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SENATE FINANCE COMMITTEE REPORT

DATE: 2/22/90

FURTHER:

DATE TURNED INTO OFFICE: 3/15/90

The Finance Committee considered CSHB 311 (Trsp)

Approving the issuance of revenue bonds for construction of a road from Portage to Whittier and of the Bradfield River resource road; efd.

and recommended:

- [] replace with CS
[] or adopt CS
[] attached amendment(s)
[] letter of intent adopted
[] same title
[] new title
[] technical title change (HB only)

[x] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to

ATTACHES NEW FISCAL NOTE(S):

APPROVES PREVIOUS:

[] fiscal note(s) Dept/Date:

[x] fiscal note(s) Dept/Date: 100.0 DOT 2/5/90 91, 4,748.7-93, DOR, 1/31/90

[] zero fiscal note(s)

[] zero fiscal note(s)

[] appropriation-no fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Handwritten signatures: Paul Smith, etc.

Blank lines for other recommendations.

1. [Signature] (DO PASS) -- 2. Co-Chairs: Signatures and Recommendations

A/B

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: CSHB 311 (Trans)
PUBLISH DATE: 2/6/90

REQUEST:

FISCAL NOTE

Revision Date: 2/05/90
Title: Revenue Bonds for Portage to Whittier
and Bradfield River Roads
Sponsor: House Transportation
Requestor: Kubina

Agency Affected: DOT&PF
BRU:

Components:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	100.0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	100.0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	100.0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	100.0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: Funding is to determine the financial feasibility of constructing and operating a Portage to Whittier and Bradfield River Resource toll road under authority of Alaska Statutes 37.15.610-37.15.760, as amended by Legislation enacted in Chapter 165, SLA 1988:

Prepared by: W. Keith Gerken
Division: Deputy Commissioner, Operations

Phone: 465-3900
Date: Feb. 5, 1990

Approved by Commissioner: Mark S. Hickey
Agency: Department of Transportation and Public Facilities

Date: 2/5/90

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Adopted

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: State Bond Committee
 Title: \$49,300,000 Revenue Bonds for Portage to Whittier and Bradfield River Roads BRU: _____
 Sponsor: Senate Transportation Components: _____
 Requestor: Senate State Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	4,798.7	4,798.7	4,798.7	4,798.7
TOTAL OPERATING	0	0	4,798.7	4,798.7	4,798.7	4,798.7
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	4,798.7	4,798.7	4,798.7	4,798.7
TOTAL	0	0	4,798.7	4,798.7	4,798.7	4,798.7

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: Fiscal effect for FY 90 is zero.

\$2,628,100 annual debt service for Portage to Whittier Road and \$2,170,600 annual debt service for Bradfield River Road on \$27 million and \$22.3 million revenue bonds respectively. 30 year maturities and 9 percent interest estimated on bonds. Fund source is Toll Facilities Construction Fund for FY 92-93 and Toll Facilities Revenue Fund thereafter. Construction assumed to begin FY 93.

Prepared By: Milt Barker MB
 Division: Treasury

Phone: 465-2350
 Date: _____

Approved by Commissioner: [Signature]
 Agency: Department of Revenue

Date: Jan 31, 1990

Distribution (by preparer):

Legislative Finance
 Legislative Sponsor

Requestor

Office of Management and Budget

Adopted

Original sponsor: Cato

1 IN THE HOUSE BY THE TRANSPORTATION COMMITTEE
2 CS FOR HOUSE BILL NO. 311 (Transportation)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL
6 For an Act entitled: "An Act approving the issuance of revenue bonds for
7 construction of a road from Portage to Whittier and
8 of the Bradfield River resource road; and providing
9 for an effective date."

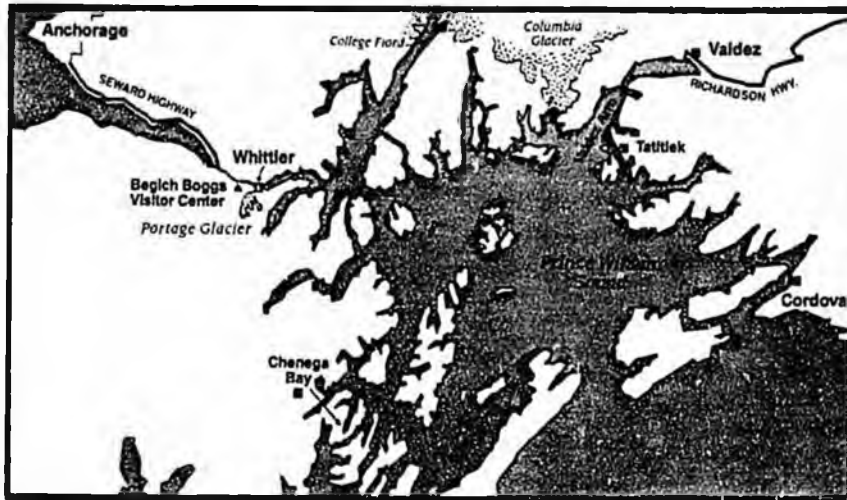
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. In accordance with AS 37.15.610, the issuance of revenue
12 bonds in an amount up to \$27,000,000 for the construction of a road from
13 Portage to Whittier by the Department of Transportation and Public Facil-
14 ities under AS 37.15.610 - 37.15.760 is approved.

