



# Municipality of Skagway

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Thank you for the opportunity to comment on the Draft Supplemental Environmental Impact Statement (DSEIS) on the Juneau Access Improvements Project. This project has the potential to profoundly affect the future of Lynn Canal communities. The following comments cover a range of alternatives and address a variety of issues related to those alternatives. They are intended to provide direction to the Alaska Department of Transportation and Public Facilities (AKDOT) in developing more meaningful analysis of issues which will have direct impacts on the community of Skagway. We are including for the record the North Lynn Canal Ferry Service Analysis prepared for the Municipality of Skagway in June 2014 by McDowell Group. This report documents the high volume of traffic that historically has been generated between the communities of Skagway, Haines and Juneau. The report also discusses fare inequities in the AMHS system which highlights the need for a consistent AMHS fare structure methodology.

## Economic Impacts

The plan is named Juneau Access Improvements Project (JAIP) and in this sense it is Juneau-centric in its conception and its execution. The emphasis is on improving access from Juneau to Haines and Juneau to Skagway. There is very little written in the document about the vital transportation link that exists between Haines and Skagway. Historically, this connection between the two communities has carried a disproportionately large amount of traffic compared to other segments of the Marine Highway around the state.

- 1. The highly popular Golden Circle Tour is a mainstay of summer tourism for Skagway, Haines, Haines Junction and Whitehorse.** These communities have promoted this tour successfully for two decades. It has been the policy of our Municipality to support and encourage visitation by the independent traveler as a counter balance to total reliance on cruise ship traffic. Traditionally the independent traveler spends more money per capita than other visitors. Any proposal that would disconnect or bottleneck this important economic connection could harm this important market.
- 2. Insufficient capacity of the small Skagway/Haines shuttle ferry.** Under Alternatives 2B, 4A, 4B, 4C and 4D the Skagway-Haines link would be serviced by a small shuttle ferry modeled after the *Lituya*. The *Lituya* features an open car deck design and is the smallest vessel in the Alaska Marine Highway System. It serves the 16.5 nautical-mile distance between Metlakatla and Ketchikan, a route which historically has carried less volume of passengers and vehicles than the Skagway/Haines route. The design for the small shuttle ferry planned for the Skagway/Haines route calls for a carrying capacity of 18 Alaska standard vehicles (ASV). However, rule of thumb on the Marine Highway states that the average RV requires twice the deck space as a car or pickup truck. Therefore, if the shuttle

were loaded with only RVs, the maximum the shuttle could carry would be nine RVs on any given trip between Haines and Skagway. The shuttle is scheduled to sail twice a day thereby creating opportunity for 36 ASVs or 18 RVs to move from Skagway to Haines each day. Size, weight and capacity restrictions could impact independent bus traffic moving between communities.

Based on historic patterns of traffic between our communities, the Municipality questions the ability of this shuttle to provide adequate capacity. The reasoning for designing a vessel with such limited capacity is not explained in the EIS. We note that in association with Alternative 3 (West Side Road) larger shuttle designs have been considered. We further note that under Alternative 2B, the small shuttle is taken out of service in winter and there is no direct connection between Skagway and Haines.

