

SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/92

FURTHER:

DATE TURNED
INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 260

"An Act making an appropriation to the Department of Transportation and Public Facilities for the Tatitlek ferry facility and related roads; and providing for an effective date."

and recommends:

- replace with _____ CS _____ (FINANCE)
or adopt previous _____ CS _____ (_____)
 attaches amendment(s)

- same title
 new title
 technical
title change
(HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

DO PASS:

OTHER RECOMMENDATIONS:

1. _____

Co-Chair: Signature/Recommendation

2. _____

Co-Chair: Signature/Recommendation

SENATE COMMITTEE REPORT

DATE: 4/17/91

FURTHER: Finance

Date of 5-Day Notice: 3/27/92
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-10-92

Transportation Committee considered SB 260

Appropriation to the Dept. of Transportation/Public Facilities for the Tatilek ferry facility and related roads; efd.

and recommended: and a majority of the committee recommend do pass

[] replace with _____ CS _____
[] or adopt _____ CS _____

[] same title
[] new title
[] technical title change (HB only)

[] attached amendment(s)
[] Transportation letter of intent adopted

[X] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

For & Attached as Amended Letter of Intent

ATTACHES NEW FISCAL NOTE(S):

APPROVES PREVIOUS:

[X] fiscal note(s) Dept/Date: DOTPF/1/9/92

[] fiscal note(s) Dept/Date: _____

[] zero fiscal note(s) _____

[] zero fiscal note(s) _____

[] appropriation-no fiscal note

[] Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Dink Shuck

*passed at this time -
use force - Pass - use from fine funds*

Chair: Signature and Recommendation

NO PASS

Alaska State Legislature



Sen. Curt Menard, *Chair*
Sen. Lloyd Jones, *Vice-Chair*
Sen. Beltje Fahrenkamp, *Member*
Sen. Druc Pearce, *Member*
Sen. Dick Shultz, *Member*

P.O. Box V
Juneau, AK 99811

907 465-4921

Senate Transportation Committee

LETTER OF INTENT

SB 260

(March 5, 1992)

It is the intent of the Senate Transportation Committee in passing SB 260 from committee that the Senate Finance Committee review all potential funding sources for purposes of funding the Tatitlek ferry facility and related roads. Given the impacts of the Exxon-Valdez oil spill on the community of Tatitlek, the finance committee should review the possibilities of accessing criminal and civil settlement funds for the purpose of constructing a ferry facility and related roads at Tatitlek.

STATE OF ALASKA
1992 LEGISLATIVE SESSION

No. 1
BILL Version: SB 260
(S) Publish Date: 3-6-92

FISCAL NOTE

Revision Date: 04/17/91 Department Affected: DOT&PF
Title: Approp: Tatitlek Ferry Terminal and Roads BRU: AMHS Marine Operations
Sponsor: Rodey Component: Southwest Vessel Operations
Requestor: Component Serial Number: 631

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	0	0	2.3	2.3	2.3	2.3
TRAVEL	0	0	1.1	1.1	1.1	1.1
CONTRACTUAL	0	0	66.0	66.0	66.0	66.0
SUPPLIES	0	0	2.5	2.5	2.5	2.5
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:	0	0	71.9	71.9	71.9	71.9

CAPITAL	200.0	1,900.0	0	0	0	0
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REVENUE FUND SOURCE	0	0	3.4	3.4	3.4	3.4
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	200.0	1,900.0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	0	0	71.9	71.9	71.9	71.9
TOTAL FUNDING:	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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

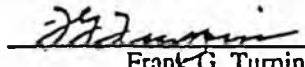
See attached position paper.

Prepared by: John Halterman

Phone: 465-3950

Division: Alaska Marine Highway System

Date: January 9, 1992

Approved by Commissioner: 
Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: January 9, 1992

Distribution By Preparer: Leg. Finance, Leg. Sponsor, Requestor, OMB/DBR, Gov. Leg. Office, Impacted Agency(ies).

