

SCR

24



# Alaska State Legislature

*Senator Curt Menard*



*While in  
Session:*  
P.O. Box V  
Juneau, Alaska  
99811  
(907)465-2679

*Interim:*  
165 E. Parks  
Highway  
Wasilla, Alaska  
99687  
(907)373-2878

*Senate  
District  
E*

## SPONSOR STATEMENT

For the last six years, two Alaska Marine Highway vessels, the Bartlett and the Tustemena, have detoured into Columbia Bay when traveling between Valdez and Whittier. The intrusion of the marine highway ferries into Columbia Bay places the State of Alaska in direct competition with private tour operators.

Private tour operators have voiced strong opposition to this competition in the past and the anticipated loss of revenues for the upcoming tour season, from May 16th - Sept. 30th, will be significant. It is time for the State to get out of the tour business in Columbia Bay and let private enterprise take over.

Moreover, the purpose of the Alaska Marine Highway System is to provide point to point intrastate and interstate marine transportation for Alaska's coastal communities that are not served by the road system. Arguably, it is an appropriate role for the state to assist in the establishment of new markets for Alaskan products, including tourism. The key question, however, is when should the state let private enterprise take over.

There is a thriving Columbia Glacier tour market at the present time and private Prince William Sound tour operators are capable of satisfying demands for this tour service. SCR 24 supports the position that it is an appropriate time for the State of Alaska to get out of the tour business in Columbia Bay.

I would appreciate your support of SCR 24.

October 5, 1988

Dear Steve,

Sorry your busy schedule doesn't allow for attendance at Sundawgs Rugby functions. Our annual banquet is Friday, Oct. 14, at Ivory Dick's. Enclosed are two patches. The one is the newer Sundawgs patch and the other is from the Uosik's Golden Oldies tour to Auckland in 1987. The next Golden Oldies is in Toronto in 1989; I don't suppose the Governor needs to enter trade negotiations, border disputes or co-operative fishing ventures with the Canadians next September? In Toronto? I thought not. But keep this in mind; When you step down from the Governor's horse the Golden Oldies rugby organization will be there for you to play until you are 80!

Now for the beef. I'm expressing the following opinions on behalf of long time friends whose livelihood is, I believe, being jeopardized by the State. The subject is the Alaska Marine Highways side tours into Columbia glacier in Prince William Sound. The friends are the Stan Stephens family of North Pole. I believe you got a chance to meet Stan during your 1986 gubernatorial campaign, and may well have spoken with or heard more about him more recently as he is quite active in Prince Wm. Sound (PWS) political, environmental, and economic issues. There are several other commercial glacier tour operators working out of Valdez and they share the same concerns about competing with the ferry system but I will use Stan as my example as his is the situation about which I am best informed.

Stan has been in Alaska since the mid-1960s as a resident of North Pole and part-time resident of Valdez. He has had a charter business for fishing, hunting, and sightseeing since before 1971, when I first met him and went out on a goat hunt with him. At that time he was employed full time at Eielson AFB as civilian head of maintenance in the motor pool. He ran his charter business on his vacation time and on weekends from May through October for years. Every spare moment and every spare penny went back into the charter business. I went out with him numerous times in the 1970s and he always spoke of his dream of operating out of Valdez and doing more tourism with trips to the Columbia glacier and other areas in PWS. He began to realize his dream about 10 years ago when he quit his job (with retirement only a few years away) mortgaged all he owned and had a new boat built expressly for glacier touring. At that time the Columbia Queen had been in service running glacier tours for at least 10 years, and Stan and his family decided to compete full time for their market. They bought a house in Valdez and moved the whole family there for the summer, a tradition they have kept up ever since. Their fleet has gone through several changes in boats, routes, and schedules to where they now have 1 boat in Cordova strictly for charter work, and two in Valdez on the regular glacier tour runs. They have also

leased 200 acres on Growler Island directly across the channel from the glacier where their tour customers are fed lunch in a beautiful, rustic Alaskan atmosphere.

