

Agency: Commerce, Community and Economic Development**Grants to Named Recipients (AS 37.05.316)****Grant Recipient: Nuvista Coop****Federal Tax ID: 45-2575211****Project Title:****Project Type: Planning and Research**

Nuvista Light & Electric Cooperative - Calista Region Multiple Tri-Village Services Consolidation Model

State Funding Requested: \$1,500,000**House District: 39 / T**

Future Funding May Be Requested

Brief Project Description:

Region-wide planning effort to consolidate public services and infrastructure projects for fewer, but higher quality basic core shared services among those close YK Calista 56 villages to reduce costs and improve the basic level of public services.

Funding Plan:

Total Project Cost:	\$1,600,000
Funding Already Secured:	(\$100,000)
FY2013 State Funding Request:	<u>(\$1,500,000)</u>
Project Deficit:	\$0

*Funding Details:**None - no past funding.**Calista, AVCP, and Nuvista have provided \$100,000. in community negotiations, leadership, coordination services, travel, and support.***Detailed Project Description and Justification:**

The funds will provide a long term Tri-Village community Planning effort to consolidate public services and infrastructure into a model resulting in higher quality shared services among multiple communities throughout the YK Calista/AVCP region in western Alaska. The three community groupings include: a) Nelson Island communities of Tooksook Bay, Tununak, Umkumiute, and Nightmute; b) Scammon Bay, Hooper Bay, and Chevak; and c) Emmonak, Alakanuk, Nunum Iqua. It requires coordinated master planning in: Economic Development, Transportation, Energy, Education, Public Safety, Health Clinic, Water/Wastewater/Landfill facilities and service. Currently many of the 56 villages of the region each have separate (or substandard if any) schools, airports, diesel powered electrical generators, public safety office, and clinics for fairly small communities that are often located 7 to 25 miles apart, resulting in substandard but duplicate services which could be consolidated and shared among closely located villages if they were connected and linked by an electrical transmission line, road, trail, and similar core infrastructure.

This project will carry out and complete the public process, agency coordination, negotiations, and integrated infrastructure project planning to develop a long range effective project implementation schedule and cost estimate for the consolidation and improvement of overall services to be shared by all of the local area communities in three sub-regions of the Calista YK region of western Alaska.

This effort is supported by and has been requested by several communities, and the leadership of the regional native

corporation non-profit social services organizations. The planning effort will provide a long range project implementation program to replace and reduce duplication of services in each community a few miles apart; while, planning for and committing to a more limited but central, comprehensive, and higher quality of shared service(s) beneficial to and utilized by these closely located communities (ie) one high school with core and elective classes at one site versus three separate schools covering K through 12 grades that are not meeting basic core needs and requirements with low graduation rates. It will help over 5,700 Alaskan citizens in an area where over 30% of the population are living below the poverty level. The planning, public process, negotiation, and multiple agency coordination will contribute to improved quality of life, reduced energy costs, reduce costs across state departments, and promote a healthier business economy with stronger more sustainable inter-tied communities in a vast region with the largest number of communities in the state.

Numerous past state technical and planning reports have indicated that there are several groups of villages in the YK Calista region of western Alaska are feasible for connecting up. This would bring positive opportunities for: reduced costs, eliminate duplication, the streamlining and sharing of coordinated infrastructure and services from multiple state agencies if the villages were connected and better linked. It would reduce highly costly energy consumption and improve overall core services thus helping sustain existing businesses; promote increased private sector investments; reduce costs to area citizens many of whom live well below the poverty level, and reduce long term state capital spending.

Project Timeline:

July 2012 thru December 2013

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

Varies by each future infrastructure type

Grant Recipient Contact Information:

Name: Christine Klein
 Title: COO
 Address: 301 Calista court, ste 301
 Anchorage, Alaska 99519
 Phone Number: (907)644-6309
 Email: cklein@calistacorp.com

Has this project been through a public review process at the local level and is it a community priority? Yes No

Tri-Village Services Consolidation Planning –YK Region**FY2013 Request \$1,500,000.**

AP/AL:	Appropriation	Project Type:	Planning
Category:	Community Economic Dev.	Recipient:	Nuvista Coop
Location:	Tooook, Tununak, Nightmute; Emmonak, Alakanuk, Nunum Iqua; Scammon, Chevak, Hooper Bay.	Contact:	Christine Klein
House District:	Bethel (HD 38)	Contact	Phone: 907-644-6309

Brief Summary & Project Need:

Provide region community planning effort for three groups of Yukon-Kuskokwim (YK) villages to connect, integrate, and consolidate public services and infrastructure where possible. This would result in higher quality but shared services among closely located communities eventually. Three groups of Tri-villages services consolidation planning effort will include: Tooook, Tununak, Nightmute, and Umkumiute on the Nelson Island; Hooper Bay, Chevak, and Scammon Bay; and Emmonak, Alakanuk, Nunum Iqua and Kotlik. The communities have agreed to such an effort and together have a combined population of over 5,800 citizens and growing based on the last census data. Each community in general has an airport, school, health clinic, landfill, and diesel generation system resulting in duplicate services in very close proximity. A long range planning effort will provide an implementation program to begin to build, replace, and reduce services duplication where possible in the area communities, for a more limited but better, comprehensive, and successful quality of service(s) beneficial to and utilized by these closely located communities (ie) a road and one high school with core and elective classes versus three separate schools covering K through 12 grades barely meeting any core needs. The planning and public process effort will contribute to quality of life, reduce costs across state departments, and promote a healthier economy with stronger sustainable communities that are intertied to one another.

Funding:	FY2012	FY2013	FY2014	FY2015	FY2016	Total
	0.0	\$1,500,000				\$1,500,000.

Additional Information / History:

The Yukon Kuskokwim Delta areas combined village population has grown over 9% in the past 10 years. Numerous small businesses provide critical jobs in the region but they, like area residents, are struggling due to high costs of transportation, energy, and basic living costs. The area has 30% of its population living below poverty levels. High costs of fuel, energy, transportation, and food make basic standards of living extremely difficult. The three groups of cities each have sales tax to help pay for and provide basic services, and small local businesses, mining, and fisheries plants provide jobs and taxes.

Project Description:

Provide planning funds to complete public process, agency scoping, leadership & agency negotiations, and coordination to develop a long range project implementation schedule and cost estimates for consolidation where feasible to improve services to be shared by these sub-region hub communities.

Prior Funding History:

None



CALISTA CORPORATION
www.calistacorp.com

December 30, 2011

Sen. Lyman Hoffman
Alaska State Capitol
Room #518
Juneau, AK 99801

Rep. Bob Herron
Alaska State Capitol
Room 411
Juneau, AK 99801-1182

Dear Senator Hoffman and Representative Herron:

We would like to respectfully request your support for state capital funding appropriations on list of projects below (and attached) in the Calista Yukon-Kuskokwim region. These have been developed in coordination with numerous organizations and individual villages. While this is by no means all infrastructure projects needed in our Y-K region, these are projects we have participated in and feel sufficient enough detail exists at this time to forward them to you; as well as, serving as projects which may be able to help improve economic opportunities.

1. Marshall Port & Quarry Access Road: FY'12 request Design & Construction = \$11.6 million (M). Provides access to ADOT&PF tested high quality rock aggregate resource for region airports & roads, currently brought from Nome.
2. Emmonak Yukon River Port, Wharf, Barge Landing, and Staging Center: Construction = \$16.8M. Design is completed at 95% and ready for construction. Project will utilize Marshall quarry rock above if developed.
3. Yukon to Kuskokwim River Road Corridor & Barge Landings: Final Plans, Design, and Permitting = \$16.7M.
4. Village Police Safety Officer Building for Kalskag, Russian Mission, Platinum: Construction for all 3 sites = \$1.1M.
5. Bethel AVCP Essential Administrative Services Building Consolidations: Design = \$3.55M.
6. Newtok to Metarvik Relocation - Emergency Evacuation Building & Support Equipment: Construction = \$5.0M
7. Bethel Regional Aviation Training Center Dormitory (AVCP-RHA): Construction match funds = \$2.5M
8. Nelson Island Villages Services Consolidation Plan: Infrastructure Planning = \$500,000. Develop long term plan of fewer higher quality services (Road, School, Energy, Safety, etc) in each community over duplication in each.
9. Tri-Village Services Consolidation Plan: Scammon Bay, Hooper Bay, Chevak Infrastructure Planning = \$500,000.
10. Tri-Village Services Consolidation Plan: Emmonak, Alakanuk, Nunam Iqua Infrastructure Planning = \$500,000.
11. Platinum Airport Runway Extension from 3,300 to 5,000': Construction = \$3.1M
12. Bethel AVCP Museum Upgrade, Equipment, and Exhibit Manager for Historical Exhibits: Cost = \$600,058.
13. St Marys, Pilot Station, Mountain Village (AVEC) Power Intertie and Generator: Construction = \$12.6M.

Last year projects which were unsuccessful obtaining funds are again on our list (#1, 3, 4, and 5). Three of these projects are listed but only partially funded in the Governor's December 15th budget proposal (#2 bonds, 3, and 7). We are happy to provide details and a briefing whenever it's most convenient for you. Thank you for your continued service to our State, region, and people.

