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LEGISLATIVE COUNCIL, STATE OF ALASKA

Conference on Alaska's Future Frontiers

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EPSILON GROUP PROCEEDINGS

(December 7, 1979, 9:00 a.m.)

MR. MADDOX: Good morning, Future Frontiersmen and women. It's time to get going again. Only one word from me, and I'm going to turn over the chair again, and that is I certainly would like to hear more from all of you who relatively remained silent. You all have something to offer to this meeting.

Certainly it's easy to be dazzled by expertise, and many of these people in this room are working experts in their fields. Please don't be overwhelmed by their expertise. We're talking about issues that everyone of us have discussed over the years that every one of us has a degree of expertise in. These are your ideas; to develop those ideas of service, transportation, what have you. So get involved, please.

Bob Uchitel has a limited schedule.

MS. WORL: I would like to recommend that Sandra Stringer take the job.

MR. MADDOX: Sandra, would you take the job? You're going to participate as a delegate this morning?

VOICE: Yes.

MR. MADDOX: So the issues dealing with this morning

1 are what, Bob?

2 MS. STRINGER: Let's get the ground rules straight
3 first. First of all, what time is it?

4 MR. MADDOX: It's quarter of ten. And we're going
5 roughly two hours with two breaks, five minutes each.

6 We certainly want to spend at least, I would say
7 a good twenty minutes or a half an hour discussing the
8 World's Fair, if that's agreeable to everyone. There are
9 other topics to consider this morning.

10 Now, I don't have a copy of yesterday's revised
11 agenda.

12 Do you that are here feel that we can deal with
13 the question of energy and land in two hours and touch on
14 the World's Fair as well?

15 MR. WELTZIN: I feel there may be more of a priority
16 than possibly the World's Fair.

17 MS. STRINGER: When we adjourned yesterday, we agreed
18 we should spend some time, and I think we should spend some
19 time. Does anyone have any suggestions? And please
20 remember to identify yourself by name and place. Mr.
21 Silides from Fairbanks.

22 MR. SILIDES: This just came in, as I understand; did
23 it not?

24 MR. UCHITEL: No, it was actually submitted quite a
25 while ago. I passed it out this morning.

1 MR. SILIDES: It was something which I am in great
2 favor of.

3 MR. WOODS: The thing I wanted to get back to when we
4 started was tourism. There were some questions that I
5 wanted to get onto of what my understanding is. Now you
6 want to get into world fairs.

7 MS. STRINGER: As I recall, when we adjourned
8 yesterday, we had decided that the first order of business
9 this morning we would be discussing, we would spend some
10 time on the World's Fair.

11 MS. ROWLE: Marilyn Rowle, Fairbanks. I have a
12 substitute resolution coming up. I think the chair had
13 recognized me to wait until this morning.

14 MS. STRINGER: Does someone have a copy of the minutes
15 transcribed at this point?

16 MR. WOODS: Mrs. Chairwoman, if you notice about the
17 World's Fair, I don't think it matters anyway. It's going
18 to go anyway, so it doesn't really matter. You can look at
19 the names.

20 MS. STRINGER: I don't want to get into this before we
21 decide it. And let's decide it.

22 MS. WORL: I move that we limit discussion on World's
23 Fair to no more than 15 minutes.

24 MR. GARVIN: Second.

25 MS. STRINGER: The question has been called. All in

1 favor say aye.

2 The first order of business will be to discuss
3 the proposed World's Fair for 15 minutes. How about the
4 remainder of the morning? Anybody have any specific --

5 MR. UCHTEL: I'd just like to remind the chair, in
6 addition to the land, we have to direct all the services to
7 finances. So not only do you have two hours to do land,
8 but to get through direct services as much as possible.

9 MR. MADDOX: I suggest that you take what time you
10 need to complete the topics in the resource area this
11 morning, and start on direct services when you've completed
12 that. We're going to go until 10 o'clock tonight. At
13 least we're scheduled to, and from my own point of view, it
14 makes little sense to start talking about finance until
15 you've laid out all of your priorities. That means that
16 we've got to go through services and direct services and
17 then we've got to talk about funding those things. So the
18 logical sequence is to talk about that.

19 MS. STRINGER: If I have to lay it aside, I shall
20 symbolically feel that we are moving awfully fast in topics
21 and talking to others in this particular section and other
22 people, I got the same feeling. Personally, I would rather
23 even perhaps omit a topic if it got down to it at the last,
24 and then to speed through. Taking my gavel back, I would
25 like to say we should probably go ahead and finish up on

1 tourism after talking about the proposed World's Fair for
2 15 minutes and then decide to go into energy and land and
3 spend as much time on that topic as we need.

4 Does anyone have a particular desire for one or
5 the other this morning?

6 I move to entertain one or the other.

7 MS. STACHELRODT: Mary Stachelrodt from Palmer. I'd
8 like to discuss energy.

9 MS. STRINGER: Following tourism and the World's Fair.

10 Anyone second?

11 MR. TIEPELMAN: Second.

12 MS. STRINGER: All opposed say nay.

13 I'd like to rely on Mr. Montague's watch and you
14 have the floor.

15 MR. UCHITEL: Bob Uchitel, and we can even do it in
16 less than 15 minutes. I think I made my points yesterday,
17 and the main points, just to bring everybody up to speed,
18 all the topics that we have browsed through very quickly,
19 and there is a lot of expertise here. Myself and my group
20 don't pretend to know all of those things as well as the
21 people that deal with them, but what we have seen and I
22 have seen when we got involved with this project and the
23 reason we got involved with this fair is the reason to
24 bring us together. Something that expresses it in such a
25 way that the everyday person, the nonexpert, the person

1 that is not familiar with all of these topics in a graphic
2 form, the idea of a picture being worth a thousand words in
3 graphic form can understand the differences and and why
4 there is a conflict between development and non-
5 development and urban and native and non-native and the
6 things we're discussing. All of these ideas I agree with
7 even more, so some of the ideas expressed last evening that
8 you saw with Buckminster Fuller and some that we don't
9 talk about enough weigh in my opinion for things to happen
10 rather than just an issue, have conferences issued and
11 reports and studies and come back in ten years is to
12 implement what we're talking about, and we're anxious to
13 talk about something. I think that's the reason we're
14 talking about something. I feel this and not only in this
15 group, but in the state and this country and in the world.

16 As Fuller said last night, well, in my opinion,
17 notwithstanding the fact that you feel that this wasn't a
18 very particular important thing for you to discuss, I
19 understand that, and I appreciate that, but I submit to you
20 that it's an extremely important thing for this state.
21 Something that for ten years now that many in this group
22 and others will look back and say the single most important
23 thing in my opinion, the single most important thing that
24 caused us to jump into the 21st and 22nd century to improve
25 our self-image is a place to start and exposing ourselves

1 to the world taking a leadership position, and we've got to
2 do something positive, something that in my opinion very
3 few people can hate or not like or have fun with or not
4 enjoy participating in. This is a participatory state.
5 The World's Fair is the kind of thing that everybody takes
6 part in. It's not something for a small group of people.
7 Also, Frank, the paper you've got there, you've got some
8 high power people, and I don't want it to fail because I
9 think it's important.

10 So I just want to impress upon you the fact that
11 this is, this fair stands for all the things that we're
12 talking about. Nothing that I feel or anybody else in
13 particular feels, and it's to us as a group, we're putting
14 together the fair to make sure that we attract all the
15 different ideologies and in some way graphically express
16 them in exhibits that not only will state temporarily, but
17 permanently. There are many long-term residuals from these
18 things. Keep in mind Seattle was the product of the
19 World's Fair, Brussels became the economic center of the
20 world because there was a World's Fair. There were Olympic
21 games in the World's Fair in Montreal in '77. A lot of big
22 things can happen, and I do believe all these specific
23 subjects can be brought together so that it's not in a
24 centralized way, too. I think we're very keen to that idea.
25 It's very important to keep it regionalized but each region

1 has a way to express itself from everybody to the top
2 people in the state and everywhere in the world.

3 There seems to be a catalyst and we need one
4 desperately, and I think that is the project that can do
5 that, and I'm done with what I have to say.

6 MS. STRINGER: We've got about ten more minutes if
7 anyone has any questions or comments.

8 Mr. MADDOX: One from me. What are the chances for
9 making a bid for the Winter Olympics in '88?

10 MR. UCHITEL: My goal is for 1992. '84, the Olympics
11 will be in Los Angeles. The Olympics in Los Angeles, in
12 Orwell's book, people know about 1984. I believe Alaska
13 stands for the opposite of big brother. It's the spirit
14 that creates future conferences that is not familiar in
15 existing states. There's something different up here,
16 something exciting and creative and something of a
17 leadership role that we can look back on perhaps 100 years
18 or 200 years from now that something happened in Alaska in
19 the '80s or in the 21st century that basically changed the
20 world. The world can use a big kick in the pants, and the
21 olympics will not concur in two sessions in the same
22 country.

23 So 1992 would be the time to do that, and there
24 are many ways that that can be done. It can be here. It
25 can be done in any place in the state.

1 Another concept you have to realize, there is no
2 fair that has a statewide event. They're all cities.
3 There's Brussels and Seattle and that kind of stuff. This
4 is an Alaskan fair. This is not an Anchorage fair, and
5 that's a very difficult thing to do. It's not a whitewash,
6 I can assure you. What we're trying to do is happening at
7 the same time. This is where tourism comes into play. I
8 finished a trip to the southeast, and there's a tremendous
9 amount of history down there that is not exposed to
10 Anchorage. It's important to get people out and about and
11 understanding the balance of the state, and there are many
12 mechanisms that you can use in a fair so that you can get
13 them here and send them out to appreciate the state, and
14 there are happenings occurring.

15 We're looking for state matching funds, say in
16 Bethel, that there's a particular need for a performing
17 arts center or something of that nature. That will be a
18 residual of the fair. All of these things would be part of
19 this fair, and we would look upon the fair that brought
20 these things together.

21 MS. STRINGER: Mr. Garvin?

22 MR. GARVIN: John Garvin. I was just wondering if
23 somebody would make a resolution.

24 MR. UCHITEL: I wrote one this morning.

25 MS. STRINGER: Are there any further questions?

1 MR. STEPHEN: Yes, I have. Jeffrey Steven. I'm not
2 being critical at all, but I really -- I see the need
3 possibly for this, but some of the justification is -- let
4 me see here. "It will give a quantum jump permanently to
5 our tourism. Create more awareness to outsiders to what
6 Alaska is really all about."

7 MR. UCHITEL: How is that done?

8 MR. STEPHEN: No, but what greater importance is it to
9 people outside to know what Alaska is all about? I'm not
10 being critical. I want to know. The other thing, "above
11 all, it will channel our individualism, innovativeness,
12 perserverance, and energy into a positive project from
13 which all Alaskans will benefit, in which all will have a
14 part, and in which all will take pride. And the world will
15 then know that Alaska, far from being out of it, is really
16 where it's at."

17 I don't care if anybody outside knows where
18 Alaska is really at.

19 "In a very real and positive sense, well be
20 better Alaskans, individually and collectively, for having
21 made it happen.

22 "Knew techniques concerning energy,
23 transportation, communications and medicine" --

24 MR. UCHITEL: I think each building in the fair should
25 be energized had by a different kind of energy. One by a

1 window, one by solar energy, one by low BT wood, driftwood,
2 something of that nature, and there's a lot of push in this
3 state for renewable resources, and I think there's away to
4 do that where we show other people can do it where we talk
5 about it. I think it's critical, very, very important to
6 us that other people understand us. You can't live in a
7 provincial way, I don't believe. In order for us to
8 properly take our role as to where we are geographically
9 and intellectually in this world, people have to understand
10 where we are and what we stand for. How many people come
11 up here and not expecting to like it and twenty years they
12 move here? That happens with so many people. We're never
13 misunderstood again, and we do deal with people. We're not
14 an island up here.

15 A question you had on the other side. I can't
16 recall. It was the individualism. I believe that -- I do
17 very much agree with the concept that we lack self
18 confidence in this country. We have an inability to feel
19 that we can get something done as a person. I think
20 Alaskans more than any other group of people feel less that
21 way than anybody else. I think we can do something here.
22 One of the reasons that I feel it's critical that we get a
23 great educational system up here is because the great minds
24 are going into business or politics in other states, and
25 they can't do anything because the system doesn't work that

1 way. In Alaska, it does. We have to attract people up
2 here.

