

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672

8852 SENATE COMMUNITY & REGIONAL AFFAIRS

1 property in trust for the benefit of bondholders, including, without limitation, the
2 right to enforce payment, performance, and all other rights of the authority or of
3 the bondholders under a lease, contract of sale, mortgage, security agreement, or
4 trust agreement with respect to a project by appropriate judicial proceeding or
5 by taking possession of by agent or otherwise and operating a project and
6 collecting rents or other consideration and applying the same in accordance with
7 the trust agreement;

8 (2) pledge, mortgage, or assign money, leases, agreements, property, or
9 other assets of the authority either presently in hand or to be received in the future, or
10 both; and

11 (3) provide for other matters that affect the security or protection of the
12 bonds.

13 Sec. 30.17.230. VALIDITY OF PLEDGE. (a) It is the intent of the legislature
14 that a pledge made in respect of bonds issued under this chapter is perfected, valid, and
15 binding from the time the pledge is made; that the money or property so pledged and
16 thereafter received by the authority is immediately subject to the lien of the pledge
17 without physical delivery or further act; and that the lien of the pledge is valid and
18 binding against all parties having claims of any kind in tort, contract, or otherwise
19 against the authority whether or not the parties have notice. Neither the resolution, trust
20 agreement, nor any other instrument by which a pledge is created need be recorded or
21 filed under the provisions of the Uniform Commercial Code to be perfected or to be
22 valid, binding, or effective against the parties.

23 (b) This section does not affect title to or conveyances of real property, and does
24 not limit the applicability of AS 40.17.080.

25 Sec. 30.17.240. NONLIABILITY ON BONDS. (a) Neither the members of the
26 authority nor a person executing the bonds are liable personally on the bonds issued by
27 the authority or are subject to personal liability or accountability by reason of the
28 issuance of the bonds.

29 (b) The bonds issued by the authority do not constitute an indebtedness or other
30 liability of the state or of a political subdivision of the state, but shall be payable solely
31 from the income and receipts or other funds or property of the authority. The authority
32 may not pledge the faith or credit of the state or of a political subdivision of the state.

1 except the authority, to the payment of a bond, and the issuance of a bond by the
2 authority does not directly, indirectly, or contingently obligate the state or a political
3 subdivision of the state to apply money from, levy, or pledge any form of taxation to the
4 payment of the bond.

5 (c) The authority shall print the language of (b) of this section in substantial
6 form on the face of all bonds issued and in any offering circular, or statement issued in
7 connection with the bonds.

8 Sec. 30.17.250. PLEDGE OF THE STATE. The state pledges to and agrees
9 with the holders of bonds issued under this chapter and with the federal agency that
10 loans or contributes funds in respect to a project, that the state will not limit or alter the
11 rights and powers vested in the authority by this chapter to fulfill the terms of a contract
12 made by the authority with the holders or federal agency, or in any way impair the rights
13 and remedies of the holders until the bonds, together with the interest on them with
14 interest on unpaid installments of interest, and all costs and expenses in connection with
15 an action or proceeding by or on behalf of the holders, are fully met and discharged.
16 The authority may include this pledge and agreement of the state, insofar as it refers to
17 holders of bonds of the authority, in a contract with the holders, and insofar as it relates
18 to a federal agency, in a contract with the federal agency.

19 Sec. 30.17.260. EXEMPTION FROM TAXATION. (a) The real and personal
20 property of the authority and its assets, income, and receipts are declared to be the
21 property of a political subdivision of the state and are exempt from taxes and special
22 assessments of the state or a political subdivision of the state. Bonds of the authority are
23 declared to be issued by a political subdivision of the state and for an essential public
24 and governmental purpose and to be a public instrumentality, and the bonds, the interest
25 on them, the income from them, and the transfer of the bonds, and all assets, income,
26 and receipts pledged to pay or secure the payment of the bonds or interest on them shall
27 at all times be exempt from taxation by or under the authority of the state, except for
28 inheritance and estate taxes and taxes on transfers by or in contemplation of death.

29 (b) This section does not affect or limit an exemption from license fees, property
30 taxes, or excise, income, or other taxes, provided under any other law, nor does it create
31 a tax exemption with respect to the interest of any business enterprise or other person,
32 other than the authority, in any property, assets, income, receipts, project, or lease

1 whether or not financed under this chapter.

2 Sec. 30.17.270. BONDS LEGAL INVESTMENTS FOR FIDUCIARIES. The
3 bonds of the authority are securities in which public officers and bodies of the state;
4 municipalities and municipal subdivisions; insurance companies and associations and
5 other persons carrying on an insurance business; banks, bankers, trust companies, savings
6 banks, savings associations, including savings and loan associations and building and
7 loan associations, investment companies, and other persons carrying on banking business;
8 administrators, guardians, executors, trustees, and other fiduciaries; and other persons
9 who are now or may afterward be authorized to invest in bonds or other obligations of
10 the state, may properly and legally invest money, including capital in their control or
11 belonging to them. Notwithstanding any other provisions of law, the bonds of the
12 authority are also securities that may be deposited with and may be received by public
13 officers and bodies of the state and municipalities and municipal subdivisions for any
14 purpose for which the deposit of bonds or other obligations of the state is now or may
15 afterward be authorized.

16 Sec. 30.17.280. ENTERPRISE DEVELOPMENT ACCOUNT. (a) The
17 enterprise development account is established in the authority. The enterprise
18 development account is a trust fund for the uses and purposes of this chapter. The
19 enterprise development account consists of money or assets appropriated or transferred
20 to the authority and other money or assets deposited in it by the authority.

21 (b) The authority may establish in the enterprise development account the
22 accounts it considers appropriate.

23 (c) Money and other assets of the enterprise development account may be used
24 to secure bonds of the authority issued to finance the purchase of loans for projects or
25 may be used to purchase participation in the loans for projects.

26 (d) A loan participation purchased by the authority with assets of the enterprise
27 development account or with proceeds of bonds secured by assets of the enterprise
28 development account

29 (1) may not be purchased unless

30 (A) the project applicant is not, or, if the applicant is not a single
31 proprietorship, all members of the business enterprise or enterprises constituting
32 the project applicant are not, in default on another loan made by the state or by

1 a public corporation of the state;

2 (B) the project applicant has, or, if the applicant is not a single
3 proprietorship, all members of the business enterprise or enterprises constituting
4 the project applicant have, paid all taxes due to the state, has satisfied financial
5 requirements for state tax cases that are under appeal, and is current on all
6 payment schedules relating to state taxes or settlement of tax disputes with the
7 state; and

8 (C) at least 20 percent of the principal amount of the loan is
9 retained by the loan originator;

10 (2) may not be purchased if the loan to be purchased exceeds the cost
11 of the project or 75 percent of the appraised value of the project, whichever is less,
12 unless the amount of the loan in excess of this limit is federally insured or guaranteed
13 or is insured by a qualified mortgage insurance company;

14 (3) may not be purchased if the participation in the loan to be purchased
15 is for a term longer than three-quarters of the authority's estimate of the life of the
16 project or 25 years from the date the loan is made, whichever is earlier; however, in the
17 case of a loan participation for a power transmission intertie, the term may not be longer
18 than 50 years from the date the loan is made;

19 (4) may be made only if the participation in the loan to be purchased
20 contains amortization provisions; the amortization provisions

21 (A) must be complete and satisfactory to the authority and require
22 periodic payments by the borrower;

23 (B) may allow the loan originator to amortize the portion of the
24 loan retained by the loan originator using a shorter amortization schedule than the
25 amortization schedule for the portion of the loan held by the authority if

26 (i) in the authority's opinion, the project financed can
27 support the increased debt service; and

28 (ii) the accelerated amortization schedule is required to
29 induce the originator to make the loan;

30 (5) may be made only if the participation in the loan to be purchased is
31 in the form and contains the terms and provisions with respect to insurance, repairs,
32 alterations, payment of taxes and assessments, default reserves, delinquency charges,

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default remedies, acceleration of maturity, secondary liens, and other matters the authority prescribes; and

(6) may be made only if the participation in the loan to be purchased is secured as to repayment by a mortgage or other security instrument in the manner the authority determines is feasible to assure timely repayment under a loan agreement entered into with the borrower.

(e) The authority may adopt regulations for the administration of the enterprise development account including provisions for fees and agreements relating to application, loan commitment, servicing, and origination of loans by other lenders.

(f) The authority may enter into agreements as to the use of the money in the enterprise development account including trust or custody arrangements with banks or trust companies. It may also pledge, assign, or grant the agreement, interests under an agreement, or interests in the enterprise development account as may be necessary or appropriate to provide for payment and security for bonds of the authority issued to finance the purchase by the authority of loans for projects.

(g) Notwithstanding any other provision of this section, the authority may waive or modify the requirements of this section as it considers appropriate and prudent in order to finance a project if the authority intends to own the project or in order to finance a power transmission intertie project.

(h) The provisions of this section apply only with respect to a loan participation purchased by the authority for projects under this chapter.

ARTICLE 4. MISCELLANEOUS PROVISIONS.

Sec. 30.17.300. AUDIT. The legislative auditor shall audit or shall cause to have audited annually the financial records of the authority. The legislative auditor may prescribe the form and content of the financial records of the authority and shall have access to these records at reasonable times.

Sec. 30.17.310. EQUAL USE AND ACCESS. If the authority owns, leases, or otherwise operates or controls, or participates in the financing of, a facility, the authority shall, to the maximum extent possible, provide for equal rights of access to and use of the facility by members of the public and other persons or entities upon terms and conditions that are fair and reasonable. However, this section does not prevent the authority from establishing fair and reasonable limitations on use of or access to a facility

1 to the extent the limitations are necessary in connection with the nature of the facility or
2 the demand for use of or access to the facility. This section applies to the establishment
3 of rates and rate structures as well as all other factors, terms, and conditions relating to
4 the use of or access to the facility, including without limitation the design and location
5 of the facility. The members of the authority shall make a written finding concerning
6 compliance of the facility with this section. A written finding signed by a majority of
7 the authority members complies with the provisions of this section and shall constitute
8 a conclusive presumption of compliance.

9 Sec. 30.17.320. SUCCESSION. The authority is dissolved one year after the
10 date of incorporation of a municipality, other than a second class city, that has an area
11 coterminous with or inclusive of the area formerly encompassed by the Adak Naval
12 Air Facility. Upon dissolution of the authority, the municipality succeeds to the assets
13 and liabilities of the authority and succeeds to the rights, powers, and duties of the
14 authority under contracts to which the authority is a party on the date of dissolution.
15 Except for this section, this chapter is not applicable to a municipality that succeeds
16 the authority.

17 Sec. 30.17.330. PURCHASE OF PROJECT AND LEASES. (a) This chapter
18 does not prevent the inclusion in a lease or other agreement relating to a project of a
19 provision granting the right to purchase the project, or to renew or extend the lease or
20 agreement, upon the terms and conditions that may be provided for in the lease or
21 agreement.

22 (b) A lease with respect to a project may provide for two or more lessees with
23 the legal relationship between themselves and the authority that the authority may
24 approve, including provisions to the effect that the obligations of the lessees under the
25 lease for payment of rental or otherwise between themselves and the authority are
26 several, joint, or joint and several and that the lessees lease the project as
27 tenants-in-common, or otherwise.

28 Sec. 30.17.340. CONFLICTS OF INTEREST. (a) A member of the authority
29 may not vote on a matter relating to a lease or contract entered into or to be entered into
30 by the authority under this chapter if the member is a party to the lease or contract or
31 has a direct ownership or equity interest in a firm, partnership, corporation, or association
32 that may be a party to the contract or lease. A matter relating to a lease or contract that

1 is approved by a majority of the members who are not barred from voting under this
2 section is a valid action of the authority for all purposes.

3 (b) Members of the authority are subject to AS 39.52 (Alaska Executive Branch
4 Ethics Act).

5 Sec. 30.17.350. OPERATION OF CERTAIN STATUTES EXCEPTED. (a) The
6 authority may not be considered to be or constitute (1) a political subdivision of the state
7 as the term is used in AS 37.10.085, (2) a municipal corporation or political subdivision
8 of the state as the terms are used in AS 29, or (3) except as provided in AS 30.17.360,
9 a state agency as the term is used in AS 37, but for all other purposes the authority
10 constitutes a political subdivision and an instrumentality of the state as provided in this
11 chapter.

12 (b) The funds, income, or receipts of the authority may not be considered to be
13 or constitute money of the state, nor may real property in which the authority has an
14 interest be considered land owned in fee by the state or to which the state may become
15 entitled or in any way land belonging to the state, or state land referred to in art. VIII,
16 Constitution of the State of Alaska.

17 Sec. 30.17.360. COMPLIANCE WITH EXECUTIVE BUDGET ACT;
18 AUTHORITY FINANCES. (a) The operating budget of the authority is subject to
19 AS 37.07 (Executive Budget Act).

20 (b) To further ensure effective budgetary decision making by the legislature, the
21 authority shall

22 (1) annually review the authority's assets to determine whether assets of
23 the authority exceed an amount required to fulfill the purposes of the authority as defined
24 in this chapter; in making its review, the members of the authority shall determine
25 whether, and to what extent, assets in excess of the amount required to fulfill the
26 purposes of the authority during at least the next fiscal year are available without

27 (A) breaching an agreement entered into by the authority;

28 (B) materially impairing the operations or financial integrity of
29 the authority; or

30 (C) materially affecting the ability of the authority to fulfill the
31 authority's purposes; and

32 (2) present to the legislature by January 10 of each year a complete

1 accounting of all assets of the authority and a report of the review and determination
2 made under (1) of this subsection; the accounting shall be audited by the auditor who
3 conducts the audit required by AS 30.17.300, including income earned on assets of the
4 authority during that period.

5 Sec. 30.17.370. REPORTS AND PUBLICATIONS. By January 10 of each
6 year, the authority shall publish a report for distribution to the governor, legislature, and
7 the public. The authority shall notify the legislature that the report is available. The
8 report shall be written in easily understandable language. The report must include a
9 financial statement audited by an independent outside auditor, a statement of the
10 authority's investments under this chapter, including an appraisal of the investments at
11 market value, a comparison of the authority's performance with the goals of the
12 authority, and other information the members of the authority believe would be of
13 interest to the governor, the legislature, and the public. The annual income statement and
14 balance sheet of the authority shall be published in at least one newspaper circulating in
15 each judicial district. The authority may also publish other reports it considers desirable
16 to carry out its purposes.

17 ARTICLE 5. GENERAL PROVISIONS.

18 Sec. 30.17.900. DEFINITIONS. In this chapter,

- 19 (1) "authority" means the Adak Reuse Authority created by this chapter;
20 (2) "bonds" means bonds or other obligations issued under this chapter;
21 (3) "business enterprise" means a single proprietorship, cooperative,
22 corporation, firm, partnership, or other association of persons organized in any manner,
23 for any credit worthy business purpose;
24 (4) "facility" means real property, whether above or below mean high
25 water, or an interest in it, and the buildings, improvements, and structures constructed
26 or to be constructed on or in it, and may include fixtures, machinery, and equipment on
27 it or in it, and tangible personal property, regardless of whether the tangible personal
28 property is attached to or connected with real property, if the owner has agreed not to
29 remove the tangible personal property permanently from the state for the period the
30 authority sets; "facility" does not include work in process or stock in trade;
31 (5) "federal agency" means the United States and any officer, department,
32 agency or instrumentality of the United States;

1 (6) "lease" includes, when used as a noun, an interest in, or when used
2 as a verb, the transfer of an interest in, property less than fee simple title, including,
3 when used as a noun, agreements to use or occupy property;

4 (7) "person" includes a corporation, company, partnership, firm,
5 association, organization, business trust, society, state or agency or subdivision of the
6 state, municipality of the state, a resource development authority, as well as a natural
7 person;

8 (8) "project" means

9 (A) a facility used or intended for use in connection with making,
10 processing, preparing, transporting, or producing goods, products, or substances
11 of any kind or nature or in connection with developing or using a natural
12 resource, or extracting, smelting, transporting, converting, assembling, or
13 producing minerals, raw materials, chemicals, compounds, alloys, fibers,
14 commodities and materials, products, or substances of any kind or nature;

15 (B) a facility used or intended for use in connection with a
16 business enterprise;

17 (C) commercial activity by a small enterprise;

18 (D) a facility demonstrating technological advances of new
19 methods and procedures and prototype commercial applications for the
20 exploration, development, production, transportation, conversion, and use of
21 energy resources;

22 (E) infrastructure for a new tourism destination facility or for the
23 expansion of a tourism destination facility;

24 (F) a facility, other than a facility described in (D) of this
25 paragraph, for the generation, transmission, development, transportation,
26 conversion, or use of energy resources;

27 (9) "project applicant" means a business enterprise or enterprises
28 proposing to

29 (A) use or occupy a project; or

30 (B) agree to permit others to use or occupy a project;

31 (10) "real property" means land and rights and interests in land, including
32 interests less than full title such as easements, uses, leases, and licenses.

- 1 * Sec. 2. INITIAL TERMS. Notwithstanding AS 30.17.020, enacted in sec. 1 of this Act,
2 the initial term of one member appointed under (a)(2) of that section, and the initial terms of two
3 members appointed under (a)(3) of that section, shall be one year.

Terry Lauterbach

April 9, 1996

Page 2

Page 3, lines 3 - 6 Change section (c) to indicate the following.

- The authority may appoint persons as officers it considers advisable
- The authority may determine the staff and salary of the authority which may include an executive director and an executive secretary
- The authority may contract with professional advisors, legal counsel, technical experts, agents, and other employees it considers advisable.

None of the individuals listed above are to be state employees. They are all to be paid out of authority funds and paid on a contractual basis. The contracts are not to be for more than two years.

If you have any questions, please call me at 465-4989. I apologize for the short timeframe.