Sincerely,

CALISTA CORPORATION

Andrew Guy
President & CEO

Nelson Island Tri-Village Services Consolidation Planning**FY2013 Request \$500,000.**

AP/AL:	Appropriation	Project Type:	Planning
Category:	Development	Recipient:	Nuvista Coop
Location:	Tooksook, Tununak, Nightmute	Contact:	Christine Klein
House District:	Bethel (HD 38)	Contact	Phone: 907-644-6309

Brief Summary & Project Need:

These funds will provide a long term Tri-Village community Planning Effort to consolidate public services and infrastructure into a model resulting in higher quality shared services among multiple communities on Nelson Island. The remote western Alaska villages of Tooksook Bay, Tununak, and Nightmute have 1,100+ residents are growing (from 8 to 25% respectively) based on the last census data. Currently each has an airport, school, clinic, landfill, and diesel generation systems that result in duplicate services located within 7 miles. The planning effort will provide a long range implementation program to replace and reduce duplication of services in each community a few miles apart, for a more limited but central, comprehensive, and more successful quality of service(s) beneficial to and utilized by these closely located communities (ie) one high school with core and elective classes at one site versus three separate schools which cover K through 12 grades with difficulty meeting any basic core needs in an area with low graduation rates and 22% of population living below poverty levels. The planning and public process effort will contribute to improved quality of life, reduce costs across a variety of state departments, and promote a healthier economy with stronger more sustainable intertwined communities.

Funding:	FY2012	FY2013	FY2014	FY2015	FY2016	Total
	0.0	\$500,000				
						\$500,000.

Additional Information / Prior Funding History:

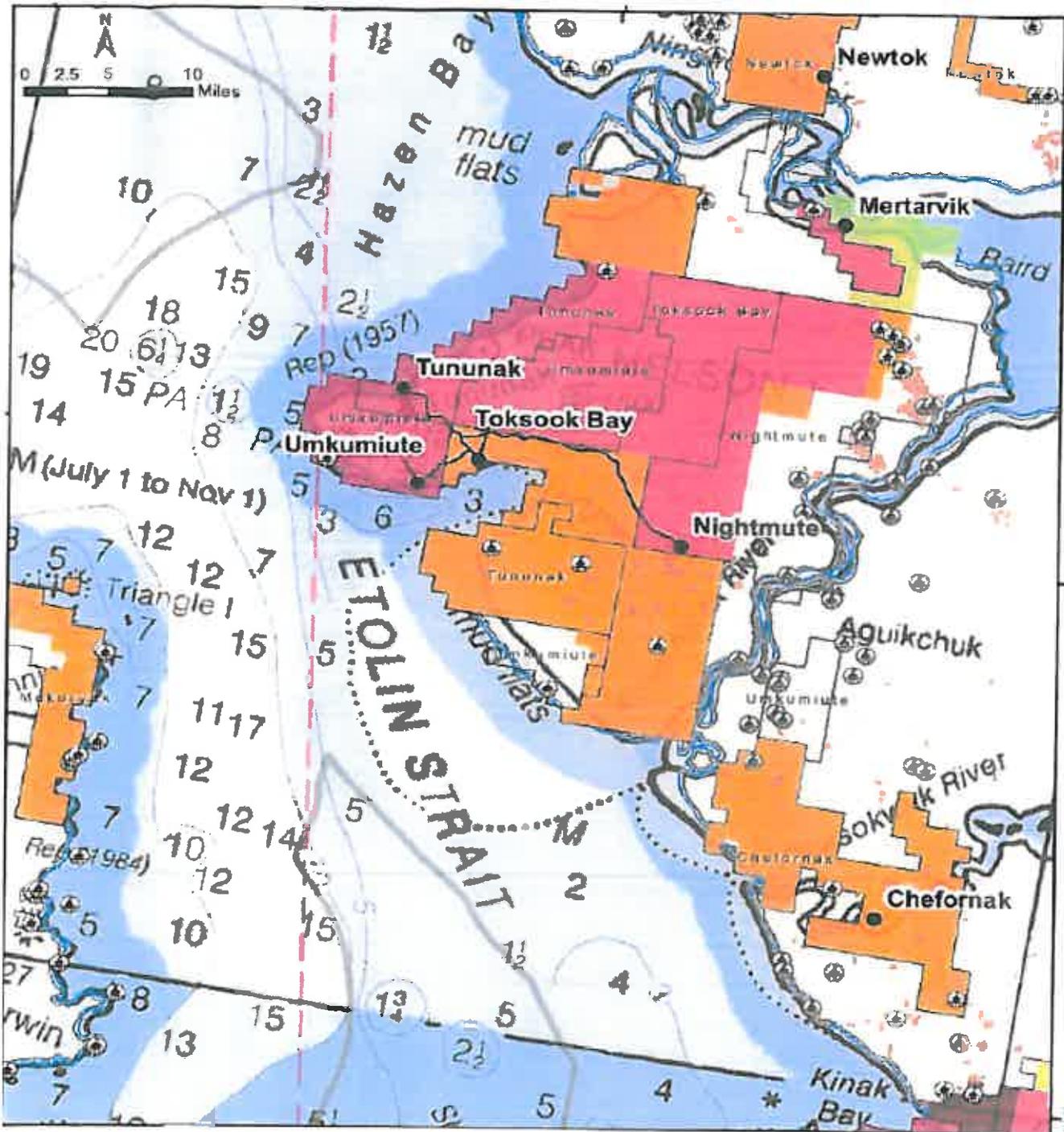
Prior state reports indicate the Nelson Island communities with a Road and Port Project(s) would have opportunities for streamlining and coordinating resources of multiple agencies; increase private sector investment; and reduce costs to area citizens and state. Dept. of Community & Economic Development, "Access to the Future" 2003; ADOT&PF "Nelson Island Sub-Regional Transportation Plan", 2003; and "Nelson Island Roads Preliminary Design", 2004 are a couple of the past reports.

