

AP/AL: Appropriation
Category: Transportation

Project Type: Construction

Location: Ketchikan
House District: Ketchikan (HD 1)

Contact: John MacKinnon
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Estimated Project Dates: 03/01/2006 - 12/31/2007

Brief Summary and Statement of Need:

Improvements to the Alaska Ship and Drydock facilities - construction of new 2,500-ton ship lift and land level ship transfer system. This project contributes to the Department's Mission by reducing injuries, fatalities and property damage and by improving the mobility of people and goods.

Funding:	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>Total</u>
Fed Rcpts	\$9,000,000	\$33,500,000					\$42,500,000
Total:	\$9,000,000	\$33,500,000	\$0	\$0	\$0	\$0	\$42,500,000

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input checked="" type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
9% = 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>	<u>0</u>	<u>0</u>
Totals:	0	0

Additional Information / Prior Funding History:

None. SAFETEA-LU Earmark.

Project Description/Justification:

Dredging, marine civil and site civil work required to install a marine floating dry dock; add a vessel transfer and land level berth; ship production; and administrative office facilities. Utilities relocation to include rights-of-way and possible lot line adjustments.

In August 2005, the shipyard operator signed an agreement with the Office of Naval Research (ONR) to design and construct a \$30.0 million, high speed, beachable Expeditionary Craft (E-Craft) that is scheduled for launch in early to mid 2007.

On December 20, 2005, the Alaska Industrial Development and Export Authority (AIDEA), owners of the shipyard, published an invitation for bids to fabricate a new 2,500-ton ship lift. The new ship lift and land level ship transfer system must be in service to launch the E-Craft.

In order to perform the required civil work and other listed improvements to accommodate the second ship lift, AIDEA needs to advertise for construction bids by March 2006. Waiting to obtain legislative authority in the capital budget during the upcoming session means delaying bid advertisement until possibly July 2006. Failure to install and have the floating dry dock in service by August 2007 could result in certain committed costs incurred by the state to be declared non-reimbursable and other federal funds earmarked for improvements to the shipyard to be returned to the U.S. Treasury. Also, failure to present a funding plan and schedule to ONR showing that the new dry dock and land level ship transfer system will be in service in time for the launch could result in withdrawal of the proposed agreement to construct the E-Craft at the Alaska Shipyard.