

S B

124

1 IN THE SENATE

BY COGHILL

2 SENATE BILL NO. 124

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing the Department of Transportation
7 and Public Facilities to construct the Lynn Canal
8 Highway Project, consisting of roads and of vessels
9 and ferry terminals for the Alaska marine highway
10 system, serving the principal communities of northern
11 Lynn Canal; relating to the disposition of certain
12 claims and actions arising from the state's activ-
13 ities in completing that project; changing Rules 79
14 and 82, Alaska Rules of Civil Procedure; and provid-
15 ing for an effective date."

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

17 * Section 1. FINDINGS. The legislature finds that

18 (1) lack of direct road access between communities in the Rail-
19 belt and the state capital at Juneau has been a source of unhappiness among
20 residents of all areas of the state;

21 (2) within the last decade, road connections to ports situated
22 along northern Lynn Canal have been significantly improved:

23 (A) the state Department of Transportation and Public
24 Facilities and agencies having similar functions in British Columbia
25 and Yukon have planned and carried out improvements to the highway
26 between Haines Junction and the port of Haines; the road remains the
27 principal access route between the state's population centers in
28 western Alaska and the state capital;

29 (B) the agencies also have completed construction of the
S

1 Klondike Highway joining Whitehorse and the Alaska Highway in Canada's
2 Yukon to the port of Skagway, opening a second means of road access by
3 Alaskans and residents of Canada to a northern Southeast Alaska port;

4 (3) to accommodate international and intrastate movement of
5 passengers and goods for the benefit of the residents of the state, there
6 is a need to construct a highway that would provide a direct link between
7 the state capital at Juneau and the existing highways at Haines and Skag-
8 way;

9 (4) recognizing the limitations imposed by topography, the most
10 reasonable, expeditious, and cost effective plan for construction and
11 maintenance of the Lynn Canal Highway Project involves a combination of
12 road, vessel, and ferry terminal construction for the three communities,
13 including

14 (A) extension of the Haines Highway south from Haines to a
15 point near the south end of the Chilkat Peninsula on the west side of
16 Lynn Canal;

17 (B) extension of Alaska Highway 7 (Glacier Highway) from
18 its terminus at Echo Cove north of Juneau to a point approximately
19 nine miles north of Comet on the east side of Lynn Canal;

20 (C) construction of ferry terminals at each of the loca-
21 tions where these highways terminate;

22 (D) construction of at least two shuttle ferries to move
23 passengers and vehicles between these ferry terminals across Lynn
24 Canal; and

25 (E) planning and construction of a road on the west side of
26 Lynn Canal to connect the communities of Haines and Skagway;

27 (5) completion of the Lynn Canal Highway Project would better
28 integrate and further diversify the economies of the communities of north-
29 ern Lynn Canal, allowing for construction of power transmission and

1 pipeline interties between Haines and Skagway, opening land adjacent to the
2 new highways to recreation and mineral exploration, and expanding employ-
3 ment opportunities in both communities;

4 (6) completion of the Lynn Canal Highway Project would material-
5 ly change existing transportation patterns affecting the communities of
6 northern Lynn Canal, allowing the Alaska marine highway system to terminate
7 mainline marine services for Southeast Alaska at its Juneau/Auke Bay
8 terminal, and permitting the system to reschedule existing vessels in use
9 on mainline routes to improve service for residents of other communities in
10 Southeast Alaska;

11 (7) because of the interrelated effects on the communities of
12 northern Lynn Canal, the proposed transportation links constitute a single
13 project, and the Lynn Canal Highway Project should be authorized, designed,
14 and completed as a unit; and

15 (8) because improvement of the public's access to the state
16 capital is a matter of common interest to the whole state, the Department
17 of Transportation and Public Facilities should give priority to prompt
18 construction of the Lynn Canal Highway Project.

19 * Sec. 2. PURPOSE. It is the purpose of this Act

20 (1) to authorize the Department of Transportation and Public
21 Facilities to construct the Lynn Canal Highway Project and its related
22 facilities as described;

23 (2) to give the department specific directions regarding how the
24 Lynn Canal Highway Project is to be completed; and

25 (3) to provide certain safeguards pertaining to the project's
26 construction.

27 * Sec. 3. AS 19.65 is amended by adding a new section to read:

28 ARTICLE 2. VESSEL OPERATIONS.

29 Sec. 19.65.100. SHUTTLE SERVICE ACROSS NORTHERN LYNN CANAL.

1 Notwithstanding the provision in AS 19.60.010 giving the Department of
2 Transportation and Public Facilities authority to acquire and maintain
3 ferry terminals at locations it selects, the Department of Transporta-
4 tion and Public Facilities shall provide cross-canal vessel services
5 between a ferry terminal located on the east side of Lynn Canal north
6 of Berner's Bay and a ferry terminal on the west side of Lynn Canal
7 proximate to the southern end of the Chilkat Peninsula.

8 * Sec. 4. PROJECT AUTHORIZED. (a) The Department of Transportation and
9 Public Facilities shall design and construct a highway and related facil-
10 ities as follows:

11 (1) a highway from the northern end of Alaska Highway 7 (Glacier
12 Highway) at Echo Cove, north to the vicinity of a point nine miles north of
13 Comet;

14 (2) a ferry landing in the vicinity of a point nine miles north
15 of Comet, consisting of a ramp, breakwater, and vehicle staging area;

16 (3) a highway from Haines to a point near the southern end of
17 the Chilkat Peninsula;

18 (4) a ferry landing near the southern end of the Chilkat Penin-
19 sula, consisting of a ramp, breakwater, and vehicle staging area;

20 (5) shuttle ferries of a size and capacity sufficient to accom-
21 modate peak traffic demands between the two ferry landings;

22 (6) a highway connecting the communities of Haines and Skagway,
23 following a route from the present end of the road in the northern end of
24 Lutsik Inlet, around Sanka Point, north through the Ferebee River valley,
25 through a tunnel under Halutu Ridge, then north along Taiya Inlet to Dyea.

26 (b) The highways authorized by (a) of this section shall be con-
27 structed to specifications applicable to the construction of a federal aid
28 "primary system" highway under 23 U.S.C. 103(b), as those specifications
29 have been approved by the United States Secretary of Transportation under

1 23 U.S.C. 109.

2 * Sec. 5. LIMITATIONS. (a) Notwithstanding AS 19.10.170(b), in the
3 preparation of plans for construction of roads authorized by this Act, the
4 Department of Transportation and Public Facilities

5 (1) shall prepare the initial design of the Lynn Canal Highway
6 Project through the use of aerial surveying methods, to the maximum extent
7 possible;

8 (2) may not contract for surveying, mapping, and engineering and
9 design services; the department shall perform all work relating to roads
10 for the Lynn Canal Highway Project prior to their actual construction using
11 personnel employed by the department.

12 (b) To meet costs of preparation incurred under (a) of this section,
13 the charges made by the Department of Transportation and Public Facilities
14 against amounts appropriated for the Lynn Canal Highway Project adminis-
15 tration may not exceed 15 percent of the estimated actual cost of the
16 project's construction.

17 (c) The Department of Transportation and Public Facilities shall
18 include construction of ferry landings, ramps, vehicle staging areas, and
19 breakwaters as an integral part of the general contract for construction of
20 the highway. When constructing ferry facilities for the Lynn Canal Highway
21 Project, the department shall, to the maximum extent possible, use the
22 design and engineering done for the ferry ramp in Ketchikan for the MV
23 Chilkat.

24 * Sec. 6. CLAIMS. In a claim or other legal action against the state
25 arising from the state's activities in completing the Lynn Canal Highway
26 Project, if the state is the prevailing party, the party or parties that
27 brought the claim or maintained the action shall pay or reimburse

28 (1) all costs, including attorney fees, and expenses of prepara-
29 tion, trial, and appeal incurred by the state in defending against the

1 claim or legal action; and

2 (2) any financial losses that are determined by the person
3 conducting the administrative hearing or by the court to be directly at-
4 tributable to construction delays resulting from the assertion of the claim
5 or commencement of the legal action.

