

**ALASKA STATE LEGISLATURE
HOUSE TRANSPORTATION STANDING COMMITTEE**

Cordova, Alaska

July 27, 2019

1:32 p.m.

MEMBERS PRESENT

Representative Louise Stutes, Co-Chair
Representative Adam Wool, Co-Chair
Representative Matt Claman (via teleconference)
Representative Harriet Drummond

MEMBERS ABSENT

Representative Andi Story
Representative Dave Talerico
Representative Sara Rasmussen

OTHER LEGISLATORS PRESENT

Representative Sara Hannan (via teleconference)

COMMITTEE CALENDAR

ALASKA MARINE HIGHWAY SYSTEM'S DRAFT WINTER SCHEDULE

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

CLAY KOPLIN, Mayor
City of Cordova
Cordova, Alaska

POSITION STATEMENT: Provided invited testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

DARREL OLSEN, Chairman/President
Native Village of Eyak
Cordova, Alaska

POSITION STATEMENT: Provided invited testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

GARY GRAHAM
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

TARA CRAIG
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

KATRINA HOFFMAN, CEO, Prince William Sound Science Center
Executive Director, Oil Spill Recovery Institute
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

DAVID ALLISON
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

TOM CARPENTER
Copper River Seafoods
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

CATHY RENFELDT, Executive Director
Cordova Chamber of Commerce
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

GREG MEYER, Co-Owner
Reluctant Fisherman Inn
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

SYLVIA LANGE
Alaska Marine Highway System Reform Initiative (AMHSRI)
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

CHELSEA HAISMAN, Executive Director
Cordova District Fishermen United (CDFU)
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

REBECCA GARLAND ANDERSEN
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

TOM ANDERSEN
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

SHARON MCCALVY
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

CHARLOTTE CARROLL
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

BARB JEWELL, Chair/President
School Board
Cordova City School District
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

ANNE SCHAEFER
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

AMY O'NEIL HOUCK
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

REBECCA DODGE
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

LILA KOPLIN
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

MARK FROHNAPFEL
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

HANNAH SANDERS, MD, Medical Director
Cordova Community Medical Center
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

PENELOPE OSWALT
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

ROBIN IRVING
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

TAMARA MARTIN
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

KRISTY ANDREW, Director, Budget and Finance
Cordova City School District
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

KARL BECKER
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

CHELSEA CORRAO, Music Teacher
Cordova City School District
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

DICK SHELLHORN

Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

TONI BOCCI

Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

MICHELLE KOCAN, LAc, Owner

Acupuncture & Wellness of Cordova

Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

CARL BURTON, Sr.

Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

NICOLE SONGER, Director

Cordova Family Resource Center

Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

TAMMY ALTERMOTT, Board Member

School Board

Cordova City School District

Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

WILLIAM DEATON, Student

Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

ROB CAMPBELL

Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

CAITLIN MCKINSTRY

Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

WENDY RANNEY, Co-Owner
Orca Adventure Lodge
Owner, Whale's Tail Café
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

LAUREN BIEN, Education Director
Prince William Sound Science Center
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

JACQI KINSMAN, Student
Copper River Stewardship Program
Prince William Sound Science Center
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

GRACE COLLINS, Student
Copper River Stewardship Program
Prince William Sound Science Center
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

BRADEN BECKETT, Student
Copper River Stewardship Program
Prince William Sound Science Center
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

ANGELO NORFLEET
Cordova Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

CINDY APPLETON
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

KATE WILLIAMS, Principal
Cordova Jr./Sr. High School

Cordova City School District
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

GAYLE RANNEY
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

SHAWNA WILLIAMS-BUCHANAN
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

PETER HEPTERER
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

MAYA RUSSIN, Student
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

PETE MICKELSON
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

MELINA MEYER
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

JOAN JACKSON
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

MICHELLE HAHN
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

JOSIAH KELLY
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

KELLEY WEAVERLING
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

KATHRYN KELLY
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

BECKY CHAPEK
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

KORY BLAKE
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

CHARITY SCHANDEL
Cordova, Alaska

POSITION STATEMENT: Provided testimony regarding the Alaska Marine Highway System's Draft Winter Schedule.

ACTION NARRATIVE

[1:32:33 PM](#)

CO-CHAIR LOUISE STUTES called the House Transportation Standing Committee meeting to order at 1:32 p.m. Representatives Drummond, Claman, Wool, and Stutes were present at the call to order. Representative Hannan was also present.

Alaska Marine Highway System's Draft Winter Schedule

[1:33:56 PM](#)

CO-CHAIR STUTES began the hearing regarding the Alaska Marine Highways System's (AMHS) draft winter schedule. She stated there are many similarities between Alaska's small coastal communities, and one thing they all share is the dependency on ferry service for health, safety, and economic prosperity. The Department of Transportation & Public Facilities (DOT&PF)

released its [draft] winter ferry schedule about two weeks ago. Unless this [draft] schedule is changed, many smaller communities will be left without any ferry service from fall until spring. Cordova is slated to be without a ferry from October 1, [2019], through April 30, [2020]. Yakutat is scheduled for no ferry service for seven months and Kodiak and Seldovia will be without a ferry from January 12 through April 30, [2020]. This is totally and completely unacceptable, she maintained.

CO-CHAIR STUTES announced that a few days ago, with unanimous support from [the legislature's] majority, she was able to pass an amendment that added back \$5 million to the Alaska Marine Highway's vessel operations. She said the [draft] schedule does not reflect the additional funds and she is hopeful that more funding will be restored in the future.

[1:35:20 PM](#)

CO-CHAIR STUTES said that aside from trying to secure additional funding, there is room in the schedule to make smarter decisions with routes, layups, and overhauls, as well as to adjust the schedule based on need and gaps in service rather than profitability. She explained that the purpose of today's meeting is to hear directly from a smaller coastal community with no road access that has a very long gap in its service. Something with this large of an impact on transportation and access in coastal Alaska necessitates coverage from the House Transportation Standing Committee. A teleconference will be held by DOT&PF on 7/29/19 to take public comment and consider adjustment of the winter schedule.

CO-CHAIR STUTES noted the committee was only able to travel to one location given the special session's limited time, and Cordova is an apt choice as one of the hardest hit communities. She offered her hope that Cordova's testimony will serve to inform DOT&PF of exactly how a three- to seven-month gap will affect the smaller communities. She recognized there will be gaps in service throughout the state. Southeast Alaska will be down a mainliner and face service gaps from October 1, [2019], through April 30, [2020]. Southwest Alaska, which includes the ports of Kodiak, Tatitlek, Old Harbor, King Cove, Cold Bay, Akutan, False Pass, Unalaska, Valdez, Whittier, and many more, will be without service from January 12 through April 30, [2020]. The northern panhandle will face a brief service gap in November [2019] and then again from January 15 through March 1,

[2020]. She advised that copies of the [draft] ferry schedule and DOT&PF's press release are available to the audience.

1:37:27 PM

CO-CHAIR STUTES addressed the ferry strike currently underway. She said it isn't the place of legislators to insert themselves into contract or strike situations. However, for the record she urged for the administration and the Inlandboatmen's Union (IBU) to return to the negotiating table immediately to resume good faith negotiation on behalf of the many individuals, businesses, and communities that are deeply impacted by the strike. While not taking a side, she pointed out the staggering effect that this is having on the Alaska Marine Highway's budget and its riders and shippers. As of last evening, the AMHS has canceled bookings on 4,006 passengers and 1,268 vehicles and has refunded \$2,119,738 in fares. Plus, hundreds of passengers and vehicles are stranded throughout the state. This strike is eating quickly through any benefit that the \$5 million restored to the budget will have. As a ferry user, concerned Alaskan, and state representative of coastal districts, she is asking for a return to the negotiating table to work this out.

CO-CHAIR STUTES invited committee members to provide comments.

1:39:06 PM

CO-CHAIR WOOL noted that testimony was heard from other coastal communities during one of the committee's meetings a few months ago. The many hours of inspiring and passionate testimony had a big effect on him, and he presumes today will be no different. It is important for the public to be heard, he said, and the committee is in Cordova to listen and take messages back. The hearing of a few months ago was prior to this new [draft] schedule with massive alterations in scheduling.

REPRESENTATIVE DRUMMOND related that legislators have heard from thousands of Alaskans since the governor made budget vetoes in late June. She surmised that legislators will be hearing from thousands more Alaskans until this is wrapped up.

REPRESENTATIVE CLAMAN, via teleconference, apologized for being unable to be in Cordova. He said he echoes the comments made by the co-chairs and Representative Drummond.

1:41:48 PM

CO-CHAIR STUTES noted that listening online is Mike Lesmann, Special Assistant, Department of Transportation & Public Facilities (DOT&PF). She said Mr. Lesmann is listening to everything that witnesses have to say and will be passing the public's message to his superiors. She recognized that the Cordova community is passionate about its marine highway but urged witnesses to be constructive in their comments. She advised that the public could submit written testimony. She opened invited testimony.

1:43:26 PM

CLAY KOPLIN, Mayor, City of Cordova, provided invited testimony. He said Cordova is a resilient community. After the copper mine and the railroad were closed in 1938, Cordova bounced back as the razor clam capital of the world. After the clam beds were uplifted eight feet and destroyed in the 1964 earthquake, Cordova pioneered and innovated the quality market for salmon. After the fisheries of the Copper River salmon juggernaut were wiped out by the Exxon Valdez oil spill in 1989, Cordova bounced back by using the Copper River runs, the Prince William Sound hatchery system, and the small fisheries that the community had been working on with Representative Stutes. Cordova has had a growing economy and its \$100 million economy for 2,300 people is of national significance. Seafood is now in the top five trade and balances in the U.S. The U.S. imports over 90 percent of its seafood, \$15 billion worth, and there is no reason the U.S. shouldn't be more sustainable in that regard. Alaska, with two-thirds of the U.S. coastline, is a national player. This is not about health, education, and welfare. Socioeconomics is very important, it is critical. He said [no ferry service] is a very poor business decision.

1:45:30 PM

MAYOR KOPLIN explained it is no accident that Cordova relies on the Alaska Marine Highway System (AMHS). He said Cordova went through a detailed internal planning process as a community, asking whether the community wanted a road, railroad, or ferry system as its primary transportation link. It turned out that what Cordova wanted, and what worked and was most economically feasible, is the ferry system. The ferry system is an economic driver for this community, even right down to this building and this facility which has hosted international conferences and U.S. Senate hearings. The number of seats in this building's theater matches the number of seats on the M/V Chenega, a ferry that can get two-thirds of the state's population in and out of

Cordova. Cordova built its business models, its community model, its residents' lives and social models, around the AMHS. Cordova understands budget cuts and reducing service, but to take a punch in the face and have the service eliminated gives the community no time to adjust or modify.

MAYOR KOPLIN related that during his seven years on the Marine Transportation Advisory Board, the most important thing was continuity of service. He said it is much better to have very limited but very consistent service than it is to have fantastic routes and service one year and then no service. It has killed the businesses time and time again and it has developed so much mistrust for the system that now businesses are afraid to guide passengers and business to the system. It is one of the reasons that the revenue has dropped. Mayor Koplín added that he isn't worried about Cordova, Cordova will adapt and bounce back. But he is worried about what making these kinds of decisions will mean for Anchorage and other communities in the state.

[1:47:30 PM](#)

MAYOR KOPLIN said he will keep his comments high level as he presumes the committee has received statistics about where fishermen live and the traffic in and out of Cordova. He recounted that Cordova passed a community bond to renovate its 50-year-old elementary school and relies on the state to match that. That bond matching is Cordova's biggest single cut in this budget. Cordova will make that up, but what bothers him is that Cordova had a business partnership - the community paid for part of that and the state paid for part of it. If Cordova's bond rating is taken down with the state's, and if the state shows bad faith on business relationships with its own communities, how can businesses outside the state trust to do business with the state? Good business models and good working relationships are needed internally if Alaska is to be open for business. While that cut hurts, Mayor Koplín continued, it is different than the ferry. The ferry is Cordova's road, its economic driver. Cordova has been growing its economy and its population, and the state has been sharing in that revenue growth. Cuts to the Alaska Marine Highway System will turn that around and put Cordova back into decline.