SENATE BILL NO. 260

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATOR RODEY

Introduced: 4/17/91
 Referred: Transportation, Finance
 Funding Information: General Fund \$1,900,000
 Other Funds -0-
 \$1,900,000

A BILL

FOR AN ACT ENTITLED

1 "An Act making an appropriation to the Department of Transportation and Public
 2 Facilities for the Tatitlek ferry facility and related roads; and providing for an effective
 3 date."

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

5 * Section 1. The sum of \$1,900,000 is appropriated from the general fund to the Department of
 6 Transportation and Public Facilities for construction of the Tatitlek ferry facility and related roads at the
 7 west site recommended in the "Tatitlek Ferry Terminal Feasibility Study," Project X 74663, prepared
 8 by Tongass Engineers, Inc.

9 * Sec. 2. The appropriation made by this Act is for a capital project and lapses under AS 37.25.020.

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

ALASKA STATE LEGISLATURE
SENATE BILL NO. 260

HISTORY IN THE SENATE

19 91
4/17
1992

Read first time and referred to:
Transportation Finance

3/6

2 RPT() CS 3 DP 1 NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN ___
 FN ___ OFN Spokane To Stewart

___ RPT() CS ___ DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN ___
___ FN ___ OFN ___ To ___

___ RPT() CS ___ DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN ___
___ FN ___ OFN ___ To ___

___ Rules Calendar() CS ___ AM ___ Other ___
New Title ___ Same Title ___ Previous FN ___
___ FN ___ OFN ___

Read second time

___ CS Adopted () ___ New Title ___
___ Amended ___ Advanced ___

Read third time

___ Letter of Intent adopted
___ Return to second for specific amendment

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reconsideration
Reconsideration not taken up

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reported correctly engrossed
Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

___ RPT CS() ___ New Title
___ DP ___ DNP ___ NR ___ AM
___ FN ___ OFN ___ Previous FN

___ RPT CS() ___ New Title
___ DP ___ DNP ___ NR ___ AM
___ FN ___ OFN ___ Previous FN

___ RPT CS() ___ New Title
___ DP ___ DNP ___ NR ___ AM
___ FN ___ OFN ___ Previous FN

Read second time
CS() Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

___ Intent adopted

Reconsideration
Reconsideration not taken up

PASSED ON RECON. EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

___ Intent adopted

Reported correctly engrossed, signed by the Speaker
and returned to the Senate

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

19	<p>Received from the House Version: _____</p> <p>Concur in House amendment Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>Failed to concur in House amendment, ask House recede Y ___ N ___ E ___ A ___</p> <p>House failed to / receded from amendment Y ___ N ___ E ___ A ___</p> <p>CC appointed by Senate _____ Chair _____</p> <p>CC appointed by House _____ Chair _____</p> <p>(S) Granted Limited Powers of Free Conference</p> <p>(H) Granted Limited Powers of Free Conference</p>
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19	<p>(S) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>(H) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>To enrolling Received from enrolling Sent to Governor</p> <p>_____ By Governor</p> <p>Chapter Number _____</p> <p>Filed with Lieutenant Governor</p>
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5-15-91
3 (TRP)
FIR



*Department of Transportation
and Public Facilities*

POSITION PAPER

BILL NO: SB 260

APPROVED:

A handwritten signature in cursive, appearing to read "J. J. Jurgin", written over a horizontal line.

TITLE: Approp: Tatitlek Ferry Terminal
and Roads

DATE: May 8, 1991

Introduction

SB 260 directs the Department of Transportation and Public Facilities to construct a ferry dock and related roads at the west site as recommended in the "Tatitlek Ferry Feasibility Study," prepared by Tongass Engineers, Inc., in 1985.

Service History

Officially, AMHS does not serve the area. The M/V Bartlett has called at the Tatitlek and Ellamar area for several years as a flag stop. There are no facilities in either community. The M/V Bartlett has transferred people and baggage to skiffs which come out to meet the travelers. At best, it is a very undesirable way to serve a community.

Level of Service vs. Capital Improvements

Standards for construction are based on service needs. Public and institutional demand is for features that affect the quality and quantity of passenger convenience, operational effectiveness and efficiency, flexibility and reliability. Facilities not meeting expectations and optimum operational utility inherently cause dissatisfaction and pressure to bring them to optimum standards.