Ever since Stan has been in full time glacier business, he has come to realize that his toughest competition comes not from the Columbia Queen or any of the other tour boats, but from the Alaska Marine Highway (AMH) system's ferries. Stan and his family are the hardest working people I know. His energy is focused on his family, his business, and the well-being of PWS and Alaska. He is a fair man and welcomes the competition from private enterprise. It seems unfair, then, for him and the others to have to compete head to head with the state. They rely on a 90 day tourist season to reap a 365 day income. The state doesn't compete with its fishermen; the state doesn't compete with its loggers, the state doesn't trap, or guide hunters for bear or moose. Why, then, does it compete with this portion of the tourism trade? The AMH is an integral and necessary part of the transportation network in southeast and southcentral Alaska. It gets people, information, and freight from place to place in a timely manner. It brings tourists to towns that would be otherwise bypassed by many. It is convenient and inexpensive. And, it should stop there! Stan and the other operators support the ferry system, indeed they rely on it in part for bringing people to the area, thereby bolstering the local economy, but the service between Valdez and Whittier is much more than just a ferry ride. Have you ever been on that trip? Judy and I took it this summer from Whittier to Valdez where we were to join the Stephens for their glacier cruise and a few days on Growler Island. The ferry pulled right into the glacier's bay, at least a 10 mile and 45-60 minute detour, stopped and maneuvered as close to the glacier face as possible, presented a slide show and nature talk and then left. It was wonderful. And free. And exactly what we had expected when we went out with Stan. Had we been tourists, we would have cancelled the trip with the private operator after having gotten a tour gratis from the sovereign state of Alaska.

I spoke to John Holterman of AMH. He contends that the ferry has been running to the glacier since 1965 and there is an historic precedent for them to be there. Well the Columbia Queen had been in service on that route for years prior to my first visit in 1971. Mr Holterman said the people of Valdez and Whittier liked the ferry service for the business it generated for them. I would say yes, the ferry plays a vital role in bringing tourists into those towns, but more local income would be generated if the state stopped running side trips where local operators already do.

3.

He also mentioned that 20% of the ferry riders are senior citizens and they get to ride free of charge. This is a nice gesture on the part of the state, but if you were an elderly traveler which tour would you take? There is a large number of seniors who drive to Valdez or Whittier, park their vehicles, and ride the ferry round-trip from one port to the other and return for free! I found this out from RV and camper park operators in Valdez. Free travel to the elderly is fine, but free tours to highlights such as Columbia glacier are not. The elderly who travel around our state are among the most able to afford it. Stan gives them reduced rates for the tours he operates, but the ferry takes many of his potential clients away at taxpayer's expense! During the regular passage from port to port, the ferry would pass just 5 miles out from the glacier face amidst the calved icebergs. The glacier front is visible for 20 minutes from that range and is truly a magnificent sight. This is spectacular scenery and I feel that the state has no obligation to give its ferry passengers more than this view, and more strongly that they have no right to extend this sightseeing venture into an area so well supplied with local services. I feel it is harmful to the local economy and a waste of the taxpayer's money. You must remember too, that many of the riders are locals whose main objective is to get from one place to the other in the shortest time. To many of them I'm sure the side trip is an hour they would rather waste some other way.

I can imagine the ferry being used as an intimate sightseeing vessel in an area where the distance from a port were so great that it would be cost prohibitive for private operators to run charters to it. If the Columbia glacier were another 30 miles from Valdez I doubt there would be any beef about the AMI touring it. But the fact is it is very accessible from Valdez and these operators do have a chance to make a decent living from it. Let the ferry riders glimpse the glacier at a distance, from the channel; when their appetites for further adventure, inform them of the availability of private services to the glacier and other areas within the sound, then let the private operators compete among themselves for their business.

I asked Mr. Holterman about the possibility of conducting a user survey to assess the importance of the glacier detour to ferry ridership. Is it a crucial drawing card? Would people pass up the ferry ride altogether if the glacier were left out? I doubt it due to the need for passage from port to port; people don't like dead end roads. Another interesting angle would be to figure the cost savings to the state. Holterman said he thought they would be negligible, but the hour saved on each run could possibly lower

costs by 12-15%. Perhaps the best way to assess the impact of the tour would be to simply drop it for a year or two and see if the ferry suffered. You could probably find that out easily by comparing figures from the Hammond years; when former Governor Hammond was apprised of the competition by the state, he promptly cut the glacier tour out of the ferry itinerary. Governor Sheffield re-instated it shortly after his rise to office. I think the ultimate question here centers not on whether the state might lose a few dollars revenue, but on whether the state has the right to provide services available <sup>from</sup> to the private sector and to compete with the private sector for their livelihood.

