

**H B**

**157**

SENATE COMMITTEE REPORT

FURTHER

FIN

DATE TURNED INTO OFFICE

4/29/89

4/27/89

Mr. President:

L&C

CSHB 157 (FIN)

Committee considered

special appropriation for grants related to the 1990 Arctic Winter Games; efd

and recommended

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

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

**FISCAL NOTE(S)**  zero  fiscal impact  appropriation no FN  
 new  updated  previous  
 same as previous fiscal note(s) published \_\_\_\_\_

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

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*[Handwritten signature]*  
 Chair: \_\_\_\_\_ signature and recommendation

Committee Backup attached

# State of Alaska

## Committees

CO-CHAIR, HOUSE JUDICIARY  
VICE-CHAIR, HOUSE LABOR AND COMMERCE  
HOUSE HEALTH, EDUCATION  
AND SOCIAL SERVICES



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Representative Max F. Gruenberg, Jr.  
District 11  
Spennard, Upper Midtown Anchorage  
April 20, 1989

## MEMORANDUM

TO: Senator Dick Eliason  
Chair, Senate Labor & Commerce

FROM: Rep. Max Gruenberg

RE: CSHB 157 (Fin)

CSHB 157 passed the House on a vote of 31 - 7 on April 18 and is currently in the Senate C&RA Committee. It is scheduled for a hearing there on Tuesday, April 25. The bill provides for an appropriation of \$100,000 to the Arctic Winter Games Corporation of Alaska for annual dues and a portion of the expenses of Team Alaska's participation in the 1990 Arctic Winter Games. The Games are held every other year, alternating between Alaska, the Yukon and the Northwest Territories. The 1990 Games will be held in Yellowknife, Northwest Territories.

The State of Alaska, through Governor Hickel, was a co-participant with the Yukon Territory and Northwest Territories in creating the Arctic Winter Games. The state has supported the games financially since their inception.

The state's contribution this year is only a fraction of the total cost of the Games. The participants, who come from all over the state, pay for all the costs of travel to and from tryouts. These expenses are not even reflected in the corporation's \$300,000 budget for the international competition. The athletes also pay for their competition uniforms and a \$250 per person registration fee.

The Arctic Winter Games Corporation has initiated a sponsorship and fund raising plan with the intent of becoming financially independent of state support within six years. Until that time, if the games are to continue, support from the state is essential.

I urge your support for this bill and respectfully request that you schedule it for a hearing pending referral next week if possible.

Thank you for your consideration.

TEAM ALASKA BUDGET  
 1990 ARCTIC WINTER GAMES  
 PAGE 1

TOTAL SPORTS	NUMBER OF ATHLETES	ATHLETE'S EQUIP. COST	TEAM OPERATIONS BUDGET	INTERNATIONAL DUES
17	320	\$92,313	\$294,282	\$25,000

TRANSPORTATION:

Charter to Yellowknife	\$219,000	
Instate	\$ 11,532	
Overnite and Meals	<u>\$ 1,650</u>	\$232,182

TEAM UNIFORM AND ADMINISTRATIVE COSTS

Athlete Team clothing	\$48,100	
Pins & Flags	\$ 5,500	
Insurance For Team	\$ 2,500	
Administration	<u>\$ 6,000</u>	\$ 62,100

TOTAL TRANSPORTATION,  
 UNIFORM & ADMINISTRATION

\$294,282

REQUESTED STATE SHARE OF BUDGET  
 Two-thirds of \$294,282

\$196,188

ANNUAL INTERNATIONAL DUES

\$25,000

TOTAL OF STATE FUNDS REQUESTED \$221,188

ATHLETES SHARE OF BUDGET

One-third of \$294,282	\$98,094
Personal uniform & equipment cost	<u>\$92,313</u>

TOTAL PAID BY ATHLETES

\$190,407

TEAM ALASKA BUDGET  
1990 ARCTIC WINTER GAMES  
PAGE 2

Explanation of request.

