

Submission Date: Feb 13, 2008

Priority: 1 of 4



Ted Stevens

United States Senator for Alaska

Please Note:

- Fill out one request form for each request
- This form (and any attachments) can be returned via:

Fax - (202) 224-2354
 Mail - The Honorable Ted Stevens
 United States Senate
 522 Hart Senate Office Bldg.
 Washington, D.C. 20510

Requests are due by February 15, 2008.

FISCAL YEAR 2009 PROJECT REQUEST FORM

Project Name: JAPONSKI ISLAND INFRASTRUCTURE PROJECT COMPLETION

Project Location: SITKA, ALASKA

Project Description (please attach additional pages as required):

CBS wants to complete its highest priority project to upgrade the deteriorating road and utility infrastructure on Japonski Island, some of which dates from World War II when the island was a Federal military base. Once upgraded, the City and Borough of Sitka is assuming ownership and maintenance of this infrastructure. With support from the Congressional Delegation, State DOT, and City and Borough of Sitka, much of this \$26 million upgrade has been completed. The Airport Access Road is being realigned this spring, which will enable urgent airport expansion including new commercial facilities to develop. When the airport frontage road is built to serve the new lease lots, the utilities currently located within the airport must be relocated; thus this project is Priority 1. The remaining projects are also utility upgrades: Sewage lift station improvements; replacement of BIA 12 inch waterline to create loop system; removal of dangerously deteriorating abandoned water tank; and U.S. Coast Guard Housing water improvements. (Please also see detailed Project Justification, attached.)

Related Appropriations Bill: Energy and Water Development, EPA, Transp.

Amount of federal funding requested for FY09: \$6,350,000

Total funding to complete this project: \$7,250,000

Number of years to fund this project: Two

Matching funds from the State of Alaska: \$800,000 requested

Matching funds from local and private entities:

CBS \$100,000 and project management \$600,000
 State DEC \$1,750,000 grant/loan for waterline project

If this project was funded in prior appropriations bills (within the last five years), list each bill and the amount funded:

FY'02 EPA - \$131,122
 FY'03 FHWA - \$993,500
 FY'04 FHWA - \$1,500,000
 FY'04 EPA - \$768,000

Amount included in the President's FY09 Budget: \$0

Amount included in the State of Alaska FY09 Budget: \$0

Check this box if state funding was sought but not provided.

List legislation that authorizes this project:

Not known (possibly existing roads programs)

Check all that apply:

- A change in the current law is necessary in order to proceed with the project. (If so, attach language and a list of laws that need to be amended)
- Bill or report language is needed. (If so, attach requested language)

Senator Ted Stevens
 Priority 1 of 4
 Page 2

Matching funds from local and private entities:

Project management by City of Sitka \$600,000
 Previous Channel Waterline Project Dept. of Environmental Conservation \$1M loan and
 \$750,000 matching grant
 Previous DOTPF road upgrade projects funding exceeding \$10M
 Request to State of Alaska for \$800,000 to match CBS (\$100,000) and
 Federal (\$800,000) request to replace waterline under bridge to Japonski Island

Detailed Project Justification

This project will bring the roads and utilities up to specifications to provide safe transportation and utility services to Sitka's large institutions: Southeast Alaska Regional Health Consortium (SEARHC), Mt. Edgecumbe Hospital, University of Alaska Southeast Sitka Campus, Mt. Edgecumbe State Boarding High School, Sitka Airport, U.S. Coast Guard Air Station and U.S. Coast Guard Buoy Tender, and Shee Atika Native Corporation.

The essential government purpose of this project is to enable these large Federal and State institutions on Japonski Island to access safe and reliable roads and utilities upgraded for the 21st century, and to be able to permanently transfer ownership and maintenance of these failing facilities to the City and Borough of Sitka.

Sitka is grateful for previous EPA funds with a generic label "Sitka Water/Utility Upgrades" which were used to complete these multiple projects efficiently and cost effectively. CBS now requests funds (preferably through EPA) to complete this critical infrastructure upgrade.

