

**ALASKA STATE LEGISLATURE  
HOUSE TRANSPORTATION STANDING COMMITTEE**

February 12, 2008

1:07 p.m.

**MEMBERS PRESENT**

Representative Kyle Johansen, Chair  
Representative Anna Fairclough  
Representative Craig Johnson  
Representative Wes Keller  
Representative Mike Doogan  
Representative Woodie Salmon

**MEMBERS ABSENT**

Representative Mark Neuman, Vice Chair

**COMMITTEE CALENDAR**

OVERVIEW: SOUTHEAST REGION

- HEARD

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

MALCOLM MENZIES, Regional Director  
Southeast Region

Department of Transportation & Public Facilities (DOT&PF)  
Juneau, Alaska

**POSITION STATEMENT:** Provided an overview of the Southeast Region projects and answered questions.

REUBEN YOST, Project Manager

Department of Transportation & Public Facilities (DOT&PF)  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions on the Juneau Access plan, one of the Southeast Region projects.

**ACTION NARRATIVE**

**CHAIR KYLE JOHANSEN** called the House Transportation Standing Committee meeting to order at [1:07:29 PM](#). Representatives

Johansen, Keller, Salmon, Doogan, Johnson, and Fairclough were present at the call to order.

OVERVIEW: SOUTHEAST REGION

1:08:15 PM

CHAIR JOHANSEN announced that the only order of business would be the presentation of an overview of the Southeast Region by the Department of Transportation & Public Facilities.

1:08:36 PM

MALCOLM MENZIES, Regional Director, Southeast Region, Department of Transportation & Public Facilities (DOT&PF), presented a summary of the current programs and projects in the Southeast Region of DOT&PF.

MR. MENZIES turned the committee's attention to his Powerpoint entitled "An Overview of Southeast Region Department of Transportation & Public Facilities." He highlighted that slide 1 shows Alaska overlaid on the continental United States, pointing out the Southeast Region of DOT&PF is larger than the state of Florida. He introduced, on slides 3 and 4, the management team for DOT&PF and remarked that they are all long term employees of DOT&PF. He referred to the Southeast Alaska maintenance stations on slides 4-9 as "the face" of DOT&PF in the communities".

1:11:38 PM

MR. MENZIES commented on slide 10 entitled "Our missions [sic] is accomplished by:", that there are 245 employees in the Southeast Region, about 8 percent of the DOT&PF statewide workforce. He explained that when gauged by size, geographic region, mileage, bridges, buildings, or population, Southeast Alaska is 6-10 percent of Alaska, therefore the DOT&PF workforce size is in keeping with these other parameters. He mentioned that the Southeast Region does 11-22 percent of all the DOT &PF contract work in Alaska, with only 8 percent of the work force, as shown on slide 12. He noted that slide 13 depicts all the Alaska Marine Highway System (AMHS) ports in which the Southeast Region and AMHS work together on the shore facility engineering and maintenance. [The AMHS is a division of the DOT&PF]. He showed the Southeast Region DOT&PF office in Juneau on slide 14.

MR. MENZIES referred to the two handouts, "Construction Projects-" and "Design Projects-" which each list all the 2008-2009 Southeast Region projects. He explained that page 2 of each booklet lists the number, type, and value of the projects, noting that highway projects in Southeast Alaska will be in 9 communities with 37 projects worth \$216 million, aviation projects will be in 6 communities with 7 projects worth \$106 million, marine projects will be in 9 communities with 12 projects worth \$70 million, and finally, facility projects will be in 7 communities with 7 projects worth \$8 million.

REPRESENTATIVE DOOGAN asked if these are construction projects for this next construction season.

MR. MENZIES confirmed the projects were for [2008-2009], although some projects are ongoing.

REPRESENTATIVE DOOGAN asked when a project is authorized for work in the upcoming season.

MR. MENZIES responded that generally the projects would have been authorized last year for construction to begin this year, though the authorization could be given as late as the last month before construction.