6 * Sec. 7. Section 6 of this Act has the effect of changing Rules 79 and
7 82, Alaska Rules of Civil Procedure, by limiting the discretion of the
8 court and the clerk of court in the award of costs and attorney fees if a
9 person has commenced an action or proceeding against the state arising from
10 the state's activities in completing the Lynn Canal Highway Project and the
11 state, as defendant, prevails.

12 * Sec. 8. Section 3 of this Act takes effect upon completion of con-
13 struction of the roads, vessels, and facilities authorized by sec. 4(a)-
14 (1) - (5) of this Act.

15 * Sec. 9. Except for sec. 3, this Act takes effect immediately under
16 AS 01.10.070(c).

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: DOT&PF
 Title: Authorizing DOT&PF To Construct
Lynn Canal Highway Project BRU: _____
 Sponsor: Coghill Components: _____
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL		500.0	500.0	500.0	5,500.0	30,900.0
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		500.0	500.0	500.0	475.7	2,672.8
FEDERAL FUNDS					5,024.3	28,227.2
OTHER						
TOTAL		500.0	500.0	500.0	5,500.0	30,900.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached.

Prepared by: R. T. Meketa, Chief of Planning Phone: 789-6264
 Division: Southeast Region, DOT&PF Date: 3-24-89

9/1/28

Approved by Commissioner: *M. R. A. H.* Date: 4/4/89
 Agency: _____

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

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Authorizing DOT&PF To Construct
Lynn Canal Highway Project
Sponsor: Coghill
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Agency Affected: DOT&PF
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Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89 95	FY 90 96	FY 91 97	FY 92 98	FY 93 99	FY 94 2000
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING					5,150.0	5,150.0
CAPITAL	83,100.0	202,400.0	65,600.0	-0-		
REVENUE				-0-	1,700.0	1,700.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	7,188.1	17,507.6	5,674.4			
FEDERAL FUNDS	75,911.9	184,392.4	59,925.6			
OTHER						
TOTAL	83,100.0	202,400.0	65,600.0			

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached.

Prepared by: R. T. Meketa, Chief of Planning
Division: Southeast Planning, DOT&PF

Phone: 789-6264
Date: 3-24-89

Approved by Commissioner: M. K. S. N. I.
Agency: _____

Date: 4/4/89

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

ANALYSIS - SB 124

Senate Bill No. 124 (SB 124) authorizes the Department of Transportation and Public Facilities (DOT&PF) to construct the Lynn Canal Highway Project, consisting of roads, ferry vessels and ferry terminals connecting the communities of Juneau, Haines and Skagway. SB 124 provides specific detail and direction regarding the components of the improvements and the methodology DOT&PF is to use in developing the project. Related legislation (SB 125) appropriates \$8,827,325 from the general fund and \$93,222,675 in federal funds to complete the project.

The Southeast Alaska Transportation Plan, as amended in 1986, evaluated alternative transportation system improvements on a regional and multi-modal scale. The Plan recommended a long-term improvement consisting of the addition of two large-capacity, high-speed ferries to provide supplemental peak season service in the Lynn Canal corridor. The Plan further recommended that the Juneau-Haines-Skagway road link continue to be monitored to ascertain when developments would warrant a re-assessment of the feasibility of the road.

DOT&PF has determined that the construction of road access to Juneau via the Lynn Canal corridor still lacks justification, at this time. However, DOT&PF would support funding for an Environmental Impact Statement since such an effort will provide valuable information to assist in the continued assessment of feasibility.

The accompanying Fiscal Note constitutes DOT&PF's best estimate of the cost to implement SB 124. These estimates assume a one-time appropriation of full funding to complete the total project, by phase (planning, engineering, environmental, design, right-of-way, construction, operation, etc.), within a reasonable time frame. Other approaches, such as incremental funding or staged construction, could alter the costs. Additionally, basic information necessary to make an educated estimate of tunnel costs is not available to DOT&PF at this time. Construction cost estimates for that segment of the project are order-of-magnitude only and could vary considerably depending on several controlling factors.

ANALYSIS - SB 124

DEVELOPMENT SCHEDULE

90 91 92 93 94 95 96 97 98 99 00

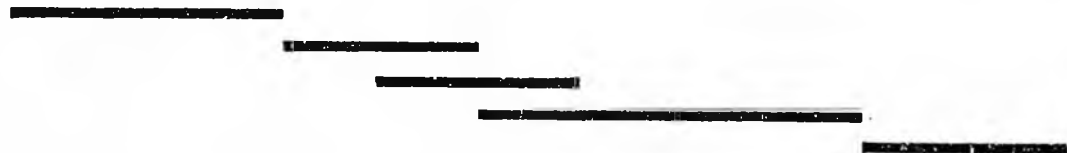
Juneau To East-Side Ferry Terminal

Environmental Impact Statement
Preliminary Engineering
Design
Construction
Operation



East-Side Ferry Terminal To Skagway

Environmental Impact Statement
Preliminary Engineering
Design
Construction
Operation



Ferry Terminals

Design
Construction
Operation



Ferries

Design
Construction
Operation



Senate Transportation Committee
Public Hearing 1:30 P. M.

ATTENTF

Senator Lloyd Jones:

Sorry I am unable to attend your hearing on a Lynn Canal Highway system.

As Vice President of the Haines Chamber of Commerce, I held a public meeting of the Haines business community to get input on this subject. It was very clear that of the more than thirty persons in attendance, the vast majority support the development of this road to Haines.

Only two of those in attendance were opposed.

Over the years many petitions have shown support for a road up the Lynn Canal to Haines. Only just last August over three hundred fifty Haines residents signed a petition in support of the Haines road when presented by Mr. Red Swansen at the Southeast Alaska State Fair. This road should be built for all Alaskans, not only for persons of Juneau or the Lynn Canal Communities.

We urge your Favorable consideration.

Sincerely,

Jon D. Halliwill

Jon D. Halliwill
Vice President
Haines Chamber of Commerce

APRIL 11, 1989

SB 124 COGHILL

AN AUTHORIZING THE CONSTRUCTION OF A HIGHWAY AND FERRY SHUTTLE SYSTEM BETWEEN JUNEAU, HAINES, AND SKAGWAY

DOT/PF DOES NOT SUPPORT THE BILL. HOWEVER, IT DOES SUPPORT AND ENVIRONMENTAL IMPACT STATEMENT TO ASSESS ITS FEASIBILITY.

THE SKAGWAY CHAMBER OF COMMERCE PASSED A RESOLUTION SUPPORTING THE PROJECT.

SENATOR COGHILL FEELS THE BILL WOULD OPEN THIS AREA TO MORE MINING AND RECREATION.

LYNN CANAL HIGHWAY PROJECT

APRIL 1989

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	17	Shuttle Ferry Information
	18	Employment Breakdown from Mining in Berners Bay
	19	Estimated Returns from Mines in Berners Bay
	20	Shuttle Ferry Annual Operating & Revenue Projections
	21	Letter from Ministry of Transportation and Highways/Canada
	22	Public Support
	23	Map
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1 IN THE SENATE

BY COGHILL

2

SENATE BILL NO. 124

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act authorizing the Department of Transportation
7 and Public Facilities to construct the Lynn Canal
8 Highway Project, consisting of roads and of vessels
9 and ferry terminals for the Alaska marine highway
10 system, serving the principal communities of northern
11 Lynn Canal; relating to the disposition of certain
12 claims and actions arising from the state's activ-
13 ities in completing that project; changing Rules 79
14 and 82, Alaska Rules of Civil Procedure; and provid-
15 ing for an effective date."