FISCAL NOTE

Revision Date: March 12, 1996 Dept. Affected: Community & Regional Affairs
 Title: An Act relating to Reuse of Adak Naval Air Fa BRU: Adak Reuse Authority
 Component: none
 Sponsor: Rep. Moses
 Requestor: House Finance COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	128.0	174.1				
TRAVEL	40.0	44.0				
CONTRACTUAL	91.0	103.0				
SUPPLIES	6.0	6.5				
EQUIPMENT	16.5	0.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	281.5	327.6	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts	100.0	100.0				
1003 GF Match	33.3	33.3				
1004 GF	148.2	194.3				
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	281.5	327.6	0.0	0.0	0.0	0.0

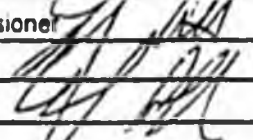
POSITIONS:

FULL-TIME	2	2				
PART-TIME						
TEMPORARY						

Estimate of current (FY94) impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This analysis covers on Authority core management staff. Any staff to operate facilities and deliver services would be funded entirely by charges or contracts for these services and facilities. Analysis also assumes the Authority management staff would become self-supporting from lease revenues or other service contracts after a two-year period. It also assumes that the Department of Defense Office of Economic Adjustment will provide at least \$100,000 per year for the first two years.
(Cont'd. on attached.)

Prepared by: Lamar Cotten, Deputy Commissioner Phone: 465-4708
Community & Regional Affairs Date: 3/12/96
 Approved by Commissioner:  Date: 3/12/96
 Agency: Community & Regional Affairs

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HB466 FISCAL NOTE Cont'd

Office furniture to be provided by Navy. Office space to be provided by free by Navy or in a facility which the LRA will own. Utilities to be provided by Navy free first year and thereafter purchased by the LRA.

Staffing and costs with benefits: Executive Director \$112,500; Executive Secretary/Administrative Assistant \$53,600. Staffing for first year would be for 9 months. 3% inflation.

Travel based on 2 trips per month between Adak and Anchorage lasting three days.

Contractual includes \$50,000 per year for small contracts for legal, real estate, marketing and engineering professional services.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HB466

Revision Date: _____ Dept. Affected: Military and Veterans Affairs
 Title: Adak Reuse Authority BRU: Ak National Guard
 Component: Office of the Commissioner
 Sponsor: Rep. Carl Moses
 Requestor: Rep. Carl Moses COMPONENT SERIAL NO. 414.0

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1003 GF/Program Receipts						
1008 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS:

(Attach a separate page if necessary)

HB 466 would create an Authority with the responsibility to explore opportunities to develop Adak subsequent to federal closure of the military base. The Authority could complete feasibility studies, sell bonds, etc. There is no impact on the department.

Prepared by: Carol Carroll, Director Phone: 465-4730
 Division: Administrative Services Division Date: 7/14/96
 Approved by Commissioner: MG Jake Lestakof Date: _____
 Agency: Military and Veterans Affairs

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Representative Carl E. Moses

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SPONSOR SUMMARY

CSHB 466 (FIN) am

CSHB 466 (FIN)am would establish an Adak Reuse Authority to facilitate the conversion of the Adak Naval Air Facility to civilian use. Last year, the ANAF was targeted for closure by the federal base closure commission. The closure deadline is January, 1998, however, it is widely recognized that the Department of the Navy will vacate the facility ahead of schedule.

Creating a reuse authority is crucial to the conversion process in terms of developing and implementing a reuse plan. Since Adak has no local governmental entity, the need for a reuse authority is doubly important.

The bill establishes a seven-member authority as an instrumentality of the Community and Regional Affairs Department. It calls for membership consisting of the Commissioner of C. R. & A., two other department heads selected by the governor, and four public members, appointed by the governor. Two of these public members must be residents of the Aleutian region.

The Adak Reuse Authority would manage a comprehensive redevelopment plan in a manner which would attract business, create jobs, and advance the general prosperity and economic welfare of the region, and the state. The authority would be integrated into a municipality when one is eventually formed, and go out of business.

This authority would have the powers to perform administrative duties, enter into contracts, operate enterprises, receive grants and other funds, and disburse funds. The authority may not issue bonds to finance a project unless it has received prior legislative approval.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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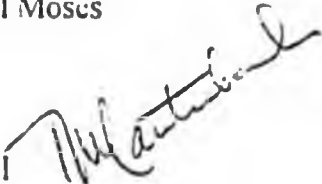
130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

February 9, 1996

SUBJECT: Sectional Summary of HB 466. (Adak Reuse Authority)

TO: Representative Carl Moses
Attn: Tim

FROM: Terri Lauterbach
Legislative Counsel 

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Establishes the Adak Reuse Authority whose purpose is to develop and implement a comprehensive reuse and redevelopment plan for the territory encompassed by the Adak Naval Air Facility.

Sections 30.17.110 - 30.17.270 and 30.17.300 - 30.17.320 are based on provisions applicable to resource development authorities that may be formed under AS 30.13. The comparable sections in AS 30.13 can be found at AS 30.13.040 - 30.13.150.

Sections 30.17.280 and 30.17.330 - 30.17.370 are based on provisions applicable to AIDEA. The comparable AIDEA provisions can be found at AS 44.88.155, 44.88.170, 44.88.180, 44.88.190, 44.88.205, and 44.88.210(a).

Section 2. Puts the officers and employees of the Adak Reuse Authority in the exempt service.

TML:pl
96-051.plm

ADAK ISLAND: OVERVIEW AND REUSE POTENTIAL

GENERAL

The Naval Complex Adak occupies the northern portion of Adak Island, an island of the Aleutian chain, approximately 1300 miles southwest of Anchorage, Alaska and 1000 miles southeast of the Kamchatka Peninsula, Russia. The northern half of Adak comprises the Naval Complex, the southern half is a wilderness area under the jurisdiction of the US Fish and Wildlife Service. Current Navy maps of the island show a total of approximately 72,000 acres for the Naval Complex.

The Complex is isolated geographically with the nearest nonmilitary community of any size located 100 miles away on Atka Island. This geographic isolation and the extremely harsh weather make logistics especially important. Air carriers provide passenger and limited supply services. Bulk supplies are mainly delivered by ships and barges. Fuel used for electricity and steam generation, aircraft and vehicles is delivered via barge to the Fuel Pier in Sweeper Cove. The Complex is unique in that there is no adjacent civilian community on the island.

Adak is wet, foggy, stormy, windy and persistently overcast, with a mean temperature of 40° F and a seasonal variation of less than 20°, relatively mild for its northern latitude of 52°. Record temperatures were 75° F (August 1965) and 3° F (February 1964).

Storms occur in all seasons but are most frequent and severe during winter, when squalls produce wind gusts in excess of 100 knots. Heavy frontal rains alternate with blowing snow and showers, often resulting in poor visibility. During the summer, extensive fog forms over the Bering Sea and North Pacific and continually drifts over the island.

The vegetation of the Aleutian Islands is typical of tundra floral association. Because of glacial action which stripped all vegetation, there are no native trees, with the exception of dwarf willows and alders. The Adak National Forest comprises approximately 30 Sitka spruce which were transplanted from Kodiak in 1944. The trees are well formed and healthy, but stand only 9 to 15 feet high.

The low lying areas support a dense growth of grasses, moss and lichens. During the late summer heavy rains keep the island green. Narcissus, anemone, and lupine are abundant, and dense stands of beach wild rye occur on the dunes near beaches. The poorly drained ridges and highlands support several varieties of heath associated with a very thick, spongy mat of moss and lichens. Offshore, the sea water supports large beds of kelp and other algae on the rocky bottom.

Bald eagles, Peregrine Falcons, Aleutian Tern, and Arctic Tern are found on Adak. Bald eagles are specially protected under the Eagle Act. The Migratory Bird Treaty Act protects all migratory birds, including the Aleutian and Arctic Tern, which nest on Adak. A permit from the US Fish and Wildlife Service is required prior to disruption or destruction of an active nest of any migratory bird.

Adak has several streams which support seasonal salmon runs.

Adak had a rich prehistoric period, as evidenced by archaeological material found in many parts of the island. In general, archaeological sites in the Aleutians consist of prominent mounds of midden material covered with rye grass and cow parsnip.

In addition to the prehistoric sites, the Adak Army Base and Adak Naval Operating Base (ADK 128) are listed in the National Register of Historical Places and designated a National Historic Landmark. Compliance with Section 110(f) of the National Historic Preservation Act is required. The soon to be completed Historic and Archaeological Resources Protection (HARP) Plan will detail treatment of facilities on the island as negotiated with the Alaska State Historic Preservation Officer.

Automobiles are the principal means of transportation on Adak. There are approximately 16 miles of paved roads. There are also many gravel and dirt roads in varying states of repair.

UTILITIES

The Naval Complex at Adak is the sole source of primary and backup utilities on the island. Because of the geographic isolation of the Complex, it is critical that adequate utilities are provided.

Communication is provided by submarine cables, satellites and radio circuits. A low power television system exists on Adak. Cable TV is available via satellite. Alascom, Inc, and General Communications Inc. offer limited long distance service.

Steam and electricity are produced on Adak by JP-5 fuel driven generators and boilers. Like most other supplies, fuel is shipped from the mainland.

Water is plentiful. NAF draws its potable water supply from Lake Bonnie Rose with Lake DeMarie and Nurses Creek as backup. Mitchell creek is the primary water source for HSGA with North Lake as backup.

The main NAF sewage treatment plant has a capacity of 900,000 gallons per day. The wastewater collection system consists of 18 distinct subsystems which drain by gravity to 18 sewage lift stations.

Currently all solid waste is either burned in an open pit or buried in permitted landfills. Garbage and trash are trucked to a baling facility, compacted and baled, and buried at the Roberts Landfill.

FACILITIES

Airfield facilities include: runways, taxiways, aircraft parking pavement, aircraft maintenance hangars, ground support equipment, control tower, terminal building, aircraft crash/fire station.

Port facilities include piers and harbor master facilities. Shore power is available on the Supply Pier, but the sewage and fresh water systems on this pier are in need of repair. Fueling capability is available at the Fuel Pier.

The following type ships have utilized the piers for temporary berthing: supply ships, fuel ships, Coast Guard cutters, Department of Commerce research vessels, Station vessels (yard craft), Alaskan crab fleet ships and other transient ships.

The Command and administration facilities include administrative, office, and conference spaces.

Supply facilities include: dedicated supply, fuel and warehouse space (including cold storage), fuel storage tanks, bachelor housing, and administrative spaces.

Public Works facilities include: storage tanks for fuels and water, electrical and steam generation plants, equipment buildings, pump stations, sewage treatment plant, administrative spaces, storage facilities/areas, shops (vehicle, engine, facilities repair), distribution buildings/piping/systems, transformers, quarry sites, vehicle fueling stations/wash racks, and trash compaction/dump sites.

Medical/dental facilities at the Branch Hospital, Adak include: clinical facilities (15 bed inpatient), two surgical/delivery suites, outpatient facility, a pharmacy, and a Branch Dental Clinic.

Fuels at IAF are stored in a fuel farm located above the fuel pier at the end of Sweeper Cove. Most of the tanks in this area are used to store JP-5 fuel; the two smallest tanks contain MOGAS (motor vehicle fuel).

BUILDINGS

Facility	Construction Date	Square Footage
Sandy Cove. 334 units.	1986	
Eagle Bay. 100 units.	1987	
Moffett View. 70 units.	1986	
Bayshore. 100 units.	1980	
Turnkey (Arctic Acres). 100 units.	1972	
New Roberts. 24 units.	1964	
Old Roberts. 42 units.	1957	
Amulet. 6 units.	1951	
Officer Hill. 12 units.	1964	
Kuluk. 162 units.	1964	
Administration Building	1967	31,900
Public Works Building. Contains offices on the mezzanine level and shops on the ground floor.	1950	56,907

Government Gas Station. At PW.	1973	1,496
Power/Steam Plant #3. Provides electricity for the entire island and steam for heat and hot water for the Bering Hill area and the Laundry/Dry Cleaning Plant.	1950	38,808
Sewage Treatment Plant. 900,000 gallon per day capacity. Located on Kuluk Bay between Sweeper Cove and Monument Hill.	1974	
Red, White, and Blue Sheds. Historically significant buildings built in WWII.	1944	144,800 (ea)
Pat Kelly Terminal	1966	8,311
Control Tower	1958	10,423
Runways. Historically significant structures.	1944	A 7,607 Ft B 7,807 Ft
Fire and Crash	1958	7,265
VP Hangar	1965	49,148
AIMD Hangar	1958	61,619
Bering Hill barracks	1949-1990	231,474
Bering Recreation Center	1950	72,563
Bering Hill Galley	1949	22,595
Sitkin Center	1950	7,575
Old Chapel	1944	4,328
New Chapel	1987	17,345
Fire Station	1951	5,445
VFW	1943	241
Aleutian Steakhouse (ASH)	1965	8,048
Housing Community Center	1986	17,958
Old Commissary	1973	69,600
High School	1991	77,100
Elementary School	1983	41,550
MAUW Compound. High security weapons compound used prior to drawdown in June of 1994.	1965	12,154
Explosive Ordnance Disposal (EOD)	1958	2,174
Pier 5. Systems exist to provide shore power, fresh water, and sewage hook-ups but major repairs are needed.	1980	1226 ft of berthing

Fuel Pier	1958	750 ft of berthing
Tank Farm D. Contains 13 field constructed tanks used for storage of JP-5, MOGAS, and other fuels.		
Roberts Landfill. Used for disposal of baled trash and garbage.	1973	62.39 acres
Baler Building. Garbage and trash are hauled to the Baler Building where they are compacted and tied into bales for disposal in Roberts Landfill.	1992	8,320

APPENDIX 3 - UTILITIES

FUELS

The availability of fuels is particularly critical to Adak. Fuels are used for electricity and steam generation, for aircraft and vehicles, and are periodically delivered to the fuel pier in Sweeper Cove.

Fuels at NAS are stored in a fuel farm of 284,000 barrels, located above the fuel pier at the end of Sweeper Cove. Most of the tanks in this area are used to store JP-5 fuel; the two smallest tanks contain MOGAS. An additional 300,000 barrel fuel storage capacity is planned with the construction of the Defense Logistics Agency Military Construction (MILCON) F-832 scheduled for Fiscal Year (FY) 1989. The NAS fuel distribution system is shown in figure App. 3-1. Also shown are the location and size of individual fuel tanks located throughout NAS and NSGA Mount Moffett.

Fuels are trucked to NSGA from NAS. They are stored in underground tanks in the NSGA main base area, behind the Heating Plant. The fuel is used primarily for steam generation. JP-5 fuel is stored in four 25,000 gallon underground tanks. Figure App. 3-11 shows their location and the location of other tanks at CDAA and other facilities.

ELECTRICITY

The existing electrical system for NAS and NSGA is closely tied and dependent on the main transmission loop. It consists of these components:

- Power generation at power plant #3.
- Backup generation at the Mount Moffett Plant #5.
- On-site emergency generation at various facilities around NAS, NAVFAC, and NSGA.
- A 13.8-kilovolt (kV) transmission system which interconnects eight substations.
- Five step-down distribution substations.

- Switching substations at four locations, one of which is equipped with a voltage regulator.
- 13.8-kV, 6.9-kV, and 2.4-kV distribution lines, both overhead and underground.

Power plant #3, near Amulet Family Housing, supplies power to all of Adak. The plant has three 800-kilowatt (KW) and six 3,000-KW generators. Plant #5 in the Mount Moffett area supplies Class B power to NSGA with its two 2,000-KW generators. Twenty-six miles of overhead and about 20 miles of underground lines constitute the transmission and distribution systems.

According to a recent report by HB Engineers of Portland, Oregon, the electrical system at Adak is in the final stages of completely failing to support the missions of NSGA, NAVFAC, and NAS. All three main parts of the electrical system (generation, transmission, and distribution) are in extremely poor condition due to age, lack of equipment coordination, and increased mission requirements without any system upgrade. The report outlines a series of urgent emergency measures and recommends projects to remedy immediately the most blatant deficiencies and establish a reliable power supply.

The current Adak Naval Complex electrical demand peak load is 10.75 MW. The following projections are based on the current projects under construction in FY89 and the programmed and unprogrammed projects included in the CIP.

<u>FY</u>	<u>Peak Load</u>
Present load	10.75 MW
FY89 CIP	14.00 MW
FY90 CIP	15.80 MW
FY91 CIP	15.90 MW
FY92 CIP	16.60 MW
FY93 CIP	17.00 MW
FY94 CIP	17.00 MW
FY95 CIP	17.20 MW
UP CIP	22.20 MW

MILCON Project P-957 "Power and Generation Upgrade" will be submitted to COMNAVAIRPAC (Code 513) for inclusion in the MILCON requirements program. This project proposes to construct two new 17 MW co-generation, combined-cycle, JP-5 burning gas turbine power and steam generation sets with heat recovery steam boilers and steam turbine electrical generation with extracted steam to the central steam system. Also, in order to increase the overall efficiency of the new plant, the central steam heating system will be expanded to include facilities currently receiving heat and/or hot water from individually fired package boilers. Included in the project is an electrical upgrade of the existing 2.4 kV and 6.9 kV portions of the base electrical distribution system to 13.8 kV. Due to the high cost of this project (currently estimated at \$39,800,000), especially in a decreasing MILCON funding period, NAS is proposing that evaluation of the feasibility of a Public-Private Venture (3rd party funding) be made to provide the two power plants for Adak. The electrical and steam distribution systems would then be upgraded in phases following construction of the two required power plants. Although this evaluation has yet to be performed, it is a certainty that major investments will have to be made for NAS to continue to supply reliable power in sufficient quantities for NAS, NSGA, and NAVFAC to continue to perform their missions.

Figure App. 3-III shows the Adak Complex 13.8-kV transmission system and the location of the eight substations. Figure App. 3-IV shows the 13.8-kV, 6.9-kV and 2.4-kV distribution systems at NAS and NSGA Mount Moffett. Figure App. B-V shows the 13.8-kV and 2.4-kV distribution system at NSGA.