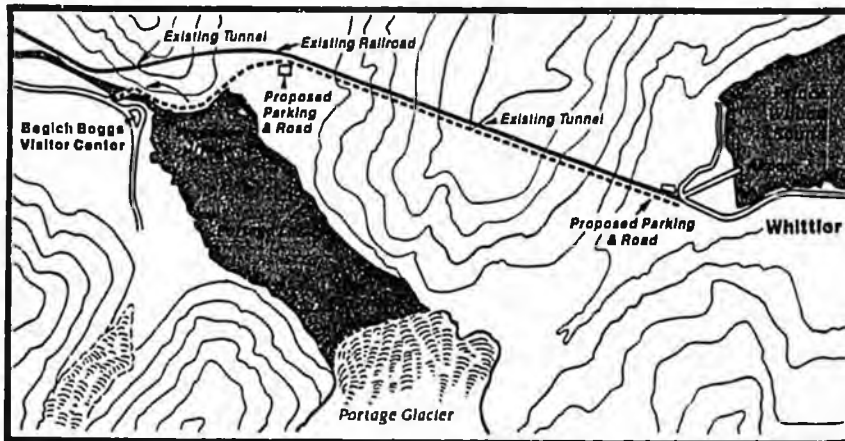
15 * Sec. 2. In accordance with AS 37.15.610, the issuance of revenue
16 bonds in an amount up to \$22,300,000 for the construction of the Bradfield
17 River resource road by the Department of Transportation and Public Facil-
18 ities under AS 37.15.610 - 37.15.760 is approved.

19 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

Support Road Access To Prince William Sound



The proposed road would start near the Portage parking lot, bridge Portage River, and use the existing tunnels by paving the rail bed.



East/west rail and vehicle schedules would coordinate traffic. Turn-outs would be built into the tunnels.



**PRINCE WILLIAM SOUND
ACCESS ALLIANCE**

Endorsed By:

The Alaska Railroad Corporation

The City of Whittier

Prince William Sound Tourism Coalition

Chugach Alaska Corporation

Prince William Sound Access Alliance

200 West 34th Ave., Suite 206

Anchorage, Alaska 99503

Prince William Sound, An Exciting Recreational Opportunity

More than half the population of Alaska lives less than an hour from Prince William Sound. Easy access to Whittier opens up thousands of miles of sea coast to fishing, boating, and family camping.

Road access to Prince William Sound would enable you to load the family into the car at 8:00 a.m., hook up the boat, and be on the water and fishing by 10:00 a.m.

Access Via The Whittier Tunnel

24 hour road access to the clear blue waters of Prince William Sound, via Whittier, has been a dream of many Alaskans. What prevented it from happening was the cost of building a road over the mountains. But there is a simple, inexpensive solution – use the existing rail bed and tunnels already in place.

The road to Whittier would start near the parking lot for Portage Glacier. A bridge would be built to span Portage River. By grading and paving the rail bed, much like the way tracks cross a highway, we would have one-lane road access to Prince William Sound.

Turn-outs would be added to existing tunnels for disabled vehicles. And by scheduling east/west vehicle traffic around train schedules, we would have simple, safe road access to Whittier. By making it a toll-road, the costs of construction would be paid by recreational boaters, wilderness adventurers, commercial fishermen, and tourists – who just might want to add a trip to the Sound to their Portage visit.

Support Road Access To Whittier.

VOTERS
 c/o Tell Ya anything?

AREAS OF ALASKA AMONG ALL ADULTS
 BY
 POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