MAYOR KOPLIN then spoke as a local business manager [CEO of Cordova Electric Cooperative] and described the impacts that eliminated ferry service has on the cooperative. He related that the cooperative had one of its hydroelectric turbines rebuilt in a shop in north Kenai. The marine highway system was

used to cost-effectively ship the turbine there and have Alaska machinists rebuild it. The cooperative sends its large generators to Anchorage to be rewound and has done business with the Matanuska-Susitna Valley and Fairbanks. The cooperative has spent tens of millions of dollars to have Alaskan contractors build its hydroelectric projects. Also, the cooperative has had Seattle and Oregon based contractors get tens of millions of dollars to build its hydroelectric projects. Cordova's ferry is really the tale of two cities. If Cordova has a ferry the cooperative's business happens in Alaska, if Cordova doesn't have a ferry that business happens in Seattle. Businesses are tired of switching, he advised. He is afraid for the state and other communities because if this service is taken away and business is lost to Seattle, it may not come back.

1:50:00 PM

MAYOR KOPLIN suggested that there be continuity of service through the winter with a base of at least twice a month service roundtrip. He explained this would keep Cordova's supply lines open and allow the community and businesses with box vans to travel back and forth. He noted he has years of experience working on ferry issues through his service on the city council, as president of the Cordova Chamber of Commerce, and as a member of the Marine Transportation Advisory Board. He advised that every time the decision making gets pushed closer to the communities and closer to the service, the revenues improve. [The marine highway's] very expensive infrastructure is driven by labor cost, fuel cost, and expensive equipment, so the fixed expenses are high no matter what. However, AMHS does have a lot of influence over the revenues. When good routes are put in place that the communities want, people are going to use those routes and it is going to drive a lot of revenue. When Cordova got those very stable three years, and businesses and people started trusting those, revenues went up about 30 percent a year for each of those three years with the fast ferry. Through cooperative marketing, Cordova has spent tens of thousands of dollars out of its festivals' budgets, partnering with Anchorage media stations, and putting up prizes. Cordova tripled and quadrupled every dollar that the state put into marketing the marine highway system; no overhead to the state and the state doesn't have to staff it or anything. Mayor Koplin further advised that if they had a voice, marine highway system staff in the terminals and on the decks and behind the wheels of the vessels could tell about driving revenues and building models that will improve the system.

MAYOR KOPLIN reiterated that it is punch in the face to just eliminate service. He said AMHS could come to communities and work with them on how to make this better, and AMHS could check with the people who use the system and who run the system as they can help AMHS make revenue. Several years ago, Cordova was told that to keep service it had to increase revenues 30 percent and Cordova did it. Cordova found ways to get more ridership on the ferry, but Cordova had a say in the schedule.

MAYOR KOPLIN stated that for the long term the governor's budget must be fixed. The Alaska Marine Highway System cannot be a budget balancing tool. It is a service. Imagine charging for education in this state? Having the system as a revenue generating service is ridiculous. It is a base economy just like energy. The ferry matters to Cordova. If asked, nine out of ten Cordovans on the street would tell you that their single biggest concern this session is the marine highway system.

[1:53:17 PM](#)

CO-CHAIR WOOL recalled Mayor Koplin mentioning the connection of the marine highway system to other parts of Alaska. He said coming to coastal communities and being in Juneau exposes legislators to coastal communities. Legislators realize the connection and more people should realize the connection between the ferries and Anchorage, the Matanuska-Valley, Fairbanks, and other places. It is important to communities as well as to the whole state, as alluded to by Mayor Koplin's economic comments.

MR. KOPLIN responded that the 2016 McDowell Group report captured that. He anecdotally estimated that the AMHS probably generates about \$10 million of business in Cordova's businesses, and probably \$20 million in Anchorage. Anchorage benefits more than Cordova, it is just that it is a smaller part of Anchorage's economy.

[1:54:39 PM](#)

DARREL OLSEN, Chairman/President, Native Village of Eyak, provided invited testimony. He stated that the Native Village of Eyak supports the Alaska Marine Highway System, which provides essential service to more than 35 coastal communities in Alaska, including Cordova. These essential services include transportation for medical service, grocery shopping, job opportunities, school education and extracurricular activities, tourism, vacation, cultural activities, and the fishing industry. The Anchorage economy also benefits from coastal

residents spending money on purchases, meals, entertainment, and lodging while away from home.

MR. OLSEN said that in addition to the drastic reduction in air and cargo service experienced by Cordova, large gaps without ferry service are detrimental to the many families already struggling with the high cost of living in rural Alaska. It also makes it hard for Cordova's local U.S. Coast Guard marine and air station to justify bringing in and keeping families in Cordova. Their presence in the Cordova community is critical to the area's commercial fishing grounds as well as to many sports and leisure activities on or around Cordova's waterways. He advised that a shutdown of the marine highway system would have devastating and unavoidable impacts on the community it serves.

[1:56:41 PM](#)

MR. OLSEN said the Native Village of Eyak suggests an option, which is to operate the M/V Aurora four days a week with three days off. The M/V Aurora would need to get two regulatory extensions to continue operations, during which time the Hubbard's side doors are installed and the minor modifications are made to the Whittier terminal. (Indisc. - audio difficulty) the Hubbard with the same crew and schedule for the rest of the winter service primarily in Cordova and Whittier as a day boat. He urged that DOT&PF reconsider the proposed funding and schedule cuts to Cordova's ferry service and consider alternate solutions for Prince William Sound.

MR. OLSEN, on a personal note, pointed out that this is really going to affect Cordova and its young people. He related that he has three young people who live with him, all between the ages of 18 and 21. One of them opened a business last year and this will really affect her business. He further pointed out that it also affects school-age kids, but that the people of Cordova are affected across the board.

[1:58:26 PM](#)

CO-CHAIR STUTES opened public testimony. She asked that witnesses explain how they and their community will be impacted and how this draft schedule affects real people in the communities when DOT&PF officials are sitting in their offices determining the ferry schedules.

[1:59:33 PM](#)

GARY GRAHAM testified he is a 41-year resident of Cordova and during these years Cordova has had ferry service. He spoke as follows:

My wife Libby and I are local restaurant owners. We've been open daily for 37 years and frequent travelers on the Alaska Marine Highway System. We depend on the ferry to resupply our business. Several years ago, we invested in a 14-foot box truck to travel to Anchorage for supplies. When the Whittier tunnel opened to vehicle traffic it was a great improvement in our access and supports Anchorage businesses rather than us shipping from Seattle and the Lower 48 direct to Cordova. This unconscionable, arbitrary, no notice-or-public-input seven-month removal of ferry service will be devastating to our community and our business. When we travel to Anchorage on supply runs, we spend money on hotels, restaurants, fuel, and many other Anchorage businesses. The money we spend stays in the state of Alaska.

We are now in the process of scrambling to find another source for resupplying our restaurant. Placing orders over the phone and shipping via barge always leaves us short of supplies that were out of stock and we are not notified were out of stock until the shipment arrives. Meats and frozen supplies are okay to phone order and ship, but [not] dry goods at Costco and other vendors to be picked up and lowered by hand. To just advise us at the last minute, "oh by the way you will not have a ferry from October 1st through April 30th this winter," is as I mentioned before unconscionable. There are many other sensible cuts to the state government that can be made that will provide additional funding for necessary state infrastructure. There are many elders and others in this community who rely on the ferry for health care appointments. Alaska Airlines provides air service, but their prices are very high for a 140-mile trip that is already federally subsidized. In other words, we love them, but we just can't afford them.

[2:01:55 PM](#)

I have said for the last 15 or 20 years that Cordova does not need daily or near daily ferry service.

Before the arrival of the fast ferries we were served by the Bartlett between Cordova and Valdez a couple of times per week. The Tustumena included Prince William Sound on an approximate 10-day turnaround that included Seward, Homer, Kodiak, and Dutch Harbor. Access to Seward was convenient at the time for those who did not want to make the hazardous six-hour drive between Valdez and Anchorage. Several Cordovans were killed on this road ... in the winter.

I also have a suggestion of a remedy for this problem. Either the Tustumena or the Kennicott could make runs that include Cordova, Whittier, Homer, and Kodiak. Back-to-back trips between Cordova and Whittier would be needed to allow people to do business and return to and from Anchorage without being stuck there for a week or more.

We are totally in favor of cutting state spending, but not at the cost of our livelihoods and lives. Please be reasonable about this situation. The trickle-down effect of this action will be devastating for the State of Alaska ... and for the City of Cordova. There are many other reasons to resist this decision, but time constraints don't allow me to mention them all.

[2:04:03 PM](#)

TARA CRAIG stated she has been a Cordova resident for six years. Regarding how seven months of no ferry service will affect her, she explained that she and her family use the ferry system to go to Anchorage for appointments, to stock up, and to visit family, which is what many Cordova folks do. Many Cordova businesses depend on the ferry system to bring in supplies for the businesses, so no service will affect them and the community.

MS. CRAIG said she cannot help but wonder if the current ferry system strike will help DOT&PF, legislators, and Governor Dunleavy see how vital the ferry system is to Cordova and other communities. She would rather give up her dividend to ensure that the people will have services like the ferry system and so people won't lose their jobs. So many vital services are going to be cut by Governor Dunleavy's vetoes - the cost of electricity in Cordova will go up and education will suffer, along with so much else.

2:06:57 PM

KATRINA HOFFMAN, CEO, Prince William Sound Science Center; executive director, Oil Spill Recovery Institute, testified that since their inception her organizations have generated over \$110 million in revenue for the State of Alaska. She said this was done because of access to a marine highway that allows large pieces of equipment to be brought to and from Cordova and other communities to support the organizations' research and education operations. She currently has a crew, a 12-passenger van, a vessel, and a trailer doing sockeye salmon research in the upper Copper River basin that she doesn't know how she is going to get home [due to the current ferry worker strike]. If the equipment is marooned outside of Cordova over the winter, she will have to pay exorbitant storage fees, a waste of a nonprofit's precious resources. Today she had to charter a private vessel to bring [the science center's] stranded campers and staff back to Cordova from Valdez, at a cost of 300-400 percent more than what would have been paid for ferry tickets.

MS. HOFFMAN stressed that the marine highway is critical to the operation of all the businesses in the Cordova community and to the families. Daily service is not needed to make the system work, she continued, but regular roundtrip access is needed. That access is best served through Whittier, not Valdez, due to the treacherous road conditions in winter between Valdez and Anchorage. For example, her organization's minivan that is used for many business purposes broke down earlier this year. The local mechanic couldn't repair it due to proprietary computer coding, so the van had to be taken to an Anchorage dealership. Without the marine highway, Cordova's road, she would have had to pay \$3,000 to barge the van to a dealer in Seattle and then another \$3,000 to barge it back to Cordova. Because the van is only worth \$6,000, she would have had to junk it. So, without the marine highway there will be a lot of vehicle dereliction because they cannot be serviced. She requested DOT&PF to think about these sorts of things when considering regular roundtrip access on the marine highway between the communities of Prince William Sound and the rest of the state.

2:10:05 PM

DAVID ALLISON testified he is a 37-year resident of Cordova. He noted that while he currently sits on the city council, his comments today are his own. He said two of his five children have graduated from the Cordova school system. The three who

are currently in the school system will be affected, as will everyone in Cordova and every aspect of Cordova.

MR. ALLISON shared that his kidneys do not work, so he does home hemodialysis in Cordova. He must see his nephrologist and other doctors on a regular basis. If he was in Anchorage his doctors would see him every month, but since he lives in Cordova, his monthly visits alternate between going to Anchorage and teleconference visits. He is on a fixed income and it is everything he can do to save enough money every two months to afford taking his truck on the ferry and going to all his appointments. It would cost him twice as much to fly and he doesn't know where that money would come from, but he would be forced to fly to stay alive. In addition to every other month in Anchorage, other occasional medical issues happen that require him to go to Anchorage for care, such as lung issues or problems with his dialysis equipment. Medically, transportation is important for him to stay alive.

MR. ALLISON added that transportation is important to Cordova residents economically and socially. He offered his hope that DOT&PF can work on the schedule and provide Cordova with ferry service this winter and that legislators are successful in getting more funding. He offered his further hope that the rest of the legislature and the administration will hear about the needs of Cordova's residents.

