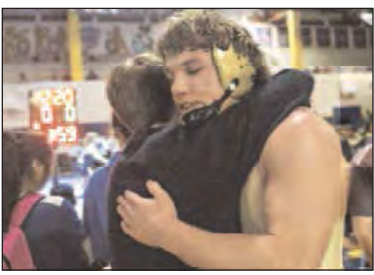


Best. Finish. Ever.



- 4 finalists, 2 champs for Kayhi,
- See page 6



Christmas story  
contest winners  
announced,  
Page 2



46°/42°  
Weather, page 3

# KETCHIKAN DAILY NEWS

\$1.00

MONDAY, DEC. 15, 2014

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12 PAGES

## Walker talks budget, lawsuit

By NICK BOWMAN  
Daily News Staff Writer

Gov. Bill Walker had no comment on Ketchikan's education lawsuit while in the First City on Saturday.

After his speech during the Ketchikan Shipyard laying of the keels ceremony on Saturday, Alaska's new governor discussed the state's ongoing budget crisis, his relationship with the Alaska Legislature and the education suit.

"I have been advised by my attorney general that I need to defer to my attorney general on those things," Walker told the Daily News at the shipyard. "I did speak on it ... during the campaign, and I will watch it

closely, but I'll need to confer with my legal counsel on what the state is going to do on that."

Walker chose his law partner of more than 10 years, Craig Richards, as his attorney general.

The Ketchikan Gateway Borough filed a lawsuit against the state in January seeking to strike down a statute that requires municipalities to pay a portion of their school district's annual operating costs.

In November, Ketchikan Superior Court Judge William Carey sided with the borough on a key section of its

See 'Walker,' page 2



Alaska Gov. Bill Walker speaks Saturday during a laying of the keels ceremony at the Ketchikan Shipyard in Ketchikan.

Staff photo by Taylor Balkom

## Medicaid expansion State looking at July start date

By BECKY BOHRER  
Associated Press

JUNEAU — State health commissioner Valerie Davidson said it could be July before the state is in a position to begin enrolling Alaskans under expanded Medicaid coverage.

Davidson said issues need to be worked out with a Medicaid eligibility system as well as with a Medicaid payment system that has been plagued by problems since going live in 2013. Both are being converted from one technology system to another, she said.

"We want to make sure that we are successful on day one. And in order to do that, we have to have systems that are capable of accepting new Medicaid expansion enrollees," Davidson said in an interview with The Associated Press. "So we're thinking probably we'll be ready in July."

The state in September filed an administrative complaint against the vendor it had hired to implement the new Medicaid payment system. That matter is pending.

As of earlier this month, there were about 230 defects in the system, down from nearly 870 last December, but some of those were resulting in claims not being paid or not being paid correctly, Davidson said. In addition to working out the payment issues, the state expects to get a corrective plan from the vendor by the end of this week that it will then review for possible approval, she said.

To accept expanded coverage, Gov. Bill Walker's administration also will need legislative approval to receive and spend accompanying federal dollars, she said. For states that have opted for expansion, the federal government is expected to cover the cost through 2016 and the bulk of the cost indefinitely, with the states contributing.

See 'Medicaid,' page 2

## Shipyard marks start to ferry project

\$101.5M deal  
to last 4 years

By MATT ARMSTRONG  
Daily News Staff Writer

The Ketchikan Shipyard marked the dawn of a new era for its operations as Gov. Bill Walker, other state officials and Vigor Alaska held a laying of the keels ceremony Saturday afternoon for the two new Alaska Class ferries that will be built at the facility over the next four years.

Vigor Alaska — which operates the Alaska Industrial Development and Export Authority-owned shipyard — was awarded the four-year, \$101.5 million contract in September by former Gov. Sean Parnell's administration.

Keel laying ceremonies mark the start of a ship's construction, and laying the two ferry keels "is the realization of a shared goal to keep state spending and jobs" in Alaska, according to a Vigor news release.

Adam Beck, president of Vigor Alaska, said that, while there is a history of shipbuilding in this region that dates to the early 1900s, Saturday's event was "about the future" of shipbuilding.

"Now, in addition to beginning the life of the new ferries, what this project does is it brings four years of stable work to Ketchikan and the Ketchikan Shipyard," Beck said. "This allows us to build our work force, to build our efficiency, our productivity, (and it) positions us to be ready for the next opportunities that are coming as we look to recapitalize the Alaska fishing industry, as well as what's on the horizon for the oil and (other extraction industries)."

Walker, during his comments, said that he uses Ketchikan as an example of what Alaska is capable of when he goes to other parts of the state. He also talked about the first time he toured the shipyard "some years ago."

