

Bristol Bay Borough - Port Improvements

FY2013 Request: \$10,000,000

Reference No: 46059

AP/AL: Appropriation
Category: Development
Location: Bristol Bay Borough
Impact House District: Bristol Bay/Aleutians (HD 37)

Project Type: Construction
Recipient: Bristol Bay Borough
House District: Bristol Bay/Aleutians (HD 37)
Contact: JoEllen Hanrahan

Estimated Project Dates: 07/01/2012 - 06/30/2017 **Contact Phone:** (907)465-2500

Brief Summary and Statement of Need:

This project will provide funding for the rehabilitation/replacement of the Bristol Bay dock structure and port area. The rehabilitation/replacement of the Bristol Bay Dock will facilitate and support efforts to retain and grow the Bristol Bay region's wealth through providing a cost effective method of transportation to ship the salmon to market. The general obligation bond authorization is considered one-time in nature and is not expected to fully fund the project.

Funding:	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Total
G/O Bonds	\$10,000,000						\$10,000,000
Total:	\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$10,000,000

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

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

FY2012 - \$2 million; FY2010 in SB230 - \$5 million; FY2009 - \$1.5 million; FY2007 - \$400,000; FY2006 - \$500,000

Project Description/Justification:

This project will provide funding for the rehabilitation/replacement of the Bristol Bay Dock area.

The Port of Bristol Bay, located at Naknek, in Southwest Alaska, has a single pile-supported dock constructed of steel and concrete in 1982. The dock has a face (width) of 200 feet and is subject to tidal influence, with large barges not able to approach the dock at low tides. The Port has approximately 6 acres of Terminal area. The Port shares a warehouse with Public Works that provides approximately 4,000 square feet of seasonal inside storage and distribution for smaller cargo. An additional 200 x 200 feet sheet pile dock, which was completed in the fall of 2010 provides additional dock face, storage and on the down river section some moorage, parking and amenities for commercial fishing vessels. Fishing vessels "raft" together, as there are no individual berths. Electricity, potable water, restrooms, trash and used-oil disposal are available. The existing pile supported dock has exceeded its useful life.

Bristol Bay is home to the largest sockeye salmon fishery in the world, shipping over 114,410,000 pounds of salmon in 2009 with a value of over \$915,280,000. This is the regional hub for Bristol Bay

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and services 30 communities in the region. This port provides fuel to over 11 communities within the region and King Salmon Air Force Base. This expansion project will continue to support the economy of Bristol Bay Borough, and the region, by maintaining the capacity to ship tremendous volumes of fish and cargo. The Port of Bristol Bay is a regional port and serves a surprisingly vast area. The expansion improvements will provide a safe work place for Borough employees, as well as, safety for the fishermen that utilize the facility. By the addition of an area specifically for fishermen, it will ease the congestion and increase the capacity of the dock to cater to independent owner/operator processing vessels. Segregating the activity of shippers and fishermen at the port site is also a requirement of the port security requirements under Homeland Security guidelines.

The entire Bristol Bay region depends on this dock for cargo, fuel, and shipment of the valuable fish product produced in Bristol Bay. This dock is the economic engine that supports over 30 communities within Bristol Bay not just the Bristol Bay Borough.

City of Emmonak - Port Improvements

FY2013 Request: \$10,000,000
Reference No: 46067

AP/AL: Appropriation
Category: Development
Location: Emmonak
Impact House District: Bering Straits (HD 39)
Estimated Project Dates: 07/01/2012 - 06/30/2017

Project Type: Construction
Recipient: City of Emmonak
House District: Bering Straits (HD 39)
Contact: JoEllen Hanrahan
Contact Phone: (907)465-2500

Brief Summary and Statement of Need:

This project will provide funding for the construction of the Port of Emmonak. This project contributes to the department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves. The general obligation bond authorization is considered one-time in nature and is not expected to fully fund the project.

Funding:	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Total
G/O Bonds	\$10,000,000						\$10,000,000
Total:	\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$10,000,000

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

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

FY2009 - \$516,000

Project Description/Justification:

This project will provide funding for the construction of port facilities in Emmonak to serve the commerce and commercial fishery activities of Emmonak and the lower Yukon region.

The Port of Emmonak would serve the Yukon River Delta, providing direct benefits to the surrounding communities of Alakanuk, Kotlik, and Nunam Iqua. Additionally, Emmonak serves as the transportation hub for the Lower and Middle Yukon River, which includes the communities of Mountain Village, Pitkas Point, St. Mary's, Pilot Station, Marshall, Russian Mission, Holy Cross, Anvik, and Grayling. Emmonak as a regional port would serve a population of over 5,375 residents and a multitude of business activity, including commercial fishing, and energy fuel shipments.