COLUMN PERCENTS
 OCTOBER 20TH THROUGH OCTOBER 28TH, 1989
 SAMPLE SIZE = 524; MARGIN OF ERROR = + OR - 4.28%

	AREAS OF ALASKA:					TOTAL
	Valdez- Kenai- MatSu + or - 13.5%	Anchor- age + or - 7.6%	Fair- brinks Area + or - 13.6%	Cordova + or - 8.0%	Glenn- allen Area + or - 9.6%	COL %
STATE BUILDING NEW HIGHWAYS:						
Favor.....	72.7%	82.2%	81.3%	79.2%	81.5%	80.0%
Oppose.....	27.3%	17.8%	18.7%	20.8%	18.5%	20.0%
STATE BUILDING HIGHWAY TO WHITTIER:						
Favor.....	57.8%	80.1%	84.5%	72.7%	71.5%	80.5%
Oppose.....	42.2%	39.8%	35.5%	27.3%	28.4%	39.5%
RECREATIONAL DEVELOPMENT OF PRINCE WILLIAM SOUND:						
Favor.....	86.2%	85.0%	76.6%	78.1%	83.6%	83.7%
Oppose.....	13.8%	15.0%	23.4%	21.9%	18.4%	18.3%
STATE COMPLETING THE COPPER RIVER HIGHWAY:						
Favor.....	75.4%	78.1%	74.9%	57.0%	83.8%	76.9%
Oppose.....	24.6%	21.9%	25.1%	43.0%	16.2%	23.1%
ALASKAN RESIDENCY:						
1983 to 1985.....	15.4%	23.1%	26.9%	21.5%	13.8%	22.2%
1976 to 1982.....	21.5%	23.5%	17.4%	24.9%	24.8%	22.0%
1967 to 1975.....	31.4%	27.7%	32.2%	23.2%	22.5%	29.3%
Before 1967.....	31.7%	25.6%	23.4%	30.4%	38.9%	26.5%
AGE OF RESPONDENT:						
18-24.....	1.5%	11.3%	12.0%	3.3%	4.8%	9.4%
25-29.....	10.2%	14.8%	17.1%	9.3%	6.0%	14.2%
30-34.....	17.2%	17.3%	13.0%	21.7%	13.1%	16.5%
35-39.....	24.0%	18.2%	24.8%	17.8%	22.6%	20.8%
40-49.....	13.1%	20.1%	26.3%	20.2%	25.1%	19.7%
50 Plus.....	34.0%	18.3%	7.8%	27.8%	28.4%	19.8%
TOTAL ROW PERCENT.....	20.1%	59.6%	19.0%	.6%	.7%	100.6%

HB 311
file**Whittier Seafoods, Inc.****"Fresh Fish From Alaska"**201 Barrow St., Ste. 101 • Anchorage • AK 99501
Ph. (907) 272-4177TO: REP: Gene Kubina
ATTN: Monty
FAX: 465-4565FROM: Larry J Imm
WHITTIER SEAFOODS INC.
FAX: 472-2324

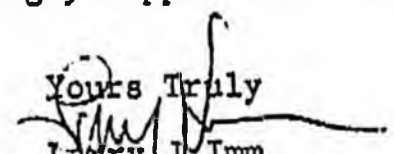
Dear Monty:

Per our conversation on 3-5-90 in regards to the road project to Whittier.

We are a year round processing operation supplying fresh filets, round fish, and H&G fish to local, national and international markets. Due to the lack of access to Whittier many times we have missed markets, missed flights and had fish spoil because we could not transport the product out of Whittier. I have tried repeatedly to make arrangements with the Alaska railroad to move product with little or no success. Many times being a small operation we certainly don't have the quantity to justify a complete train which seems to be the only option available besides scheduled service.

Trying not to be totally negative about the service provided by the Alaska Railroad let me relate an incident that happened recently. For the past year we have been negotiating with a Japanese firm to represent our bottom fish on their market. One of their main concerns has been shipping out of Whittier and whether we could supply enough fish for their market. After many meetings, phone calls, letters and other communications with the Japanese we convinced them we could meet their criteria. On 28 Feb 1990 Mr. Hatakeyama from the Seattle office and Mr. Honsi from the Tokyo office visited our Whittier facility but the 3:20 shuttle that is supposed to arrive at 3:55 arrived at 6:10 over two hours late. It's extremely hard to convince someone you can supply a product internationally when you can't even get it 11 miles. This is not a isolated incident and a situation I don't see improving unless we have road access to Whittier. I strongly support the Whittier road project and feel we need action now.

Yours Truly


Larry J ImmPresident
Whittier Seafoods, Inc

MAR 12 1990

March 7, 1990

REPRESENTATIVE KUBINA
ALASKA STATE LEGISLATURE
P. O. BOX V (MS 3100)
JUNEAU, ALASKA 99811

DEAR REPRESENTATIVE KUBINA:

PLEASE GIVE YOUR SUPPORT TO FUNDING ROAD ACCESS TO
WHITTIER.

WE USED TO LIVE PERMANENTLY IN WHITTIER BUT HAVE MOVED
TO THE PALMER-WASILLA AREA. WE DO SPEND ABOUT FIVE
MONTHS PER YEAR IN WHITTIER, AND HAD WE HAD ROAD ACCESS
WOULD HAVE CHOSEN TO CONTINUE TO LIVE PERMANENTLY IN
WHITTIER.