"I thought I had rediscovered Alaska," Walker said. "I went to a Chamber of Commerce meeting, and the room was packed. I thought I had rediscovered Alaska. I had not seen

See 'Ferry project,' page 3

Vigor Alaska president Adam Beck addresses a crowd Saturday during a laying of the keels ceremony in the Ketchikan Shipyard.

Staff photos by Taylor Balkom



## FORECAST IS REIN



Above, Poco, a 12-year-old reindeer, stands amid twigs and branches Sunday at the Alaska Rainforest Sanctuary. At left, Amy Johnson holds Sophia Johnson, 2, up so she can feed Poco at the Alaska Rainforest Sanctuary. The Sunday event invited children to feed Santa's reindeer. It was co-sponsored by the Alaska Wildlife Foundation, and also offered a tour of the historic Herring Bay Lumber Co., sawmill. Participants were invited to bring canned food as part of a food drive.

Staff photos by Taylor Balkom

## Mouse 'avatars' used to test cancer drugs

### Personalized cancer treatment

By MARILYNN MARCHIONE  
AP Chief Medical Writer

Scientists often test drugs in mice. Now some cancer patients are doing the same — with the hope of curing their own disease.

They are paying a private lab to breed mice that carry bits of their own tumors so treatments can be tried first on the customized rodents. The idea is to see which drugs might work best on a specific person's specific cancer.

The mice may help patients make what can be very hard choices under difficult circumstances. Studies can suggest a certain chemotherapy may help, but patients wonder whether it will work for them. Often there's more than one choice, and if the first one fails, a patient may be too sick to try another. So hundreds of people have made "mouse avatars" over the last few years to test chemotherapies.

"What I'm doing is personalized cancer treatment. It's the wave of the future," said Eileen Youtie, a Miami woman using mice to guide care for her hard-to-treat form of breast cancer. "Part of this is trying to eliminate chemos that are not going to work on me. I don't want to waste time taking them and poisoning my body."

But there are no guarantees the mice will help. "There's not a lot of science" to say how well this works, and it should be considered highly experimental, said Dr. Len Lichtenfeld, deputy chief medical officer of the American Cancer Society.

See 'Personal cancer tests,' page 3



Ketchikan, Alaska

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SPORTS • WORLD • ALASKA • NATION

Page 3: OceansAlaska to appear before Assembly

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Today's Trivia:

Who has state Rep. Dan Ortiz hired for his legislative staff?  
Answer, Page 2

# OceansAlaska meeting with Assembly on Monday

By NICK BOWMAN  
Daily News Staff Writer

OceansAlaska will make its first appearance before the Ketchikan Gateway Borough Assembly since a \$600,000 loan to keep the nonprofit afloat was approved.

Tomi Marsh, president of OceansAlaska's board of directors, will discuss the organization's recent activities during the Assembly's regular Monday meeting.

Included in her report is the news that Ron Zebal and Conor Eckholm have been offered positions as OceansAlaska's permanent staff.

Zebal, a mariculture expert who operates a shellfish farm in Mexico and has consulted on the industry in several countries, has worked with the nonprofit to update production process in

the past year.

He also supported OceansAlaska's request for a loan before the Assembly. The terms of the loan are being negotiated by the borough and OceansAlaska this fall, and the positions, while already offered, depend on the loan agreement being approved by Borough Manager Dan Bockhorst. The exact terms are nearly completed, according to the borough.

The Assembly gave Bockhorst the go-ahead to negotiate a loan on Sept. 15. Zebal would manage the hatchery, and Eckholm, currently the production manager at Humboldt Bay Oyster Company, would work as a hatchery technician.

OceansAlaska hopes to raise oyster and geoduck seed to sell to Southeast Alaska farmers and nurseries and, po-

tentially, outfits along the West Coast.

Two financial reports from September and October included in the meeting agenda are available at the borough's website, borough.ketchikan.ak.us, under the "government" tab.

OceansAlaska's current operations are being funded with an existing borough grant, some of which will be repaid within the loan.

Costs to the public for sludge pumping services in the borough are likely to increase in the next year. The borough has negotiated a new contract with Shoreline Septic Services, its contractor, that raises the cost to the borough by 10 percent.

On Monday, Assembly members will decide whether to agree to the new, three-year contract with Shoreline Septic Services worth \$627,450.

There are several other items on the Assembly's relatively busy Monday agenda:

- A public hearing is set for a potential rezone of 12.9 acres of property in the White Rock Estates Subdivision, in the Point Higgins area, from the Future Development zone to the Suburban Residential zone. The rezone would allow for two-family residences on the property.
- A change order for a \$42,830 biomass heating project at the Ketchikan International Airport would increase the cost of the project by 48 percent because of a change in the location of the boiler from the airport terminal to a nearby building, which requires an architect as a subcontractor to the main contractor, Wisewood Inc. The change order would increase the cost of the contract by \$20,339.
- A \$346,062 increase to the Ketchikan School District's spending authority. The district has received several grants and, consequently, has matching expenses. The change would bring the total spending authority to \$48.4 million for the 2014-2015 school year.