TRANSPORTATION:\*

Charter to Yellowknife - cost of the aircraft to fly the team from Anchorage and Fairbanks to Yellowknife, NWT. and return.

Instate - air fare for athletes that must be brought to Anchorage or Fairbanks from other areas in the state to meet the charter aircraft.

Overnight and Meals - some team members connecting flights require them to overnight so they can catch the charter flights.

TEAM UNIFORM AND  
ADMINISTRATIVE COSTS:

Athlete team clothing - the team uniform that will be worn by the team members, mission staff, VIP's and cultural participants. The team is required to wear this uniform for opening and closing ceremonies, this is also their main outer wear during the games.

Pins & Flags - Team, Coaches and Mission Staff pins, Alaska flags in two sizes ( small for the team and large for each venue location) and team hats.

Insurance for Team - Medical insurance will be purchased for the team for the period of the games.

Administration - Freight and postage, telephone, office supplies, 60 day rental for warehousing clothing, facility rental for sports tryouts, sanction fees, etc.

ANNUAL DUES

Dues in the amount of \$25,000 are paid by each governmental entity belonging to the Arctic Winter Games Corporation (International).

\* Should the Soviets accept the invitation for some of their people from Siberia to participate in the 1990 games, we may be asked to contribute to the costs of transporting them to and from Yellowknife from Anchorage.

## BACKGROUND INFORMATION FOR 1990 TEAM ALASKA BUDGET

### TRANSPORTATION:

I requested and received "ballpark" prices from the following:

1. Markair, using 737's with 109 seats each
  - \$26,500 per trip from Fairbanks
  - \$27,662 per trip from Anchorage
  - (each weekend would see 4 round trips)
  - 1 round trip from Fairbanks           \$26,500
  - 3 round trips from Anchorage       \$82,986
  - total per weekend                   \$109,486
  - 2 weekends equals                 \$218,972

This gives us 436 seats total with a per seat cost of \$502.00

2. Alaska Airlines using:
  - 1 737 with 111 seats
  - 2 727's with 136 seats each
  - Total seats 383

Price quoted \$226,000 with a per seat cost of \$590.00

3. Canadian Air Int'l. using 737's
  - 3 aircraft with 111 seats each total 333 seats,
  - (which is not a sufficient number of seats), using
  - Whitehorse equipment \$180,138 (Canadian)
  - or using Vancouver equip. \$198,816 (Canadian)

which gives a price per seat of \$540.00.

If the price per seat stays the same with the addition of 1 more 737 flight and if the Canadian / US dollar exchange rate stayed the same they would be low but because you can't count on what the dollar will be worth 10 to 12 months down the road and also trying to use a local carrier, I have based my request on the Markair prices. I also feel that because Markair does the majority of its business in the state their equipment is located here and not where it would have to be ferried to Fairbanks and Anchorage, thus the lower price from them.

### INSTATE TRANSPORTATION

I used the figures from the 88 Games (Plane tickets prices from 20 different locations in Alaska)

### OVERNIGHT AND MEALS

I figured 33 athletes and allowed \$ 50.00 each. (the Barrett Inn in Anchorage always gives me a good deal for lodging and food)

## TEAM UNIFORM

For the 88 Games we spent \$120.00 per participant.

### POINT OF INTEREST:

Northwest Territories spent \$ 165.00 per participant  
Yukon Territory spent \$175.00 per participant  
Northern Alberta spent \$ 230.00 per participant

I don't think I did too bad. I've set a price of \$130.00 per participant.

Team members, staff, VIP and Cultural all get clothing. The extra clothing after everyone is outfitted is sold during the games to help off set unexpected expenses that come up.

### Pins and Flags:

We order 2000 team pins (4 pins for each athlete), 200 Mission Staff and 200 Coaches pins. We use a US source and for a 1" square pin the price runs approx. \$.75 each. I've had quotes from Alaskan sources but they run \$1.75 to \$ 2.00 per pin.

Alaska State flags, we get the small hand flags for opening ceremony (330) at approx .75 to \$1.00 each and then also furnish the large State flags for each sport venue (17 locations at approx \$35.00 each)

Hats for the team, I order 350 and they run approx. \$4.50 for the corduroy with the logo embroidered on them.

