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390

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

POUCH M
JUNEAU, ALASKA 99811
PHONE:

May 23, 1983

Ms. Sarah Robinson
Representative Lacher's Office
Pouch V
Juneau, Alaska 99811

Dear Ms. Robinson:

Several important questions need to be addressed in legislation to create a scenic highway system, as proposed in HB 390 and 391.

What qualities define a scenic highway
(definition of purpose)?

Does a scenic highway incorporate adjacent lands?

What are management standards for scenic highways
and adjacent lands?

Which agency will manage the system?

Other questions pertain to the discussion leading up to legislation. Will designation affect road maintenance or federal highway funding? Should the Legislature designate scenic highways? What are the experiences of other states in creating and managing scenic highways?

At this point it would be difficult for the Administration to evaluate the proposed system. I suggest that Legislative staff and members of the Administration work together to provide more definition. This cooperation could best be accomplished during the interim, as we have discussed. Perhaps it would be appropriate to hold the bills in Committee while we work on them.

Ms. Sarah Robinson

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May 23, 1983

Thanks for your attention.

Sincerely,



John Bates
~~Deputy Commissioner~~
Department of Transportation
and Public Facilities



Robert D. Arnold
Deputy Commissioner
Department of Natural
Resources

cc: Steve Soenksen, House Transportation Committee
Judith Anderegg, Senator Kerttula's office

Alaska State Legislature

REPRESENTATIVE
BARBARA LACHER
P.O. BOX 478
PALMER, ALASKA 99645
9071376-4215



WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
9071465-4894

House of Representatives

MEMORANDUM

TO: House Transportation Committee Members

FROM: Representative Barbara Lacher

DATE: May 17, 1983

SUBJECT: HB 390, HB 391

House Bill 390 is the enabling legislation for the designation of State scenic highways. House Bill 391 makes a special appropriation to the Department of Transportation and Public Facilities to study the Glenn Highway between Palmer and Glenallen for scenic highway designation.

HISTORY:

The Sheep Mountain Coalition, a group of local citizens who live in the Glenn Highway area, organized two years ago and contacted the Department of Natural Resources with a concern over the effect of the land disposal program in the area. The Department of Natural Resource's intention to realign the Highway was also a concern voiced by the Sheep Mountain Coalition at that time. The Coalition requested that the State develop a land use plan for the area. Talk emerged at this time for a scenic highway plan.

The State's response to this request emerged in the form of the Susitna Basin Plan. This plan was, in part, cooperative with the Matanuska-Susitna Borough. The Susitna Basin Plan is not as yet adopted, although it has been approved by the Mat-Su Borough. Public hearings are still being held on this plan which addresses a wider regional plan than the Glenn Highway area. The plan addresses issues including tourism, year-round recreational use, land disposals, timber and mineral use, scenic preservation, and a trail system.

The Sheep Mountain Coalition then approached Representative Pat Carney, last Session, with the request that he introduce legislation to establish a recreation area along the Glenn Highway, in the Sheep Mountain area. Carney sponsored this legislation but it died in committee, as the political climate was not good for the creation of another state park. In particular there was serious objection to the restrictions on land use that the proposed park would mandate.

The Coalition then reassessed its position and shifted towards the current legislation which proposes a public use area in the scenic highway bill. The current proposal would not disallow timber or mining use of designated areas. In fact the designation of a scenic highway does not mandate restrictions of any of the other categories of land use, it simply restricts their location in relation to the valued visual resource of the area so designated. This current legislation would also require less active management than a state park.

The Division of Parks of the Department of Natural Resources supports this current plan and do not foresee any major conflict between the proposed legislation and the final form of the Susitna Basin Plan.

SUSITNA BASIN PLAN:

The four alternatives proposed in the Susitna Basin Plan are germane to a discussion of this legislation. The first alternative proposes a higher density land disposal with more lands in private ownership. This alternative plan provides for a protective corridor along the Glenn Highway. The second alternative is a moderation of the first, with fewer land disposals, fewer areas designated for woodlots, and generally more protected trails and lakes. The third, or the "green" alternative places a greater emphasis on forestry, mining, recreation, scenic protection, an increase in the number of trails, and wider trail corridors. The fourth alternative plan is similar to the third except that a stronger emphasis on economic development, especially in the area of tourism and its support industries is included. This alternative plan places tourism as a first priority, but also permits restricted logging and mining. Emphasis is placed in this proposal for both winter and summer recreation, with a number of cross-country ski trails designated in addition to the more familiar summer recreational uses.

LOCAL SUPPORT:

Petitions have been circulated, and a recent public meeting at the Glacier Elementary School demonstrated very strong support for the Susitna Basin Plan, especially alternatives three and four. The Sheep Mountain Coalition also holds this view, as well as the Mat-Su Borough. Strong local opinion centers on the need for both visual resources and protected trails. The scenic highway legislation proposed is in keeping with the interests of the residents of the area, as well as the Borough as a whole.

SCENIC HIGHWAY STUDIES:

The Department of Natural Resources has conducted two studies for scenic highway feasibility. These are the Parks Scenic Highway study completed four years ago, and the Denali Scenic Highway study completed this year. The DNR has informed the sponsor of this legislation that the Glenn Highway is a prime candidate for a designated scenic highway in Alaska. Passage of this legislation would permit the State to designate all three of these highways as scenic highways, if the Administration so desired.