STEAM

NAS

At NAS steam is produced by two major steam plants. Boiler Plant No. 3 provides steam to three separate areas, each connected directly to the boiler plant steam header: Amulet housing area which includes the BOQ and high school; the Bering Hill area which includes barracks, galley, club, and new chapel; and the laundry and dry-cleaning building. Boiler Plant No. 4 serves the Birch-

wood area which consists of several barracks, two hangars, a survival equipment building and a ground support building.

The Public Works building and Warehouse T1446 are served by separate boiler plants. In addition, 46 package boilers are located throughout NAS providing steam and hot water to various installations.

Boiler Plant No. 3 has four JP-5 fired water tube steam boilers, each with a capacity of 20,000 pounds/hour of steam at a pressure of 125 psig. Boiler Plant No. 4 contains two boilers with a net capacity of 38,000 pounds/hour. Steam load from Boiler Plant No. 3 is currently 36,000 pounds/hour with a future forecast of 30,000 pounds/hour additional, and Boiler Plant No. 4 is 14,000 pounds/hour with a future of 19,000 pounds/hour additional.

The distribution system is a combination of mostly underground high, medium and low pressure steam supply and condensate return lines. The existing system has adequate capacity for future additions through the year 1995, but improvements are required to provide the present services. The proposed installation of two five GT/HR units will provide heat recovered steam in quantities sufficient to replace all individual boilers, but the steam distribution system at Boiler Plant No. 4 needs to be expanded to include a downtown steam loop. Additionally, new construction in the Bering Hill area should be added to the Boiler Plant No. 3 distributor loop.

The two steam distribution systems and boiler plants at NAS are shown in figure App. 3-VI of the appendix. Also shown are the locations and capacities of package boilers scattered throughout Adak facilities and the boiler house located at NSGA Mount Moffett.

NSGA

The NSGA main base at Clam Lagoon has one central boiler plant (No. 6) which generates steam to all its buildings in the immediate area. The transmitter site at Moffett has a separate boiler plant (No. 5) for heating the garage and shop buildings. The central plant has two boilers rated at 7,600 pounds/hour of 100 psig steam each, the

Moffett plant contains two boilers, each producing 1,070 pounds/hour steam at 22 psig. They were installed in 1977 and 1981, respectively, and burn JP-5 fuel.

Distribution from plant No. 6 is by underground or "utilidor" lines. Plant No. 5 at Mount Moffett is by a single steam line installed above ground on timber supports to Building 10362 and underground to Building 10619.

Output at each plant is limited to one boiler with the other required for standby power, but the existing system, with installation of branch services, has adequate capacity for all facilities except the combined recreation facility (P-065) which is currently unprogrammed. Options to heat this facility are a separate boiler or a third boiler in plant No. 6 with a supply line. Additional package boilers are located at CDAA, transportation and the Classic Wizard.

Some upgrading of the existing distribution and generation system is required such as replacement of steam and condensate lines and the replacement of the deaerator and condensate tank in Boiler Plant No. 6.

The steam distribution system and boiler plant at NSGA are shown in figure App. 3-VII of the appendix. Also shown are the location and size of the individual package boilers at CDAA, transportation and the Classic Wizard.

WATER

NAS

Lake Bonnie Rose is the primary water source for NAS (500 million gallons). Lake De Marie (200 million gallons), and Nurses Creek are secondary sources. Ten permanent tanks provide additional storage. The distribution system is comprised of 47.1 miles of conduit and five water tank locations.

The major components of the water system were constructed prior to 1960. These include small dams at Lake Bonnie Rose and Lake De Marie (both natural lakes), a diversion dam on Nurses Creek, storage tanks, transmission lines and portions of the distribution system, subsequently expanded to about 48 miles. Surface runoff is the only

source of water, chlorination the only treatment. The system operates by gravity, with pressure reduction required at Lake Bonnie Rose. Lake De Marie's low elevation requires pumping to fill storage tanks in the Bering Hill area. Nurses Creek presently supplies only the Mount Moffett Antenna facility. The water line going to and through NSGA's Mount Moffett is the responsibility of NAS Adak. The water provided to Mount Moffett is manually chlorinated.

The water system has the capacity to serve a population many times larger than the present loading, but the system is old and many transmission and distribution mains are in poor condition and leak badly. Also, the De Marie transmission main, the primary backup source for NAS, is in suspect condition. Equipment in the control structure on this main is inoperable. The facility should be rehabilitated.

The NAS and NSGA Mount Moffett water distribution system including the location of all water storage tanks is depicted in figure App. 3-VIII.

NSGA

The water system consists of a small diversion dam and pump house on Mitchell Creek, transmission lines, a water treatment facility, 250,000-gallon storage tank and distribution piping. North Lake is the backup water source.

The pipeline between the storage tank and the Complex, and the piping within the Complex, were replaced in 1987. A new larger pipeline was run to CDAA as part of that project.

The six-inch pipeline between Mitchell Creek pump house and Building P-80, has recently been replaced and the 10-inch line from P-80 to the North Lake water tank was replaced in 1988. No other major improvements to the system will be required. However, the filtration/chlorination station located at P-80 should be moved to North Lake to allow both North Lake supply and the Mitchell Creek supply to be filtered and chlorinated. Currently chlorination is provided on both supplies but only filtration is provided on the Mitchell Creek

supply. The NSGA water distribution system is depicted in figure App. 3-IX.

The primary water sources for the entire Naval Complex are shown in figure App. 1-II.

FIRE SAFETY

The main water supply system also serves fire protection facilities. Of the two principal facilities, the Crash Station is on Taxiway A of the airfield, and fire station No. 2 is at the NSGA main base near Clam Lagoon.

The crash station is designed and operated to handle aircraft crashes and fires and cannot be directed to combat structural fires in the immediate area without seriously jeopardizing the station's air operations capability. In addition, the crash station's equipment is not suitable for fighting structural fires. MILCON project P-017, currently programmed for FY93, will rehabilitate the existing facility as well as provide 19,787 square feet of additional space.

Fire Station No. 2 can adequately serve all of the buildings at the NSGA main base.

Mount Moffett fire protection is provided solely from fire hydrants supplied from the potable water line from tank "E". This line is inadequately sized to provide the required pressure and flow, rendering Mount Moffett without effective fire protection. This line should be replaced with a larger line as soon as possible.

WASTEWATER

NAS

The main NAS sewage treatment plant is located between the entrance to Sweeper Cove and Monument Hill on Kuluk Bay with a capacity of 900,000 gallons per day. Due to infiltration, actual flow often exceeds capacity and chemical pollutants find their way into the collection system. Also, unintended storm drainage connection to the sewage collection system continues to strain the treatment plant beyond its handling ability during heavy or continuous rains. After correction of these problems the treatment facility should accommodate programmed loads without augmentation. A study is planned to identify the required corrective action.

The wastewater collection system consists of 18 distinct subsystems which drain by gravity to sewage lift stations. The system currently has 18 active pumping stations and, with the exception of lift stations 11 and 13, can accommodate additional flows from programmed facilities and resultant system expansions. Some outlying facilities have septic tanks.

The Davis Lake Sewage Lagoon serves the contractor's camp, NAVFAC and the MAUW compound and provides primary treatment. Effluent from this lagoon flows overland through an accessible area and discharges into Sweeper Cove. This facility has adequate capacity for current needs, but future growth in the area will require construction of an ocean outfall from the lagoon to Sweeper Creek, or a pipe connection to the main collection system.

Neither the treatment plant nor Davis Lake Sewage Lagoon satisfies the State of Alaska treatment requirements. The above mentioned study should address this potential problem. The NAS sanitary sewer and storm sewer systems are shown in figures App. 3-X and App. 3-XI, respectively.

NSGA

The main base at Clam Lagoon is served by a gravity wastewater collection system and an activated sludge plant of the extended aeration type, located directly below the base on Clam Lagoon. The plant was built in the early 1970's with a design capacity of 150,000 gallons per day and is adequate for current and anticipated loads. Special Project RC32-87 - Repair Sewage Treatment Plant will provide needed repairs to the existing plant. Outfall goes into Clam Lagoon. The storm water collection system is separate and discharges directly into Clam Lagoon.

A small sewage lagoon with a surface area of 1/3 acre and with provisions for tertiary treatment serves the Mount Moffett Antenna site. Effluent discharges into the tundra, which is not considered a health hazard or environmental problem with the site's present average daytime population of under 20.

Currently the CDAA facility is served by a sewage absorption field of 1,400 feet of

perforated four-inch pipe, built in the early 1970's and designed for a maximum daytime population of 35. Present averages of 60 to 75 workers significantly exceed the design population but with periodic cleaning of the septic tank, the field has been performing adequately. Projected increases in personnel will require connection of the CDAA facility to the main sewer plant. Special project CR1-89 will install a new sewer line from the CDAA facility to the main sewage treatment plant.

The NSGA storm and sanitary sewer systems are shown in figure App. 3-XII.

SOLID WASTE

Currently all solid waste is either burned in an open pit or buried in landfills.

Garbage and trash is trucked to a NAS bailing facility near recently constructed family housing and dumped at Robert landfills. The bailing facility was constructed in 1944 as a semi-permanent building and converted for bailing operations in 1976. It is now severely deteriorated, dangerous, inefficient, rat infested and constitutes a health hazard to the near-by housing occupants. The existing landfill is overflowing. MILCON Project P-892, programmed for FY91, will provide some relief to this very critical safety and environmental problem.

Metal, wood and large pieces of card-board are carried to the dumpsite at Monument Hill, where the metal is buried and the wood and cardboard are burned in an open pit.

Waste oils are used as fuel and burned in the steam plant. (A situation that cannot continue with the installation of new proposed turbine engines.)

Pathological waste from the Hospital is currently being buried. Special Project EC12-88, when completed will remedy this critical problem. Storage of this material in 55-gallon drums is being initiated until the new equipment is on board and operational.

Hazardous waste is now stored in 55-gallon drums in an uncovered area and periodically flown from Adak to Elmendorf Air Force Base on C-141 aircraft. Hazardous waste

management plan is being developed which will include construction of a hazardous waste storage building; shipping by barge of hazardous waste, PCB's, waste oil and scrap metal to Fort Lewis, Washington; updating of spill prevention plans and preparation of contingency plans for hazardous materials spills.

Precious metals (gold, silver, platinum, etc.) used by AIMD, communications units, the hospital, photo lab, etc., are buried in landfills. Feasibility of recovery of these materials should be considered.

A recycling program should be initiated, possibly along the lines of those discussed in the "Guide for Developing a Recyclable Material Sales Program" prepared by Naval Energy and Environmental Support Activity (NEESA) of Port Hueneme, California.



INTRODUCTION

The purpose of these Design Guidelines is to establish design criteria for the improvement of the Naval Complex's visual image. Together with the recommendations of the master plan they form the planning basis for a safe, humane and efficiently functioning environment. Proper land use planning combined with good design will enhance the capability of the Complex to carry out its missions, foster pride in and commitment to the military service.

The guidelines are intended to serve as references to the selection of exterior design components such as:

- Siting of buildings
- Architectural features
- Street lighting and site furnishings
- Directional and informational signage
- Landscaping and planting

In the first part of the Design Guidelines the existing environment is briefly examined and observations of common assets, design liabilities and opportunities are presented. The second part contains the recommendations.

For this document to be effective it must be used conscientiously and with skill by competent architects and engineers in the design of new building and renovation projects, and by Public Works Officers, their staffs and contractors for special and self-help projects, repairs, maintenance and the selection of exterior furnishings. It must also be updated periodically, preferably together with the master plan.

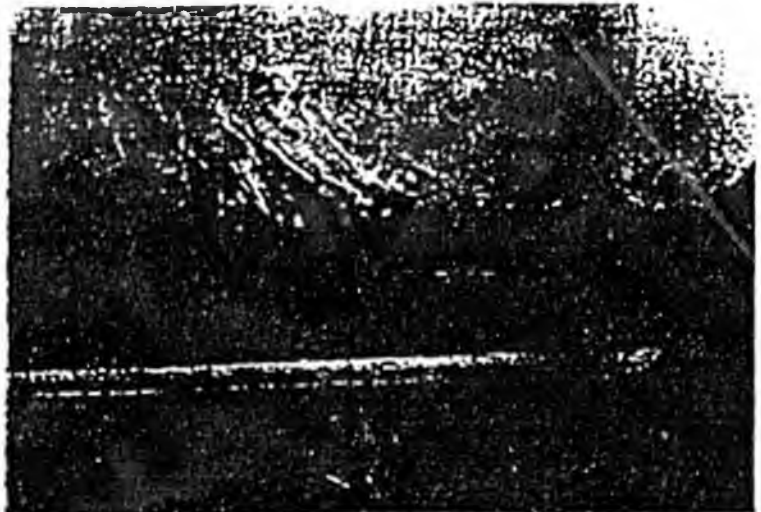
EXISTING ENVIRONMENT

Climate

The weather is harsh. It is cool, wet, persistently over-cast and, above all, very windy. Mean temperatures at sea level vary seasonably from 20° to 60° F, without extreme cold or heat. Storms are frequent and severe, especially in winter when gusts can exceed 100 knots. Fog is common during summer months.

Landscape

Adak, like other Aleutian islands, is mountainous, has no native trees or bushes. It appears empty but for its maritime tundra, brown in winter, green in summer. The mountains, often snow covered, are spectacular. Most of the island is hilly; but the main area of the Naval Air Station is one of the few large flat lands, actually a lagoon filled in during WWII. NSGA's main base sits on a small plateau as do the Bering Hill Barracks. These areas are mostly barren, gravelly and rocky where unpaved. The commons in the residential areas are only sparsely covered with grasses.



View S.E. from Kuluk Beach

Roads and Parking

The road network is extensive, but road conditions are often poor. Very few roads outside the main bases are paved, not even Bayshore Highway, the link between NAS and NSGA. Construction during WWII was fast, frequently without proper preparation or uniform compaction. Pot holes are common. With the exception of two housing areas and some major activity center, streets are generally without curbs and sidewalks. Parking lots are paved in the downtown area and at some of the newer buildings, but many are gravel or compacted soil, pockmarked and muddy during the rains.

VISUAL ANALYSIS

In this chapter some representative buildings are examined for their aesthetic appropriateness to the Adak environment regardless of their internal functioning or quality of construction. This analysis will help in the formulation and understanding of the subsequent guidelines by highlighting those positive design aspects to be emulated, as well as those to be avoided. Because of substantially different design characteristics, buildings are analyzed by functional groups: residential, institutional/educational, commercial, industrial and recreational.

Residential

Sandy Cove, the latest housing project, is a good example of appropriate design. The strong colors of the pitched metal roofs (blue and red), relatively light-colored and smooth walls, white window trims and articulated facades give it variety, contrast and human scale. The greenhouses are nice features.

The choice of brown for some of the roofs and greenhouse frames is inappropriate. Brown lacks the cheeriness for emotional relief from gloomy weather. Also, the tone of the grayish walls of the blue-roof houses is a shade too dark and the fenced yards seem after-thoughts, not integrated with either landscape or houses. However, these negative effects are relatively minor in the overall pleasant appearance of the housing project. The only real eyesores are the trash dumpsters.

Baysnore Housing, although interesting in its total composition, wants diversity of form and color to overcome the empty landscape; and the light color roofs cannot provide sufficient contrast to the gray skies. The metal flues add some "rhythm", but are stark design elements and seem afterthoughts.

Turnkey Housing (Arctic Acres) lacks a sense of permanency. The "outrigger" side walls and the dark "eye-brow" roof overhangs are decorations in an unsuccessful attempt at hiding the utilitarian character of simple structures. Together with the curbless streets and meager landscape it projects a feeling of



Sandy Cove Family Housing



Baysnore Family Housing



Turnkey Arctic Acres Housing

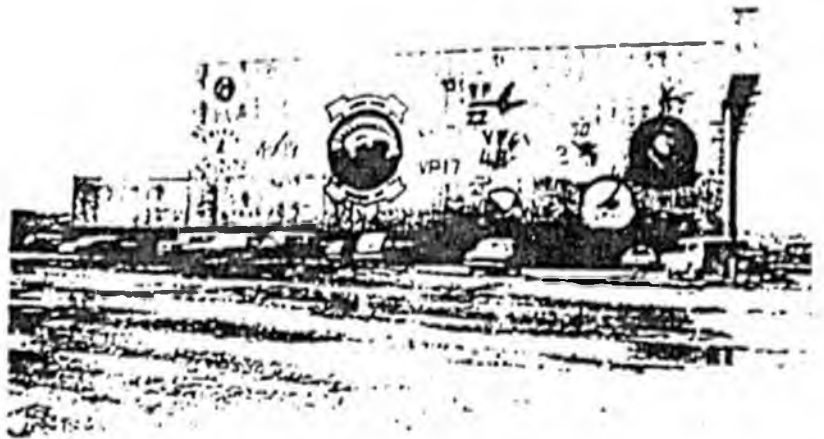
Commercial

The Navy Exchange building, the pre-eminent structure and commercial hub of the "downtown" could hardly be of a crisper appearance. The long pre-cast concrete facade, without windows, and a poorly defined entrance, give no visual relief from the overcast sky and the large, unbroken parking lot. Signs of structural deterioration add to the depressing mood. Besides the established need for seismic upgrading, this building, more than any other, should have a thorough facelift, with strong colors and bold graphics.

The stereotype design of McDonald's next door, perhaps a nostalgic link to life back home, contributes little to the establishment of a base-specific architectural scheme. These commercial brand building styles create explicit images, difficult to integrate into a common design language. On the positive side, McDonalds adds a little color and, with its large windows, brings some friendliness to an otherwise drab setting.

