

HB

479

STATE OF ALASKA
THE LEGISLATURE

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POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPK. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House Transportation:

2/29/88

Alaska State Legislature

House of Representatives

Committee on Transportation



Rep. Bette Cato, Chairman

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4858

February 29, 1988

COMMITTEE CALENDAR:

HB 479: "An Act making appropriations to the Department of Transportation and Public Facilities for the Alaska marine highway system; and providing for an effective date."

FOR THIS MEETING, YOU HAVE BEEN GIVEN:

a folder on HB 479 that includes:

- item #1: HB 479
- #2: a statement from Rep. Goll
- #3: service reductions
- #4: funds necessary to restore service
- #5: executive summary - Southeast Conference report on the Alaska Marine Highway
- #6: resolutions and letters of support
- #7: service complaints from tourist industry
- #8: statutes



STATE OF ALASKA
HOUSE OF REPRESENTATIVES

M E M O R A N D U M

DATE: February 26, 1988

TO: Representative Bette Cato
Chair, House Transportation Committee

FROM: Representative Peter Goll *Peter Goll*

SUBJECT: HB 479

HB 479, is an appropriation bill for the Alaska Marine Highway System, using \$4,897,100 in ferry program receipts to restore lost services. This legislation is a step toward restoration of ferry service to its FY 86 levels.

The Alaska Marine Highway is the only surface transportation system linking Southeast communities to one another and to the mainland road system. It is the only safe and affordable transportation available to citizens of rural communities.

The system is necessary to the economy of Southeast Alaska and other coastal regions, providing the connections needed to maintain freight service, private transportation, and tourism.

I have provided for your information:

1. A spreadsheet showing the service reductions that have been made as a result of budget cuts since FY 86, including the winter service cuts to Alaskans.
2. A spreadsheet showing the funds necessary to restore service to the FY 86 levels, and the revenue sources for the appropriation. Noted are revenues generated through fares.
3. An excerpt from the Executive Summary of the Southeast Conference report on the importance of the Marine Highway to the safety, health and economy of the region.
4. Resolutions and letters from elected officials, local governments, organizations, and health professionals, detailing need for adequate surface transportation.
5. Service complaints from the tourism industry.

1/14/88

NUMBER OF PORT CALLS - ALASKA MARINE HIGHWAY SYSTEM

PORT	Summer Season May 16-Sept 30				Winter Season Oct 1 - May 15			
	FY 86 Actual	FY 87 Actual	FY 88 Planned	FY 89 Budget	FY 86 Actual	FY 87 Actual	FY 88 Planned	FY 89 Budget
Skagway	152	148	146	144	144	128	120	124
Hair s	305	297	293	289	288	256	240	248
Juneau	323	319	312	316	324	298	285	295
Sitka	133	132	131	137	202	198	192	192
Petersburg	247	239	241	249	272	260	246	246
Wrangell	228	224	222	230	202	196	196	196
Ketchikan	570	548	518	514	532	502	418	402
Prince Rupert	114	110	106	108	84	83	73	78
Seattle	37	36	31	19	36	33	33	33
Pelican	9	9	9	9	9	10	9	10
Hoonah	95	93	95	95	146	136	138	144
Tenakee	57	57	57	57	133	98	92	98
Angoon	76	78	76	84	146	144	138	140
Kake	38	38	38	38	68	92	66	66
Hollis	136	138	133	135	191	236	210	206
Metlakatla	152	152	146	133	262	162	119	131
Hyder	17	19	19	19	--	--	--	--

FY 89 OPERATING PLAN #67.4 MIL BUDGET EQUAL TO FY 86

VESSEL	OPERATING PLAN												OPERATE MONTHS	EXPENSE ¹ (in millions)			REVENUE (in millions)					
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN		INOP.	OP.	TOTAL						
COLUMBIA	SEA		SEP	OCT 24								MAY 16					5.2	1.6	6.5	8.1	7.1	
MATANUSKA	YPR							SEA				FEB 28						9.8	.7	8.1	8.8	7.8
MALASPINA	YPR											DEC 28						10.0	.7	8.2	8.9	7.7
TAKU	YPR																	9.8	.7	7.4	8.1	5.7
Le CONTE																		10.0	.5	4.3	4.8	1.8
AURORA																		10.1	.5	4.4	4.9	1.8
TUSTUMENA																		8.5	.6	4.2	4.8	2.3
BARTLETT																		10.0	.4	3.5	3.9	1.7
CHILKAT																		4.0	.3	.3	.6	.1

Subtotal 52.9 36.0

"DRAFT"
2/10/88

Shoreside ops & Admin(2) 8.7
Risk Management 4.0
Morine Facilities 1.8

TOTAL 67.4 mil.

CAPITAL COST - CHILKAT DOCK - PR. OF WALES IS. .5
CAPITAL COST - CHILKAT DOCK - METLAKATLA .6

TOTAL CAPITAL \$1.1 mil.