3 One of the concepts we have is that as an
4 entrance fee to the fair, and I assume most people are
5 familiar with the 1984 big brother concept, that you go
6 through a building -- and Fuller mentioned this last night.
7 You go through a building that pretty much dissects you,
8 reads your mind, gets your heartbeat, you can do this
9 almost electronically today. If you go through this
10 building, you're stripped of almost all the individualism
11 that you walked in with. You walk out of that building and
12 into the rest of the fair, and it stands for exactly the
13 opposite. It celebrates the fact that we should never go
14 to that point. That the individual is going to make this
15 thing work, and the entrepreneur.

16 MS. STRINGER: Any further questions or comments? I
17 guess we have a couple that are going to have to extend
18 their time after a couple of minutes.

19 MS. ROWLE: Marilyn Rowle from Fairbanks.

20 I didn't hear anything that we're going to do
21 with the buildings that the World's Fair will produce after
22 1984. How will we use that productively and on and on and
23 on?

24 MR. UCHITEL: The site was going to be chosen was the
25 Alaska Pacific University, but we feel that Alaska has to

1 put its best foot forward, and that is the prettiest site
2 in town, the highest point. What I'm getting at is not all
3 of the buildings will be on the same ground, but these will
4 be throughout the city and the state would be a convention
5 center, a playhouse, opera house, sports center, arts
6 center, amusement parks, bicycle trails, mass transit has
7 to do these things, and it's a block opinion in my opinion
8 that permanent structures remain as in other countries,
9 that kind of thing.

10 MS. STRINGER: Jerry?

11 MR. McCUTCHEON: Jerry McCutcheon, Anchorage.

12 I was in Seattle at the time of the World's Fair,
13 and I talked to people there and they were rather
14 disappointed with the people involved in it, and I asked
15 where the people were coming from, and they said a vast
16 majority of them were coming from Washington state, and
17 that's what they drew from, considering Seattle draws from
18 that about a million and a half people from the area plus
19 the rest of the state plus Oregon, and we just don't have
20 that kind of population here in Alaska to draw from. That
21 fair also lost money, Montreal also lost money.

22 Maybe you can inform me of ones that have made
23 money.

24 MR. UCHITEL: The only fair since 1933 that made money
25 was Seattle. I'm sorry, with all due respects, you're

1 incorrect.

2 MR. McCUTCHEON: I'm quite correct.

3 MR. UCHTEL: And the other thing is that the residual
4 benefits are to the state. We expect that it will probably
5 do somewhere between \$5 and \$15 million.

6 MR. McCUTCHEON: Didn't Montreal drop about a million
7 dollars?

8 MR. UCHTEL: No, it spent six million and it got back
9 about 400 million. The French have been very happy with
10 what they've done. My experience is getting a little bit
11 more than it used to be is that there is no place,
12 including Fairbanks, Alaska that is sorry that it had a
13 World's Fair. They have done tremendous things in every
14 place that it occurred.

15 I'll finish by reading my resolution.

16 MS. STRINGER: We're almost out of time.

17 MR. SWAIN: I would object to extending it at the time
18 for this particular subject. I think it's important that
19 Alaska is a window to the world and we show that we can be
20 proud of what we accomplish, but this conference is
21 designed to take care of the people of this state and their
22 needs today. We have people here from Westwood, Alaska,
23 for example, that don't have a damn thing to show for being
24 out there, and they're the people I'm concerned with, and
25 that's why, in my opinion, I'm concerned with what's

1 happening out in this part of the country. I would say no,
2 let's cut this thing off. I'm all for the World's Fair.
3 Let's get on with the opinion.

4 MS. STRINGER: Does anyone have one final comment?

5 MS. STATON: Staton from Pacifica.

6 I believe at the Seattle World's Fair, they're
7 using those buildings very well today, and I think in your
8 area here at Alaska Pacific University, that they will use
9 the buildings to the good advantage, and that it helps your
10 town, our Alaskans and to people that know how we live up
11 here, that we are not people that are isolated. We have
12 the same feelings they do. I see in the land issue that
13 the people who do not understand Alaska at all, and they
14 sit in Washington, D.C. or Virginia, they don't understand
15 Alaska, and --

16 MS. STRINGER: You have a resolution you want to
17 propose?

18 MR. UCHTEL: Yes, I resolved it. Alaska needs a
19 catalyst to bring rural and urban, native and non-native,
20 old and new development and non-development, centralization
21 and decentralization for concepts together for a common
22 positive purpose and to propel us into a leadership
23 position nationally and internationally where we belong.
24 Alaska '84, a world class exposition to be celebrated
25 statewide in our 25th anniversary of statehood is the one

1 key project that can improve Alaska's self-image and pull
2 us together to face the unlimited opportunities before us.

3 MS. STRINGER: Is there a second?

4 MS. STATON: I'll second it.

5 MS. STRINGER: We've had a fair amount of discussion.

6 Does anyone feel --

7 MS. WORL: No

8 MS. STRINGER: Rosita?

9 MS. WORL: I offer an amendment to that. May I see
10 your motion?

11 MR. UCHITEL: Sure, if you can read my writing.

12 MS. WORL: I would like included in the motion the
13 clause insuring maximum Alaskan and minority employment and
14 contracts in the projects, throughout the projects, and
15 that the policy board, the honorary board include
16 geographical minority and women representation, and to
17 delete --

18 MS. STRINGER: Well, that's one in there and then
19 perhaps it would be best to handle it that way. Are there
20 seconds?

21 MR. GARVIN: Second.

22 MS. STRINGER: Is there a discussion on this
23 particular amendment?

24 MR. TIEPELMAN: Dennis Tiepelman. I think it's
25 important that when you look at the issue of say a World's

1 Fair type of exhibition and the State's participation into
2 it, you also have to be relatively aware of the smaller
3 issues such as what Rosita has brought up in that a lot of
4 times if you talk about tourism or the development of some
5 of these activities, the large scale efforts doesn't
6 necessarily have residual benefits to the point where those
7 rural areas that are being exhibited don't necessarily
8 benefit. So you always have to keep in mind there should
9 be maybe some minority efforts or a minority opinion
10 expressed to try to reflect that attitude and try to keep
11 that in the background so that the overriding picture or
12 the larger picture does not take over. Maybe some people
13 somewhat negative or less have greater feelings because you
14 get into the philosophy that the World's Fair means big
15 things to all people, and that is not necessarily what
16 Alaska always represents as well.

17 MS. STRINGER: Is there further discussion on the
18 amendment? Again, the suggestions on the amendment itself?

19 MR. UCHITEL: With the amendment itself, I would just
20 like to assure the groups that we're not interested in
21 prostituting the state for the benefit of a big project.
22 We're keenly aware of it and you should be aware of that;
23 that we are very aware.

24 MS. STRINGER: Any further comment, questions on the
25 amendment?

1 MS. STACHELRODT: Madam Chairwoman.

2 MS. STRINGER: We have a further comment. Identify
3 yourself, please.

4 MS. STACHELRODT: Mary Stachelrodt from Palmer, and I
5 really hate to sound like a doomsday prophet or anything,
6 but with the high appeals costing every year higher and
7 higher, I just have a problem with the World's Fair being
8 held in Alaska

9 MS. STRINGER: We're speaking specifically of the
10 amendment. Any comments on the amendment? Are you ready
11 for the question?

12 MR. GARVIN: Second.

13 MS. STRINGER: All in favor say aye.

14 You wanted to offer the amendment. Do you want
15 to offer another amendment?

16 MS. WORL: I offer another amendment to delete "to
17 propel us into a leadership position nationally and
18 internationally where we belong" and delete "improve
19 Alaska's self-image."

20 MS. STRINGER: Is there a second to the amendment to
21 be proposed?

22 MS. YAMASHIRO: Jane Yamashiro, second.

23 MR. UCHITEL: Discussion.

24 MS. STRINGER: I wonder if this specifically changes
25 the resolution.

1 MR. UCHITEL: I feel that our self-image is what we're
2 after, and that it is critical that before we get on with
3 the other things, we improve our self-image, get to know
4 that we really are in that kind of leadership position, so
5 with all due respect to Rosita, it's not a provincialistic
6 type of approach, it's just one that I feel that all
7 Alaskans really do feel they're better educated about where
8 we are.

9 MS. STRINGER: You're speaking against the amendment,
10 then?

11 MR. UCHITEL: I'm speaking against the amendment, and
12 I'm saying that it is very important for us to improve our
13 self-image. I don't know why we would want an amendment to
14 delete our self-image and leadership position; that we just
15 tag on that.

16 MS. STRINGER: Anyone further?

17 MS. ROWLEY: I'd like to add my comments. Marilyn
18 Howle from Fairbanks in that we have been talking
19 throughout this whole conference about Alaska, world class
20 this and world class that and Bucky Fuller told us last
21 night we had the characteristics of courage, and we've been
22 playing that down, we've been letting people run over us,
23 and I think that we should start asserting ourselves if not
24 in this project, with other endeavors.

25 MS. STRINGER: Further comments.

1 MR. GARVIN: John Garvin. I move the previous
2 question and all that's before us.

3 MS. WORL: May I speak to my amendment --

4 MR. GARVIN: Is not debatable.

5 MR. TIEPELMAN: I second.

6 MS. STRINGER: I have heard a second and I would like
7 to see the behavior of the next speaker. We really should
8 try to expedite this.

9 MS. WORL: The issue speaks to a philosophical issue
10 that, I think we've all been talking about in Alaska, and I
11 hoped that we could move rather quickly on this and then
12 focus this discussion on tourism, however it has developed
13 here.

14 We apparently have some differences of opinion in
15 here about how we view ourselves and about the state of
16 provinciality and how we view Alaska.

17 My position is that we have a healthy self-image,
18 and I don't need to think that we need to have a World's
19 Fair to say that we're going to improve our self-image. If
20 we're going to improve our self-image, if it's a problem,
21 if people see it has a problem, I don't think a World's
22 Fair is the place to start to improve our self-image.

23 I find that the reference to that deplorable, I
24 find it not in the best taste for Alaska. I'm not speaking
25 against the idea of a World's Fair. If we're going to have

1 a World's fair for other reasons, then, I have no problems
2 with that. Then the philosophy about pitting ourselves
3 with national and international, I just don't think that
4 that is a necessary part of the resolution, and part of the
5 resolution is to have or not have a fair.

6 MS. STRINGER: Do you feel comfortable in now voting
7 on the amendment to the resolution currently in front of us?

8 MR. GARVIN: Yes.

9 MS. STRINGER: The question has been called for. All
10 in favor of the resolution as amended -- pardon me. Wait a
11 minute. The vote, we're voting specifically on the
12 amendment.

13 All in favor of the amendment, say aye. All
14 opposed, same sign.

15 I would like a show of hands and please remember
16 the people only authorized to vote on this, only authorized
17 votes are those from the delegates.

18 All delegates who are in favor of this amendment
19 to the proposed resolution please signify by raising their
20 hands. Eight.

21 All those who are opposed, please raise your
22 hands. Five. Okay, the amendment passes.

23 We now have in front of us the resolution as
24 amended.

25 Would you please read the amended resolution.

1 MR. UCHITEL: I'll make an attempt. Alaska needs a
2 catalyst to bring rural and urban, native and non-native,
3 old and new development and non-development, centralization
4 and decentralization concepts together for a common
5 positive purpose. Alaska 1984 World Class Exposition to be
6 celebrated statewide, 25th anniversary of our state is the
7 one key project that can pull us together to face the
8 unlimited opportunities before us.

9 MS. STRINGER: There was also an amendment which we
10 passed indicating --

11 MR. UCHITEL: I deleted those things.

12 MS. WORL: This is the addition.

13 MR. UCHITEL: I'm sorry. Also providing a maximum
14 Alaskan and minority employment and contractual obligation
15 as well as the fact that the policy boards will include
16 geographical and --

17 MS. WORL: Minority and I added one.

18 MR. UCHITEL: Representation and women as well.

19 I'm sorry, but --

20 MS. STRINGER: Are you ready to consider the
21 resolution? It has been called for. All in favor of the
22 resolution signify by saying aye. Any opposed?

23 We discussed the world fair. I would like to
24 make one more myself and that is I think you'll feel a
25 little better that you have done, my own comment is that

1 you've got no women at all on your honorary directors and
2 only one that I can identify is in the Steering Committee
3 and I really think you could do a little better than that.

