

S B

793

- FILE -

GEORGE C. SILIDES

REGISTERED CIVIL ENGINEER
BOX 746
FAIRBANKS, ALASKA
(907) 456-1110

HAROLD H. GALLIETT, JR.

REGISTERED CIVIL ENGINEER
746 "F" STREET
ANCHORAGE, ALASKA
(907) 272-9212

A JOINT VENTURE

Senator Bill Ray
Chairman
Senate Transportation Committee
Alaska State Senate
Pouch V, State Capitol
Juneau, Alaska 99811

March 30, 1982

Re: Progress Report,
Port of Whittier Access Study,
Period February 18, 1982 - March 30, 1982

Dear Senator Ray,

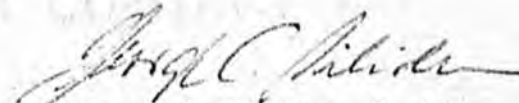
On 18 March 1982 the project was personally reviewed with Senator Dankworth. At that time, the general findings developed since our Preliminary Report of 1 February were discussed. Also reviewed were the Proposed Alignment Sheet, Construction Conditions Sheet, and various photos of actual and potential avalanche conditions.

The written Report, with accompanying route mapping, is being put into final format. It is proposed to deliver the Final Report on or before 15 April 1982.

We are submitting our Invoice to the Legislative Affairs Agency, representing a 20% incremental project completion.

Sincerely yours,

GALLIETT & SILIDES
A JOINT VENTURE


George C. Silides, P. E.

CC:

Senator Jay Kerttula, Senate President
Senator Ed Dankworth, Project Director
Mr. Myrton Charney
Mrs. Janelle King



Alaska State Legislature

Senator Vic Fischer • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

MEMORANDUM

TO: Sen. Bill Ray
FROM: Sen. Vic Fischer *Vic*
DATE: March 3, 1982
RE: SB 793--Whittier Access

Enclosed for your information is an Anchorage Assembly resolution supporting improved access from Portage to Whittier, development of Shotgun Cove and (!) construction of a small boat harbor at LaTouche Island.

cc: Sen. Gilman
Sen. Kerttula
Sen. Dankworth
Sen. Sackett

APPROVED

Date:

2-2-82

Submitted by: Assemblyman Don Smith
Prepared by: Municipal Clerk's Office
For Reading: February 2, 1982

ANCHORAGE, ALASKA

AR NO. 82-40

A RESOLUTION OF THE ANCHORAGE ASSEMBLY SUPPORTING BUDGET PROPOSALS TO FUND IMPROVED RAIL SHUTTLE SERVICE BETWEEN PORTAGE AND PRINCE WILLIAM SOUND FOR RECREATIONAL DEVELOPMENT.

WHEREAS, the Prince William Sound Region is one of the most magnificent and spectacular areas in Southcentral Alaska and has become a major tourist attraction and recreational area, and

WHEREAS, this area would be readily accessible to over one-half the population of Alaska if reasonable highway access were provided, and

WHEREAS, improved access is particularly important to the people of the Anchorage Municipality, inasmuch as over 6,000 pleasure boats are registered in the Anchorage Area and the small boat harbor is being tripled in size, and

WHEREAS, the Alaska Marine Highway has indicated an intention to increase the level of ferry service to Whittier from Southeast ports if ready access is provided to Anchorage, and

WHEREAS, there are currently proposals before the Legislature to appropriate funds to initiate construction of a highway from Portage and Bear Valley and to provide frequent and convenient shuttle service through the tunnel, until a permanent highway connection can be completed.

NOW, THEREFORE, BE IT RESOLVED, that the Anchorage Municipal Assembly endorses and supports budget proposals to fund recreational development in Prince William Sound, including the following:

1. Construction of a road from Portage to Whittier, or in the alternative, substantially expanded rail service.
2. Construction of a road, or ferry service from Whittier to Shotgun Cove and development of a small boat harbor.
3. Construction of a small boat harbor at LaTouche Island.



Alaska State Legislature

Senator Vic Fischer • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

February 16, 1982

To: Members of the Senate and interested parties

From: Senator Vic Fischer

Re: SB 793 - relating to capital costs for improving access and support facilities in Whittier and Prince William Sound.

Prince William Sound is a recreation area of national significance in close proximity to Alaska's population centers. Demand for access to the Sound has reached a critical state because current facilities are totally inadequate.

Getting to Whittier and into Prince William Sound is difficult and costly both for local residents and visitors. Whittier residents face a two-day round trip to reach Anchorage, have no on-site medical service, and are often isolated for days at a time by bad weather and shuttle breakdowns.

Using the waters of the Sound through Valdez or Whittier is a two-day round trip for railbelt Alaskans and tourists alike. The time and expenses prohibit most people from enjoying the recreation potentials of the area.

This appropriation would provide funds to upgrade the road and rail system connecting Portage and Whittier. It will allow one-day round trips, increase carrying capacity and extend hours of operation, and construct support facilities.

Lack of adequate boat moorage to accommodate the boating public is another critical problem in the Sound. The moorage at Whittier is completely filled, with waiting lists several years long. There is no room to expand the current harbor facilities.

This bill provides funding for construction of a road from Whittier to Shotgun Cove, the best available new harbor site. Design of a small boat harbor will be carried under SB 793. Once costs are established, a capital appropriation will be proposed.

Capital improvements under this bill would improve the existing Whittier-Valdez segment of the State Marine Highway System and provide an attractive tourist resource. The possibility also exists for increased demand associated with natural resource development and expanded port activity.

The need for these projects is covered in the interim report on Prince William Sound recreation by the Senate Resources Subcommittee on Parks and Recreation, chaired by Senator Fischer.

Committees: State Affairs, *Chairman*; Resources, *Vice-Chairman*; Health, Education & Social Services

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT



Alaska State Legislature

Senator Vic Fischer • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

4 February 1982

To: Chair, Senator Bettye Fahrenkamp and
Members - Senate Resources Committee

From: Senator Vic Fischer, Chair
Subcommittee on Parks and Recreation

A handwritten signature in cursive script, appearing to read "Vic Fischer".