1. EXPENSES ASSUME AN AVERAGE FUEL PRICE EQUAL TO THE AVERAGE FOR FY 88 AND A LABOR COST BASED UPON THE SAME WAGE RATES AS FY 88

2. THIS SHORESIDE COMPONENT INCLUDES: Administrative Mgmt. \$2.3 mil
Operations Mgmt. .8
Reservations Mgmt 2.6
Terminal Operations 3.0
\$8.7 mil



SOUTHEAST CONFERENCE

ALASKA MARINE HIGHWAY SYSTEM

THE COMMUNITY PERSPECTIVE

"Working For All Alaska"

EXECUTIVE SUMMARY

This report describes the importance of the Alaska Marine Highway System (AMHS) from the community perspective. It has been developed to show how the economy and way of life of the people in Southeast Alaska has evolved in concert with the ferry system. It points out that budget and other decisions regarding the AMHS should take into consideration the importance of the ferry system in other than strictly economic terms; most particularly the sense of real security, reliability, and the affordable transportation which it offers to the traveling public. It explains the reality that dismantling this billion dollar infrastructure would be a severe blow not only to Southeast Alaska but to the entire state. The report shows how the ferry system is so interwoven in the economic fabric and well-being of Alaska that it deserves a fresh look; a commitment to efficient management and direction through prudent budget decisions. Further, it offers specific recommendations and findings to improve the system.

The ferry system is a vital component of the economy of Southeast Alaska. Therefore, any decision that may result in a general service reduction should be approached with great caution. It is an unfortunate reflection of our government that the rationale to reduce service seems based on the assumption that communities must suffer before management can become effective or labor brought to the table as a full partner in resolving the problems. As a matter of fact,

in most cases it costs at least 50% of vessel expense to lay-up. For example, the Bartlett cost 90% of operating expense to be put into lay-up. Therefore, it needs to generate only 10% of costs in revenue to be more cost effective to operate.

As this study began, the focus of the effort was that of discovering the relative ways in which the AMHS is important to each respective community served by the system. The inter-relationships developed with the rest of the State as a result of the ferry system were also explored. It was learned that not only is the system important in a general way for transportation of people, vehicles, and goods, but in particular ways. That is, a particular major component of a local economy has often developed with the ferry service, and vice versa.

The major component in some communities may be a single business, such as the case with the Hoonah Cold Storage. Hoonah Cold Storage depends on the ferry to ship out 100% of its fish products. This was almost two million pounds of salmon in 1986, and the business expects a 30% increase this year. In Sitka, a winter 'turnaround' run is the primary boost to the retail trade. It is an economic convenience, as well as being key to the delivery of important human services, for those who do not live in Sitka. The economy of the City of Skagway in recent years has become almost entirely based on tourism. Of course, the ferry system plays a very important role in bringing tourists to Skagway. The

AMHS brought 36,000 visitors to Skagway in 1986. Ketchikan faces a double-edged sword when the State considers reductions in ferry service. The mainline runs are extremely important because of the tourist trade, export of fisheries products, and the import of goods and supplies to furnish the area's retail demands. But the feeder ferries are critical for retail and commercial trade, fish transport, and winter economic activity. The economies of the people of Ketchikan would be severely impacted by a reduction in either mainline or feeder ferry service. There is one community, however, which appears to have an even deeper dependence on the ferry system: the City of Haines. There are so many business functions in Haines which have evolved with, and depend upon the ferries, it clearly would suffer the most immediate and significant effects of reductions in service. Haines is still the main embarkation and disembarkation point for people and goods destined for the interior or travelling south from the interior. Without the ferry system, Haines would simply be a place at the end of a very long spur road. These are but a few examples of the community perspectives of the AMHS. The more enlightening and detailed reports are found in the Community Section. Reading that section is imperative in understanding the AMHS's relationship to developing economies. The particular ways the communities have used the ferries to develop and stabilize the economy of Southeast must be recognized.

Of course, the communities served by the ferry system are dependent on it in numerous general ways. These include the delivery of food, particularly fresh produce and dairy products; mail delivery; school travel; tourist travel; and the transportation of vehicles, equipment and general freight. In some cases, practically 100% of the fresh produce is delivered by ferry. In addition, all second and third class mail and surface parcel post from the lower 48 travels by ferry. The mail is ferried to Haines, Skagway, Petersburg, Wrangell, Sitka, Ketchikan, and Juneau, then shuttled to smaller communities.

During the school year, all school districts make use of the ferry system for student travel to a remarkable degree. Petersburg, Juneau, Wrangell, and Ketchikan report that a student group (averaging 30 students) from their high schools is going somewhere on the ferry system virtually every week of the school year. For purposes of school travel, both safety and cost considerations combine so that schools schedule events around the ferry schedule. And as funding for education decreases, the cost of flying is not a reasonable alternative for student travel.

The AMHS is also important to the health, welfare and safety of Southeast residents. Residents of the smaller communities depend on the system for transportation to larger communities to meet shopping, business, medical, and recreational needs. The selection of goods and services is extremely

limited in some small communities, making travel to larger communities a necessity. Thirteen of the nineteen SE communities we surveyed have no resident doctor; fourteen have no hospital. Travel by ferry to the larger communities is often the preferred mode of transportation, due to its safety, dependability, and people's fear of flying. The senior citizens of Southeast rely on the ferry system to a great degree, perhaps more than others. For them the ferries are safer, more accessible, and more dependable; as well as providing a far less costly means of transportation.

