

COMPARATIVE COST CHARTS

Listed below are the total construction costs required to build a complete new capital city at each site. The figures represent the amounts of money that could be spent by all sectors based on a construction schedule spread over a 12 year period beginning in 1978 and continuing through 1990. The Relocation Initiative states that the move shall begin by 1980 and the committee concluded that it would take approximately ten years to reach a population of 25,000 projected to occupy the new city by 1990.

The state's share of these costs are only a portion of the total. The state is expected to pay for its own construction (shown on the chart as State Government). Additionally the state currently pays 50% of secondary school

and 100% of community college construction, 12.5% of sewer and water distribution and 25% of water source and sewage disposal. The state normally does not pay any portion of private facilities. Under the Site Specific Costs, the state pays 12% of highway construction and 15% of an airport. The balance of the costs in these areas are usually paid for by a combination of private, federal and municipal funds. Rail and power connections are usually paid for by the federal government or the private sector.

Due to the uniqueness of the project, the state's portion of construction costs could be higher than the current allocations due to necessity to assume a greater share of construction costs, or could be lower based on

construction by other parties and offsetting revenues from sale and/or lease of land.

Totals in the following charts are cumulative for each five year period. That is to say that 1980 costs are carried forward and included in 1985 costs, and that both 1980 and 1985 costs are included in 1990 totals. The 1990 cost in any single facilities category indicates the projected total cost for developing these facilities at a new capital city location. Similarly, the 1990 total for all categories indicates the project total construction cost for capital city development. In developing these figures an average escalation rate of 14.38% per year has been applied to base construction costs as abridged for individual site conditions.

ESTIMATED COSTS FOR CONSTRUCTION OF A NEW CAPITAL CITY

WILLOW						
TYPE OF FACILITY	Cumulative cost to 1980		Cumulative cost to 1985		Cumulative cost to 1990	
	Estimated cost	State portion @ current allocations	Estimated cost	State portion @ current allocations	Estimated cost	State portion @ current allocations
GOVERNMENT						
State Government	53,702,000	53,702,000	173,375,000	173,375,000	246,161,000	246,161,000
Federal Government	—	—	6,914,000	—	21,053,000	—
Municipal Government	400,000	—	5,344,000	—	17,762,000	—
PUBLIC/PRIVATE FACILITIES						
Education & Community Facilities	7,782,000	3,361,000	102,433,000	49,131,000	340,810,000	159,831,000
Streets in Capital City	14,437,000	—	42,676,000	—	152,457,000	—
Utility Distribution	29,548,000	997,000	87,343,000	2,948,000	312,029,000	10,531,000
Water Supply & Sewage Disposal	58,652,000	14,663,000	80,150,000	20,038,000	119,595,000	29,899,000
PRIVATE FACILITIES						
Housing	19,658,000	—	274,236,000	—	896,745,000	—
Commercial/Industrial	3,509,000	—	54,252,000	—	321,807,000	—
SITE SPECIFIC COSTS (See chart below)	20,124,000	2,464,000	25,772,000	2,464,000	25,772,000	2,464,000
SUBTOTAL	207,812,000	75,187,000	852,495,000	247,956,000	2,454,191,000	448,866,000
Plus 16% for design & Administration Costs on State, Public/Private and Highways	27,365,000	11,768,000	77,886,000	39,411,000	188,474,000	71,954,000
TOTAL ESTIMATED COSTS	235,177,000	86,955,000	930,381,000	287,367,000	2,642,665,000	520,820,000

* In the category of public/private facilities, the difference between the state portion at current allocations and total estimate 1990 costs is \$724,630,000. These costs could be borne by a combination of private, municipal, federal and state entities.

SITE SPECIFIC COSTS FOR WILLOW						
TYPE OF FACILITY	Based on Cumulative Cost to 1980		Based on Cumulative Cost to 1985		Based on Cumulative Cost to 1990	
	Cost (1980)	State portion @ current allocations	Cost (1985)	State portion @ current allocations	Cost (1990)	State portion @ current allocations
PUBLIC FACILITIES						
Highway Connection	6,908,000	829,000	6,908,000	829,000	6,908,000	829,000
Rail Connection	—	—	5,648,000	—	5,648,000	—
Power Connection	2,313,000	—	2,313,000	—	2,313,000	—
Airport	10,903,000	1,635,000	10,903,000	1,635,000	10,903,000	1,635,000
TOTAL SITE SPECIFIC COSTS	20,124,000	2,464,000	25,772,000	2,464,000	25,772,000	2,464,000

FOOTNOTES

- Due to the uniqueness of the project, the state's portion of construction costs could be higher than the current allocations shown above due to necessity to assume a greater share of construction costs, or could be lower based on construction by other parties and offsetting revenues from sale and/or lease of land.
- Capital city cost estimates were based on an assumed capital city program in the absence of specific information from the state, this program has been developed from projections of state government employment, secondary employment and facilities requirements projected on the basis of generalized planning standards (e.g. the number of square feet typically used in calculating building size). The program includes a projection of state government facility requirements of 470,000 square feet in 1980, 1,184,000 square feet in 1985 and 1,480,000 square feet in 1990. These figures have been developed for the sole purpose of preparing capital city cost estimates. They are not to be considered as a definitive program for capital city development.
- The projected construction schedule for the capital city covers a ten year period. As such, it incorporates costs associated with state growth over a ten year period in addition to costs directly related to the capital move. In developing capital city cost estimates, no attempt has been made to distinguish between the cost of new state facilities which may be required through 1990 and those costs solely related to the capital move.
- State government facilities have been projected for a 1990 work force of 5,960 central

state positions. It is assumed that these facilities will be built by 1990, that they will not be fully occupied until 1992.

5. Parking requirements for Federal, State and Municipal Government buildings have separate costs developed as follows:

1980	1985	1990
\$4,196,000	\$14,380,000	\$22,117,000

6. Costs for a new airport (with an 8,000 foot runway) have been included although the decision may be made at the time of capital city development to upgrade the existing Willow or Talkeetna airport facilities.

7. Power connection costs cover power transmission to the new capital city, but they do not include additional generating capacity to be provided by the supplier.

8. Rail connection costs have been included although rail connections to the new capital site may not be required.

9. Land and right-of-way costs have not been included in cost estimation because sites have been selected to ensure 100 square miles of land will be available to the state at no cost.

10. This analysis has been limited to construction costs (e.g., procurement costs as defined by the State Public Policy Procurement Act). As such it does not include moving and relocation cost, financing, subterranean exceptional conditions and compensation to Juneau.