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

17 * Section 1. FINDINGS. The legislature finds that

18 (1) lack of direct road access between communities in the Rail-
19 belt and the state capital at Juneau has been a source of unhappiness among
20 residents of all areas of the state;

21 (2) within the last decade, road connections to ports situated
22 along northern Lynn Canal have been significantly improved:

23 (A) the state Department of Transportation and Public
24 Facilities and agencies having similar functions in British Columbia
25 and Yukon have planned and carried out improvements to the highway
26 between Haines Junction and the port of Haines; the road remains the
27 principal access route between the state's population centers in
28 western Alaska and the state capital;

29 (B) the agencies also have completed construction of the

1 Klondike Highway joining Whitehorse and the Alaska Highway in Canada's
2 Yukon to the port of Skagway, opening a second means of road access by
3 Alaskan and residents of Canada to a northern Southeast Alaska port;

4 (3) to accommodate international and intrastate movement of
5 passengers and goods for the benefit of the residents of the state, there
6 is a need to construct a highway that would provide a direct link between
7 the state capital at Juneau and the existing highways at Haines and Skag-
8 way;

9 (4) recognizing the limitations imposed by topography, the most
10 reasonable, expeditious, and cost effective plan for construction and
11 maintenance of the Lynn Canal Highway Project involves a combination of
12 road, vessel, and ferry terminal construction for the three communities,
13 including

14 (A) extension of the Haines Highway south from Haines to a
15 point near the south end of the Chilkat Peninsula on the west side of
16 Lynn Canal;

17 (B) extension of Alaska Highway 7 (Glacier Highway) from
18 its terminus at Echo Cove north of Juneau to a point approximately
19 nine miles north of Comet on the east side of Lynn Canal;

20 (C) construction of ferry terminals at each of the loca-
21 tions where these highways terminate;

22 (D) construction of at least two shuttle ferries to move
23 passengers and vehicles between these ferry terminals across Lynn
24 Canal; and

25 (E) planning and construction of a road on the west side of
26 Lynn Canal to connect the communities of Haines and Skagway;

27 (5) completion of the Lynn Canal Highway Project would better
28 integrate and further diversify the economies of the communities of north-
29 ern Lynn Canal, allowing for construction of power transmission and

1 Notwithstanding the provision in AS 19.60.010 giving the Department of
2 Transportation and Public Facilities authority to acquire and maintain
3 ferry terminals at locations it selects, the Department of Transporta-
4 tion and Public Facilities shall provide cross-canal vessel services
5 between a ferry terminal located on the east side of Lynn Canal north
6 of Berner's Bay and a ferry terminal on the west side of Lynn Canal
7 proximate to the southern end of the Chilkat Peninsula.

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9 Public Facilities shall design and construct a highway and related facil-
10 ities as follows:

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12 Highway) at Echo Cove, north to the vicinity of a point nine miles north of
13 Comet;

14 (2) a ferry landing in the vicinity of a point nine miles north
15 of Comet, consisting of a ramp, breakwater, and vehicle staging area;

16 (3) a highway from Haines to a point near the southern end of
17 the Chilkat Peninsula;

18 (4) a ferry landing near the southern end of the Chilkat Penin-
19 sula, consisting of a ramp, breakwater, and vehicle staging area;

20 (5) shuttle ferries of a size and capacity sufficient to accom-
21 modate peak traffic demands between the two ferry landings;

22 (6) a highway connecting the communities of Haines and Skagway,
23 following a route from the present end of the road in the northern end of
24 Lutak Inlet, around Sanka Point, north through the Ferebee River valley,
25 through a tunnel under Halutu Ridge, then north along Taiya Inlet to Dyea.

26 (b) The highways authorized by (a) of this section shall be con-
27 structed to specifications applicable to the construction of a federal aid
28 "primary system" highway under 23 U.S.C. 103(b), as those specifications
29 have been approved by the United States Secretary of Transportation under

1 23 U.S.C. 109.

2 * Sec. 5. LIMITATIONS. (a) Notwithstanding AS 19.10.170(b), in the
3 preparation of plans for construction of roads authorized by this Act, the
4 Department of Transportation and Public Facilities

5 (1) shall prepare the initial design of the Lynn Canal Highway
6 Project through the use of aerial surveying methods, to the maximum extent
7 possible;

8 (2) may not contract for surveying, mapping, and engineering and
9 design services; the department shall perform all work relating to roads
10 for the Lynn Canal Highway Project prior to their actual construction using
11 personnel employed by the department.

12 (b) To meet costs of preparation incurred under (a) of this section,
13 the charges made by the Department of Transportation and Public Facilities
14 against amounts appropriated for the Lynn Canal Highway Project adminis-
15 tration may not exceed 15 percent of the estimated actual cost of the
16 project's construction.

17 (c) The Department of Transportation and Public Facilities shall
18 include construction of ferry landings, ramps, vehicle staging areas, and
19 breakwaters as an integral part of the general contract for construction of
20 the highway. When constructing ferry facilities for the Lynn Canal Highway
21 Project, the department shall, to the maximum extent possible, use the
22 design and engineering done for the ferry ramp in Ketchikan for the MV
23 Chilkat.

24 * Sec. 6. CLAIMS. In a claim or other legal action against the state
25 arising from the state's activities in completing the Lynn Canal Highway
26 Project, if the state is the prevailing party, the party or parties that
27 brought the claim or maintained the action shall pay or reimburse

28 (1) all costs, including attorney fees, and expenses of prepara-
29 tion, trial, and appeal incurred by the state in defending against the

1 claim or legal action; and

2 (2) any financial losses that are determined by the person
3 conducting the administrative hearing or by the court to be directly at-
4 tributable to construction delays resulting from the assertion of the claim
5 or commencement of the legal action.

6 * Sec. 7. Section 6 of this Act has the effect of changing Rules 79 and
7 82, Alaska Rules of Civil Procedure, by limiting the discretion of the
8 court and the clerk of court in the award of costs and attorney fees if a
9 person has commenced an action or proceeding against the state arising from
10 the state's activities in completing the Lynn Canal Highway Project and the
11 state, as defendant, prevails.

12 * Sec. 8. Section 3 of this Act takes effect upon completion of con-
13 struction of the roads, vessels, and facilities authorized by sec. 4(a)-
14 (1) - (5) of this Act.

15 * Sec. 9. Except for sec. 3, this Act takes effect immediately under
16 AS 01.10.070(c).

<u>Funding Information</u>	
General Fund	\$ 8,827,325
Other Funds	93,222,675
	<u>\$102,050,000</u>

1 IN THE SENATE

BY COGHILL

2

SENATE BILL NO. 125

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making a special appropriation for construc-

7

tion of roads and for construction of vessels and

8

ferry terminals of the Alaska marine highway system

9

for the Lynn Canal Highway Project; and providing for

10

an effective date."

11

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

12

* Section 1. The sum of \$8,827,325 is appropriated from the general

13

fund and the sum of \$93,222,675 is appropriated from federal funds for

14

construction of roads and for construction of vessels and ferry terminals

15

for the Alaska marine highway system for the Lynn Canal Highway Project, to

16

be allocated as follows:

17

(1) road construction and reconstruction, from present northern

18

end of Alaska Highway 7 (Glacier Highway) at Echo Cove to the vicinity of a

19

point nine miles north of Comet \$41,000,000

20

(2) road construction and reconstruction from Haines to the

21

south end of the Chilkat Peninsula \$ 5,100,000

22

(3) construction of ferry ramps, vehicle staging areas, and

23

breakwaters at a point approximately nine miles north of Comet and near the

24

south end of Chilkat Peninsula \$ 1,200,000

25

(4) construction of two shuttle ferries \$12,000,000

26

(5) road construction and reconstruction from present end of

27

road at north end of Lutak Inlet, around Sanka Point and north via the

28

Ferebee River valley \$16,000,000

29

(6) tunnel construction through Halutu Ridge \$22,750,000

SECTIONAL ANALYSIS

SB 124 "An Act authorizing the Department of Transportation and Public Facilities to construct the Lynn Canal Highway Project, consisting of roads and of vessels and ferry terminals for the Alaska marine highway system, serving the principal communities of northern Lynn Canal; relating to disposition of certain claims and actions arising from the state's activities in completing that project; changing Rules 79 and 82, Alaska Rules of Civil Procedure; and providing for an effective date."