I've carried on enough here, Steve, and I hope you get the point I tried to make. I don't know where these decisions are made, but I figured the top might be a good place to start. Could you please let me know your thoughts on this subject and pass on any clues as to where to further pursue the matter. Thanks for your indulgence.

Give my regards to Michael, and feed Wade plenty of Wheaties; we need some new blood on the team. Sincerely,

Raf

*Sorry for the poor typing, but I write even worse!*

WAVETAMER  
North Country Kayaking  
P.O. Box 228, Kodiak, Alaska 99615  
907-486-2604

May 6, 1991

Senator Curt Menard  
Senator Pat Pourchot  
Senator Fred Zharoff  
Rep. Cliff Davidson

Gentlemen,

Please pardon the collective letter format but I wanted to reach you all in a timely manner regarding the passage of Senate Concurrent Resolution No. 24 Relating to state ferry tours of Columbia Bay and to service by the marine highway system.

I feel it is in the best progressive and cooperative interest of the Alaska Marine Highway and the private visitor industry to clearly establish the boundaries of the Alaska Marine Highway routes in Prince William Sound.

Of particular concern is the intrusion of the state-subsidized AMH system into Columbia Bay which results in direct competition with private sector tourism efforts.

I feel that AMH vessels should stay outside of Columbia Bay and that the extent of their intrusion not be based upon arbitrary geological features created by the unpredictable advance or retreat of the ice pack or glacier face.

The Alaska Marine Highway network in Prince William Sound is a unique visitor amenity in Alaska. Its operation should in no way hinder or compete with private enterprise. Operating outside Columbia Bay still affords passengers a view of this wonderful attraction while reserving the opportunity for closer scrutiny to be provided by those private vendors who have invested time and capital into that service.

I feel the AMH can best serve coastal Alaska by providing consistent, timely and responsible service to those communities dependent upon the AMH for myriad commerce and transportation needs. Maintaining a non-competitive stature can only further enhance that relationship between the AMH and private enterprise.

Sincerely,



Tom Watson  
Kodiak, AK





*Department of Transportation  
and Public Facilities*

# POSITION PAPER

BILL NO: SCR 24

APPROVED:

A handwritten signature in black ink, appearing to read "W. Keith Paul", written over a horizontal line.

TITLE: Service Provided by A.M.H.S.

DATE: May 8, 1991

The M/V E.L. Bartlett, a 193' vessel with a capacity for 190 passengers and 30 vehicle units, serves the Prince William Sound communities of Cordova, Valdez, and Whittier.

During the winter months, the M/V Bartlett makes 5 trips a week between Cordova and Valdez. In summer months (May through September) the M/V Bartlett's weekly schedule starts on Monday morning with the first of 5 departures from Valdez to Whittier. In addition, the vessel will sail from Whittier to Valdez 5 times, Cordova to Valdez twice, Valdez to Cordova twice, and once each way between Cordova and Whittier.

An adult passage between Valdez and Whittier costs \$56, a 23' vehicle (average length for this run) costs \$124. Adult and vehicle fare between Whittier and Cordova is the same except on voyages not via Columbia Glacier when the fares are reduced to \$34 and \$114 respectively. The 7-hour run brings the ship no closer than 3.5 miles from the face of Columbia Glacier.

Between May 1 and September 30, 1990, the M/V Bartlett transported 22,704 passengers and 6,494 vehicles earning \$1,642,395 in revenue while promoting regional growth and economic development. The A.M.H.S. estimates that 65% of the M/V Bartlett's passenger traffic is accompanying an associated vehicle. Confirmed bookings have been made for 10,380 passengers and 3,750 vehicles to travel on the M/V Bartlett this summer.