It is safe to say that almost all Southeast communities served by the AMHS are positively affected by the ferry transport of tourists into their community. Communities as small as Pelican notice an increase in business brought about by the arrival of a ferry. The Southeast communities, through the Southeast Alaska Marketing Council (SAMC), have been doing a great deal to encourage use of the AMHS. They have invested \$400,000. in advertising to encourage the 'independent traveler' to visit SE Alaska. To date they have received 12,000 responses to their ads; 57% of these were interested in ferry travel as their means of transport. The SAMC supplies travel information to the respondents based on their interest.

The degree of general dependence on the ferry system by the various communities appears to rise in inverse proportion to the size of the community. The smaller the community, the more dependent it is likely to be on the ferry system for its

transportation needs. However, a reduction in service would adversely impact elements of all local economies.

In addition to the individual and general ways in which the various Southeast communities are dependent on the ferries, the system is an important source of jobs. The system employs approximately 900 people and there are more than 5,000 other people that depend on the system for their jobs. Table 5 which is appended to this report details the number of people directly employed by the AMHS in each community. Ketchikan is home for the largest number of employees of the ferry system: 294 employees.

It is also important to note that the system is not only important to the economy of Southeast, but to the state's overall economy - more important than is generally thought. In all, the Southeast system carried 313,071 passengers during 1985, the latest year for which figures are available. That same year the system transported 79,780 vehicles. The "Alaska Tourism Handbook," published by the Division of Tourism reveals that 60% of the summer travelers on the ferry system visit Anchorage and 59% visit Fairbanks. In addition, 40% of all winter traffic on the Southeast ferries is headed for the interior. Each year the AMHS carries thousands of tons of freight and millions of dollars of visitor revenues to the northern regions of the state. Each week semi-vans loaded with goods and supplies head for interior Alaska. Even more vans flow from the rest of the state, especially Anchorage to

CITY OF HAINES

RESOLUTION 87/88-10

A RESOLUTION OF THE CITY OF HAINES, ALASKA, IN SUPPORT OF FRIDAY FERRY SERVICE TO HAINES AND SKAGWAY.

WHEREAS, the City of Haines is seeking to promote winter visitation to our community, and the Chilkat Bald Eagle Preserve for the benefit of the economy of the area; and,

WHEREAS, the State of Alaska, Marine Highway system is not planning to operate a ferry on Fridays to the upper Lynn Canal this winter; and,

WHEREAS, the communities of Haines and Skagway both provide highway access to the interior for all residents of Southeast Alaska, allowing them access to Anchorage, Fairbanks and Whitehorse for the purpose of trade and travel; and

WHEREAS, the Alaska Marine Highway has in serve the M/V Chilkat, which could be used for this Friday ferry service;

NOW THEREFORE BE IT RESOLVED by the Council of the City of Haines, Alaska, that the City of Haines supports the use of the M/V Chilkat on a special Friday trip from Juneau to Haines and Skagway for the mutual benefit of both communities as they seek to promote winter visitors to the Upper Lynn Canal.

PASSED AND APPROVED THIS 21ST DAY OF OCTOBER, 1987.

Frank L. Wallace
Frank L. Wallace, Mayor

ATTEST:

Susan V. Johnston
Susan V. Johnston, City Clerk

S E A L:

CITY OF SKAGWAY, ALASKA

RESOLUTION 87-26R

A RESOLUTION OF THE CITY OF SKAGWAY, ALASKA, IN SUPPORT OF FRIDAY FERRY SERVICE BETWEEN SKAGWAY, HAINES, AND JUNEAU

WHEREAS, the Alaska Marine Highway is the only surface transportation link between communities in southeast Alaska, and

WHEREAS, Skagway is the northern terminus of the Marine Highway, and

WHEREAS, the Klondike Highway, linking Skagway to Whitehorse, Y. T., and interior Alaska is now open year-round, and

WHEREAS, continued economic viability for the northern panhandle communities is based on a year-round transportation link, and

WHEREAS, the primary travel days between communities for the purpose of recreation and visitation are Fridays and Sundays, and

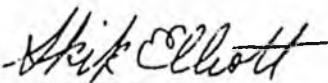
WHEREAS, new recreation facilities for winter sports are attracting more and more potential visitors, and

WHEREAS, the State of Alaska, Division of Tourism has committed more funding for Fall/Winter/Spring promotion, and

WHEREAS, the State of Alaska Marine Highway service to Skagway and Haines this Winter has ferry dockings two days in a row on Sundays and Mondays, another ferry on Wednesday, and then no ferry until the next Sunday.

NOW THEREFORE BE IT RESOLVED that the Skagway City Council urges the Marine Highway System to restore Friday ferry service between Juneau, Haines and Skagway by March 1, 1988 at the latest.