Sec.1. Provides findings that justify the project:

1. that the lack of access to the capitol is a source of unhappiness for Alaskan residents;
2. that road connections northward out of Haines and Skagway have been greatly improved in the last decade;
3. that linking Juneau to the roads out of Haines and Skagway would accomodate international and intrastate traffic;
4. that the most reasonable, expeditious and cost effective route, given the topography in the Juneau area, is the one proposed by the bill;
5. that the highway would serve to diversify and integrate the economies of the communities it served, would allow power transmission and pipeline interties, would open land along its corridor to recreation and mineral exploration, and would expand employment opportunities;
6. that completion of the highway would allow the marine highway system to terminate in Juneau, thus allowing better service to other communities in the rest of Southeast;
7. that the Lynn Canal Highway Project should be authorized, designed and completed as a single, integrated project;
8. that DOT/PF should give high priority to the project, because it is a matter of common interest to the whole state.

Sec. 2. Explains that the purpose of the Act is to authorize and direct construction of the project, and to provide certain safeguards relating to the project's construction.

Sec. 3. Amends Title 19, Chapter 65 (Alaska Marine Highway System) to direct DOT/PF to provide cross-channel ferry service between the two ferry terminals included in the project. This directive is included because this type of service (a point-to-point, continuously running shuttle as a link in a highway) is different from the type of service currently provided by the marine highway.

Sec. 4. (a) Authorizes the project, and directs DOT/PF to build it as described: (1) a road from Echo Cove to about 9 miles north of Comet; (2) a ferry landing at that point; (3) a road from Haines to the southern end of Chilkat Peninsula; (4) a ferry landing at that point; (5) shuttle ferries of a

capacity to handle traffic between the two ferry landings; (6) a highway connecting Haines and Skagway, from Lutak Inlet, around Sanka Point, north up the Ferebee River valley, through a tunnel under Halutu Ridge, and north along Taiya Inlet to Dyea.

Sec. 4. (b) Directs that the road be built to Federal specifications for a "primary system" highway.

Sec. 5. (a) Directs DOT/PF to (1) use aerial surveying as much as possible in the initial design stage, and (2) to perform all work on the project, up to the construction phase, using only department personnel.

Sec. 5. (b) Limits the amount of administrative costs to 15% of the estimated cost of the project's construction.

Sec. 5. (c) Requires DOT/PF to include the construction of the ferry landing facilities as part of the contract for the construction of the road. This section also directs DOT/PF, in building these ferry terminals, to make maximum use of design and engineering done for the MV Chilkat ramp in Ketchikan.

Sec. 6. Requires that any party who sues to stop construction of the project will be held financially responsible for the costs incurred, if the state prevails in the action. This would cover (1) costs of the action, including attorney's fees, as well as (2) any financial losses determined to be attributable to construction delays resulting from the legal action.

Sec. 7. Changes Rules 79 and 82, Alaska Code of Civil Procedure, to reflect the financial responsibility provision of section 6. The court would be limited in its discretion to award costs and attorney fees.

Sec. 8. Provides an effective date for section 3, the operation of the shuttle ferries by the marine highway system. This would become effective only upon completion of the project.

Sec. 9. Provides an immediate effective date for the remainder of the bill.

1 IN THE SENATE

BY COGHILL

2

SENATE JOINT RESOLUTION NO. 36

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

Requesting the Congress to reserve a

6

highway corridor or setback along the

7

east shoreline of Lynn Canal.

8

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9

WHEREAS, of all the continental states of the United States, Alaska's
10 capital, Juneau, is the only one that is not connected by highway to the
11 rest of the state, denying most Alaskans direct land access to the seat of
12 government; and

13

WHEREAS there is currently pending in the Alaska State Legislature
14 legislation that would authorize and appropriate money for the construction
15 of the Lynn Canal Highway Project, consisting of a highway and shuttle
16 ferry facilities, linking Juneau with Haines and Skagway; and

17

WHEREAS, in addition to improving direct land access to the seat of
18 government, the Lynn Canal Highway Project is important to the economies of
19 the communities of Lynn Canal because it would enhance diversity of the
20 economies of these communities; and

21

WHEREAS the proposed highway would pass through highly mineralized
22 areas that are currently being developed into operating mines; and

23

WHEREAS it is estimated that opening the Lynn Canal Highway would
24 precipitate a four-fold increase in visitor traffic between Juneau and the
25 communities of Upper Lynn Canal; and

26

WHEREAS completion of the Lynn Canal Highway Project would allow the
27 Alaska Marine Highway System to terminate its mainline ferries at Juneau
28 and thereby allow for improved ferry services to the remaining communities
29 served by ferry in Southeastern Alaska; and

1 WHEREAS the proposed Lynn Canal Highway Project would qualify for
2 federal matching funds for its construction; and

3 WHEREAS the proposed highway route of the Lynn Canal Highway Project
4 would pass almost entirely through federal and state lands, requiring
5 almost no purchase of private property; and

6 WHEREAS a federally-designated wilderness area has been proposed for
7 the headwaters of Berners Bay that, if approved, would incorporate part of
8 the route of the Lynn Canal Highway Project; and

9 WHEREAS the proposed wilderness area would work an extreme hardship on
10 the developing hardrock mines in the area, as well as precluding potential
11 timber, fishery, tourism, and travel activities of the private sector; and

12 WHEREAS, at the time of withdrawal of lands for designation of wilder-
13 ness area within the Tongass National Forest known as the Endicott River
14 Wilderness area, Congress established a six-mile corridor or setback along
15 the west side of Lynn Canal for future economic and access needs; and

16 WHEREAS, because the Lynn Canal Highway Project proposes a highway on
17 the east side of Lynn Canal, the west side corridor is not appropriate for
18 the needs of the project; and

19 WHEREAS a similar corridor or setback along the east side of Lynn
20 Canal would assist development of the Lynn Canal Highway Project;

21 BE IT RESOLVED that the Alaska State Legislature asks the United
22 States Congress, in its deliberations relating to the Tongass National
23 Forest, to set aside a two-mile corridor or setback along the shoreline of
24 the east side of Lynn Canal, to be reserved specifically for a highway,
25 utility right-of-way, and related facilities, and to promote private sector
26 economic development activities.

27 COPIES of this resolution shall be sent to the Honorable George Bush,
28 President of the United States; the Honorable Dan Quayle, Vice-President of
29 the United States and President of the U.S. Senate; the Honorable Jim

1 Wright, Speaker of the U.S. House of Representatives; the Honorable George
2 J. Mitchell, Majority Leader of the U.S. Senate; the Honorable Samuel K.
3 Skinner, U.S. Secretary of Transportation; the Honorable Robert A.
4 Mosbacher, U.S. Secretary of Commerce; the Honorable Clayton K. Yeutter,
5 U.S. Secretary of Agriculture; and the Honorable Manuel Lujan, Jr., U.S.
6 Secretary of the Interior; and to the Honorable Ted Stevens and the Honor-
7 able Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S.
8 Representative, members of the Alaska delegation in Congress.

INFORMATION SHEET

- 1) TOP PRIORITY IS TO PROVIDE ACCESS TO THE CAPITOL.
- 2) Of all the continental states of the United States, Alaska's capital, Juneau, is the only one that is not connected by highway to the rest of the state, denying most Alaskans direct land access to the seat of government.
- 3) Connects Juneau with two year-round transportation routes through both Haines and Skagway.
- 4) Provides a very broad spectrum of increased recreation opportunities.
- 5) Would accommodate and encourage future growth in the tourist industry.
- 6) Provides opportunities for businessmen and entrepreneurs.
- 7) The highway passes through highly mineralized areas.
- 8) The land is primarily federally and state owned.
- 9) Provides daily service by truck or bus to both Skagway and Haines.
- 10) By using the federal matching funds, construction could begin in 2 years upon completion of the Economic Impact Statement. Actual construction time of the job itself would be approximately 3 years.
- 11) The highway and it's right of way between Juneau, Haines, and Skagway will provide a corridor for pipelines and hydro-electric transmission lines.
- 12) The road would enable Alaska Marine Highways to turn the ferries around at Juneau/Auke Bay, thus allowing an approximate 20% increase in ferry service to the rest of Southeast Alaska.
- 13) Due to greater convenience and the decreased cost of travelling, traffic on the Lynn Canal Highway is estimated to increase a minimum of 400% over current ferry travel.