The M/V Tustumena, a 296' vessel with a capacity for 220 passengers, 41 vehicle units, and 26 staterooms, makes a weekly summer run from Seward to Valdez, via Columbia Glacier, then continues on to Cordova prior to its return along the same route. Between June 1 and September 30, 1990, the M/V Tustumena carried 4,786 passengers and 1,294 vehicles on this route, earning \$170,576 in revenue. The A.M.H.S. estimates that 70% of the M/V Tustumena's passengers on this route are accompanying an associated vehicle. As of May 2, there were 903 passengers and 255 vehicle bookings confirmed for the M/V Tustumena on the Seward-Valdez-Cordova and return sailings.

Elimination of these routes, in particular the M/V Bartlett sailings, would have a dramatic impact on the traveling public, local community economy, and the revenues of the A.M.H.S. It is not clear that there is private replacement service that will accommodate the demand for passenger and vehicle transportation across Prince William Sound.

*For Further Information contact Katy McHugh at 465-3900.*

BACK-UP PHONE: 541-1199

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* DELIVER TO: LIOCROG
*
* ORIGINAL
* SENT: 05/07/91 TIME: 13:42
* FROM: LIOCKOD
* SUBJECT: 91-05-010; FL#1; JT. TRNS; 5-7-91
* PRINT DATE: 05/07/91 TIME: 13:42
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T/C NO: 91-05-010
DATE: MAY 7, 1991 - TUESDAY
SPONSOR: JOINT TRANSPORTATION COMMITTEES
SUBJECT: PORTS & HARBORS & SCR24
MODERATOR: TINA WITTEVEEN
SITE: KODIAK L.I.O.

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PARTICIPANT LIST 1

HERE OBSERVING:

NAME/REPRESENTING	ADDRESS	PHONE	PTI NO
1. WAYNE A STEVENS/	KODIAK CHAMBER OF COMMERCE		SCR 24

2 LOIS HANSEN PAYTON / KICVB SCR 24

START TIME: 1:35 PM

END TIME:

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\*  
\* DELIVER TO: LIOCROG \*  
\*  
\* ORIGINAL \*  
\* SENT: 05/07/91 TIME: 14:33 \*  
\* FROM: LIOCKOD \*  
\* SUBJECT: CHANGED HIS MIND 91-05-010 \*  
\* PRINT DATE: 05/07/91 TIME: 14:33 \*  
\*  
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ROGER

OUR PARTICIPANT WAYNE STEVENS HAS CHANGED HIS MIND AND WOULD LIKE  
TO TESTIFY IF POSSIBLE.

TINA IN KODIAK

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* DELIVER TO: LIOCRUG
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* ORIGINAL
* SENT: 05/07/91 TIME: 14:08
* FROM: LIOCMIL
* SUBJECT: 91-05-010; FL#2; (JNT) TRANS: 5/7
* PRINT DATE: 05/07/91 TIME: 14:08
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SUBJECT LINE TO READ: TC NO.; FL FS; SHORT SUBJECT: DATE

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T/C NO: 91-05-010
DATE: 5/7
SPONSOR: JNT TRANS
SUBJECT: SCR 24
MODERATOR: JUDY
SITE: ANCHORAGE

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PARTICIPANT LIST

\*\*\*\*\*  
TO TESTIFY

NAMES/REPRESENTING	ADDRESS	PHONE	BILL NO.
1. STEPHEN BOARDMAN/CORPS OF ENG.	POB 898	99506 753-5799	
2. RICHARD WILSON/ST GEORGE	4000 OLD SEWARD	561-2124	
3. BRAD PHILLIPS			SCR 24
4. Carl Cox			

~~5.~~  
6.

\*\*\*\*\*  
TO OBSERVE:

NAME / REPRESENTING	ADDRESS	PHONE	BILL NO.
1. KAY HANELINE/DOT			
2.			
3.			
4.			
5.			