Industrial

Of the industrial type facilities the most prominent ones are hangars and warehouses. The VP Hangar, the largest at the airfield, is very visible from the main road, especially its highly decorated side wall. The collection of large scale insignia, though somewhat haphazardly applied, adds interest to an otherwise bland wall. It also establishes an identity.

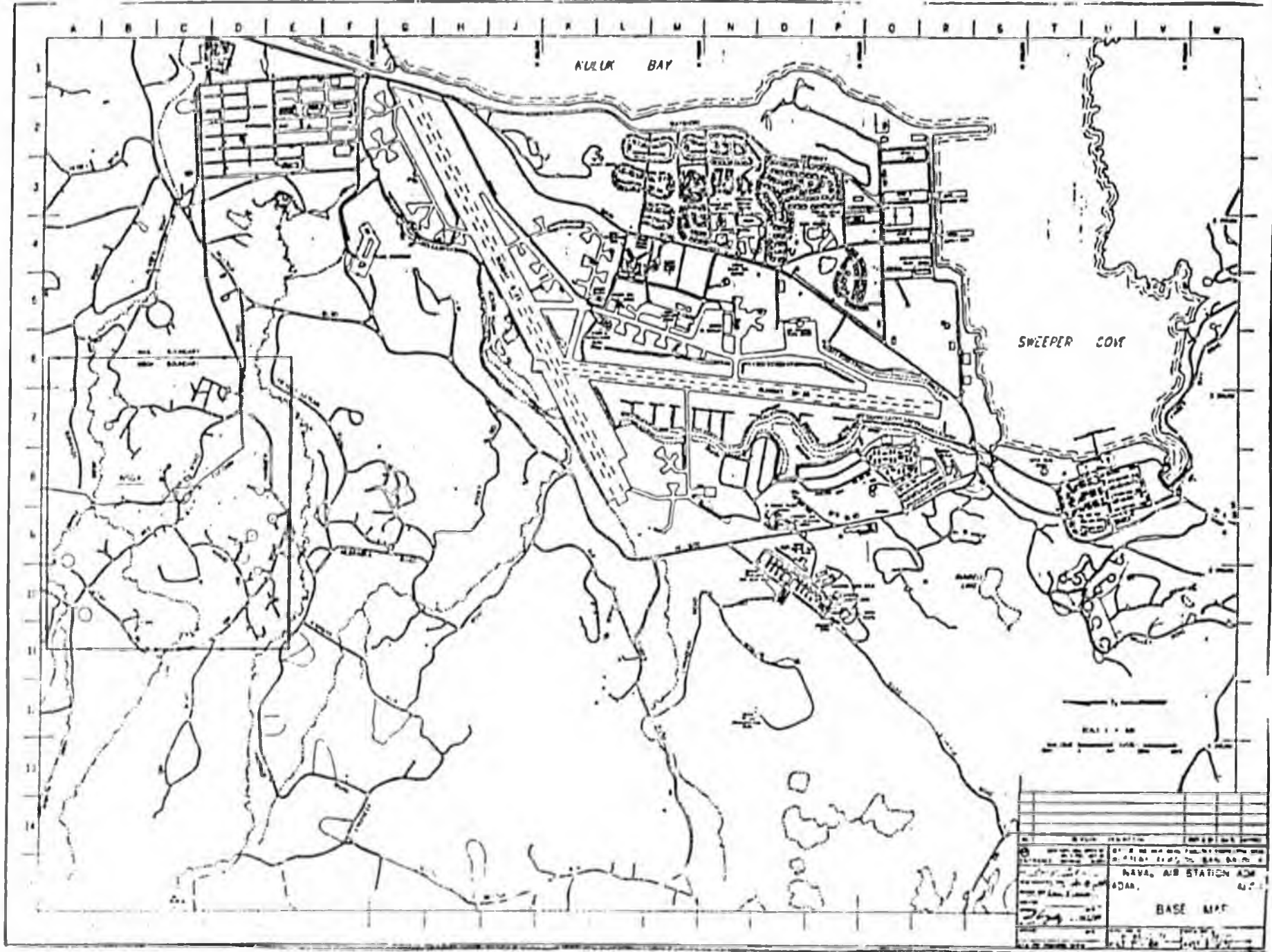


The Highly Decorated Wall of the VP Hangar

This points to the use of supergraphics to relieve the visual monotony of very large, empty surfaces. Most of the warehouses are large to very large structures of simple, box like shapes and are located in operational areas. The light colored ones are generally the least obtrusive. Building T-1417 comes in two colors, blue bottom and beige top, a fairly successful device for visually reducing its enormous bulk. Among the recently constructed industrial type buildings the NSGA Public Works and Fire Station and the Classic Wizard Building are noteworthy for their good proportions and colors, and a scale appropriate for their functions and locations.

Navy Exchange





**GENERIC CHECKLIST FOR
ORGANIZING FOR
MILITARY BASE ECONOMIC DEVELOPMENT REUSE**

by

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There are two phases involved in the local process of using a closing military base for economic development purposes: (1) organizing for the development of a reuse plan (the "planning phase"), and (2) organizing for implementation of the reuse plan (the LRA [local redevelopment authority] phase). The individual steps involved in each phase may be tailored to meet local needs, precedence, and existing organizational structures. These generic steps, however, should all *be considered* within the framework most acceptable to local political, staffing, and organizational conditions.

I. ORGANIZING FOR THE DEVELOPMENT OF A REUSE PLAN

Planning for site reuse is the community's first major effort in base redevelopment. This planning phase requires an organization to oversee its accomplishment. This organization may take a number of forms. It may be a special purpose committee or Task Force created by the jurisdiction(s) surrounding the base; it may be a jurisdictional department—such as a local planning department; or it may be a special authority created for that purpose. This initial planning phase organization is often not a "legal" entity which can own and transfer property.

The planning phase organization is usually transformed later-during the plan implementation phase-into a legal entity which can receive, own and transfer property title.

The Office of Economic Adjustment (OEA) of the Department of Defense will recognize a "non-legal" entry--such as a special purpose committee or Task Force--as the "Local Redevelopment Authority" or "LRA" during the planning phase for purposes of receiving planning and organizational grants. However, that OEA recognition does not give an informal organization the legal authority to own or transfer land title. A legally recognized authority or organization created in conformance with applicable state law will be necessary during the implementation phase, if it is to receive, own or transfer title to former military property. For purposes of this generic outline, the name "Reuse Planning Committee" or "RPC" will be used for this first or planning phase organization.

A. The Reuse Planning Committee

- Determine the constituent jurisdictions to be included in the Reuse Planning Committee (RPC). Each local government surrounding the base should be a member of the RPC.
- Determine the number of representatives to be included as voting members of the RPC. Typical committees have ranged from 9-15 members, however, some committees have had as many as 45 (Charleston, SC) and 57 (Vallejo, CA). Organizational control, an achievable majority for purposes of conducting business, available meeting space, and projected committees should be considerations in determining an appropriate size. RPC membership should strive for a good cross-section of the community, including representatives of business, housing or real estate and impacted segments.
- It will pay dividends to include as voting members of the RPC some local elected officials and the base's state and congressional representatives and to encourage regular participation by them or their assigned aides.
- New legislation encourages committee membership by representatives of local homeless providers, local Native American tribes, and other community segments who may benefit from use of base facilities to meet community needs (educational institutions, etc.).

- Appointment of the RPC Chairperson. This appointment should be by the local governing authority, if only one jurisdiction is involved, or by agreement of all local jurisdictions involved. *This is probably the most critical step in the organizational process.* The Chairperson should be one who commands community respect, can control RPC and public meetings, will commit the time necessary, can see opportunity coming from adversity, and is committed to achieving a good reuse planning product.
- Experience has shown that using a consultant to head the RPC has not generally provided as good leadership as has been provided by a local appointee.
- The resolution(s) creating the RPC should give general objectives which the local jurisdiction(s) want the RPC to achieve through the reuse planning process; for example, to create jobs, increase the tax base, create commercial aviation opportunities, etc.
- The RPC should meet and establish a subcommittee(s) to create a set of bylaws which identifies offices, organizational structure and operating procedures.
- The RPC should develop its own Vision Statement, goals or mission statement to guide its actions in achieving the objectives established by the appointing authority(ies). *This is an important step and one which provides a continuous focus for RPC and consultant actions.* This process requires time, preparation and committee concurrence. It may best be achieved at a RPC retreat and through the use of a good facilitator.
- The Office of Economic Adjustment (OEA) Project Manager should be a non-voting member of the RPC to provide coordination and guidance.
- The cooperation of the Base Commander with the RPC is essential in obtaining a smooth transition. The Base Commander *should not* be included as a voting member of the RPC to avoid the potential for conflicting interests. He/she may be a non-voting member. He/she or a representative should be invited to every meeting to foster cooperative dialogue. All efforts should be taken to keep the Base Commander informed, either officially or unofficially, regarding RPC actions, questions, issues, or problems which will eventually involve the Base Commander, his/her higher commands or base population.
- The Base Transition Coordinator (BTC) serves as an ombudsman between the community and the military for the purpose of improving the transition process through

identification and resolution of problems within the process. The BTC should serve as a non-voting member of the RPC.

- As the RPC functions, it will become necessary to create committees to develop reuse guidance on specific issues. Committees provide a good means of expanding community outreach by including non-RPC members, especially persons with relevant skills and knowledge. Typical committees may include: housing, personal property, aviation, scheduling and timelines, port facilities, education, transportation, social and human services, historic preservation, environmental restoration, utilities, etc.
- One of the most important tasks that a PRC committee can perform is to *establish, regularly monitor and update a detailed timeline of all local actions involved in the transition process*. Major military action timelines should also be included. This process is critical to insuring that community goals and military actions are coordinated, and it not, that disconnects are identified and actions undertaken to bring them into coordination.
- RPC meetings should be open to the public and the press. Press coverage informs the public of reuse planning activities. It encourages greater participation and helps build reuse plan consensus.

B. Staffing the RPC

- There are staff requirements for supporting an RPC. The support may initially be provided by committee members, by local jurisdictions, or staff services may be retained from a regional Planning District Commission or a consultant firm. The staffing requirements will soon become such that a full-time staff is needed to carry out the work of the RPC. Initial staffing plans should consider future needs and not "lock" the RPC into a commitment which will hinder future committee needs or independence.
- The RPC should look to their OEA Project Manager for grant funding to hire staff, retain consultants, and establish a staff office, as needed. (Funding is provided on a 75/25% ratio, with the local government providing the 25% match in either cash or in-kind

services. Localities should seek state assistance in providing the local share requirement. (In Virginia, the Department of Economic Development may fund half of the local share.)

- The RPC should establish a committee to select the Executive Director. Examples of advertisements and job descriptions for Executive Directors can be obtained from the National Association for Installation Developers (703-836-7973).
- An initial staff may consist of an Executive Director and an Administrative Assistant. As more committees are established which need staff support, as the reuse planning process involves more agencies requiring coordination, and as consultants are retained to conduct the reuse planning studies, additional staff support may become necessary.
- The staff should be fully devoted to assisting the PRC accomplish the reuse planning task. Experience has shown that full-time staffs are needed because of the complexity and coordination needed during the reuse planning and implementation processes.

C. Obtaining Reuse Planning Consultants

- Consultants are usually retained to develop the reuse plan for an RPC, because its technical scope usually exceeds the capabilities of a small RPC staff. The RPC should establish a committee to select a consultant firm.
- The Consultant Selection Subcommittee should identify a preliminary Scope-of-Work, the technical qualifications and support services which will provide the types of information wanted by the community in developing a reuse plan.
- The RPC can use the methods allowed under local or state procurement law to obtain a consultant. Two typical methods are:
 - (1) a Request for Qualifications (RFQ) process to identify and screen capable firms. In this process, a list of expected skills and a preliminary Scope-of-Work is advertised. Firms submit their qualifications and relevant experiences. The firms are evaluated and the most qualified are interviewed. After a selection is made, the final Scope-of-Work and cost are negotiated.
 - (2) a Request for Proposals (RFP) process to receive and evaluate the methods and scope of services offered by the consultant firms to accomplish the reuse plan. The end

product is advertised. Firms are invited to submit their proposals for how they will accomplish the end product and what expertise they will use in the process. Again, the proposals and expertise offered are evaluated, firms with the best proposals interviewed, and a firm selected. The final Scope-of-Work and cost should be negotiated after selection of the firm.

- Examples of advertisements for reuse planning services, scopes-of-services, and a list of member consultant firms performing base reuse studies can be obtained from the National Association of Installation Developers (703-836-7973).
- A Consultant Selection Subcommittee may be used to evaluate responses from consultant firms and to interview those determined to be the most qualified. It is important to have an impartial evaluation process and selection process. The processes should be well documented to defend against any challenge by a firm which was not selected.
- The estimated cost of consultant services should be projected in advance in consultation with the OEA Project Manager and the estimated amount included in the RPC's grant request.
- After selection of a consultant, the Scope-of-Services should be completed. The Scope forms the basis for determining the cost of the consultant services. The Scope-of-Services should form an attachment to the contract for services or be incorporated into the consultant's contract.
- The RPC staff should also coordinate the Scope-of-Services with the Base Transition Coordinator to allow base personnel to identify the most efficient way of working with the reuse planning consultant to provide copies of existing studies, data, maps, and reports and to allow access for interviews, building and utility investigations, physical surveys, and other needed but time consuming demands on base personnel and their time.
- The PRC should meet regularly during the reuse planning process to provide direction for the consultants in preparing the reuse plan. It also provides guidance and direction to the staff in undertaking the daily activities involved in coordination, planning, advance marketing, public relations, and financial planning for the base transition.

- Upon completion of the reuse plan, it is usually submitted to the local governing body(ies) for adoption and incorporation into the local comprehensive plan and provides the basis for zoning the base.

II. ORGANIZING FOR IMPLEMENTATION OF THE REUSE PLAN

A. Organizing for Infrastructure Transfers

- It is important that RPC committees include some representatives of existing organizations or authorities (water, sewer, electric) who may be expected to take over military-owned utilities when the base closes.
- Local infrastructure providers, public and/or commercial, should be kept informed of the upcoming opportunities to take over these systems and should be given the opportunity to inspect the systems and to determine the improvements necessary to bring them up to the company's or the state's standards.
- Each of the facilities to be turned over should have a timeline established which indicates when turnover action should begin in order to achieve the planned reuse functions at the time needed. These timelines should be reviewed regularly.
- It is especially important to identify the most critical utility transfers necessary for reuse. The RPC can then work backward—from when the utilities will need to be in public/commercial operator hands—to when the necessary steps should be taken to accomplish the transfers. It is important that utility operating permits do not lapse during the period of base closure and transition.
- The RPC should identify and check on the retention of items such as locally assigned radio frequencies, air emissions permits, incineration permits, etc. which may have reuse or income generation applications.

B. Processing the Reuse Plan

- When the reuse plan is completed, the plan should be processed through the local Planning Commission and governing body for adoption. The reuse plan should form the pattern for zoning the former base and for updating the Comprehensive Plan to cover the proposed reuse of the base area.
- Upon adoption of the reuse plan by the local governing body, the plan should be submitted to the appropriate military branch for approval.
- The reuse plan should be completed in time to become the "preferred action" for the base closure environmental impact statement (EIS). If the reuse plan is not completed in time to be included in the EIS, the military will develop a "preferred action" alternative for evaluation, and it may not be an acceptable one to the community.

C. Personal Property Inventory

- The amount of personal property potentially available to a community from a closing base requires a lot of time to examine and review for retention and reuse potential. Property book lists should be scanned for items marked as surplus. Walk-through inspections, possibly supported with videotaping, will enable a Personal Property Committee to evaluate the types and conditions of equipment available. The videotape allows review of items at greater leisure when making specific selections. Plan on an extended process and schedule walks-through in increments.
- Items marked initially as "mission essential" by the military and planned for removal may change rating as the closure progresses. Inspect items marked as "mission essential" and indicate those desired for reuse. The community may be able to make a case for replacement items to be substituted or may be able to successfully appeal the need for the military to move the items.
- Be selective in requesting personal property for retention. If it is not needed later, the community may find there is a high cost for storage or disposal. However, do not hesitate to ask for items to be retained until after the reuse plan is completed. The

community can always change its mind prior to the actual base closure. The military will still be responsible for disposal of the items until it leaves.

