

**Fish and Wildlife Enforcement Replacement Vessels****FY2003 Request: \$2,340,000****Reference No: AMD 6126****AP/AL:** Appropriation**Project Type:** Equipment**Category:** Public Protection**Location:** Statewide**Contact:** Karen Morgan**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-4336**Estimated Project Dates:** 07/01/2002 - 06/30/2004**Brief Summary and Statement of Need:**

Replace 4 Law Enforcement Patrol Vessels Statewide. This amendment changes a portion of the requested funding to statutory designated program receipts. Per the attached February 11, 2002 memorandum from Deven Mitchell, Dept Manager, Department of Revenue, the source of the statutory designated program receipts is interest earnings on Northern Tobacco Securitization Corporation bonds.

<b>Funding:</b>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>Total</u>
Gen Fund	\$2,340,000	\$375,000					\$2,715,000
<b>Total:</b>	<b>\$2,340,000</b>	<b>\$375,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,715,000</b>

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input checked="" type="checkbox"/> Phased Project	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	124,470	0
Ongoing Operating:	124,470	0
One-Time Startup:	0	
<b>Totals:</b>	<b>248,940</b>	<b>0</b>

**Additional Information / Prior Funding History:**

Sec 100, Ch 2, SLA 1999, \$537.5

Sec 100, Ch 123, SLA 1996, \$4,100.0

In addition to these two direct appropriations, four pieces of legislation were signed into law that allowed for the sale of old vessels and the resulting proceeds to be used to fund a portion of the purchase price of new vessels: Sec 38(a), Ch 135, SLA 2000 \$130.7, Sec 38(b), Ch 135, SLA 2000, \$442.0, Sec 111, Ch 139, SLA 1998, \$307.7, and Sec 57, Ch 100, SLA 1997, \$190.5.

**Project Description/Justification:****PROJECT DESCRIPTION**

This project would provide for the purchase of two 36-foot patrol class vessels with twin engines, one 65-foot patrol class vessel, and one 27-foot patrol class vessels for commercial fisheries patrols and search and rescue missions. These vessels are critically needed to replace aging vessels within the present fleet. The 36-foot patrol class vessels would replace a 47-foot vessel in Cordova and a 33-foot vessel in Valdez. The 65-foot patrol class vessel would replace a 48-year old 65-foot vessel in Ketchikan. The one remaining 27-foot patrol class vessels would replace one 25-foot vessel in Seward.

**PROJECT NEED STATEMENT**

The annual commercial harvest of between two and three million tons of fish from Alaskan waters and those waters immediately offshore places Alaska first in fisheries production for the United States. The Division of Fish & Wildlife Protection must keep pace with this growing industry in order to provide effective protection of its resource. Replacement patrol vessels are urgently needed. The commercial fishing fleet has far surpassed the state's fleet of enforcement patrol

vessels in terms of vessel capabilities and efficiency.

If the division is to continue to provide effective resource enforcement, it must be able to compete with the commercial fishing fleet by being able to travel to and stay on the fishing grounds alongside the fishing vessels in all kinds of weather and sea conditions. The troopers on patrol vessels must be able to work and inspect the commercial fishing gear used by the fleet. To do this, the division needs the right equipment.

Southern Southeast Alaska has been developing a brown king crab fishery to go along with the other crab species. A patrol vessel is needed to provide protection and enforcement of that fishery. Seven of the eight existing patrol vessels in Southeast have no capabilities for handling and carrying the large salmon nets that have been seized for illegal fishing or for pulling and inspecting large crab pots. The new 65-foot vessel in Ketchikan would aid in this task.

The role of fisheries management has changed in recent years due to increased population and tourist growth. Alaska has turned to an intense management of its fisheries resource with more openings and closures, US/Canadian closures; as well as developing many unique fisheries, e.g., scallop, sea cucumber, black cod, and bottomfish. This in turn impacts Fish and Wildlife Protection in its resource protection to institute a highly mobile defense approach to respond quickly and effectively. This can only be accomplished with equipment that will get the troopers to the fishing grounds without delay or down time. Now is the time to retire the aging and inefficient vessels with effective replacements before lives are lost or the resource is damaged from over harvesting.