Functional ferry passenger terminal buildings with restrooms, waiting area and ticket capability, are standard expectations for most travelers. For effectiveness and operational efficiency in all weather conditions, it is desirable to have vessel port and starboard landing capability. This feature improves docking time considerably in adverse conditions, allows maximum loading flexibility, and provides redundancy in event of damage to part of the facility. Staging areas large enough to effectively stage waiting traffic, circulate transitory traffic, and efficiently transfer vehicles and people to

For Further Information contact Katy McHugh at 465-3900.

02200

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DATE: May 6, 1991

ships is also expected in addition to adequate safe access. Site improvement features like pave staging areas, illuminated areas, emergency electrical generation, shore power to service, and watering capability provide safety, operational efficiencies, and reliability.

In the case at Tatitlek and Ellamar, it is possible to support a lesser level of service that will meet the major service objectives but leave several needs and demands unmet. Considering the village setting, it may be that the needs and demands of this area will be more than satisfied with a basic minimum facility proposed in the study.

Traffic Projections

There is no real way to accurately project how much traffic will be generated by a scheduled call at the proposed site. There are approximately 100 residents between the two communities. At the time of the original feasibility study, there were about 4 motor vehicles in Tatitlek and no connecting road system. The feasibility report does not recommend investing in vehicle loading capability, but does recommend providing for light freight capabilities. Assuming each resident makes at least two round trips per year and 20 vehicles up to 10 feet (all terrain types) travel, and that fares are at 50% of Cordova to Valdez rates, revenue generation is expected to be approximately \$3,400.00 ($\$7.00 \times 100 \times 2 \times 2 \text{ ways} + \$15.00 \times 20 \times 2 \text{ ways}$). There were 137 trips each way in 1990 between Cordova-Valdez. Added transportation may generate some traffic by contractors, logging companies and others who may have activity in the area, but it would take significant movements to greatly affect the revenue picture. Traffic between the two communities is unpredictable without further analysis. Overall, revenue potential is extremely light in comparison to capital and maintenance cost and will not be the compelling reason to serve. Providing basic service is possible at a minimal increase in operating costs.

Maintenance Costs and Impacts

Maintenance would cause an incremental increase to the spring and fall Whittier-Cordova maintenance program, but can be accomplished with some stretch of the existing resources at a cost to existing facilities. The addition of one site to the Prince William Sound area would reduce the number of crew days in Southeast by at least 4 crew days per year. This is estimated to cost about \$4,500.00 for personal services, travel and per diem. Materials and supplies would be additional at an estimated cost of \$2,500.00 per year. Access trails between the two communities are assumed to be maintenance free once improvements are made.

Service Costs

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Service cost increments are primarily for fuel at 170 gallons per 13-mile leg into and out of Ellamar, plus 60 minutes at dock. This would be about \$237.00 per call, or \$64,880.00 per year. There could be a number of late night call outs of deck personnel for summer schedule, which would increase the cost of service.

The current winter schedule has the M/V Bartlett leaving Cordova at 8:30 a.m. and arriving at Valdez at 2:15 p.m. the same day. The proposed summer 1991 schedule would require an additional 2 hours in time for each trip between Cordova and Valdez.

Criteria for Service

Guidelines for determining levels of service are provided in the Draft System Plan. The criteria for determining when new service will be provided to a community are:

- I. There is capacity available to provide new service or additional capacity to provide the new service can be added within the fiscal capabilities of AMHS at the time that the request for new service is made;
 - A. There appears to be available capacity to serve the proposed community at a net increase in cost to the state of approximately \$70,000.00 per year.
- II. It has no safe, reliable, reasonably affordable passenger roll-on/roll-off freight and vehicular access, private or commercial to other coastal communities by a land highway, to other coastal communities with a local highway or regional economic center, or to the continental surface transportation network (i.e., highways, rail and public and/or private carriers);
 - A. There is a 2500-foot gravel airstrip serving the area. AMHS serves on a flag stop basis and transfers passengers and luggage/freight to small boats near Ellamar. There is no surface highway, rail or other public or private regular transportation mode serving the area. There is an existing public dock next to the village of Tatitlek. It is not suitable for anything but the occasional fishing boat freight shipment.
 - B. There is no safe, reliable, reasonably affordable passenger roll-on/roll-off freight and vehicular access, private or commercial:

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DATE: May 6, 1991

1. to other coastal communities by land highway;
 2. to other coastal communities with a local highway or regional economic center; or
 3. to the continental surface transportation network (i.e., highways, rail, and public and/or private carriers).
- C. The proposed project would not provide road access but would provide limited roll-on/roll-off capability for small all terrain vehicles. Walk-on passenger service would not compete with other public or private surface carriers. The proposed project would impact and could be considered to compete with air carriers serving the area. The proposed service could be considered to compete with local barge or water borne transportation services.
- III. The net cost to the state of providing the services will not increase the state subsidy required to operate the system;
- A. The revenue projection for this service is \$3,400.00 per year.
 - B. The cost estimate for this service is \$71,900.00 per year.
 - C. The net increase cost to the state will be approximately \$65,500.00 per year.
- IV. The community has officially expressed the desire for AMHS service;
- A. The Legislature by intent language requested that a feasibility study be accomplished in 1996.
 - B. The Legislature has introduced a funding bill for construction (SB 260). It is assumed at this time that the community has officially expressed a desire for AMHS service.
- V. The readily identifiable economic impacts of providing the service are greater than the net cost of the services;
- A. It is unknown whether the economic impacts of providing service exceed the net cost of providing service.
- VI. The cost to the traveler for complementary modes of travel are prohibitively high;

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- A. Air transportation is the complementary mode of travel. Cost per seat from Cordova to Ellamar is \$160.00 and the cost per seat to Tatitlek is approximately \$175.00.
- VII. The revenue from a specifically tourist and recreational service can offset the cost of providing the service.
 - A. There is no information that would support the position that a tourist or recreational service would offset the cost of providing the service.

Summary and Conclusion

There are two obvious service options available. 1) AMHS can continue to serve Tatitlek and Ellamar as a ilag stop without any further consideration for safety, convenience, schedule, market size, or construction of facilities; 2) Provide passenger and freight roll-on/roll-off facilities for service at Tatitlek and schedule year-round service that would greatly improve basic access, safety, reliability, and affordable service; or, 3) Provide full highway vehicle roll-on/roll-off service.

Recommendations

AMHS supports basic transportation proposals that can be supported by revenues. Increases in service requires an increase in operating budget.

A fiscal note has been prepared for SB 260.

AMHS has reviewed the 1986 project estimate and recommends that an appropriation of \$200,000.00 be appropriated for design to prepare plans, specifications and a detailed construction estimate. The 1986 estimate is considered to be 30% to 50% low at this time because of inflation and estimate reliability. Public hearings are required as such service will greatly impact the life style and quality of life at the village.

Information from public hearings have a great impact on the scope of projects. It may not be feasible to construct all aspects of the project for \$1,900,000.00. Estimates based on detailed designs are more realistic.

Moreover, the use of funds for this project must be weighed against future obligations to maintain the vessels of the fleet and the existing AMHS shore facilities.

Alaska State Legislature



Sen. Curt Menard, *Chair*
Sen. Lloyd Jones, *Vice-Chair*
Sen. Betye Fahrenkamp, *Member*
Sen. Druc Pearce, *Member*
Sen. Dick Shultz, *Member*

P.O. Box V
Juneau, AK 99811
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Senate Transportation Committee

LETTER OF INTENT SB 260 (March 5, 1992)

It is the intent of the Senate Transportation Committee in passing SB 260 from committee that the Senate Finance Committee review all potential funding sources for purposes of funding the Tatitiek ferry facility and related roads. Given the impacts of the Exxon-Valdez oil spill on the community of Tatitlek, the finance committee should review the possibilities of accessing criminal and civil settlement funds for the purpose of constructing a ferry facility and related roads at Tatitiek.