Ketchikan Gateway Borough - Ward Cove Dock Improvements

FY2013 Request: \$10,000,000
Reference No: 54883

AP/AL: Appropriation
Category: Development
Location: Ketchikan Gateway Borough
Impact House District: Ketchikan (HD 1)
Estimated Project Dates: 07/01/2012 - 06/30/2017

Project Type: Construction
Recipient: Ketchikan Gateway Borough
House District: Ketchikan (HD 1)
Contact: JoEllen Hanrahan
Contact Phone: (907)465-2500

Brief Summary and Statement of Need:

This project would provide funding for the construction of a dock facility at Ward Cove in Ketchikan, Alaska. This facility would be used by the Alaska Marine Highway System (AMHS), and the National Oceanic and Atmospheric Administration (NOAA) for their moorage facility that is being developed at Ward Cove. This project contributes to the department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves. The general obligation bond authorization is considered one-time in nature and is not expected to fully fund the project.

Funding:	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>Total</u>
G/O Bonds	\$10,000,000						\$10,000,000
Total:	\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$10,000,000

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

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

Ch. 5, SLA 2011, Sec 1, page 101, line 15 - 24 \$3,900,000; Ch. 30 SLA 2007, Sec. 20, page 151, line 17 \$5,000,000 - AK Capital Income Fund reappropriation

Project Description/Justification:

This project will provide funding for the construction of a dock facility at Ward Cove, located in Ketchikan.

This project would improve and increase mooring capacity at Ward Cove for Alaska Marine Highway System (AMHS) vessels and provide a homeport for National Oceanic and Atmospheric Administration (NOAA) Ship, Fairweather. New mooring facilities would allow AMHS to move most or all of its operations located at the south berth of the Ketchikan shipyard to Ward Cove where AMHS headquarters and operations are located. This project would also assist in the transition of AMHS away from the shipyard property.

Currently the NOAAS Fairweather is without a home port facility. The Ketchikan Gateway Borough encourages the State of Alaska to continue to work with NOAA in redeveloping the Ward Cove Marine Industrial site. Redevelopment of the site with a joint AMHS/NOAA marine facility will relocate AMHS away from south berth to enable Alaska Ship and Drydock to continue its expansion. This

**Ketchikan Gateway Borough - Ward Cove Dock
Improvements**

**FY2013 Request: \$10,000,000
Reference No: 54883**

project will continue to further the development and rehabilitation of the Ward Cove area in Ketchikan.

Matanuska-Susitna Borough - Port MacKenzie Rail Extension

FY2013 Request: \$110,000,000
Reference No: 46242

AP/AL: Appropriation
Category: Development
Location: Matanuska Susitna Borough
Impact House District: Matsu Areawide (HD 13-16)
Estimated Project Dates: 07/01/2012 - 06/30/2017

Project Type: Construction
Recipient: Matanuska-Susitna Borough
House District: Matsu Areawide (HD 13-16)
Contact: JoEllen Hanrahan
Contact Phone: (907)465-2506

Brief Summary and Statement of Need:

This project will provide funding for the continuation of the development and construction of the Matanuska-Susitna Borough Port MacKenzie Rail Extension. The rail extension will promote the diversification of Alaska's economy. The general obligation bond authorization is considered one-time in nature and is not expected to fully fund the project.

Funding:	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Total
G/O Bonds	\$110,000,000						\$110,000,000
Total:	\$110,000,000	\$0	\$0	\$0	\$0	\$0	\$110,000,000

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

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

FY2012 - \$30,000,000 SLA 2011 Ch 5 Sec 1 Pg 37 Ln 28; FY2011 - \$35,000,000 SLA 2010, Ch 43, Pg 99, Ln 27; FY2009 - \$17,500,000 SLA 2008, Ch 29, Pg 129, Ln 19; FY2008 - \$10,000,000 SLA 2007, Ch 30, Pg 88, Ln 8

Project Description/Justification:

This request is for continued development and construction of the Matanuska-Susitna Borough Port MacKenzie Rail Extension Project. The rail extension will provide for the transportation of bulk materials such as coal, minerals, and timber from Interior Alaska to tidewater, and will make Alaskan natural resources significantly more competitive in Pacific Rim markets. The rail extension is expected to quadruple coal exports, stimulate development of new mineral mines, development of limestone deposits and related cement industry, and new opportunities for timber exports. An expected 4,000 jobs will be created along the rail line and in Interior Alaska due to new mining ventures and development efforts. South Central Alaska is expected to gain 2,000 permanent jobs over the first 10 years following rail construction and up to 3,500 jobs over the longer term.