Subject: Prince William Sound Recreation

Attached is a report on the public meeting and teleconference held December 15, 1982.

It is clear that recreation potentials of the Sound are among the most important in Alaska, serving the needs of Alaskans as well as visitors to the state. While everyone agrees that the natural environment must be protected, problems of access, land availability, and adequate facilities are yet to be resolved.

Several important land transfers are currently pending, and federal and private development plans are in final stages of completion. Legislation establishing the Alaska Marine Parks System is being drafted for introduction in the Senate next week. Recommendations for other legislative action will be withheld pending further work on Prince William Sound recreation development.

cc Senate President Jalmar Kerttula
Other Legislators
Teleconference participants
Agencies

PRINCE WILLIAM SOUND RECREATION

Report and Summary of public meeting/teleconference
PARKS AND RECREATION SUBCOMMITTEE
SENATE RESOURCES COMMITTEE
December 15, 1982
Anchorage, Alaska

Although the scenic beauty and recreation possibilities of Prince William Sound have long been recognized, limited access, lack of facilities, land status problems, and high costs have prevented the Sound's potentials from being realized.

The significance of the Sound to Anchorage and other population centers is seen by a glance at the map. The vast majority of recreational users in Alaska, both resident and tourist, are in close proximity to the Sound. Nearly half of all visitors to Alaska stop in Anchorage. Combined with tourists entering the Sound through Valdez, they represent the largest piece of the tourist pie outside of Southeastern Alaska.



Reproduced from: ALASKA NATIONAL INTEREST LANDS (Alaska Geographic, Vol. 8., No.4/1981)

In the words of Westours director Jack Musiel, " Prince William Sound has the potential of providing a water related vacation experience that, with proper consumer awareness and unlimited access, could rival Alaska's Inside Passage in consumer demand."

A unique public resource of national significance, the wealth of recreation, scenic, biologic, and cultural resources in the Sound argues strongly for cooperative management. Coordination and cooperation among landowner/managers, local residents, and user groups within the Sound is essential to protect and promote its recreational potential.

Recent negotiations have opened the way for settlement of serious land use and ownership conflicts. Rapidly escalating use, potential conflicts between user groups, need for public investments and concern over the quality and pace of development prompted a Senate Subcommittee on Parks and Recreation public hearing to provide a meeting ground for interested parties.

Testimony was presented by residents, as well as by municipal employees from Valdez, Whittier, Cordova, and Anchorage representatives of the tourist industry, wilderness guiding operations, commercial fishermen, private developers, and recreational users. Representatives of Native village and regional corporations, U.S. Forest Service, Alaska railroad, state Department of Transportation and Public Facilities, and the state Division of Parks testified during the teleconference.

This initial report concentrates on some of the principal problems preventing full use of the recreation potential of the Sound, on suggestions for alleviating those problems, and on policy considerations presented in public testimony before the subcommittee.

CURRENT LANDOWNERS/MANAGERS

The most serious problem with overall management of the recreation potential of Prince William Sound thus far has been the question of land status and ownership.

Five major groups currently comprise the landowners/managers within the Sound. They are: (1) federal government through Chugach National Forest (U.S. Forest Service) and, to a lesser extent, National Park Service; (2) state government, primarily through Department of Natural Resources, Division of Parks; (3) Chugach Natives Inc. and village corporations within it; (4) private landowners, including commercial developers; and (5) municipal governments.

1. Federal - The boundaries of Chugach National Forest include the entire Sound, although approximately 195,700 acres are being conveyed to the villages of Chenega, Tatitlek, and Eyak. Additional acreage will be transferred under Section 1428 of the Alaska National Interest Lands Conservations Act (ANILCA). Future land exchanges and conveyances are uncertain, however, in the wake of the recently completed Chugach Region Study, section 1429 of ANILCA and Section 14(h)(1) of the Alaska Native Claims Settlement Act (ANSCA).

The Forest Service is in the process of classifying lands within the Sound area and testimony noted their intent to identify locations complimenting sites approved in state selection for the Marine Park System. Also approved are some land transfers under the Alaska

Statehood Act in the vicinity of Whittier, Valdez, Cordova, and elsewhere.

The Chugach National Forest land management plan, in which management of the Sound is a key element, will be released in March 1982. It will be followed by a 90 day comment period. The Forest Service hopes to have the final plan ready by fall of 1982.

2. State - In 1977 the state, through the Division of Parks, began a program to select statehood entitlements from the National Forest and to lay groundwork for the Alaska Marine Park System.

This system, modeled after a similar one in British Columbia and Washington state, resulted from concern over federal timber harvesting practices and a recognition of the importance of the Sound for resident and visitor recreation. This led to the state's selection of several bays and islands from the Tongass and Chugach National Forest for possible future establishment - by an act of the state legislature - of an Alaska Marine Park System.

Of the 36 sites proposed in 1977, only 18 have been approved by the Forest Service and will be conveyed to the state by the Bureau of Land Management. The Division of Parks has filed a complaint against the Forest Service to obtain approval of the remaining sites and discussions on joint management possibilities have produced no agreements thus far.

The primary management goal for the Marine Park System is protection of natural and cultural resources for long-term public use and enjoyment. State park officials see neither the need nor desirability for commercial developments within any of the potential marine park sites in the Sound and held that basic services should be provided by the private sector.

3. Native Landowner/managers - Chugach Natives, Inc. (CNI), the second smallest regional corporation created under ANCSA, has not yet received its entitlements under provisions of the act. Initial negotiations with the Forest Service were unsatisfactory, particularly from the point of view of CNI, and a study of ownership patterns in the Chugach region was initiated under Sec. 14.30 of ANILCA, to help provide a meeting ground for Chugach Natives Inc., U.S. Forest Service, and the Division of Parks.

Testimony before the subcommittee suggested that Chugach Natives, Inc. felt that land status conflicts revealed through the recently completed Chugach Region Study must be settled immediately and while partial settlement was possible, it was unlikely either party would agree to entitlement without a view of the "total picture". Both the Forest Service and the state Division of Parks agreed that settlement of proposed land status questions was essential before any reasonable and responsible development of the Sound could occur.