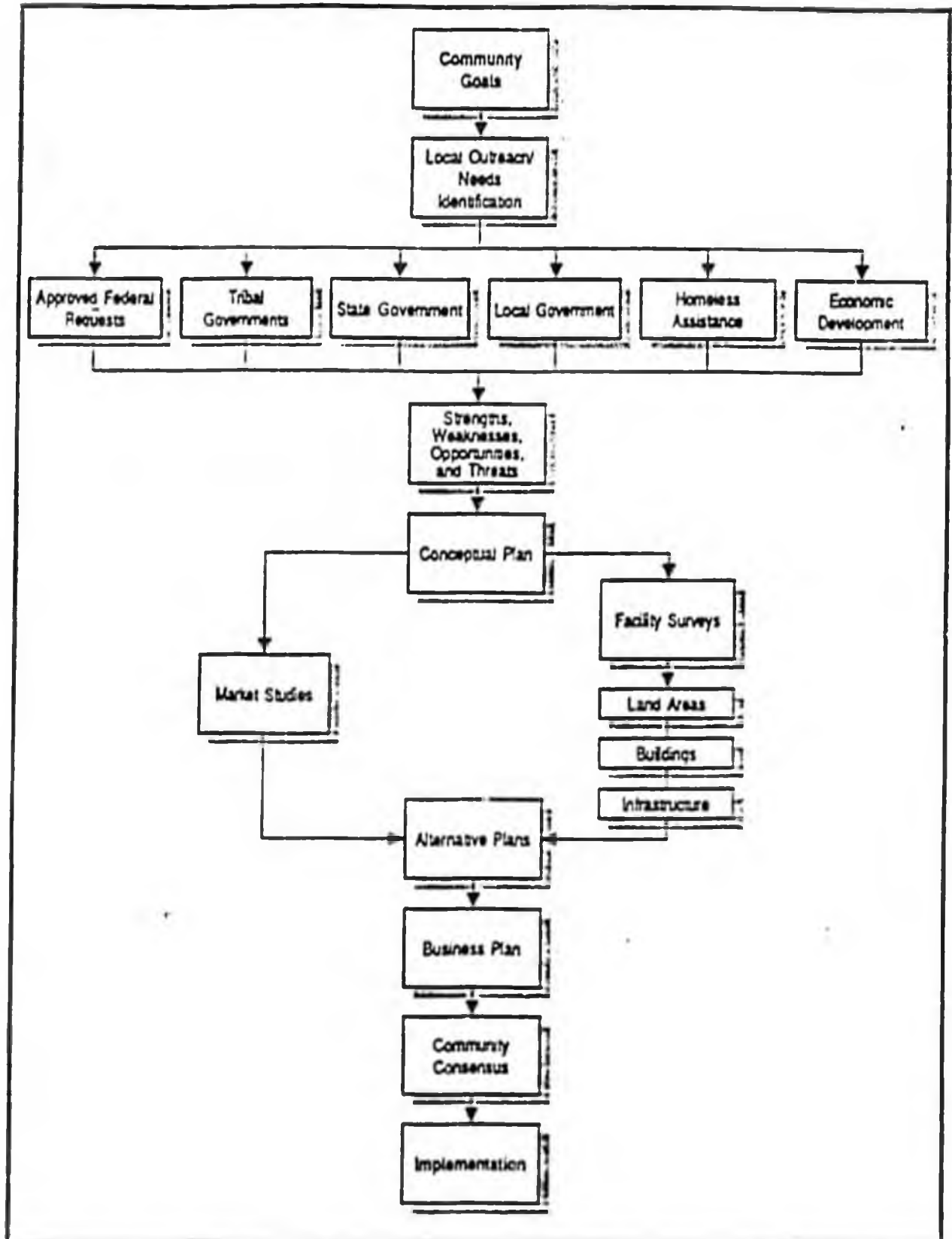
D. The Local Redevelopment Authority (LRA)

- Section 91.7 (e) (4) of the revised BRAC regulations of October 25, 1994 states "*A Local Redevelopment Authority (LRA) is the only entity able to receive property under an Economic Development Conveyance.*" The RPC should begin early to consider the transfer of responsibilities to an authority structure recognized under applicable state law to perform the types of services anticipated for base reuse. The structure may be necessary early if interim leases or early transfers of environmentally clean parcels are sought for purposes of recruiting early reuses before the military is gone from the base.
- When a local redevelopment authority (LRA) structure is selected and established, seek to have members of the RPC appointed to the LRA board to insure a smooth transition from the reuse planning to the implementing structure.
- Evaluate the advantages and disadvantages of shifting the RPC staff to the payroll of the LRA to provide the full-time attention needed to implement the reuse plan.
- The LRA should begin investigating implementation funding from various sources—such as the Economic Development Administration, Defense Conversion Programs, the state's Department of Economic Development, etc.
- If access improvements are needed to make the site competitively marketable, the state departments governing highways, airports, rail, ports and public transit should be invited into discussions on ways of achieving these improvements.
- Have the staff attend all the Base Cleanup Team and Restoration Advisory Board (RAB) meetings to provide the reuse planning coordination needed with these efforts.
- Begin early to identify the property transfer process by requesting a "master lease" agreement or early transfer of environmentally clean parcels or buildings which can be used to attract jobs or provide redevelopment income prior to the military's departure from the base.

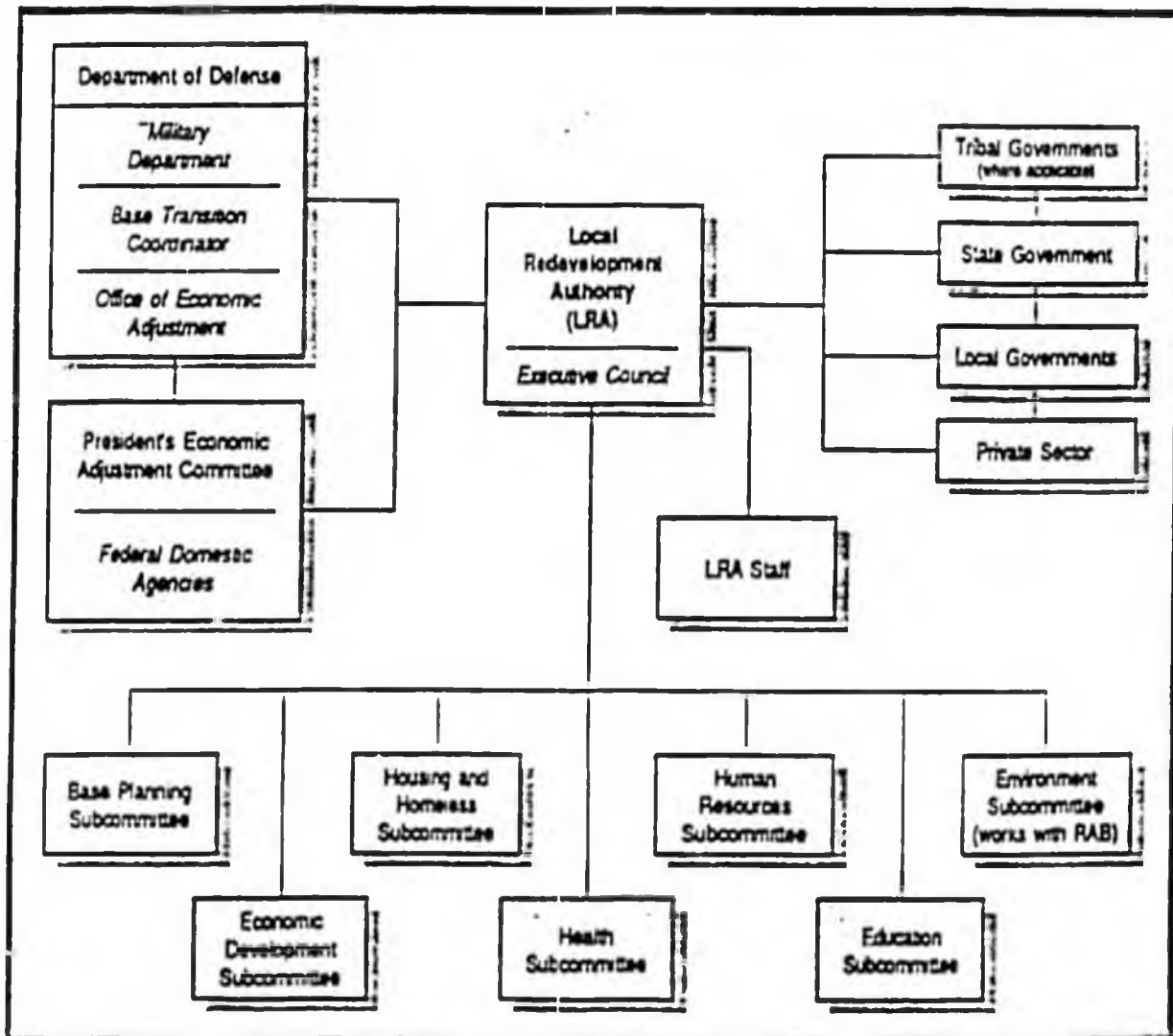
E. Develop and Implement a Marketing Plan

- After the reuse plan is adopted, develop a plan for marketing the site to attract the desired types of activities. Use existing marketing structures—such as the state Department of Economic Development, private sector marketing agencies, and the Chamber of Commerce—to help in this effort.
- Prepare appropriate marketing materials and distribute them selectively.
- Garner as much multi-media publicity as possible to keep the site in people's minds.
- Plan for interim uses to provide temporary jobs until the long-term employers can be recruited to the site. Interim uses may also provide an income stream to help with site maintenance and operations costs.

Reuse Planning Process Flow Chart



LOCAL REDEVELOPMENT AUTHORITY Organizational Structure



STATE OF ALASKA

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

P.O. BOX 112100
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
FAX: (907) 465-2948

333 W. 4TH AVENUE, SUITE 220
ANCHORAGE, ALASKA 99501-2341
PHONE: (907) 269-4500
FAX: (907) 269-4520

March 21, 1996

Representative Carl Moses
Alaska State Legislature
State Capitol Rm. 204
Juneau, Alaska 99801-1182

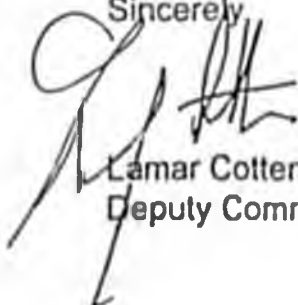
Dear Mr. Moses:

Per our discussion, the Knowles administration supports HB-466 (An Act establishing the Adak Reuse Authority). The bill:

1. Establishes a board of seven members with at least two public members from the Aleutian region.
2. Provides that the authority may not assume any assets at Adak unless there are sufficient federal or other funds to operate the facility at a minimal level for two years after date of transfer. Such a determination must be made by the Director of OMB.
3. Allows for integration of the authority into a municipality within a year of creation of a municipality. After such an integration, the authority would cease to exist.
4. Requires legislative approval, in advance, of any bond financing.
5. Is consistent with the desires of Senator Stevens (letter dated 3/14/96) and others to insure an orderly process to allow for potential reuses.

As we have discussed, the Adak Local Reuse Authority (Planning) will have a conceptual plan completed in the latter part of May. That plan will entail an analysis of reuse possibilities and cost to operate the needed facilities and support services such as docks, airports, utilities and other associated cost.

Sincerely,



Lamar Cotten
Deputy Commissioner

TED STEVENS, ALASKA
THAD COCHRAN, MISSISSIPPI
ARLEN SPECTER, PENNSYLVANIA
PETE V. DOMENICI, NEW MEXICO
CHRIS CROMMIE, MISSOURI
BLAKE GORTON, WASHINGTON
MITCH M. CONNELL, KENTUCKY
CONNY MACK, FLORIDA
CONRAD BURNS, MONTANA
RICHARD C. SHELBY, ALABAMA
JAMES M. JEFFORDS, VERMONT
JUDG GREGG, NEW HAMPSHIRE
ROBERT F. BENNETT, UTAH
BEN NIGHORSE CAMPBELL, COLORADO

ROBERT C. BYRD, WEST VIRGINIA
DANIEL K. INOUE, HAWAII
ERNEST F. HOLLINGS, SOUTH CAROLINA
J. BENNETT JOHNSON, LOUISIANA
PATRICK J. LEAHY, VERMONT
DALE BUMPERS, ARKANSAS
FRANK R. LAUTENBERG, NEW JERSEY
TOM HARKIN, IOWA
BARBARA A. MIKULSKI, MARYLAND
HARRY REID, NEVADA
J. ROBERT KERREY, NEBRASKA
HERB KOHL, WISCONSIN
PATTY MURRAY, WASHINGTON

United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-6025

J. KEITH KENNEDY, STAFF DIRECTOR
JAMES M. ENGLISH, MINORITY STAFF DIRECTOR

December 18, 1995

The Honorable Carl E. Moses
Alaska State Representative
716 W. 4th Avenue
Suite 630
Anchorage, Alaska 99501-2133

Dear Carl:

Thank you for your recent letter concerning the base closure of Adak. I appreciate hearing from you.

I agree with you regarding the strategic importance of the island to our nation and understand your concerns about the future disposition of Adak. I strongly believe that Adak could also have a very positive impact on our State economy.

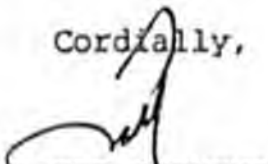
With respect to future redevelopment plans for Adak, I am most hopeful that a variety of good ideas will continue to develop in the coming months. Your concept of a model fishing community on Adak certainly has merit. I encourage you to raise this initiative at the next Adak Redevelopment Meeting hosted by the State Department of Regional and Community Affairs.

As a related matter, I understand that the State recently submitted a grant proposal to the Department of Defense Office of Economic Adjustment (OEA) for Adak. This proposal requests funding for planning studies and economic feasibility analysis for potential re-use of Adak. The State has indicated that this analysis will provide the comprehensive framework for all future redevelopment planning for Adak. This evaluation will provide an essential baseline for action by the State, the Department of Defense and Congress in the disposition and re-use of Adak.

I remain committed to the use and development of Adak and optimistic that its future will be bright.

With best wishes,

Cordially,



TED STEVENS

ALEUTIANS EAST BOROUGH

SERVING THE COMMUNITIES OF

■ KING COVE ■ SAND POINT ■ AKUTAN ■ COLD BAY ■ FALSE PASS ■ NELSON LAGOON

February 13, 1988

Rep. Carl E. Moses
Juneau, AK

By fax

RE Support for HB 466

Dear Rep. Moses:

WW II and the Cold War have left their impact on Alaska. Abandoned facilities litter the Alaska landscape from Whittier to the International Dateline. Critical facilities and infrastructure, which with proper maintenance, would have lasted for decades was reduced to rubble as a result of Alaska's weather, while declining State and Federal revenues preclude us from rebuilding them. The Adak Naval Air Facility presents Alaska with the unique opportunity of preserving these important assets for the future well being of Alaskans if we move quickly. HB 466 is the logical first step in utilizing \$3,000,000,000 in publicly funded assets.

We have known for a long time that the Navy was abandoning Adak. HB 466 is a good vehicle to guide the reuse of these facilities. HB 466 provides for:

- A rational transition from public to private ownership/use of a military facility. The Adak Reuse Authority will also provide a fair and equitable platform for future development.
- Limited financial exposure to the State of Alaska. The Adak Reuse Authority should function, initially, on Federal grants and then on locally generated revenues from leases, rents, services, etc. If the Adak Reuse Authority fails to generate the required revenues, there is no expectation of funding from the State.
- Balanced representation. The current Adak Planning Committee is dominated by State agencies. The Adak Reuse Authority will provide for a better balance between the public and private sectors.

CLERK/PLANNER
P.O. BOX 348
SAND POINT, ALASKA 99861
(907) 383-2888
(907) 383-3498 FAX

BOROUGH ADMINISTRATOR
1800 A STREET, SUITE 133
ANCHORAGE, ALASKA 99501-8148
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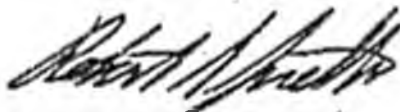
FINANCE DIRECTOR
P.O. BOX 48
KING COVE, ALASKA 99812
(907) 487-2388
(907) 487-2388 FAX

Rep. Moses
Page 2

- Transition to a regional or home rule government without overlapping authority. It is unclear, at this time, whether a local government will be formed at Adak or whether a borough will encompass it. However, it is likely in time that either or both alternatives will occur.

If the Aleutians East Borough can provide additional support, please contact us.

Sincerely,



Robert S. Juetner
Borough Administrator

RSJ:emn



Reeve Aleutian Airways



February 8, 1996

Honorable Carl Moses
House of Representatives
State Capitol Building #204
Juneau, AK 99801-1182

via FAX (907)465-3445

Re: House Bill No. 466
An Act Establishing the Adak Reuse Authority

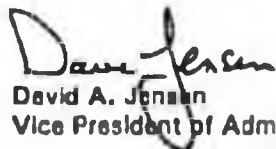
Dear Representative Moses:

Thank you for forwarding a copy of the proposed bill. All of the issues of concern are resolved in the bill and I am satisfied that the proposed legislation will achieve the objectives of a Local Reuse Authority (LRA) as required in Federal legislation.

As you know we are extremely anxious to "get going" on Adak reuse concerns. Passage of this bill at this time is important so that the processes necessary to transition from a military installation at Adak to a civilian/commercial community can begin. Time is of the essence.

I urge the Military and Veterans Affairs Committee to pass this legislation onward with a pass recommendation. Hopefully, the House and Senate can achieve final legislation soon so that meaningful reuse of Adak can begin.

Sincerely,


David A. Jensen
Vice President of Administration

4700 W. INTERNATIONAL AIRPORT RD. • ANCHORAGE, ALASKA 99502-1091 • (907) 243-1112

CITY OF UNALASKA

P.O. BOX 610
UNALASKA, ALASKA 99685-0610
(907) 681-1251 FAX (907) 581-1417



February 8, 1996

The Honorable Carl Moses
Room 204
State Capitol
Juneau, Alaska 99801-1182

RE: HB 466

Dear Representative Moses:

On behalf of the City of Unalaska, I am writing to express our support for House Bill No. 466, "An Act establishing the Adak Reuse Authority." As a member of the Adak Reuse Planning Committee, it is my understanding that the next step in the process is the establishment of a Reuse Authority.

As you are aware, the City of Unalaska has been an active participant in the preliminary discussions on the future of the Adak Naval Air Station. We have invested considerable time and effort in our preliminary evaluation of incorporating Adak into a new borough government. The City is committed to working with the State of Alaska, the Federal Government, and the other entities participating on the Reuse Planning Committee in developing a comprehensive redevelopment implementation plan for Adak.

Again, the City of Unalaska supports HB 466 and appreciates your efforts in this matter.

Very truly yours,

CITY OF UNALASKA

A handwritten signature in black ink that reads "Mark Earnest".

Mark Earnest
City Manager

cc: Mayor Kolty and members of the Council

THE ALEUT CORPORATION

One Aleut Plaza, Suite 300, 4000 Old Seward Highway, Anchorage, Alaska 99503

March 19, 1996

The Honorable Ted Stevens
United States Senate
522 Hart SOB
Washington, D.C 20010

Dear Ted:

RE: Adak Redevelopment Corporation (ARC)

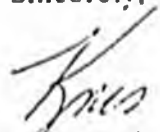
Thank you for taking the time to meet today. As we discussed, we believe that the most appropriate structure for an Adak Local Reuse Authority (LRA) would be a non-profit entity with local community and state representation. Such an entity would bring otherwise divergent interests together, and establish the conditions most likely to sponsor the effective economic re-use of the Adak Naval Air Facilities, rather than its dismantlement or disintegration.