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BACK UP NUMBER: 561-1199
EMAIL ADDRESS: LIOCMIL

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*
* DELIVER TO: LIOCROG
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* ORIGINAL
* SENT: 05/07/91 TIME: 14:02
* FROM: LIOCVAL
* SUBJECT: 91-05-010;PL#2;JT.TRANS;5/7
* PRINT DATE: 05/07/91 TIME: 14:02
*
*****

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SUBJECT LINE TO READ: TC NO. :PI /ES. SHORT SUBJECT. DATE

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T/C NO: 91-05-010
DATE: MAY 7 1991
SPONSOR: INTNT TRANSPORTATION
SUBJECT: PORTS AND HARBORS - SCR 24
MODERATOR: SHARON LAWRENCE
SITE: VALDEZ

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PARTICIPANT LIST#2

FINAL STATS

\*\*\*\*\*  
TESTIFIED

NAME/REPRESENTING	ADDRESS	PHONE	BILL NO.
1. STAN STEPHENS			
2. GARY KRANENBURG			

\*\*\*\*\*  
OBSERVED

NAME/REPRESENTING	ADDRESS	PHONE	BILL NO.
1. TOM MCALISTER			
2. SANDY ANACKER			

\*\*\*\*\*

TESTIFIED:  
UNABLE:  
OBSERVED:  
TOTAL:

START TIME:

END TIME:



0-1

Stanley F. Stephens  
Owner

A Special Charter Service  
of Prince William Sound  
for Hunting, Fishing, Sight  
seeing, Photography, Business,  
Entertainment, Columbia  
Cruise Lines, Special  
Overnight Cruises, Departing  
from Valdez, Cordova or  
Whittier

January 3, 1989

Lt. Gov. Steve McAlpine  
Box AA

Juneau, Alaska 99811

Box 1297  
Valdez, Alaska 99686  
(907) 835-1731

Dear Steve:

Here are a few copies of letters sent to the state in regards to the Alaska Marine Hiway System. I don't have the copy of the one sent by Cordova or the Prince William Sound Coalition. For information on Cordova call Margie Johnson, Reluctant Fisherman, 424-3272, for information on P.W.S.C. call Pete Nagel, Chugach Alaska Corp., 563-8866. I have not enclosed one of my own letters but can do that at a later date if needed.

The one thing that is completely ignored by the state is the original intent of the Alaska State Ferry System which passed the legislature. It was not the intent then, nor is it now to have the state competing with Private Enterprise in the tour business. The ferry system is a transportation link, an extension of a hiway. The Bartlett is nothing but a tourboat, the state freely admits this. When the Bartlett accidentally grounded on the moraine, the judge during the inquest asked why they were there, then they said, "it is because the Glacier makes the trip possible." The state freely admits that it is fear of loss of revenue that keeps them competing with Private Enterprise.

I carried about 30% of my capacity last year, Westours about the same, the Glacier Seas less, and I'm not sure about the Lu Lu Belle.

Its critical to all of us that the state discontinues this practice. If this state is to grow independent and strong

D-2



Stanley F. Stephens  
Owner

Boat Charter Service  
Lease & Repair  
Hunting, Fishing, Sight  
ing, Photography, Business  
Excursions, Columbia  
River, Alaska, Special  
Cruises, Departing  
Anchorage, Cordova or  
Homer

Box 1297  
Anchorage, Alaska 99506  
907/835-1731

it will do it with a strong private sector, not state gov-  
ernment.

We simply cannot compete with the state. Sending along  
an article by an Anchorage paper describes the Bartlett  
when its at the Glacier.

Have you seen the new 1989 Marine Hiway Brochure?  
The back page has a large picture of the Bartlett in at the  
Columbia Glacier. George Davidson is going to tell the Gov.  
that he can't stop going into the Glacier in 1989 because  
he already had it advertised. This picture was put in that  
brochure to strengthen the arguement when the topic came up.

Steve, I have never let up on this subject. They have  
always been aware of the conflict.

Its time they do the right thing by those of us who are  
trying to service a short but great industry.

Just one more thing: The Federal government gives the  
state money to help build their boats. I have to beg the banks  
and pay high interest rates to build mine. The Federal gover-  
nment in this case is also competing with Private Enterprise.