Gail Evanaugh of Chenega Corporation testified that the natural harbor of Crab Bay at the new Chenega townsite, is ideally located to accomodate development to serve the area's recreational potential.

Families are expected to move into new community housing by fall of 1982.

Chenega's development plans, scheduled for release in March 1982, include recreational use by non-shareholders on a controlled basis. Chenega intends to request regular state ferry service to the townsite. Carl Propes of Chugach Natives Inc., said they plan to "aggressively develop" suitable unsettled areas and were considerably hampered in those efforts by problems of land ownership/management questions.

4. Private/Commercial Landowner/managers - Although less than 5% of Prince William Sound is in private ownership, other than Native corporation entitlements, private holdings do exist at the head of Nelson Bay, near Katalla, Port Fidalgo, Tatitlek, and on the abandoned townsite of Latouche. Additionally, there are numerous individuals holding homesite leases from the Forest Service, and there are lighthouse reserves at Cape Hinchinbrook, Cape St. Elias, the south end of Elrington Island, and near the entrance to Port Nellie Juan.

Probably the single most significant private landholding is on Latouche Island where nearly 200 parcels of private land have been sold and a model recreational community is planned.

Gliff Groh, attorney for Rarearth Inc., the company responsible for the development and sale of the Latouche land, discussed the extent of private holdings and plans for the future. He argued that private land is hard to come by in the Sound and that the state should have a compelling interest in making private land usable and accessible to residents. Since private land held by Native corporations would allow non-shareholder use only on a "controlled basis", Latouche presented the only real possibility for the general public to own and manage land within the sound.

However, most personal and written testimony argued that private development should not be supplemented or subsidized by the state in the form of roads, airports, improved harbors, or hydroelectric projects unless: (1) there was an existing need for services the private sector was unable to provide, (2) the greater public interest was being served and, (3) public funding did not interfere with nor compete with private interests.

Various local residents and land owners in the Sound area testified they felt it was improper that public money was being used to develop support facilities at Latouche when already existing facilities at Port San Juan, a regular ferry stop, are in great need of repair. Local residents testified that whereas Clam Bay (new Chenega townsite) was one of the best natural harbors in the Sound, Latouche was notoriously one of the worst.

Groh defended the state's choice of developing a harbor at Latouche by pointing out that copper companies shipped thousands of tons of ore from this site over a long period of time and "they must have known what they were doing". Dave Noten, one of the 194 private landholders at Latouche

also testified in favor of using public funds to develop basic support facilities.

ACCESS

Testimony about access to Prince William Sound concerned itself almost exclusively with transportation from Portage to Whittier.

The Sound can be accessed through Whittier by airplane or railroad. The nature of the weather prevents air transportation from being a reasonable alternative and no highway access exists beyond Portage.

A presentation by the Department of Transportation and Public Facilities (DOTPF) of the Whittier Transportations Options Study outlined various alternatives considered during the study. They included:

1. Improvement of existing Portage-Whittier Shuttle with a Bear Valley/Whittier auto/passenger shuttle. Total capital cost would be approximately \$20 million for the initial system (350 vehicles per day each direction and approximately 2,100 passengers) and about \$24 million for expanded service (590 vehicles and 3,900 passengers per day). Annual operating and maintenance costs were estimated at \$559,000 for initial service and just over \$1 million for the expanded system.
2. Improved rail passenger service, including four shuttle trips each way plus three round trips between Whittier and Anchorage. Estimated capital cost is \$22 million for initial (four shuttle trips plus three round trips) and \$26 million for expanded service (eight shuttle trips and four round trips). Annual operating costs were estimated at \$793,000 for initial and \$1.5 million for expanded service.
3. One-way joint use by vehicles and rail of existing tunnel. Capital cost for this alternative is estimated at \$36.7 million with maintenance and operating costs at \$390,000 per year.
4. Two-way joint use of widened, existing tunnel. Capital costs for this alternative are estimated at \$64.3 million, with annual operating and maintenance costs of \$440,000.
5. New two-way highway tunnel. The most expensive alternative, capital costs are estimated at \$68.3, with operating and maintenance costs estimated at \$440,000.
6. Portage Pass Highway. While it's possible to build a good highway, controlling the weather is, according to DOTPF, the most serious drawback to this alternative. Combinations of heavy snow fall with accompanying avalanche dangers, icing conditions, year-round high winds, steep grades (up to 9%) and heavy winter storms makes a high probability of having to close the highway for periods in the winter, particularly during adverse weather conditions. Since rail service may be eliminated if the highway were built, it could mean long periods of near total isolation for Whittier residents. Total capital costs are estimated at \$47.8 million, with maintenance and operating costs of \$270,000.

Although representatives from the tourism industry strongly supported the Portage Pass Highway, DOTPF preferred the Bear Valley/Whittier auto/passenger shuttle when evaluated for overall cost and service effectiveness.

Testimony from local residents supported the idea of improved rail service over creation of a new highway, both from a convenience and need standpoint and because they believed it would have the least negative impact on the protected lifestyle they enjoy in the Sound. Their emphasis was on access with the least negative impact on the environment.

Frank Jones of the Alaska Railroad suggested the state subsidize passenger service by improving support facilities, such as track changes in Whittier or Portage, a camper park and a visitor center near the ferry port for visitors to acquaint themselves with Prince William Sound offerings. Questions about future ownership of the railroad, in view of current negotiations between federal and state agencies, considerably hamper any long-term planning for improvement of rail services, according to Jones.

GENERAL COMMENTS

It was evident from testimony that both residents of the Sound and recreational users were concerned with the quality and pace of development.

Testimony suggested that as many as 40% of recreational users of the Sound seek an "off the beaten track" or "primitive" experience in close proximity to population and transportation centers. Local residents stressed that low population, lack of facilities, and isolation were the fabric of their lives and not something they wanted to "overcome".

At the same time, residents were concerned about the lack of emergency medical care or dependable transportation in emergencies, especially in view of the expected increase in search and rescue operations resulting from the rising use of the Sound by people unfamiliar with the area. Considerable anger was expressed that local residents transportation and timing needs were apparently not a priority with agencies planning the railroad and ferry schedules.