Project Description:

Carry out and complete the public process, agency scoping, negotiations, and planning to develop a long range project implementation schedule and cost estimates for consolidation and improvement of overall services to be shared by all of the local area communities in this Nelson Island sub-region.

Prior Funding History:

None



Nelson Island Land Status + NOAA Chart 16006

Depth in Fathoms
1 Fathom = 6 Feet

- Village
- 14 (h) 1 Historical Sites
- Proposed Nelson Island Road
- AK Coastline, 1-83,360
- Village Surface and Subsurface
- Village Surface and Cellata Subsurface
- 22 (g) Village Surface and Federal Subsurface
- In Lieu Federal Surface and Cellata Subsurface

Source of land status information includes: Agency Department of Natural Resources, Bureau of Land Management, and Land Use Commission. This map is for planning purposes and is not a substitute for a legal instrument. Alaska State Food and Drug Inspection. 6/08 02/09/09

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AP/AL:	Appropriation	Project Type:	Planning
Category:	Development	Recipient:	Nuvista Coop
Location:	Hooper, Scammon, and Chevak	Contact:	Christine Klein
House District:	Bethel (HD 38)	Contact	Phone: 907-644-6309

Brief Summary & Project Need:

Provide a Tri-Village community Planning Effort for consolidating area public services and infrastructure into a model resulting in higher quality but shared services among multiple communities. The remote western Alaska villages of Hooper Bay, Scammon Bay, and Chevak, have a population over 2,500. This is one of the larger tri-village subregions, and has been growing based on recent census data. Currently each has an airport, school, health clinic, landfill, and diesel generation systems resulting in duplicate services within close proximity. The planning effort will provide a long range implementation program to replace and reduce duplication of services in each community a few miles apart, for a more limited but central, comprehensive, and more successful quality of service(s) beneficial to and utilized by these closely located communities (ie) one high school with core and elective classes at one site versus three separate schools covering K through 12 grades that can barely meet core needs. The planning and public process efforts will contribute to improved quality of life, reduce costs across a variety of state departments, and promote a healthier economy with stronger more sustainable intertied communities.

Funding:	FY2012	FY2013	FY2014	FY2015	FY2016	Total
	0.0	\$500,000				
						\$500,000.

Additional Information / Prior Funding History:

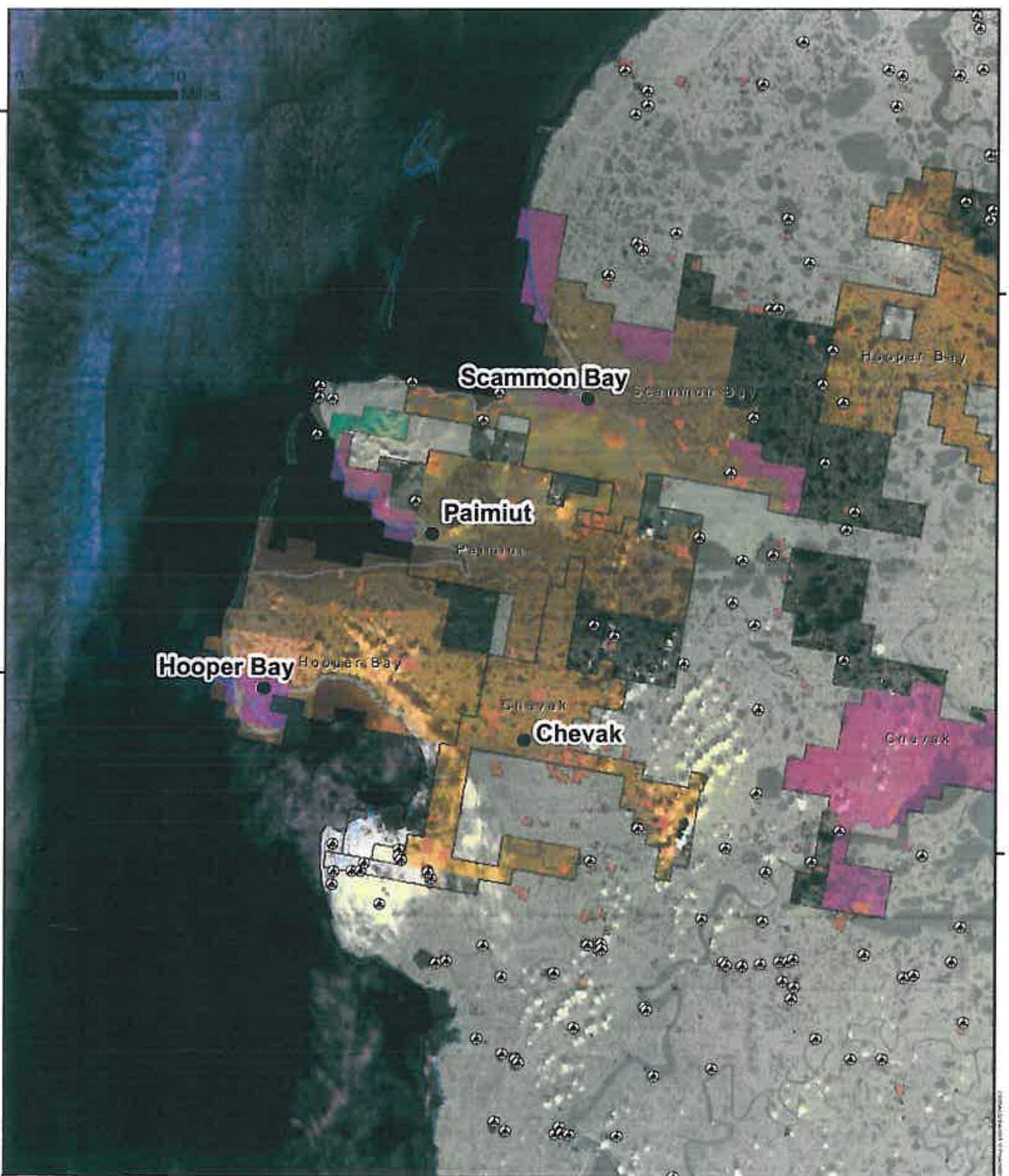
Median income for area residents of these communities is \$36,726. per year, and 36% of the population lives below the poverty level. High costs of fuel, energy, transportation, and food make basic standards of living extremely difficult and the few area fisheries businesses are having a difficult time due to these same high costs. Prior reports indicate there are opportunities to streamline and coordinate resources of multiple agencies to help increase private sector investments and reduce costs to area citizens.

Project Description:

Provide planning funds to complete public process, agency scoping, negotiations, and planning to develop a long range project implementation schedule and cost estimates for consolidation and improvement of overall services to be shared by all of the area communities in this Y-K sub-region.

Prior Funding History:

None



Hooper Bay Area Land Status - GINA Image Background

- Village
- ⊙ 14 (h) 1 Historical Sites
- ▭ AK Coastline, 1:63,360
Fish and Wildlife Service
- ▭ Village Surface and Calista Subsurface
- ▭ 22 (g) Village Surface and Federal Subsurface
- ▭ In Lieu Federal Surface and Calista Subsurface
- ▭ Other Federal

Source of land status information includes:
 Alaska Department of Natural Resources,
 Bureau of Land Management, and Calista
 Corporation. This map is for planning purposes
 and is not a substitute for a legal description.
 Alaska Albers Equal Area Cone Projection, NAD 83
 December 2011

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AP/AL:	Appropriation	Project Type:	Planning
Category:	Development	Recipient:	Nuvista Coop
Location:	Emmonak, Alakanuk, Nunum Iqua	Contact:	Christine Klein
House District:	Bethel (HD 38)	Contact	Phone: 907-644-6309

Brief Summary & Project Need:

Provide a Tri-Village community Planning Effort to connect communities and consolidate area public services and infrastructure where possible to result in higher quality but shared services among close multiple communities. The villages of Emmonak, Alakanuk, Nunum Iqua and Kotlik have a combined population of over 2,200 making the area one of the larger Y-K sub-regions. Currently each one has an airport, school, health clinic, landfill, and diesel generation system resulting in duplicate services in close proximity. A long range planning effort will provide an implementation program to replace and reduce service duplication where possible in the area communities, for more limited but more comprehensive, and successful quality of service(s) beneficial to and utilized by these closely located communities (ie) a road and one high school with core and elective classes at one versus three separate schools covering K through 12 grades which barely meet core needs. The planning and public process effort will contribute to improve quality of life, reduce costs across state departments, and promote a healthier economy with stronger sustainable communities that are intertwined to one another.

Funding:	FY2012	FY2013	FY2014	FY2015	FY2016	Total
	0.0	\$500,000				
						\$500,000.

Additional Information / Prior Funding History:

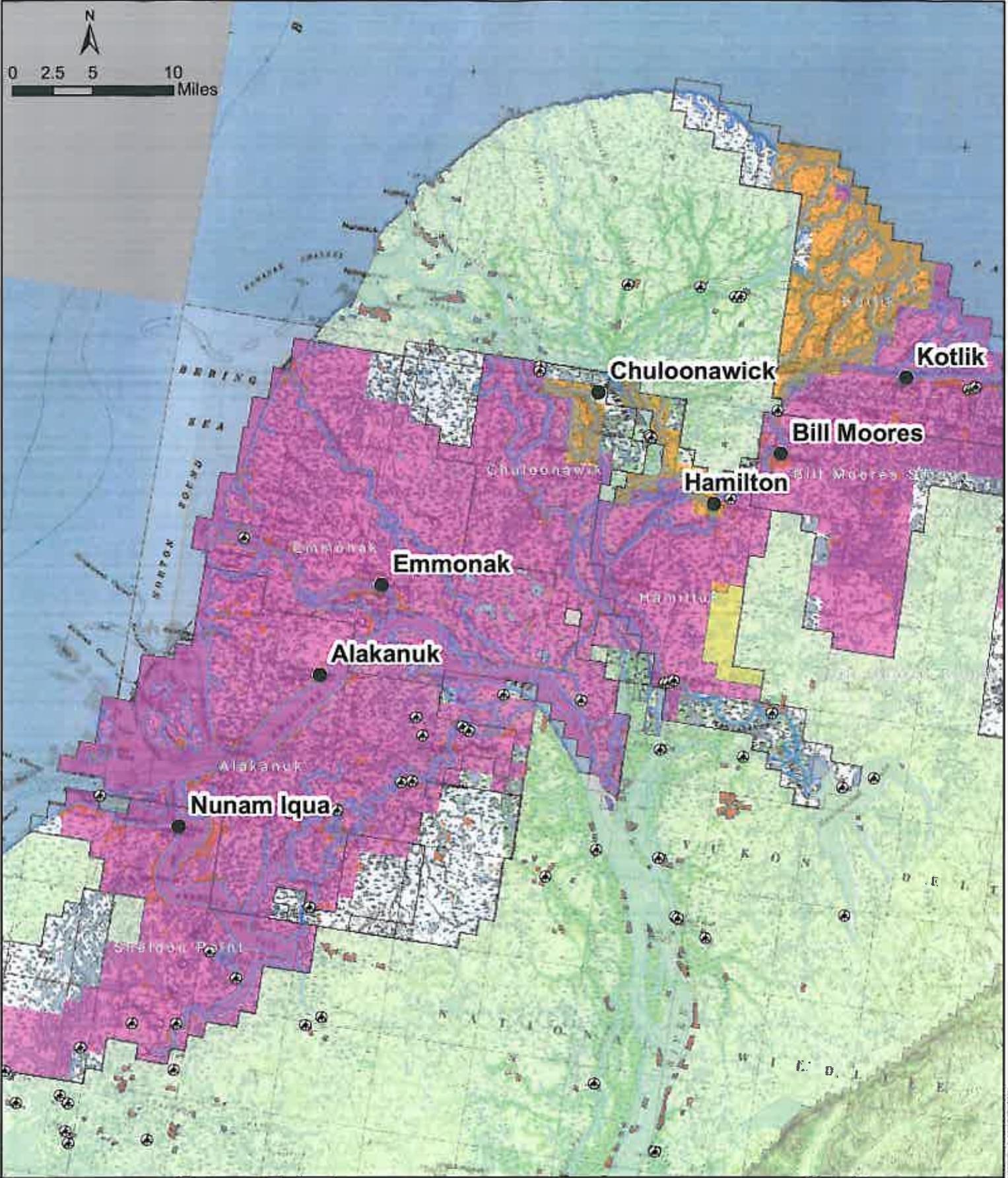
The Emmonak Yukon Delta area combined village population has grown by 9.6% over the past 10 years. It has numerous small businesses providing critical jobs in the region but they like area residents struggle due to high costs of transportation, fuel, and electrical power. Median income for the village residents is \$39,437. per year, and 30% of the population lives below poverty levels. High costs of fuel, energy, transportation, and food make basic standards of living extremely difficult. The four area cities each have a 3% to 4% sales tax and the local businesses and fisheries plant provide jobs and taxes.