REPRESENTATIVE DOOGAN clarified that authorization would be made the first year and construction would begin the next year.

MR. MENZIES agreed, adding that DOT&PF tries to have the contract available [for bid] in the fall so the contractor is ready to begin construction in the spring.

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REPRESENTATIVE JOHNSON asked about the efficiencies of managing the Aleutians from the Juneau office.

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MR. MENZIES responded that the AMHS headquarters [a division of the DOT&PF] are in Juneau. Originally, AMHS was a division of the Harbors and Docks section of the old Public Works Facility. He mentioned DOT&PF has been working on the shore facilities of AMHS since the marine highway's creation. He related that DOT&PF sends people out to meet with the communities, the captains, and the crew to discuss locations for vessel ports and the DOT&PF construction staff goes to overview the construction

of the facilities, working closely with the marine contractors. He allowed that if it is more economical for these state construction projects, the Southeast Region will use people from the Central Region [DOT&PF], though to date most of the projects' design and construction is handled by Southeast Region personnel.

[1:18:57 PM](#)

REPRESENTATIVE JOHNSON asked if [DOT&PF] is the only [Department] to design ports, and if this requires a unique skill set.

MR. MENZIES explained that the Ports and Harbors [Section] of DOT&PF has three staff for design work, one person in Juneau [Southeast Region] and two others in the Central Region.

REPRESENTATIVE JOHNSON asked Mr. Menzies to explain a project, suggesting Kodiak.

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MR. MENZIES explained that Kodiak is a new site for an AMHS terminal. He noted DOT&PF is working closely with the Kodiak city management to locate and design a port facility. He mentioned there have also been many public meetings. He understood the land for the facility is being leased from the city. He noted the port is being designed specifically for the ferry service to Kodiak, and the project is scheduled to begin construction this fall. He mentioned the design team is in Juneau, and there have been project meetings both in Juneau and Kodiak.

REPRESENTATIVE FAIRCLOUGH mentioned that she serves on the House Resources Standing Committee, and one committee issue is with the introduction of invasive and noxious species across the state's borders. She asked how DOT&PF is managing to ensure that no invasive species are brought into the state.

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MR. MENZIES replied that he could only answer in generalities, but he would ask Reuben Yost to speak. He reported that there is a problem with invasive species on Southeast Alaska highways, specifically around guardrails. He noted that DOT&PF does monitor equipment which arrives from Canada for work on DOT&PF projects.

REUBEN YOST, Project Manager, Department of Transportation & Public Facilities (DOT&PF), relayed that as the regional environmental coordinator for DOT&PF there are several procedures the department uses to reduce the spread of invasive plants, including site evaluation for invasive plants during the project's design phase. He explained that federal highway projects require removal of identified invasive species. He noted that if dirt is going to be disturbed during a project, the department will isolate the dirt and burn it, prior to using it elsewhere; furthermore, if soil is identified as containing an invasive species, that soil cannot be moved to another part of the project. There are invasive plant stipulations for most projects which include steam cleaning incoming equipment, and no use of soil from beyond the general project area. He allowed the most difficult problem for control is seed arriving on vehicles and hikers shoes. He conveyed that the department uses seed mixes certified by the Alaska Plant Materials Center, Department of Natural Resources, near [Palmer].

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REPRESENTATIVE FAIRCLOUGH mentioned the House Resources Standing Committee heard testimony that noxious and invasive weeds can clog streams, block salmon spawning, and create other serious ramifications for Alaska's ecosystem. She asked DOT&PF what is being done to prevent cross contamination.

CHAIR JOHANSEN asked if someone from DOT&PF would discuss this with the committee at a future meeting.

REPRESENTATIVE SALMON, referring to the "construction projects" handout, asked what the listing of \$108 million [on page 2] for Juneau entailed.

MR. MENZIES explained that this referred to the list of projects on pages 11-13 [of the construction projects handout] which are all Juneau projects. He noted the bulk of the money, \$77 million, is for the Juneau Access project, as mentioned in the footnote on page 2. He said the project is listed on page 12, [Juneau Lynn Canal Highway, Phases 1-3] and DOT&PF is hoping to bid the project in the next few months.