Project Budget:

-Utility Corridor Relocation (based on Airport Road Realignment)	\$1,500,000	Priority 1
-Sewage Lift Station Improvements	2,800,000	Priority 2
-Replacement of BIA waterline under bridge to create loop system (\$1.7 million project: 800,000 State; \$100,000 City; \$800,000 Federal)	800,000	Priority 3
-Water Tank Demolition	500,000	Priority 4
-US Coast Guard Housing Water Improvements	750,000	Priority 5
TOTAL FEDERAL REQUEST:	\$6,350,000	

****Please see 2003 Japonski Island Infrastructure Master Plan for budget details on each project.**

Submission Date: February 13, 2008

Priority: 2 of 2



Ted Stevens

United States Senator for Alaska

Please Note:

- Fill out one request form for each request
- This form (and any attachments) can be returned via:

Fax - (202) 224-2354

Mail - The Honorable Ted Stevens
United States Senate
522 Hart Senate Office Bldg.
Washington, D.C. 20510

- Requests are due by February 15, 2008.

FISCAL YEAR 2009 PROJECT REQUEST FORM

Project Name: SAWMILL COVE INDUSTRIAL PARK WATERFRONT DEVELOPMENT PROJECT

Project Location: Sitka, Alaska

Project Description (please attach additional pages as required):

The highest priority Sawmill Cove Industrial Park Waterfront Development Project is the Intermodal Bulkhead Dock Completion ~ Total cost \$8,778,600. CBS requests \$4.5 million Federal funds; \$3.5 million State funds; and \$778,600 CBS match. This multi-purpose dock facility will be located in the center of the Industrial Park waterfront (Area 4). It will include a sheet pile bulkhead cargo and freight dock and may also serve bulk water tankers and cruise ships. Phase 1 includes a 120 linear foot rock-filled sheet pile bulkhead dock, fender system, and uplands improvements for \$4,421,500. Completion of Phase 1 will permit bulk water transfer from the completed bulk water line. Phase 2 includes 8 breasting/mooring dolphins and 900 linear feet of catwalks for \$4,357,100.

The Waterfront Development Project at Sawmill Cove Park is the key to enabling Sitka to develop an economically viable deep water port intermodal facility. (Please also see detailed Project Justification, attached.)

Related Appropriations Bill: HUD, Commerce, Energy and Water, EPA

Amount of federal funding requested for FY09: \$4,500,000

Total funding to complete this project: \$8,778,600

Number of years to fund this project: Two

Matching funds from the State of Alaska: \$3,500,000 request

Matching funds from local and private entities:

City and Borough of Sitka - \$778,600

If this project was funded in prior appropriations bills (within the last five years), list each bill and the amount funded:

Partial
 FY'02 EPA - \$300,000
 FY'03 HUD - \$201,184
 FY'04 Omnibus Bill - Federal Transit Administration - \$1,941,747
 FY'04 Omnibus Bill - HUD - \$500,000

Amount included in the President's FY09 Budget: \$0

Amount included in the State of Alaska FY09 Budget: \$0

Check this box if state funding was sought but not provided.

List legislation that authorizes this project:

Not known

Check all that apply:

- A change in the current laws is necessary in order to proceed with the project. (If so, attach language and a list of laws that need to be amended)
- Bill or report language is needed. (If so, attach requested language)

REQUESTED BILL LANGUAGE

The completion of this intermodal dock will also permit the \$1.94 million Federal Transit Administration earmark to be used to pave the uplands area to accommodate public bus service. CBS is grateful for this Section 5309 Federal Transit Administration FY'04 bus earmark, SAWMILL CREEK INTERMODAL FACILITY. These funds were not obligated to CBS and have now expired. We therefore urgently request that the Delegation take action to carry over the \$1,941,747 through FY'09, to permit CBS to complete the application process. Please extend this Section 5309 earmark [E2004-BUSP-007/AK/Sawmill Creek Intermodal Facility, Alaska] through FY'09.

DETAILED PROJECT JUSTIFICATION

SAWMILL COVE INDUSTRIAL PARK WATERFRONT DEVELOPMENT PROJECT

With Federal, State and CBS funds, uplands utilities and system upgrades are complete. The State contributed \$1 million toward the raw water line, and the Wastewater Outfall Project is also completed. The Industrial Park is operational, with tenants including True Alaska Bottling, Theobroma Chocolate Company, Baranof Frozen Foods, and Silver Bay Seafoods, which processed over 20 million pounds of fish in 2007 and invested nearly \$10 million in facility upgrades and equipment. In 2007, the two seafood processors had 175 seasonal employees. A 150-person dormitory is operational; a second is planned.