Testimony supported the concept that no or slow development was preferred to inappropriate or unplanned development. Local fishing communities expressed the fear that recreational use would interfere with the primary resource of the Sound - fishing.

The state-proposed Alaska Marine Parks System received universal support. Representatives from the tourist industry urged the state to educate recreational users of the Sound regarding harrassment of marine mammals, eagles, other marine shore wildlife and spawning salmon. They also urged stronger anti-littering enforcement and education.

RECOMMENDATIONS

Based on the testimony presented during the public meeting and the process of soliciting that testimony, some suggestions became apparent. They are:

1. Establish and support the Alaska Marine Parks System as designed by the Alaska Department of Natural Resources, Division of Parks.
2. Support rapid settlement of land status questions between the Forest Service and other land owner/managers within the Sound.
3. Institute measures to assure communities, residents and user groups within the Sound area are informed about pending policy issues in a timely enough manner for them to have appropriate input. Adequate notice alone would do much to alleviate public anger. Notice of public meetings should reach residents at least two weeks in advance.
4. Form a permanent Prince William Sound Recreation Advisory Committee comprised of representatives of local residents, user groups, land owner/managers, and other interested parties. Require that this Committee submit a yearly report reflecting overall planning for recreational development in the Sound as well as needs identified through public meetings.
5. Schedule another public meeting by this subcommittee probably in April or May of 1982 after release of the draft plan by Chugach National Forest and the Chenega Corporation development plan. At that time, a further look should be taken at land uses in the Prince William Sound area, Whittier access alternatives and development of other facilities.

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.**



Unique even in Alaska

THE CITY OF WHITTIER

8 December 1981

Commissioner Robert Ward
Department of Transportation
and Public Facilities
Pouch Z
Juneau, Alaska 99811

Re: \$85,000.00 Shuttle Track Changes Grant

Dear Commissioner Ward:

The matter of acceptance of the referenced \$85,000.00 Shuttle Track Changes Grant has come up at two Whittier City Council meeting and been tabled at both sessions. The reason for this has been frankly that Whittier did not have enough information about the grant, and the City Council wisely deferred the matter until I was able to make inquiries and obtain additional information concerning the grant.

We could not locate in our files any application for such funds. As it turned out the City of Whittier had never applied for such funds. Upon making inquiries to our State representatives, it was determined that we could not change the purpose of the grant to construction of facilities or improvements that was more to our chosing.

Last week I had a discussion with the Chief Engineer of the Alaska Railroad, Mr. Francis C. "Obie" Weeks, and traced down the grant application as having been made by the Alaska Railroad.

The Alaska Railroad
DEC 11 1981
OFFICE OF
GENERAL MANAGER

Letter to Commissioner Ward - 8 December 1981

(See letter to Commissioner Ward from Frank Jones, Alaska Railroad General Manager, dated 15 September 1981; see also letter to Senator Dankworth also from Mr. Jones dated 29 January 1981 at page 3, third paragraph.)

The manner in which the grant was issued appears to be very irregular. It is almost as if Whittier is being asked to "launder" funds given by the State to the Alaska Railroad - i.e. the Federal Government. This is not to deprecate the purpose of the grant, but only to call into question the manner of the grant issuance and the proposed mode of administration.

The City of Whittier does not wish to be placed in the position as a "spoiler" of a clearly beneficial public capital improvement. But neither does the City of Whittier want to be used as some sort of back door conduit for State subsidization of the Federal Government.

One of the fundamental precepts of a government of a free people is that the government must be fully accountable for public expenditures.

How can the City of Whittier be accountable for the expenditure of funds over which we have no say, for which we did not make application, which benefits a much broader class of the public than the City of Whittier itself, (e.g. Anchorage, State tourism, etc.) and which are merely passed through our hands with no discretion on Whittier's part?

Whittier is placed in a double bind by this predicament.

Letter to Commissioner Ward - 8 December 1981

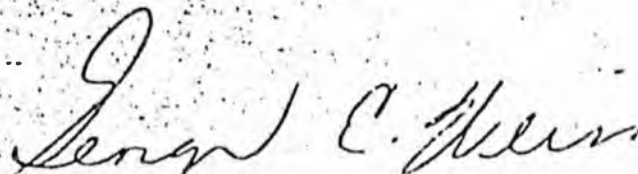
If we accept the funds for pass through without raising questions, we may be discredited from applying for additional funds for some other railroad related project of our choosing in the future under the rationale that we have already received our due under the \$85,000.00 grant.

If we do not accept the funds for pass through, we are cast in the role of a spoiler, and thus discredited from applying for future funds because of our failure to cooperate.

I would appreciate any advice which you could offer to the City of Whittier with regards to this particular grant. I shall keep you posted of any actions by the City Council.

Thank you for your time and consideration.

Sincerely,



George E. Weiss
Whittier City Manager

cc: Frank Jones, Alaska Railroad
Senator Jay Kerttula
Senator Ed Dankworth
Representative Betty Cato
Whittier City Council
Senator Mike Colletta



file - PRINCE WILLIAM SOUND
- WHITTIER

Anchorage Convention & Visitors Bureau
Plaza 201 East Third Avenue (907) 276-4118
Anchorage, AK 99501

October 8, 1981

Senator Vic Fischer
Alaska State Legislature
221 East Seventh #204
Anchorage, AK 99501

Dear Senator Fischer:

Thank you for joining with myself and members of the ACVB Board of Directors and staff on the site inspection of Whittier access to Prince William Sound. I hope that we were able to share some understanding for what will be a major issue.

I promised to review in writing some of the points that were discussed during our summary aboard the Glacier Queen II:

- * The delays of the day were not prearranged or for that matter unusual. Thousand of visitors to Alaska are inconvenienced this way each year.
- * The DOT Study of the problem (summary enclosed) is seriously flawed. The study examines six alternatives to Whittier access. Unfortunately, visitor demand is drastically underestimated and therefore the cost effectiveness of the "better" access alternatives is not properly presented.

On page S-11 of the study summary, it should be corrected that Anchorage already experiences 700,000 visitors a year. It will pass the number projected for the year 2000 in 1985. The study should also be corrected to show that 70% of the visitors to Alaska visit Anchorage rather than the 47% shown. This is documented in state studies done in the late 1970's.