SINCERELY,



WILLIAM AND DOROTHY KLINGLER

P. O. BOX 639

PALMER, ALASKA 99645

P.S. I WOULD NOT BE ADVERSE TO A REASONABLE TOLL CHARGE TO
HELP DEFRAY THE COST.

WWK

March 10, 1990

Representative Kubera
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, Alaska 99811

Dear Representative Kubera,

It has been brought to my attention that you are interested in opinions concerning the construction of a road from Portage Glacier to the port town of Whittier.

I have had a boat in Whittier harbor since 1976 and am currently a slip holder there. I am in favor of a road to Whittier. It is becoming increasingly more difficult to take adequate care of my boat during the off-season for the railroad. Emergencies and dangerous snowfalls often cannot be dealt with by me or my family living in Anchorage. Some seasons there are reliable people in Whittier to be hired to cope with problems and sometimes there are not.

Also, we have often experienced delays in getting equipment and supplies needed because of the limitations of the train schedule.

The cost of using the train service has increased

MAR 12 1990

Richard W. Marshall
15040 Platinum Circle
Anchorage, AK 99516
March 10, 1990

Representative Kubina
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, AK 99811

Dear Representative Kubina:

I am writing to strongly support the proposal for road access to Whittier.

I have a sailboat in Whittier but the train schedule places severe restraints on the use of it and also on winter maintenance. Road access would allow the full enjoyment of the amenities that Prince William Sound has to offer without constantly having to consider train schedules. Winter maintenance would be a pleasure instead of a chore.

I also feel that both the town of Whittier and residents of Anchorage who now have no reason to visit Whittier would benefit immeasurably. Prince William Sound has so much to offer, but most people are not even aware how close to Anchorage it is.

Please make every effort to provide funding for this very worthwhile project.

Sincerely,

Richard W. Marshall

MAR 12 1990

March 8, 1990
11111 Navroc Circle
Anchorage, Alaska 99516
(907) 349-3610
FAX (907) 349-2407

Representative Kubina
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, AK 99811

Re: Whittier Access Road

Dear Representative Kubina;

This letter is to encourage you to provide support and funding for an every-day, easy to use road to Whittier. With the chance of oil revenues dropping, the road would be a good investment for the following reasons:

Tourism - Cruise ship passengers on land tours would spend more time touring instead of scheduling their activities around the shuttle train. Ferry vehicles and passengers would explore Whittier more and frequent the local businesses instead of immediately queuing for the train. The Whittier road would be a small extension to the Portage Glacier Road. Portage Glacier being the most frequented tourist facility in the state.

Fishing - Prince William Sound is very active in the limited entry fishery program. To get the product to the processors and market as soon as possible has a direct bearing on quality and price.

Inter-State Commerce - Trailer containers now loaded on railroad cars could be taken directly to their destination.

Physical and mental well being of residents and property owners - Road access would afford residents and property owners the opportunity to come and to go at will. Should anyone in Whittier need Anchorage medical care, it would be available at any time. Telephone and Electric repair personnel and equipment would be able to respond promptly to any emergency.

Thank you for your time and effort spent on this road project.

Sincerely,



Donald O. Saur

March 9, 1990

MAR 12 1990

RE - Road from Portage of Whittier

Dear Mr. Kubina,

I am a Commercial Fisherman and use the railroad exceptionally regular. Also am a member of AK Fishing Advisory Committee. The train is unreliable most of the time. I believe the train is Durigie. But I have been stuck there until 3:00 AM because rocks fell on the engine + tore up tracks. I have had rocks fall on my windshield. One of my deck hands had to go out on a gurney through the tunnel. Medical reasons, never have a sure schedule. Have been using train service for 8 years. Its the pits.

I'm sure people in the ~~west~~ AK area would utilize the city more if we had easier access to our jobs + able to use a road. A lot safer + convenient.

Sincerely
Ken Miller
Whittier, AK

8900 Honeypuckle B
Anch. AK 99502

PLEASE NOTE: This is not a news release, this letter is not intended for general distribution. The right to reproduce is granted only with this restraint in mind.

Anchorage Alaska 3/6/90

The Exxon Valdez grounding and oil spill disaster has captured today's headlines. This I believe would be the right time for the State of Alaska to take a long hard look at their own public relations and Liability hazards.

To be specific, I have in mind a real darb. The short piggy back shuttle the Alaska Rail Road operates between Portage Station and the Port of Whittier on Prince William Sound.

This operation often termed a money loser by the railroad, exists today because this small town orphan is without political clout. The Legislature with typical regional protectionism controlling their votes, have never seen the need to fund the few miles of highway involved.

This neglect has created an economic burden on this part of the State, but most importantly, we have created a situation that grows progressively worse each year as use of this port by the tourist industry increases year by year.