4 MR. UCHITEL: It probably says in there, I don't know
5 if it does in this particular piece, but it says that we
6 are starting to put together people and that doesn't imply
7 that that is the end. You've got to realize that this is a
8 four-year project and we've just started.

9 MR. MADDOX: Madam Chairwoman, we were using up a lot
10 of time this morning. We still have a lot of issues.
11 Could I ask you to get on with the next subject, please.

12 MS. STRINGER: We've used up, indeed, about 25 minutes
13 on a 15 minute topic, so the next topic is to consider
14 tourism. I believe that someone had a resolution which she
15 had submitted right at the end of yesterday's meeting.

16 MS. ROWLE: Marilyn Rowle, Fairbanks. We're talking
17 about tourism and how transportation would even more
18 enhance our tourism which is a lucrative trade right now,
19 but then we wanted to add to cultural considerations, so I
20 tried to tie this into the substitute of which I make a
21 resolution that transportation systems in existence be
22 upgraded and extended in a balanced manner to points in the
23 interior and in the inside passage to promote tourism in
24 view that that industry is lucrative already.

25 MS. STRINGER: Is there a second?

1 MS. SANDEL: I'll second that.

2 MS. STRINCKER: Is there a discussion?

3 MS. WORL: I have a problem with the extension of the
4 transportation system. I'd either like to have, I'm not in
5 favor of extending any kind of highways at this particular
6 time without adequate involvement at the local level.

7 MS. ROWLE: It doesn't necessarily have to be highways.
8 It could be railways or other, ferry systems or other.
9 We're not just talking about highways.

10 MR. WOODS: Frank Woods, Bristol Bay. My question to
11 tourism, she made a motion already, but when you talk about
12 tourist money in this state, how much sports fishing is
13 coming in, how many sports hunters coming in? We're
14 talking about transportation routes. You're coming into my
15 area now, and the people that come in every slue is just
16 like a doggone big city, having fog, and you can't even go
17 out in a small skiff now. Are these tourists fishermen,
18 sports fishermen or sport hunters? Is the figure we got
19 from tourism, is it all tourists by themselves or are they
20 including sports fishing and sport hunting?

21 MS. ROWLEY: Marilyn Rowle, Fairbanks --

22 MR. WOODS: That's one thing I wanted to find out, is
23 there a breakdown. What are we really talking about? Is
24 it the people that are coming around looking at our
25 villages walking to Anchorage or going through the shops or

1 what does it really include? I never get it clear from the
2 statement that the gentleman made yesterday when we start
3 talking about \$40 million, 6,000 people, 20,000 people in
4 the summer. I could never really understand what he was
5 talking about.

6 MS. ROWLE: Marilyn Rowle, Fairbanks again. Let me
7 speak to your question in that tourists are probably being
8 herded up in your area because they have no other
9 alternatives to go to other than places like Wasilla Los
10 Angeles, the building and reality action going on there, in
11 that people are being herded up in certain areas and
12 tourists are allowed to go to other areas and they have no
13 alternatives to go, access to go there, then, you wouldn't
14 have that problem of your slues being crowded.

15 MR. WOODS: Let me answer the question. When these
16 tourists come in, our people can't even get the food off
17 the land. We don't want them in our area.

18 MS. ROWLEY: Well, that's what I'm saying. It's a bad
19 deal.

20 MR. WOODS: It's a bad deal all over.

21 MS. ROWLE: But it wouldn't -- --

22 MS. STRINGER: Please address your comments to the
23 chair. Are there any further comments?

24 MS. STATON: Ethel Staton, Sitka.

25 I feel the tourism in my area -- and I'd like to

1 see you support the idea that, you know, more ferry systems
2 for our people. It lowers our freight rates, it helps the
3 individual person that lives in a small town. I have seven
4 miles of road one way and seven miles another way and I'm
5 very handicapped and I'd like to see people to appear and
6 support our idea of getting more transportation.

7 MS. STRINGER: I just had some people that commented
8 again and then we'll come back to you.

9 MS. YAMASHIRO: From the discussion, it appears that
10 there are vast regional differences in interests in
11 tourism, and if we are, indeed, making policy or
12 recommending policy to the state, we should suggest that
13 the regional areas are encouraged to make those
14 recommendations and at the local level, having some input.
15 There are areas, I think with the use of the land is very
16 crucial to the state and how it's used and how the people
17 would view it and how tourism fits into it is something
18 that I think we should be addressing.

19 MR. TIEPELMAN: Dennis Tiepelman. I'll speak in
20 opposition to the substitute motion --

21 MS. STRINGER: Pardon me. It's the motion, right?

22 THE MODERATOR: The motion. That was the feeling
23 towards it as it applied towards yesterday, and I will
24 speak in opposition to it. To talk about transportation
25 and existing systems under tourism whereas I think when it

1 would be more appropriate when we get into transportation,
2 per se, it has implications and a better relationship to
3 how it applies to tourism in other areas under the
4 transportation section, not tourism.

5 MS. STRINGER: Are there further comments from those
6 that have not already spoken?

7 MR. MADDOX: Madam Chairwoman, perhaps what's called
8 for here is an extension of the Chamber and Junior Chamber
9 of Commerce systems in the state of Alaska, the community I
10 live in, for example, Bethel, is not actually noted for its
11 tourism. We have a lot of people coming through from
12 Washington, from Seattle, from Juneau, but they're on
13 business usually. Tourists that end up in Bethel is only
14 because the plane was over flying someplace else and then
15 they leave as quickly as they can. So perhaps that's
16 something you might like to talk about, how to extend our
17 local chamber of commercial knows within -- Bristol Bay is
18 a classic example of what could be done.

19 MS. STRINGER: Are there further comments first of all
20 from those that have not already spoken to this resolution?

21 MR. WELTZIN: My name is Jeff Weltzin from Fairbanks.
22 I have a problem with the implications of that motion in
23 that it's expanding on existing type of transportation
24 systems which are dependent on our use of oil, and as oil
25 becomes more expensive those Trans station systems become

1 more obsolete and to expand and promote an obsolete system
2 seems to me a little bit of hindsight or going backwards,
3 and I would say if we're going to expand any type of
4 transportation system, it's something that's less energy
5 intensive and more in a mass transit scale.

6 MS. STINGER: Again, any further comments from people
7 that have not yet spoken, and then I'll ask Frank and then
8 you can speak one at a time. Anybody else? Okay, Frank.

9 MR. WOODS: Well, to answer the question, I grant you
10 in the south, they want tourism. You're exposed to the
11 western cultural world more than we are. Our people still
12 live off the land, and the thing about it is the flux of
13 people that come up here every fall and it's unreal. I
14 wish I had a film. I'd show you. The people can't even
15 walk on the shores of Malchatna. That's why I wonder in
16 your tourism what are we really talking about? Are we
17 talking about sports fishermen or sport hunters or people
18 that come into the state?

19 I don't really want the tourists at this time up
20 in our area and the people don't. I hear them all the time.
21 People want to take and shoot them off the beaches. They
22 do. You see that in the paper that they take and they
23 throw garbage, just litter it when they leave. We don't
24 want that. Our fish are dying out because they catch fish
25 and they leave them dead in the water. They leave the

1 skeletons on the bottom of the water. If there was some
2 kind of a system where the lady mentioned if you want
3 tourism, you make your motion to verify that, well, my area
4 wants tourism, my people want tourism. Our geographical
5 area in the southeast wants tourism. That's fine, there's
6 nothing wrong with that, but any time you blanket a
7 decision that the whole state wants tourism, it's not true,
8 I know it's not true. The whole state does not want
9 tourism. It brings in money but it does not feed my family.

10 MS. STATON: I'm saying that maybe you've got to guide
11 them and if you set up facilities for them and make money
12 off of them, they'll drop dollars in your town.

13 MR. WOODS: That doesn't feed my neighbor, either..

14 MS. STATON: That will feed them.

15 MS. STRINGER: Marilyn?

16 MS. ROWLEY: Marilyn Rowle, Fairbanks. I'd like to
17 comment to the gentleman from Fairbanks. The key word in
18 my statement was upgrade. Okay. To address your comments,
19 to make more of less, alternatives will be based on
20 existing systems, you know, regardless of what fuel source
21 we go to. It will be based on existing fuel systems, you
22 can bet your bottom dollar on that.

23 MS. STRINGER: On there any further comments on this
24 resolution of questions.

25 Are you ready to vote on the resolution?

1 MR. GARVIN: Question.

2 MS. STRINGER: Restate the resolution.

3 MS. ROWLE: Transportation systems in existence will
4 be up graded and extended in a balanced manner to points of
5 the interior and to the inside passage to promote tourism in
6 view that that industry is lucrative already.

7 MS. STRINGER: All in favor, all the delegates in
8 favor? All opposed, same sign.

9 A show of hands, please. All in favor of the
10 resolution. One, two, three, four, five, six, seven in
11 favor. All opposed, one, two, three, four, five, six,
12 seven, eight opposed.

13 Mk. MADDOX: Madam Chairman, I think in this case we
14 have a significant minority. The minority position should
15 be stated in the record.

16 MS. STRINGER: I'd like to indicate for the record
17 that the resolution failed and that the vote was seven to
18 eight, and a minority position in that way should be
19 indicated in that fashion. I think the statement
20 essentially is that the resolution has failed.

21 Are there other topics under the general subject
22 heading of tourism that somebody would like to bring up at
23 this time? This may be our last chance, folks.

24 MS. TROLL: Kate Troll from Anchorage. Yesterday, I
25 thought we had another resolution written up there where it

1 was a general statement made of the state to encourage the
2 development of intra and interstate tourism.

3 MS. STRINGER: Does anyone recall this? Is it still
4 up there?

5 MR. MADDOX: Madam Chairman, I'd like to say something
6 at this point. I think speaking as a rural Alaskan myself,
7 I understand where the gentleman from Bristol Bay is coming
8 from. I, too, have felt the impact of sports fishermen in
9 my area. My home village is near Bethel, it's Anugnak.
10 It's a great trout stream or it was at least until the
11 Japanese sports fishermen began entering the area years ago.
12 Now for local residents to catch rainbow trout, you used to
13 be able to catch them at your doorsteps. They have to go
14 up 30 or 40 miles to go those good fishing holes.

15 So the division here is really between tourism
16 and the impact of sports hunters and sports fishermen, and
17 if I read you correctly, my minority position here is that
18 while tourism is a good thing for people to see us and to
19 see what our country looks like, to meet us as people,
20 their impact on our way of life is something that we want
21 to try to avoid.

22 Am I correct in stating it that way?

23 MS. STRINGER: I'll go for that.

24 Are we looking for that resolution which Kate
25 brought up? Before we leave this, did you want to make

1 some comment on that or did you have a resolution? I don't
2 remember so what did you have in mind?

3 MS. TROLL: Well, I think the general statement was to
4 encourage tourism both intrastate and interstate is the way
5 I wrote it off.

6 MS. STRINGER: Does anyone recall? Have we dealt with
7 this, there was a motion made to --

8 MS. YAMASHIRO: That was the substitute resolution
9 that came as a result of that, I believe.

10 MS. STRINGER: Okay, Jane.

11 MS. YAMASHIRO: Jane Yamashiro. I'd like to offer a
12 resolution.

13 As there are vast regional interests and
14 differences in the development of tourism in this state, it
15 is recommended that the state develop a policy to maximize
16 local participation in its development.

17 MS. STRINGER: Do I hear a second?

18 MS. WIDMARK: Second.

19 MS. STRINGER: We need to identify the second for the
20 record.

21 MS. WIDMARK: Emma Widmark.

22 MS. STRINGER: A discussion? Kate?

23 MS. TROLL: Kate Troll, Anchorage. I offer these
24 comments in light of my experience of working for the
25 Division of Parks, but I'm not speaking for the Division of

1 Parks, and I offer these comments because I'm here on my
2 own time. I would support that because in my dealings with
3 different local and regional governments, we have areas
4 where people are coming to us to say please develop camp
5 grounds and access for sport fishing and hunting. Boroughs
6 and Kenai Borough and Mat-Su Borough are two areas in
7 particular that are very keen on developing that kind of
8 cash income because of the infiltration of money to the
9 lodges, and the states have shown that the average sports
10 fishermen for King salmon must spend \$100 per fish, so it
11 just, it begins to attribute a lot of money into that
12 economy. So there are areas that are developed now and we
13 have a problem of management in a way, you know, there
14 needs to be more control and more facilities developed to
15 control that impact, and we are getting requests for that,
16 and likewise, I've gone to more remote areas and I've heard
17 the same thing that I'm hearing right now.