Project Description:

Provide planning funds to complete public process, agency scoping, negotiations, and planning to develop a long range project implementation schedule and cost estimates for consolidation where feasible to improve services to be shared by all the area communities in the Emmonak Hub/sub-region.

Prior Funding History:

None



Lower Yukon Area Land Status

ESRI Basemap, USA Topo

- Village
- AK Coastline, 1:63,360
- Fish and Wildlife Service
- Other Federal
- ⊗ 14 (h) 1 Historical Sites
- Village Surface and Calista Subsurface
- 22 (g) Village Surface and Federal Subsurface
- In Lieu Federal Surface and Calista Subsurface

Source of land status information includes:
 Alaska Department of Natural Resources,
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 Alaska Albers Equal Area Conic Projection NAD 83
 December 2011

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"ACCESS TO THE FUTURE" STATUS REPORT



December 2003



Edgar Blatchford, Commissioner
Department of Community & Economic Development
P.O. Box 110800
Juneau, Alaska 99811-0801
Telephone: 907-465-2500

PART II – FOUR PROTOTYPES FOR SUCCESS: NELSON ISLAND, DELTA-GREELY/POGO MINE, ALASKA PENINSULA, AND CROOKED CREEK/DONLIN CREEK MINE

These four project areas are cited as examples of the issues involved in streamlining and coordinating the resources of multiple agencies. The goals of "Access to the Future" will be achieved step-by-step and project-by-project. These four examples identify local, regional, State, federal and private sector roles in the development process. Each project – three in remote parts of the state and one on the road system – offers unique opportunities and challenges. All of the projects have local support.

The first example relates to the planned construction of transportation facilities on Nelson Island in western Alaska. The second example concerns the rapid development underway in the Delta-Greely region, such as missile defense and gold mining. The third relates to oil and gas exploration on the Alaska Peninsula. The fourth relates to planned gold mining and infrastructure development in Donlin Creek, near Crooked Creek.

A. Nelson Island Road and Port Project¹

Introduction and Current Status

Nelson Island is located on the Bering Sea coast of western Alaska, approximately 115 miles west of Bethel. Four settlements are located on the Island – Nightmute, Toksook Bay, Tununak, and Umkumiut.²

The settlements are currently connected by rudimentary trails that limit use to four-wheelers in the summer and snow machines in the winter. The governing bodies of the four Nelson Island settlements have endorsed the construction of a 29-mile road system linking those

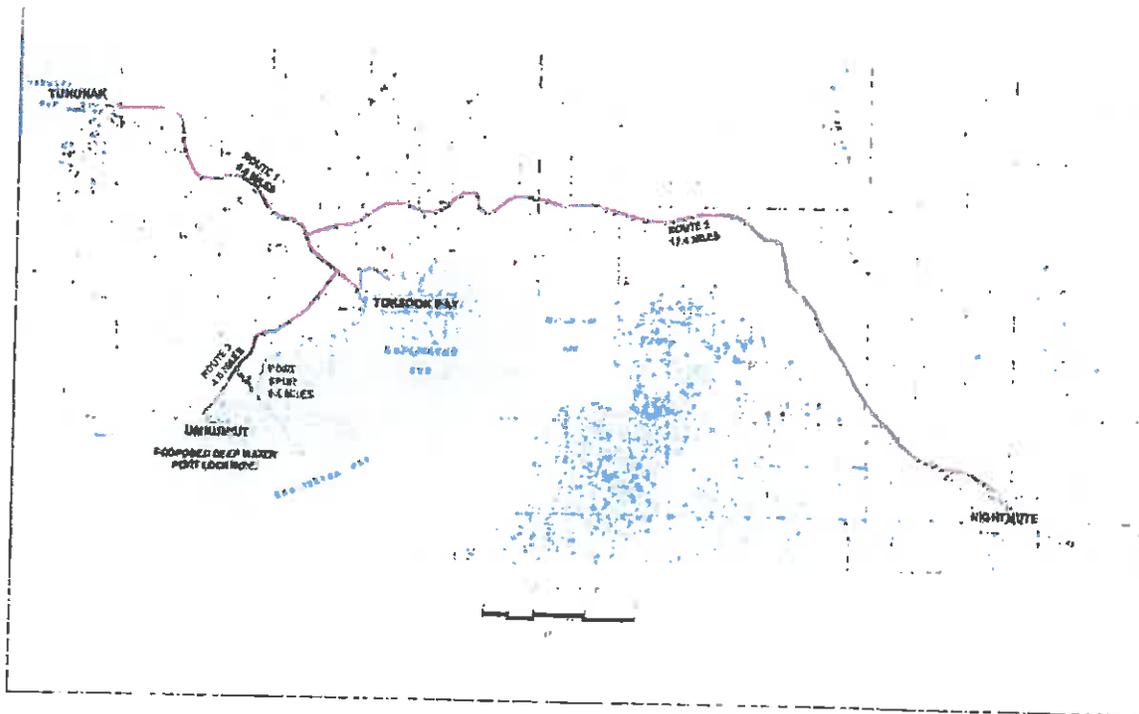
¹ Certain information in this summary is based on the *Nelson Island Subregional Transportation Plan*, Kuskokwim Architects and Engineers, Inc., January 2003.