Our proposal is the creation of a non-profit entity, called, for the sake of argument, the Adak Redevelopment Corporation. To ensure appropriate representation by all affected parties, we suggest a nine member board. The board would consist of representatives of the following interests: two members appointed by the Governor to represent the State of Alaska, one from the Aleutians East Borough, one from the City of Unalaska, one from the Aleut Corporation, one representative from the Aleut community of Atka, one representing the Aleut village corporations, one representing the United Aleut Nation, and one representing the Aleutian/Pribilof Island Association. This specific balance of representation has been reviewed and approved by the Aleut community, and we are proceeding with the legal creation of the entity in anticipation of the State's support.

This approach has already been effectively used in Office of Economic Adjustment recognized LRA's across the country. No specific state legislation is necessary, but the OEA would look to the State to endorse this approach. We would appreciate your assistance in communicating your support to the Governor and the State Legislature, and your encouragement that the State embrace and pursue this direction in the creation of a Local Reuse Authority for Adak.

As you know, because the land underlying the Adak Naval Air Facilities offers the Aleut people the greatest potential for economic benefit of all those lands available for their selection, the Aleuts are seeking this property as part of their ANCSA entitlement. As landlord, the Aleuts will provide the strongest possible motivation for economic re-use of Adak.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kris", is written over a horizontal line.

Kris W. Lethin
Chief Executive Officer

POINTS FOR SENATOR STEVENS

1. Aleut concerns with the state plan are not tribal!!
 - a. We have asked for a majority of authority board members from the region - not necessarily Aleut, although we recommend village, Aleut Corporation and Tribal participants.
 - b. We ask that HB-466 contain an anti-stripping provision to keep other communities from stripping the equipment and infrastructure it will take to attract users to Adak. We want a three year prohibition against stripping Adak of equipment - unless there's a unanimous vote of the authority's Board of Directors. Under the State's authority concept there's a tremendous incentive to gut Adak of its essential infrastructure (generators especially).
 - c. We ask that the State's concept of a Local Reuse Authority be changed to not require dissolution of the authority when a Borough extends its boundaries to Adak. Currently Dutch Harbor and Aleutians East Borough (AEB) are each considering forming/extending a Borough which will encompass Adak. Given Dutch Harbor's fear of Adak as a competing community and AEB's desire to use and distribute Adak's equipment we don't want the provision to swallow up (page 13 of HB-466 "Succession") the Adak LRA to be mandatory in the state's reuse authority bill. This could greatly hurt Adak's chances to succeed. We do agree that if a local community started on Adak that the LRA should be absorbed into the local community.
 - d. We have also asked that the state include a provision to keep initial, and "embryonic," inquiries received from interested companies confidential. The state is not aware of the difficulty which premature exposure will bring to a successful reuse effort.

These are common sense issues not "tribal" concerns. The state is telling people otherwise.

2. The current State authority concept is cumbersome, slow, politically dangerous and probably not the most efficient "catchers mitt" for the Navy's facilities.
 - a. The state's bill recently added a provision to have DCRA write enabling regulations which will take months to get through the administrative process.
 - b. The state's bill recently added a provision to limit the amount of bonding to any one project to \$10 million without a vote of the legislature - again slow and limiting.

- c. The state's bill allows Tony Knowles to pick all seven of the authority members. Five of the seven can come from locations thousands of miles from the Aleutians. Hardly a "local" reuse authority! This allows this "Democratic" governor to determine the future of Adak when there will probably be little vested interest in seeing the authority prosper by out-of-region board members.
 - d. This governor should not be in the drivers seat when it comes to an Adak reuse authority. Environmentalists, National Wildlife Authority and the Sierra Club Legal Defense Fund, are already seeking seats.
3. Another alternative exists which cures these problems and which better accomplishes the goal:
- a. We have gotten USF&W Service and environmentalists to believe that Adak is "compromised" land. They say they are ready to give the Aleuts title to Adak lands in return for Pribilof cliffs and other "virgin" lands which they value more highly than the minefield and roaded areas of Adak.
 - b. Getting the most repressive of federal land agencies away from Adak will greatly help in its development. The only way USF&WS will leave the land is if the Aleuts give up all their land claims elsewhere on the Aleutians. We are prepared to do that to get the ability to create jobs on Adak which aren't under the thumb of the USF&W Service.
 - c. The state's bill and plan keeps the most repressive of federal agencies in full control of the land on Adak. This is a crazy way to set up their authority if they really want to accomplish the creation of jobs on the island.
 - d. However, if the land went to the Aleuts and the facilities went to either a better-written State Adak Reuse Authority, or an Aleut Reuse Authority, we can get F&W out of this area.
4. The key to a successful reuse of facilities on Adak will be marketing not governmental.
- a. The state's ability to do what's necessary to create full time, year-round jobs is almost non-existent.
 - b. Without great "process," the state's authority concept can not easily handle the risk of normal business ventures - the type of ventures that will have to be well-accomplished at Adak.

- c. The number of +100 job projects generated in all of Alaska in the course of a year are minimal - 3 or 4 projects. Adak will have to quickly generate 5-600 full time, year-round jobs within a year or two to justify running the infrastructure of the town. The state can't do it! We might not even be able to do it, but if at all possible it will be necessary to aggressively market the attributes of Adak internationally and to make deals and take risks as a community. We are fully prepared to do what's necessary to make that town work. Similar drive is not possible with an "arms-length" authority which is more interested in process than results. (They've already squandered a year!)
- d. We have already started to put a marketing effort in place.
 - 1. Harvard School of Management has agreed to use the reuse of Adak as a Spring Semester case study for some of the brightest minds in the country.
 - 2. We've published solicitation information on the Internet.
 - 3. We've allocated one-half million dollars of Aleut Corporation funds to implement a professional and international marketing program.
- e. The state is planning to work with guesses of what might work - we are seeking hard development proposals to design a plan around. Actual hard proposals - not guesses should be used to design a reuse plan. This shows the difference between the fluff and words of a state reuse effort and one where the reality of reuse impacts our whole being.

This is a game to the state - it's real for us!! It must work. We need your help: Please consider supporting the land and the facilities going to a team committed to creating jobs - not process. Please help us get a foreign trade zone established for the island. Please help us get an exemption from the Jones Act for resupply by foreign bottoms/crews from Dutch Harbor to reduce the cost of living on the island. Please help us get USF&WS off the island. Please help us avoid stripping Adak before we get it going under private development.

STEVENS, ALASKA
WAD COCHRAN, MISSISSIPPI
JIM BENTON, ARIZONA
JIM BROWN, MISSISSIPPI
JIM BURRIS, MISSISSIPPI
CHRISTOPHER B. BOND, MISSOURI
BLAKE BORDEN, WASHINGTON
MITCH MCCONNELL, KENTUCKY
CONNIE MAZE, FLORIDA
DONALD BURNS, MONTANA
RICHARD C. SHIRLEY, ALABAMA
JAMES M. JIFFORDS, VERMONT
JUDG GREGG, NEW HAMPSHIRE
ROBERT F. BENNETT, UTAH
TIM WIGGINS, COLORADO

ROBERT C. BYRD, WEST VIRGINIA
DANIEL K. INOUE, HAWAII
ERNEST F. HOLLINGS, SOUTH CAROLINA
BENNETT JOHNSON, LOUISIANA
PATRICK J. LEAHY, VERMONT
DALE BUMPERS, ARKANSAS
FRANK R. LAUTENBERG, NEW JERSEY
TOM HARKIN, IOWA
BARBARA M. MILLS, MARYLAND
HARRY REID, NEVADA
J. ROBERT CARNEY, NEBRASKA
HERB KOHL, WISCONSIN
PATTY MURRAY, WASHINGTON

United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-6025

March 20, 1996

KEITH BERNARDY, STAFF DIRECTOR
JAMES M. ENGLISH, MINOR TV STAFF DIRECTOR

The Honorable Tony Knowles
Governor
State of Alaska
P.O. Box 110001
Juneau, Alaska 99811-0001

Dear Tony:

Last week I wrote you concerning the reuse of the Naval Air Facility, Adak, and the need to continue to move forward on this issue in an expeditious manner.

In response to my letter, I received from The Aleut Corporation the attached letter on March 19. The Aleut Corporation plan calls for the creation of a non-profit entity with local community and state representation, which would serve as the Local Reuse Authority (LRA) for Adak. This entity would have the appropriate legal authorities to address State, borough and local considerations.

I think their proposal offers a mechanism to jump-start the process of attracting commercial enterprises to Adak this year. A proposed coalition of Alaskans could bring together shared expertise to work together to solve the significant challenges associated with the closure, redevelopment and environmental clean-up of Adak.

The organization and authorities for any such entity is a matter to be worked out between the State government, the Legislature, municipal authorities and The Aleut Corporation.

It would be helpful to have a greater understanding of how The Aleut Corporation plan can complement or be incorporated into the House Bill 466. I welcome your input on this matter at the earliest opportunity, in order to take advantage of the current legislative cycle.

As I stated before, I stand ready to assist in this endeavor in any way possible to ensure that Alaskans play the lead role in charting the future of Adak.

With best wishes,

Cordially,


TED STEVENS

Enclosure

P.S. I have sent an identical letter to Drue Pearce, Gail Phillips, and Carl Moses.

**Committee on Appropriations
Subcommittee on Defense
United States Senate
SD 122 Dirksen Senate Office Building
Washington, DC 20510
Tel: (202) 224-7255
Fax: (202) 224-3001**

DATE: March 21, 1996

TO: Kris Lethin/Elary Gromoff

ORGANIZATION:

FAX NUMBER: (907) 563-4328

FROM: Sid Ashworth

COVER + 3 PAGES

COMMENTS:



The Aleut Corporation

FACSIMILE TRANSMITTAL

DATE: April 2, 1996

TIME: 5:00 PM.

FAX NUMBER: (907) 465-4779

SENT TO: Senator John Torgerson

FROM: Kris Letten, CEO

THE ALEUT CORPORATION
ONE ALEUT PLAZA, SUITE 300
4000 OLD SEWARD HIGHWAY
ANCHORAGE, AK 99503

FAX NUMBER: (907) 563-4328

SUBJECT: For your review

NUMBER OF PAGES (including this cover sheet) _____

IF YOU HAVE NOT RECEIVED ALL PAGES PLEASE CALL: _____

POINTS FOR SENATORS TO CONSIDER ON
(BLACK HOLE)
HB466

- A. HB466 is unnecessary. There is a better alternative. We have recommended a nonprofit corporation (Senator Stevens likes the idea) approach for the local reuse authority with the following representation:
1. Two members appointed by the Governor to represent the State of Alaska.
 2. One member from the Aleutian East Borough, appointed by the Borough.
 3. One member from the City of Unalaska, appointed by the City.
 4. One member from the Aleut Corporation, appointed by its board of directors.
 5. One member from the Atka community appointed by the community.
 6. One member from the United Aleut Community, appointed by the United Aleut's tribal group.
 7. One member from the fifteen Village Corporations, appointed collectively by the fifteen corporations.
 8. One member from the Aleutian/Pribilof Island Association, appointed by their board of directors.
- B. We ask that HB-466 contain an anti-stripping provision to keep other communities from stripping the equipment and infrastructure it will take to attract users to Adak. We recommend a requirement of a super majority vote of seven board members before any removal occurs.
- C. We ask that the State's concept of a Local Reuse Authority be changed to not require dissolution of the authority when a Borough or City extends its boundaries to Adak. Local Reuse Authority needs to work with any new local government for the best reuse of Adak.
- D. We have also asked that the State include a provision to keep initial and "embryonic", inquiries received from interested companies confidential. The State is not aware of the difficulty which premature exposure will bring to a successful reuse effort.
- E. The land issue is not addressed in this legislation!! This is a major issue that Senators should have answers from Representative Moses and Lamar Cotton about land status. Adak is part of a National Wildlife Refuge. How does the State plan to operate an authority in the middle of a National Wildlife Refuge. The Aleut Corporation has been working with the U.S. Fish and Wildlife on a land trade for Adak lands. The Aleut Corporation has 55,000 acres of surface estate and 144,000 acres of subsurface estate in unconveyed ANCSA lands. They have over selected 1.2 million acres of the National Maritime Refuge which Adak is a part. We feel this is an important issue and should be addressed by the Senate before this bill goes any further in the process. The Aleut Corporation is the only vehicle that we know of to remove the U.S. Fish and Wildlife ownership and regulations from the land in question so that Adak can be reused in an orderly and unrestricted manner.

ADAK

The Lost Land of the Aleuts

- Adak Island, of the Andreanof Island group in the Aleutians is located 1300 air miles from Anchorage, was a major hub for traveling Aleut hunters and their families before the European invasion that began with Bering's discovery of the Aleutians in 1741. The population of Aleuts on Adak varied by seasons, and in a 1753-54 observation by Russian merchant Andrean Tolstykh, the population of Adak was somewhere at 5-6,000 Aleuts.
- By 1823 the population dropped dramatically to 193 Aleuts. Perhaps the new occupation as fur traders led most Aleut hunters and their families eastward following the European fur traders. By 1826, a famine hit Adak, and the survivors moved to Atka.
- Field investigations by the U.S. Dept. of Interior for Aleut historic sites were conducted throughout the Aleutians as a result of the Native Claims Settlement Act of 1971, and as a result, 64 historic Aleut sites of a possible 76 sites were discovered on Adak Island.
- According to field investigators for the U. S. Dept. of Interior, there is a likelihood that most of the historic sites within the military boundary of the island were destroyed by military construction and souvenir hunters - as only 8 of the 64 sites verified were found within the military boundary.
- The Aleuts continued to use Adak after 1826 as seasonal hunting camps until World War II, when the military moved in to the island.
- In 1913, by Executive Order, Adak and all of the Aleutians were declared to be a part of the national wildlife refuge, which Adak remains today.
- In 1995, Adak Naval Air Facility fell victim to the 1995 military base closure plan, and will be vacated by the Navy not later than January 1998.
- The U. S. Fish & Wildlife Service is negotiating a land trade with The Aleut Corporation (Aleut), which would give Aleut up to 76,800 acres of the land that is being vacated by the military. The Service in return would have Aleut relinquish land claims inside any refuge lands elsewhere on an acre-for-acre basis.
- The State and federal governments need to recognize the historic and cultural significance of Adak, what it means to the Aleut people, and how important and necessary it is to return control of their land to them.

ADAK
The Lost Land of the Aleuts

Adak Island is located in the Andreanof Islands group in the Aleutians approximately 1300 air miles from Anchorage, Alaska. "Adak" is obviously an Aleut name, coming from the Aleut word "adaq" which means "father". In 1826 the island was referred to by Russian reports as "Ostrov Adakh". If it is agreed that in fact the name Adak came from the Aleut name for Father, then the name would be consistent with the observation of the early Russian explorers that Adak seemed to be a center, or a hub, for the western Aleutians. An earlier reference to the island by the Russians, referred to Adak as "Ayasgh" or "Kayaku" (Maxim Lazerov, 1761). It seems to the author to refer to trading or borrowing under the first reference, and in the latter seems to refer to 'Big and Strong, or Tall'.

Based on the number of archeological sites found or suspected on the island (76 - of which 64 have been verified by U. S. Department of Interior field investigations in the 1970s to early 1990s), and based on reports by the first Russian explorers and fur hunters dating all the way back to 1741, Adak is believed to have been a major seasonal hub serving the Aleut hunters of villages in the western Aleutians as a stop over and perhaps a trading center. In fact, according reports by the early Russian visitors, at the time of Russian contact, Adak was one of the more populous of the Aleutian Islands.

Alexai Chirikov of the Bering expedition of 1741 reported anchoring off the island's southern coast in September of that year and being approached by seven Aleuts in what he called "baidarkas" to trade goods. The vessels were probably actually one, two, or three-man kayaks (to give the reader a better perception of what kind of vessels they were in). A second visit by 14 more Aleuts was interrupted by a sudden storm that forced Chirikov's vessel to leave the island. September storms in the Aleutians can often come quickly without warning - and Chirikov may have been anchored in too closely to the islands rocky southern coast, causing Chirikov and crew to hurriedly lift anchor and sail off quickly away from the island when the big winds suddenly came. The Chirikov visit is the first recorded European visit of Adak. And that first visit is indicative of a very busy and populous island.

About six years later Adak and the Aleutians began to be visited frequently by Russian hunters seeking to collect furs. The Russian hunters were

basically private interest groups all on their own outside the boundaries of their country and without the guidance or restrictions of hunting rules and regulations. As a result, it is evident that many of the hunting groups actually disturbed the peace within Aleut villages and their people, to a point where the Aleuts retaliated by killing off some of the Russian parties by the 1760's. One party was reportedly "wiped out by Adak's Aleuts" in 1760. (This is not unlike the situation in Unalaska <next to Dutch Harbor> where in 1761 the Aleuts, having been violated in the sense that the Russian Hunter groups began not only unfairly trading with the Aleuts but also ravaging upon the women of the Aleut hunters through introduction of alcohol into the villages - did a surprise attack on the Russian groups in Unalaska, killing them all.) It was from this point in time that good relations with the Russians in general began to - not disappear - but fade.

A 1753-54 population observation of the Adak area estimates the number of Aleuts to be somewhere between 5-6,000 Aleuts, and that number could vary greatly because, as a Russian merchant Andrean Tolstykh noted about Adak: "it is not possible to give the exact number of people...as they often move in whole families from one island to another in large skin boats, pass straits, and settle where they like" (Berkh 1974:30-31) Tolstykh spent three years (1760-63) on Adak apparently living peacefully amongst the Aleuts in spite of the hostility that grew between the Aleuts and Russian fur traders.