The Whittier route is about twelve miles by rail. Special R.R. cars are used to haul passenger filled automobiles and large busses. There is nothing new or unusual about this, it is a common practice in Mexico as well as other less developed, road less countries.

What is unusual is that to my knowledge Alaska is the only undeveloped area that is foolish enough to risk not securing the carried vehicles to the R.R. Flat car!

The rails also cut through two mountain ranges via two tunnels a total of some five miles of unlined tunnels, which lack even roof bolts and wire to protect the trains from rock falls. This is most unusual in this day and age.

I do not believe these tunnels would pass a U.S. Bureau of Mines inspection as a haulage tunnel, If Miners were transported to and from work through them! Do we Alaskans have less concern for our visitors and residents than the Mining industry has for their Miners?

During the season many thousands of tourists are landed and disembark in Whittier, often as many as three thousand a day. They travel as guests of the cruise ships, (over 50 in 89) the Alaska Marine highway ferry system and various other local tour operators.

They are shuttled to and from Whittier often in busses, forty to a buss, fourteen to sixteen to a train. Some including the walk on ferry passengers use two or more ninety passenger double decker R.R. cars. The remaining of the flat cars are used when available by locals and trucking firms hauling goods and also much fresh and frozen sea food products to the Anchorage Air Port.

There are some one thousand Passengers per train and they represent every walk of life, They are the loved ones of families around the world. Most were attracted to Alaska by the millions of dollars Alaska and the tour and cruise lines have invested in advertising and promotional programs.

From strictly a mercenary view these millions invested are at risk along with the lives of our Golden Geese. These precious lives are not a worthy gamble, Alaska has allowed a situation to develop here so filled with risk and fraught with danger, that the Exxon Valdez episode in retrospect will one day look quite inconsequential as a tragedy and public relations disaster. Unless immediate changes are made.

For just one horror filled moment I ask you to take a moment of your busy day and give thought to the unthinkable. What would be the consequences if there should be a rock fall the size of the one that derailed the train last year, off season thank god.

Picture in your mind the sudden violent derailment as the speeding locomotive strikes tons of fallen boulders. Busses, automobiles and trucks virtually take wing, the lighter vehicles are crushed like so much tissue paper by the heavier busses and trucks.

The stale air of the tunnel in seconds is filled with the fumes of gasoline, it is as though a giant atomizer had been used, the air is saturated and mixed with the heavier fumes of diesel fuel from the ruptured tank of the locomotive, it becomes very hard to breathe.

The sudden shock of the accident is followed by deep silence, no longer can the crashing and tearing of metal be heard, the screams are gone, there is only silence. It is pitch black in the unlighted tunnel; and now as the shock wears off the first sounds of life can be heard coming out of the darkness. A low moaning sound grows loud. .

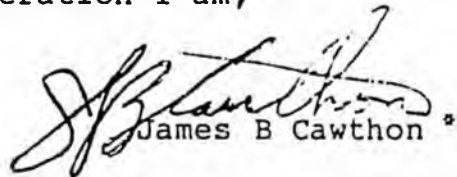
Suddenly out of the inky blackness there is an intensely bright flash of light, a cigarette lighter perhaps, an electrical or static spark, it matters little or not for at that instance there is a huge all enveloping "POOF" the sound of exploding fuel.

The eerie silence is now filled by the terror filled screams of hundreds, the voices of the doomed. Man, woman, Child it is all the same in the Hell that follows, for in only a few brief minutes the oxygen is burned out of the air. Once again there is silence, even the fire in its ferocity did not survive.

EXAGGERATION you say! The chances of this scenario happening I would wager are a MILLION or more times greater than the chances of the Exxon Valdez striking Bligh reef. Its a sucker bet if I ever saw one. I can not believe the State Legislature would knowingly take the gamble knowing the stakes.

A highway link to Whittier is vital as well to the future of Alaska and might be considered mighty cheap insurance. The rock fall in the tunnel last year, by the way required from Saturday afternoon to Monday morning to clean up. This in its self would be a major disaster had it occurred during the tourist season. Remember there is no way in or out of town except by sea and rail.

Thank you for your time and consideration I am,


James B Cawthon *

* *The writer is a second generation Alaskan who at seventy is sincerely interested in the future of both the State and Alaskans.*

1885 East Tudor Rd. #303E
Anchorage, Alaska 99507
phone (907) 561 7347

MAR 13 1990

James B. Cawthon
1885 East Tudor Rd.#303E
Anchorage Alaska 99507

March 9, 1990

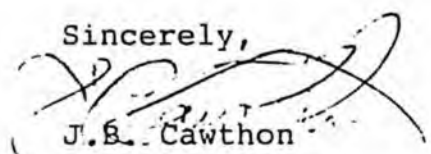
Alaska State Legislature
House of Representatives
P.O.Box V
Juneau, Alaska 99811

My Dear Legislator:

Please take the time out of your busy schedule and read the attached, you should find it of intrest.