Background: The Port MacKenzie Rail Extension will bring tremendous economic and employment benefits to Alaska. The project will create jobs, lower transport costs and increase economic development. Extension of the rail line will connect the Alaska Railroad Mainline to Port MacKenzie, resulting in a shorter distance to tidewater from the interior that will save more than \$100 million over

existing ports for the State's proposed natural gas pipeline. Less expensive bulk transport costs will also help stimulate the development of natural resources and mines.

The lower costs created by the proposed rail extension coupled with this limestone deposit will create a major new export related manufacturing opportunity for the production of cement. With the rail extension, Alaska will be able to produce up to 15% of the nation's annual need for cement. In addition, the shorter distance to tidewater will reduce the cost of transporting coal by approximately 6 dollars per ton, making coal from Alaska's interior competitive on the world market. Representatives of the Alaska coal industry indicate that once the rail line is completed, it can quadruple annual coal exports from one million tons to four million tons.

An independent study by the University of Alaska-Fairbanks estimates the revenue to the State from new mines averages \$300 million per year over the next 100 years. According to a study by the Institute of Social and Economic Research, the Port MacKenzie Rail Extension Project will create up to 3,400 new jobs over a three year period in construction (currently in progress), 35 jobs in annual operations and another 640 direct and indirect jobs.

In order to complete the rail extension from the main Alaska Railroad line in Houston, to the Port MacKenzie facility, the Matanuska-Susitna Borough estimates the total cost of the project to be approximately \$180 million including this project funding.

The current cost estimate for the project (32.1 miles) is \$272.5 million of which \$92.5 million has been funded leaving an unfunded shortfall of \$180 million to complete the project. Funding on hand will complete the rail embankment for the one mile bi-modal loop adjacent to Port MacKenzie, the first 5 miles of the rail embankment (Segment 1) starting at Port MacKenzie and proceeding toward Houston and approximately one plus miles (Segment 6) of rail embankment and rail at the intersection of the new rail extension and the current ARRC mainline. The construction contract for the completion of the port loop and the first 5 miles of rail embankment (Segment 1) has been awarded. A contract for the "Y" connection with the main line at Houston (Segment 6) will be advertised for construction bids in early March 2012. Work on both contracts will be initiated in the spring/summer of 2012. All required Engineering and Right of Way (ROW) acquisition are funded and are scheduled for completion in 2012.

The \$110 million contained in the General Obligation Bond could be available for construction in the spring of 2013. It would be utilized to construct the rail embankment for Segments 3, 4, and 5 (18.5 miles) and the manufacture of ballast rock and purchase of long lead time materials such as steel rails. This work would be completed by the fall of 2015. An additional \$70 million would be required to complete the project. This \$70 million would be utilized to construct the rail embankment on Segment 2 (8.5 miles) and install ties, ballast, rails and other railroad operational equipment to complete the rail extension.

AP/AL: Appropriation
Category: Development
Location: Anchorage Areawide

Project Type: Construction
Recipient: Municipality of Anchorage
House District: Anchorage Areawide (HD 17-32)

Impact House District: Anchorage Areawide (HD 17-32)

Contact: JoEllen Hanrahan

Estimated Project Dates: 07/01/2012 - 06/30/2017 **Contact Phone:** (907)465-2506

Brief Summary and Statement of Need:

This project will provide funds for the Port of Anchorage Expansion project. The Port of Anchorage expansion project has been scaled back in size and scope. This funding will be used to construct two barge berths and two ship berths to the north of the existing dock. Completion of the north end expansion is critical as it will allow the main shippers to safely berth and move cargo in an upgraded and expanded facility built to a higher degree of seismic stability. The general obligation bond authorization is considered one-time in nature and is not expected to fully fund the project.