JUNEAU ACCESS CORRIDORS

ROUTE DESCRIPTION	COST IN MILLIONS
A. Continue Existing System	\$ 68.7*
B. Eastside Road/Chilkoot Inlet Bridge	337.7
C. Eastside Road/Haines-Skagway Road	291.2
D. Westside Road via St. James Bay	222.5
E. Westside Road via WM. Henry Bay	172.4
F. Shuttle to Sullivan Is./Road to Haines	141.6
G. Eastside Road to Katzehin R./Shuttle Haines/Sgy	223.7
H. Eastside Road to Skagway/Shuttle to Haines	236.7
I. High Speed Ferries	104.6
J. Taku Inlet Route with Bridge	202.5
K. Taku Inlet Route with Ferry	143.0
L. S.B. 124 Route with Ferry to Chilkat Penninsula, and road connecting Haines and Skagway	102.1

*Figures taken from Southeast Alaska Transportation Plan, Evaluation of Corridor Alternatives, Juneau Access (Lynn/Taku Corridors), page 3-7.

ESTIMATED ANNUAL MAINTENANCE COSTS

District 4 - 32 miles new construction

District 2 - 33 miles new construction
14 miles re-construction

A total of 8 maintenance personnel would be required. The cost of this personnell is included in the figure below.

Total estimated annual road maintenance cost is: \$1,200,000

SHUTTLE FERRY INFORMATION

COST: \$ 6,000,000 per shuttle ferry
\$ 25,000 annual maintenance per shuttle ferry

DIMENSIONS: 200 ft. x 50 ft.

SPEED: 12 m.p.h.

ENGINE: Diesel power

WEIGHT: Maximum gross capacity 100 tons

EMPLOYMENT BREAKDOWN FROM MINING IN BERNERS BAY

	<u>Kensington</u>	<u>Jualin</u>
Management	29	14
Maintenance	11	6
Engineers	8	4
Geologists	4	2
Underground	71	35
Mechanics	50	25
Electricians	10	5
Samplers	3	1
Surveyors	6	3
Clerks	5	3
Metallurgist	3	1
Environmental Tech.	2	1
Assayer	7	3
Laborer	8	4
Bucker	2	1
Refiner	4	2
Secretaries	5	3
Security	4	2
Safety	2	1
Nurse	2	1
Cooks	16	8
Janitorial	4	2
Plumber	2	1
Carpenter	2	1
Accounting	8	4
Personnel	2	1
Purchasing	2	1
Operators	48	24
TOTAL	320	159

ESTIMATED RETURNS FROM MINING INDUSTRY IN BERNERS BAY AREA

Kensington (Echo Bay).....\$17,000,000 Goods & Services
10,000,000 Payroll

Estimated annual wages & services \$ 27,000,000
Estimated 10 year wages & services \$270,000,000

Jualin (Curator American).....\$ 5,000,000 Goods & Services
\$ 6,500,000 Payroll

Estimated annual wages & services \$ 11,500,000
Estimated 10 year wages & services \$115,000,000

Difficult access (No road access currently available).

SHUTTLE FERRY ANNUAL OPERATING AND REVENUE PROJECTIONS

2 Captains	18(26.49)	=	\$476.82
2 Engineers	18(24.64)	=	443.52
4 Deck Hands	36(16.24)	=	584.64

TOTAL PER DAY	\$	1504.98
TOTAL PER YEAR	\$549,317.70	

Fuel cost estimates based on \$1.40 per gallon
 18 hours at 65 gallons per hour = 1170 gallons per day.

TOTAL PER DAY	\$	1638.00
TOTAL PER YEAR	\$597,870.00	

WAGES	\$549,317.70
FUEL	597,870.00
MAINTENANCE	25,000.00

TOTAL ANNUAL OPERATING	\$1,172,187.70
ANNUAL OPERATING FOR 2 FERRIES	\$2,344,375.40

TOTAL VEHICLE PROJECTIONS 172,300
 75% = 129,225 19 ft. vehicles at \$ 9.08 = \$1,173,363
 25% = 43,075 30 ft. vehicles at \$20.72 = 892,514

3 people per vehicle = 516,900 at \$4.38 = \$2,264,022

TOTAL REVENUE PROJECTIONS \$4,329,899

Less operating costs (2,344,375)

NET PROFIT \$1,985,524



Province of
British Columbia

Ministry of
Transportation
and Highways

940 Blanshard Street
Victoria
British Columbia
V8W 3E6
Phone: 387-3280

OFFICE OF THE
DEPUTY MINISTER

YOUR FILE:

OUR FILE 53-20-00

October 20, 1988

Mr. Leslie E. Swanson
113 West 5th Street
Juneau, Alaska
U.S.A., 99801

Dear Mr. Swanson:

Reference is made to your telephone conversation with Mr. P. J. Bonser, Acting Director, Traffic and Design, on Friday October 7, 1988, concerning a road connection between Atlin, British Columbia and Juneau, Alaska via the Taku Valley.

I advise you that this Ministry has no plans at this time to make this connection and has not carried out any preliminary studies or design.

Yours truly,

M. V. Collins
Acting Deputy Minister

PUBLIC SUPPORT

Signatures on petitions: More than 6000.

Capital City Weekly Poll results: In favor - 74%
Opposed - 26%

Representative Ulmers Survey results: "Four times as many
residents in favor as opposed. Pro = 90 Con = 20.

THIS PROJECT WOULD BE AUTHORIZED BY SB 124
AND FUNDED UNDER SB 125 - SPONSORED BY SENATOR JACK COGHILL

FUNDING AND CONSTRUCTION WOULD TAKE PLACE
OVER A FIVE YEAR PERIOD

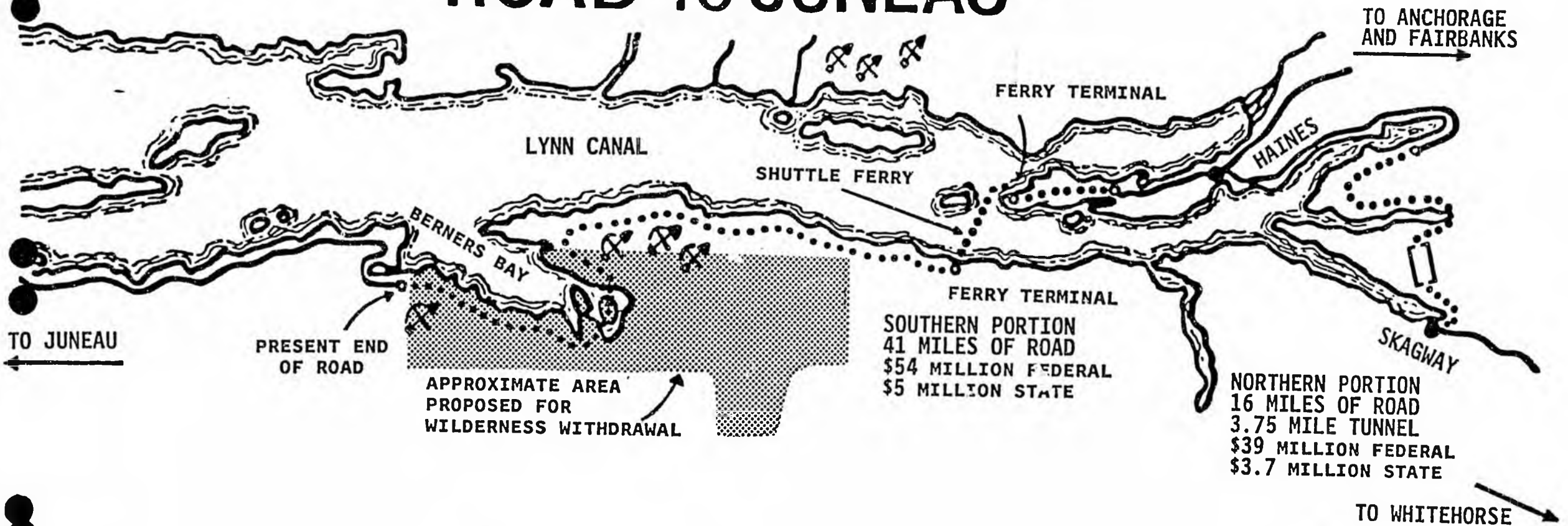
TOTAL ESTIMATED COST OF CONSTRUCTION = \$102,050,000

