

**Bethel Readiness Center New Construction****FY2005 Request: \$11,250,000****Reference No: 34848****AP/AL:** Appropriation**Project Type:** Construction**Category:** Public Protection**Location:** Bethel**Contact:** John Cramer**Election District:** Bethel**Contact Phone:** (907)465-4602**Estimated Project Dates:** 07/01/2001 - 06/30/2009**Brief Summary and Statement of Need:**

The Bethel National Guard Readiness Center is currently in the design phase to replace the existing undersized and outdated facility. Construction of a new facility is necessary to meet the minimum requirements established by National Guard Bureau. The Federal Government requires 25% matching funds for construction and 100% state funding for building site work.

<b>Funding:</b>	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	Total
Fed Rcpts	\$8,062,500	\$8,062,500					\$16,125,000
G/F Match	\$2,187,500	\$3,187,500					\$5,375,000
Gen Fund	\$1,000,000						\$1,000,000
<b>Total:</b>	<b>\$11,250,000</b>	<b>\$11,250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,500,000</b>

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input checked="" type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
25% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Total Operating Impact:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

**Prior Funding History:**

Prior Funding History is \$750,000 Bethel Armory A&E (SLA 2001 / CH#61). The existing facility is 14,083 square feet and was constructed in 1962. The facility has exceeded its design life of 25 years and is dramatically undersized for a Battalion Headquarters. Bethel is authorized by National Guard Bureau at 39,359 square feet. This is over 2 3/4 times larger than the existing facility. Failure to execute construction will mean a loss of federal funding for the project.

**Project Description/Justification:****Detailed Project Justification:**

The existing Readiness Center (RC) is 14,083 square feet and was constructed in 1962. It has exceeded its design life of 25 years and is dramatically undersized for a Battalion Headquarters. Currently, the RC is authorized for 39,359 square feet, over 2 3/4 times larger. Prior state and federal funding for planning and design has resulted in the architectural and engineering design contract being awarded.

This funding request is for phase one of a two phased project. This will allow the Department to perform all site preparation activities prior to the initiation of the major construction contract.

The requirement for this facility is contained within AS.26.05.230. "Armories, training sites, and maintenance facilities. (a) Buildings and sites for armory purposes may be leased or constructed, based upon location and size of units to be organized, and shall be financed through state and federal appropriations or both. These facilities may be made available by local communities or by the cooperative arrangement between the state and the federal government and any local community. (b) The armory of each battalion, company, or other unit is subject to the order of the adjutant general and under the charge of its armory board which shall keep in the armory all property furnished by the state."

**Specific Spending Detail:**

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This funding request is for the first phase of a two phased project for the new construction of the Bethel Readiness Center. The estimated amount needed in order to accept this project and start the appropriate site preparation work is \$11,250,000.

The complete project cost is estimated at \$22,500,000 based on preliminary architectural and engineering design plans. Funding categories are estimated at \$6,375,000 state and \$16,125,000 federal. Phase one approval gives the Department the first half of the funding required for construction of this project.

Of the estimated \$22,500,000 that will be spent in the local Bethel economy, approximately \$10,000,000 will be for labor and trades associated with construction. With additional multiplier effect for locally purchased goods and services and with a facility now capable of training more personnel on an annual basis, there will be a positive long-term effect on the local economy. Upon completion of the new facility, the existing Readiness Center ownership will be transferred to the City of Bethel. It is planned to be used by both the school district and as a local community center, further enhancing both economic and quality of life issues in the local area.

Prior to construction, National Guard requires State funds for Architectural and Engineering Design as well as site preparation. Federal funds are provided for actual construction.

### **Project Support:**

Education, local and surrounding community, military

### **Does this project leverage other funding for the state?**

No. However, a Bethel Combined Organizational and Maintenance Shop has been requested for future federal participation. This shop will be needed for the future support of the new readiness center. The construction cost of this facility type would be funded with 100% federal dollars. Future operations and maintenance costs associated with this facility are a shared 75/25 ratio of federal to state funds.

### **Alternative Approaches/Financing Considered:**

Yes, possible joint construction and occupancy of a new facility with local/regional Native Corporations and Health agency participation was considered. However, no participation is expected at this time.

### **Annual Operating and Maintenance Costs:**

These costs will be determined during phase two of the construction project. Ongoing operating and maintenance costs will be funded with state funds and absorbed through the department's normal Army National Guard Real Property Operations and Maintenance general funds for state armories.