### INSURANCE

I think everyone knows how high insurance is. I've always been able to use an Alaskan broker.

### ADMINISTRATION

This covers a lot of items, long distance phone calls, freight for shipping team clothing to the teams after selection, postage for the mass mailings to the team and others, Rental of warehousing for a couple of months to hold the team clothing from the time of arrival until it can be distributed. Facility rental for tryouts such as gyms, ice time at arenas, ect. Misc. office and computer supplies for the Mission office as well as work before hand. The Chef de Mission's travel to the mandatory chiefs meetings with the Host Society. (approx. \$2,000.00).

If you are wondering what the Mission Staff is: that is the administrative staff that takes care of the team before and during the games. I have a Team Doctor and 8 others. They

work the office from 5AM until 2AM (20 hours) and pull 6 to 7 hour shifts and when not on duty in the office they lend support in the field to the sports that have been assigned to them. My staff including myself is all voluntary.

The athletes put in a fair amount towards their participation. Total personal equipment \$92,313.

The average total per athlete for personal equipment is \$288 each, this is for the skates, skis, dogs, rifles, snowshoes and the like. I gathered this info from the various teams and between the 88 & 90 games we figured 05% for inflation.

The athlete also pays a registration fee. The 84 Yellowknife games saw a \$200.00 fee & for the 90 games I've set the fee at \$250.00. 320 athletes x \$250.00 equals \$80,000. the athletes have to come up with \$98,094 to cover their portion of the budget. I have approx. 65 extra seats on the charters and will sell spectator seats to help towards the athletes portion. I'm trying to keep the athletes registration fee down so it is affordable to all.

FUNDING FOR TEAM ALASKA  
1980 - 1990

YEAR	GAME LOCATION	ATHLETE FEES	TEAM SIZE	STATE GRANT
1990	YELLOWKNIFE	\$98,094	329	\$196,188
1988	FAIRBANKS	\$30,200	302	\$ 60,000
1986	WHITEHORSE	\$29,700	297	\$120,000
1984	YELLOWKNIFE	\$70,000	284	\$130,000
1982	FAIRBANKS	\$29,700	297	\$ 41,000
1980	WHITEHORSE	\$23,400	262	\$ 63,000

The increase in the team budget for 1990 compared to 1984 is mainly due to the size of the team. In order to transport 329 people it will be necessary to charter four Boeing 737's instead of three as we did in 1984. Mark Air has quoted a price from Anchorage to Yellowknife of \$27,662 per plane per trip. Two trips (one going to & one the next week coming home) for the extra plane will cost \$55,324.

In comparison:

1990 Yellowknife charter cost	\$219,000
1984 Yellowknife charter cost	<u>\$160,272</u>
increase	\$ 58,700

The \$58,700 comes close to the price of \$55,324 for the additional aircraft.

The larger team will also mean more in state travel and over night expenses, along with additional uniform and try out costs. The addition of dog mushing to the games will also mean increased transportation and coordination costs.

We are trying to keep the athlete's registration fee down to \$250.00 each. Part of the difference between the total of the registration fees and the athlete's share will come from selling approximately sixty spare seats on the charters. If it is necessary to transport some Siberian athletes and cultural participants it will reduce the number of seats available for sale.

Comparables between N.W.T. - Yukon - Alaska - N. Alberta 1980-1988  
 (All figures are in Canadian dollars except 1988 Alaska \*\*)  
 (based on assumed exchange index for each period)