[2:13:17 PM](#)

TOM CARPENTER, Copper River Seafoods, stated that the current ferry shutdown is having a big impact on his business and the long-term schedule in and out of Cordova is the lifeblood for operating his company's seafood business in Cordova. He related that in the early 1990s when fish prices were very depressed, Copper River Seafoods was created to try to bring more value to its product, for itself as well as the fishermen. Beginning with the company's planning stages, ferry service has been an integral part of how the company transports fresh seafood to Anchorage and throughout the U.S. He offered his belief that Copper River Seafoods is the biggest commercial user of the ferry service in Prince William Sound. The company's service is year-round, so it has trucks on every ferry from about March until about October. During the winter Copper River Seafoods has trucks coming down regularly, depending on various maintenance projects and other things that are going on.

MR. CARPENTER noted that during his company's business planning stages there were meetings with the legislator, DOT&PF, City of Cordova, and City of Whittier, to try to push the idea forward. Created from three or four people, Copper River Seafoods now annually produces 10-20 million pounds of seafood just in Cordova. The company has 170 employees in Cordova and hundreds of year-round employees in Anchorage. All of them will be affected dramatically by this seafood not being able to get to Anchorage on the ferry system in a timely manner to support the infrastructure that the company has in place there.

MR. CARPENTER urged that consideration be given to the promises that were made years ago for businesses like his that were created to try to provide more value to its fishermen and its customers. If the ferry continues not to run, it will affect the price that his company can pay the fishermen for their fish, which ultimately affects the City of Cordova's economy in a big way. He urged that a solution be figured out to reinstate the ferry service because it is having a dramatic impact on his business as well as the businesses of many other people.

[2:16:50 PM](#)

CATHY RENFELDT, Executive Director, Cordova Chamber of Commerce, stated the chamber is comprised of a variety of industries, including lodging, transportation, outfitting, retail, shipping, seafood harvesting, seafood processing, and others. As the voice of the Cordova business community the chamber urges that a more fair and reasonable winter schedule be considered for Prince William Sound.

MS. RENFELDT related that the chamber specifically requests twice per month roundtrip service from Cordova to Whittier with potential for stops in Chenega, Tatitlek, and Valdez, should demand and special events warrant. To this end, she has provided the committee co-chair with a schedule of Cordova and Prince William Sound events and trainings. She suggested that perhaps the ferry trips could be structured to coincide with these various events.

MS. RENFELDT stated that reliable ferry service undoubtedly adds to the quality of life for residents of communities. However, from the standpoint of the Cordova Chamber of Commerce, it is a vitally needed economic engine. The Alaska Marine Highway System is one of the vital, essential ways in and out of Cordova and a necessary shipping avenue for Cordova's businesses and the Copper River salmon fishery. "This ferry ... transports our

livelihoods, it is our connection to the rest of the world, it is our road," she said. Like all roads, the AMHS has costs, just like surface highways require money for plowing, paving, chip sealing, safety patrol, and salting. The Alaska Marine Highway is not a cruise ship, it is comparable to a public bus or subway. It is a vessel for commerce, bringing people to workplaces and store fronts, moving supplies and merchandise.

[2:18:57 PM](#)

MS. RENFELDT said that perhaps reform is needed in the Alaska Marine Highway System. She noted that the Alaska Marine Highway System Reform Initiative has been working on this for years and has submitted proposals that Co-Chair Stutes has pushed forward and supported. She explained that the speed and abruptness of this change in service gives Cordova's businesses no time to respond and adjust business plans tailored to work within the AMHS transportation systems. Several businesses in Cordova stock their shelves almost entirely by box truck to Anchorage. Will Cordova residents be looking at empty shelves from this point forward? Or shelves full of unaffordable stores? How can it be expected for the system to get closer to paying for itself out of the fare box without a regular reliable schedule? Local businesses must work a little harder to get people to their establishments in Cordova, so they often include information about how to get to Cordova on their websites and in their marketing and outreach. Even before the strike, Cordova's businesses had begun removing ferry travel information from these sources because they have lost trust in the system.

MS. RENFELDT stressed that the ferry system needs to work for the people who use it. She urged that the whole system begin considering the testimony of the ridership. The state faces many financial challenges and there is no Alaskan who has not been impacted in some way, but the cuts to Prince William Sound in the current draft schedule seem disproportionately large compared to other regions. She said she understands that DOT&PF has been instructed to focus more on revenue generation instead of service when making the ferry schedule. However, she pointed out, if DOT&PF were to look at each Prince William Sound route separately, it would see that the Cordova-Whittier route is routinely one of the most profitable routes in the system.

MS. RENFELDT noted that when the governor released his draft budget with a \$68 million cut, none of the scenarios put forth by DOT&PF showed this level of service disruption for Prince William Sound. Although a \$44 million cut in funding to the

AMHS is still significant, there are clearly options to provide some modicum of service for Prince William Sound communities.

2:21:48 PM

GREG MEYER, Co-Owner, Reluctant Fisherman Inn, noted he is a 40-year resident of Cordova. He said he wears many hats like most Cordovans and trying to figure out which hat to wear today was difficult. He and his wife are co-owners of the Reluctant Fisherman Inn, a 50-room hotel with restaurant that they purchased in 2004. He recounted that when Commissioner Robbins of DOT&PF came to Cordova in 2005 it was well known that the commissioner wasn't a big fan of the ferry service. The M/V Chenega was being built and the town of Cordova was very optimistic. When Commissioner Robbins was asked if the M/V Chenega would be kept the commissioner replied that [Cordova] could keep its ferry if the ridership was increased by 30 percent from what it had been. That first year, Mr. Meyer continued, the ridership for Cordova was increased by 35 percent and he is sure it has been increased more.

MR. MEYER stated it is hard to create businesses in small towns and extremely difficult to keep them operating for year after year. When businesses enter relationships with the state, which is thought of as a partner because the state is providing transportation services, there are expectations - the state agrees to do this and the businesses agree to do that, and then the state breaks the promises. It is extremely difficult for businesses to operate under those conditions.

2:24:05 PM

MR. MEYER noted it is 52 miles from the ferry terminal to the end of the road and DOT&PF spent a lot of money maintaining that road. Then the bridge washed out at 36-mile, so now DOT&PF maintains only 36 miles of road for seven months of the year and 17 miles of road during the winter. The road is paved only as far as the airport, after which it is gravel and not much maintenance. So, he asked, since DOT&PF is already saving money, why not kick it towards the ferry?

MR. MEYER pointed out that Cordova is a fishing community and doesn't have a lot of tourists, but about 20-30 percent of the guests at his inn are tourists. While the season is long, from March to October, the Reluctant Fisherman Inn doesn't break even and turn a profit until August, and every business must turn a profit. The inn's breakeven season is August 20 to October 20,

when tourists drive in using the ferry to go hunting or fishing while staying at the inn. During March and April, the commercial fisheries are gearing up for the traditional May 15 Copper River Flats opening. These fishermen drive vehicles, trailers, and boats [filled with] gear, much of which is purchased in Anchorage. Thus, Mr. Meyer stressed, Cordova needs consistent ferry service from March through October, not having that service would be crippling.

MR. MEYER said his restaurant business spends hundreds of thousands of dollars in Anchorage annually. Now, he is starting to reconsider moving his business purchasing to Seattle where it is cheaper to buy and the freight costs between Seattle and Cordova are about the same as from Anchorage to Cordova. His business has a box truck and saves about four times what it would cost to freight on the AML [barge]. He regularly takes his truck to Anchorage, stays in hotels, goes out to dinner, and purchases hundreds of thousands of dollars of goods, and then returns to Cordova. This ferry service is vital to the Cordova community. Electricity and transportation are vital to the businesses in small communities. Cordova has some of the highest electric costs in the state even with the state's help with hydropower. Transportation is essential. Without that ferry, Cordova will have to use AML at four times the cost. The inn is open year-round but will now have to stop doing some services between November 1 and May 1.

[2:28:19 PM](#)

SYLVIA LANGE, Alaska Marine Highway System Reform Initiative (AMHSRI), stated she is Alaska Native. She explained she gets very emotional about this issue because it is so very vital. She is Tlingit and Aleut on her maternal grandmother's side and German and Dane immigrants on her paternal grandfather's side. She was born and raised in Cordova and she and her husband own hospitality and fisheries businesses. They have been self-employed their entire lives and their three grown children were born and raised in Cordova.

MS. LANGE related that Cordova has had year-round ferry service since 1966. The community sits on the site of the Native village that has been there for millennia, and that was incorporated in 1909. The community is a microcosm of what Alaska looks like. It is an important resource extraction community. Originally incorporated to be the terminus of the railroad that hauled copper from the Kennicott Mine, Cordova has maintained a significant place as a seafood processing port in

the nation. It is a home rule city and it has maintained its schools, roads, airport, sewer, and basic utilities for all those hundred years.

MS. LANGE said the \$3,000 permanent fund dividend (PFD) that "seems to be holding government by the short hairs" was lost by her two weeks ago when this new ferry schedule was announced. To continue to support their community, Cordova residents' property and sales taxes will likely increase and will continue to increase because these cuts also mean that the burden will be spread over fewer residents.

[2:30:16 PM](#)

MS. LANGE pointed out that the ferry service is a major public service to Cordova. However, she said, the ferry system has not operated very systematically for a very long time now. The Alaska Marine Highway System was once a real source of pride for the state. One would be hard pressed to find vision and plans that reached ahead without going back perhaps as far as governors Egan and Hickel. The system has been managed piecemeal from administration to administration. The only thing that resembles a system has been its systematic dismantling. Stakeholders, customers, and employees of AMHS have nowhere to go to with concerns, plans, ideas, and input. It is completely operated as a top-down system with the top spot the governor. She doesn't recall any of Alaska's governors running on the platform of being an expert on running a complex transportation system, but that is what [Alaskans] expect of their governors and legislators.

MS. LANGE stated that the public, the end users and investors in the system, often are the last to know of current plans. The Alaska Marine Highway System Reform Initiative (AMHSRI), she explained, was two years of in-depth work with stakeholders from across the state, not just the communities directly served. The initiative came up with a governance plan that was felt could better serve the complexities of the modern transportation system; a place where experts in the field could make decisions based on a good business model and somewhat insulated from the political process. Ms. Lange implored the committee to take a long, hard look at AMHSRI's plan and work with the committee looking into the future. It would save the committee a lot of time listening about service lives of the boats, shipyard schedules, employee strikes and demands, and community protests. A new governance model for the AMHS would allow forward thinking

instead of crisis reaction. She thanked the committee for reacting to the "very real present crisis."

2:32:58 PM

CHELSEA HAISMAN, Executive Director, Cordova District Fishermen United (CDFU), noted that CDFU represents the voice of Prince William Sound, Copper River, and the Gulf of Alaska's commercial fishermen. She said the proposed schedule leaves the community with an unacceptable seven-month service gap, which for Cordova is tantamount to a road closure, and is longer than any other region impacted by Governor Dunleavy's budget cuts. Impacts to fishermen and fishing families are numerous. One impact is loss of fishing time as families need to cut their season short to catch the last ferry out. Losing two weeks could mean thousands of dollars out of the pocket of individual Alaskan families who rely on this end-of-season boost to cover winter living expenses and, when multiplied, considerably more out of the state economy. Another impact is the additional expenses, ranging in the thousands, to small businesses that may now need to purchase an extra vehicle or trailer to be able to move their boat and gear between communities of residence and the fishing grounds.

MS. HAISMAN continued outlining the impacts to fishermen. She explained that access to regulatory meetings is critical for the fishing industry and participation in these important public processes would be much lower if commercial fishermen are essentially cut off from where the conversations are happening. Fishermen need to continue to attend Board of Fisheries and North Pacific Fishery Management Council meetings, often held in Anchorage or Homer, to ensure their voices are heard as Alaska's sustainable fisheries management continues to evolve. These meetings are in October, December, January, and March this year. Ms. Haisman noted that many fishing families are unable to travel in the summer as they work around the clock April through October and shoulder season fishermen work February and March. These winter months are the time when the ferry is needed the most. There would also be the impact of access to medical care and carefully timed maternity care, stocking up on groceries, building supplies for home and boat maintenance projects, and provisions for the winter.