REPRESENTATIVE SALMON again asked about the \$108 million.

MR. MENZIES explained that this \$108 million is the sum of 9 different highway projects in the Juneau area and that the Juneau Access project is a part of those 9 projects.

REPRESENTATIVE SALMON asked for a status report on each of these phases.

MR. MENZIES explained that the Juneau Access project has been worked on for many years and he first became involved with it in 1964. He said that DOT&PF is close to receiving the U.S. Army Corps of Engineers (USACE) permit, the second to final permit for roadway construction. He noted that DOT&PF has received a draft copy of the conditions for the USACE permit, reviewed this draft, and returned the draft to USACE with the DOT&PF request for revisions. He offered his belief that the USACE [Office of the Chief Counsel] and the US Department of Justice are reviewing the draft and the DOT&PF request for revisions. He said the permit will then go for a final review to the Environmental Protection Agency (EPA), prior to the final permit being issued. He mentioned that Colonel Wilson, USACE, in response to a question while recently speaking in Juneau, answered that the permit for the Juneau Access project was soon to be released. Mr. Menzies allowed that "soon" could be weeks or months, but DOT&PF believes that "soon" is approximately one month.

REPRESENTATIVE SALMON asked for a review of the process and the time frame once the permits are secured.

MR. MENZIES replied the overall project from the existing Glacier Highway to the Katzehin River will be constructed over 10-12 years. He said the project has just received its second annual financial review from the Federal Highway Administration (FHWA) and DOT&PF is ready to release the project to bid within weeks after obtaining the USACE permit. He said the first bid request will be for a 5 mile project [Juneau Lynn Canal Highway, Phase 1] and then, for a 15 mile project [Phase 2]. He said that DOT&PF currently has \$80 million budgeted for the project, and the total construction cost will be \$350 million, funded through the State Transportation Improvement Program (STIP) process.

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REPRESENTATIVE DOOGAN asked for an explanation of the Juneau Access project relative to the Southeast Alaska transportation

plan. He said that it was explained to him as "more road miles, fewer ferry miles."

MR. MENZIES responded that the 2004 Southeast Alaska transportation plan is a plan of roadway and ferry systems.

REPRESENTATIVE DOOGAN asked if the Juneau Access road is a part of that plan, and how much more road construction is in the total plan.

MR. MENZIES offered his belief the total for Juneau Access is about 50 road miles, replacing about 65 miles of ferry route; and the Petersburg to Kake highway will be about 54 road miles, replacing mainline ferry service with shuttle [ferry] service. The other projects still in the planning stage include the Sitka Access project, a road north from Ketchikan, and another road south from Kake to Prince of Wales Island with a short ferry service. He explained the Southeast transportation plan includes both the Alaska Marine Highway System and the Island Ferry Authority, connected with roads.

REPRESENTATIVE DOOGAN asked if building the road will change requirements for the ferry fleet, and will that plan be coordinated with the AMHS.

MR. MENZIES affirmed that the DOT&PF regional planner is working with the AMHS on a master plan, and as that plan nears completion, DOT&PF will update the Southeast transportation plan.

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REPRESENTATIVE DOOGAN reflected that as this plan goes forward, the requirements for the ferry fleet will change. He offered his belief the AMHS would come back to [the legislature for funding], as the federal government does not like to pay for ferries, to pay for the changes in the ferry fleet.

MR. MENZIES agreed, saying the main ferry fleet within the Southeast transportation plan would be reduced to a shuttle fleet.

REPRESENTATIVE DOOGAN asked what the cost will be for these changes.

MR. MENZIES replied that the cost is only estimated for the road system, not the ferry system, and he did not know that cost.

REPRESENTATIVE DOOGAN referred to the Juneau Access road, asking if the idea is to get closer to Haines, by driving further and spending less time on the ferry.