N.W.T. - Yukon - Alaska have full team size status

	Athletes	N.W.T	Yukon	Alaska	N. Albert
Whitehorse 1980	262				
Federal Grants		-----	-----	-----	N/A
Terr or St Grants		\$234,000	\$53,151	\$67,380	
Terr/St Sport Assoc		\$94,529 *	-----	\$4,189	
Lotteries		\$2,000	\$16,175	-----	
Athlete Reg Fees		\$71,017 *	\$17,670	\$23,400	
Fairbanks 1982	297				
Federal Grants		\$100,000	-----	-----	N/A
Terr or St Grants		\$234,000	\$49,104	\$43,200	
Terr/St Sport Assoc		-----	-----	-----	
Lotteries		\$19,087	\$22,713	-----	
Athlete Reg Fees		\$89,328 *	\$24,900	\$31,800	
Yellowknife 1984	284				
Federal Grants		\$15,000	-----	-----	N/A
Terr or St Grants		\$250,000	\$113,168	\$171,000	
Terr/St Sport Assoc		\$114,216 *	-----	-----	
Lotteries		\$1,762	\$16,613	-----	
Athlete Reg Fees		\$105,178 *	\$47,124	\$85,500	
Whitehorse 1986	297				
Federal Grants		-----	-----	-----	Athletes 51
Terr or St Grants		\$250,000	\$22,790	\$163,400	\$63,540
Terr/St Sport Assoc		\$292,231 *	-----	-----	
Lotteries		\$20,150	\$15,175	-----	\$5,875
Athlete Reg Fees		\$107,836 *	\$16,156	\$37,000	
Fairbanks 1988	302				
Federal Grants		\$109,375	-----	-----	Athletes 66 \$37,000
Terr or St Grants		\$273,000	\$15,375	\$60,000 **	\$45,200
Terr/St Sport Assoc		\$496,094 *	\$14,800	-----	
Lotteries		-----	\$22,080	-----	
Athlete Reg Fees		\$152,555 *	\$16,000	\$30,200 **	

\* NWT holds 7 area trials, the winners advance to the territorial trials. A registration fee is required for area and territorial trials, which is collected by Sport North Federation and turned back to the AWG team. Athletes registration fees includes the clothing fee charged to all athletes.

Stats taken from Urban Systems report, Calgary and Chefs-de-Mission final reports

ARCTIC WINTER GAMES 1990

**DRAFT**

SPORTS SUMMARY

EVENT	CLASSIFICATION	ATHLETES	COACHES	TOTAL
1. Arctic Sports	a. Eskimo Games			
	Open Men	8		
	Open Women	4		
	Junior Men	4	1	
	Junior Women	4	1	
b. Indian Games	Open Men	4	1	
		-----		
		24	3	27
2. Badminton	Open Men	2		
	Open Women	2		
	Junior Men	2		
	Junior Women	2		
	Juvenile Men	2	1	
	Juvenile Women	2	1	
		-----		
		12	2	14
3. Basketball	Junior Women	8	1	
	Junior Men	8	1	
	-----			
		16	2	18
4. Cross Country Skiing	Open Men	4		
	Open Women	4	1	
	Junior Men	4		
	Junior Women	4	1	
	Juvenile Men	4		
	Juvenile Women	4	1	
	Open Marathon	2		
	-----			
		26	3	29
5. Curling	Junior Men	4	1	
	Junior Women	4	1	
	Open Women	4		
	Open Mixed	4		
	-----			
		16	2	18
6. Dog Mushing	Junior (3 days)	2	1	
		-----		
		2	1	3

# DRAFT

EVENT	CLASSIFICATION	ATHLETES	COACHES	TOTAL
7. Figure Skating	Open	8	2	
		-----	-----	-----
		8	2	10
8. Gymnastics	Junior Women	4	1	
		-----	-----	-----
		4	1	5
9. Hockey	Senior Men	16	1	
	Midget	16	2	
	Pee Wee	16	2	
	Open Women	16	1	
	-----	-----	-----	-----
		64	6	70
10. Indoor Soccer	Junior Men	8	1	
	Junior Women	8	1	
	Juvenile Men	8	1	
	Juvenile Women	8	1	
	-----	-----	-----	-----
		32	4	36
11. Silhouette Shooting	Open Rifle	3		
	Open Handgun	3	1	
	Junior Rifle	3		
	-----	-----	-----	-----
		9	1	10
12. Ski Biathlon	Junior Men	2		
	Junior Women	2	1	
	Open Men	2		
	Open Women	2		
	-----	-----	-----	-----
		8	1	9
13. Snowshoeing	Open Men	2		
	Open Women	2	1	
	-----	-----	-----	-----
		4	1	5
14. Snowshoe Biathlon	Open Men	3		
	Open Women	3		
	Open Junior	3	1	
	-----	-----	-----	-----
		9	1	10
15. Triathlon - Individual (Powerskating, Skiing, Running)	Open Men	3		
	Open Women	3	1	
	-----	-----	-----	-----
			6	1