MS. HAISMAN pointed out that Alaskan fishermen returning in the spring may miss important maintenance time if the ferry does not run in March and April. This time is essential to ensuring a safe fishing operation for the season ahead and to ensuring that vessels are in the most seaworthy condition. She invited the

committee to ask questions of CDFU about commercial fishermen in the region and their importance to the statewide economy.

[2:35:34 PM](#)

REBECCA GARLAND ANDERSEN testified that for years Cordova residents have been trying to keep their ferry system intact while the people running Alaska's government continue to pay big oil to extract the state's oil, even when the state is in crisis. She said [residents] must make their representatives represent them and vote for the best interest of the people, not a [political] party.

[2:36:35 PM](#)

TOM ANDERSEN stated he is a retired commercial fisherman and has been living [in Cordova] 76 years. He said he is trying to retire in Cordova, but the cost of living is probably going to go through the roof and make it difficult. He serves on the council of the Native Village of Eyak and his family has lived here forever. This is going to make it very tough, he said.

[2:37:26 PM](#)

SHARON McCALVY testified she has lived in Cordova for 48 years. The ferry is important to her as she relies on it to get back and forth to Anchorage for medical appointments and her kids relied on it when they were going to school. Keeping the ferry a couple days a month would be great, more would be fantastic. She has a son coming to Cordova next week on the ferry and chances are he will have to cancel when he gets to Anchorage. She urged that Cordova be given its ferry.

[2:38:21 PM](#)

CHARLOTTE CARROLL stated she was born in Cordova and has been a resident for 72 years. She explained that as senior citizens she and her husband use the ferry numerous times a year for medical appointments, to go to Anchorage for car service and groceries, and to visit her sister. She lived in Cordova when the town didn't have ferry service and people were unable to travel easily because there were very few planes coming in and out. She said the ferries make a big difference in Cordova and urged that at least some ferry service be provided during the winter for those who really depend on it. She added that she and her husband don't need a \$3,000 permanent fund dividend and would be happy to have that used for the services of this state.

[2:39:54 PM](#)

BARB JEWELL, Chair/President, School Board, Cordova City School District, testified she would be speaking as both the chair of the School Board as well as an individual citizen living in Cordova. Regarding the school, she said the lack of ferry service for most of the school year as currently proposed, will significantly decrease educational opportunities for students as well as significantly increase cost of delivery of educational services in Cordova. This will have an impact on every level. The lack of ferry service will mean lack of travel opportunities for students to go to sports competitions, student government conferences, and the National Ocean Sciences Bowl because the [school district] cannot afford to fly them. Most high school students and a good percentage of elementary students participate in activities that require travel. [The school district] cannot use mileage because Alaska Airlines understandably only allows two tickets per flight for organizations. Alaska Airlines is adored, but unaffordable for student travel. In addition, the music regional competition that Cordova was supposed to host this next year is now up in the air because of this.

MS. JEWELL further pointed out that the cost of doing anything for school will now increase - the cost of getting school lunches and breakfast, the cost for getting repair people to fix school furnaces, ovens, refrigerators, and heating system, the cost of any kind of equipment needed to run the school district, such as fax machines, copiers, computers, and parts for [equipment]. It is unknown how the superintendent will get the bus repaired. At a time when ways to decrease the cost of education are being looked at, this seems like a very poor decision. She urged DOT&PF to revise its schedule to include weekly service to Cordova roundtrip in order to maintain the level of education that is being provided in Cordova. She urged legislators to increase what is being invested in the state's infrastructure and the marine highway system is a part of infrastructure.

[2:42:45 PM](#)

MS. JEWELL said this will hurt the school districts and the students. Families have already spoken to her and she has heard of others who are contemplating whether they can keep their kids in school in Cordova. Changing the proposed schedule will make a difference for this year as well as many years to come.

MS. JEWELL spoke as an individual. She recalled that Cordova had almost daily service when she arrived nine and half years ago. She allowed it was luxurious and probably not quite required. But, she advised, going to no service means that her family of four will be spending between \$20,000 and \$30,000 less in the state of Alaska than it does when the ferry service is running. She takes her vehicle to Anchorage to purchase large amounts of goods and services, to have things fixed, or go to a movie. She is now doing some of those things in Seattle and Portland because she can't get to Anchorage often enough. As well, Amazon is getting way more of her money than she would like it to. She said she prefers to spend her money in Cordova and Anchorage and the ferry system makes that possible.

[2:44:19 PM](#)

ANNE SCHAEFER stated that she has lived and worked in Cordova for five years. She noted she is a member of the city council but is speaking today on her own behalf to voice her strong opposition to the \$44 million in cuts to the Alaska Marine Highway System (AMHS) and the total loss of ferry service to Cordova for eight months this winter.

MS. SCHAEFER pointed out that the Alaska Marine Highway System truly is the road that connects the remote coastal community of Cordova with the rest of the state and the rest of the country. [Cordovans] depend on the ferry to buy and sell their goods in Anchorage, to travel for medical appointments, to deliver babies since that cannot be done in Cordova, to take pets that cannot fly to the veterinarian, and to transport students to academic, athletic, and music opportunities across the state. Funding the AMHS is an investment in Alaska. Besides the 133 percent return on investment to the state, the economic impact study done by the McDowell Group in 2016 found that the residents of Anchorage, Palmer, and Wasilla were among the top five ferry user groups. So, this is a service for all Alaskans, and it makes economic sense to fund the AMHS.

MS. SCHAEFER stated that any service is better than no service and Cordova particularly needs roundtrip service to Whittier. She urged consideration of reducing the permanent fund dividend, explaining that a check for \$3,000 will not make up for the loss in services and increased costs resulting from loss of ferry service to the Cordova community.

[2:46:07 PM](#)

AMY O'NEIL HOUCK said she heard a comment today that resonated with her, which was that those who have the means when crisis like this happens can leave and those who are left behind, those on the margins, are those who are going to suffer the most. She therefore thinks consideration should be given to those who aren't present to speak today, perhaps they aren't present because they must work today. She urged for AMHS managers and the state to negotiate in good faith with the ferry workers.

[2:47:10 PM](#)

REBECCA DODGE offered her hope that there can be some consensus to get ferry service to Cordova this winter. She said a \$3,000 permanent fund dividend doesn't make any sense to her and isn't something she has ever felt was important; it should be invested back into Alaska.

[2:47:58 PM](#)

LILA KOPLIN testified she is a 21-year resident of Cordova. She recounted that a few years ago she bought a car and made the purchase in Anchorage because she wanted to do business close to home and in the state of Alaska. She is required to take the vehicle to Anchorage at least once a year for warranty work, but if she cannot do that, she will look at selling the car and taking her business to the Lower 48 to buy a car.

MS. KOPLIN noted she works for a company in Anchorage and she travels across the state for her work, Valdez being one of those communities. She explained that it is much more cost effective for the company and for her when working in Valdez to take the ferry rather than flying to Anchorage and then either flying or driving to Valdez from Anchorage. She is often required to go to Anchorage for a week at a time to work and it is much more cost effective to take her own car rather than to rent one.

MS. KOPLIN suggested that the state look again at increasing its revenues, such as a sales tax or state income tax. There have been substantial cuts over the years, she noted, and it is her understanding that more large cuts are slated for next year. Now the state is to the point that it is cutting vital services, so perhaps increasing the revenues needs to be looked at.

[2:50:21 PM](#)

MARK FROHNAPFEL stated he is the terminal manager for Shoreside Petroleum in Cordova. A retired member of the U.S. Coast Guard who has been stationed in Sitka, [Kodiak], and Cordova, he is familiar with the marine highway and the ability to transport service members to and from their duty stations. As the manager of Shoreside Petroleum he can assure the committee that he uses the marine highway to transport retail products back and forth from the company's Anchorage terminal to Cordova. It is imperative to keep costs low and to keep the cost of living at a reasonable rate in a small coastal community like Cordova.

MR. FROHNAPFEL emphasized that the reduced ferry schedule as proposed for 2019 and 2020 will have a negative impact as far as bringing goods to the Cordova community. The goods will have to be brought from Seattle and will have additional transportation costs from shippers in and out of Alaska. He urged legislators to do a better job in getting the AMHS to be a reliable transportation service in and out of coastal communities.

[2:52:16 PM](#)

HANNAH SANDERS, MD, Medical Director, Cordova Community Medical Center, testified she is here today on behalf of patients who have medical conditions and disabilities and cannot be here to have a voice. She said she echoes what the others said about the difficulty for patients to access health care and specialty services, such as cardiology services, that Cordova doesn't have due to its isolation. People on the road system take for granted the easy access to specialty health care. Many patients in Cordova are unable to be accommodated on flights and depend solely on the ferry system to get to Anchorage to have their health care needs taken care of. This change in ferry schedule completely isolates them and completely inhibits their ability to get attention and surgical services during that period.

[2:53:42 PM](#)

PENELOPE OSWALT stated she is a 42-year resident of Cordova. She continued as follows:

The Alaska Marine Highway is part of the national highway system, designed as a transportation corridor for rural Alaska. The state receives federal funds to ensure this happens. Our road is no less important than any other road in Alaska. Are funds being cut for the Glenn, the Sterling, the Richardson, the Seward highways? Are they being deprived of service?

With these tax cuts and poor long-term planning, we have an eight-month service deficit. The schedule posted at the ferry terminal is the last ferry is December 12th and the next one is May 12th. This means some fishermen will lose up to two to three weeks of fishing at the end of the season and one to two weeks at the beginning of the next season. This will have a huge economic impact on the people and businesses in our community that rely on our fleet.

Although my child is grown, she used the ferry regularly from seventh to twelfth grade, I can't even tell you how much. But our children will have limited participation in sports and educational events around the state. Our access to additional medical care in Anchorage, shopping opportunities, military transport, families and tourists coming to visit, business travel. My family and I need to schedule medical procedures in Anchorage throughout the ... winter. ... Airfare and car rental make it cost prohibitive to fly to each of these.

[2:55:23 PM](#)

This is our home, we live here. We want to grow. We want our road. But the decisions being made this year may cause those that want to invest in our city to question if this is where they want to start a business or choose to raise their children. Many have worked diligently for several years on the AMHS reform plan to keep our marine highway system alive and sustainable. With these proposed cuts to the current budget, Cordova, Valdez, Whittier, Chenega, Tatitlek, and, yes, Anchorage, Mat-Su, and Fairbanks are the losers.

We want you as our legislators to help keep our rural communities economically viable and alive. Take the politics out of our transportation system and the legislative decision planning. Keep current and build vessels that work in Prince William Sound, Southcentral, and Southeast. To fund this, I urge you to roll back the credits to the oil companies and charge what oil to other states charge to harvest their resources. Re-institute a state education and income tax to ensure all users of Alaska systems pay

their fair share. And reduce the permanent fund to what it was originally intended - a bonus, not something to support your families on. Alaska is so much more than Anchorage, Fairbanks, and Juneau. Please save our ferry.

[2:57:17 PM](#)

ROBIN IRVING testified she is a 35-year resident of Cordova. She said that while she understands Cordova cannot expect to have full service restored, she would like to see some sort of limited and regular service in Prince William Sound. She suggested some operational changes that could be done that would give Cordova service and spread those gaps out more equitably among all the communities in the system.

MS. IRVING said her first suggestion is to leave the M/V Aurora in Prince William Sound for at least two more weeks, if not a month, since it is the busiest time of the year in Prince William Sound and there would definitely be enough traffic to support it. Although the M/V Aurora is scheduled to take the place of the M/V LeConte in northern Lynn Canal, the schedules of the M/V Columbia and the M/V Malaspina, also operating in northern Lynn Canal, could be tweaked to pick up a few of the ports that the M/V Aurora would have served. By mid-fall the M/V LeConte would be back in service. After the M/V Aurora leaves, the M/V Tustumena could be brought into Prince William Sound to provide regular once a month service throughout the duration. Although the M/V Tustumena is only scheduled to be in service until January, bringing it into Prince William Sound for at least 10 days a month would not alter the total number of service days that are already on the books for that boat. Crew schedules wouldn't have to be altered because the two-week rotation of the crews could be maintained to provide a regular service in Prince William Sound. Kodiak and Cordova would get a little gap, but everybody would have regular service.