Between 1750 and 1800, the Aleut occupation in Adak was a heavy mixture of subsistence and commercial fur trading. By the turn of the century, however, the Russian interest in Adak and the Andreanof area dwindled, and the Adak area Aleuts returned almost solely to their subsistence lifestyle.

Between 1800 and 1823, the population appeared to have enjoyed a swelling of population as Aleuts from Amchitka were moved to Adak to "rest" the hunting grounds around Amchitka (Merritt 1977), while Aleuts from the east moved in to escape the growing oppression further east (increasing bad relations between the Aleuts and the Russians).

By 1823 the population of Adak dropped dramatically down to about 193 inhabitants, for whatever reason. That remaining population was zeroed out by 1826 due to a famine that the island experienced. The survivors reportedly all moved to Atka. Gone forever, would be the days of Adak serving the western Aleutians as a hub for the Aleut hunters. By the time that Russian

Orthodox priest Father Veniaminov (known today by the Orthodox church as Saint Innocent) visited Atka in 1824, half the village population of Atka were probably AdakAleuts. It was at that point in time that the Aleuts began to be converted into the Russian Orthodox Christian Church.

Evidence of continued hunting and fishing use of the island through the early 1900's, however, is found in archeological and anthropological work done in recent years. Much of that work was done pursuant to ANCSA and certified by the US Department of Interior.

By 1913, Adak, along with the rest of the Aleutians, were declared to be a part of the national wildlife reserve. By 19__ Adak became a part of the Aleutian Island National Wildlife Refuge, which it still is today. By 1942, the U. S. Navy moved into Adak and Kuluk Bay on the northeastern shore of the island became the site of a major military base in the Aleutians. While the island was under the jurisdiction of the U.S. Department of Interior as being part the the national wildlife refuge system, 76,800 acres of land was formally leased to the U.S. Department of Defense for use by the U. S. Navy for national security purposes.

According to one Bureau of Indian Affairs-ANCSA Office field investigation report regarding historic places on Adak Island (1985), "archeological sites often suffered both as a result of shore oriented military constructuion and at the hands of souvenir hunting servicemen. Abandoned military structures and hardware are not uncommon on Adak's acheological sites today".

A map of historic sites identified on Adak Island, as certified by the U. S. Department of Interior, shows approximately 64 sites, investigated by archeologists and Anthropologists doing work for the BIA, scattered throughout the island, was recently reconstructed by the author to show an overall picture of the historic sites on Adak Island. In the non-wilderness area of the island that the military has occupied since 1942, there are far fewer sites that were found, and as pointed out above, it is likely that most Aleut historic sites were destroyed within the military boundary of the island. Looking at the map of historic sites, it seems quite clear that this is the case.

By 1995, Adak Naval Air Facility fell victim to the national plan to close military bases that were no longer considered necessary for the nation, considering the country's growing national debt that needed to be reduced.

The U. S. Navy's plan is to completely vacate Adak by November 1997, or not later than January 1998. Famine in 1823 caused the Aleuts to leave the island. Now national famine has caused the military to leave the island 175 years later.

Although the Aleuts vacated the island as a permanent living site in 1823, it continued to use the island for hunting purposes seasonally until they were restricted from the island upon the military's occupation of the island in 1942.

The Navy will leave the island forever, with no intentions of any further use of it after 1997.

The Aleut people want their island back, and intend to fully make use of their long lost island for a variety of what they believe are good reasons.

Hopefully the government will understand, and let what is only right to happen - and let the Aleuts enjoy the benefit of receiving rightful ownership of its long lost land, as well as enjoying an opportunity of making good and rightful use of the properties that the government has left behind.

After all, the federal government used Aleut land for national security purposes without just compensation to the Aleut people as would be required under the U. S. Constitution. And while it did use Aleut land for good and just reasons, it not only did so without the just compensation, it also destroyed numerous historic sites of the Aleuts during the time it had occupied Adak - as pointed out in U. S. Department of Interior field investigation reports of Aleut historic sites (1985).

The State and federal governments need to recognize the historic and cultural significance of Adak, what it means to the Aleut people, and how important and necessary it is to return control of their land to them.

Community of Adak Station

Community Profile

Community Type: Unincorporated
Current Population: 874
Borough Name: Unorganized
Regional Native Corporation: Aleut Corporation
REAA/School District: Aleutian Region Schools
Latitude: 51° 45' N
Longitude: 176° 45' W
[See Map of the region](#)
Land Area: 122 sq. mi.
Water Area: 4 sq. mi.

Location

Adak is located on 28-mile-long Adak Island, one the Andreanof Islands in the Aleutian Chain. Flight time to Anchorage is three hours.

History

The Aleutian Islands were historically populated by Aleuts. The name of the island was reported as "Ayasgh" or "Kayaku" by Maxim Lazero in 1761. The island was called "Ostrov Adakh" in 1826 and 1852. The name may be from the Aleut word "adaq," which means "father." Adak was developed as a Naval Air Station.

Culture

Adak houses naval personnel, and prior to 1995, housed their families. All facilities are owned and operated by the Navy. A number of activities and recreation facilities are available, including a movie theater, roller skating rink, swimming pool, ski lodge, bowling alleys, skeet range, auto hobby shop, photo lab, racquetball and tennis courts.

Economy

The Station's residents include the military and support civilian personnel. In 1994, severe cut-backs occurred, and the station population was reduced from 4,000 to 670. Families and children were relocated, and the schools were closed. All residents now live in group quarters facilities. The station is scheduled for closure.

Transportation

Approval for entry to the island must be obtained in advance from the Commanding Officer of the Naval Air Station. Adak has two 7,600' paved runways at 19' elevation, and a control tower. There are two deep water docks.

Climate

Adak lies in the maritime climate zone. Temperatures range from 11 to 65. Snowfall averages 41 inches; total precipitation is 21 inches.

Identified 14(R) (1) (Historic) Sites

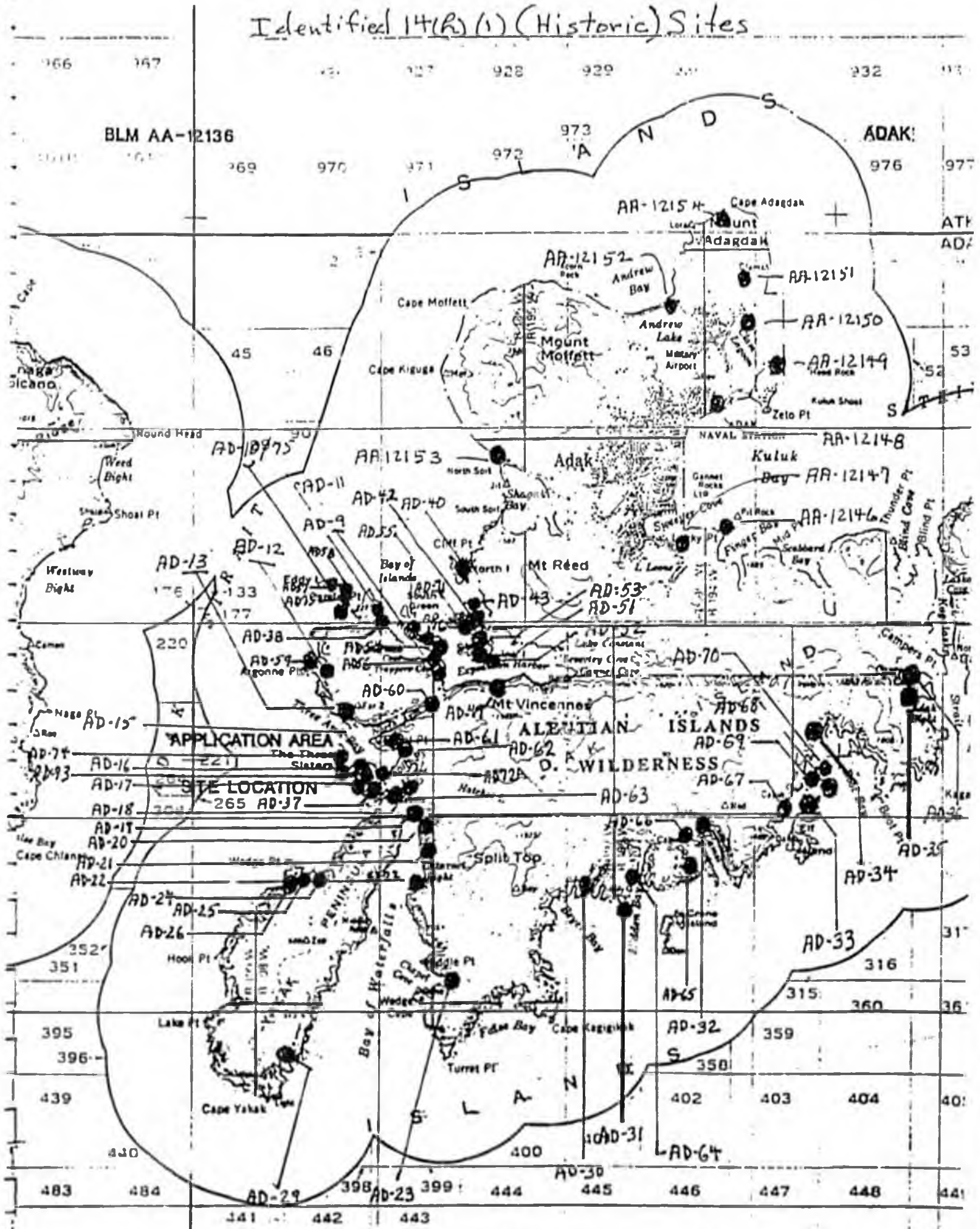


Figure 3. Site Location Map

ALEUTIANS EAST BOROUGH

SERVING THE COMMUNITIES OF

■ KING COVE ■ SAND POINT ■ AKUTAN ■ COLD BAY ■ FALSE PASS ■ NELSON LAGOON

Facsimile transmittal

From:

Bob Jettner

Date:

4/8/98

Aleutians East Borough
1600 A Street, Suite 103
Anchorage, AK 99501

Phone: (907) 274-7555

Fax: (907) 276-7569

No. pages (w/cover):

3

To:

Sen. Torgerson

Fax:

415-4779

CLERK/PLANNER
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BOROUGH ADMINISTRATOR
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FINANCE DIRECTOR
PO BOX 49
KING COVE, ALASKA 99612
(907) 497-2588
(907) 497-2386 FAX

ALEUTIANS EAST BOROUGH

SERVING THE COMMUNITIES OF

■ KING COVE ■ SAND POINT ■ AKUTAN ■ COLD BAY ■ FALSE PASS ■ NELSON LAGOON

April 8, 1996

Senator John Torgerson, Chairman
Community & Regional Affairs Committee
Juneau

RE: Support for HB 466

Dear Senator Torgerson:

I recently returned from a 2 day visit to Adak. Having finally had the opportunity to see what the Navy is abandoning, it reaffirms the Aleutians East Borough's support for HB 466 introduced by Rep. Moses. The Adak NAF is essentially a deserted city of 6,000 people, equipped with a major airport, superb harbor facilities, and all the amenities you would expect, including paved roads, recreation facilities, schools, hospital, etc. Should we be able to develop a viable reuse plan for Adak, the gain to Alaska will be substantial. However, there is also the potential that nothing will come from Adak, or even worse, the State would become financially involved without any positive benefit.

HB 466 is crafted to

- limit the State's financial liability in developing reuse of Adak;
- provide financing opportunities without obligation to the State of Alaska for repayment;
- provide for extinguishment for the local reuse authority in the event a first class city or borough is established.

Rep. Moses is diligently shepherding this important bill through the legislative process without the unanimous support of his constituents. It is important to remember that the intent of HB 466

CLERK/PLANNER
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Sen. Torgerson
Page two

is to find a productive use of publicly funded assets for the State of Alaska without committing the State to a long term financial obligation. HB 466, as sponsored by Rep. Moses is the best vehicle to accomplish this objective.

Sincerely,



Robert S. Juettner
Administrator

RSJ:emn

cc: Rep. Carl E. Moses

FAX

Date 4/1/96

Number of pages including cover sheet 2

TO: Senator John Torgerson

FROM: Dick Davis
Ounalashka Corporation

Phone (907) 465-2828

Phone 907-581-1276

Fax Phone (907) 465-4779

Fax Phone 907581-1496

CC:

REMARKS: Urgent For your review Reply ASAP Please Comment



April 1, 1996

Dear Senator:

The Ounalashka Corporation opposes HB466 because the Aleuts are not guaranteed an equal representation on the Adak Reuse Authority.

The Ounalashka Corporation also opposes HB466 because it allows Adak to be stripped of valuable assets of equipment and goods needed for the reuse of Adak without a super majority vote of the board of directors of the Reuse Authority.

We do support the Aleut Community that proposes that there be a nonprofit ADAK REDEVELOPMENT AUTHORITY with a nine (9) member board of directors represented by two (2) State representatives, one (1) Aleutians East Borough representative, one (1) City of Unalaska representative, one (1) Aleut Corporation representative, one (1) Tribal representative, one (1) village corporation representative, one (1) representative from the Aleutian/Pribilof Islands Association, and one (1) representative from the community of Atka.

This is Aleut land and the Aleuts should be in control to determine its future.

Sincerely,
OUNALASHKA CORPORATION

Richard L. Davis, Jr.
Richard L. Davis, Jr.
Chief Executive Officer

O. Patricia Lekanoff-Gregory
O. Patricia Lekanoff-Gregory
Vice President

Harriet R. Hope
Harriet R. Hope
Director

Nicholas E. Lekanoff
Nicholas E. Lekanoff
Director

Gertrude B. Svamy
Gertrude B. Svamy
Director

A. Barbara Rankin
A. Barbara Rankin
Chairman

Sharon A. Syvertson
Sharon A. Syvertson
Secretary/Treasurer

Margaret A. Lekanoff
Director

Margaret A. Lekanoff

Irene A. Newton (Absent)
Director

LEGISLATIVE REFERENCE LIBRARY

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3808
FAX (907) 465-2029
Mail Stop 3101

*130 Seward Street, Suite 400
Juneau, Alaska 99801-2105*

Copies of minutes listed below were originally included in this file. The minutes are available on the legislative computer database. In order to save space copies of minutes have not been left in the files.

House Finance Committee

2-27-96

3-18-96

HB 466

Mary Pagenkopf

HOUSE SPECIAL COMMITTEE ON MILITARY & VETERANS AFFAIRS

February 14, 1996

5:15 p.m.

HB 466 - ADAK REUSE AUTHORITY

Number 1487

REPRESENTATIVE CARL MOSES shared photographs of Adak with the committee and testified:

"HB 466 would establish an Adak Reuse Authority to facilitate the conversion of the Adak Naval Air Facility to civilian use. Last year, the ANAF was targeted for closure by the Federal base closure commission. The closure deadline is January, 1998, however, it is widely recognized that the Department of Navy will vacate the facility ahead of schedule.

REPRESENTATIVE MOSES proceeded, "Creating a reuse authority is crucial to the conversion process in terms of developing and implementing a reuse plan. Since Adak has no local governmental entity, the need for a reuse authority is doubly important.

REPRESENTATIVE MOSES continued, "HB 466 establishes a seven-member authority as an instrumentality of the Community and Regional Affairs Department. It calls for membership consisting of the Commissioner of DC&RA, two other department heads selected by the Governor, and four public members, appointed by the Governor.

REPRESENTATIVE MOSES said, "The Adak Reuse Authority would manage a comprehensive redevelopment plan in a manner which would attract business, create jobs and advance the general prosperity and economic welfare of the region.

REPRESENTATIVE MOSES concluded, "This authority would have the powers to perform administrative duties, enter into contracts, operate enterprises, receive grants and other funds, disburse funds and issue revenue bonds. An enterprise development account would be created for the Adak Reuse Authority by virtue of this bill."

Number 1601

REPRESENTATIVE MOSES stated, in line with base closure procedures all over the country, the Department of Defense makes some funding available for the economic development of the areas impacted and works in concert with local government. The significant difference regarding Adak is that there is no local governing body with which the federal government can work in this regard.

REPRESENTATIVE MOSES said the creation of the Reuse Authority will ensure that the economic potential of Adak will have a fair shot at redevelopment. He stated that the potential for a model fishing community at Adak is obvious. Communities and municipalities in the region are supportive. In addition to federal agencies, which include U. S. Fish and Wildlife, the United States Navy and the United States Coast Guard, all wish to maintain a presence on the island.

REPRESENTATIVE MOSES emphasized that the airfield at Adak is world

class, there are two deep water port facilities, and, in all, there are approximately \$2.3 billion in fixed and rolling assets currently on the island.

REPRESENTATIVE MOSES said, "our vision is to responsibly work towards conversion and economic vitality." He maintained that Adak represents a model, a showpiece to the nation as to what can be done with the closure of a military base.

Number 1687

REPRESENTATIVE MULDER recalled that an air force base in Louisiana had done the same thing. They found in the short term that while it was economically difficult or challenging, in the long term their economy expanded because they used this same approach. He felt that HB 466 was a good idea and a much better approach than piecemealing it which is often the only alternative.

Number 1736

REPRESENTATIVE MOSES said HB 466 is an even better opportunity. It will be a big help to the economy of the district and the state.

Number 1775

REPRESENTATIVE KOTT asked what the procedures will be when the military vacates Adak to turn that land over.

REPRESENTATIVE MOSES said that technically it is part of a wildlife refuge, of which 63,000 acres were leased to the Department of Defense for the Adak Naval Facility. It will take some legislation to convert that to the authority. It has to be officially taken out of the wildlife refuge. He said it was his understanding that U. S. Fish and Wildlife is interested in doing this because they do not want to accept the liability that comes with the improved acreage. He said that Fish and Wildlife had indicated that they are in favor of keeping the base as it is now.

Number 1842

REPRESENTATIVE MULDER asked Representative Moses to explain the upload or front load costs.