FEDERAL SHARE = \$ 93,222,675

STATE SHARE = \$ 8,827,325

LYNN CANAL HIGHWAY PROJECT

"ROAD TO JUNEAU"



LIST OF KEY BACKGROUND REPORTS

- 1) A Delphi Forecast of Alaska's Development to the Year 2000 & Beyond, Alaska Department of Commerce & Economic Development, June 1983.
- 2) Alaska Economic Trends, Turbulent Times in Alaska's Financial Industry. November 1988.
- 3) Alaska Economic Trends, Winter Tourism is Alaska - Not an Anomaly, Alaska Department of Labor, December 1988.
- 4) Alaska Marine Highway Draft System Plan, November 1986.
- 5) Alaska Marine Highway System - The Community Perspective, Ayers & Associates, April 1987.
- 6) Alaska's Mineral Industry 1987, Division of Geological & Geophysical Surveys Special Report 41.
- 7) Alaska Transportation Recap 1988, The Alaska Public Affairs Journal, Fall 1988.
- 8) Alaska Visitors Statistics Program, Alaska Visitor Arrivals Fall/Winter/Spring 1987-1988, Dept of Commerce & Economic Development Division of Tourism.
- 9) Annual Traffic Volume Report, Alaska Marine Highways System, 1977 - 1987.
- 10) Echo Bay Mines Annual Report 1987, Echo Bay Mines.
- 11) Evaluation of Corridor Alternatives - Juneau Access (Lynn/Taku Corridors), Acres International Corporation, March 1986.
- 12) Gold - Copper Mineralization of the Chilkat Peninsula & Islands, United States Dept. of the Interior.
- 13) Jualin Mine Access, Exploration, & Bulk Sampling, Revised 3/29/88. Environmental Assessment Juneau Ranger District Tongass National Forest Alaska Region.
- 14) Population Estimates and Projections for Alaska 1980 - 1991, Alaska Department of Labor.
- 15) Record of Community Response, Acres International Corporation, June 1986.

- 16) Report by the Alaska Legislative Economic Recovery Team, Republican House of Representatives, February 1983.
- 17) Report of Investigation 88-8, Preliminary Geology of the Northern Chilkat Range, Southeastern AK, W.G. Gilbert.
- 18) Southeast Alaska Transmission Intertie, Alaska Power Authority, August 1987.
- 19) Southeast Alaska Transportation Plan, Acres International Corporation, April 1986.
- 20) Southeast Alaska Transportation Plan, Acres International Corporation, June 1986.
- 21) Technology Evaluation, Acres International Corporation, September 1985.
- 22) Tourism in Alaska, A Report by the House Finance Subcommittee on the Department of Commerce and Economic Development Division of Tourism, January 1986.
- 23) Transportation Requirements for the Growth of Northwest North America, 87th Congress, 1st Session House Document No. 176, Volume 3 May 25, 1961.



Official Business

Alaska State Legislature

Senate

P.O. BOX V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

To: Senator Lloyd Jones

From: Senator Jack Coghill

Re: SB 124 and SB 125

Date: March 16, 1989

I would appreciate if you would schedule SB 124 and SB 125 for a Senate Transportation Committee hearing as soon as possible.

SB 124 authorizes the Department of Transportation to construct a highway and shuttle ferry facilities between Juneau, Haines and Skagway. Construction would consist of 61 miles of highway, two ferry terminals, two shuttle ferries and 3 3/4 miles of tunnel.

The proposed route in SB 124 would extend the existing highway north along the east shore of Lynn Canal to a point opposite the southern tip of the Chilkat Peninsula. A shuttle ferry would transfer traffic to the Peninsula and the road would continue north to Haines. Between Haines and Skagway, the road would be extended north along the shoreline from the end of Lutak Inlet and following the Ferebee River. It would enter a tunnel, passing through Halutu Ridge, extending on the northside and following Taiya Inlet into Dyea, a gold rush ghost town, and from there on into Skagway.

Because the road passes through highly mineralized areas of upper Lynn Canal, it would help to make mining there more economically feasible. The road also provides greater access to recreational opportunities.

SB 125 makes a special appropriation in the amount of \$102,050,000 for construction of roads and for vessels and ferry terminals of the Alaska Marine Highway System for the Lynn Canal highway project. SB 125 is the companion bill that goes along with SB 124.

SECTIONAL ANALYSIS

SB 124 "An Act authorizing the Department of Transportation and Public Facilities to construct the Lynn Canal Highway Project, consisting of roads and of vessels and ferry terminals for the Alaska marine highway system, serving the principal communities of northern Lynn Canal; relating to disposition of certain claims and actions arising from the state's activities in completing that project; changing Rules 79 and 82, Alaska Rules of Civil Procedure; and providing for an effective date."

Sec.1. Provides findings that justify the project:

1. that the lack of access to the capitol is a source of unhappiness for Alaskan residents;
2. that road connections northward out of Haines and Skagway have been greatly improved in the last decade;
3. that linking Juneau to the roads out of Haines and Skagway would accomodate international and intrastate traffic;
4. that the most reasonable, expeditious and cost effective route, given the topography in the Juneau area, is the one proposed by the bill;
5. that the highway would serve to diversify and integrate the economies of the communities it served, would allow power transmission and pipeline interties, would open land along its corridor to recreation and mineral exploration, and would expand employment opportunities;
6. that completion of the highway would allow the marine highway system to terminate in Juneau, thus allowing better service to other communities in the rest of Southeast;
7. that the Lynn Canal Highway Project should be authorized, designed and completed as a single, integrated project;
8. that DOT/PF should give high priority to the project, because it is a matter of common interest to the whole state.

Sec. 2. Explains that the purpose of the Act is to authorize and direct construction of the project, and to provide certain safeguards relating to the project's construction.

Sec. 3. Amends Title 19, Chapter 65 (Alaska Marine Highway System) to direct DOT/PF to provide cross-channel ferry service between the two ferry terminals included in the project. This directive is included because this type of service (a point-to-point, continuously running shuttle as a link in a highway) is different from the type of service currently provided by the marine highway.

Sec. 4. (a) Authorizes the project, and directs DOT/PF to build it as described: (1) a road from Echo Cove to about 9 miles north of Comet; (2) a ferry landing at that point; (3) a road from Haines to the southern end of Chilkat Peninsula; (4) a ferry landing at that point; (5) shuttle ferries of a

capacity to handle traffic between the two ferry landings; (6) a highway connecting Haines and Skagway, from Lutak Inlet, around Sanka Point, north up the Ferebee River valley, through a tunnel under Halutu Ridge, and north along Taiya Inlet to Dyea.

Sec. 4. (b) Directs that the road be built to Federal specifications for a "primary system" highway.

Sec. 5. (a) Directs DOT/PF to (1) use aerial surveying as much as possible in the initial design stage, and (2) to perform all work on the project, up to the construction phase, using only department personnel.

Sec. 5. (b) Limits the amount of administrative costs to 15% of the estimated cost of the project's construction.

Sec. 5. (c) Requires DOT/PF to include the construction of the ferry landing facilities as part of the contract for the construction of the road. This section also directs DOT/PF, in building these ferry terminals, to make maximum use of design and engineering done for the MV Chilkat ramp in Ketchikan.

Sec. 6. Requires that any party who sues to stop construction of the project will be held financially responsible for the costs incurred, if the state prevails in the action. This would cover (1) costs of the action, including attorney's fees, as well as (2) any financial losses determined to be attributable to construction delays resulting from the legal action.

Sec. 7. Changes Rules 79 and 82, Alaska Code of Civil Procedure, to reflect the financial responsibility provision of section 6. The court would be limited in its discretion to award costs and attorney fees.