18 So that I just would speak in favor of that
19 motion on my own.

20 MR. TIEPELMAN: Dennis Tiepelman.

21 The recommendation in the stated manner I think
22 makes sense in that you allow local regional areas to
23 determine whether or not they're going to develop tourism,
24 but overall, you've allowed the state to, you've
25 recommended that the state fund tourism projects, but you

1 allow that interpretation to be done on a local level the
2 way it's written. Therefore, some people are going to have
3 less impact on what tourists go through their areas such as
4 Woods' concerns and those other areas that try to improve
5 it and get the same thing done and that that option is
6 strictly theirs.

7 So a motion like that, I think, makes sense and
8 should not require any further amendments.

9 MS. STRINGER: Anyone here -- there's a gentleman --
10 Paul?

11 MR. BROWN: My name is Paul Brown, and I'm with the
12 Alaskan Repertory Theater, and we're submitting a paper
13 under the headline of education, but the Alaska Rep. has
14 interest in the tourism area, too, and I'd like to take
15 just a few minutes to address some of the ways in which
16 through the 1980s and '90s the theater company might assist
17 to the development of tourism.

18 MS. STRINGER: Excuse me. Right now we've had a
19 resolution which doesn't touch on this. Perhaps if you'd
20 take a moment or two afterwards, if it's the wish of the
21 body. If you'd like to speak on the resolution, you're
22 welcome to do so.

23 MR. BROWN: No, I don't want to speak to the
24 resolution. I want to speak on tourism.

25 MS. STRINGER: After we get the resolution, I'll ask

1 the body if you like to --

2 MS. RCWLEY: Madam Chairman, can we get a
3 clarification of the resolution on the board as stated?

4 MS. STRINGER: Would someone please, the maker of the
5 resolution please state it.

6 MS. YAMASHIRO: There is a vast regional interest of
7 differences in the development of tourism, it is
8 recommended that the state develop a policy to maximize
9 local participation.

10 MS. STRINGER: Are you ready for further comments?
11 Are there I call the question.

12 MR. GARVIN: Question.

13 MS. STRINGER: All in favor of the resolution signify
14 by saying aye. Any opposed? One opposed.

15 A gentleman requested a moment or two to speak on
16 tourism specifically in terms of the Alaska Repertory
17 Theater would desire to touch on this topic for a moment.

18 MS. WORL: I would move that we table that until after
19 we've proceeded with our orders of the day that we have and
20 move on to discussion of, I believe it was energy.

21 MS. STRINGER: Well, it would seem if we're going to
22 discuss it at all under tourism, it would be appropriate to
23 discuss it under tourism.

24 MS. WORL: Madam Chairperson, I don't think we should
25 be devoting any more time to particular projects. I'm a

1 supporter of the Alaska Rep. I just don't think we should
2 be devoting our time to particular single projects.

3 MR. McCUTCHEON: Madam Chairman, I don't think the
4 motion for the table is debatable. It's up or down.

5 MS. STRINGER: One more comment.

6 MR. UCHTEL: What I was going to say is the Alaskan
7 Rep. has done so much in the state. I don't know what he
8 has to say, but I'd like to hear what it is.

9 MS. WORL: Point of order.

10 MS. STRINGER: All in favor of the table. Any opposed.

11 Since we haven't been following parliamentary
12 procedure too strictly throughout this, I didn't think it
13 was necessary to follow it this time. Sorry, you can speak
14 to us individually.

15 Anything else under tourism?

16 MS. ROWLEY: Could another resolution be proposed or
17 could another recommendation be proposed in the same thing?

18 MS. STRINGER: Yes.

19 MS. ROWLE: Marilyn Rowle, Fairbanks.

20 I'd like to make a resolution that transportation
21 systems in existence be upgraded and extended in a balanced
22 manner to points inclusive of Fairbanks, Anchorage, and
23 Eastern to promote tourism in view that that industry is
24 lucrative already.

25 MS. STRINGER: Do I hear a second?

1 MS. STATON: Seconded.

2 MS. STRINGER: Would you like to speak to the --

3 MS. ROWLEY: Myself? I don't know.

4 MR. GARVIN: I have a procedural question. I think
5 it's similar to this motion to vote it down.

6 MS. ROWLE: It's exclusive of the area.

7 MR. SWAIN: Could I raise a point of order? Do you
8 think we should talk about tourism? I think if you talk
9 about tourism -- we ought to move on. I think if you let
10 this gentleman talk about tourism won't let this gentleman
11 talk about tourism, we ought to go somewhere else. This
12 gentleman has the floor, and it was voted that we not talk
13 about tourism. If you want to discuss tourism, you should
14 let him talk first and then keep on going. If not, we
15 should get rid of tourism and go on to some more needed
16 areas.

17 MS. STRINGER: As I understand it, the vote was
18 actually on not to speak on further projects and not on
19 tourism as a topic.

20 MR. MADDOX: Madam Chairperson, I would like to
21 suggest that we spend no more than five more minutes on the
22 subject of tourism.

23 MS. STRINGER: What time is it?

24 MR. MADDOX: It's 25 minutes to eleven. Let's make it
25 twenty minutes to eleven and go on to --

1 MS. STRINGER: We have the resolution on the floor.
2 would anyone like to make any comments on it?

3 MS. SANDE: Jenny Sande, Ketchikan.

4 As I understand what you were saying in the --
5 when you voted down the previous motion, your objection was
6 to okay the fact that you in the northern areas or I don't
7 particularly know where you're from did not care for
8 tourism, did not want -- in southeast Alaska it is very
9 relevant and we do need it and we do want it, and whether
10 the ferries are upgraded for tourism or whether they need
11 to be upgraded, those ferries are old and this are the only
12 means of transportation other than an airplane, and for low
13 cost transportation, it is, there are roads.

14 Now, we've paid for lots of money for roads in
15 the interior and for air fields and I think what we're
16 saying is to enhance our economy and which in Ketchikan
17 from tourism is our number two industry and we don't have
18 that many options is that we need a ferry system.

19 Now, what her amendment is saying is that okay,
20 we're not going to say that the North Slope has to have
21 tourism or the borough has to have tourism, Nome has to
22 have tourism. We're leaving it up to the regions to decide.
23 What we're saying, those regions that do want it and do
24 have it and have a large percentage of it now would like
25 monies spent upgrading the facilities to get people there.

1 MS. YAMASHIRO: Madam Chairperson, I believe that the
2 resolution covered that because we're dealing with
3 tremendous diversity in the state, and understanding that
4 southeast and Kenai and various other places are very much
5 in favor of tourism, a lot is allowed in the resolution and
6 I would also offer the comment that Dennis Sipman had made
7 earlier that there seems to be an issue also under
8 transportation more than tourism and I would like to make a
9 point of order.

10 MS. STRINGER: The chair has ruled that this
11 particular resolution is appropriate at this time and I
12 would like to take two additional comments, Frank. So
13 Frank, if you'd like to --

14 MR. WOODS: She's already answered the question. The
15 motion that was set earlier explained very well is that the
16 geographical area where you're from submits or at least
17 show the state that I want tourism, you go after it, it's
18 very simple. All of a sudden you say well, just southeast
19 and Kenai wants it. I don't think you should do that. I
20 think what we're talking about is we have all different
21 problems. The resolution that was made earlier covers all
22 of that. It's up to you. It's not saying well, I'm from
23 the southeast, I want to make a motion --

24 MS. STRINGER: One more comment.

25 MR. STEPHEN: Just as a point of -- as I understand it

1 and make the chair can see if I don't understand it
2 correctly.

3 I think that the motion more or less as I
4 understood was that they said go ahead with tourism
5 wherever you want it, but at least give the local areas
6 that don't want tourism a chance to review it and I would
7 have to speak against your motion just because it is not as
8 general as I would like to see it because there might be
9 some other areas in this state other than the ones you
10 mentioned that might be interested in expanding tourism and
11 they're not mentioned in your motion. I think he motion
12 carried it quite well. Let it go where the people want
13 tourism and I wasn't -- I would have to speak against your
14 motion because I wouldn't want to restrict it to only Kenai
15 or Fairbanks or wherever else you mentioned because in
16 Kodiak, we might want to one or two things related to
17 tourism, and I hate to see any official resolution --

18 MS. ROWLEY: Madam Chairman, I'd like to conclude.

19 MS. STRINGER: One concluding comment, and since
20 you're the maker of the motion, go ahead.

21 MS. ROWLE: Okay. Marilyn Rowle, Fairbanks. Why
22 can't we have two resolutions, and while we're at it,
23 people who want it for the purposes of this conference
24 seeing that it is the purpose to make resolutions, make
25 suggestions in the legislature. Why not for the people.

1 that want it? Why can't they get their resolution in?
2 We're not hurting anybody.

3 MS. STRINGER: Okay. I think we've discussed this
4 pretty thoroughly.

5 MR. GARVIN: Call for the question.

6 MS. STRINGER: Would you like to restate it?

7 MS. ROWLEY: I'd like to make a resolution that
8 transportation systems in existence be upgraded and
9 extended in a balanced manner to points inclusive of
10 Fairbanks, Anchorage and southeastern to promote tourism in
11 view that that industry is lucrative already.

12 MS. STRINGER: All delegates in favor of this
13 resolution, please raise your hands. One, two, three, four,
14 five. All opposed, please raise your hand. One, two,
15 three, four, five, six, seven. The motion fails.

16 MR. MADDOX: Madam Chairman, once again, the minority
17 position should be noted.

18 MR. WOODS: Can I make a short comment on that motion.
19 The reason I voted against is because --

20 MR. TIEPELMAN: Point of order.

21 MS. STRINGER: I recognize Frank.

22 MR. WOODS: The thing that I voted against, I don't
23 really know that these ladies are representing all
24 southeast, every village like Gangoon or places like that.
25 That's been our problem, you know. Even myself, I can't

1 say I represent the whole of Bristol Bay. Now, when a
2 motion comes, I have to vote against it.

3 MS. STRINGER: We've discussed tourism again at some
4 length this morning. We probably should move on, but if
5 anybody has a single issue left under tourism that he or
6 she would like to discuss, at least for right now, it
7 probably will be your last chance.

8 MS. STACHELRODT: Mary Stachelrodt from Palmer. I'd
9 like to comment on what I started to say a little earlier
10 about tourism and about the high cost of transportation in
11 Alaska, and I wonder how long are we going to have tourism
12 where it profits us in Alaska. The regions of Anchorage,
13 Juneau to a point where people cannot afford to get on a
14 plane, you know, for maybe ten, fifteen years from now, it
15 will be \$200, \$300, \$400, \$500 to come up here. That's the
16 only comment I wanted to make.

17 MS. STRINGER: Are there any further comments on the
18 general topic of tourism? And let's try to keep it limited.

19 MS. ROWLE: Marilyn Rowle from Fairbanks just to say
20 that I will reintroduce this resolution under the
21 transportation.

22 MR. GARVIN: Move for a five minute recess.

23 MS. STRINGER: Okay, five minutes and let's keep it at
24 five minutes.

25 (Short recess.)

1 MS. STRINGER: If you are thinking of a resolution,
2 find a second for it and then discuss the topic that way.
3 It's probably tedious and will tend to channel the
4 conversation more. I think also that we should try to
5 decide early in this hour what scope we're going to -- I
6 think it's a fairly broad topic. If somebody has a
7 resolution which might kind of touch on the scope of the
8 discussion, I'd appreciate it.

9 MR. MADDOX: Madam Chairwoman, may I make one point
10 here. I think this is a fine opportunity for us to address
11 the issue of overall oil and gas policy once again, to take
12 a look at it. That is one of the things that this body is
13 being charged to deal with specifically for the '81
14 legislation session. We need to know how Alaskans feel
15 about the development of an oil and gas policy.

16 MS. STRINGER: That certainly is an important feature
17 of energy. Someone also mentioned to me -- I will not
18 discuss the topic of alternate energies. So I will
19 entertain the motion if someone would like to kick this off.

20 MR. TIEPELMAN: Dennis Tiepelman.

21 I would recommend that the state invest funds by
22 subsidizing energy development costs of alternative sources,
23 and with that statement, would make that a motion.