² The population of Nightmute is 224, the population of Toksook Bay is 549, and the population of Tununak is 323. Umkumiut is presently a summer fish camp used by Toksook Bay residents.

settlements. Copies of the formal resolutions adopted by each governing body are included as Appendix C.

Construction of a road network will be accompanied by development of a centralized seaport at Umkumiut. The seaport is expected to significantly reduce the costs of shipping goods to Nelson Island by as much as 40%. The Port at Umkumiut will provide a safe harbor, fuel, water, supplies, and services for the commercial fishing fleet. Such a facility is currently lacking in western Alaska. Moreover, the improved transportation facilities on Nelson Island will create opportunities for consolidation of services, increased efficiencies of scale, and economic expansion.

The governing bodies of the Nelson Island communities have pooled their Bureau of Indian Affairs (BIA) transportation improvement funds to provide preliminary work on the project. An engineering firm has also prepared a preliminary assessment of the financial benefits of the project. Preparation of an environmental impact statement is currently underway. Work completed to date includes community workshops, aerial mapping, classification of soils and vegetation, evaluation of alternative routes, development of road standards, identification of gravel sources, preparation of cost projections, and other work tasks.



Construction Employment Opportunities

The Nelson Island transportation improvement project will bring significant construction jobs to the area. The total of such jobs is estimated to be 490.³ Since road, airport, and harbor construction projects administered by DOT&PF and the U.S. Army Corps of Engineers are typically awarded by competitive bid, the labor force for this project will be drawn from local, regional, state, and non-state residents. Sales of gravel, goods, and services to support construction activities will provide significant ancillary employment in the region.

Unlike transportation facilities, projects to consolidate services (e.g., solid waste disposal facilities, electric utilities, bulk fuel facilities, etc.) are typically administered by force account⁴ and have historically employed local residents. However, effective October 1, 2002, former Governor Knowles' Administrative Order Number 199 diminished opportunities to use force account labor on State-funded projects. This applies to bulk fuel storage tank construction, rural power system upgrades, electric service extensions, village sewer projects, and other projects.

Financial Benefits of the Road/Port and Consolidation of Services

The engineering firm preparing the transportation plan for Nelson Island has estimated that the road and port project will bring \$71,460,000⁵ in benefits to the local area over a 20-year period. Those benefits include:

- 40% reduction in the cost of shipping cargo;
- 50% reduction in the cost of air freight;
- 14% reduction in the cost of providing electricity;
- 10 cent per gallon reduction in fuel costs; and
- 30% overall reduction in the operation and maintenance costs of community facilities such as airports, schools, power plants, bulk fuel storage, health clinics, landfills, and community halls.

If the road and port are constructed, Nelson Island communities could consolidate services and facilities (airport, schools, power generation, fuel

³ The cost of the road and port project is presently estimated to be \$62,020,000. The Alaska Department of Transportation & Public Facilities (DOT&PF) has estimated that road construction projects employ approximately 7.9 workers per million dollars expended [Jobs Cabinet, Rural Public Construction & Employment Work Group, 2001].

⁴ Force account work occurs when a grantee employs its own workers to perform publicly-financed construction work instead of contracting with a private contractor.

⁵ This discussion includes excerpts from the *Nelson Island Subregional Transportation Plan*, Kuskokwim Architects and Engineers, Inc., January 2003