# DRAFT

EVENT	CLASSIFICATION	ATHLETES	COACHES	TOTAL
16. Volleyball	Open Men	10		
	Open Women	10		
	Junior Men	9	1	
	Junior Women	9	1	
		-----		
		38	2	40
17. Wrestling	Junior Men	8	1	
		-----		
		8	1	9
TOTAL		286	34	320
MISSION STAFF				8
MEDICAL SUPPORT				1
				-----
TOTAL UNIT				329

## TEAM LOCATIONS 1984 THRU 1988

Location	1984	1986	1988
Anchorage	135	163	133
Bethel	4	1	1
College	4	3	1
Eagle River	13	6	8
Ester	1	1	2
Fairbanks	80	83	81
Ft. Richardson	1		
Ft. Wainwright	1	2	4
Gakona	1		
Glennallen	1	1	2
Homer	4	2	3
Juneau	2	7	2
Kotzebue	2	1	
Nome	1	4	1
Palmer	10	12	8
Point Hope	3		
Salcha	2	4	4
Soldotna	3	1	4
Unalakleet	1	1	1
Wasilla	2	6	14
White Mountain	2	1	
Auke Bay		2	3
Barrow		1	1
Big Lake		1	
Chugiak		2	2
Dillingham		2	
Douglas		1	
Girdwood		1	2
Iliamna		2	
Kenai		1	2
Kodiak		4	3
McGrath		1	
North Pole		5	4
Ketchikan		1	
Beward		2	
Elmendorf			1
Golovin			1
Koyuk			1
Larson Bay			1
Lawrence, Kansas (Nome-college in Kansas)			1
Metlakalita			2
Petersbury			1
Seldovia			1
Sitka			1
South Naknek			1
Valdez			1

1984-Anch/Fbs	238	other areas	58
1986-Anch/Fbs	246	other areas	79
1988-Anch/Fbs	214	other areas	98

## ARCTIC WINTER GAMES STRUCTURE AND ATHLETE EXPENSES

The Arctic Winter Games Corporation (International) is structured like the Olympics. The AWG Corp. (Int'l) awards the games to a governmental entity. The Int'l Corp entered into an agreement with the North Star Borough, City of Fairbanks and the City of North Pole to host the 1988 games. These entities then formed an organization to conduct the Games (Host Society). Many Alaskan corporations as well as the State of Alaska contributed to the Host Society.

Team Alaska is the group of athletes who are selected to represent our State at the Games. There is always confusion when contributors say they contributed to AWG. Generally they have contributed to the Host Society and not to the team. The athletes are the ones who contribute a major portion of the costs.

The athletes pay a registration fee which is 1/3 of the budget. For the 90 games that sum will be \$98,094. They then have their personal equipment and competition clothing that costs an average of \$288.00 per athlete for a total of \$92,313 and finally the athletes bear their own costs for tryouts. Since 1980 an average of 1200 Alaskan athletes have tried out each time for the games, they have to travel to various places for these tryouts. For example: in Cross Country skiing the Tang Cup races and the AWG tryouts are combined and racers must travel to Homer, Anchorage and Fairbanks. Snowshoeing tryouts are held around Cantwell, Hockey tryouts see Coaches traveling again at their own expense to Soldotna, Anchorage, Fairbanks and Wasilla. The 90 games will see the Indian sports (Dene) for the first time and from early information it seems that those athletes will come from the Alaska/Yukon border area, Ft. Yukon in particular. The average tryout cost per athlete is \$200.00 for a total of \$240,000.