Funding:	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>Total</u>
G/O Bonds	\$200,000,000						\$200,000,000
Total:	\$200,000,000	\$0	\$0	\$0	\$0	\$0	\$200,000,000

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

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
<u>One-Time Startup:</u>	0	
Totals:	0	0

Additional Information / Prior Funding History:

FY2012 - \$30 million GF SLA11, Ch 5, Sec 1, Pg 20, Ln 13; FY2011 - \$20 million SLA10, Ch 43, Pg 80, Ln 9; FY2010 - \$10 million SLA09, Ch 15, Pg 3 Ln 20; FY2010 SLA09, Ch 15, Pg 44, Ln 12; FY2009 - \$15 million SLA08 CH 29, Pg 114, Ln 14; FY2009 \$10 million SLA08, Ch 29, Pg 185, Ln 11; FY2008 - \$10 million SLA07, Ch 11, Pg 74, Ln 7; FY2007 \$10 million SLA06 Ch 82, Pg 51, Ln 29; FY2006 - \$10 million SLA05 Ch 3, Pg 41, Ln 6

Project Description/Justification:

The Port of Anchorage (POA) serves 80 percent of Alaska’s population as the entry point for 90 percent of consumer goods and petroleum products that are shipped to Alaska. The POA directly impacts the quality of life and the cost of daily goods for more than 200 communities in Alaska. The POA plays an essential role in economic development, military operations, and businesses throughout the state. In terms of economic impact, the POA contributes \$1.4 billion annually to local and state economies, including hundreds of construction related jobs along with dozens of long term employment opportunities. The POA has served the State for 50 years and is in a deteriorated condition leaving it vulnerable to failure following a high magnitude earthquake.

Background: The POA Intermodal Expansion Project is a federal DOT project under the Maritime Administration (MARAD). The project began in 2003 with the objective to provide modern, efficient, and expanded infrastructure built to a higher degree of seismic stability. Partners in the project include the State of Alaska, Municipality of Anchorage-Port of Anchorage and port tenants and stakeholders. In the fall of 2011, the Municipality of Anchorage signed a new memorandum of agreement with MARAD that established the transfer of procurement and construction responsibilities to the Municipality, or their designees, by May 31, 2012.

Overall, this project has four primary objectives:

- Accommodate existing customer requirements;
- Accommodate growth and demand for Port services, especially with respect to potential new customers and the new generation of vessels anticipated to call at the POA;
- Stimulate economic development for the Municipality and the region by providing marine and landside transportation system improvements; and
- Better serve the military in the Port's role as the nation's 15th Strategic Seaport. The U.S. Maritime Administration (MARAD) has been designated as the federal lead agency for POA development.

Due to the overarching goal of maintaining 100% commercial operations throughout the duration of the project, it is progressing in phases. This funding will allow for the construction of two barge berths and two ship berths to the north of the existing dock. When completed, the POA will be able to move current container and general cargo operations off of the old deteriorating facility onto new berthing spaces built to a higher degree of seismic stability.

City of Seward - Community Development Quota Home Port

FY2013 Request: \$10,000,000
Reference No: 52376

AP/AL: Appropriation
Category: Development
Location: Seward

Project Type: Construction
Recipient: City of Seward
House District: Homer/Seward (HD 35)

Impact House District: Kenai Areawide (HD 33-35)
Estimated Project Dates: 07/01/2012 - 06/30/2017

Contact: JoEllen Hanrahan
Contact Phone: (907)465-2500

Brief Summary and Statement of Need:

This project will provide funding to move the home port of the CDQ fishing fleet from Seattle, Washington to Seward, Alaska. Since 1982, the City of Seward has obtained approximately \$35.7 million in Federal or State grants, appropriations and City bonds to construct a basin, ship lift, and ship repair facility at the Seward Marine Industrial Center. The general obligation bond authorization is considered one-time in nature and is not expected to fully fund the project.

Funding:	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Total
G/O Bonds	\$10,000,000						\$10,000,000
Total:	\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$10,000,000

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

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

FY2012 - \$400,000

Project Description/Justification:

Moving the home port of the Coastal Villages Region Fund (CVRF) fishing fleet from Seattle to Seward is a historic opportunity. This is a long standing goal that began with the Magnusson-Stevens Act of 1976 and the Community Development Quota (CDQ) Program that began in December, 1992. This move has been done to provide fishing quotas to the communities surrounding prime fishing areas, and to reinvest profits to produce jobs and grow the industry to "Alaskanize" the Alaska fishing fleet.

In examining ports across Alaska, the City of Seward on Resurrection Bay met all of the Board's requirements. The City of Seward has all of the following essential requirements necessary for a home port that have been identified by the CVRF Board of Directors:

- A deep water year-round ice-free port
- Sufficient space and depth of water to construct a half-mile of dock, mooring, loading, and servicing deep draft and other marine vessels.
- Sufficient ship repair and maritime support facilities
- Existing ship repair and maritime support facilities
- Road, rail, and air access