Thanks for your help,  
*Stan Stephens*  
Stanley F. Stephens



Stanley F. Stephens  
Owner

Special Charter Service  
in Prince William Sound  
for Hunting, Fishing, Sight  
seeing, Photography, Business  
Excursions, Columbia  
Channel Cruises, Special  
through Cruises Departing  
from Valdez, Cordova or  
Sitka

January 4, 1989

*Sent to Sen Young, Senator Stevens &  
Senator Murkowski*

Box 1297  
Valdez, Alaska 99686  
(907) 835-4731

For the last six years (since the Hammond administration) Prince William Sound tour operators have been in an ongoing battle with the State Marine Highway system over the M/V E.L. Bartlett.

The Bartlett competes directly with private enterprise for tourist dollars by making a detour from its normal point A to point B route and going into Columbia Bay. The Department of Transportation has admitted that the reason they make this detour is because it generates more revenue for them.

Being that the state receives federal funds to build their vessels and private enterprise must pay high interest rates to banks to build theirs, the Federal Government is in direct and unfair competition with private enterprise.

I know that you know that private enterprise is the backbone and strength of our country. To enfeeble it into this strength, even in a small dose is a very dangerous precedent.

The state has received many letters asking them not to compete with private enterprise from the Alaska Visitors' Association, The Valdez Chamber of Commerce, Cordova Chamber of Commerce, Glenallen Chamber of Commerce, Chugach Native Association, Prince William Sound Coalition, and many private letters from companies and individuals. Copies of some of these letters are attached.

The state has completely ignored our requests. My question is why should the state highway system receive federal funds to build vessels which compete directly with private enterprise for tourist dollars?

No Alaskan wants to take action against such a fine operation as the Alaska Marine Highway System. I believe in the Alaska Marine Highway System. It has proven to be a great asset to our communities that have no road system. The system should be used as an extension of a highway or bridge, but not in competition with private enterprise for tourist dollars. The Bartlett is now nothing but a money generating tour boat. It should be, instead, providing around the clock service to Cordova, Valdez and Whittier.

Is it right that you should fight for highway funds that could put private enterprise, long time Alaskans, out of business?

Please consider suggesting to the state that they use this federally supported system to use the state ferries as a transportation link, and not as tour boats.

In deep respect,

Stan Stephens

C-1



Stanley F. Stephens  
Owner

December 14, 1988

Honorable Governor Steven Cowper  
State of Alaska  
Pouch A  
Juneau, Alaska 99811

Re: Current intrusion into Columbia Bay, Prince William Sound, by  
the Alaska Ferry, M/V Bartlett and M/V Tustemena

Dear Governor Cowper:

This letter is to further explain my position with regards to the  
current Alaska Marine Ferry System's scheduled excursion into  
Columbia Bay, directly competing with private enterprise.

As I'm sure you are aware, many letters from local tour  
operators, chambers of commerce, convention & visitors bureaus,  
and strong tourism lobbying groups have been sent to you and  
other legislators, voicing their strong positions on competition  
between the State operated ferry system and private enterprise.  
There are still additional support letters being generated and  
being forwarded to your office. I feel this situation demands  
serious attention since the financial hardship and unfair  
competition has caused damage to the successful continuation of  
private tour operators servicing the visitor industry in Prince  
William Sound.

During my conversation with George Davidson on this date, he  
indicates the Ferry Bartlett will suffer severe financial damage  
if forced to stop the Columbia Bay/Columbia Glacier trip;  
however, I need to emphasize we, too, have insurmountable  
hardships when competing with the state. He also stated that to  
consider any schedule change would take strong direction from  
you.

This issue has become extremely important and of great concern to  
private enterprise. Lobbying groups have adopted resolutions in  
support of private enterprise and as of yet, although these  
resolutions have been sent to your office, no response as to your  
considered actions have been noted. Whatever happened to  
government for the people and government doing what private  
enterprise cannot?