However, the major flaw in the study occurred when it used the amount of developable Whittier land as the constraint for visitor demand. This approach assumes that visitors now and in the future will stay in hotels in Whittier. This is not the case now, nor will it be in the future. The attraction is Prince William Sound. Visitors have proven that they would rather stay in the already well-developed hotel base in Anchorage and experience the Sound as a one day activity. While we are certain that additional lodging facilities in the Prince William Sound area will be developed and can be properly and successfully marketed, it is clear that the growth market for visitors will continue to be those people that want

Senator Vic Fischer
Alaska State Legislature
October 8, 1981

PAGE TWO

to experience the Sound as quickly and conveniently as possible so that they can move on to other attractions and activities the next day without the hassle of changing hotels and traveling long distances. The only constraint on visitor development as it relates to the Sound is Whittier access not Whittier's potential for development.

* We suspect an underlying political consideration to the DOT study. Many people feel that Valdez will vehemently oppose access to Whittier because it will undercut traffic through Valdez. While there is every indication that this unfortunate concern may have influenced the recommendations of the study, it is even more tragic because it demonstrates further a lack of understanding about visitors to the Sound.

The people that visit the Sound through Valdez are seeking a special experience and there is every evidence that they will continue to seek that experience after Whittier has better access. Those visitors are either coming from Tok to Anchorage and transit the Sound because it is beautiful and convenient or they are seeking a one day cruise combined with a one day motorcoach tour from Valdez to Anchorage.

The vast majority of visitors to Anchorage and Alaska are denied the Prince William Sound experience because they don't have the time, money or inclination to experience the Sound the way it must be experienced through Valdez. Better access through Whittier will not impact Valdez. That market segment will continue to grow and flourish. However, Whittier access is essential if we are to broaden the visitor season into the spring and fall and reach the vast "baby boom" market that seeks shorter, one day, less travel intensive experiences. This is the market that is now being reached by the ACVB and the state through very successful visitor promotions. If we are to continue to develop jobs and visitor spending, it is also important that we be able to provide the experiences they are seeking.

* Anchorage has a high stake in visitor development. Not only is the ACVB the largest non-profit contributor to the State's cooperative marketing program, but we now spend over a million dollars each year promoting Anchorage and southcentral Alaska as a visitor destination.

Recent studies also show that the Anchorage area is in the best position to expand the Alaska visitor season because it has good or potential access to the State's most popular attractions...Mt. McKinley, glaciers, wildlife, the railroad and marine cruises. Better access will mean that these attractions can be better positioned to draw visitors during more months...creating jobs, making others year round and spreading purchasing power.

While the ACVB has been most concerned with this problem because we are involved in the promotion and service of Anchorage and southcentral Alaska as a visitor destination, we have approached other organizations as well.

Senator Vic Fischer
Alaska State Legislature
October 8, 1981

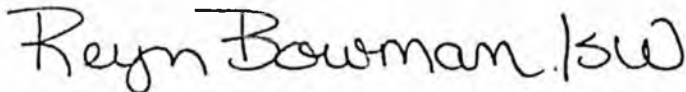
PAGE THREE

Following our lead, the Alaska Visitors Association, a chamber of commerce type organization for visitor companies, endorsed the concept of improved access to Whittier during their annual meeting last year. Within the next few months, we expect that the Anchorage Chamber of Commerce and Commonwealth North will also focus on this issue. We know that while access to Prince William Sound will have an important impact on visitor development, we also realize that it will also impact shipping, public safety, national defense and recreation/quality of life for a majority of Alaskans.

I hope that you will work together with other Anchorage based legislators during the next session to find a solution to the problem of access to Prince William Sound. If there is anything that the Anchorage Convention & Visitors Bureau can do to assist, we are ready.

Thank you again for your concern and dedication.

Sincerely,

A handwritten signature in cursive script that reads "Reynol E. Bowman" followed by the initials "RSW".

Reynol E. Bowman
President

REB:sw

Enclosure



The hotel
Captain Cook

P.O. BOX 2280, ANCHORAGE, ALASKA 99510
PHONE (907) 276-6000

WALTER J. HICKEL II
EXECUTIVE VICE PRESIDENT

December 28, 1981

Honorable Vic Fischer
221 E 7th Avenue, #204
Anchorage, Alaska 99501

Dear Senator Fischer:

Thank you very much for inviting the Anchorage Convention and Visitors Bureau to present testimony before your committee.

Brince William Sound has the potential of becoming as popular as Mount McKinley is now to our visitors. The only catch being the lack of fast and efficient transportation to and from Whittier.

The Board of Directors of the ACVB has made this access problem a top priority for 1982. If we can offer any further assistance on our part, please Senator, give me a call.

Sincerely,

THE HOTEL CAPTAIN COOK

Walter J. Hickel II
Executive Vice President
Chairman of the Board
Anchorage Convention and Visitors Bureau

WJH:jfb

cc: Reyn Bowman, President
Anchorage Convention and Visitors Bureau



Anchorage Convention & Visitors Bureau
Plaza 201 East Third Avenue (907) 276-4118
Anchorage, AK 99501

December 15, 1981

Mr. Chairman, members of the committee and staff, my name is Reyn Bowman. I am president of the Anchorage Convention & Visitors Bureau. I am sorry that I will not be able to deliver this testimony in person. Unfortunately, I will be out of town on business on December 15th.

The Anchorage Convention & Visitors Bureau is an independent, non-profit, visitor development organization. For some time, our research has revealed that Prince William Sound has the potential to become one of Alaska's most popular and most accessible attractions. The reasons are becoming more and more obvious as we progress into the 1980's.

Marine cruise experiences are sited as a "high priority" by 9 out of 10 potential visitors to Alaska. But the traveler of the 80's also wants shorter, more intensive, more frequent trips with more seasonal variation, and a greater mix of passive and active experiences. Prince William Sound is a natural. It offers everything the more traditional Alaska cruise experiences do, but it is more easily accessible from a major entry point and physical plant...Anchorage.

An experience in Prince William Sound can be provided less expensively, on a shorter time frame than other trips and still leave time to get back to a nice hotel for a full evening and a different activity the next day. The only drawback is access.