I. REQUEST
 Bill/Resolution No.: HB 390
 Title: Designation of Scenic Highways

II. FISCAL DETAIL
 Agency Affected: DOT&PF
 Program Category Affected: _____

Sponsor: Lacher
 Requestor: _____

BRU, Program of Subprogram(s) Affected:
Planning and Maintenance & Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES		37.0	74.0	77.7	81.6	85.7
200 TRAVEL		13.0	25.5	12.6	13.2	13.9
300 CONTRACTUAL		7.0	14.0	*Unknown	*Unknown	*Unknown
400 COMMODITIES						
500 EQUIPMENT						
600 LANDS & STRUCTURES						
700 GRANTS, CLAIMS, LTC.						
	Minimum impact given. See analysis in Sec. IV					
TOTAL OPERATING	-0-	57.0	113.5	90.3	94.8	99.5
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	57.0	113.5	90.3	94.8	99.6
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL: Not identified by the sponsor.
 *[NOTE: "Unknown" means that it is impossible to predict how much it will cost the state to make highways meet scenic standards, erect signs and upgrade maintenance facilities and equipment to meet scenic standards, because we do not have standards yet, and do not know how many miles will be designated as scenic, or where they will be located.]

IV. ANALYSIS: See Attached for Analysis.

Prepared By: Paula Ramsey *Paula Ramsey* Phone: 465-4060
 Division: Standards and Statewide Programs Date: May 23, 1983
 Approved by Commissioner: *Gay Secor* Date: 5/23/83
 Department: Transportation and Public Facilities

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different for Sponsor)

IV. ANALYSIS

Designation and maintenance of scenic highways will have a fiscal impact on the DOT&PF beyond the figures given in Section I. Accordingly, the present fiscal note should be regarded as an underestimate, including only the minimal costs which we can predict -- primarily, the costs for the Scenic Resources Expert.

The DOT&PF suggests however, that the bill not require the Department to hire the Scenic Resources staff person. In our projection of ongoing need for such expertise, we do not anticipate that the program will require a full time permanent staff member. The Department could more efficiently contract with one or more consultants and train current DOT&PF employees for both the design and planning, and maintenance and operations functions necessary for the program.

We also suggest that the bill specify particular coordinative actions to insure fulfilling the intent of the legislation. First, the Department of Natural Resources (DNR) should be explicitly involved in establishing regulations for the development of state lands adjoining scenic highways, consistent with the intent of the scenic highways program. Second, the DNR should be required to send to all pertinent federal agencies an official notification of highways designated as state scenic highways. The notification should also request that such federal agencies as the Bureau of Land Management, Department of Agriculture, and National Park Service adopt procedures which would conform to the general guidelines established for state scenic highways. Moreover, if the scenic highways bill is passed by the legislature, the DOT&PF would request a delay in implementing the program until the U.S. Congress has acted on the Denali Scenic Highway Study.

In further consideration of the fiscal impact of this bill, it should be understood that the cost of constructing highways will increase over time, such that the amount of construction which can be done with the same money will decrease. It should also be understood that the regulations we develop will have to conform to Federal Highway Administration (FHWA) Standards to the extent that will allow us to continue leveraging the maximum amount of FHWA funds for highway construction.

The cost estimates in Section I reflect only the following:

	<u>FY 85</u>
<u>Personal Services</u>	
(Scenic Resources Expert)	74,000
<u>Travel</u>	
(for Scenic Resources Staff)	12,000
(for 15 public meetings on regs at \$300 air fare & per diem each, for 2 staff and 1 secretary)	13,500
Subtotal	\$ 25,500

Contractual

Minimal costs for signing, and Maintenance and Operations		Unknown*
Secretarial transcription for 18 public meetings at \$500 each	9,000	
Dept. Law Review of regs establishing standards	5,000	
Subtotal		<u>14,000</u>
TOTAL FY 85		\$113,500 PLUS

FY 84 estimates represent six months of personnel and supporting costs. Personal services cost for a Scenic Resources Expert, and that employee's estimated travel for inspection and design purposes are inflated at 5% per annum. The second part of the estimated travel cost is for regional staff to travel to the sites of the public hearings required for adoption of regulations as mandated in the bill.

The estimate of twelve public meetings statewide is provided as a conservative estimate, based on a review of the minimal number of hub communities located on the highways most likely to be designated as scenic.

The estimated contractual cost for secretarial services to transcribe meeting tapes was derived by scaling down the average cost for this service following hearings on the proposed time zone changes. We assumed eighteen total public hearings. Travel costs for the public meetings assume two Department staff and one contract secretary traveling at an average air fare of \$220 round-trip and one day's per diem at \$80.

The final contractual cost, for the Department of Law to review regulations proposed by the Department, is also a rough estimate. This figure could be as low as \$3,000 or could be much higher.

It is anticipated that much of the work involved in establishing standards and adopting regulations can be accomplished within the normal functions of the Department. Additional costs would arise in conducting studies for determining scenic highways; however, those costs are anticipated to be funded by the legislation that would also request the scenic studies be done (e.g. HB 391).

* "Unknown" means that the substantial fiscal impact this bill will have on DOT&PF for maintenance and operations to meet scenic standards cannot be predicted.