The ferry system is critical as a source of transportation to the  
many residents of the communities in Prince William Sound,  
providing the highway network and connection, especially for the  
Cordova resident! Often the highway system can only provide the

Special Charter Service  
Prince William Sound  
Hunting, Fishing, Sight  
ing, Photography, Business  
Entertainment, Columbia  
Bay Cruises, Special  
Straight Cruises, Departing  
in Juneau, Cordova or  
Sitka

Box 1297  
Juneau, Alaska 99806  
(907) 835-4731

C-2

necessary quality of life function and cannot be a revenue generating opportunity for the state. I'm sure the highway systems loses lots of money clearing snow and performing highway maintenance and does not look at this loss as reason to stop the necessary functions; however, it seems the Ferry system is being addressed just this way. My question is....Where is the consistency with regards to transportation?

The argument that the Ferry was the first to go into Columbia Bay and offer this excursion is a mistruth. The Gypsy Queen long before the Earthquake was making daily trips in Columbia Glacier. There was not an established ferry into Prince William Sound then. It did take private enterprise longer to recover from the damage of the Earthquake. The Ferry started right up offering this tourist opportunity, but by 1967, both were in the Columbia Glacier business.

It is time the State stops playing TOUR BOAT!

I hope you are not willing to bankrupt private enterprise for the financial stability of the Alaska Ferry System. I've strived since the Hammond Administration to show the State how wrong and how extremely damaging to the existence of private enterprise direct competition with the State is. I feel the main problem with any change to the Ferry System schedule or route is the certain political problems that may arise, favorable or unfavorable.

It is my greatest concern that this issue not be shoved behind the door and that you address private enterprises' critical situation immediately.

