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Alaska State Senate Finance Committee
VIA EMAIL: Finance.Committee@akleg.gov

April 10, 2017

Dear Committee Members:

Defenders of Wildlife appreciates the opportunity to comment on the capital budget. Established in 1947, Defenders is a national, science-based non-profit conservation organization with more than one million members and supporters nationwide, including over 3,500 in Alaska. Defenders is focused on conserving and restoring native fish and wildlife species and habitat throughout the country, including our National Wildlife Refuge System lands.

I have lived and worked in Alaska for 24 years, have raised my family here, and appreciate the opportunity to provide this testimony on behalf of Defenders of Wildlife. I planned to provide public testimony today in the time originally posted by the committee, but I understand that senators were busy debating the operating budget during that time.

We urge you to exclude from the FY18 capital budget the item in the FY17 proposed supplemental budget that would authorize \$10 million toward the construction of a road between King Cove and Cold Bay, through designated wilderness in the Izembek National Wildlife Refuge. We oppose this particular project for several reasons.

There are clearly far fewer state capital investment dollars to spend given our large budget shortfall. That makes it all the more important that every dollar spent be a wise investment designed to meet a well-defined state priority. This project risks turning out to be a pig in a poke.

First, the stated reason for the road is to provide access for 900 King Cove residents to the Cold Bay airport. This is a problem already addressed and paid for. Starting in the late 1990s with passage of the federal King Cove Health and Safety Act, **over 50 million federal dollars have already been spent** on upgrades to the local medical clinic, a 9 million dollar hovercraft, and tens of millions of dollars to build the existing road leading north out of town, which was supposed to access a new hovercraft launching facility. That's \$52,000 per King Cove resident already spent.

Second, the road is estimated to cost **in excess of 30 million additional dollars**. On top of that, the state will be taking on annual maintenance costs of at least \$675,000, based on average maintenance costs per mile. Maintaining the road day-in, day-out in howling winds, rain, sleet, snow

and icy conditions will be expensive - and at times not even possible. Maintenance crews safety could be put at risk and the road itself will likely be vulnerable to significant deterioration as it will sit exposed to these elements in a very low-lying wetland environment.

The hovercraft operated from 2007-2010 and made at least 30 successful evacuations, with a **100% success rate**. The Aleutians East Borough (Borough) nonetheless moved this \$9 million vessel to another location, citing annual operations and maintenance expenses of \$800,000. Those costs include the cost of subsidizing the use of the hovercraft for regular ferry operations, so medical evacuations weren't solely responsible for all of the costs.

Road proponents sometimes claim that the hovercraft did not work, but that is simply not supported by the facts. As stated, the hovercraft was 30 for 30 and never lost a passenger. It was also a community asset as a rescue vessel and saved lives by helping boats in distress in the area, a seldom-mentioned fact and something that a road can't do. We don't doubt that there were challenges associated with operating in the extreme weather conditions typical in the area, but that is true of all options, especially the road.

Also, if medical evacuation is the primary concern, it's important to note that **travel time in good weather by road to Cold Bay will be about two hours; travel time by hovercraft was 18 minutes**. Every analysis finds that marine options will provide more reliable access to the airport than the road. As a response to a public health and safety concern, the road alternative is difficult to understand. If you have been in Alaska as long as I have, then you too have watched the proffered rationale for this project shift over the years. As elected representatives entrusted with spending our precious resources wisely, we urge you to bring fiscal responsibility to bear on this issue.

Before additional millions of dollars are spent, there should be clear and convincing evidence that the hovercraft did not and cannot work. Instead, the available evidence indicates that the hovercraft did work, that the Borough has already been provided a tremendous asset that solved the health and safety issue as well or better than a road would. The state could explore ways of working with the Borough to help cover the operational costs associated with the hovercraft if desired, but should not invest millions of additional scarce capital dollars on a new, redundant project that will be expensive to build and fraught with peril to use and maintain.

Please contact me with any questions or concerns you may have.

Sincerely,

Pat Lavin

Patrick Lavin
Alaska Representative