PASSED AND APPROVED BY THE SKAGWAY CITY COUNCIL ON THE 19TH DAY OF NOVEMBER, 1987.



Skip Elliott, Mayor

ATTEST:



Lorene S. Gordon, City Clerk



**PRINCE OF WALES COMMITTEE
FOR IMPROVED SERVICE
TO THE ISLAND**

Senator Richard Eliason
Box v
Room 417
Juneau, Alaska 99811

Dear Senator Eliason,

We would like to thank you in advance for the work that you are doing for the people of Southeast.

We have formed a committee for improved service to the people of Prince of Wales via the Alaska Marine Highway. We have a definite need here for improved service.

We are enclosing a packet of information concerning the efforts that are being made to further this project. We will have an open meeting February 14, 1988 at that time petitions will be generated and taken in a door to door Island wide campaign. The petitions will be forthcoming.

Please take the time to review our concerns and offer what help you are able to afford to us.

Thank you again for your consideration of our concerns.

Sincerely,
Waunita Pannell
Charlie Calton

pc: Gov. Cowper
Peter Goll
Bette Cato
Lloyd Jones
Robin Taylor

WAUNITA PANNELL - BOX 157 - KLAWOCK, AK.

755-2296

CHARLIE CALTON - BOX 49 - CRAIG, AK.

826-3756

The people of the Prince of Wales Island are generating the introduction of a petition to the Alaska Marine Highway System for the purpose of requesting:

- 1) A regular daily schedule for the service to the Prince of Wales Island, directed at the present winter scheduling.
- 2) A look at a proposal for the early haul-out of the M V Aurora (during the winter months) for the proposed improvement of the winter scheduling.
- 3) Installing an elevator (or incorporating a chair-lift in the existing stairwell) for all handicapped persons traveling the Alaska Marine Highway System.

This letter is a request to your organization for a letter of endorsement of this petition.

We firmly believe the more endorsements we have to this petition, the better the chances for the improvement of the services to the Prince of Wales Island will be.

This petition will be formalized and approved by an Island Committee on February 14th, and the following Monday, February 15th, will be sent to you for your perusal and, very hopefully, your organizations endorsement.

If you have any questions on this matter, or any other suggestions that will enhance or substantiate this petition, please feel free to contact us with your suggestions and/or recommendations.

Waunita Pannell 755-2296 P. O. Box 157 Klawock
Charlie Calton 826-3756 P. O. Box 49 Craig

Thank you for your considerations toward this effort.

The POW Committee for Improved
Service to the Island VIA
The Alaska Marine Highway

PROPOSAL

WHEREAS, The Prince of Wales Committee for Improved service to the Island via Alaska Marine Highway System.

WHEREAS, The Island population is approximately 4700 to 5200 persons and the embarking - dis-embarking statistics of the Alaska Marine Highway usage for 1986 was above and comparable to larger ports.

WHEREAS, Our present schedule (especially during winter months) does not meet the direct needs of the people of Prince of Wales Island.

WHEREAS, The lack of daily schedules hinder the people from using the services of Physicians, Medical facilities, Attorneys and other professionals without the additional expense of having to make use of the airline services rather than the ferry system.

WHEREAS, The ferry does not allow for travelers who would like to utilize the weekend in Ketchikan to do so without loss of time from work.

WHEREAS, Ketchikan City and Borough and the State of Alaska are losing daily revenue, as money is being spent on mail order services, that would otherwise be directed to the city.

WHEREAS, With a regular daily schedule there would be more participation on the Marine Highway between families of Prince of Wales and Ketchikan. also, the possibility of added tourism to the island.

WHEREAS, With the daily schedule the school systems of Prince of Wales would be able to participate in more activities to benefit the students and also increase ridership rather than being forced to utilize the airline system, which is sometimes cost prohibitive and impossible due to weather conditions.

WHEREAS, An early haul-out of the M.V. Aurora (during the winter months) causes an extra burden on those leaving for the winter, or taking vacations during the holidays.

WHEREAS, The handicapped do not have access to special care and handling such elevators for the ill, aged or wheel chair confined.

THEREFORE, Be it resolved that the Prince of Wales Committee for Improved Service to the Island via Alaska Marine Highway system urges the Department of Transportation and the Legislature to upgrade and improve the present service to the island in accordance with the above mentioned items to ensure regular guaranteed daily scheduling that the people of Prince of Wales can rely upon.

Family Practice Physicians

10301 GLACIER HIGHWAY • JUNEAU, ALASKA 99801
(907) 789-2910

MIKE FRANKLIN, M.D.
KIM C. SMITH, M.D.
WILLIAM M. COLE, M.D.
ERIC OLSEN, M.D.

LARRY DEPUTE, P.A.-C

December 2, 1987

File No. 140-3704-A

Mr. George Davidson, System Director
Alaska Marine Highway
Pouch R
Juneau, Alaska 99811

Dear Mr. Davidson:

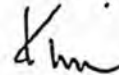
Thank you for your letter of November 16. There are some other points that should be brought up, however.