The writer is not a professional and this will show in his work, But there is an extremely important situation exposed herethat demands the attention of all who cherish this great state.

Thank you, I am,

Sincerely,

J.B. Cawthon

*I thought you might like some
information on the...
be making a general...
the legislature...*

*P.S. Hope you...
could together on this.*

J.B.

FEB 23 1990



CITY of WRANGELL, ALASKA

INCORPORATED JUNE 15, 1903

BOX 531, 99929 (907) 874-2381
FAX: (907) 874-3952

ADOPTED AUGUST 1972

February 16, 1990

Senator Rick Uehling
Alaska State Legislature
Post Office Box V (MS3100)
Juneau, Alaska 99811

Dear Senator Uehling:

Enclosed is a copy of City of Wrangell Resolution No.02-90-342, supporting CS HB311, for the issuance of revenue bonds for construction of the Bradfield Resource Road, a 12 month review of B.C. mining's economic contribution to Wrangell, and two location maps of the area.

During the past two decades AK DOT/PF has conducted no less than six reconnaissance studies searching for the route that will best serve the transportation needs of commerce and industry in Southeast Alaska and North West British Columbia.

The Bradfield route has been determined to be the most feasible. It is the shortest route to the sea. It does not infringe upon any wilderness area, and there is an ideal deep water port location at the head of the Bradfield Canal. A power corridor has already been established from the Tye Power Plant along the Bradfield route to facilitate the sale of surplus power to mining operations in British Columbia.

Today's resource development in British Columbia has created a demand for access to the sea. The Skyline mine on Johnny Mountain is operational. The adjacent Cominco-Delaware mine will be operational this year and there are some 75 other mining companies in various stages of exploration and development in the Iskut region. The enclosed figures for Wrangell are the result of air transport to the Iskut mining region at today's operational level. The amount is miniscule compared to the traffic and dollar volume that will be generated throughout Southeast Alaska when road access to the coast is available.

CITY OF WRANGELL, ALASKA

Bradfield Resource Road
Page 2

Construction of the Bradfield Road and Port will provide the catalyst for development of an estimated 1 billion+ tons of known mineral deposits and 3 billion board feet of timber that is presently dormant for want of cost efficient transportation. Annual shipping volume is projected at 1.5 to 2 million tons, and the Bradfield road represents an average round trip savings of 226 miles to port when compared to any other possible route in the region.

The Canadians are actively pursuing construction of a road into the Iskut region from the east and have indicated a willingness to tie into the Bradfield Road at the border. They make no bones about the fact that they intend to open the region for resource development whether or not we build a road on our side of the border.

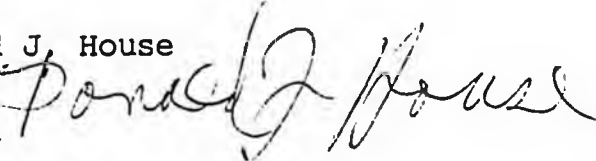
We have a golden opportunity to benefit from massive Canadian resource development now, and to nurture economic and social exchange with Canada forever.

Please support passage of CS HB311.

Sincerely,

Donald J. House
Mayor

DJH\jg



cc: Governor Steve Cowper
State of Alaska Sixteenth Legislature

encl.

CITY OF WRANGELL, ALASKA

RESOLUTION NO. 02-90-342

A RESOLUTION OF THE COUNCIL OF THE CITY OF WRANGELL, ALASKA IN SUPPORT OF COMMITTEE SUBSTITUTE HOUSE BILL #311, APPROVING THE ISSUANCE OF REVENUE BONDS FOR CONSTRUCTION OF THE BRADFIELD RESOURCE ROAD.

WHEREAS, there is a fundamental need for Southeast Alaska to diversify its economy to insure the future self-sufficiency and economic stability of the region; and

WHEREAS, economic development and diversification in Southeast Alaska is stifled by market inaccessibility, Jones Act restrictions, high tariffs and other obstacles directly attributable to insufficient transportation infrastructure; and

WHEREAS, a road linking Central Southeast Alaska and British Columbia will generate industrial, commercial and recreational opportunities for economic diversification in Southeast Alaska; and

WHEREAS, the State of Alaska has conducted numerous reconnaissance studies in Central Southeast Alaska in an effort to evaluate the optimum routing for a hard surface road to the mainland to unite with the Canadian road system forming an international link with Canada and the contiguous United States; and

WHEREAS, the reconnaissance studies have determined that a route through the Bradfield-Craig watershed with a deep water port at the head of the Bradfield Canal is the most viable from an engineering standpoint and least sensitive environmentally; and