There will be time for public comment at the beginning of the 5:30 p.m. Monday meeting at 1900 First Ave.

*nbowman@ketchikandailynews.com*



People examine a ship keel Saturday at the Ketchikan Shipyard.  
Staff photo by Taylor Balkom

## Ferry project

this elsewhere in Alaska, this kind of passion, this kind of, 'We can do it, we can build something' (mentality). 'I'm so, so honored to be a part of this, a small part of this,' Walker added, recognizing the work that Parnell had done to ensure the ferries will be built in Alaska. " ... I said throughout the campaign that, if we can do in Alaska what's going on in Ketchikan, what a great state we would have. You're actually building things in Alaska."

Walker also joked that it was exciting for him to be in a setting where he didn't have to discuss the price of oil.

"This is very positive," Walker said about the ferry project.

The Rev. Scott Settimo, of the Holy Name parish, blessed the keels to start the ceremony. Alaska First Lady Donna Walker — one of the ship's sponsors — was on hand to "weld" her initials onto a keel. Antoinette Mary Mallott, the wife of Lt. Gov. Byron Mallott and the sponsor of the second ferry, was unable to attend.

"I've come a long way since eighth-grade shop," Donna Walker joked.

### The Ketchikan Shipyard project by the numbers

- 2:** Number of Alaska Class ferries being built for the Alaska Marine Highway System at the Ketchikan Shipyard.
- 4:** Length, in years, of the construction contract.
- 53:** Number of standard size vehicles that will fit on each ferry.
- 80-90:** Projected number of new jobs at the Ketchikan Shipyard.
- 280:** Length, in feet, of each new ferry.
- 300:** Number of passengers each ferry will be able to accommodate.
- 101.5 million:** Dollar amount of ferry contract.

## WEATHER

### KETCHIKAN AND METLAKATLA

Do what you can to get some Vitamin D this week, because you sure as heck won't get much from the sun.

Monday will be cloudy. There will be a chance of rain, with highs around 44 and a southeast wind at 10 to 20 mph. Monday night will rain. The lows will be around 38 and there will be a southeast wind at 10

to 20 mph.

Tuesday rain is likely, with highs around 44 and a southeast wind at 10 to 20 mph. Tuesday night will be mostly cloudy with a chance of rain and lows around 37. There will be a southeast wind at 10 to 15 mph.

Wednesday will be mostly cloudy. The highs will be around 42. Wednesday night will be mostly cloudy.

### ALASKA

By The Associated Press

	High	Low	Precip	Snow
Anchorage	52	23	T	4
Annette	52	47	T	
Barrow	-9	-14	T	4
Bethel	14	3	T	2
Bettles	13	1	0.06	13
Birdwood	34	18	0.00	
Cold Bay	40	36	0.48	
Cordova	45	39	0.37	
Dillingham	34	10	M	
Dutch Harbor	43	38	1.45	
Fairbanks	23	-4	0.00	8
Gulkana	10	-3	0.00	
Homer	46	33	0.11	
Juneau	46	34	0.01	
Kenai	35	23	0.00	
King Salmon	36	13	0.00	
Kodiak	45	37	0.77	
Kotzebue	1	-5	0.01	2
McGrath	9	-8	0.00	8
Nome	14	-2	T	12
Northway	-7	-16	0.00	10
Palmer	41	26	0.00	
Petersburg	52	43	M	
Saint Paul Island	38	34	0.77	
Seward	42	32	0.03	
Sitka	49	45	T	
Talkeetna	39	28	0.00	
Valdez	37	27	0.27	
Wasilla	37	23	0.00	
Whittier	43	30	M	
Yakutat	43	37	1.65	

Alaska temperature extremes

- High of 52 at Annette Island, Klawock, Petersburg
- Low unavailable.

### Today's Forecast

Forecast for Monday, Dec. 15



### LOCAL ALMANAC

Sunday high/low	51/46	Sunday precipitation	trace
Normal high/low	40/31	'14 precip. through Dec. 13	164.19"
Record high	58 in 1962	Monday sunrise	8:08 a.m.
Record low	8 in 1964	Monday sunset	3:16 p.m.