24 MS. STRINGER: Is there a second to this motion?

25 MR. McCUTCHEON: Seconded.

1 MS. STRINGER: That was probably mentioned by --

2 MR. McCUTCHEON: Dennis McCutcheon.

3 MR. TIEPELMAN: I think energy is an overriding factor
4 that both the rural and the urban areas have an overriding
5 concern as far as the increasing costs of what oil and gas
6 now means in the way of dollars per gallon, and I think
7 it's becoming more and more apparent in especially the
8 rural areas which I'm not familiar with. We've got to look
9 at alternative energies because we can't afford to pay oil
10 and gas decentralization of five cents a kilowatt hour.
11 The diminishing returns of this oil are eventually running
12 out and still having to pay for oil can be open, if the
13 state can invest their portions or a significant portion of
14 their three and a half billion dollars by paying for the
15 development costs of these alternative energy sources that
16 are already there. What we can do is -- the consumers
17 themselves can't buy the way for that development cost. It
18 might cost \$50 million to put in all the villages a wind
19 generator that maybe puts out 100 KW. So those people
20 can't pay for that over the long run.

21 What the state has to do is pay for that
22 development cost and then pay the maintenance and the
23 operation costs after that. So, in the long run, you
24 reduce the need to rely on oil and gas and you get the oil
25 policy, oil and gas policy that we mentioned yesterday, and

1 we get into an overall policy as far as what Alaska should
2 have.

3 That's the background of my motion.

4 MS. TROLL: Kate Troll, Anchorage, and I would ask a
5 question to that in that you might be encouraging the
6 development of the state utility company if you go to the
7 full scale of them providing for those facilities. You
8 know, you might want some payback provision in there where
9 the local municipality can then repurchase the alternative
10 energy source so that you have local utility boards as
11 opposed to the state getting into that business.

12 MR. McCUTCHEON: Why don't you amend it to the local
13 area? Why don't you amend it to make it the property of
14 the local area so it's given as a grant, it belongs to them,
15 not the state.

16 MS. TROLL: Okay.

17 MS. STRINGER: Would you like to offer the amendment?

18 MS. TROLL: I would like to offer the amendment as
19 stated.

20 MS. STRINGER: Is there a second?

21 MR. WOODS: I'll second it.

22 MS. STRINGER: Frank, did you have --

23 MR. WOODS: I'd like to comment on Dennis' --

24 Frank Woods, Bristol Bay. We've got two hills
25 right behind our village. One is 350 feet and the other is

1 550 feet. I've been trying to get the state to put in a
2 hydroelectric plant. In the status we have, the project
3 was put together so that those little hills there can
4 supply about five villages, and I think with the concept of
5 the state putting up some money, too, for some kind of
6 energy plants besides oil, that's one of the good projects
7 it could be looking at. There's a lot of projects over in
8 the Imeri area that have the same type of good indication
9 of hydroelectric power, and I don't know what the state's
10 opinion on it is, but the thing about it is it's feasible
11 and it works. But like Dennis says, the local people don't
12 have the money, the resources to pay for it.

13 MR. WELTZIN: Jeff Weltzin from Fairbanks. I'd like
14 to include in that motion --

15 MS. STRINGER: We're talking about the amendment.
16 Maybe the best way to do it is to vote on the amendment and
17 then go to something else.

18 MS. TROLL: Yes, let's let Jerry McCutcheon -- they
19 have it -- take it, the amendments.

20 MR. McCUTCHEON: That the fund be given as a grant to
21 the individual areas so that they become the property of
22 the individual areas.

23 MS. STRINGER: Do you feel comfortable in voting on
24 this particular amendment at this point?

25 MR. McCUTCHEON: Could I get somebody else to amend it

1 to one other thing, to also make that apply to marine
2 transportation.

3 MS. STRINGER: Maybe we should vote on this one or
4 we're going to get confused at this point.

5 MR. McCUTCHEON: Well, we're dealing with alternate
6 energy. If we're going to run out of oil, we're going to
7 run out of diesel fuel for boats.

8 MS. STRINGER: Do you feel comfortable on voting on
9 that now. Question anyone?

10 MS. YAMASHIRO: Call for the second.

11 MS. STRINGER: All in favor of the amendment, say aye.

12 The amendment passes. Now, Jeff, you had another
13 one at this point.

14 MR. WELTZIN: I'd like to see an amendment to that
15 resolution to include subsidies for energy conservation and
16 proper building design.

17 You know, the villages are notoriously uninsulated,
18 along with Fairbanks and Anchorage, and increasing energy
19 use to let it sift out through the cracks in the walls is
20 kind of a waste from the very beginning in that if energy
21 conservation is a major part of this resolution, that total
22 expenditure of money will be reduced.

23 MR. MADDOX: Point of information. The project
24 presently getting underway in the Bethel area is of
25 considerable interest to all of us that live out there on

1 the Delta. It's the use of what are called thermalac power
2 filters. We have a central heating plant in Bethel which
3 is putting out its very best effort to warm Alaska. All of
4 it is going out the stack.

5 In Bethel where it's blowing 40 miles an hour
6 it's not going to do an awful lot of good. On the other
7 hand, the project for that area is to take that excess heat
8 off the central plant, pipe it down through the perma frost
9 and down below clay to a body of water contained below the
10 surface. That water will then be heated up and the heat
11 that is stored in that water will be recalled on demand to
12 heat the public buildings in the city. That's the
13 community college, radio and TV stations, the jail and
14 courthouse and perhaps even enough to provide heat for the
15 large housing project that's directly adjacent to it.

16 That kind of alternative energy development is an
17 extremely important thing for Alaska, and every part of
18 Alaska has its own potential for the utilization of a
19 combination of alternative energy sources. A grid system,
20 for example, incorporates wind generators, thermal filters
21 as well as the general petroleum power derived.

22 MS. STRINGER: Jeff, do you want to propose a specific
23 wording?

24 MR. TIEPELMAN: We're working on it.

25 MS. STRINGER: Dennis, do you want to incorporate it

1 as a portion of your -- would you like to restate the topic
2 we're discussing?

3 MR. WELTZIN: Jeff Weltzin, Fairbanks. We're talking
4 about energy conservation, and so many studies have been
5 done nationally and statewide that if we just properly
6 insulated our village in the first place, and that if we
7 built existing new buildings properly the next time around
8 we wouldn't have to import any oil from the Arabs.

9 Energy production is not really the key issue
10 here and we have enough to produce energy already. It's a
11 matter of proper use and fitting, the proper type of energy
12 to the end use. And you don't use electric to heat
13 buildings because that's a highly refined expensive form of
14 electricity. You use low quality heat. That's much easier.
15 You burn wood in Fairbanks. A lot of people are converting
16 from electric heat to wood stoves, and that's just one
17 example of that type of thing. It's a type of energy use
18 and not so much energy production as having energy
19 efficient buildings.

20 MS. STRINGER: I'd like to ask Dennis. You've
21 incorporated this essentially into your resolution. Would
22 you like to read the resolution presently as it reads and
23 also you have the concept of your second second? Who is
24 the second? John?

25 MS. TROLL: I can't second.

1 MS. STRINGER: You seconded, Dennis.

2 MR. GARVIN: I didn't, but I will.

3 MR. TIEPELMAN: Madam Chairwoman. Dennis Tiepelman.

4 Without getting into the subject of amendments
5 and seconding those, I will just propose that this
6 recommendation read as follows: That the state invest
7 funds by subsidizing energy development costs of
8 alternative sources by grants to local agencies and that
9 alternative energy sources include a policy for existing
10 facilities in existence to be upgraded by state subsidies.

11 MS. STRINGER: That's the resolution. Are there
12 further amendments?

13 Jerry, you had something to suggest earlier
14 regarding marine?

15 MR. MCCUTCHEON: Let's make it applicable to marine
16 also, to marine transportation with respect to alternate
17 energy forms. The time is coming, you know, we're going to
18 go back to sail power.

19 MS. STRINGER: Are you willing to include that in your --

20 MS. TROLL: He has existing facilities and systems.

21 MR. MCCUTCHEON: Sail power jolted everybody in the
22 room, so you won't be thinking of that unless that word is
23 in there and that's why I asked it to be put in there.

24 MS. STRINGER: In making the motion. I'm trying to
25 figure it out to put it in appropriately. Are there

1 further comments on this topics?

2 MS. STACHELRODT: A couple of years ago the
3 Legislature published a bill which established the power
4 authority. It used to be the state energy office. Now
5 it's a long name. I can't remember what it is right now,
6 but in that bill, there was a section that talked about
7 grants or loans for alternative energy sources. So it's
8 there already.

9 MS. STRINGER: Jeff.

10 MR. WELTZIN: My name is Jeff Weltzin. That energy is
11 called the Alaskan power authority and that entities' main
12 objective right now seems to be large-scale power projects
13 and energy conservation and small power projects which the
14 community level seems to have taken a back seat to their
15 efforts, and I think this resolution would help redirect
16 their efforts into smaller communities where really it's
17 needed.

18 MS. SANDE: Jean Sande. It is going through small
19 projects. Another one got in for title power and those are
20 individual ones they're working on. Another source of
21 funding is the state funding.

22 MR. McCUTCHEON: Those little projects you're talking
23 about, isn't that the state renewable fund?

24 MS. SANDE: Yes.

25 MR. McCUTCHEON: Well, that's something altogether

1 different.

2 MS. STRINGER: Are there further comments from people
3 who have not already made a comment?

4 MR. MADDOX: Just one from me. I think if you want to
5 take a good hard look at the state's involvement in power
6 projects and its ultimate high cost to the consumer, take a
7 look at TVA, see if Alaska really wants to go that way.

8 MS. STRINGER: Interesting point.

9 MR. McCUTCHEON: TVA is low cost.

10 MR. MADDOX: To whom?

11 MR. McCUTCHEON: To the general consumer.

12 MS. STRINGER: Are there any further comments by
13 anyone who has not already made a comment?

14 MR. McCUTCHEON: Your staff and you should be better
15 than that. TVA is low cost power. So bountiful.

16 MR. MADDOX: The bill coming to the consumer is, true,
17 but the bill coming to the taxpayer is very high.

18 MR. McCUTCHEON: Not the original project.

19 MR. MADDOX: A good point of debate.

20 MS. STRINGER: Let's get on with discussing the
21 resolution. Do you have it reworded?

22 MR. TIEPELMAN: This questionnaire is just an
23 insertion that I'll put in, that alternative undersea
24 source including conservation for existing facilities and
25 systems including marine transportation to be upgraded by

1 state subsidies.

2 MS. STRINGER: Whoever seconded it, I assume agrees
3 with this change that the makers made?

4 Anybody else? Kate.

5 MS. TROLL: I would like to also add something to the
6 fact that the state take an active role in disseminating
7 information to the local residents. For instance, the
8 environment and the alternative energy conference which
9 there were 600 people added, mostly Anchorage people though,
10 with people presented there where projects that the
11 individual could undertake and there was valuable
12 information and the center for environment is also getting
13 all types of books.

14 So there's very valuable sources of information
15 that was actively disseminated that the center for
16 environment does not have that would make a much larger
17 impact. So maybe we ought to make an amendment to that

18 MR. McCUTCHEON: A point of information. There is a
19 news office, and they're looking for people to put on their
20 daily list, and they have a state office over in "McKahill."
21 They got it and they did pretty good, and their mailing
22 list happens to be if anyone wants to use that for contact,
23 they'll give you a mailing list and it's very accurate --
24 less than 5 percent returns.

25 MS. ROWLE: Marilyn Rowle from Fairbanks. Maybe Kate

1 can coordinate with this office that Jerry is talking about,
2 maybe suggest some resources that she knows about this
3 office.

4 MS. STRINGER: Sounds like a good idea.

5 MS. TROLL: Fine, I'll do that and withdraw my motion
6 for an amendment. If this board was effective, I was not
7 aware of that.

8 MS. STRINGER: One of the benefits of attending this,
9 you find out all kinds of things. Any comments on the
10 resolution?

11 MR. GARVIN: Question.

12 MS. STRINGER: The question has been called for.

13 Signify by saying aye.

14 The motion passes.

15 How about another topic under the subject of
16 energy?

17 MS. STACHELRODT: I'd like to talk about energy
18 efficient houses and our philosophy under Sunworks is low
19 energy technology which is the efficient use of materials,
20 the production of, transportation of and the use of -- in
21 other words, no waste. As an incentive to the small timer
22 who designs an energy efficient house, sort of the
23 greenhouse, whatever, I'd like to recommend that the state
24 build -- and we'll give a cash prize to the developer and
25 the person who has built a structure, an energy efficient

1 structure which is cost effective, virtually maintenance
2 free and energy efficient.