The 2002 Sawmill Cove Industrial Park Waterfront Plan details the improvements that must be completed to permit intermodal use of the Industrial Park. The existing docks and waterfront facilities are too old and unsafe for use and must be removed and new pilings, sheet pile bulkheads, dredging and shoreline protection, and other improvements completed to permit vessels to use the deep water port for both passengers and freight.

The highest priority waterfront development project is the Intermodal Bulkhead Dock Completion on the central waterfront. (Federal Request \$4,500,000) This project will permit full utilization of Sawmill Cove Industrial Park as a deepwater port, and maximize enormous economic development potential.

The second priority Waterfront Development Project is the Area 5 Pulp Dock Upgrade budgeted at \$10.5 million for Demolition/Disposal/Reconstruction of the entire pulp dock and stabilization of the warehouse (Phase 1: 16x220 ft. fill and 10x200 ft. floating dock: \$4.5 million. Phase 2: 30x200 ft. timber dock and 10x400 ft. float: \$6 million). Tenants include Baranof Frozen Foods and Silver Bay Seafoods. The former pulp dock warehouse foundation is so deteriorated that much of this large facility is unusable. A 2007 engineering analysis revealed an immediate requirement for load restrictions and affecting repairs within two years or risking catastrophic failure.

CBS has received an offer to purchase the pulp dock and warehouse from Silver Bay Seafoods. The sale is pending with a final decision expected in March, 2008. If this sale occurs, the private sector will assume responsibility for these upgrades.

Should this sale occur, the third priority project, Area 3 Fill and Shoreline Protection Structure with Boat Haul-Out Capabilities, would become the second priority. Funding of \$6,264,000 is needed for fill and a shoreline protection structure with boat haul-out capabilities: Phase 1: 300 linear ft. rock-filled, sheet pile bulkhead, utilities and fender piles for \$5,126,700; Phase 2 includes a 150-ton travel lift with power and lighting systems for \$1,337,500. The Area 3 Sawmill Creek spit is the site of the Northern Southeast Regional Aquaculture Association (NSRAA) Silver Salmon Hatchery now under construction with a \$2.5 million State grant. The hatchery will provide year-round jobs and new opportunities for the fishing industry.

Submission Date: February 13, 2008

Priority: 3 of 4



Ted Stevens

United States Senator for Alaska

Please Note:

- Fill out one request form for each request
- This form (and any attachments) can be returned via:

Fax - (202) 224-2354
 Mail - The Honorable Ted Stevens
 United States Senate
 522 Hart Senate Office Bldg.
 Washington, D.C. 20510

Requests are due by February 15, 2008.

FISCAL YEAR 2009 PROJECT REQUEST FORM

Project Name: EXPANSION TO MAXIMUM CAPACITY OF THE BLUE LAKE HYDROELECTRIC PROJECT

Project Location: Sitka, Alaska

Project Description (please attach additional pages as required):

The City and Borough of Sitka requests \$12.5 million in Federal funds to assist in constructing a \$25 million new power tunnel and powerhouse containing an 8 MW third turbine generator at the Blue Lake Hydroelectric Power Project. The City and Borough of Sitka is also requesting \$12.5 million in State funds to assist in raising the dam at Blue Lake to its maximum height, estimated to cost \$25 million. The combination of the new powerhouse with 8 MW turbine generator project and the separate project of raising the existing dam by as much as 83 feet could increase the average power production capability of the Blue Lake Hydroelectric Project by as much as 34,500 MWH, about a 60 percent increase. The City and Borough of Sitka intends to bond for the remaining \$25 million to match the Federal and State assistance. (Please also see detailed Project Justification, attached.)

Related Appropriations Bill: Energy and Water Development, Agriculture

Amount of federal funding requested for FY09: \$12,500,000

Total funding to complete this project: \$50,000,000

Number of years to fund this project: Two

Matching funds from the State of Alaska: \$12,500,000 reqstd.

Matching funds from local and private entities:

City and Borough of Sitka - \$25,000,000

If this project was funded in prior appropriations bills (within the last five years), list each bill and the amount funded:

No

Amount included in the President's FY09 Budget: \$0

Amount included in the State of Alaska FY09 Budget: \$0

Check this box if state funding was sought but not provided.