MR. MENZIES agreed, saying there will be 50 miles of additional road to the Katzehin River and from there a short shuttle ferry to both Haines and Skagway. He said this would be the end of the current project, though DOT&PF plans a second project to "hard link" to Skagway and the national highway system.

REPRESENTATIVE DOOGAN asked if this was the project that ran into a federal roadblock.

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MR. MENZIES said this was "viewshed land" and the National Park Service would not allow the proposed project, as the Department of Transportation Act prohibits development should there be an alternative. He clarified that the project is not in the Klondike Gold Rush National Historical Park, but in the park's view.

REPRESENTATIVE DOOGAN asked Mr. Menzies to explain what will be built in the first 50 miles of the project [before the ferry terminal]. He noted the construction projects handout describes a two-lane gravel road.

MR. MENZIES responded that there will be a two-lane paved highway, with a maintenance station at Comet Beach, and a ferry terminal at the Katzehin River, which will service two shuttle ferries for Haines and Skagway.

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REPRESENTATIVE DOOGAN asked if there was an annual maintenance cost estimate.

MR. MENZIES responded that there is a maintenance cost estimate in the Environmental Statement, but he could not remember exactly what it was, other than it was based on roads with similar difficulties, such as the Klondike Highway.

REPRESENTATIVE DOOGAN reviewed that the cost for the first three phases was \$77 million. He asked what would be accomplished if no more money was made available.

MR. MENZIES responded that the first three phases would build an additional 35 miles of road with bridges to Comet Beach.

REPRESENTATIVE DOOGAN asked if it would be possible to have a ferry terminal there.

MR. MENZIES responded that a terminal would not be at Comet Beach, but, rather, in Slate Creek Cove near the proposed Kensington mine port facility. He mentioned that DOT&PF also has a temporary marine highway terminal facility planned for this cove.

REPRESENTATIVE DOOGAN asked how far this would be from the end of the construction project.

MR. MENZIES responded that Slate Creek is about 20 miles past the present end of Glacier Highway, and 30-40 miles before the proposed Katzehin terminus.

REPRESENTATIVE DOOGAN rephrasing his question asked if just [Phases 1-3] were built, how much road would be built past the [Slate Creek Cove] ferry terminal that is scenic but of no help toward arriving in Haines.

MR. MENZIES responded there would be an additional 30 miles of road.

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REPRESENTATIVE DOOGAN clarified his question, asking if DOT&PF just spent \$77 million, where would the road end.

MR. MENZIES responded that about 20 miles of road would be built.

REPRESENTATIVE DOOGAN asked if the temporary ferry terminal site is near the end of those 20 miles of road.

MR. MENZIES responded that the end of the road would be beyond the proposed ferry terminal site. The road construction would end at Comet Beach, about 8 miles beyond Slate Creek Cove.

REPRESENTATIVE DOOGAN asked that if just the first 3 [Phases] were completed, where in that area could a terminal be built.

MR. MENZIES responded that the terminal would be built at Slate Creek Cove, about 15 miles beyond the current end of the road.

The environmental statement discusses both Sawmill Creek and Slate Creek Cove as possible ferry terminal sites.

REPRESENTATIVE DOOGAN clarified that there would then be an additional 5-8 miles of road beyond the ferry terminal.

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REPRESENTATIVE SALMON reflected that he had been to Berners Bay, and he asked whether the proposed road is going straight across or around the bay.

MR. MENZIES explained that the road would go into the uplands area of Berners Bay, past the main tidal zone, and would cross Berners Bay with large bridges at the Lace and Antler Rivers. He said that each of the bridges would be about a half mile long.

REPRESENTATIVE DOOGAN referred to prior testimony that some "large projects force other projects out of the running for money." He asked if the funding of this large Juneau Access project is going to affect any other [transportation] projects.

MR. MENZIES offered his belief that the DOT&PF financial plan outlines the Juneau Access project so it will not affect any other projects for Southeast and Interior Alaska.

REPRESENTATIVE DOOGAN asked if there would be any contesting for funds with Anchorage.