REPRESENTATIVE MOSES said normally the Department of Defense assists in that, but it is not unlimited. He said this is such a showpiece that he anticipates Alaska's Congressional delegation to be able to get funding either from EDA or direct funds for the transition of the base.

REPRESENTATIVE MOSES informed the group that almost overnight, there has been bidding on the fuel concessions which he predicts will develop into an income stream. He said he was confident that there would be fish processors clamoring for a base of operations. The airfield presents an ideal opportunity for flying fresh fish to the Orient.

Number 1940

REPRESENTATIVE MULDER asked if there is a mechanism in the bill to

handle the financial relationship. If so, how does that interact with the state?

LAMAR COTTEN, Deputy Commissioner, Department of Community and Regional Affairs, said that is a good question; part of the problem is that it is still being worked out. He stated that he and Representative Moses had found the Department of Defense and the Navy's Office of Economic Adjustment, a bit of a moving target. However, he felt they are sincere in wanting to do the transfer, and they have led us to believe that they are interested in assisting us financially. Technically, how that is to be done, we have not worked out those details. But we are comfortable that they are going to participate during the transition period. For example, they have a responsibility for cleanup. There have been 92 sites identified as needing hazardous material waste cleanup.

Number 2027

REPRESENTATIVE MULDER said that Mr. Cotten was alluding to the point he was trying to make. At what point does the state want to adopt or assume financial responsibility behind the enterprise or would we be better off abrogating that responsibility to the Aleutians East Borough?

Number 2052

REPRESENTATIVE MOSES informed Representative Mulder that two local municipalities were very interested in the prospect of becoming the local governing body of Adak. He said that is the idea of the authority that it will eventually transfer into the local government: the authority cannot obligate the state.

CO-CHAIRMAN IVAN asked Representative Moses to show where that is located in the bill.

Number 2143

REPRESENTATIVE DAVIES said his concern is the limitation on powers in the bill. Does this disappear when this becomes a borough?

REPRESENTATIVE MOSES said that was his understanding as well.

Number 2185

REPRESENTATIVE KOTT asked the status of the proposed committee substitute.

Number 2196

CO-CHAIRMAN IVAN stated that this is a landmark bill to a federal facility. He asked if the Department of Defense is ready to let this facility out? Are there planning sessions taking place right now? He asked for a status report.

Number 2249

MR. COTTEN clarified that he is the chairman of the Local Reuse Authority/Planning. What that means is the Department of Defense, the Office of Economic Adjustment, which has responsibility on all

these closures. has set up a process where they want to get some kind of collective consensus of the stakeholders, principally, municipal governments, counties, school districts, and other taxing jurisdictions. That is applicable to the other states. In this case, it is not very applicable. We have two communities who are facing military base closures. The state was approached by the Navy and the Office of Economic Adjustment in March of 1995, and told it was on the list and in all likelihood, it will be closed in January 1998.

MR. COTTEN said, in the absence of a local government, they approached the state with trying to come up with a committee that would represent concerned interests in the Aleutians to develop a reuse plan. The state, along with the Aleut Corporation, an Aleutian Pribilof CDQ group representing seven Native fishing organizations, the City of Atka, the City of Unalaska, the APICDA, the Aleutians East Borough and Reeve Air Aleutians, represent the Local Redevelopment Authority (LRA). The Office of Economic Adjustment came to us and said we will give you planning money.

MR. COTTEN said, to make a long story short, they did not show up with the money. So, the local school district, which has no students but has staff, gave the LRA \$100,000. He said the LRA had gone ahead with a request for proposal and are now negotiating for a contract with Tryck Nyman Hayes, Inc. to complete a reuse plan, including marketing of the base, to be conceptually finished by May.

Number 2360

MR. COTTEN said the importance of May is that along with the planning process of what the reuse possibilities are, there is another group called the Restoration Advisory Board (RAB), which the Department of Environmental Conservation plays a prominent role in, who is identifying a series of polluted sites. We want to do those cleanup activities that are necessary to allow reuse activities.

Number 2399

MR. COTTEN said, again, the Authority is a reflex of the fact that there is not another entity to take over the base, such as a county or borough, but as Representative Moses mentioned, there is interest by the City of Unalaska and the Aleutians East Borough to take over the base. At this point, the department and the state are not taking a position on that as much as trying to get some kind of authority that can assume the assets of this base when the closure occurs. He reemphasized that the department does support the bill.

Number 2430

REPRESENTATIVE DAVIES asked for clarification of who is receiving the \$100,000.

MR. COTTEN said the Local Redevelopment Authority and the

Department of Community and Regional Affairs, which is the acting agent along with committee members from the AIDEA and the private sector, put out an RFP and interviewed the teams and the LRA will be administratively holding the contract for the DC&RA.

REPRESENTATIVE DAVIES asked who constitutes the LRA.

MR. COTTEN replied that the LRA is not legally established as much as it was established by the state as a way to bring consensus and stakeholders into the process. The Office of Economic Adjustment has recognized the state as the lead entity for the creation of the LRA. He said the chief function of the LRA, to date, has been planning. There have been a series of meetings to educate ourselves.....(end tape).

TAPE 96-2, SIDE B
Number 000

MR. COTTEN reiterated that the Local Redevelopment Authority (LRA) is a planning commission established by the state with an effort to bring in private and other, principally, Aleutian interests to assist and develop a plan for reuse. He believe that comports with the federal regulations from the Office of Economic Adjustment of trying to get some kind of consensus on reuse.

MR. COTTEN said some of these groups eventually have established themselves in law for the purpose of keeping the process open, inclusive as opposed to exclusive. He said the meetings are fairly informal and tried to have everybody at the table. There are a series of issues about who owns the land. It is not owned by the Natives as a withdrawal. So, we have some technical issues to deal with. There are issues such as housing. There are about 500 units of housing and some of them are starting to be mothballed.

REPRESENTATIVE MOSES interjected that there are actually 1,000 units.

MR. COTTEN continued that there are subcommittee groups as well working on different topics.

Number 051

REPRESENTATIVE DAVIES asked if the Navy still controls the housing at this point.

MR. COTTEN said the Navy still runs the base. There are 600 people there.

REPRESENTATIVE MOSES said, the Navy will be continuing their plan of moving out. If there is lead paint or mercury switches, they have to remove it. They have to remove the refrigerators. This process is proceeding. It is in the book.

Number 099

REPRESENTATIVE MOSES responded to Co-Chairman Ivan's earlier clarification that the authority cannot obligate the state. He referred to page 8, beginning on line 29. "The authority may not pledge the faith or credit of the state or of a political

subdivision of the state, except the authority, to the payment of a bond, and the issuance of a bond by the authority does not directly, indirectly, or contingently obligate the state or a political subdivision of the state to apply money from, levy, or pledge any form of taxation to the payment of the bond."

Number 120

MR. COTTEN said, what needs to be done is to ensure that the military properly mothballs the place or the authority negotiates with the military to ensure that there is enough money that they, not only mothball it, but maybe maintain it longer.

Number 190

MR. COTTEN said, both Representative Moses and the state have worked cooperatively with the Congressional delegation to ensure that an opportunity is not lost here, and the reuse possibilities of fisheries, fuel, transportation, mainly flying fresh product out of that area to the Orient, do not get overlooked.

MR. COTTEN said, one of our comments to the Navy is that we do think they are going a little too fast, but we do not feel that this bill corners us into making a bad decision to take over a time bomb. That is why we are trying to work with the federal government, particularly through the Department of Environmental Conservation, to ensure that the area is cleaned up.

Number 212

REPRESENTATIVE MOSES said, if the airport were to shut down, it could affect all the twin jets that are flying overseas through Anchorage and Fairbanks. Adak is used as an alternate airport.

Number 242

REPRESENTATIVE MULDER pointed out that he does not see how to indemnify the state from incurring the costs that might be associated after the military pulls out of Adak. He felt another issue is a banking account. He said there is a zero fiscal note. How do you set up a structure or how do you make this thing flow in relation to accounting, short of using the state's general fund?

Number 313

MR. COTTEN said, we feel it is essential to get the bill moving and move ahead with the authority. It strengthens our hand in dealing with the military that we are serious about some type of entity taking over some or all responsibility of the base. He suggested that this is a window of opportunity that the state probably does not want to pass on. It is also a unique part of the state where there is no city or borough of government to take a leadership role.

Number 370

REPRESENTATIVE MOSES said this is a separate entity, separate from the state, and you can only obligate this authority to the extent

of the properties it has under its jurisdiction. It does not have anything to do with the general fund. It creates its own banking or money systems. It can bond. He said, "other than walking away from it, I do not see where the state has the obligation."

Number 490

MR. COTTEN commented that Under Secretary of the Navy, Bill Cassidy, had stated that nine years ago the Navy budget was \$112 billion and today it is \$68 billion. He was trying to communicate to us to get our act together if we wanted to pick up on this opportunity. He said the Navy is willing to negotiate a lot of personal property assets to go with the fixed assets such as graders, barges, tugs. Mr. Cassidy suggested that if you show us a reuse plan that requires a fire truck then we will throw in the fire truck.

Number 550

CO-CHAIRMAN IVAN referred to a memorandum from Speaker of the House, Gail Phillips, informing the House Special Committee on Military & Veterans Affairs of her intent to send several committee members to Anchorage on February 16, to participate in the Adak Summit, to be held at the Hotel Captain Cook.

Number 590

REPRESENTATIVE MOSES exclaimed that he had hoped to have HB 466 through the legislature by the end of February, but would appreciate its passage to the House Finance Committee because of the summit with Senator Ted Stevens and the Deputy Secretary of the Navy on Friday, February 16, to give them some indication that this is moving.

Number 608

REPRESENTATIVE DAVIES said his problems with HB 466 are predominantly financial in nature. He said he is still trying to figure it out, but that he is willing to pass the bill out of committee with the proviso that there are financial issues that the House Finance Committee needs to look at.

REPRESENTATIVE DAVIES referred to page 2, the public members of the authority are entitled to \$100 compensation for each day spent on official business. On page 3, the authority may employ professional advisors, legal counsel, etc. He said he is having trouble understanding where the money is coming from and how we get there from here.

Number 693

REPRESENTATIVE DAVIES said there is a limitation in the back that limits the use of rents and royalties to develop anything else out there. He felt that the House Finance Committee should look at that as well.

Number 734

REPRESENTATIVE KOTT agreed that there are some financial implications that need to be addressed. He mentioned page 3, line 5 (d), the authority shall keep minutes of each meeting and send a certified copy to the governor and to the Legislative Budget and Audit Committee.

Number 758

REPRESENTATIVE FOSTER moved that HB 466 move from the House Special Committee on Military and Veterans Affairs with individual recommendations and attached fiscal note.

Number 771

REPRESENTATIVE KOTT objected for the purposes of asking a question. He asked Mr. Cotten, is there any indication as to where the federal delegation is leaning, as far as the reuse?

Number 796

MR. COTTEN replied that Local Redevelopment Authority had done a good job of staying in contact with Senator Stevens office, recognizing his interest in it and his responsibility in the area of military and veterans affairs.

MR. COTTEN said the military itself has an interest, after the base closes, of still using the base. He reemphasized that the anchor out there is the airport, the waterfront and the fuel.

Number 863

REPRESENTATIVE KOTT asked if the LRA had looked over the comments submitted by the Aleut Corporation.

MR. COTTEN responded that the Aleut Corporation's position is that they should have control of the process as a corporation. He said we have indicated that we want everyone at the table and they are at the table along with other entities that are controlled or dominated by Aleut Corporation shareholders, such as the Aleutians East Borough, the City of Atka, APICDA, and in some ways, the City of Unalaska. The residents of the region are represented on all the different boards at every step of the process. He said he felt it unfortunate that they are suggesting to the contrary.

MR. COTTEN said the Aleut Corporation is a private corporation and has an interest in possibly obtaining the entire base. The federal government has indicated time and again that they have no interest as a process of deciding reuse to simply turn it over to a corporation. The idea is to keep the public involved and to have an open process where all the stakeholders are at the table and then decide where the asset goes.

Number 963

REPRESENTATIVE MOSES said he is a stockholder of the Aleut Corporation, but he represents the entire district, not just the Aleuts. His position is that the worst thing the state can do is to have Adak turned over to any one entity whether it be a large

fish company or a Native corporation.

REPRESENTATIVE MOSES felt confident that Alaska's Congressional delegation can get \$50-\$100 million for the transition. He said a lot of that will be available from the Navy, but aside from that, it is easily justified because Adak becomes a contributor to the economy of the district, the state and the nation. He said if the Navy ever wanted Adak back, in the event of a national emergency, it will still be there.

REPRESENTATIVE KOTT asked if the Department of Military and Veterans Affairs had an opinion on HB 466.

MS. CARROLL said she was there to listen and did not have any comments.

REPRESENTATIVE KOTT withdrew his objection.

Number 1188

CO-CHAIRMAN IVAN stated that the motion to move HB 466 from the House Special Committee on Military and Veterans Affairs was still on the table. There being no objection, it was so ordered.

**STATE OF ALASKA
BECOMES THE DEEP POCKET FOR THE U.S. DEPARTMENT OF DEFENSE
ADAK NAVAL AIR FACILITIES REUSE
UNDER HB466,
NOW IN THE STATE SENATE FINANCE COMMITTEE,
THIS BILL COULD COST THE STATE OF ALASKA TENS OF
MILLIONS OF DOLLARS**

HB466 IS A POTENTIAL BLACK HOLE FOR THE STATE OF ALASKA

- A. HB466 makes us the deep pocket for the U.S. Department of Defense and is unnecessary and expensive to the State of Alaska. There is a better alternative. It has been recommended that a nonprofit corporation be created (Senator Stevens per his letter of March 20 to Governor Knowles) "I think their proposal offers a mechanism to jump-start the process of attracting commercial enterprises to Adak this year."
- B. Local Reuse Authority should be local stake holders with the following representation:
- Two members appointed by the Governor to represent the State of Alaska.
 - One member from the Aleutian East Borough, appointed by the Borough.
 - One member from the City of Unalaska, appointed by the City.
 - One member from the Aleut Corporation, appointed by its board of directors.
 - One member from the Atka community appointed by the community.
 - One member from the United Aleut Community, appointed by the United Aleut's tribal group.
 - One member from the fifteen Village Corporations, appointed collectively by the fifteen corporations.
 - One member from the Aleutian/Pribilof Island Association, appointed by their board of directors.
- C. The land issue is not addressed in this legislation!! This is a major issue that the State of Alaska should have answers from Representative Moses and Lamar Cotton, Deputy Commissioner, Department of Community and Regional Affairs about land status. Adak is part of a National Wildlife Refuge. How does the State plan to operate an authority in the middle of a National Wildlife Refuge. The Aleut Corporation has been working with the U.S. Fish and Wildlife on a land trade for Adak lands. The Aleut Corporation has 55,000 acres of surface estate and 144,000 acres of subsurface estate in unconveyed ANCSA lands. They have over selected 1.2 million acres of the National Maritime Refuge which Adak is a part. We feel this is an important issue and should be addressed by the Senate before this bill goes any further in the process. The Aleut Corporation is the only vehicle that we know of to remove the U.S. Fish and Wildlife ownership and regulations from the land in question so that Adak can be reused in an orderly and unrestricted manner.
- D. HB-466 needs to contain an anti-stripping provision to keep others from stripping the equipment and infrastructure it will take to attract users to Adak. It is recommended that a requirement of a super majority vote of seven board members before any removal occurs.
- E. The State's concept of a Local Reuse Authority needs to be changed so we do not require dissolution of the authority when a Borough or City extends its boundaries to Adak. Local Reuse Authority needs to work with any new local government for the best reuse of Adak.
- F. The State needs to include a provision to keep initial and "embryonic", inquiries received from interested companies confidential. The State is not aware of the difficulty which premature exposure will bring to a successful reuse effort. Full disclosure will be made upon presentation of formal proposals.

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For All of the Senators the address is:

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For Example Sen. Albert Adams' address should appear as follows:

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Senate Finance Committee

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Sen. Dave Donely	Room 11	(907) 465-3892	(907) 465-6595
Sen. Steve Frank	Room 518	(907) 465-3709	(907) 465-4714
Sen. Rick Halford	Room 508	(907) 465-4958	(907) 465-4928
Sen. Randy Phillips	Room 109	(907) 465-4949	(907) 465-4979
Sen. Steve Rieger	Room 516	(907) 465-3879	(907) 465-2069
Sen. Bert Sharp	Room 514	(907) 465-3004	(907) 465-2070
Sen. Fred Zharott	Room 121	(907) 465-3473	(907) 465-3043

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Sen. Johnny Ellis	Room 9	(907) 465-3704	(907) 465-2529
Sen. Lyda Green	Room 423	(907) 465-6600	(907) 465-3805
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Sen. Tim Kelly	Room 101	(907) 465-3822	(907) 465-3756
Sen. Loren Leman	Room 113	(907) 465-2095	(907) 465-3810
Sen. Georgianna Lincoln	Room 510	(907) 465-3732	(907) 465-2652
Sen. Mike Miller	Room 125	(907) 465-4976	(907) 465-3883
Sen. Drue Pearce	Room 111	(907) 465-4993	(907) 465-3874
Sen. Judith Salo	Room 504	(907) 465-4940	(907) 465-3766
Sen. Robin Taylor	Room 30	(907) 465-3873	(907) 465-3922
Sen. John Torgerson	Room 427	(907) 465-2828	(907) 465-4772

1 ~~907~~-465-4779

Fax to: Bob Douglas

C.R.A. Committee Staff

Office of Sen. John Ferguson

Plain State Capital - Bureau

① The first amendment is showing
in the attached sheet

② The next amendment is to
add a section which reads
"No assets worth greater than
\$2,000" shall be added or
deleted or without a 5/14
vote of the Board of Directors.

Asusie

Al. Gaten

It will be ready by 2 PM
today.