List legislation that authorizes this project:

Check all that apply:

- A change in the current law is necessary in order to proceed with the project. (If so, attach language and a list of laws that need to be amended)
- Bill or report language is needed. (If so, attach requested language)

Senator Ted Stevens

Priority 3 of 4

Page 2

Detailed Project Justification

The City and Borough of Sitka is committing \$12.5 million and requesting \$12.5 million in Federal assistance to construct a new power tunnel and powerhouse containing an 8 MW third turbine generator (estimated to cost \$25 million) at the Blue Lake Hydro Electric Power Project. This project offers important benefits. It would allow recovery of about 6,000 MWH per year of energy presently lost in dam spill through improved efficiency of the new unit. This new turbine, combined with associated tunnel work, would enhance frequency stability of the system. The added 8 MW capacity would improve system reliability by also covering loss of a major generating unit at Green Lake, instead of forcing generation with limited diesel backup generators at a very high cost.

The City and Borough of Sitka is also committing \$12.5 million and requesting \$12.5 million in State assistance to raise the dam at Blue Lake to its maximum height, estimated to cost \$25 million. The combination of the new powerhouse with 8 MW turbine generator project and the separate project of raising the existing dam by as much as 83 feet could increase the average power production capability of the Blue Lake Hydroelectric Project by as much as 34,500 MWH, about a 60 percent increase.

The budget for these projects runs from 2008 to 2014 and includes: feasibility studies \$180,000; FERC licensing \$4,919,998; engineering \$4,050,000; equipment procurement \$10,020,000; third turbine, etc. construction \$15,594,000, dam raise construction \$17,615,000. Total project is estimated in excess of \$50,000,000.

These projects must be completed before Sitka exhausts its hydroelectric resources, requiring the use of supplemental diesel generators at extremely high cost. Sitka is already being forced to use supplemental diesel power generation this winter which will probably require rate increases. Sitka homes and businesses are moving from the high cost of heating oil to clean, renewable hydroelectric energy.

The total energy requirements of Sitka are currently met by about 80 percent oil and 20 percent hydroelectric energy resources. Total annual KWH sold in FY'07 increased by 8 percent over FY'06. The existing hydroelectric generation is now operating at around 90 percent capacity. It is expected that oil prices will continue to rise and that any new hydroelectric capacity can be fully utilized to displace oil for space and water heating. A future potential is displacing gasoline fueled automobiles with electric powered automobiles.

Even though CBS is actively promoting energy conservation, the use of hydroelectric power is escalating at a much greater rate. Therefore, Sitka is now in the preliminary engineering and licensing phase of this expansion of its hydroelectric capability and is pledging 50 percent of the total cost: \$25 million. The goal is to bring this new hydroelectric capacity on line before 2015.

Sitka's electric utility is entirely independent from any other power grid. Therefore, the expansion of the Sitka's electrical generation capabilities, which are nearing maximum capacity, is essential for Sitka's economic well-being, including the operations of its largest employers in the public sector and Sitka's seafood plants. The United States is moving to more environmentally "friendly" sources of power generation. Sitka's proposed projects to expand its hydroelectric facilities will improve a highly efficient hydroelectric system which does not harm the environment, rather than having to use costly and environment-harming diesel power.

Submission Date: February 13, 2008

Priority: 4 of 4



Ted Stevens

United States Senator for Alaska

Please Note:

- Fill out one request form for each request
- This form (and any attachments) can be returned via:

Fax - (202) 224-2354

Mail - The Honorable Ted Stevens
United States Senate
522 Hart Senate Office Bldg.
Washington, D.C. 20510

Requests are due by February 15, 2008.

FISCAL YEAR 2009 PROJECT REQUEST FORM

Project Name: SITKA C.O.E. HARBOR BREAKWATER UPGRADE

Project Location: Sitka, Alaska

Project Description (please attach additional pages as required):

This project will correct the design deficiency in the Corps of Engineers (COE) Sitka Harbor Breakwater by adding to the existing breakwater to reduce ocean wave and swell motion causing excessive harbor deterioration and damage. The project is to construct a rubblemound breakwater from Japonski Island extending 305 feet to overlap the gap to the existing stub breakwater, and adding an additional 400 feet rubblemound breakwater to close the gap between the stub and main breakwater to reduce wave energy entering Sitka harbor from the west. Cost is estimated at \$10 million in 2009.

