue bonds for construction of a road from Portage to Whittier and of the Bradfield River resource road; and providing for an effective date.

Alaska State Legislature

3111 C Street, Suite 150
Anchorage, Alaska 99503
(907) 561-2038

During Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4993

RECEIVED MAR 9 1989

Senator Drue Pearce
District G

MEMORANDUM

TO: Senator Pat Pourchot, Chair
Senate State Affairs Committee

FROM: Senator Drue Pearce

RE: SB 203, An Act relating to an option for receiving permanent fund dividends in installment payments.

DATE: March 8, 1989

Please schedule a hearing for SB 203 during one of your Committee's "Permanent Fund days". I think this dividend option should have a hearing.

A fiscal note has been requested from the Department of Revenue. By the time a hearing is scheduled we will have a fiscal note.

DP:jf

1-4-90 _ Jo came in to request SB 203 be heard. She reiterated that they will request fiscal note.

1-10-90 _ Notified of 1-19-90 Hearing Scheduled _ Asked for fiscal

1.19.90 SB 203 / requested into from Anch Coalition

Pearce: • Rec's ISER research on positive economic impact
• Hold Harmless Cases — No OPTION offered to identified cases

+ Loretta Rutherford, UAA — Bob Underwood

Jim Henderer:

Buzz Hoffman: Positive impact for family of 4 to keep their home — additional $300 per family

Royce Wilcox: Further

Tabor: Impact — working each case for resources and eligibility AFDC, Medicaid,

Pat < Food Coupons — restraints
Hold Harmless situation — Bad situation
Problem superimposing # on top off welfare system

sb203.txt

SB 203: Pearce PFD Installment Payments

NOTIFIED; * indicates will testify
*Senator Pearce
*George Kallas; via teleconference from Anchorage, representing the Anchorage Coalition of Small Businesses.With George will be: Jim Henderer, Buzz Hoffman, Bill Dudley
Cliff Groh: Revenue
Ervin Jones: Div. of PFD
Joe Hayes: Anch. Coalition of Small Businesses

F.Y.I.

Reminder: you may wish to announce you do not intend to move this bill today.

House Research and Revenue have strongly concluded that periodic payments would have a significant cost impact. . .PFD Division estimates a 40% spending increase. Additional hold harmless costs are estimated by HESS to be $6 to $10 million dollars.

Packets include:

SB 203
Report by House Research on PFD Installment Plan, based on Hanley bill.
Letter from Revenue: Cliff Groh reviewing plan.

Fiscal Note: [illegible]
Friday morning

SB 203

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

P.O. Box Y, State Capitol
Juneau, Alaska 99811-3100
Mail Stop 3100
(907) 465-3991

October 31, 1988

MEMORANDUM

TO: Representative Alyce Hanley

FROM: Ginny Fay
Legislative Analyst

RE: Payment of Permanent Fund Dividends in Installments
Research Request 89.087

You requested information regarding the frequency of distribution of Alaska Permanent Fund Dividends (PFDs). You specifically asked 1) how many additional employees would be required to process checks monthly or quarterly, 2) what Department of Revenue (DOR) employees currently do when they are not processing PFDs, and 3) what effects paying PFDs in installments would have on welfare hold harmless costs of the program. In addition, you asked this agency to analyze the economic effects of payment of PFDs in biannual, quarterly, and monthly installments. The DOR provided the attached memorandum on the costs and effects of more frequent distribution of PFDs. I concur with the points in the DOR memorandum and am providing you with additional information.

In summary based on DOR's and this agency's analysis, it is likely that more frequent distribution of PFDs would have significant costs that would reduce per capita dividends. In turn, the economic benefits of more frequent distribution might not be substantial. There may be some social benefits, however, of more frequent PFD distribution. In particular, for individuals who sell their future PFDs at significantly discounted rates to PFD brokers, two or more installments may reduce their need to sell their PFDs and thus reduce their brokerage losses. The DOR estimates that as many as 7,000 persons sold their PFDs last year for about 50 percent of face value. For people or families with severe cash shortages, more frequent distributions of PFDs would undoubtedly provide individual benefits.