3 MS. STRINGER: Is there a second?

4 MR. STEPHEN: Second by Jeff Steven.

5 MS. STRINGER: Would you like further comment on your
6 motion?

7 MS. ROWLEY: Marilyn Rowle from Fairbanks. I would
8 like to ask how much would the cash prize be? Could you
9 give us a suggestion of how much the cash prize would be?

10 MS. STACHELRODT: Right off the top of my mind I was
11 thinking of numbers of \$50,000 a year. In other words, you
12 pay for the structure, that structure could also be open to
13 the public, you know, in a way.

14 MS. STRINGER: Are you suggesting to the incorporation
15 of a dollar figure in the resolution?

16 MS. ROWLEY: Well, a ballpark figure.

17 MS. STACHELRODT: Well, approximately we could.

18 MS. STRINGER: Does Don have a comment on that?

19 MS. YAMASHIRO: I suggest that we keep all dollars out
20 with costs of inflation and other factors to limit the
21 ten-year period, how much, I think it's too narrow.

22 MS. TROLL: I would like to add to that; that the
23 state also in their efforts of encouraging energy
24 efficiency in this program that you're talking about, that
25 they also divulge those people who are at the other extreme,

1 like the dirty dozens of the energy efficient.

2 MS. STRINGER: A word stress list.

3 MS. TROLL: Exactly. You know the federal building
4 right now, there are conference rooms; there is no physical
5 way that you can turn off those lights. They're on 24
6 hours a day and there's that type of thing that's happening,
7 so you're encouraging both positive and negative by
8 pointing out the culprits.

9 MR. WELTZIN: Jeff Weltzin, Fairbanks. I think it's a
10 really good point because in Fairbanks, the worst energy
11 users, the worst wasters of energy are the state Department
12 of Transportation, the International Airport, all the big
13 public buildings are the worst users of energy, and if the
14 state doesn't clean up their act, how do they expect the
15 citizens to do that?

16 MS. STRINGER: Do you want this as an amendment to
17 this or do you want it as a separate resolution?

18 MS. STACHELRODT: I'd like to keep it separate because
19 that is an altogether different thing.

20 MS. STRINGER: That's probably a good idea. We're
21 talking about one resolution. Anyone care to debate or
22 discuss any further?

23 MR. MADDOX: Madam Chairwoman. I'd like to call your
24 attention to the article in the finance section by "Mark
25 Fire," energy capital per structure.

1 Several years in the Yukon Delta area, a series
2 of three high schools were built. They were designed in
3 Phoenix, Arizona. They were built up off the ground with
4 free air circulation underneath. Two of them contained
5 swimming pools which during the first winter became the
6 largest cocktail ice cubes in the state of Alaska. The
7 heat lost through the stacks was outrageous.

8 This is still going on, by the way. It was
9 attempted to make some corrections. I would like to
10 suggest if we're going into energy support that it be
11 developed in the state and make full use of our knowledge
12 of Arctic and subarctic technology and we take a look at
13 what they're doing in Siberia in that connection giving
14 what he felt is due.

15 MS. STRINGER: Any discussion on that resolution? I
16 think it was in front of us speaking in favor of it.

17 MR. GARVIN: Question.

18 MS. STRINGER: The question is called for. Do you
19 need it restated?

20 MS. STACHELRODT: Recommend that the state provide a
21 large cash prize annually to an Alaskan who has developed
22 and built an energy efficient structure which is, one, cost
23 effective, two, virtually maintenance free, and three,
24 last, but not least, energy efficient.

25 MS. STRINGER: All in favor signify by saying aye.

1 Any opposed?

2 The resolution passes.

3 Do I understand there was a second topic of
4 discussion of that general heading? Was there another
5 resolution here?

6 MS. TROLL: The same one --

7 MS. STRINGER: A delegate, of course, has to propose
8 the resolution. Somebody could suggest the wording.

9 MR. WELTZIN: Jeff Weltzin, Fairbanks. That the state
10 take initiative to retrofit existing public buildings to
11 set good examples for the rest of the citizens of the state,
12 something to that effect. Someone can come up with a
13 better resolution.

14 MS. STRINGER: Can you develop the wording of it and
15 then someone can submit it.

16 While you're working on that, does he or she have
17 a resolution to introduce?

18 MR. STEPHEN: I don't have a resolution, and it's a
19 little bit off of this topic. I would like to maybe throw
20 something out on the table for my own self-enlightenment.

21 MS. STRINGER: As long as it's energy, we can discuss
22 it.

23 MR. STEPHEN: I don't know what it's about and I would
24 like to get the feeling of the group here, maybe some
25 people that are informed more than myself. I spent three

1 years in Latin American countries, and sometimes I feel
2 like I'm in an under-developed country, and sometimes I saw
3 resources like copper and tin and oil leaving the remaining
4 countries and a lot of the people. I see this crude oil
5 going out down to Valdez or to wherever it goes.

6 I lived in Houston, Texas, for awhile, and I know
7 what refineries can do, and I wonder if anybody knows about
8 what refineries or what the state policy is.

9 Is there any type of policy or feeling in this
10 group that would promote the construction of refineries? I
11 realize that could be controversial because of the ecology
12 and everything, but I really hate to see this resource
13 going out not even primarily processed out of the state and
14 then we have to ship it back in and then buy it, for
15 gasoline, for \$1.20 a gallon or whatever we're paying down
16 in Kodiak. What do people say about refineries for oil?
17 First was Hith.

18 MS. WORL: That's a topic that I wanted to address on
19 a very broad scale in terms of our resources. It's true
20 that all of our resources go out of the state and then it
21 comes back to Alaska and we have the added cost of all of
22 that, you know, shipping it out and bringing it back in,
23 and that applies on the broad scale to everything from oil
24 and gas, fisheries, timber, you know, generally speaking.
25 I mean, I know that there are instances where we have some

1 local, there is local development, and I would like to see
2 a very broad policy developed that wherever state resources
3 are, state and natural resources are developed, that there
4 be a mechanism to assure that those products or at least,
5 you know, an adequate supply, stay in Alaska for Alaskan
6 consumers, and I don't know where it should be brought up,
7 but I think somewhere we need to address this, you know,
8 very generally under resources.

9 MS. STRINGER: Under resources rather than energy?

10 MR. McCUTCHEON: Why not do it under energy. Make a
11 motion.

12 MS. STRINGER: Would you like to go into that right
13 now since it's probably going to be fairly lengthy. Would
14 you like to dispose of the resolution which is being
15 drafted?

16 MS. TROLL: We have it drafted.

17 MR. McCUTCHEON: Get that over with.

18 MR. TIEPELMAN: Dennis Tiepelman proposes the
19 following: That the state should take the lead in
20 providing underefficient buildings in the construction of
21 public facilities and make public those building projects
22 that are major examples of underwastes.

23 MS. STRINGER: Do I hear a second?

24 MR. WOODS: I'll second it.

25 MS. STRINGER: Any discussion.

1 MR. TIEPELMAN: Question.

2 MS. STRINGER: The question has been called for. Aye?
3 Any opposed? Resolution passes.

4 Marilyn did you have something?

5 MS. ROWLEY: Yes, I wanted to add my friendly
6 agreement to that and to forewarn us that we should make a
7 recommendation as a demand because there is times when the
8 Lower 48 is going to suck us dry, and you can see right now
9 what benefits they're making on us now, but with the
10 Iranian crisis --

11 MS. STRINGER: Rosita, do you have a particular
12 resolution in mind?

13 MS. WORL: I move that the state adopt a policy to --
14 insure that -- I don't know -- resources, natural resources,
15 if you want to say natural resources, that wherever the
16 development of natural resources occurs, that supplies be
17 made available to Alaskans.

18 MS. ROWLEY: Processed?

19 MS. WORL: Developed, processed and distributed in
20 Alaska.

21 MS. STRINGER: Does someone have this written down?

22 MS. YAMASHIRO: I have it written down.

23 MR. McCUTCHEON: How about that no natural resources
24 be removed from the state without being processed? That
25 gives you the process right here in state.

1 MS. STRINGER: Wait a second. Do we have the wording
2 of the resolution now? Do you want to reread the thing and
3 then we'll discuss it?

4 MR. McCUTCHEON: If we can't use it --

5 MS. WORL: Can we just talk first about the general
6 discussion about that?

7 MS. STRINGER: We'll develop it. Jerry? You had a
8 comment to make.

9 MR. McCUTCHEON: Well, they were working down there
10 and over here. I don't know. It seems to be a number of
11 us, if we can't use it, let's leave it in the ground.

12 MS. STATON: Ethel Staton, Sitka. I don't feel that
13 way. I think it's great to say we're not going to give it,
14 but you're not going to let your people go cold.

15 MR. McCUTCHEON: If it's not needed, let's not use it.

16 MR. STEPHEN: We can use it for commerce.

17 MS. STRINGER: Jeff?

18 MR. STEPHEN: Are you suggesting that we use it for
19 our own use or use it for commerce as well?

20 MR. McCUTCHEON: No, if we extract it, we process it.
21 If we don't process it, we don't extract it.

22 MR. WOODS: The reason I say we're not going to use it,
23 you know, leave it in the ground. The reason I state that
24 is why do we sell, let's take an example of Japan and we
25 have to buy it back for \$16 to process it? I mean, it's

1 crazy.

2 Here we're talking about the resources here,
3 they're in the ground. Yet, we let it go by us for half of
4 the price and we have to buy it back double when the thing
5 is here.

6 Why should it have to exchange hands like it has
7 been in the past? I mean, the road has already been set
8 that this is the way you go, but it doesn't have to go like
9 that. It's here. Why exchange it through somebody's hand
10 like a broker and come right back to the same original spot
11 that it started from?

12 MS. STRINGER: There's a lady down there at the end of
13 the table.

14 MS. WIESE: I know people that are taking mineral out
15 of the ground and they are shipping it out to be refined.
16 Otherwise, they'd have to put a foundry on land that they
17 don't want or they don't want it in natural wilderness and
18 you would be cutting out people's livelihoods which is
19 supporting quite a few people in Alaska, where if you put a
20 foundry up, you'd be dividing the natural beauty of what
21 she's talking about and some things are cheaper to ship out
22 than to build foundries to handle that small amount.

23 MR. McCUTCHEON: Would you be specific as to what
24 information --

25 MS. WIESE: I'm talking about silver.

1 MR. McCUTCHEON: All right, fine. You're talking
2 about shipping silver or--

3 MS. WIESE: It wouldn't be economical to refine it in
4 Alaska.

5 MR. MADDOX: Madam Chairperson, perhaps we could
6 modify the language to include the motion of where feasible.

7 MS. STRINGER: We're just developing language right
8 now.

9 MR. MADDOX: Well, the language needs to be cleaned up

10 MS. YAMASHIRO: We don't have the language.

11 MR. McCUTCHEON: We'll just change it to exclude gold
12 and silver.

13 MS. STRINGER: I think we may have language. Hold on.

14 MS. YAMASHIRO: This is not the language, but I
15 thought of ideally, it would be nice not to say really
16 natural resources without it being processed in Alaska, but
17 in terms of practicability, I don't think it's realistic,
18 and therefore, we can ask the state to encourage any kind
19 of maximal use of natural resources so that the people in
20 the state can benefit from it at low cost or however we
21 want to state it, but to arbitrarily and unilaterally
22 decide that we are not going to allow any natural resources
23 out, I think would be foolish.

24 MR. McCUTCHEON: We've been doing it for twenty years
25 exactly what you say, and it's already written that way and

1 it hadn't produced anything.

2 MS. STRINGER: Anyone that has not already made a
3 comment on this particular topic --

4 MS. WORL: Ted, would you write that resolution for me?

5 MS. STACHELRODT: Mary Stachelrodt. This had come up
6 before, the feasibility of putting a petro chemical plant
7 here, and according to the state, the cost was just huge.
8 In other words, it was not cost effective. You know, it
9 was to get ahold of the state of Alaska, you know, the
10 office, the energy office there and get ahold of the copy
11 of the study that was done regarding oil.