The COE completed the Sitka Harbor Breakwater in 1994 as a "Sitka Harbor of Refuge" to protect the entire Sitka Channel area. It has never functioned effectively due to a design deficiency which permits excessive wave action to enter the channel. This is especially serious during westerly storm events and causes damage and deterioration to the harbors and inadequately protects the area planned for the new seaplane facility. Sitka has been paying these excessive maintenance costs since 1994. (See Project Justification, attached.)

Related Appropriations Bill: Energy & Water Dev., Commerce/Justice/State

Amount of federal funding requested for FY09: \$10,000,000

Total funding to complete this project: \$10,000,000

Number of years to fund this project: One

Matching funds from the State of Alaska: \$0

Matching funds from local and private entities:

\$0

If this project was funded in prior appropriations bills (within the last five years), list each bill and the amount funded:

Energy and Water Appropriations Bills to Corps of Engineers - \$1,100,000

Amount included in the President's FY09 Budget: \$0

Amount included in the State of Alaska FY09 Budget: \$0

Check this box if state funding was sought but not provided.

List legislation that authorizes this project:

Water Resources Development Act of 2007 as well as previous legislation

Check all that apply:

A change in the current law is necessary in order to proceed with the project. (If so, attach language and a list of laws that need to be amended.)

Bill or report language is needed. (If so, attach requested language.)

Senator Ted Stevens
Priority 4 of 4
Page 2

RE REQUESTED APPROPRIATIONS BILL LANGUAGE

Sitka is very grateful for the language in the approved Water Resources Development Act of 2007 authorizing the COE to fix the Sitka Harbor Breakwater "to correct the design deficiency at federal expense. The estimated cost is \$6.3 million." The Corps of Engineers has just determined that the current cost to correct the most significant design deficiency has risen to \$10 million. Therefore, \$10 million "at full federal expense" is requested for FY'09 COE budget to upgrade the Breakwater. Such language must be included in the Appropriations Bill and could read:

"The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to correct design deficiencies of the Federal Navigation Project Sitka Harbor Breakwater at Sitka, Alaska at full federal expense of \$10,000,000."

The original COE breakwater was built with "normal" cost sharing, but the COE modified the west breakwater in response to possible environmental concerns. Sitka did not support this modification and does not support cost sharing the correction of the COE design deficiency. The COE continues to conclude: "This project can be considered for budgeting in FY'07 based on normal cost sharing." Sitka maintains the COE breakwater has failed to prevent wave action causing severe deterioration of CBS harbors; therefore, the City of Sitka should be held harmless for additional cost sharing requirements. Appropriations for this project must include "full federal expense" language in a bill. The COE has not honored Committee Report requests.

DETAILED PROJECT JUSTIFICATION

The Sitka Harbor Breakwater was completed in 1994 by the U.S. Army Corps of Engineers (COE) as a "Sitka Harbor of Refuge" to protect the entire Sitka Channel area. It has never functioned effectively due to a design deficiency which permits excessive wave action to enter the channel. This is especially serious during westerly storm events and causes damage and deterioration to Eliason Harbor and Old Thomsen Harbor and inadequately protects the area planned for the new seaplane facility. Sitka has been paying the excessive costs of the deteriorating harbors ever since 1994. The COE needs to fix this 14 year old deficiency.

This project will correct the design deficiency by adding to the existing breakwater to reduce ocean wave and swell motion that resulted in excessive harbor deterioration and damage. The proposed project is to construct a rubblemound breakwater from Japonski Island extending 305 feet to overlap the gap to the existing stub breakwater, and adding an additional 400 feet rubblemound breakwater to close the gap between the stub and main to reduce wave energy entering Sitka harbor from the west. Initial cost estimates for the design and construction to develop overlaps between the breakwaters is \$10 million in 2009 dollars. COE Alaska office has a detailed budget. The original \$6.3 million project cost was estimated in 2002 when the 905 (b) report was issued. The report found a positive cost-benefit ratio to correct the design deficiency, but no modeling study or design had yet been developed. Costs and complexity of the project have risen substantially in the last eight years. The longer the Breakwater project is delayed the more expensive it will become.