3. **Traffic forecasts for the Haines/Skagway link are conspicuously absent.** The DSEIS offers expansive analysis on traffic forecasts for the Juneau/Haines and Juneau/Skagway segments. However it treats the Haines/Skagway link as totally separate from Juneau Access and offers no analysis of traffic demand between the communities. It merely states that the demand between Haines and Skagway will be 53 ASV per day but the document is silent on how this number is arrived at. We believe that capacity engineered to this demand number would be insufficient to handle future growth and peaks in current demand such as week-end, special events and holidays.
4. **Additional costs and inconvenience to foot passengers.** traveling between communities without a vehicle has been an ongoing concern for the Municipality. Many of our residents, particularly seniors and school children, travel to Juneau without a vehicle. The Alaska Marine Highway System Marketing and Pricing Study conducted by the McDowell Group in 2000 estimated the number of foot passengers to be 45% of the total passengers. The potential costs to these passengers go unreported in the document. Conservative estimates of the costs for a person traveling without a vehicle between Katzehein and Auke Bay range from \$50 (van/bus) to \$180 (taxi). The draft EIS should provide more detail than merely stating it is “assumed a commercial system will be created.” The additional costs to these users, whether bus or a taxi should be factored into the User Cost/Benefit Analysis. Or, the cost to the state should be reported if the state assumes the responsibility for transferring travelers between Auke Bay and Katzehein. Either way, the costs of transport between Katzehein and Auke Bay for travelers without a vehicle are real and should be identified.
5. **North Lynn Canal Ticket Prices.** In letters to the Federal Highway Administration (FHWA), the Municipality has raised the issue of the unusually high cost of travel in Lynn Canal. Per-mile passenger and vehicle fares for the 13-mile Haines-Skagway route remain the highest in the Southeast System.

It is difficult to determine from the DSEIS the actual cost of a ticket from Skagway to Haines. Prices vary depending on which alternative is being considered, which source

document you are reading and/or which vessel you are sailing on. For example, the 2012 HDR Ferry Fares Memo referenced in Appendix A of the Traffic Forecast Report indicates that for all alternatives other than Alternative 3, a ticket from Skagway to Haines will cost \$22.00/vehicle and \$7.50/passenger on the small shuttle. However, if you board a mainliner to travel to Haines it will cost you \$49.00/vehicle and \$31.00/passenger. Table A-22 of Appendix FF (User Benefit, Life Cycle Cost and Total Project Cost Report) presents a different pricing scenario.

To add to the confusion the Municipality has received correspondence from FHWA (August 20, 2014, letter from Division Director Garcia-Aline) which states “With regards to your specific concerns about the current fare for the Haines-Skagway ferry link, the Draft SEIS will provide the predicted fare for this link based on the current statewide fare structure, but it is my understanding that in all scenarios the fare would be reduced from the current price.” To further add to the confusion, we were told by Deputy Commissioner Reuben Yost at AKDOT’s public hearing in Skagway on October 23, 2014, that most likely the price for the Skagway/Haines link would not be reduced but the prices for other routes elsewhere in the region would be raised to be compatible with the prices that have been charged historically in Northern Lynn Canal.

The following table looks only at rates relevant to marine segments in the Preferred Alternative (2B) and shows how different the two pricing scenarios are:

<b>Routes less than 20 miles</b>	<b>2014 DSEIS Pricing</b>	<b>2014 AMHS fare structure</b>
Skagway/Haines 15 miles	\$22.00/vehicle 7.50 pax	\$49.00/vehicle \$31.00/pax
Skagway/Katzehin 16 miles	\$24.00/vehicle 8.00/pax	<b>\$52.00/vehicle</b> <b>\$33.00/pax</b>

Assumptions: Using mileage provided in Table 1 of the HDR Ferry Fares memo referenced in Appendix A of the Traffic Forecast Report (2014 DSEIS.) **Yellow highlights indicate fares prorated for distance** (there is lack of consistency with regard to route distances throughout the source documents.)

Recalculating the price of a ticket from Skagway to Katzehin to reflect the current AMHS fares makes a dramatic illustration of how drastically the price of ticket from Skagway to Katzehin would change: for the proverbial family of four, the price balloons from \$52 to \$168.

In 2013, the AMHS contracted with Northern Economics to conduct a fare equalization study to develop a “fair and equitable tariff structure.” The Municipality has requested on numerous occasions that the results of the AMHS fare equalization study be included in the Juneau Access EIS. The fare adjustments that will be made as a result of the study will have a direct effect on the ticket prices for ferries operating in Lynn Canal. The AMHS Fare Study is an important tool for evaluating user costs and benefits and should be

included in the EIS. Without knowing what the fares will be for Skagway routes or the methodology behind them, it is impossible to determine which alternatives will most benefit the residents of our community.