WHEREAS, this routing is compatible with AK DOT/PF long range plans for expansion of transportation infrastructure in Southeast Alaska; and

WHEREAS, the State of Alaska has nominated 5,020 acres at the east end of Bradfield Canal for land selection for the purpose of port development to service the proposed road; and

WHEREAS, the State of Alaska has appropriated funding for an Environmental Impact Statement for the Bradfield Road and Port Project; and

Certified a true and correct copy of the original filed in my office.
Janet K. Dunbar
City Clerk 2/14/98
City of Wrangell 3 pages

WHEREAS, the Bradfield route is the shortest distance to the sea for existing mining operations in the Iskut and Sulpherets regions of British Columbia who would immediately utilize the road for export of raw materials and import of equipment and supplies; and

WHEREAS, the Bradfield road will initiate activation of a large number of known mineral deposits and timber resources that are presently dormant for lack of cost efficient transportation; and

WHEREAS, the volume of commerce that will be generated by easy access to the sea will provide an economic return that justifies the comparatively small cost of road and port development; and

WHEREAS, in the long term this intercontinental road system will open the door for maximum utilization of the United States Canada Free Trade Agreement and foster social, cultural and economic relationships beneficial to both countries; and

WHEREAS, said intercontinental road system will provide a viable alternate land route for the traveler easing the pressure on our overtaxed ferry system, provide an evacuation route in the event of a coastal catastrophe, and improve national defense in the event of foreign hostilities; and

WHEREAS, the Southeast Conference, The City and Borough of Juneau, the Ketchikan Gateway Borough, and the City of Petersburg have joined with the City of Wrangell and endorsed the Bradfield Road and Port Project by passing formal resolutions expressing their support for the project.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WRANGELL, ALASKA:

1. In the name of prudent economic development and the furtherance of a strong self-supporting economic base in Southeast Alaska we ask Governor Cowper and the Sixteenth Legislature of the State of Alaska to support passage of Committee Substitute House Bill #311.
2. We further request Governor Cowper and the Sixteenth Legislature of the State of Alaska to support affirmative action to implement the Environmental Impact Statement process for the Bradfield Road and Port Project.

3. The City Clerk is hereby directed to transmit copies of this resolution to:

Governor Steve Cowper
The Sixteenth Legislature of the State of Alaska

4. This resolution shall become effective on approval.

PASSED AND APPROVED: FEBRUARY 13, 1990

Donald G. House
Mayor

ATTEST:

Lanette K. Anderson
City Clerk

WRANGELL, ALASKA & B.C. MINING OPERATIONS

VOLUMES, VALUES & FLIGHTS

NUMBER OF INTERNATIONAL FLIGHT OPERATIONS WRANGELL AIRPORT

Year	1986	1987	1988	1989
# Flights	279	3,600	6,361	7,372

AIRCRAFT CARGO VOLUME 1/1/89 - 1/1/90

FUEL	10,169,590	LBS.
LUBRICANTS	144,108	LBS.
FOOD & SUNDRIES	474,726	LBS.
BLDG. & HARDWARE SUPPLIES	235,410	LBS.
EQUIP. REPAIR & FABRICATION	95,760	LBS.
PROPANE, ACETYLENE, OXYGEN ETC.	315,077	LBS.
MISC. EQUIPMENT & SUPPLIES	29,260	LBS.
IN TRANSIT HEAVY EQUIPMENT & SUPPLIES	5,245,376	LBS.
ORE CONCENTRATES	7,026,250	LBS.
TOTAL AIRCRAFT CARGO VOLUME	23,735,557	LBS.