12 MS. STRINGER: Are there comments by someone who has
13 not yet made a comment?

14 MR. McCUTCHEON: I hate to keep dominating this. Now
15 she's onto oil and gas and that happens to be my field and
16 the state studies aren't worth a tinker's damn. They have
17 been politically motivated in the last four years and
18 they're not worth anything. The corporate enterprises out
19 there will not accept them. They talk about a gas liquids
20 plant and petrochemicals, and they had \$200,000 to do the
21 study, and the companies interested told the state to do
22 the study. They have to rely on what's being done and not
23 what the state does.

24 Going to the petro-chemicals, in this day and
25 age, he who has the source of petroleum, any kind, is king

1 of the hill and he can do anything he wants to and if it's
2 here, it's feasible here and if you want to take petroleum
3 and transport it to the North Slope, transport it there,
4 and I don't mean to the North Pole out of Fairbanks, but I
5 mean the real North Pole, you can do it. So for not
6 processing in Alaska and all petroleum products in Alaska,
7 there's no reason for that.

8 MS. YAMASHIRO: I do not disagree with what you're
9 saying. However, I think in terms of what our mandate is
10 is that in this group, I would suggest that we look at ways
11 to formulate a policy that would encourage the state to
12 come to that, to work toward a goal of being more self-
13 sufficient, but to insist that nothing leaves the state is --

14 MR. MCCUTCHEON: We've had the policy that you have
15 described. We are operating under that policy right now.
16 As a matter of fact, if you read the constitution sight and
17 clearly, the constitution almost requires that it be
18 processed in the state and what juncture are we going to
19 say damn it, this is ours, and if you want it, we're going
20 to process it here. We dominate it now. It's ours.

21 MS. STRINGER: Marilyn, and then Ethel, and back to
22 Gene

23 MS. ROWLEY: I'm a media person by name and I'm
24 involved in studies that, yes they can be written on a
25 slant, and before I noticed when we were talking, we were

1 all very hard-nosed about this processing in state and I
2 noticed there was an entity here, and we started adding
3 things to make it less powerful. Let's try to keep it as
4 powerful as possible. We can make suggestions. They won't
5 act on it tomorrow anyway, but let's try to keep it hard-nosed.

6 MS. STATION: I just felt that being a business, there
7 are times that you cannot afford to build a refinery, say,
8 and the cost of labor in the state of Alaska is the highest
9 in the United States, and what is driving it up there but
10 the people? You know, it's the cost of bringing things up
11 here, and I'd just leave it at that because I just feel
12 that we cannot put a tight cover on it.

13 MS. STRINGER: Jan and then Frank and Jeff.

14 MS. YAMASHIRO: I'm not asking what Jeff is saying. I
15 think we need to formulate some type of wording to insist
16 on the kinds of things that we want, and in that way
17 encourage and see that our ends are met, but not to limit
18 other kinds of possibility, and I think your comment about
19 being hard-nosed, as hard-nosed as we can is what I'm
20 suggesting the direction of this go.

21 MS. STRINGER: Frank and then Jeff. Frank.

22 MR. WOODS: The latest position of running a business,
23 oil is a business, and if you think in your own mind for
24 the difference of the price of just oil, not talking
25 transportation, there must be some goddamn reason that they

1 can refine it here. You can do it here. It doesn't matter
2 where you're doing it, but we're saying we have the product,
3 well process it before it leaves. It's still going to
4 probably cost the same amount of money, but I think in the
5 long run, in the long run, what you're looking at is that
6 you are empowered where it goes. The 48 states are going
7 to except on a strike, keep pulling it out. We have no
8 control over it. The thing about it is you have the
9 resource. Don't you think you have the right to control
10 your resources when they're here? So being a businessman,
11 you should understand that.

12 MS. STRINGER: Do you have a point of information?

13 MR. MADDOX: Just one quick point. Take a look at the
14 Lower 48 and look at where the oil refineries are. They're
15 adjacent to the oil fields in California, Texas, Oklahoma,
16 Pennsylvania, wherever the primary source is, where it has
17 been developed. Look at Siberia when they have a natural
18 resource in Siberia, they built next to it.

19 MS. STRINGER: Jeff, do you have some resolution?

20 MR. STEPHEN: Are you ready?

21 MS. STRINGER: If you're not ready, I'm sure there are
22 other comments.

23 MR. STEPHEN: We're going to finish it up.

24 MS. ROWLE: Marilyn Rowle, Fairbanks. I want to also
25 make the suggestion that our discussions are future

1 directed and I've noticed that we've been worrying about
2 some practical details here in the present may not be there
3 further on down the road, so we should just keep a hard
4 line.

5 THE MODERATOR: Did you have something else to say
6 there?

7 MS. STATION: No.

8 MR. McCUTCHEON: With respect to oil and gas, there is
9 no question about it. It's over and done with. The reason
10 we don't have 60-cent gasoline in Fairbanks and 60 cents
11 diesel fuel in Fairbanks is because we're getting raped and
12 the little bit of competition, here along about December,
13 there's going to be a new refinery come along the line and
14 there's going to be fuel and a fiasco coming up there, and
15 there's going to be a little price war going on and a
16 little competition. But right now, anybody that's got a
17 source of oil can finance anything they want to. This is
18 how Alpeck Company put their deal together and one of the
19 saddest things that happened in Alaska, we literally gave
20 all of our future oil away.

21 MS. STRINGER: Any further comments?

22 MS. EASLEY: Paula easily. The appearance of this
23 body has already taken an action that further oil and gas
24 exploration will be substantially delayed.

25 Now, the oil that is already being produced is

1 fairly well permitted, and for anyone to come into this
2 state or someone who's here already to build a refinery
3 under a 20- or 25-year contract must be written that would
4 assure that they would have feed stocks available for that
5 period of time. So you have the problem in the one place,
6 you say we don't want more oil and gas development, but yet
7 you want the refineries here to process what is developed.

8 Do you understand, Madam Chairwoman, what I'm
9 saying?

10 MS. STRINGER: I do, yes. That was it? Kate.

11 MS. TROLL: Kate Troll, Anchorage, and I interpreted
12 that action in regards to oil and gas in the Coastal Zone
13 Management is not saying we don't want it. We just want
14 the time for local input so the local regions can then plan
15 for the impact and have some say in the process.

16 MS. TROLL: So my point is that certainly we have made
17 an effort to go slow for offshore oil and gas development,
18 but we still have quite a few on-shore facilities that will
19 not be impacted by the Coastal Zone Management Planning
20 Program and it is in light of the production of those
21 energy sources that I think we need to say we want some
22 control as to where they get refined and processed. So I
23 think we still have a point of contention here.

24 MS. STRINGER: Thank you. I think we have some
25 wording now.

1 MS. WORL: Yes.

2 MS. STRINGER: Who wants to offer it? Kosita or Jeff?

3 MS. WORL: A resolution that a state policy that when
4 the state develops its natural resources, those resources be
5 processed in the state to a finished and consumable form
6 in the state, and that those resources be made available to
7 Alaskan residents on a priority basis excluding mineral or
8 such as silver and gold.

9 MS. STRINGER: Is there a second?

10 MS. STACHELRODT: Second.

11 MS. STRINGER: Is there a discussion of the
12 resolution?

13 MR. McCUTCHEON: Question.

14 MS. TROLL: I think we already have a question.

15 MS. STRINGER: I wouldn't like to ramrod that through.

16 MR. STEPHEN: Does that answer your concern, ma'am?

17 MS. WIESE: Yes, we're talking about energy and you're
18 talking about all raw products, and there are things like
19 mines in existence that people are trying to develop and
20 they put a lifetime behind them, and I don't think we have
21 the power to suggest that everything has to be in
22 refineries in Alaska. Some things are more economical than
23 in Alaska to try to ship out.

24 MS. STOKES: Would you state the resolution, please.

25 MS. STRINGER: Wilma Stokes ask that you restate the

1 resolution. Could you reread it.

2 MS. WOKL: I move that the state pursue a policy --
3 this is the policy: That when the state develops its
4 natural resources, those resources be processed in the
5 state to a finished and consumeable form in the state, and
6 that those resources be made available to Alaskan residents
7 on a priority basis excluding mineral or such as silver and
8 gold.

9 MS. STRINGER: Frank, you had a comment.

10 MR. WOODS: The lady over there -- Frank Woods,
11 Bristol Bay. The lady says we have to write a contract for
12 25 years.

13 Why do you think that 25 years came into
14 existence? I think it came into existence from the
15 practical experience they have had in the Lower 48.
16 They've got refineries, so in order to tie our hands, they
17 make such a ruling, say that we have to write a contract
18 for 25 years. They don't have the product; we do.

19 MS. STRINGER: Would you like to respond to that?

20 MS. EASLEY: It doesn't have anything with where the
21 facility is. It's a matter of being able to finance it
22 over a twenty-year period.

23 MR. MCCUTCHEON: There is no problem of financing
24 anybody. Anybody that's got the oil can get the financing.
25 Alpeck Company with which you helped to run through which

1 mortgaged up to 80 percent, it's a perfect example of all
2 they do is hustle the legislature, and then they go out and
3 pedal 70 percent of it or more than that or elsewhere along
4 the line, and that tied up our future oil resources.
5 Unless we elect to take it to court in the next six months,
6 we'll be stuck with it.

7 MS. STRINGER: Paula would you like to respond to that?

8 MS. EASLEY: No.

9 MR. STEPHEN: Just an explanation of this in order to
10 clarify. I don't think that we tell the state we want
11 definite legislation to make sure that ever bloody resource
12 we have is produced to a consumeable form, but I personally
13 would like to see that the state pursue an active policy
14 that we try to process all our natural resources into a
15 consumeable form where it's possibly feasible. If they
16 start to begin it, I would like to see them start some
17 legislation or some research in that direction. Can we
18 process timber a little bit more in Alaska before we send
19 it out? Can we process some fish re resources maybe a
20 little bit more? Can we process some types of petroleum
21 products a little bit more? To answer what you're saying
22 down at the end of the table, I don't want to demand every
23 resource because it's economically unfeasible in a lot of
24 cases.

25 MS. STATON: All I was going to ask Mr. McCutcheon,

1 even in Sitka we are looking at oil. Oil has been in the
2 Sitka area. It's not only up here.

3 MS. STOKES: Wilma Stokes. By the same token, I don't
4 want to appear wishy washy. I want to make a firm
5 statement. This is for the future.

6 MS. ROWLE: Marilyn Rowle from Fairbanks. I think
7 that we should distinguish between something like
8 subsistence mining : family to what we're talking about,
9 big corporations here, and I don't know how we can do it.

10 MR. MCCUTCHEON: They did it already. They did it
11 already.

12 MS. TROLL: The wording of the resolution.

13 MS. STRINGER: Would you like to reread the resolution
14 one more time because we've been talking about it so much.

15 MS. WORL: We're talking about a policy that the state
16 pursue a policy that when the state develops its natural
17 resources, those resources be processed in the state to a
18 finished and consumeable form in the state, and that those
19 resources be made available to Alaskan residents on a
20 priority basis excluding mineral oils, ores such as silver
21 and gold.

22 MS. STRINGER: Rosita first but anyone who has not
23 spoken on this, I'd like to speak.

24 MS. WORL: Further for the record and for the public
25 here, I'd like to just emphasize the aspect that I'm really

1 concerned about and that is when resources are developed in
2 Alaska, we should be able to share in those resources. I
3 think that it is more really wrong to have large-scale
4 development such as oil development and then 40 miles away
5 to have houses where heat is not available because the
6 people cannot afford to buy those resources. Those
7 resources leave their area, are shipped thousand of miles
8 away, refined, and if possible, brought back, weather
9 permitting, through whatever kind of conditions that we
10 have in Alaska, and I'm just looking for the state to
11 develop a policy to make sure that the resources benefits
12 us.

13 MS. STRINGER: Now, I'd like to go through and anybody
14 that has not spoken on this topic.

15 MR. SWAIN: Mike Swain. I would like to ask are we
16 talking in terms of 100 percent of refining Alaskan oil or
17 are we talking in terms of refining the amount of oil that
18 would be necessary for Alaska's use and then exporting in a
19 raw form the oil that we don't need in Alaska? What are we
20 talking about here? Are we talking about 100 percent
21 refining and if we are refining, somebody that is qualified
22 to speak on it should speak on the terms of which is more
23 hazardous to transport, refined oil or raw crude? Just for
24 a point of information I'd like somebody to speak to that.