## **Skagway Ferry Float**

The floating dock associated with the Skagway Ferry Terminal is an example of critical transportation infrastructure that needs to be refurbished and/or replaced. Ownership and use of the float is shared between the Municipality of Skagway and the State of Alaska and serves an important economic function for the community as well as the Alaska Marine Highway System. Small cruise ships, large fishing vessels, yachts and tugboats utilize this dock on a regular basis. It also serves as an emergency dock for Alaska Marine Lines and Petro Marine. It is imperative that any design changes to that dock be coordinated with the Municipality to ensure that they are compatible with the Municipality's uses.

## **Safety**

Safety is one of Skagway's top priorities. The following safety issues should be addressed in the EIS with regard to the preferred alternative:

1. How will Homeland Security be handled at the "unmanned" Katzeihin ferry terminal? What part of the responsibility for emergency services will fall to local municipalities?
2. The EIS contains many studies on avalanche hazards. From our experience icing and freezing rain may be a bigger concern in this coastal corridor. Please include studies of how coastal freeze/thaw weather phenomenon affect roads and document the measures that will be taken to protect the safety of travelers.
3. People who fish north of the Katzeihin River near the planned location of the terminal report high winds and large swells in this area. We have not found any reports or studies of sea conditions in this area. These should be included in the EIS.
4. Many lives have been lost on the Seward Highway, a road that shares similarities to the proposed Katzeihin road. Since 2006, planners and residents at numerous public meetings have been calling for a divided highway as the best and most effective engineering enhancement on the Seward Highway. The DSEIS should analyze the cost/benefits of making the road to Katzeihin a divided highway.



*2nd slide from DOT&PF presentation: "Funding for the Engineering "E" Seward Highway Traffic Safety*

## **Katzehin Terminal Logistics**

Many residents have raised questions about the logistics of the unmanned Katzehin terminal. The DSEIS leaves many of those questions unanswered:

- Where will passengers purchase tickets?
- Who will be responsible for snow removal, lane assignments, propane inspections?
- Are the fast turnaround times realistic? Wait times for passengers seem overly optimistic. How will a "reservationless" system work?
- What amenities will be available for people arriving at the terminal such as bathrooms, electricity and shelter? Will there be telephone service?
- Who will check identification?

## **Parks and Recreation Areas**

Section 6.2.1 Identifies parks and recreation areas within the project area. In Skagway, the plan identifies Mollie Walsh Park and Pullen Creek Shoreline Park as municipal parks within the project area. Registry Rock and Dewey Lakes Recreation Area should be added to this list.

## **Funding Priorities and Cost Overruns**

The Municipality of Skagway is concerned that many transportation projects of local and regional importance will be postponed or cancelled if the State allocates its sparse transportation money to this project. The EIS should also consider the issue of cost overruns which historically have

been incurred on mega-projects. The Skagway Ferry Float and the Moore Bridge are two examples of critical local infrastructure that require immediate refurbishment or replacement.

### **The Municipality requests an opportunity to comment on the Final.**

The DSEIS discusses many scenarios that could have a profound effect on the economic future of our community. However many of the supporting documents that are referenced are not included or are buried in the DSEIS and cannot be discovered and retrieved within the timeframe of the comment period. The DSEIS has taken more than two years to produce and requires deep analysis. Many municipalities rely on volunteer committees to develop comments and are handicapped by their own public notice and public meeting requirements. This significantly limits the amount of available time for research and public vetting of comments. We ask that you provide the Municipality the opportunity to comment on the Final SEIS prior to the record of decision.

#### Attachments:

North Lynn Canal Ferry Service Analysis prepared for the Municipality of Skagway in June 2014  
Correspondence with Federal Highway Administration  
HDR Ferry Fares Memo