Alaska's non-commercial boating fatality rate is over 10 times higher than the national average. In FY2001 the Alaska Legislature developed new laws aimed at reducing the number of deaths, personal injuries, and the amount of property damage resulting from boating accidents. The Department of Public Safety has been tasked to enforce these new laws. Previously the United States Coast Guard enforced boating safety laws within Alaska. DPS must now administer this additional urgent statewide program on the waters of Alaska using existing vessels and small boats. The success of this new program and ultimately the safety of the public relies upon safe, efficient DPS patrol vessels. Timely replacement of aging patrol vessels will greatly enhance this new mission.

**DOCUMENTATION OF ESTIMATED CAPITAL COSTS**

The estimated total 2-year cost of \$2,715,000 is based on a planned replacement schedule as follows:

1. FY03: An estimated purchase price of \$400,000, based on current market prices, for a new 36' patrol class vessel to replace the 47' P/V Burton in Cordova (the P/V Burton has already been sold). An estimated total purchase price of \$210,000 based on current market prices, for one new 27-foot patrol class vessel to replace the 25-foot P/V Loyalty; and \$1.9 million to replace the 65-foot P/V Enforcer in Ketchikan. Less: the anticipated proceeds of <\$170,000> for the sale of the three existing vessels.
2. FY04: An estimated purchase price of \$400,000 for a new 36-foot patrol class vessel based on current market prices to replace the 33-foot P/V Safeguard in Valdez. Less: the anticipated anticipated proceeds of <\$25,000> for the sale of the P/V Safeguard.

**ANALYSIS OF ESTIMATED OPERATIONAL COSTS**

	FY04	FY05	FY06	FY07	FY08	Total
Contractual:	24.5	5.4	0.0	0.0	0.0	29.9
Supplies:	77.6	17.0	0.0	0.0	0.0	94.6
<b>TOTAL</b>	<b>102.1</b>	<b>22.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>124.5</b>

The new vessels are projected to be at sea equivalent to the existing vessels' budgeted sea days. The new 65-foot vessel is estimated to cost \$989 per sea day. The new 36-foot vessels are estimated to cost \$455 per sea day. The new 27-foot vessel is estimated to cost \$258 per sea day.

FY04: (108 sea days @ \$989 per day x 1 replacement vessel = \$106,812) + (71 sea days @ \$455 per day x 1 replacement vessel = \$32,305) + (251 sea days x 1 replacement vessel @ \$258 per day = \$64,758) = \$203,875; LESS: (108 days @ \$430 x 1 existing vessel = \$46,440) + (71 sea days @ \$413 per day x 1 replacement vessel = \$29,323) + (58 sea days @ \$186 per day x 1 existing vessel = \$10,788) + (44 sea days @ \$186 per day x 1 existing vessel = \$8,184)

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+ (30 sea days @ \$234 per day x 1 replacement vessel = \$7,020) = \$101,755; projects an increased operating cost of \$102,120.

FY05: 75 sea days @ \$455 per day x 1 replacement vessel = \$34,125; LESS: 75 days @ \$157 x 1 existing vessel = \$11,775; projects an increased operating cost of \$22,350.

FY06 through FY08: None planned.

**IDENTIFICATION OF ALTERNATIVES CONSIDERED**

1. Continue to use existing vessels: The division could continue to use the vessels; personnel will continue to try to pull nets by hand, storage of illegal gear will be limited, large crab pots will not be pulled, and additional enforcement capabilities will be non-existent.

2. Charter vessels as needed: From the division's experiences, this alternative has been found to be neither cost effective or practical. Frequently, charter vessels are not available when they are needed. This is very critical during search and rescue missions and when monitoring commercial fishing openings and closings.

**PROJECT EVALUATION STATEMENT**

With age, vessels (as with all types of equipment) require increased maintenance. Additionally, current vessels perform inadequately in comparison with the fishing fleet currently working our Alaskan waters. The Operational Cost Estimates reflects an increase - this is due in part to a daily increase in cost of the new vessels as well as increased capabilities of the new vessels. The revenue generated through court fines should easily counter the estimated increase in operational expenses. No alternate funding exists for this project. Deferring the replacement of the vessels will require the division to continue its restricted patrol efforts consistent with prior years. With the surplus of the replaced vessels, dollars could be used to assist in paying for these vessels.