The Aurora makes 3 trips per week from Metlakatla to Hollis and back. All these are within a 38 hour period. Perhaps one of these trips could be removed in favor of Juneau to Skagway.

Secondly, the new road being opened from Skagway to Whitehorse has opened up new opportunities for recreation and commerce that were just beginning last year. The Skagway Inn for example became very popular with Juneau people, and it made people aware of quality skiing that was thought to be available only out of state or in the Interior. I'm sure the number of users this year would have been much higher if the ferries would have made it possible. With the warmer winter weather we have been experiencing, there is very little available to Juneau residents in the form of winter activities.

Thank you for your cooperation.

Yours truly,



Kim C. Smith, M.D.

cc: ~~Senator Duncan~~
Rep. Ulmer
Rep. Hudson

NOV 18 1987

CITY OF SKAGWAY
GATEWAY TO THE GOLD RUSH OF '98"
P.O. BOX 415, SKAGWAY, ALASKA 99840
907-983-2297

November 16, 1987

Commissioner Mark Hickey, DOTPF
Representative Peter Goll
Senator Dick Eliason

We are writing to ask for your help in restoring the Friday ferry service between Juneau / Haines and Skagway.

We understand the budgetary constraints facing the Alaska Marine Highway, however, both Skagway and Haines are connected to the Marine Highway by year-round highways. In Skagway's case, the Klondike Highway is the only surface connection between the capital of the Yukon Territory, Whitehorse, and the capital of the State of Alaska, Juneau (via ferry from Skagway). As we as a state develop more and more economic ties with the Yukon, it becomes imperative that we have the necessary transportation links in place.

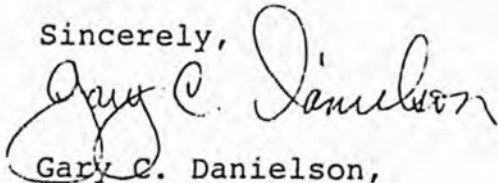
The weekend traffic between Skagway / Haines / Juneau and Whitehorse provides economic benefit to all the communities, as residents make the trips not only for recreation, skiing, downhill in Juneau, cross-country between Skagway and Whitehorse, but for shopping trips, visits to doctors and dentists, and to see friends and relatives.

We believe that by reinstating the Friday ferry service in mid-February or early March at the latest, it will provide residents of the Northern Panhandle with economic benefits needed for our communities to remain healthy and strong and to continue to be viable participants in the overall growth our state so dearly needs.

The Skagway Convention & Visitors Bureau urges you to reconsider the Marine Highway's winter ferry schedule and appropriate the necessary funding to continue our transportation corridor between interior Alaska, the Yukon and Southeast Alaska, on the days when traffic has the greatest potential.

Thank you.

Sincerely,



Gary C. Danielson,
Executive Director
Skagway Convention & Visitors Bureau

cc: Representative Bill Hudson
Senator Jim Duncan
George Davidson, Director, Marine Highway System
Juneau Convention & Visitors Bureau

Box 317
Skagway, Alaska
Nov 7, 1987

Mark Hickey, Director
Dept of Marine Transportation
Juneau, Alaska

Dear Mr. Hickey,

I am writing to add my voice to those urging you to make a stronger effort to provide weekend ferry service to Skagway and Haines during the winter months. The present scheduling, with a three-day gap in service between Wed. and Sunday, hampers traffic in our area all winter long, when winter weather makes air travel much more uncertain, and the ferry alternate more needful.

By spring, by which I mean February, when days are getting longer, many people, not only in Skagway and Haines, but in Juneau and Whitehorse also, are feeling ready for a weekend jaunt up or down the channel for a day or two in another town. Ski weekends, winter Carnivals, musical events and other attractions are among the enticements for such traffic. For us in Skagway especially, every little bit of winter traffic is a measurable contribution to the survival of our town. High school sports and music events need this weekend service also.

The Friday ferry, which we have had in the past, and during summer months, gets cut down to a shorter and shorter schedule every year, and is now slated to stay off until April 1 of 1988. We have been told that the ferry system gets more traffic on the southern end, between Ketchikan and Hollis which is why they get the Le Conte now. We can accept this, but it is our understanding that you do have vessels idling during the winter, and we'd surely like to see one of them, even if only in Feb. and March. As you well know, this is our Highway. Please give us more service, and more traffic will come to use it.

It would be nice to see the long-range plan for ferry service completed, and to see that it included fuller winter scheduling for Lynn Canal. We'd like to see a smaller high-speed vessel available to add extra service available to add extra service to supplement mail-line ferry service, which we certainly wish to keep up here in Lynn Canal. With the Klondike Highway

now open for the winter, Skagway is getting a share to the very substantial auto traffic to and from the Alaska Highway.

Sincerely,



Barbara D. Kalen

cc: Governor Steve Cowper
Rep. Peter Goll

February 8, 1988

Mr. Robert Hale
1683 North 14th Street
Coos Bay, Oregon 97420

Dear Mr. Hale:

Your letter has been received and reviewed. You did, apparently write to us in November, seeking reservations which included 2-berth rooms.