[2:59:17 PM](#)

MS. IRVING noted that the overhaul schedule calls for the M/V Kennicott and the M/V Tustumena to go into overhaul almost simultaneously. She said she understands there are issues with scheduling drydock but that longer service could be provided by staggering the drydocking of these two vessels such that one could be in service while the other is in drydock. While the M/V Tustumena cannot use the AMHS dock, it can use the cruise

ship dock with some limitations, so at a minimum Cordova would at least get service to a road system in Valdez.

MS. IRVING further suggested that the M/V Kennicott be brought in if the M/V Aurora cannot be kept in Prince William Sound in September. She noted the schedule shows that Prince William Sound has a gap starting October 1, but Cordova has a gap starting September 12 when the M/V Aurora leaves. The M/V Kennicott could come into Prince William Sound, go over to Whittier and Chenega Bay and then out to Kodiak to cover the M/V Tustumena's run while the M/V Tustumena is making its last run of the chain. So, instead of sending the M/V Kennicott over to Kodiak, it would be kept in Prince William Sound to do several roundtrips during the five days that it would have gone to Kodiak. The M/V Tustumena is coming back and servicing Kodiak anyway, so it wouldn't give Kodiak a very big gap and it would help Cordova tremendously during one of the busiest times of year. Plus, the car deck of the M/V Kennicott is about two-and-one-half times the size of the car deck on the M/V Aurora, so it could take a lot of traffic. She urged that her suggestions be used as a starting point to think outside of the box.

[3:01:54 PM](#)

TAMARA MARTIN stated she was born and raised in Cordova and grew up riding the ferry but is no longer a resident. Her husband is in the Alaska fishing industry and Vermont is their other home when not traveling. She pointed out that she and her husband don't pay taxes on the income they make fishing in Alaska, but they do in Vermont. She urged that Alaska fix this. She and her children are currently stranded in Cordova [due to the ferry worker strike] after arriving on the ferry. She visits family in Cordova and her family needs the ferry for medical, family visits, and other uses throughout the season.

MS. MARTIN related that while talking with two Cordova teenagers last night the teenagers expressed fear at how expensive it will now be to live in Cordova without ferry service and what that will mean for them. She said this isn't how a child should believe in their home. These drastic cuts have been made during the two weeks that she has been in Cordova visiting family. Planning needs to be done in advance so parents can explain these things to their children. These children are in fear because they are hearing the fear from their family. It is unfair to communities and families to suddenly say that in two months they will no longer have a service that was being relied

on. She urged [DOT&PF] schedule planners and legislators to remember who they are serving.

3:04:47 PM

KRISTY ANDREW, Director, Budget and Finance, Cordova City School District, stated she is a three-year resident of Cordova and is a business owner as well as the school district's director of budget and finance. She said she is honored to represent the 350 students within the community. The community of Cordova relies heavily on the Alaska Marine Highway System to provide essentials such as food, medical supplies, equipment, and a variety of necessary services. The school district relies on the marine highway to provide safe and cost-effective transportation for its student activity and athletic programs. The AMHS presents equitable opportunities to Cordova students like those experienced by students on the traditional road system.

MS. ANDREW explained that prior to release of the proposed ferry schedule, Cordova School District must work with other schools to set up a schedule for its coming school year events and competitions. Travel for a great majority of these is the Alaska Marine Highway System. Between the months of August 2019 and May 2020, the district has scheduled 180-plus vehicle ferry tickets to carry more than 1,600 students, chaperones, and coaches to these events. If the marine highway system is not in operation during this time the school district's transportation costs will more than triple. In short, a disruption of ferry service as proposed will land a debilitating blow to the range of tangible and intangible opportunities that the district will be able to offer its students. Many of the district's students will miss out on regional and state event participation. In addition, they will miss out on the competitive experiences and increased understanding of the larger sense of community, growing in knowledge regarding different regions and cultures within the state, peer networking, and leadership and self-skill development opportunities. She urged that consideration be given to the impacts a limited ferry schedule will have on Cordova's children.

3:08:08 PM

KARL BECKER testified he has been a Cordova resident for over 40 years. He and his wife use the ferry system for shopping in Anchorage, medical appointments, visit friends, dining, and movies, so the ferry is a significant part of their lifestyle.

He said he would like to keep the ferry system running as it does now with service to Cordova several days a week throughout the winter. Cordova residents depend on the ferry and the current proposal is totally unacceptable.

MR. BECKER pointed out that when he drives the Glenn, Seward, or Richardson highways he gets to drive them for free. Yet, somehow, he is made to feel like a freeloader when he buys a ticket to get on the ferry, and this is unconscionable. This hearing wouldn't be occurring were it not for the administration trying to balance the state budget in one or two years and to pretend that Alaska is somehow destitute and financially strapped when the state has billions of dollars in a bank account. He expressed his hope that committee members will take back to the administration that it is unacceptable to balance the budget in one or two years.

MR. BECKER noted that the possibility of privatizing the ferry system has been presented. He posited that the profit made by a private company taking over the system and maintaining the same level of service would be a tax in disguise. Privatization should be taken off the table. Privatization is not the way Alaska's highway system should be run - unless tolls are put on the roads in the other parts of Alaska's highway system.

[3:12:37 PM](#)

REPRESENTATIVE DRUMMOND offered her appreciation for the testimony suggesting that Alaska's paved highways should be made into toll roads. She related that when DOT&PF was making its budget presentation to the committee this past spring, she asked the deputy commissioner, "How many other highways in the state collect 42 percent of their operating costs in revenues?" The deputy commissioner's response was "none of them because we don't have toll roads here." Representative Drummond said she wanted the audience to know this because, at least, she is considering toll roads.

[3:13:24 PM](#)

CO-CHAIR WOOL related that privatizing the ferry system has come up in many meetings. He said he has asked the commissioners about the number of ferry systems in the world that are profitable, and the answer is none. So, he isn't sure a private company would want to step into that. Regarding testimony that many more years should be taken to balance the budget, he pointed out that the House and Senate this year passed a budget

that was balanced and that had a permanent fund dividend (PFD) of \$1,000 rather than the full \$3,000. Thus, it is possible to balance the budget with no taxes and pay everyone \$1,000, and he doesn't think that is a bad thing.

3:14:43 PM

CHELSEA CORRAO, Music Teacher, Cordova City School District, stated she is Cordova's only music teacher and this year it is Cordova's turn to host the Aurora Music Festival, a festival that has been around since the 1970s. It is a small school festival that is comprised of anywhere from 8 to 16 schools and right now 12 to 14 schools are expected to come to the festival in April. It is a logistical nightmare to get participating schools from the rest of the state that are on a road system to Cordova. It will take two ferry trips roundtrip within 24 hours to get all 400 students plus teachers and chaperones to Cordova. It is a big cost for schools, so charges must be made for registration, and meals. Except for Unalaska, Cordova is the only participating school not on the road system, and Unalaska cannot host it because that is logistically impossible. The Cordova festival is the most expensive because the students must ride the ferry. Now, she will have to go to the other schools and tell them that if they still want to have the festival in Cordova their students will have to fly. At this point, if Cordova cannot host it, then the festival will not happen. The logistics were figured out in April 2019 and she let the ferry know in May 2019 what was needed. She said this festival is needed and includes about 500 people. She related that the district is begging for a ferry on April 15 and 16, [2020], and again on April 18 and 19 to take the students home.

3:17:14 PM

DICK SHELLHORN testified he is a lifetime resident of Cordova. He quipped that in his 75 years in Cordova this is undoubtedly the biggest gathering of Cordovans in one room all agreeing on the same thing. He referred to an article he wrote for the newspaper titled "Time to Go Jump Off the Dock." Of course, he doesn't mean literally, but his biggest concern is how people who don't agree with the ferry cuts can change the minds of [those who made the cuts].

MR. SHELLHORN said he was a high school teacher for 30 years and is now retired. He recounted that in 1989 some Cordova High School kids got together and had a protest down at the dock where five of them in wetsuits jumped off the dock and the

protest got some recognition statewide. He said he supposes he could ask how many in the audience today would be willing to jump off the dock to get published this time. Perhaps then the Anchorage paper and other publications would pay some attention. It is frustrating and so repetitive to come to these meetings over so many years to present the same arguments and have them ignored. He expressed his hope that the minority who is governing the state will make some changes for the positive and good of everybody in Alaska.

MR. SHELLHORN recalled that when he came back to Cordova and started teaching in 1972, he rode a ferry called the M/V Bartlett. The M/V Bartlett was commissioned in 1968 and from 1968 to 1977 it ran without any oil revenue for the State of Alaska. So, the argument that there is not revenue to pay for the ferry is not logical because this year the oil industry contributed \$1.9 billion to the state budget. He questioned why the ferry could run before without oil revenue but not now. He joked that in the meantime he is looking for a wetsuit so he can jump off the dock.

[3:20:19 PM](#)

TONI BOCCI stated she has worked at the Cordova ferry terminal for 26 years. She and her co-workers have worked through many ferry schedule crises, she said, and she has faith in the Alaska Marine Highway System and those who administer it. If given sufficient funds, they would be able to give all Southeast, Southwest, and Southcentral a year-round ferry service of some kind. She expressed her hope that Alaska legislators can find common ground and do what is best for all of Alaska.

[3:21:34 PM](#)

MICHELLE KOCAN, LAc, Owner, Acupuncture & Wellness of Cordova, testified she is a Cordova resident who provides health care services to year-round and seasonal residents. She offered two suggestions. For the seasonal residents who participate in the fishing industry, she suggested it is important that ferry access start in at least March and extend through October. Seasonal residents are a significant part of her patient base, she noted, as is the case for other businesses in Cordova. If ferry service could be kept year-round, she suggested there be roundtrip access to Whittier at least twice a month so people can get medical care. Without specialized medical care in Cordova, people are already waiting longer than they should for their care. Getting this care is inconvenient and expensive and

often entails three to four appointments across several days, so being able to combine it with other errands is important.

MS. KOCAN pointed out that travel for medical care for Cordova's expectant mothers is difficult and inconvenient. She explained that pregnant women must go [to Anchorage] at 36-37 weeks if there are no complications. This requires that housing be found for the duration until delivery, so the housing cost can be up to \$2,000 a month during the wait to have a baby. To not have a vehicle would be another other expense and difficulty.

3:23:35 PM

CARL BURTON, SR., stated he is a 50-year resident of Cordova, having arrived in 1968 on the ferry. He said his concern is the same as everyone else's. In 2013 his son was diagnosed with lupus. After flying to Seattle and getting a treatment plan going, monthly trips to Anchorage had to be made for the next five years to do blood tests, scans, and other things for keeping his son on the right medication. There was no way during that time period that he could have afforded to fly and rent a car, when it was double the price. He said he is bringing this up because every day people are getting sick. He spent \$130,000 in the first two years and that was the best he could do, there was no way he could have flown.

3:25:13 PM

NICOLE SONGER, Director, Cordova Family Resource Center, testified that the center is a nonprofit domestic violence and sexual assault program that also helps low-income individuals and families with state and public assistance. She said she is speaking for the marginalized and underserved population who may be unable to attend today and speak. She explained that this will impact their safety. Cordova has no shelter and sometimes individuals need to get to a shelter, with the closest shelters being in Valdez and Anchorage. Flying people to Anchorage or Valdez will cost a lot more from the center's budget. Another impact will be the cost of food; if that goes up, people will come to the center more to seek service. Single parent families will be impacted as a single parent must often take his or her entire family to Anchorage when only one child has a medical appointment because the family has no other resources for childcare. Flying versus taking a ferry could be quite detrimental to their resources. A further impact is that the cost of supplies for use at the center will go up, so with an already tight budget the center will not be able to do more.

She urged that the marginalized be considered because they will be highly impacted by these decisions.

[3:27:55 PM](#)

TAMMY ALTERMOTT, Board Member, School Board, Cordova City School District, stated she is serving a third term on the school board and has two kids in the school. She and her husband own a local construction company and their business depends on the ferry to get parts and supplies. Oftentimes in the middle of the week a piece of equipment will break down and they cannot wait for the barge to come in or [the parts are] too big for the plane to bring in. So, they will run up on the ferry and get the parts. Working a job has a timeframe and there is no consideration for if equipment breaks down and it cannot be fixed.