Sec. 8. Provides an effective date for section 3, the operation of the shuttle ferries by the marine highway system. This would become effective only upon completion of the project.

Sec. 9. Provides an immediate effective date for the remainder of the bill.

Sec. 19.45.015. Highway construction near airports. (a) A person may not construct, reconstruct, relocate, or extend a federal-aid highway within two miles of an airport, airstrip, or private air facility without first obtaining the written approval of the commissioner, as provided by regulation.

(b) The commissioner may not approve the construction, reconstruction, relocation, or extension of a highway under this section if the construction would constitute a hazard to the traveling public or if the construction would otherwise not be in the public interest.

(c) The commissioner shall adopt regulations to implement the purpose of this section that are consistent with standards established by participating federal agencies. (§ 2 ch 90 SLA 1966)

Revisor's notes. — Formerly AS 19.20.090. Renumbered in 1981.

Chapter 60. Ferry Terminal Facilities.

Section	Section
10. Acquisition and maintenance of ferry terminal facilities	50. Approval of department required for construction
20. Connection of facilities to highways	60. Existing facilities not affected
30. Regulations	70. Definitions
40. Private enterprise not affected	

Sec. 19.60.010. Acquisition and maintenance of ferry terminal facilities. The department shall construct, purchase, or lease ferry terminal facilities at locations it selects for the loading and unloading of passengers and vehicles under their own power, on and off ferries. The department shall repair and maintain these facilities. Construction and purchasing under this section are governed by AS 36.30 (State Procurement Code). (§ 3 ch 189 SLA 1959; am § 19 ch 106 SLA 1986)

Effect of amendments. — The 1986 amendment added the last sentence.

Opinions of attorney general. — For discussion of police jurisdiction on the Alaska State Ferry System, see 1964 Op. Att'y Gen., No. 5.

Collateral references. — 35 Am. Jur. 2d, Ferries, §§ 1-5, 24-30.

36A C.J.S., Ferries, §§ 3-21.

Carrier's certificate of convenience and necessity, franchise, or permit as subject to transfer or encumbrance. 15 ALR2d 883.

Duty and liability as regards motor vehicles and occupants thereof. 69 ALR2d 1008.

Sec. 19.60.020. Connection of facilities to highways. The department may connect ferry terminal facilities with local highway systems. (§ 3 ch 189 SLA 1959)

Sec. 19.60.030. Regulations. The department may adopt regulations governing the use of ferry terminal facilities by the public that it considers necessary and proper in the public interest. (§ 3 ch 189 SLA 1959)

Sec. 19.60.040. Private enterprise not affected. A person may construct a ferry terminal facility upon obtaining the approval of the department as to its location. A ferry terminal facility constructed by a person other than the department is subject to reasonable regulations governing its use that the department considers necessary and proper in the public interest. (§ 3 ch 189 SLA 1959)

Sec. 19.60.050. Approval of department required for construction. A ferry terminal facility may not be constructed without the approval of the department. (§ 3 ch 189 SLA 1959)

Sec. 19.60.060. Existing facilities not affected. A ferry terminal facility in existence and serving the public on January 1, 1959, is not affected by this chapter. (§ 3 ch 189 SLA 1959)

Sec. 19.60.070. Definitions. In this chapter

(1) "department" means the Department of Transportation and Public Facilities;

(2) "ferry" means a vessel used in the common carriage of passengers and self-propelled vehicles in intrastate commerce. (§ 2 ch 189 SLA 1959)

NOTES TO DECISIONS

Applied in *Cole v. State, Dep't of Transp. & Pub. Facilities*, 621 F. Supp. 3 (D. Alaska 1984).

Chapter 65. Alaska Marine Highway System.

Section

20. Naming of vessel or facility

Sec. 19.65.010. Duty station or port change for employees of the Alaska marine highway system. [Repealed, § 52 ch 59 SLA 1982.]

Sec. 19.65.020. Naming of vessel or facility. (a) A vessel or facility of the Alaska marine highway system constructed or acquired by the Department of Transportation and Public Facilities under AS 19.60 — AS 19.65 may be given a name only by law.

(b) A maritime vessel shall bear the name of an Alaska glacier.

§ 19.65.020

ALASKA STATUTES

§ 19.65.020

(c) A vessel used principally on the inland waterways of the state shall bear the name of a historical vessel which used the rivers of the state. (§ 2 ch 4 SLA 1981)

ADVANTAGES OF THE UPPER LYNN CANAL HIGHWAY

- 1) All Alaskans will have year round access to the capitol that is less costly to them and more convenient as well.
- 2) By turning the ferries around in Juneau/Auke Bay, ferry service will increase approximately 20% for the rest of SE Alaska. This is a plus for all travelers in Southeast, including school children who would have less time out of school due to ferry schedules. They could be taken to the Juneau terminal for much greater convenience.
- 3) The highway will pass through highly-mineralized areas which would increase employment opportunities and further diversify the economy of the region. Two mines at Echo Cove alone estimate a total payroll of \$16,500,000 and goods and services purchases of \$23,000,000.
- 4) The highway will become one of the most scenic highways in the transportation system. The road will provide access for all persons, including sportsmen, fish and game managers, tourists, and other recreationalists, as well as those less mobile.
- 5) Daily access will be available to and from Juneau for trucks, busses, RV's, and people out for a "Sunday drive."
- 6) As a primary highway system, the Upper Lynn Canal highway qualifies for the Federal Highway match program of 91.35% - 8.65%.

7) The highway and its right-of-way between Juneau, Haines, and Skagway will provide a corridor for pipelines and hydro-electric transmission lines for the Lynn Canal region.

8) The Lynn Canal highway will help achieve a balanced economy within the region through the development of natural resources and the private sector.

JUNEAU - HAINES - SKAGWAY ROAD

1. Connects Juneau to two of the Alaska Highway systems.
2. Connects Juneau to two year-round transportation routes through both Haines and Skagway.
3. Increases ferry service in other areas of Southeastern and the State.
4. Opens up more new areas for multiple uses.
5. Provides a very broad spectrum of recreation opportunities.
6. Provides excellent locations for rafting or barge loading of logs from National Forest Timber sales.
7. Takes a tremendous step in the right direction in the tourist industry.
8. Would release much of the single spot pressures on hunting and fishing.
9. For the tourist or leisure traveler the area opened by the road system brings to them some of the most scenic areas of Southeastern Alaska.
10. Opens up several opportunities for small businessmen along the route.
11. Makes access to already established mining areas.
12. Provides daily service by truck or bus to both Skagway and Haines.
13. Eliminates the waiting time for either Ferry Service or flying, due to weather conditions.
14. By using the federal matching funds, construction could begin in 2 years. Actual construction time of the job itself would be approximately 3 years.

JUNEAU - HAINES - SKAGWAY ROAD

1. Top priority is to provide access to the capitol.
2. An estimated savings of \$1260 would be realized by four people driving to the capitol from Anchorage as opposed to flying.
3. Driving time to Skagway is 2.5 hours compared with 6.5 hours travelling on the ferry, thus realizing a time savings of four hours.
4. The land is primarily federally and state owned. There is a small portion that crosses mining claims and privately owned land.
5. Vehicles travelling the Lynn Canal Highway is estimated to increase a minimum of 400% over vehicles travelling on the ferry.
6. The highway and it's right of way between Juneau, Haines, and Skagway will provide a corridor for pipelines and hydro-electric transmission lines.
7. The highway will provide access to the many mining claims on the route. Two mines currently in the permitting process estimate contributing a total of \$38,500,000 annually into the local economies for a total of \$385,000,000 over a ten year period. The bottom line on the mines thus far is that there is no access currently available.
8. The road would enable Alaska Marine Highways to turn the ferries around at Juneau/Auke Bay, thus allowing an approximate 20% increase in service to the rest of Southeast Alaska.

SKAGWAY CHAMBER OF COMMERCE
RESOLUTION 89-1

A RESOLUTION OF THE SKAGWAY CHAMBER OF COMMERCE SUPPORTING A
SKAGWAY-JUNEAU TRANSPORTATION LINK.