We had received some 300 requests for reservations by November and when your reservation request was processed, in the order which it was received, there were no 2-berth rooms available.

A four berth room was substituted in one case and a three berth in the other. These were the only choices available!

If the substitution does not meet with your approval, we will cancel them. We will not, however, provide three or four berth rooms at the two berth rate. If you wish, we can place you on the waitlist for a 2-berth cabin, but there are few 2-berth cabins on these vessels and the odds on having one cancelled are poor.

Your request for a price adjustment is denied.

Sincerely,

Sherman D. Burton
Customer Services Manager

STATE OF ALASKA
DEPT OF TRANSP AND PUBLIC FACILITIES
ALASKA MARINE HIGHWAY SYSTEM - RESERVATIONS
BOX R, JUNEAU, ALASKA 99811

Re: Itinerary Number #0310271
Mr. & Mrs. Hale

Since November 2, 1987 arrangements for our transportation schedule to and from Alaska have been negotiated with you. Our agent, Mrs. Arthur May, phoned you on November 2, 1987 asking how and when to request ferry reservations. As per your instructions Mrs. May mailed in our request soon after November 2, 1987.

On December 7, 1987 you acknowledged our request for reservations and indicated that the schedule would be mailed to us as soon as possible, indicating that reservations are available generally in January. Our agent was told to check with you by January 4, 1988.

On January 4, 1988 our agent attempted to phone you all day and received no response. Also on January 5, 1988 our agent phoned you all day and received no response. On January 6, 1988 our agent completed a phone call to you. You indicated that reservations would be arranged in a couple of days. Reservations were received that week. They were dated January 5 and January 6, 1988.

Departing Malaspina May 20, 1988 SEA-HNS we request

a 2 berth facility for \$184.00

Our reservation now shows billing for a 4-berth facility for \$271.00

184.00

Overcharge \$ 87.00

Columbia

Departing July 5, 1988 JNU-SEA we request

a 2 berth facility for \$175

Our reservation now shows billing for a 3-berth facility for \$205.00

175.00

Overcharge \$30.00

TOTAL OVERCHARGE 117.00

We confirm our request for 2-berth cabin at the 2-berth price or a price adjustment on the more expensive facilities you have reserved for us.

Please advise.



Robert Hale
1683 N. 14th St.
Coos Bay, Oregon 97420

January 26, 1987

7.4
July 8, 1987

Ms. Cheryl Erickson
Sales Manager
Pioneer Inn
9830 100th Avenue
Fort St. John, British Columbia
CANADA V1J 1Y5

Dear Ms. Erickson:

In response to your thoughtful letter concerning the Circle Tours cancellations with your lodging establishment, I wish to offer the following.

The Alaska Marine Highway System (AMHS) provides transportation for passengers and vehicles. One connection to the continental land highway system is at Prince Rupert. Some of the vessels calling at Prince Rupert have berths in limited numbers.

During the summer months, requests for berths, from individuals as well as tours, exceed the number available. Many individuals travel without berths, as do some tours. Many tours choose not to travel without berths. The AMHS has a limited number of ships, thus the AMHS cannot provide berths to all who desire them in the peak summer period and the tours seldom wish to travel except in the peak summer period.

We wish to accommodate everyone, unfortunately we can't. We will keep trying.

Sincerely,

Sherman D. Burton
Traffic Manager

VW

cc: Donna Spear, Fort St. John Chamber of Commerce,
9323-100th St, Fort St. John, B.C., Canada V1J 4N4

pioneer inn



FORT ST. JOHN

June 10, 1987

Alaska Marine Highways Ferries
Box R
Juno, Alaska
99811

Dear Sirs:

We are writing with regards to Circle Tours 5 bus tour cancellations with our hotel. These were for: June 10, July 01, 05, 19 and August 02.

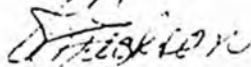
These 5 tours were cancelled due to the Alaska Marine Ferries inability to provide space. No alternate dates to the ones requested were offered to Circle Tours office, according to our contact there.

We are very disappointed with your handling of this tour company. It represents 200 tourists lost to our City and frankly we are very upset. You obviously do not give buses, with 45 passengers per bus, much priority. Why not? They have the ability to put through a thriving tourist trade, if treated appropriately.

Alaska has become a very popular destination. If your services are not at present able to keep up with the tourist demands, perhaps a revamping is in order, however this lost business cannot continue.

We sincerely hope that the 1988 tourist season is not marred with a repeat of the above situation.

Yours truly,


Cheryl Erickson
Sales Manager

cc: Circle Tours
Ft. St. John Chamber of Commerce
Peace River Alaska Highway Tourist Assoc.
B.C. Ministry of Tourism



FORT ST. JOHN & DISTRICT CHAMBER OF COMMERCE

9323 - 100th Street, Fort St. John, B.C. V1J 4N4
(604) 785-6037

June 11, 1987

Alaska Marine Highway
Box "R"
Juno, Alaska 99811
U.S.A.