MS. ALTERMOTT said it is the kids who will take the brunt of having no ferry. She recounted that last winter's ferry schedule wasn't great and then the ferry broke down. The basketball teams traveled between seven and ten days. They flew out and then drove in the wintertime around the state and played basketball games seven or eight days in a row. So, once again, this is what the kids are looking at this year. Junior high kids pretty much did not have activities because of the costs. A lot of the teams chose not to come to Cordova because it would cost them too much. The wrestling regionals were scheduled to be in Cordova last year but that changed when they saw the ferry schedule. This year Cordova is supposed to have wrestling and music regionals, but they probably won't happen without the ferry. There have been so many cuts in education. Cordova is continually advocating for education dollars, so this will be devastating to Cordova's kids.

MS. ALTERMOTT advocated for weekly service that supports the Cordova community and Cordova's kids.

[3:30:39 PM](#)

WILLIAM DEATON, Student, testified he is 17 years old and is a senior at Cordova's high school. He spoke as follows:

As some of the legislators have said on the House floor in Juneau, the ferry system was created in advance of some of the most traveled highways within our state. Can you imagine one of the most traveled highways going unplowed in the wintertime? We have been told that DOT is planning this schedule off of

profitability. Is it profitable for DOT to plow Thompson Pass near Valdez during the wintertime?

As a student who is in sports and music, I am impacted by the inability to travel for competitions. Cross-country travel uses the ferry system most weekends to travel across the state to compete. It is doubtful now whether we will be able to do that if the strike continues and the travel schedule is solidified as is.

Furthermore, Music Festival is in April. I can tell you from experience three years in a row that that is one of the most important learning abilities for music students to go to this festival and to learn from highly trained music individuals to teach us how to use our instruments well. Cordova has a wonderful music teacher in Chelsea Corrao, she is phenomenal, and I cannot wait until we have music here in Cordova. It is vital that we have that here this year.

I want to make clear however that I do support a full statutory PFD. Representative Stutes, your amendment to add \$5 million back into the Alaska Marine Highway System is so appreciated by my family and I. Thank you for your leadership. Please reinstitute ferry service to Cordova. Even if it is extremely limited, we need this service.

[3:32:43 PM](#)

ROB CAMPBELL noted he has lived in Cordova for 12 years and rides the ferry four to eight times a year. He said he came to Cordova on the ferry - Bellingham to Haines and then Valdez to Cordova - in January to work at the Prince William Sound Science Center. Like the science center's other researchers, he has a program that brings in \$400,000 to \$1 million annually to support his research efforts. The research is done locally, and the science center tries to make sure the money stays local. The ferry brings in much of the science center's raw materials, such as field supplies, food, and hazardous materials. For example, he uses disposable train wheels that weigh 700 pounds each and he brings in 16 at a time. He bought a 24-foot flatbed trailer just for this purpose because bringing the wheels by ferry is a third of the cost of sending them by freight. The science center tries to hire technicians in Alaska and they often come on the ferry. The science center is about to spend

\$20 million to build a new campus in Cordova, much of which is predicated on having ferry service.

MR. CAMPBELL related it is often heard that residents declined a road to Cordova many years ago. He pointed out that the 1973 environmental impact statement (EIS) can be found online and in 1973 the estimate was \$50 million to build the road and \$5 million a year to run it. He estimated that in 2019 it would be more like \$500 million to \$1 billion to build and tens of millions of dollars to run, which puts a ferry budget of \$180 million into context. He said the ferry is Cordova's highway and this highway is needed by residents to get their work done. He offered his belief that daily service isn't needed, and neither is a gas-guzzling fast ferry that can't sail in rough winter weather. Additionally, he doesn't need a \$3,000 PFD, he continued, but Cordova does need regular, dependable ferry service to get its work done.

[3:35:12 PM](#)

CAITLIN MCKINSTRY testified she is an eight-year resident of Cordova. She and her partner, Mr. Campbell, are in the beginning stages of a house project. She said a home is probably the biggest investment that she and Mr. Campbell will make in their lifetimes and they are choosing to do that in Cordova. The money from the substantial loan that they are getting will go to carpenters, plumbers, and craftsmen in Cordova. As well, they will need to make trips to Anchorage. They are going to hire a firm in Homer to build the shell of the house, which will then be brought from Homer to Cordova via ferry. However, without ferry service they will be unable to afford to do their home project. Additionally, the carpenters and engineers from Homer will need to come to Cordova to do this project. Their home project, she pointed out, shows that ferry service is important to Cordova and to other parts of the state.

[3:36:57 PM](#)

WENDY RANNEY, Co-Owner, Orca Adventure Lodge; Owner, Whale's Tail Café, stated that she and her husband have structured their successful lodge business for 26 years around using the ferry service. The ferry service affects them professionally as well as personally. She explained that it isn't only residents leaving the community to get services outside, but also what the ferry brings in. For example, she turns 50 this year and she depends on the mammogram bus coming to Cordova on the ferry so she can get regular checkups. Her lodge business depends on the

fire services that come in to service the lodge's fire extinguishers and sprinkler systems. Tools and hazardous materials for the lodge cannot be brought via airplane. Enough time cannot be scheduled to barge things in because a quick turnaround is needed for the lodge to get those services. She and her husband purchased a box truck to take to Anchorage to get supplies and to keep their business sustained. They try to keep as much money as they can in the community, but that is unrealistic when they must supply a summer business that houses upwards of 100 people. To provide perspective, she quipped that the volume of toilet paper needed for the 68 toilets on the lodge's property cannot be brought in by a tote on Alaska Airlines; it must come on a box truck and she needs to be able to do that affordably so she can provide an experience for people who are coming to Cordova.

MS. W. RANNEY further pointed out that her lodge has boats and airplanes that need parts and service. She has a boat that is U.S. Coast Guard inspected and equipped with a life raft. The life raft must be sent to a single business on the Kenai Peninsula to be inspected every year. So, the raft is put in a box truck which she drives over to that business where it stays for months during the winter while it is taken apart and inspected and then put back together. Then she must go back to Anchorage with the box truck to get the raft and return to Cordova so it can be put back on the boat by April or May for an inspection and utilized for the summer. While these things aren't big numbers, they are a necessity to her way of life. Yes, she continued, Cordova residents choose to live off the road system, but that doesn't make them second-class citizens. Cordovans are part of this state and it is a constitutional right for Cordova's residents to have health and transportation services. Cordova needs its ferry.

MS. W. RANNEY added that her lodge supports the Inlandboatmen's Union of the Pacific in this strike. If this strike doesn't get solved, she said, it means she loses 46 room nights next month. Those 46 room nights cost her when the ferry cannot bring those people in. Those people aren't going to fly; they are going to cancel. This is important to their business, yet she and her husband are supporting the strike. To testify today she had to close her business on the busiest day of the week. This is important to her and her husband and it is important to Cordova. Cordova residents are tired of talking to deaf ears, so committee members coming to hear residents is appreciated.

MS. W. RANNEY reiterated that the ferry is needed. She related that she and her husband cannot run their lodge business with such short notice of the loss. She recounted that when the fast ferry came, she and her husband ramped up their business to take the fast ferry business. When the fast ferry was lost, they lost all their travel agents, so they revamped their business model and came out ahead and stayed successful. Their business can handle a reduction in service, but she and her husband cannot take a two months' notice and handle an eight-month loss; their business needs something.

[3:42:09 PM](#)

LAUREN BIEN, Education Director, Prince William Sound Science Center, introduced three current students present with her. She explained that the ferry provides educational opportunities for the center's science-based education for Cordova students. She coaches the National Ocean Sciences Bowl team, which is an amazing opportunity for students to learn about the sciences and the oceans and become future leaders in Alaska, a state whose healthy economy is based on its ecosystems. The team travels via the ferry, but this year the team was unable to do that due to a two-day notice cancelling the ferry. The team then flew at great cost to its already small budget.

MS. BIEN said the science center also runs the Copper River Stewardship Program. She explained that this program brings together students from Cordova and from all over Alaska to learn about the state, the watershed, the economy, the ecology, and the people. The ferry is used as an education tool in that program; it's 12 hours of time out on the sound that normally would not be made available to the program. While riding the ferry the Exxon Valdez oil spill is discussed, and observations are made for learning about ecosystems. The three students standing with her today were stranded at Kenny Lake when the ferry was canceled and were brought back to Cordova by the water taxi that the science center had to hire. She invited the three students to provide testimony.

[3:45:19 PM](#)

JACQI KINSMAN, Student, Copper River Stewardship Program, Prince William Sound Science Center, testified he is a three-year resident of Cordova. He lived in Utah before moving to Cordova, he shared, so he was new to having no roads. It has been a great experience for him to be able to go on school sports trips and learn new leadership and teamwork skills that have affected

his life. He now feels more confident and it is easier for him to click and bond with new people because he has learned these skills through these educational trips. Through the Copper River Stewardship Program, he and the other students have an opportunity in February to revisit and regather and share what they have learned at the Alaska Youth Forum, but now they won't be able to do this because it will simply cost too much. If he cannot go, he will be greatly disappointed because he is excited to share all the things he has learned. While he can do that in Cordova, it would be amazing to go and meet new people and share what he has learned with them so they can learn about this experience that could be offered to them.

[3:46:59 PM](#)

GRACE COLLINS, Student, Copper River Stewardship Program, Prince William Sound Science Center, stated she is a 12-year Cordova resident. The ferry is important to her because she rides it to go to [her family's] cabin and to travel for sports trips. She, too, would like to go to the Alaska Youth Forum in February and re-meet with the stewards who went on this year's trip.

[3:47:47 PM](#)

BRADEN BECKETT, Student, Copper River Stewardship Program, Prince William Sound Science Center, related that he also went on this trip with the stewards. He said they had planned to return to Cordova by taking the ferry, but then it was learned the ferry was going on strike. It took many hours and lots of work from the science center to gather resources and find a way back for the stewards. The ferry is getting taken and there isn't much that can be done about it unless [people] act.

[3:48:59 PM](#)

ANGELO NORFLEET testified he is a 10-year resident of Cordova and works for the Alaska Marine Highway. He estimated that the ferry on average brings into Cordova [\$10-\$20 million]. People are here asking for two days a month, but this town will not be sustained on two days a month, he advised. He advocated that Cordova needs a ferry four days a week because Cordova's ferry is chock full almost every day.

MR. NORFLEET further advised that during winter there doesn't need to be a run to Valdez because Valdez has a road. He said a great winter schedule that would be easy to do, is to leave Cordova in the morning, arrive Whittier in the morning,

overnight, and then return to Cordova the next day. Because there are rooms on the M/V Aurora, no money would need to be spent on a hotel or per diem, which is money that is now being spent for the Hubbard.

[3:51:08 PM](#)

CINDY APPLETON stated she is a 36-year resident of Cordova. She came to Cordova via ferry after college, she said, and works for the city but is speaking today on her own behalf. She gave birth and raised her children in Cordova. Her oldest daughter just made it out, but her two other children who were supposed to leave on the ferry this week are now unable to, although she supports the strike.

MS. APPLETON recounted that in the mid-1990s she served two terms on the school board. She was in Cordova during the oil spill and when the economy crashed in the early 1990s, during which time Cordova lost many families that have never come back. Currently she is seeing an uptick in the number of young people wanting to come back to Cordova to live, but they need services like good schools, good medical care, and recreational opportunities. The ferry is Cordova's highway; it is a constitutional right that was promised years ago by Congress.

MS. APPLETON allowed the ferry schedules over the years haven't always been great given midnight and 5:00 AM arrivals. But, she continued, she has many fond memories waiting with other parents in their cars. Watching the ferry turn the point for coming into Cordova always gave her goosebumps that that ferry, that infrastructure, took her kids to the Aurora Music Festival, basketball tournaments, and other events. That ferry was bringing home family and loved ones. It scares her to think of Cordova not having a ferry system this winter. Her youngest son just graduated and is going off soon. She offered her agreement with what the other witnesses have said today.

[3:55:54 PM](#)

KATE WILLIAMS, Principal, Cordova Jr./Sr. High School, testified she is going to talk today about things that cannot be measured in dollars and sense. She said these cuts to the Alaska Marine Highway System will cripple the high school's athletics, music, robotics, and problem solvers programs, as well as the National Ocean Sciences Bowl, the school's partnership with the science center.