Team registration fee	\$98,094
Personal equipment and competition uniform	92,313
Tryout expenses	<u>240,000</u>
Total athlete costs	\$430,407

Team Alaska is not as fortunate as the athletes in our sister states, in the lower 48 they have several modes of transportation, we have to travel by plane (Yellowknife, NWT is 3 hours by commercial jet). Also the athletes from the rural areas are provided their transportation and in many cases must overnight so they can catch the charters, it costs them no more than athletes from Anchorage or Fairbanks. As we encourage more rural areas to participate in the Games our costs for transportation will rise.

The organization (Arctic Winter Games Corporation of Alaska) that supports Team Alaska is in the process of designing a program for corporate sponsorship, as part of the long range goal of private funding for Team Alaska. Hopefully, this can be accomplished in 4 to 6 years.

I think it shows that the majority of the costs are bore by the Alaskan athletes and the request from the State of Alaska is actually less than the transportation to the Games. Lastly, the Games have become a very significant International event and the long range goal of the Int'l corporation is for the games to become circumpolar someday. That someday is around the corner as the 90 games will see observers and possibly demonstration athletes from Greenland and the Magadon Region of Siberia joining the athletes from Yukon Territory, Northwest Territories, Northern Alberta and Alaska.

This agreement dated April 5, 1989 is made between representatives of the ministry of Sport of the U.S.S.R. ("USSR"), the United States Ski Association ("USSA"), and the Anchorage Organizing Committee for the 1998 Olympics ("AOC").

The USSR and the USSA desire to exchange information and to promote the growth of summer training camps for winter sports teams, including a summer, 1989 exchange of visits of USA senior officials to the USSR summer training camps in Kamchatka Siberia and of USSR senior officials to the Eagle Glacier summer training camp and Hatcher Pass in Alaska. The AOC agrees to act as local liaison or facilitator for these reciprocal visits.

Regarding the summer, 1989 reciprocal visits to summer training camps, the USSR and USSA (with the assistance of the AOC) agree to cooperate in a manner agreeable to both parties in the following areas:

1. A six person team of USSA officials (alpine and cross country) will visit the Kamchatka, Magadan Siberian facilities in the summer of 1989. Officials of the United States Biathlon Association will be invited to participate.

2. A six person team of USSR officials will visit and observe Eagle Glacier and Hatcher Pass summer training facilities and conditions in the summer of 1989. The invitation to the USSR will be directed to Mr. Victor Mamotov and five of his specialists.

3. Ron Sheardown of the AOC will act as liaison to facilitate both visits.

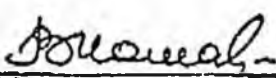
4. The Soviet-American parties agree to encourage visa waivers, direct Alaska-Soviet Far East airline flights (to include Chukotka Magadan Soviet Far East), and direct telecommunications in connection with these visits.


5. Progress made in the fulfillment of this protocol agreement shall be released to American and Soviet press and television.

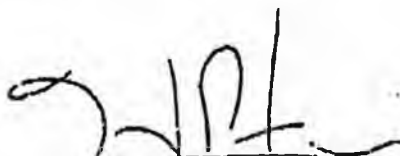
The parties agree to explore additional opportunities for exchanges of coaches and athletes between the USSR and USA including future participation of the USSR in the annual Arctic Winter Games between Greenland, Canada, and the United States and reciprocal participation by USA teams in winter sports events in the USSR.

The policy of Bezvalutnaya (the visting country will pay transportation costs, border to border; thereafter, the host country will pay all costs of local hotel, food and transportation) shall apply to all visits under this agreement.

The parties agree to work toward a more detailed agreement to be entered into following completion of the summer, 1989 reciprocal visits to encourage similar exchanges on an annual basis in the future. This agreement shall be reviewed annually.

  
VICTOR MAMOTOV  
Vice Minister of  
Sport, USSR

  
JOHN C. SWALLING  
Chairman, AOC

  
HOWARD PETERSON  
Secretary-  
General, USSA