Regarding the costs of more frequent PFD distribution, you did not specify the method of transition from one PFD payment to two or more payments. Permanent Fund Dividends are currently mailed in October and are based on residency during the preceding winter. A new distribution system is unlikely to gain public support if it means recipients must wait beyond October to receive a portion of their dividends. Alaska residents have come to expect dividends in October for amounts known months in advance--PFDs have essentially become part of what economists refer to as "permanent income." In addition, the fact that people prefer money now rather than later is a well established economic concept. Also, according to the DOR, given additional administrative and hold harmless costs of a multiple check system, the sum of the two or more PFD installments is likely to be less than the single check now offered. Despite these factors, the DOR has assumed that a multiple payment system would involve delayed payments rather than prepayment of PFDs.

Prepayment of PFDs could be more complex and costly than retaining a portion of dividends; different application and/or residency periods would be required because prepayment would occur before the close of the current application period. In addition, early payment would mean that funds would be withdrawn from the Permanent Fund earlier. Loss of interest earnings would further reduce per capita dividends.

Administrative Costs

Erwin Jones, Director, Division of Permanent Fund Dividends (DPFD), provided information regarding the division's operations and number of employees. The DPFD has 17 seasonal employees that work approximately nine months per year and 40 employees that work 12 months per year. The DPFD has three primary functions-processing of applications, providing information to the public, and investigating claims. Processing applications is the most time consuming and labor intensive of the three functions. The Division generally hires 40 to 50 temporary employees from April through June to process applications. Processing includes opening mail, returning incomplete applications for more information, microfilming applications, and key punching information. By July 15, all but about six employees in the processing section are laid off.

The DPFD has information offices located in Juneau, Anchorage, and Fairbanks. These offices have permanent full-time staff to answer questions from applicants and the public. During the past year, the information offices have received and responded to more contacts than the number of citizens in the state. Despite a slight lull in January and February, the offices handle questions year-round.

The investigative process involves the review of about 60,000 applicants annually. Approximately 5,000 reviews are the result of duplicate applications. Another 4,000 to 5,000 applicants are determined to be ineligible to receive PFDs. The investigations staff work full-time, year-round in order to comply with state statutes which require all applicants to be paid or denied within one year of receipt of their applications.

Erwin Jones believes that more frequent payment of PFDs would increase the work load of the division. Mr. Jones provided information for an application system in which applicants could indicate on their application whether they preferred to receive their check in one payment or more frequent distributions. More frequent payments would have a relatively minor effect on the processing of applications. Information offices would be affected because any new program option generates questions from the public. The accounting process would become significantly more complicated, especially if applicants could choose different distribution options. The check-writing process is relatively simple and would not be affected significantly.

The selection of a payment sequence would have to be an irrevocable decision or processing costs would be extraordinary. It is likely that a significant number of applicants would want to change their decision during the year, would have incorrectly indicated their choice, and/or would not have fully understood the change to the program and its implications. If requested, the DPFD will develop a fiscal note to estimate the costs of implementing a multiple payment system.

Hold Harmless Costs

Randy Moore, Division of Public Assistance, Department of Health and Social Services (DHSS), provided conceptual information regarding how more frequent PFD payment would affect Aid to Families with Dependent Children (AFDC) and Social Supplemental Income (SSI) recipients. These two programs account for the majority of hold harmless costs.

The receipt of any income--including a PFD--by AFDC or SSI recipients affects their program eligibility in two ways:

- The PFD constitutes an overpayment during the month it is received. Any income in excess of $10 is considered an overpayment and is subtracted from the transfer payment for that month.

- There is a resource issue because households receiving AFDC and SSI cannot retain more than $1,000 in cash or they will be considered ineligible for payments in the month(s) following receipt of PFDs--or any other income.