MS. WILLIAMS related that as principal she loses sleep over many things. Most of the time, she said, it is beyond her control and unwelcome. But often she willingly gets up at 3:30 AM to go to the ferry terminal to send off a team, or she stays up until midnight to welcome a team home. Whether it is the swim team, the cross-country team, the band, the choir, or robotics, these students sacrifice their sleep, their time away from their families, and they do this to represent Cordova across the state and the nation. The value of this is beyond measure. She gets up and meets them because encouraging these students is important. At graduation this year she spoke to the students and about the students as travelers and how that prepares them for life. These young Cordovans are sent out into the world and they represent the community well.

MS. WILLIAMS pointed out that the 160 students in the seventh through twelfth grades will be impacted by these cuts. She said about 36 of them will be seniors, the class of 2020. This is their last chance and they shouldn't be robbed of these experiences, of state championship titles, regional championship titles, and tournament titles. The ferry is the heart of this community, it is the heart of who the people are as Cordovans, and it is the heart of the Wolverines. She urged that funding be restored to the Alaska Marine Highway System and year-round service. Cordova's students deserve it.

[3:59:03 PM](#)

GAYLE RANNEY noted she has been in Cordova a long time and first came to Alaska by ferry when her sons were aged two and four. She noted it was called an autoliner at that time and the vessel was the M/V Taku. She said she is a silent partner in the Orca Adventure Lodge and was a bush pilot for over 40 years but is now retired. Cordova is a family-oriented community, children are here for this hearing. It is vital to keep the families traveling. The local priest in the Episcopalian church is a missionary to many of the villages and the ferry can be very important for that missionary work. The ferry is a healing process for so many people. It is a part of people's lives and enriches their lives.

MS. G. RANNEY pointed out that Prince William Sound Community College, located in Cordova, is a way for kids without much money to get started. They can then go on the University of Alaska because so many kids cannot afford to go out of state for their education. She added that her permanent fund dividend is unnecessary.

4:03:25 PM

SHAWNA WILLIAMS-BUCHANAN testified she is a commercial fisherman and she is before the committee today to speak for her fellow commercial fishermen and her family who are not here because they are out fishing. She explained that for commercial fishermen to be able to do what they do, they must at the beginning of the season load up trucks, trailers, and cars to go to Cordova, sometimes making several trips back and forth. At the end of the season, they do the exact same thing again. Along with their boats, many families bring their travel trailers to live in.

MS. WILLIAMS-BUCHANAN pointed out that the ferry is a vital part of commercial fishing. Of the more than 500 gillnet fishermen in Cordova, she said, 120 are Cordova residents. So, 380 fishermen use the ferry starting in April, not May, to begin their pre-season work. The end of the season is in October, not September. Those 380 permit holders use the ferry to take their trucks, trailers, and boats home for the winter, and with what is happening right now, these fishermen, including herself and her vehicle, are stranded in Cordova.

4:05:43 PM

PETER HEPTERER stated that loss of the ferry service has many impacts upon everyone in Cordova, including personally for him for health care and purchasing goods, and commercially transporting goods to and from Anchorage. The suddenness of the reduction in services has brought great concerns from Cordova residents as well as multiple solutions to remedy this.

MR. HEPTERER said he has lived in Cordova for 26 years and has raised his family as a commercial fisherman, a small business owner. He sits on several boards locally as well as statewide. He has had the pleasure of watching his two daughters and their cohorts grow up and go through Cordova's excellent education system. One aspect of that was his multiple years of pleasure driving the high school volleyball team to games around the state via the ferry system. He is on the school board, and the impact on the school district's already strained budget will additionally take a hit with school and activity costs increased by flying. With limited and decreasing funding, this further complicates [the school district's] educational funding. The suddenness of this action is disturbing because plans have been

put into motion and budgets have been structured on the ferry system. This economic impact will be felt in Anchorage as well.

MR. HEPTERER pointed out that important to travel on Prince William Sound is the connection to Whittier, not to Valdez. Valdez already has a road, he noted, and Thompson Pass can be a very dangerous place to send one's children during the winter due to treacherous driving conditions. Reasonable, consistent ferry service is needed. He suggested that the state could raise revenue by immediately instituting an increase in oil corporation taxes, reinstating an income tax, and decreasing the PFD, thereby getting state services for constituents.

[4:08:34 PM](#)

MAYA RUSSIN, Student, discussed the effects on students of not having ferry service. Most high school students participate in activities that rely on ferry travel throughout the year, such as basketball, track, or robotics. Pretty much every kid in the Cordova high school would be impacted by not having ferry service. She believes that sports and travel are very important for students, from team building to experiencing other places in Alaska, which help students [grow up] as a person. Some of the most important things she has learned in the four years she has lived in Cordova have been taught when she was traveling with her team or on the ferry having a great time with her teammates. Every single student deserves the opportunity to travel and experience that.

[4:09:29 PM](#)

PETE MICKELSON stated the shoulder season is important to him because in March and April he uses the ferry to haul supplies to Cordova. During the first week of May, again the shoulder season, Cordova holds a shorebird festival and people from around the state take the ferry from Whittier or Valdez to attend this festival. From mid-April to early May all the fishermen are getting organized for the season opening in mid-May. In the summertime the ferry is important for bringing people across for the Copper River Salmon Jam and the bluegrass music camp that has been organized by Belle Mickelson for the past 25 years. In August and September, he takes a trip to the Interior for caribou hunting and the fair in Fairbanks. In the past he has traveled Outside for a fall trip mainly in September and October. The shoulder season is quite important to him and others in Cordova.

MR. MICKELSON further noted that hauling supplies all year round is important to the restaurants and other businesses in Cordova. He said he is willing to give up at least half of his PFD to pay for the ferry service and advocated that an income tax needs to be reinstated for all people who work in Alaska. That type of revenue, plus higher taxes on the oil industry, will help balance Alaska's budget.

[4:11:48 PM](#)

MELINA MEYER stated she is 29 years old and was born and raised in Cordova. She was born after the oil spill, she said, so she knows what it's like to grow up in a town that is very depressed. She remembers stores closing and few restaurants because Cordova was in a depression. As she got older Cordova had a slow and steady growth out of the depression. Cordova's canneries are now operating, its economy is coming back, and restaurants and hotels are open rather than being boarded up like they were when she was in high school. Part of that was the fast ferry. Cordova was promised it would have regular, consistent, fast service to Whittier, which brought in growth that Cordova hadn't seen in a long time. Cordova was resilient when it lost that fast ferry and kept the doors of businesses and restaurants open.

MS. MEYER related that after going off to college she thought heavily about not returning to Cordova. But she decided to return because Cordova had fast internet, consistent service via plane to Anchorage and Seattle, and she could take her car on the ferry over to Anchorage and see the rest of the state. She still chooses to live in Cordova even without the fast ferry.

MS. MEYER offered her opinion that perhaps people are being too accommodating to say that ferry service just twice a month is all that is needed. Rather, she thinks Cordova deserves more than that. Cordova needs consistent service three to four times a week. Or, if not every day a roundtrip, then at least over one day and back the next day.

[4:14:12 PM](#)

JOAN JACKSON testified she is a 47-year Cordova resident and an artist. She pointed out that some of Cordova's recreational opportunities are the result of having a ferry. For example, people bring in the ammunition and supplies for the trap and skeet shoots at the gun range, things that couldn't be brought in via an airplane. As well, [materials] are brought in for

building playgrounds and [the ferry enables] performances through the arts council. Artists like herself often take their work to shows in Alaska and elsewhere.

MS. JACKSON said she would like to see the same quality that Cordova has been able to maintain. The Cordova Chamber of Commerce has listed many of the aspects that were heard about from people testifying today. Consistent ferry service is very important to her. She and her husband go out for a few months in the winter, leaving in October and returning on the first of April. She shares a car with her son in Anchorage, which is his winter car, but now she doesn't know how she will get the car to him. She expressed her hope that the words of today aren't falling on deaf ears.

[4:17:15 PM](#)

MICHELLE HAHN stated she is a 46-year resident. She noted she had the privilege of working for the Alaska State Legislature for 16 years, 12 as the information officer for the Cordova Information Office. Through her work in this nonpartisan position she was able to watch as the three committee members here today came into office and began working hard on behalf of the citizens of the state of Alaska. They are doing their work with compassion and caring. In their attempts to do the right things they often run up against some big politics.

MS. HAHN thanked Co-Chair Wool for speaking to the balanced budget that was passed. A balanced budget wasn't done only this session and vetoed by the governor, she said, but it was also done last session. She argued that the budget crisis is completely manufactured by Governor Dunleavy and that there is no budget crisis. The real question here today, and that committee members face every day, is what kind of a culture is wanted for the state. What kind of a vision do people have for the state and what kind of a future is wanted for the state? Alaskans can have a future where they're takers, where they become dependent, and where they become slaves to receiving a permanent fund dividend, or Alaskans can have a culture of being givers where they want to see everyone succeed and do well.

MS. HAHN posited that Governor Dunleavy's veto cuts cannot be looked at as simply to the ferry and the Cordova community. She said the Power Cost Equalization cuts combined with fish tax cuts combined with school cuts combined with (indisc. - audio difficulty) all join up to devastate the economy, not just of Cordova's community, but of all of Alaska. The ferry gives a

broad scope picture of what that devastation will be, as stated so eloquently by today's speakers. The message that needs to be heard by the representatives and senators of Alaska's non-coastal communities is that what is done in coastal communities will still directly affect them. For example, Cordova's wonderful fungus festival is put on in October and attendees will be unable to bring their cars so they can drive out to the mushrooming spots. Cordova's incredible shorebird festival is also scheduled for a time when there will now be no ferry service, so again attendees will be unable to bring their cars to drive out to the birding spots on their own.

[4:22:12 PM](#)

MS. HAHN stated that what she hears Governor Dunleavy saying is that Alaska is open for business to large corporations while he throws all the mom-and-pop businesses under the bus. She said she also feels that certain members within DOT&PF have been almost trying to sabotage....

MS. HAHN maintained that once a month service is not service. She said that a ferry going up once a month and then returning is unusable. It would reinforce that the ferry doesn't get used because no one in Cordova could afford to leave their car in Anchorage for a month. Cordova residents cannot go up and back on the same day for doctors' appointments. Most people need three or four days for going to appointments and loading their trucks and then coming back.

MS. HAHN summarized by stating that these cuts, combined with the ferry cuts, could be as bad for the Cordova community economically as was the [Exxon Valdez] oil spill.

[4:24:15 PM](#)

JOSIAH KELLY stated he is a fisherman. He said Cordova's winters are rough and it's important to have a ferry for resources and other reasons. Returning the ferry to Cordova should be more of a priority than it seems it is being given.

[4:25:08 PM](#)

KELLEY WEAVERLING testified he is a 32-year Cordova resident, former mayor, and retired Cordova business owner. He stated he is fatigued with every year having to talk to transportation people about getting a decent ferry service through the wintertime. However, he noted, this is the first in 32 years

that Cordova has had to argue for ferry service at all, and he isn't feeling very hopeful. While it's unknown how bad this is going to be, it's known that it is going to be very bad, it won't be neutral or positive. It is going to be bad for the children, bad for the schools, bad for the sick and infirm, bad for the hospital, bad for fish processors, bad for fishermen, bad for every business in town, bad for every individual in town, bad for Cordova's economy and the community as a whole, and bad for the state's economy as a whole. He said these are all good reasons not to vaporize Cordova's ferry service through the wintertime. But what really fatigues him and makes him very depressed, he continued, is that he doesn't think the decision is being based on reason.

MR. WEAVERLING stated he cannot add anything more to what people have said today. They say this every year. One thing he can add that might make some difference is that if it isn't reason, perhaps it is numbers. Fatigue has taken a toll on the attendance here today, but earlier he counted over 200 people. Cordova's population is about 2,000 and it's the middle of the fishing season so not everybody is here who would like to be; but 200 people represents 10 percent of Cordova's population. Put in scale, this means that 30,000 people would be here speaking today had the hearing been held in Anchorage.