WHEREAS, the economy of Skagway is directly connected to
transportation, and

WHEREAS, any routes proposed should include a first phase
Skagway Link or it will seriously effect the economy
and life-style of Skagway, and

WHEREAS, the most favorable route connects Juneau to Skagway
along the east side of Lynn Canal, and

WHEREAS, any road construction connecting the Lynn Canal
communities will take a number of years, and

WHEREAS, the Alaska Marine Highway and proposed high-speed
shuttle will serve these communities in an efficient
manner, therefore

BE IT RESOLVED, that the Skagway Chamber of Commerce
supports the design and purchase of high-speed
ferries to serve the communities of Lynn Canal until
such time as a road is completed to connect them.

Signed:


Suzanne Mullen

President

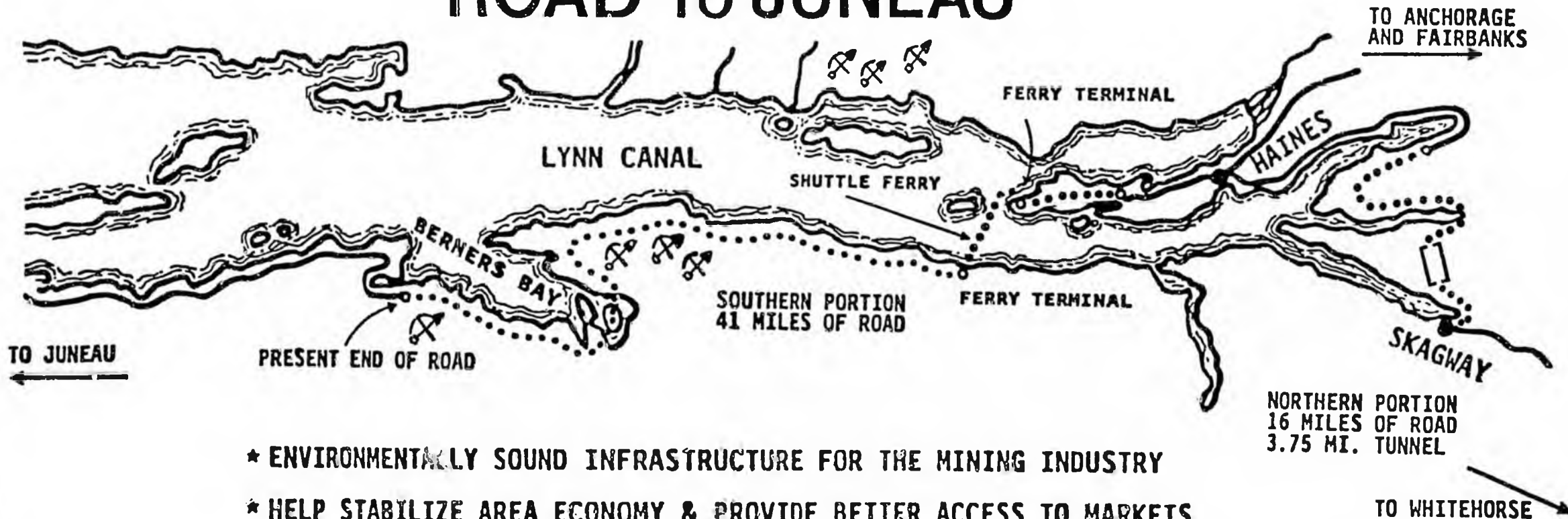
Skagway Chamber of Commerce

THIS PROJECT WOULD BE AUTHORIZED UNDER SB 124
AND FUNDED UNDER SB 125

Sponsor. SENATOR Coqhill

LYNN CANAL HIGHWAY PROJECT

"ROAD TO JUNEAU"



PROJECT MAP

- ★ ENVIRONMENTALLY SOUND INFRASTRUCTURE FOR THE MINING INDUSTRY
- ★ HELP STABILIZE AREA ECONOMY & PROVIDE BETTER ACCESS TO MARKETS
- ★ INCREASE TOURISM OPPORTUNITIES IN A SPORTSMEN'S PARADISE

TOTAL ESTIMATED COST OF CONSTRUCTION = \$102,050,000

FEDERAL SHARE = \$ 93,222,675

STATE SHARE = \$ 8,827,325

.....
NEW CONSTRUCTION

THIS PROJECT WOULD BE FUNDED
AND CONSTRUCTED OVER A 5 YEAR TERM.

ESTIMATED ANNUAL MAINTENANCE COSTS

District 4 - 32 miles new construction

District 2 - 33 miles new construction
14 miles re-construction

A total of 8 maintenance personnel would be required. The cost of this personnell is included in the figure below.

Total estimated annual road maintenance cost is: \$1,200,000

SHUTTLE FERRY ANNUAL OPERATING AND REVENUE PROJECTIONS

2 Captains	18(26.49)	=	476.82
2 Engineers	18(24.64)	=	443.52
4 Deck Hands	36(16.24)	=	584.64

TOTAL PER DAY	\$	1504.98
TOTAL PER YEAR	\$	549,317.70

Fuel cost estimates based on \$1.40 per gallon
 18 hours at 65 gallons per hour = 1170 gallons per day

TOTAL PER DAY	\$	1638.00
TOTAL PER YEAR	\$	597,870.00

WAGES	\$	549,317.70
FUEL		597,870.00
MAINTENANCE		25,000.00

TOTAL ANNUAL OPERATING	\$	1,172,187.70
TWO SHUTTLE FERRY COSTS	\$	2,344,375.40

TOTAL VEHICLE PROJECTIONS	172,300	
75% = 129,225	19 ft. vehicles at \$ 9.08	= \$1,173,363
25% = 43,075	30 ft. vehicles at \$20.72	= 892,514
	TOTAL	\$2,065,877

3 people per vehicle/	516,900 at \$4.38	\$2,264,022
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TOTAL REVENUE PROJECTIONS	\$4,329,899
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Less operating costs	(2,344,375)
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NET PROFIT	\$1,985,524
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NUMBER OF MINING CLAIMS PER SECTION

East Side Lynn Canal (Federal Land)

41 S	61 E.....	5
34 S	62 E.....	182
35 S	62 E.....	1006
36 S	62 E.....	16
42 S	62 E.....	22
35 S	63 E.....	1
41 S	63 E.....	2
48 S	63 E.....	1
37 S	64 E.....	15
38 S	64 E.....	4

TOTAL 1254

West Side Lynn Canal (Federal Land)

49 S	58 E.....	26
33 S	59 E.....	8
33 S	60 E.....	282
34 S	60 E.....	295
35 S	61 E.....	14
36 S	61 E.....	10

TOTAL 635

ESTIMATED RETURNS FROM MINING INDUSTRY IN BERNERS BAY AREA

Kensington (Echo Bay).....\$17,000,000 Goods & Services
10,000,000 Payroll

Estimated annual wages & services \$ 27,000,000
Estimated 10 year wages & services \$270,000,000

Jualin (Curator American).....\$ 5,000,000 Goods & Services
\$ 6,500,000 Payroll

Estimated annual wages & services \$ 11,500,000
Estimated 10 year wages & services \$115,000,000

Difficult access (No road access currently available).

EMPLOYMENT BREAKDOWN FROM MINING IN BERNERS BAY

	<u>Kensington</u>	<u>Jualin</u>
Management	29	14
Maintenance	11	6
Engineers	8	4
Geologists	4	2
Underground	71	35
Mechanics	50	25
Electricians	10	5
Samplers	3	1
Surveyors	6	3
Clerks	5	3
Metallurgist	3	1
Environmental Tech.	2	1
Assayer	7	3
Laborer	8	4
Bucker	2	1
Refiner	4	2
Secretaries	5	3
Security	4	2
Safety	2	1
Nurse	2	1
Cooks	16	8
Janitorial	4	2
Plumber	2	1
Carpenter	2	1
Accounting	8	4
Personnel	2	1
Purchasing	2	1
Operators	18	24
TOTAL	320	159