AIRCRAFT CARGO VALUE (local purchase) 1/1/89 - 1/1/90

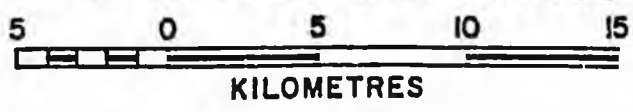
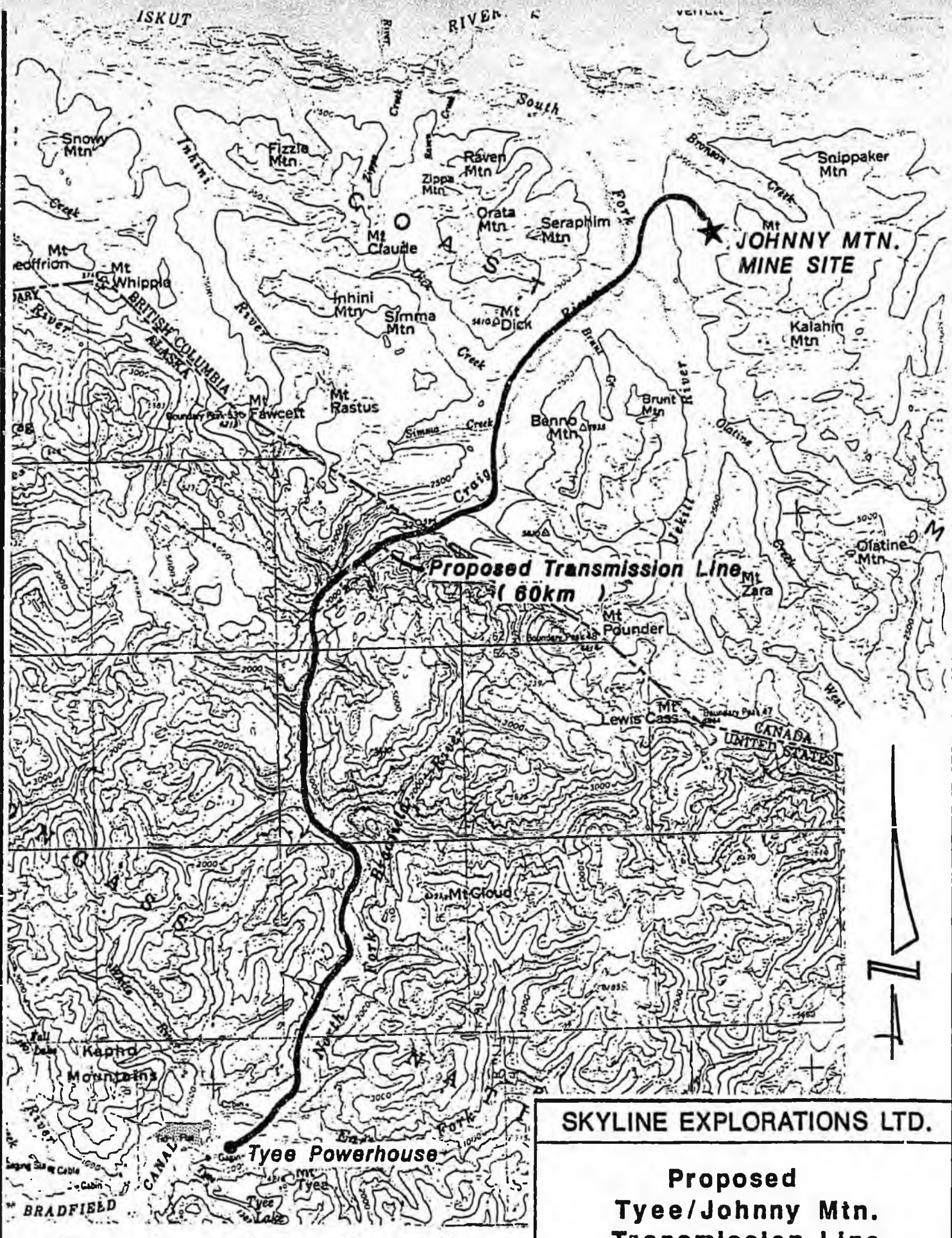
PETROLEUM PRODUCTS	\$2,232,043
FOOD AND SUNDRIES	661,010
BUILDING, HARDWARE, AUTOMOTIVE	236,740
MISCELLANEOUS SERVICES	<u>179,550</u>
(trucking, equipment repair, longshore, video rentals, hotel, meals etc.)	
TOTAL LOCAL PURCHASES	\$3,309,343

NEW BUSINESSES & JOBS AS A DIRECT RESULT OF MINING ACTIVITY

North Arm Expediting (new business)	4 employees
White Pass Oil (new business)	5 employees
Bradfield Electric (new business)	1 employee
(will have construction crew for power line)	
U.S. Customs	1 new employee
City Market	5 new employees
Diamond Aviation	1 new employee
Chevron Oil	1 new employee
Longshoremen	5 new jobs
Trans-Provincial Airlines (new business)	1 new job
TOTALS:	4 NEW BUSINESSES & 24 NEW JOBS

In addition there are 3 Canadian air carriers working out of Wrangell. Two servicing mining operations daily with 3 -4 employees staying in Wrangell. One transporting mining personnel for R & R one trip per week.

Estimated Overall Economic Value to Wrangell is in excess of \$21,000,000.00.



SKYLINE EXPLORATIONS LTD.	
Proposed Tye/Johnny Mtn. Transmission Line	
Scale 1 : 250 000	Date 88/02/22
N.T.S. N.T.S. 104/B	



MINE SITE

Bob Quinn

Wrangell

PROPOSED ROAD

Stewart

Ketchikan

Terrace

Prince Rupert

SKYLINE EXPLORATIONS LTD.

Johnny Mtn. Gold Mine

LOCATION MAP

Scale 1:2 000 000

Date March, 1988

Ref.