Whittier Access Testimony
December 15, 1981

PAGE TWO

Presently, it is very difficult to visit Prince William Sound on a convenient one day trip. It is only truly accessible during the summer months although its attractions can be provided from April through October. The traditional trip requires a visitor to spend two days to experience the Sound and only one of those days is spent on a cruise. In addition, visitors are frequently inconvenienced by priority conflicts with the railroad.

The ACVB feels that a highway should be built to Whittier that will enable year-round, convenient access to Prince William Sound on a one day basis. The visitors that want the summer only two day experience will still have it, but the great majority of visitors that do not have the time, money or inclination for the traditional trip will now have an opportunity to experience a very special part of Alaska.

It must be clarified that improved access through Whittier will not undermine the two day tours of Columbia Glacier through Valdez. Valdez will continue to be an attraction for those visitors transiting from central Alaska to Anchorage and it is highly unlikely that a person wanting a two day trip will buy down to a one. But improved access to the Sound through Whittier will indeed make this great attraction accessible to the majority of travelers that now miss the marine experience altogether.

As you know, a recent study by the Department of Transportation recommended against a highway. Unfortunately, the study was flawed with respect to

Whittier Access Testimony
December 15, 1981

PAGE THREE

visitor projections and tour formats. The study used the land development potential of Whittier as a base for upper limit visitor demand. The study did not recognize that very few visitors stay overnight in Whittier. For most, the Sound experience will be a one day outing with a return to Anchorage.

Anchorage already has 700,000 visitors each year. More than 75% of the visitors to the state include Anchorage. We expect to reach 1 million visitors per year by 1985. Access to Prince William Sound will provide a convenient, controlled attraction for these visitors and the visitors will help the highway be cost-effective.

We think there are other reasons for a highway to Whittier. National defense, shipping, resident quality of life and recreation, and many others must be taken into account. We hope that we have successfully voiced our belief in this area and its great potential and we appreciate the opportunity to present this testimony.

WANDERING STAR

Alaska Maritime Wilderness Cruises

Testimony of Carl Gidlund
Before Parks & Recreation Subcommittee,
Senate Resources Committee

Anchorage, Alaska
December 15, 1981

Good afternoon Senator,

My name is Carl Gidlund. I am an Anchorage resident, a recreational boater out of Whittier and the owner of two vessels engaged in the tourist trade out of that port -- the six passenger Wandering Star, and the 30 passenger Northern Star coming on line in the spring. Incidentally, I am a director of the Alaska Visitors Association.

In terms of both recreation and business, a road must be pushed through to Whittier -- or provision made to use the railroad tunnels for vehicular traffic -- at the earliest possible opportunity.

As you know Senator, from personal experience -- the legislative familiarization trip conducted by the Convention and Visitors Bureau -- train service is very unreliable. Delays of an hour or more are common and two and three hour delays are not unheard of. When you have a customer who has paid up to a hundred dollars for a five hour trip on the Sound, he can get mighty irate when he's cheated of almost half that time. It reflects badly on your business, on our Alaska tourism industry, and it's a situation over which we have no control.

Because there's no other way but the railroad in and out of Whittier, the Anchorage recreationist with the trailerable boat doesn't have an enjoyable weekend on the Sound. First he must leave work early on Friday to get in line at the train in Portage. Lines are long, and unless he gets his boat on the train Friday night, he will have to wait until the following morning, at least, on the siding, if he misses it. The situation repeats on Sunday. He must pull out of his anchorage early that morning, scoot back to port, get in line for the evening train by about 1:00 p.m. If he doesn't, he'll be there until the next day.

Now that's a potentially fine, long relaxing weekend shot while you sweat it out in lines. Several friends of mine have given up on the Sound -- the loveliest water in Alaska -- and now boat out of Seward and Homer. Even though they're farther from Anchorage, it's a lot more convenient to get there, and faster too -- especially to Resurrection, and often, to Kachemak.

During the winter we who leave our vessels in Whittier must have a position, rather than a job. When we have work to do on a boat we have to give up at least two days if the job is going to take more than three hours. That's

because the train runs only three (3) days a week; it remains in town only 3 1/2 hours maximum; and, by the way, that's when it's pitch dark outside. And, if you can begin and end any job on a boat within three hours, you're a lot handier boatman than I am.

To repeat, a road, or some means of providing do-it-yourself vehicular access must be provided as soon as possible.

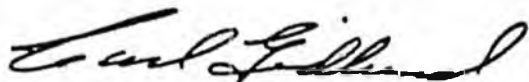
As an interim measure, however, we ask for a daily early-morning train schedule to Whittier from Anchorage at least during the summer. I say this primarily from a business point of view, but it would have benefits to the residents of Whittier and recreationists as well.

As it is now, the very earliest any summertime tourist can get to Whittier for a day trip is two in the afternoon. Well, the day's obviously more than half over by that time. And in late August and September, when it gets dark early, he and she are cheated of the sight of some of the most magnificent scenery in the world.

Ideally, we would like to see a train leave Anchorage at eight in the morning with arrival in Whittier at ten. Late afternoon or early evening departures would permit a fine day on the Sound, a visit to Whittier, a leisurely meal before returning to Anchorage.

In summary, we ask for a road from Portage to Whittier as soon as possible. Without it, its recreational opportunities will never be realized -- for Alaskans, for visitors. Until it's built, we ask for better railroad schedules.

Thank you,



Carl Gidlund



ALASKAN WILDERNESS SAILING SAFARIS

P.O. Box 701 • Whittier, Alaska 99693 • Phone: (907) 277-0160 (message)

WINTER ADDRESS:

P.O. Box 2236 • Valdez, Alaska 99686

December 23, 1981

Sen. Vic Fischer
Parks and Recreation Subcommittee
511 West 4th Ave., Suite 5
Anchorage, AK 99501

Dear Senator Fischer,

Thank you for inviting comments on the recreational potential and development of Prince William Sound. As Alaska's oldest and largest charter sail business and pioneers in the recreational development of Prince William Sound, we appreciate this opportunity to express our views.