MR. MENZIES offered his belief that there would always be a contest for funds, but not a contest that would hurt any projects. He explained that DOT&PF has planned the Juneau Access project financial plan to work within the STIP.

CHAIR JOHANSEN asked how much the cost for the project has changed since the last fiscal analysis.

MR. MENZIES responded that the price tag has gone up between 30-40 percent, currently to \$350 million. He allowed there has already been \$24 million spent, and the costs are rising. He mentioned there was an attempt to inflation proof the project by purchasing materials that will be used for the project.

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CHAIR JOHANSEN asked if there were any more questions on the Juneau Access project.

REPRESENTATIVE FAIRCLOUGH discussed green house gases and the long term effect of carbon emissions when planning a road system versus a ferry system. She offered her belief that a car produces lower carbon emissions than the current ferry system.

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REPRESENTATIVE JOHNSON allowed that the proposed cost of the project is \$350 million, there has been \$24 million already spent, and there is \$77 million currently budgeted for the project. He asked what the remaining \$250 million will produce.

MR. MENZIES responded that the \$250 million will be budgeted through the STIP process. He explained this will pay for a paved 2 lane road with passing lanes and scenic pullouts to the Katzehin River, with a ferry terminal at the terminus, three ferries, and improvements for the ferry terminals in Haines and Skagway.

REPRESENTATIVE FAIRCLOUGH offered her belief that the proposed ferries were different than those currently being used. The proposed ferries will be shuttle ferries with a lower cost and lower carbon emissions.

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MR. MENZIES said that the proposed ferries for the Juneau Access project would be similar to the smaller day ferries of the Island Ferry Authority.

REPRESENTATIVE DOOGAN asked for the cost estimate of the proposed road the rest of the way to Skagway.

MR. MENZIES explained there was a cost in the initial Environmental Impact Statement for the road to Skagway, but he was unsure of the cost.

MR. YOST explained that the 2004 draft Environmental Impact Statement did evaluate an alternative for construction of additional highway to Skagway at a cost of \$70 million, but that cost estimate has not been updated. He noted there is already 40 miles of road north out of Juneau and an additional 50 road miles would be built, eliminating about 100 ferry miles. He explained that after driving the 90 road miles, there would be a

7-mile ferry shuttle to Haines or a 15-mile ferry shuttle to Skagway. He estimated there would be eight daily ferry roundtrips to Haines and six to Skagway.

REPRESENTATIVE DOOGAN clarified that the price is \$70 million as there is only 15 miles of road.

CHAIR JOHANSEN explained that the Southeast Region transportation plan is for more roads and smaller day boat shuttle ferries. He allowed that members of the committee are concerned with the operating costs of the AMHS. He asked Mr. Menzies to describe the practical challenges of road building in this area.

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MR. MENZIES said that the first challenge is acquisition of land for the right of way. Most of the land ownership in Southeast Alaska is either federal or Alaskan Native Corporation, but the state still has to acquire the right of way. The next challenge is environmental because, as we live in a predominantly wetlands rainforest, there are many time consuming permits required. These permits include the National Environmental Policy Act of 1969 (NEPA) process, the Department of Natural Resources (DNR) coastal permits, and the USACE permits. He allowed the final challenge to be terrain and topography and he described a few of the highway projects that he has built.

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CHAIR JOHANSEN asked if interactions with environmental groups and the pending lawsuits affect permitting in the Tongass National Forest.

MR. MENZIES replied that the Southeast Region department regularly deals with these lawsuits and that for the last 1.5 years DOT&PF has been involved in a lawsuit with six conservation groups. He offered his belief this was a delaying process, as groups sue over a number of things, all of which must be sorted out. Currently, these conservation groups are suing over the NEPA process. He offered his belief DOT&PF expects these same conservation groups to sue when the Juneau Access project goes to bid.

CHAIR JOHANSEN opined that it was necessary to understand the challenges and obstacles to the Southeast transportation plan. He offered his belief that it was necessary to lessen the

financial burden on the general fund by building more roads and implementing a different ferry system.