Ladies & Gentlemen:

It has been brought to the attention of the Fort St. John & District Chamber of Commerce that your Company is apparently no longer allowing space for buses on your Ferries. This has resulted in the loss of a great deal of Tourist Trade not only to our Community, and all the lodges and Communities located along the Alaska Highway, but also to yourselves. We have been advised of a large number of bus tours that have been forced to cancel their tours to Alaska after advice from your Company that there was no space available on the Ferries and no alternate dates to accommodate them were offered.

Alaska is becoming a very popular destination point and from all indications to date through our office, your state will see almost double the visitors over last year and at least half that number want to take the Ferry trip down the coast. The majority of those who visit Alaska and take the Marine Highway originate from the United States.

A great deal of promotion for the State of Alaska and your Company is done by our office to visitors all over the world. The trip up the Alcan Highway and the Ferry trip down the coast are, for many, a very exciting prospect.

Perhaps our efforts should instead be concentrated on the alternate route up the Alaska Highway to the B. C./Yukon border, down the Stewart/Cassiar Highway to Prince Rupert and then aboard a B. C. Ferry for a gorgeous trip down the coast of B. C. to Vancouver. There is no problem obtaining space on the B. C. Ferries as more Ferries and frequencies are added during the peak Tourist season.

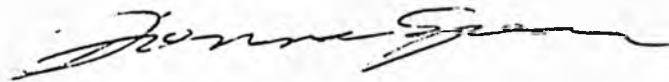
continued

Is it possible for your Company to consider the same increases? These Visitors mean dollars spent at each and every stop along the way including those in your State. They are of an Economic Benefit to all of us.

Kindly advise our office if you foresee a solution to this problem of non-availability of space on your Ferries in the near future.

Thank You for your time and consideration and we look forward to your early response.

Yours truly

A handwritten signature in cursive script, appearing to read "Donna Spear".

Ms. Donna Spear, Vice-President
Transportation & Communications Director

DS/tk



FEDERAL MARITIME COMMISSION
WASHINGTON, D.C. 20573

March 11, 1987

Ref: 26:D-1-679

Mr. Douglas Barton
Alaska Marine Highway
Box R
Juneau, Alaska 99811

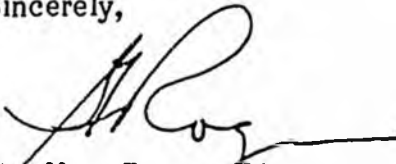
Dear Mr. Barton:

The enclosed letter, dated February 27, 1987, from Senator William Proxmire, requests information to respond to the complaint of his constituent, Mr. Philip T. Jones.

A copy of Mr. Jones' letter, dated February 16, 1987, is also enclosed outlining difficulties in securing berth reservations on the ferry between Skagway and Prince Rupert, B.C.

Would you please review this situation and let us have a reply for Senator Proxmire as soon as possible. Your cooperation will be appreciated, thank you.

Sincerely,



Geoffrey Rogers, Director
Office of Informal Inquiries
and Complaints

Enclosures

cc: David Miles, Esq., Legislative Counsel, FMC

United States Senate

2/27/87

To ensure proper handling, please return
all correspondence TO THE ATTENTION OF:

Pat Tidwell

Respectfully referred to:

Congressional Liaison
Federal Maritime Commission
1100 L St. N.W.
Washington, D.C. 20573

Please respond to the attached inquiry in
duplicate and return the enclosure. Thank
you for your cooperation.

Bill Proxmire

William Proxmire, U.S.S.

83 FEB 18

fat



Phone 414/723-4309

Jones

ELKHORN BUS SERVICE, INC.

Philip Y. Jones, President

D.B.A. JONES COACH TRAVEL

511 S. Lincoln St. • Elkhorn, Wisconsin 53121

February 16, 1987

Senator William Proxmire
244 Federal Court Building
517 E. Wisconsin Ave.
Milwaukee, WI. 53202

Dear Senator Proxmire:

I write this letter because I am frustrated. It is tough doing business out in this world, but when bureaucracy gets fouled up it makes things twice as hard.

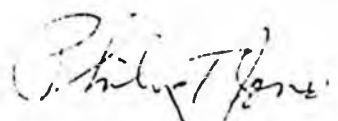
My reason for writing: I own and run a charter, travel and tour business. A small company here in Wisconsin. I incorporated in 1969 as a bus company here in Wisconsin. I now have 10 over the road coaches with ICC authority in 49 states and Canada.

My problem? I cannot get to the Alaskan Marine Highway. I have "run" tours (one each summer) to Alaska via motorcoach the last 3 years. Each year I cannot get reservations on the ferry between Skagway and Prince Rupert, B.C.. Berths are required due to 36 hours on the ferry and all are senior citizens.

I fully understand the fact that they only have so many berths. My concern is how come I can buy a ready made tour from several Canada tour companies with guaranteed berths on the ferry? The point being, how can Canadian's get the berths and we can't when the U.S. are the people who own the boats and it is a U.S. state?

Is there any help you can give me in this matter? Your prompt attention would be appreciated.