Alaskan Wilderness Sailing Safaris is devoted to providing high quality wilderness boating and hiking experiences to Alaskans and visitors. Since the adventure travel segment of the tourism industry continues its rapid growth even during the difficult economic times of recent years, we feel that wilderness-oriented recreational development is the highest use of the Prince William Sound/Chugach National Forest region. As you undoubtedly know, the wilderness resource is a non-renewable and dramatically shrinking US resource, while demand for it is rapidly increasing among all age groups. You may not know that Prince William Sound represents one of the finest wilderness cruising areas in the entire US (including Alaska), because of its absence of strong tidal currents. Sailors, kayakers, canoeists all use the area for professional and personal recreation.

We strongly support formal wilderness classification under the National Wilderness Preservation System for the Forest Service's proposed Nellie Juan Wilderness Study Area and the College Fiord/Columbia Glacier Wilderness area including the shoreline from Pigot Pt. to Point Freemantle.

Whittier access alternatives: As a business, we have successfully used the Alaska Railroad for the past eight years much to the delight of our Alaskan and non-Alaskan guests. We support the present transportation system as adequate to existing needs and more cost effective than alternative proposals.

SAILBOAT CHARTERS:

Guided Flotilla —
Bareboat
Lessons
Skippered Cruises

SPECIAL CRUISES:

(College Credit Option)
Sailing Lessons
Whale Watching
Natural History

SAILBOAT SALES:

Dealers for:
Tanzer: 16, 22, 7.5
San Juan: 21, 24, 28, 34
Nordic Yachts: 40, 44

Boat Moorage and Service Facilities: We support the development of different types of recreational facilities in the PWS region, but believe these should be done through working with the Chugach National Forest's Land Management Planning process so that present users who have spent considerable time and money developing the wilderness recreational potential of the area are not adversely affected.

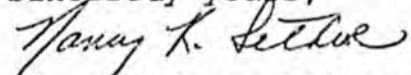
We also believe that private, not state funds, should be used in the development of recreational facilities. As a business that has done all its own feasibility, advertising, resource development, etc., we do not support the use of state funds to develop recreational or tourist facilities. If they are cost effective, then private enterprise will develop them.

In the lower 48, private enterprise is developing boat moorage facilities. This should be the model for Alaska. Recently, the Los Angeles Times ran an article criticizing the State of Alaska for its use of state funds maintaining that the State was so oil rich that it could waste its revenue on developments like the Dankworth Latouche project, over the objections of area residents. We do not think the State of Alaska should jeopardize in Congress its current federal benefits by initiating or passing legislation such as the Latouche project. We strongly encourage you to introduce legislation to repeal funding for the Latouche project.

Provisions for Tourism Services: Although we believe in privately funded tourism development and services, we do feel there are areas where conflicting uses of state resources demand that the state take a role to protect its resources. Over the past decade, we have witnessed and heard reports of harassment of marine mammals, eagles, and other marine and shore wildlife, including birds. We have personally witnessed recreational boaters permitting, even encouraging, their children and dogs to chase spawning salmon in the streams and intertidal zones. We have watched with dismay the proliferation of heavy duty plastic garbage bags along the shoreline (filled with garbage). To protect the State's fisheries and wildlife resources, we feel that the State should put up displays at all State boat harbors and ramps explaining State and Federal Laws to boaters, educating boaters on the salmon spawning process and the importance of not disturbing spawning salmon, and encouraging boaters to bring their garbage bags back to the port facilities rather than dumping it overboard or caching it along the shorelines.

Thank you for your interest in developing Prince William Sound. We hope you will work with us to promote the development in a way beneficial to us all.

Sincerely yours,



Jim and Nancy Lethcoe

Testimony of H. J. Musiel

I am H. J. Musiel, Chairman and Chief Executive Officer of Westours, Inc. I have been in the travel industry continuously since 1945 and associated with Westours, Inc. since 1951. During my 30 years with Westours I have been almost totally involved in the development, marketing and sale of tourist travel to Alaska. In addition to this corporation interest I have served on the Board of Directors, including two terms as President, of the Alaska Visitors Association since 1960. The AVA also addresses itself to Alaska tourist travel development.

I.

THE BUSINESS OF WESTOURS, INC. Headquartered in Seattle, Washington, Westours is the largest wholesale operator of "package tours" to Alaska. We estimate that approximately 65% of all those people traveling on package tours to Alaska, travel on a Westours' package, either F.I.T. or group. In addition to tour operations, Westours also has complete marketing, sales and reservations responsibility for the largest capacity of Alaska Inside Passage cruise ship accommodations than any other one operator. In addition to tour and cruise operations, Westours owns and operates three hotels in Alaska and the Yukon and the largest fleet of highway and sightseeing motorcoach equipment in the North Country. These operating assets have been developed over our 34 years involvement in the Alaska tourist business for the primary purpose of accommodating those people traveling on our package tours.

II.

ALASKA CRUISES VS. ALASKA TOURS. We estimate that in 1981 there were a total of 41,000 people traveling on Alaska package tours. Cruise ships serving Alaska in 1981 offered a capacity of 86,000 berths to the travelling public. We estimate that only 25% of the total Alaska cruise berth capacity was utilized on a one way basis as a component of an Alaska air/sea package tour and the balance was sold on a roundtrip cruise basis.

III.

AIR TOURS VS. AIR/SEA TOURS. Throughout the history of Westours, the company has offered Alaska package tours including air transportation to and

from Alaska with no cruise ship component included as well as air/sea tours which include a cruise component to or from Alaska. Historically, the sale of "air tours" has accounted for only 3.4% of Westours total package tour business. We, therefore, are of the firm belief that the water related or "cruise" experience as an inclusion to Alaska package tours is of paramount importance to the sales appeal of package tour offerings.

IV.

PRINCE WILLIAM SOUND AS A "WATER EXPERIENCE" VS. INSIDE PASSAGE. In

1982 thirteen cruise ships are scheduled to make 149 cruises to Alaska providing a total cruise capacity of 99,337 berths. One hundred twenty five of the scheduled sailings with a capacity of 73,197 berths will visit southeast Alaska only. Overall, a very small percentage of those people who have at least somewhat been motivated to visit Alaska because of a water experience, will see more of Alaska than three or four port towns or cities at which their cruise ship calls, and for a very limited time at each port. Further, the average cost for an Alaska cruise in 1982 will be approximately \$200.00 per day per person.