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REPRESENTATIVE FAIRCLOUGH remarked that [Anchorage residents] often talk of moving the capital, without enough sensitivity to the impact on the Juneau economy. She allowed that people in urban Anchorage want access to the capital and individuals want to be able to drive to the capital, even if it costs \$350 in gas to drive. She said:

We are independent people who like the opportunity to pull up at a gas station and chose to go down versus booking a ticket on Alaska Airlines, or any other carrier, to get us here, and so I do support you in trying to put a road connection through ...

REPRESENTATIVE FAIRCLOUGH, referring to preservationists versus environmentalists, offered her belief that her early government record shows she is more environmentally friendly, but she is not a preservationist. She offered her belief there are reasons "to chop down a few trees" to acquire access. She said she sympathized both with those who want their communities to remain the same, and those who want to have access [to the capital] from other areas. She declared that continued litigation against road connections jeopardizes local economies, not allowing these communities to grow to their fullest potential. She announced she wants to raise the ante and elevate the Juneau Access issue because the capital move is a part of connecting Alaska.

REPRESENTATIVE JOHNSON asked what the completion date for the first 11 miles of the access road is if the project starts in 12 months.

MR. MENZIES asked if he means the 50 miles of road from Juneau to the Katzehin River.

REPRESENTATIVE JOHNSON replied that he means the time to get the first car on the ferry to Haines.

MR. MENZIES replied that it would be 10-12 years.

REPRESENTATIVE JOHNSON asked what is being done with the existing ferry system to bridge those 10-12 years.

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MR. MENZIES said that DOT&PF is working with AMHS. He said that currently the M/V Malaspina is the day boat for the Lynn Canal route, and the M/V Malaspina should be in service longer than 10-12 years. He offered his belief that the referred 10-12 years is the maximum time, but could be shortened if the funds are available. He reiterated that DOT&PF is discussing plans for shuttle ferries with AMHS.

REPRESENTATIVE JOHNSON expressed his concern that the road connection would not be completed prior to the disintegration of the ferry system. He noted the need to have a smooth transition of the two projects, without a loss of service.

MR. MENZIES replied this is a part of the master plan with AMHS.

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REPRESENTATIVE DOOGAN offered his belief that there is quite an engineering challenge to build the Juneau Access road and to keep it open.

MR. MENZIES replied the construction of Juneau Access is not unlike the building of similar roads in Alaska.

[2:08:10 PM](#)

CHAIR JOHANSEN asked about the progress of other projects including Prince of Wales, Shelter Cove, and Thorne Bay to Kasaan.

MR. MENZIES replied that Thorne Bay to Kasaan was not a DOT&PF project, that DOT&PF is suggesting this road be built with the military assistance program.

CHAIR JOHANSEN asked if this was "on the job training" for the military road building.

MR. MENZIES responded that this training is primarily for civil engineering reservists from all military branches.

CHAIR JOHANSEN asked about DOT&PF plans for Shelter Cove and similar models to link existing logging roads, which are not up to any standards other than for logging trucks.

MR. MENZIES offered an example of the Kake to Petersburg road. He explained that DOT&PF is spending general fund money to build the road, thereby shortening the connecting ferry route. This road is part of the Southeast Region plan.

CHAIR JOHANSEN asked if DOT&PF is capitalizing on places like Shelter Cover where a short amount of road can be built to gain more road access.

MR. MENZIES replied that the Shelter Cove project will construct 9 miles of road, thereby connecting 50 miles of road to access resources for the Ketchikan area.

CHAIR JOHANSEN asked about the Gravina project public use plans. He asked when a bridge will be built, and the roads be open to the public.

MR. MENZIES explained the current road projects on Gravina.

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REPRESENTATIVE DOOGAN asked how much money was spent on the Gravina Access roadway project.

MR. MENZIES responded that Gravina Highway is the project being built with the Gravina Access dedicated road funds. It will be 3.5 miles of gravel road with two bridges for \$27 million.

#### **ADJOURNMENT**

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at 2:17 p.m.