25 MS. STRINGER: I'd like the maker of the motion to

1 speak on it.

2 MR. STEPHEN: Sure. I don't know really, and I'll
3 tell you why, because I don't know much about the refining
4 business, but again, what I think the purpose of this
5 resolution would be would be to give some direction to the
6 legislature, and of course when I've been down there,
7 there's all kinds of oil robbers there. And in the House
8 and Senate that are quite knowledgeable and I would like to
9 give them a general direction if they work it out that
10 maybe we'll just refine heating oil or maybe set up some
11 demands for the next five years or whatever, however that
12 legislation, I'm not suggesting that a hundred percent of
13 everything, but I just want to give them an idea,
14 particularly myself. I don't know about Rosita, but I'm
15 interested in seeing as much processed as feasible. I
16 don't want to subsidize a refinery just so we can process
17 100 percent of the oil, but if we can do it economically
18 feasible, I'm all for it. I'll let the Legislature handle
19 all the details, but not that the lobbyists are going to
20 help us hammer all the deals, but --

21 MS. STRINGER: You've obviously exchanged some
22 information here, but would you like to seek for some
23 reason here at the conference --

24 MR. SWAIN: I'd like to know if there is some
25 transportation expert and perhaps it can be brought under

1 transportation rather than at this time. But I'd like to
2 know the problems with transporting refined oil versus --
3 or if there is a problem. I don't know that there is a
4 problem. Perhaps it doesn't make any difference, you know.

5 MR. MADDOX: The potential dangers are of two kinds of
6 the prerefined product has a high volatility; it's explosive
7 in many instances. The other problem is pollution of
8 marine waterways. Living in Southeastern I'm very
9 conscious of that. Every tanker that leaves Valdez I get a
10 gray hair in my beard because it would only take one tanker
11 in Alaska to do a devastating job on our fisheries. On the
12 other hand should we be transporting by rail or by road? I
13 don't know.

14 MS. STRINGER: Dennis and then Jerry.

15 MR. TIEPELMAN: I think one portion of this, one
16 portion of this energy discussion that's going on, when we
17 talk about refining or processing the in-state use of it,
18 you've got to get back and reflect on the law of economics.
19 Perhaps we process fuel just for purposes of the home
20 heating fuel. Perhaps there's not enough fuel to refine in
21 the first place. So you pay the high transportation cost
22 to maybe bring it somewhere down to the Lower 48 because
23 the refinery capacity and the amounts that they need to do
24 it justifies why it's being done down there as opposed to
25 some people making efforts trying to process that here

1 somewhere in Alaska. Maybe the numbers just aren't there.

2 MR. McCUTCHEON: To answer the man's question about
3 the hazards. Let's say we've got a tanker load of gasoline
4 and we get a collision. Kapouie, they go up, but the
5 marine environment which is approximate to it gets it and
6 then immediately it's gone. You hit a tanker load of crude,
7 collide, then nothing would happen. It just leaks all over
8 and it goes on and on and on and on and on and then it goes
9 out of sight, and what a lot of people don't realize, out
10 of sight. We've got crude rolling all over the bottom.
11 How long it's going to take to get rolling down at the
12 bottom to where the crab fisheries are at -- maybe the
13 water will be warm enough for the bacteria to eat it up,
14 but it's pretty cold. As far as the marine environment is
15 concerned, they do their damage, but it's over with.

16 MS. STACHELRODT: I'd like to make additional comments
17 to his. Maybe we should encourage the state to again or
18 the legislature to again adopt a tanker built similar to
19 the one that was proposed by Chancellor Crockett a couple
20 of years ago, something like that, to protect if we do send
21 oil or gas out, we've got to have some protection.

22 MR. MADDOX: When we bring up that point, you're
23 dealing with transportation.

24 MR. STEPHEN: I'd like to just throw something out on
25 the table, and it just struck me here when somebody was

1 talking, and Dick brought it out a little bit when he was
2 speaking about the environment. I'm not quite sure now
3 after I think about it that I would like to see an oil
4 refinery off of Bethel or around Kodiak somewhere either.
5 The more I think about this, if we're going to pursue a
6 policy of processing, that our primary resources -- I'm
7 starting to think where I want to see an LND plant off the
8 Coast of Alaska. That's a consideration. Now that I think
9 about it, I'm almost thinking I'd rather ship it to Port
10 Angeles in the refinery there.

11 MS. STRINGER: Are you considering the resolution you
12 directed?

13 MR. MADDOX: Let me help him. I think we're going to
14 have to address the issues of areas of seismic activity,
15 areas of potential extreme storm damage, we're going to
16 have to assess the location of other natural resources that
17 might be impacted by the presence of refineries, but that
18 does not preclude the possibility of developing refineries
19 in the state. We'll have to use uncommon sense. Remember
20 what Bucky Fuller said last night. We're not limited by
21 our imagination.

22 MS. STRINGER: I will say it's quarter of -- somebody
23 has five of

24 MR. MADDOX: I have ten to. Let's go by mine.

25 MS. STRINGER: We can get on with the question as soon

1 as we establish how much time we want to devote to this
2 particular time and we want to extend our time and go into
3 the lunch hour. I want to have some parameters established.
4 Does anyone have anything on that?

5 MS. STRINGER: The resolution, do you feel you can
6 conclude it in the next ten minutes or would you like to --

7 MR. McCUTCHEON: Can we conclude it now?

8 MS. TROLL: I have one point to add.

9 MS. STRINGER: Do I get the feeling that we can
10 progress with this and quit before lunchtime?

11 MS. YAMASHIRO: yes.

12 MS. TROLL: I want to respond to a couple of comments
13 is that in my knowledge, the only way you can transport gas
14 is in the liquified natural gas state, so you're going to
15 have energy plants anyway just for access of transportation
16 and also because the Coastal Zone Management Act has a lot
17 of provisions in there dealing with the deciding of oil and
18 gas and LNG plants that the local government is going to
19 have some say in that, and thirdly, it might seem to want
20 to insert the words before economically feasible in this
21 resolution.

22 MS. STRINGER: Are you proposing that as an amendment?

23 MS. TROLL: I cannot propose --

24 MS. STRINGER: Did anybody wish to --

25 MR. STEPHENS: I would make that environmental

1 concerns be considered strictly in placement of processing
2 facilities.

3 MS. STRINGER: Is there a second?

4 MS. YAMASHIRO: Yes, second. I would suggest that we
5 take the time to redraft the resolution and consider some
6 of the factors involved in this.

7 MS. STRINGER: Well, it would seem to me we could do
8 this by the maker and the second agreeing to withdraw it,
9 both the amendment and the resolution and then just start
10 from ground zero either now or later.

11 MR. STEPHEN: As far as my amendment goes, again, I
12 think we're just giving it general direction anyhow and by
13 saying environmental concerns be strongly considered in
14 placing facilities, I wouldn't think that would mean
15 necessarily consider every single environmental concern.
16 This is a general direction. We're really concerned about
17 the environment and the placement of these processing
18 facilities. That was my intent, and I will withdraw it.

19 MS. STRINGER: Rosita? Did you have your hand --

20 MS. WORL: No, I'm thinking that perhaps we might want
21 to make a general policy statement about environmental
22 integrity.

23 MS. STRINGER: As a second resolution?

24 MS. WORL: Yes.

25 MS. STRINGER: Rather than as an amendment to this?

1 MS. WOKL: Yes.

2 MS. STRINGER: That would require withdrawing the
3 amendment.

4 MS. STACHELKRODT: Is it okay to add one more word to
5 your amendment?

6 MS. STRINGER: Right now they're discussing modifying
7 the amendment slightly. What was the --

8 MR. STEPHEN: Jeff Stephens. The amendment, I would
9 like to change my amendment and insert one word and the
10 amendment would read completely as environmental currents
11 be strongly considered in placement of processing and
12 transportation facilities.

13 MS. STRINGER: And I assume your second concurs.

14 MS. ROWLE: Marilyn Rowle, Fairbanks. In drafting
15 the language for the environmental concerns, I would
16 suggest that Dick Maddox get in on this because he said
17 something awhile back about Arctic technology, northern
18 technology, and I think some of that language should be
19 added into that amendment.

20 MS. STRINGER: What's now is being proposed as I
21 understand it would be handled in a separate resolution
22 rather than as an amendment to this one.

23 MR. MADDOX: I will assist as clearly as I can, but I
24 want this to be clearly your statement; not mine.

25 MS. STRINGER: Frank?

1 MR. WOODS: Frank Woods, Bristol Bay. We're talking
2 about oil and gas. I think if we don't give legislation
3 clear direction saying we want to be able to handle our
4 resources and also have a handle on our resources that are
5 leaving, if you can't keep them, leave them in the ground.
6 It's more money.

7 MS. YAMASHIRO: I think our discussion has been
8 centering around oil and gas, but the policy or the
9 resolution states natural resources which also means fish
10 processing, lumbering, and all the other resources as well,
11 and I'd just like to offer that as a reminder.

12 MS. STRINGER: Any further comments on this especially
13 from people who have not said anything or much. I know
14 there are opinions offered down at the far table, and I
15 don't have a direct line of sight down there, so if you
16 have something.

17 MS. STOKES: You said you were going to water this
18 down, so it doesn't have any oomph have to it.

19 MS. WIDMARK: I think what I've been thinking about is
20 my Alaskan history class that I took umpteen years ago.
21 The big thing that we learned at that time is that all this
22 resource development that did happen in Alaska was not
23 benefiting the state. What happened was we were sort of
24 plain raped. They took the natural resources and took it
25 to the Lower 48. We didn't get any economic development,

1 we didn't get any kind of financial advantage or anything
2 from it. So I was concerned also about the resolution
3 which maintained a strong stand in developing the resources
4 within our state. I know there are all kinds of exceptions
5 that you could make, and you can think of all kinds of
6 reasons why you wouldn't do it here because it's not
7 economically feasible but another thing I think of too,
8 Buckminster Fuller talking last night, we're only
9 restricted by our imagination, and I say with our
10 imagination, we can do it within our state. So I would
11 like the resolution to remain strong.

12 MS. STRINGER: Any last series of comments? Again,
13 we're talking about the amendment to the resolution.

14 MS. WORL: I think we should all run for the
15 legislature and hammer this out for ourselves.

16 MR. TIEPELMAN: I'll be the governor.

17 MS. STRINGER: I think it's time for a woman to be
18 governor, actually. Enough frivolity. Five minutes, let's
19 try to be serious for five minutes. We can't have the
20 question yet because we're talking about the amendment.
21 Does anyone wish to discuss on the amendment, in terms of
22 the amendment, are there any further comments on the
23 amendment? Would you like to reread the amendment, please?

24 MR. STEPHEN: The amendment would add to the original
25 motion that environmental concerns be considered in terms

1 of processing and transportation facilities.

2 MS. STRINGER: Call for the vote.

3 MS. YAMASHIRO: Question.

4 MS. STRINGER: All in favor of the amendment, aye.

5 Any opposed?

6 The amendment passes. Would you please restate
7 the resolution now as amended.

8 MR. STEPHEN: That the state pursue a policy that when
9 the state develops its natural resources, these resources
10 be processed in the state to a finished and consumeable
11 form in the state, and that these resources be made
12 available to Alaska residents on a priority basis, and this
13 would exclude mineral ore, such as silver and gold.

14 MS. STRINGER: Are there any further comments or
15 questions on the resolution as amended?

16 Are you ready for the question?

17 MR. TIEPELMAN: Question.

18 MS. STRINGER: All in favor of the resolution signify
19 by saying aye. All opposed, say nay.

20 The resolution seems to pass unanimously. It's
21 roughly noon now. Have we finished the topics?

22 MR. MADDOX: We still have one left on natural
23 resources.

24 MS. STRINGER: Wait a second folks, let's not break it
25 up yet.

1 Do we have any further topics this afternoon
2 under energy?

3 MR. McCUTCHEON: Frank and I will try for this
4 afternoon. I don't think it will be very controversial.

5 MS. STRINGER: Who has an agenda? At one o'clock or
6 at two o'clock.

7 MR. STEPHEN: One o'clock, work group continuation.

8 MS. STRINGER: Is one can realistic.

9 MR. MADDOX: I'll be here.

10 MS. STRINGER: Thank you for the opportunity. I
11 chaired during the morning. I assume we'll have another
12 chair.

13 (Recess at one o'clock.)
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