It is the opinion of Westours that Prince William Sound has the potential of providing a water related vacation experience that, with proper consumer awareness and unlimited access, could rival Alaska's Inside Passage in consumer demand. We also believe that water related services and activities that could be readily developed within Prince William Sound would have appeal to a far greater potential market than cruises of the Inside Passage aboard a cruise ship and be of far greater economic benefit to Alaska.

V.

REQUIRED WHITTIER ACCESS. Westours has for several years been featuring a travel routing for tourists between the Yukon and Southwestern Alaska involving our motorcoach service between Whitehorse and Valdez, water transportation between Valdez and Whittier and our motorcoach service in combination with the Alaska railroad between Whittier and Anchorage via Portage. Since 1975, tourist traffic over the water route between Valdez and Whittier has had an average annual increase of 14%. To accommodate this increase, our company encouraged the development and inauguration of day boat type service between Valdez and Whittier in each direction to augment the service of the Alaska state ferries. All of those passengers using the aforementioned Valdez/Whittier water service include visits

to and stopovers in many other Alaska communities in the course of their tour itineraries.

In addition to our aforementioned use of a cruise in Prince William Sound from Whittier as one terminal for the cruise in our tour programs, we envision many other uses of the Prince William Sound area as a vacation experience to encourage increased development of Alaskan tourism. During the summer of 1979 I, in the company of the Regional Director of the National Forest Service, made a complete survey trip of the Prince William Sound area between Whittier and Valdez. The result of this survey was a complete conviction that there were many obvious opportunities for development of new and different travel experiences in the area that we are confident would have great appeal not only to our present market but to new markets which we so very much need to develop for real growth. In all of our considerations, the primary obstacle to total confidence and enthusiasm was the limited access to and from Whittier.

It appears to the writer that the "Whittier Access Study" prepared for the State Department of Transportation, primarily addresses local traffic potentials and use of Whittier as a ferry terminal and/or a pleasure boating terminal. It does not appear to me that appropriate consideration was given to the potential that improved Whittier access could provide for greatly increased tourism from outside of Alaska to not only the Prince William Sound area but all of Alaska. We do not believe that the ferry service should be considered as a limiting component and are of the firm belief that a major potential exists for such additional activities as:

1. Increased water sightseeing excursions between Valdez and Whittier in each direction.
2. Mini-cruise ship operations with vessels that could provide cruises of one or more nights in Prince William Sound with complete facilities available aboard ship.
3. Development of lodges and resorts that could be served by regular scheduled water and/or air transportation for people while traveling enroute between Whittier and Valdez in either direction.
4. One day water sightseeing excursions from Whittier as well as Valdez.
5. Whittier as a regular cruise ship port offering overland shore excursions to Anchorage and other points of interest.

In reviewing all of the suggested alternatives for improved access to Whittier, it is our considered opinion that only unrestricted highway access to Whittier would justify the investments necessary to accomplish the aforementioned potential development, and more.



Alaska State Legislature

Senator Vic Fischer • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

MEMORANDUM

TO: Sen. Bill Ray
FROM: Sen. Vic Fischer *Vic*
DATE: March 3, 1982
RE: SB 793--Whittier Access

Enclosed for your information is an Anchorage Assembly resolution supporting improved access from Portage to Whittier, development of Shotgun Cove and (!) construction of a small boat harbor at LaTouche Island.

cc: Sen. Gilman
Sen. Kerttula
Sen. Dankworth
Sen. Sackett

APPROVED

Date:

2-2-82

Submitted by:

Assemblyman Don Smith

Prepared by:

Municipal Clerk's Office

For Reading:

February 2, 1982

ANCHORAGE, ALASKA

AR NO. 82-40

A RESOLUTION OF THE ANCHORAGE ASSEMBLY SUPPORTING BUDGET PROPOSALS TO FUND IMPROVED RAIL SHUTTLE SERVICE BETWEEN PORTAGE AND PRINCE WILLIAM SOUND FOR RECREATIONAL DEVELOPMENT.

WHEREAS, the Prince William Sound Region is one of the most magnificent and spectacular areas in Southcentral Alaska and has become a major tourist attraction and recreational area, and

WHEREAS, this area would be readily accessible to over one-half the population of Alaska if reasonable highway access were provided, and

WHEREAS, improved access is particularly important to the people of the Anchorage Municipality, inasmuch as over 6,000 pleasure boats are registered in the Anchorage Area and the small boat harbor is being tripled in size, and

WHEREAS, the Alaska Marine Highway has indicated an intention to increase the level of ferry service to Whittier from Southeast ports if ready access is provided to Anchorage, and

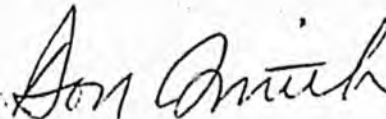
WHEREAS, there are currently proposals before the Legislature to appropriate funds to initiate construction of a highway from Portage and Bear Valley and to provide frequent and convenient shuttle service through the tunnel, until a permanent highway connection can be completed.

NOW, THEREFORE, BE IT RESOLVED, that the Anchorage Municipal Assembly endorses and supports budget proposals to fund recreational development in Prince William Sound, including the following:

1. Construction of a road from Portage to Whittier, or in the alternative, substantially expanded rail service.
2. Construction of a road, or ferry service from Whittier to Shotgun Cove and development of a small boat harbor.
3. Construction of a small boat harbor at LaTouche Island.

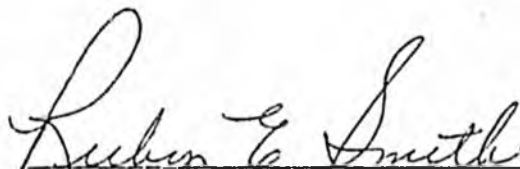
AND, BE IT FURTHER RESOLVED, that copies of this resolution be sent to all members of the Legislature and to Governor Hammond.

PASSED and APPROVED by the Anchorage Assembly this 2nd day of February, 1982.



Chairman

ATTEST:


Municipal Clerk