Very truly yours,


Philip Y. Jones

March 18, 1987

Mr. Geoffrey Rogers, Director
Office of Informal Inquiries
and Complaints
Federal Maritime Commission
Washington, D.C. 20573

Dear Mr. Rogers:

In response to your letter of March 11, 1987, the following information is provided.

The Alaska Marine Highway provides transportation, food, beverage and sleeping accommodations. Requests for these services exceeds the supply in many instances, particularly during the busy summer months.

Many tour bus operators contact us to secure transportation during the summer. Virtually all desire cabins for their trip. The Alaska Marine Highway does not have enough cabins to meet this demand and therefore, some tour bus operators as well as some individual travelers are unable to travel with cabins. Many choose to travel without cabins, sleeping in the reclining chairs or in sleeping bags in the heated solarium. Some choose not to travel.

Being unable to provide cabins to all the tour bus operators that desire them, the Alaska Marine Highway is forced to select those to receive cabins. This is done based upon past performance with the Alaska Marine Highway. Many Canadian companies utilize the Marine Highway as do many Canadian citizens, as one might expect since we share a great deal of common border. If the past performance of a Canadian tour bus operator was adequate, the Alaska Marine Highway would consider that company eligible to receive space in the future. We have not established priorities based upon nationality.

I trust this answers the questions posed and I wish you a pleasant summer.

Sincerely,

Sherman D. Burton
Traffic Manager

SDB/wld



FEDERAL MARITIME COMMISSION
WASHINGTON, D.C. 20573

March 27, 1987

Ref: 26:D-1-679

Mr. Sherman D. Burton, Traffic Manager
Alaska Marine Highway System
Department of Transportation
& Public Facilities
Pouch R
Juneau, Alaska 99811

Dear Mr. Burton:

Thank you for responding so promptly about the inquiry we received from Senator Proxmire. Your letter, dated March 18, 1987, was helpful in clarifying the State's policy in respect to allocating sleeping accommodations.

Understandably this is not an easy task considering the short supply and strong demand. Since the problem experienced by the Senator's constituent stems from that task, we wonder how his bus tour can expect to receive space. Said in another way, without having the experience of their patronage, how can James Coach Travel provide you with a record of past performance.

Mr. Burton, we would appreciate your advices and your continued cooperation. Thank you.

Sincerely,

Geoffrey Rogers, Director
Office of Informal Inquiries
and Complaints

cc: Senator William Proxmire
David R. Miles, Legislative Counsel, FMC

April 8, 1987

Mr. Geoffrey Rogers
Director
Federal Maritime Commission
Washington, D.C. 20573

Dear Mr. Rogers:

There are a number of things that "James Coach Travel" could do, that would be of benefit, if they wish to make a trip to Alaska with large numbers of people desiring sleeping accommodations.

First, they could make the trip at a time when the demand is less. With respect to Marine Highway services, traveling southbound earlier in the year, or northbound later in the year would serve this purpose.

Another method would be to stop in one or more, communities along the way, utilizing their sleeping accommodations, thus lessening the need for sleeping accommodations on the vessels.

Traveling without cabins is something that many people do. This might be a possibility.

Since it is important, to the Alaska Marine Highway, that blocked space be allotted to bonafide enterprises that will fullfill their obligation to produce the agreed upon number of passengers and meet their financial obligations, it would be of assistance to accompany the request for space with promotional brochures, or any descriptive documents that might reflect the organizations background.

The Alaska Marine Highway encourages private enterprise to promote travel during non peak periods and any brochures or information indicating an effort in that direction would certainly be of interest.

Mr. Geoffrey Rogers

-2-

April 8, 1987

James Coach Travel can continue to request space in competition with others, during the very peak travel period and request berths for some forty travelers. Their continued requests will serve to lend credibility and sincerity to their status and when space becomes available they will receive every consideration.

We certainly want James Coach Travel to be able to visit Alaska as often as they desire and I hope the preceding discussion will allow them to do so.

Sincerely

Sherman D. Burton
Traffic Manager

SDB/wld

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/15/88

FURTHER REFERRALS: Finance

DATE: 2/29/88

The Transportation Committee has considered HB 479

"An Act making appropriations to the Department of Transportation and Public Facilities for the Alaska marine highway system; and providing for an effective date."

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Bill Hand
Butte

SIGNING OTHER RECOMMENDATIONS: -

Do not pass - should be a part of budget process -
Heinrich Springer No. rec.

Butte

 Chairman's signature



Official Business

COMMITTEE:

House Transportation Committee

DATE: February 29, 1988

SIGN-IN

Subject of meeting:

*HB 479: "An Act making appropriations to the Department of Transportation and Public Facilities for the Alaska marine highway system; and providing for an effective date."

NAME Please include title **ADDRESS** Please use full address. Please include zip. **PHONE** **REPRESENTING** **DO YOU WANT TO TESTIFY?**

NAME Please include title	ADDRESS Please use full address. Please include zip.	PHONE	REPRESENTING	DO YOU WANT TO TESTIFY?
KEITH GERKEN	Box 2	3900	DOT + PF	Yes
PASS Services N/ps Doug Burton	AK Mac Hwy 4	3946		

* indicates first public hearing