### LOCAL TIDES

	Monday	Tuesday
High	6:52 a.m./13.4'	7:25 p.m./11.0'
Low	0:14 a.m./4.2'	1:27 p.m./4.9'

### U.S. TEMPERATURES

By The Associated Press

	High	Low	Prop	Off		High	Low	Prop	Off
Albany, N.Y.	39	34	0	Cldy	Evansville	49	44	0	Rain
Albuquerque	45	32	.42	Cir	Fairbanks	23	B03	0	Cldy
Amarillo	57	45	.06	Cir	Fargo	47	39	.03	Cir
Anchorage	33	25	0	Cldy	Flagstaff	40	23	0	Cldy
Asheville	56	30	0	Cir	Grand Rapids	47	39	.04	Cldy
Atlanta	57	34	0	Cir	Greensboro, N.C.	59	30	.11	Pclyd
Atlantic City	45	31	0	Pclyd	Hartford Spgld	46	24	0	Pclyd
Austin	76	59	0	Cir	Helena	32	32	.14	Pclyd
Baltimore	52	29	0	Pclyd	Honolulu	77	69	.01	Cir
Birmingham	59	32	0	Pclyd	Indianapolis	48	34	0	Rain
Bismarck	31	22	0	Cldy	Jacksonville	71	31	0	Rain
Boise	42	26	0	Pclyd	Juneau	45	34	.01	Rain
Boston	45	33	0	Pclyd	Kansas City	62	53	0	Rain
Brownsville	79	65	0	Cldy	Key West	71	63	0	Pclyd
Buffalo	38	35	MM	Cldy	Las Vegas	56	40	0	Cldy
Burlington, Vt.	34	23	0	Cldy	Little Rock	69	42	0	Cldy
Casper	32	31	.35	Snow	Los Angeles	66	47	0	Cldy
Charleston, S.C.	69	33	0	Cir	Louisville	49	44	0	Rain
Charleston, W. Va.	43	36	0	Cldy	Lubbock	62	48	.01	Cir
Charlotte, N.C.	63	29	0	Cir	Memphis	66	43	0	Rain
Cheyenne	32	31	0	Cir	Miami Beach	76	57	0	Cir
Chicago	50	45	0	Rain	Midland-Odessa	67	53	0	Cir
Cincinnati	46	43	0	Cldy	Mpls.-St. Paul	50	43	.02	Rain
Cleveland	49	38	0	Rain	Nashville	52	42	0	Cldy
Columbia, S.C.	69	29	0	Cir	New Orleans	70	46	0	Pclyd
Columbus, Ohio	46	42	0	Cldy	New York City	46	38	0	Cldy
Concord, N.H.	39	27	0	Cir	Norfolk, Va.	53	29	0	Cldy
Dallas-Ft. Worth	67	60	.09	Cir	North Platte	47	34	.45	Snow
Dayton	47	43	0	Cldy	Oklahoma City	63	57	.11	Cir
Denver	33	30	.08	Pclyd	Omaha	59	52	.06	Rain
Des Moines	58	52	0	Rain	Orlando	71	41	0	Cir
Detroit	53	42	0	Cldy	Pendleton	34	28	0	Cldy
Duluth	41	39	.01	Rain	Philadelphia	47	37	0	Pclyd
El Paso	63	49	0	Pclyd	Phoenix	63	46	0	Cldy
					Pittsburgh	44	34	MM	Cldy

**List Your Holiday Bazaars FREE**

**in the Ketchikan Daily News!**

Every Friday beginning November 14 through December 19 we will have a listing of local Bazaars. If you are an organization hosting one, please call display advertising with the day, time and location at 225-3157.

\*some restrictions apply

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**CATS**

1. "Babe" male semi-long hair orange
2. "Chubby" male long hair orange
3. "Pandora" spayed female black.
4. "Cally" spayed female short hair 4 year old torbie. \$50
5. "Sparkles" female short hair adult tortie
6. "Annabell" female short hair adult black cat
7. "Buffy" female short hair adult brown tabby/white.
8. "Willow" neutered male long hair 7 year old seal point Siamese. \$50
9. "Scooter" male semi-long hair 8-10 year old Siamese lynx point
10. "Adena" spayed female semi-long hair Siamese lilac point. \$50
11. "Jade" female short hair adult Siamese lilac point.
12. "Starla" female short hair tabby.
13. "Crickel" female short hair black.
14. "Daisy" female short hair black.

**CATS**

15. "Starla" female short hair 8 month old brown tabby.
16. "Garfielda" female short hair 6 month old orange tabby/white
17. "Skittles" female short hair 5 month old orange tabby.
18. "Ian" male semi-long hair 3 month old brown tabby.
19. "Charlie" male short hair 3 month old brown tabby.
20. "Eli" male semi-long hair kitten
21. "Sasha" short hair 3 month old brown tabby.
22. "Little Dude" male short hair adult grey tabby.

**DOGS**

1. "Bubba" 2 year old neutered male tan/white lab/border collie mix. \$45 adoption fee.
2. "Mila" adult spayed female black/tan shepherd mix.

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