[4:28:07 PM](#)

KATHRYN KELLY noted she is a Cordova resident and an employee of the Alaska Marine Highway System. She explained why the ability to put vehicles on the ferry is so important to Cordova. She said the difference between Southeast Alaska and Cordova is that when villagers in Southeast cannot get their vehicle on the ferry they can go as a walk-on and then find taxis in the [destination] parking lots for shopping. However, going from Cordova to Valdez or Whittier requires driving. As well, coming from Kodiak and villages out that way also requires driving. The focus is on getting to Anchorage and the main part of Alaska, versus people in Southeast going to Seattle; they don't focus on bringing business up into the main part of Alaska. Southeast Alaskans can use luggage carts, but for this region it is almost like a different ferry system, and Cordova just gets the leftovers from Southeast. The Southwest ferry system is the stepchild compared to Southeast. She provided examples of how the people in Southeast don't even know where the towns of Southwest Alaska are located.

[4:30:30 PM](#)

MS. KELLY said she has worked for the ferry system about 10 years and much of the ridership in Southwest is locals and not tourists. Employees of AMHS in this area do not work one week on and one week off, they work longer and get to know the locals and become a family with the people of Southwest Alaska. Whereas in Southeast Alaska, employees work one week on and one week off and the ridership is mostly tourists and when they get off the boat the boat is trashed. When the kids who live in Southwest Alaska are on the ferry they are doing their homework and many times if they create a mess their coaches will make them clean it up, promoting ownership of the ferry and that is part of the culture of Cordova. When decisions need to be made, Southwest Alaska cannot just be lumped in with Southeast Alaska. She further pointed out that when Cordovans go to Anchorage, they drive on the only toll road to get back to Whittier.

4:32:30 PM

BECKY CHAPEK testified that this is a very dire situation. She noted she owns a car rental company and that she took a car to Anchorage for some body work, along with a transmission in the back. However, [because of no ferry service], she had to fly home without the car or transmission as baggage. She said Cordova residents depend on the ferry system.

MS. CHAPEK related that upon her return to Cordova, she had messages. One was from a woman bringing her husband's ashes to Cordova to scatter. The woman was canceling half of her party's visitation because they couldn't afford to fly. Another message was from a woman who was bringing her grandchildren on a staycation to Cordova. The woman was very apologetic about having to cancel her rental car reservation. A contractor left today who is 10 days short of completing what he was hoping to get done, but there is no way to haul the equipment. A family from Wisconsin had the trip of their life [planned], but they are now going elsewhere in Alaska and not Cordova. She also tried to give advice to a group of 15 rafters coming down the Copper River as to what they should do.

4:34:28 PM

MS. CHAPEK advised that Cordova needs a ferry in the summer for people like these visitors and for Cordova residents. She further advised that a ferry is also needed in the winter because Cordova residents are so busy in the summer with running their small businesses that they do most of their work and

travels in the winter. While Cordova might survive with a smaller population and less service, it won't thrive, and that isn't what a future is. Cordova residents want to keep their promises to their kids and their community, and they want legislators to keep their promises. This cannot be done when a governor does [this type of budget savings]. She added that she has been in Cordova a long time, and she paid state taxes and school taxes when she first came.

[4:36:10 PM](#)

KORY BLAKE stated he was born and raised in Cordova and his father served in Juneau for many years. He said that in the last 10 years, [Cordova fishermen] brought their business to Anchorage and surrounding communities, with 30-50 boats built in the Anchorage area. He brought his last boat business to Anchorage where he built a \$230,000 boat that he is using today; he had an opportunity to save and support his state. Other boats from Cordova that are bigger than his are spending money in Anchorage, Palmer, and Homer. These boats are brought down through the highway and use the ferry system sometimes.

MR. BLAKE added that he fishes for Copper River Seafoods, a company that spends \$1.2-\$1.4 million a year on the ferry system with his fish. That is his market. A couple years ago there was a ferry system rate increase and as well fishermen pay fuel taxes. So, where is Cordova's road going? Cordova needs a road and a stable road.

MR. BLAKE pointed out that business by Cordova residents cannot be done in Anchorage on one trip a month. He posited that the M/V Aurora is probably the one ship that pays for itself with business from Cordova. There is the health and wellbeing of the Cordova community - last year in April he went for health and there were eight people going for health services in Anchorage or elsewhere in the state. The M/V Aurora is Cordova's tourism boat for all its festivals. Perhaps Anchorage should start paying for itself, he suggested, maybe Anchorage needs a sales tax. Cordova has a sales tax; most small communities do. He offered his belief that Anchorage is just sucking off state revenues. He said he supports a state income tax; he paid one when he was young and he's 59 years old now. He would also support a little less dividend. He urged that the state quit giving money to the oil companies which are making more money than anybody else.

MR. BLAKE noted [Prince William Sound] has one of the biggest Ship Escort/Response Vessel System (SERVS) fishing vessel fleets in the state to protect from another oil spill. The SERVS drill is done at the end of September. How are all those people going to get out and back to Palmer and Wasilla who do those spill drills out of Cordova? Another drill starts in April. Most people are coming over in April, but the schedule is for May and that isn't fair.

[4:39:30 PM](#)

CHARITY SCHANDEL testified that her family has been established in Cordova for over 70 years and her household is U.S. Coast Guard. At the beginning of 2019, she said, her household was told that a paycheck was not going to be received for an unforeseen amount of time, and now her household is being told that it's lifeline to resources will be non-existent. Until this very moment she has never involved herself with politics on a serious level and has always believed that a person has no right to complain unless he or she is going to do something about it. So, her sitting here is a testimony of her disagreement with the ferry services being eliminated and she is going to share what her family is deciding to do about it.

MS. SCHANDEL related she has two children in Cordova Jr./Sr. High School. Elimination of Cordova's ferry service, she said, will mean that school sports will suffer if not be non-existent. The lack of ferry service will leave no alternative other than paying double the price to fly teams via Alaska Airlines. Although Alaska Airlines is loved, the people who pay the difference are the ones filling this room right now. This town's livelihood is its fisheries and if the seining fisheries continue to not be as profitable as was hoped for this year, where will the people here come up with the extra funds to get their students on flights? The domino effect of removing Cordova's ferry service for eight consecutive months is going to be catastrophic to Cordova.

MS. SCHANDEL said her household's Coast Guard tour of being stationed home in Cordova ends summer 2020. It is unknown where their next station will be, she continued, and they may not know until as late as the coming spring. The house her family currently rents is on the market and their lease ends October 1. Their landlords have said her family can stay on a month-to-month basis until they transfer but to be aware that if the house sells, they will have 90 days to relocate. This may sound like a reasonable timeframe, but it is very possible that there

might not be any available housing options when that happens, much less letting her family move in knowing that they cannot logistically sign a year lease.

MS. SCHANDEL explained that the decision to remove the ferry feels like she is being violently shoved into deciding whether her family will need to leave Cordova much sooner than had been anticipated. She and her family have decided that if Cordova's ferry service is to be removed, the safest option is for them to leave Cordova as the school year approaches. This is because it would be ludicrous to temporarily establish somewhere else while waiting for orders, especially since there will be no way to get their household goods and vehicles out of Cordova. As a backup plan, she will homeschool her children this next year while traveling to various farms across the Lower 48 and incorporating their learnings and work trade as part of the children's curriculum. In other words, she and her children will do work trade for eight to nine months in exchange for housing and food. Ms. Schandel urged that this potentially irreversible damage to families across the state be taken into account [and the decision] reconsidered.

[4:43:41 PM](#)

CO-CHAIR STUTES thanked everyone for coming to the hearing and invited attendees to come over to the Reluctant Fisherman to speak to committee members one-on-one after the hearing. She invited the committee members to make closing remarks.

[4:44:07 PM](#)

REPRESENTATIVE DRUMMOND stated how impressed and grateful she is that so many Cordovans took time out of their busy schedules to speak today. She said she has heard some excellent ideas and offered her hope that the DOT&PF officials listening today will take up residents' suggestions for how to make the ferry schedule work better for Cordova.

[4:44:37 PM](#)

CO-CHAIR WOOL concurred with Representative Drummond that it is great to hear from so many people and see such a great turnout, especially in a town this size. He noted that in Juneau the committee heard testimony on the ferries from hundreds of people. While a lot of the testimony was similar, he has learned that the issues for Cordova are slightly different than for other communities. For example, he wasn't so aware of the

economic connection and that the loss of ferry service will result in loss of commerce with Alaska businesses in other places like Anchorage, and that much of that business will subsequently go south. He also learned at the other meeting, as well as at this meeting, about the important numbers shown in the 2016 McDowell Group study. However, a price tag cannot be put on the educational aspect of the team experiences from school athletics, robotics, band, and science fairs.

[4:46:25 PM](#)

CO-CHAIR WOOL posited that perhaps Cordova is a microcosm for the whole state as to what the impacts will be, and that those impacts aren't just the ferry cuts but also all the other cuts. For example, his community of Fairbanks is looking at a massive cut to the university system, which may ripple to Cordova. But, he continued, the massive cut to the ferry system is disproportionate to the other cuts and the reason given is that the state doesn't have the money, the budget isn't there. He questions that and whether these cuts would still be happening even if there was the money.

CO-CHAIR WOOL said legislators must push back as hard as they can. He related that legislators tried to override some of these cuts but fell short of the super high threshold of three-quarters, but most legislators don't support this. While people get mad at the legislature the legislature passed laws not to have this happen, but three-quarters of the bodies are needed to overcome it. Referencing the phrase "survive not thrive," he said he thinks the state has the resources to thrive and not just survive. What is happening with the ferries, the university, and other big institutional cuts is important to address. While this hearing is about the ferries, the PFD and the budget are a part of the [legislature's] conversation, which was also resoundingly heard from witnesses today. Pushback needs to continue against the obstinate leadership to show that intelligent leadership and wisdom should prevail.

[4:49:13 PM](#)

REPRESENTATIVE HANNAN noted she represents a coastal district that includes the communities of Lynn Canal, Haines, Skagway, and Gustavus. She said she spent her childhood riding the ferries of Prince William Sound and a career taking students on the ferries of Southeast. It is heartbreaking to those who know the importance of ferries to the lifeblood of small communities. She is a fish broker and has totes of fish sitting in Pelican.

As a teacher of geography, she was stunned to hear that dispatching for the marine highway's workers doesn't understand that McCarthy is not a skip away from Cordova.

REPRESENTATIVE HANNAN shared that IBU and the State of Alaska have been in the Capitol complex today with a federal mediator since 1:30 p.m. and are still at it. So, she continued, there is potential optimism for renewed service soon if mediation continues. The critical nature of ferries to Alaska's coastal communities can never be overstated; it is how these communities connect to each other and how they stay. Without the ferries the communities don't thrive and wither up. She thanked the attendees for giving up a day of fishing season to make sure that the legislative branch of government understands this. She said legislators are fighting to get ferry service restored.

[4:51:08 PM](#)

CO-CHAIR STUTES thanked Representative Drummond and Co-Chair Wool for traveling to Cordova for this hearing. She complimented her district and thanked Cordovans for attending this hearing. She said the committee has heard Cordovans and will be following up on this. She expressed her belief in ferries and said that while this is a trying time for everyone, she believes everyone will get through it in a positive manner. She announced that DOT&PF is holding a teleconference on the draft schedule at 1:30 p.m. on 7/29/19. She and her fellow committee members will be working on DOT&PF schedule changes that benefit communities like Cordova. They will also be trying to secure more funding. She noted that restoring ferry service is her number one priority.

[4:53:41 PM](#)

MAYOR KOPLIN announced that the room used for today's hearing will open at 1:00 p.m. on 7/29/19 for people to testify on DOT&PF's proposed winter schedule.

MAYOR KOPLIN added that he wants to stress the importance of the state airports in Cordova and Yakutat. He pointed out that seining has been closed for a week or two in Southeast and there are a lot of fishermen that need other areas to fish or tender, so there is a lot of commerce back and forth in traveling. When bringing in a boat, it is Cordova's state airport that gives fishermen a chance to get their crews in and out in a timely fashion. The airport is an important economic and transportation tie for the whole of Prince William Sound.

Having regular ferry service in and out of Cordova is what connects the sound to the airport. For example, he continued, while at the Board of Fisheries in Valdez last year, only 24 out of 50 flights had flown out because of weather, so everyone took the ferry to get home. He thanked the committee members for their work.

[4:55:56 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at 4:56 p.m.