In deep respect,

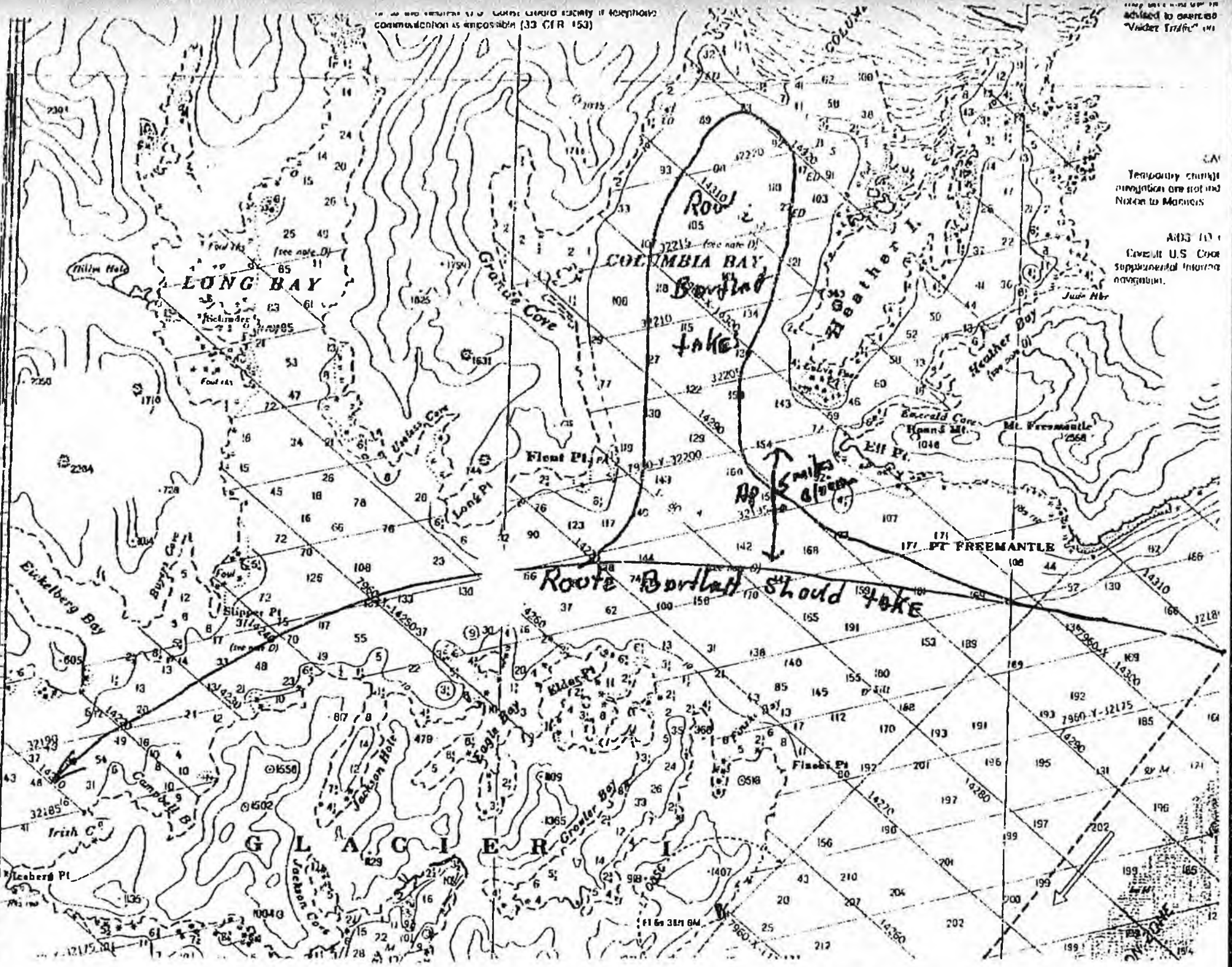
Stan Stephens

Use of this chart is subject to the same general liability as telephone communication is impossible (33 CFR 153)

Keep well advised to current "Under Traffic" info

Temporary change navigation are not not Noted to Mariners

ADG 101 Current U.S. Coast Supplemental Information





# Alaska Sightseeing Tours

**TravAlaska**

349 Wrangell St., Anchorage, AK 99501  
(907) 276-7141 • Telex: (090) 26363 • Fax: (907) 276-2155

March 28, 1991

To: Representative Curt Menard  
Johanna Munson  
Juneau, Alaska

From: John Kreilkamp  
Director of Sales  
Alaska Sightseeing Tours  
543 West 4th Avenue  
Anchorage, Alaska 99501  
907-276-1305 (fax 272-5617)

RE: The M/V Bartlett's operation into Columbia Bay

On behalf of Alaska Sightseeing Tours, I want to make it very clear that we are opposed to the presence of the State's Marine Highway vessels in Columbia Bay. Columbia Bay has numerous private carriers operating daily into the Sound. Rarely have those operators had their inventory of available seats dry up because of popular demand. As the number of day boats operating in the Sound increases, it only adds insult to injury seeing a blue canoe operated with taxpayers money, cruise into Columbia Bay.

Columbia Glacier is one of the most renowned destinations in Alaska, if not the world. To have a half dozen private operators competing with the State in the Bay is ridiculous. As one who has regularly attended marketplace forums such as the Nation Tour Association, I cringe when I hear buyers say that our group fare between Whittier and Valdez is twice that of the Ferry's. We simply cannot compete with the rates set by the State of Alaska.

The Ferry system should stick to a course which serves the direct path from community to community and leave the sightseeing to private industry. I respectfully request that the State stop this unfair competition, and do hope to hear from you soon on the progress of your efforts.



Holland America Line  
Westours Inc.

November 7, 1988

The Honorable Steve Cowper  
Governor  
STATE OF ALASKA  
Pouch A  
Juneau, AK 99811

Dear Governor Cowper:

As you may be aware, those of us in the Visitor Industry in Prince William Sound are very concerned by the fact that the Alaska Marine Highway vessels are operating on a route parallel to those of the private tour vessels and they have had a very serious and negative impact on the operation of all of the private tour vessels on the Sound. The Glacier Queen II, which we operate, saw its volume drop by over 21% from 1987 to 1988 even though we lowered the price by offering special incentives.

We are very aware that many group tour operators who have historically used Stan Stephens, Alaska Sightseeing, or ourselves, have now moved over onto the ferry. This subsidized competition places an unreasonable financial burden on the private operators and even places some in jeopardy of losing their businesses. I believe the situation will also have a very negative impact on the hotels, fuel suppliers and other local businesses in Valdez as well.

I would ask that the Department of Transportation and the Alaska Marine Highway operate direct between Valdez and Whittier and inform any inquiries they do receive that they will be operating direct as we have already been told by some of our current group operators that they are planning to leave the private vessels and cruise on the ferry for 1989.

Thank you for your consideration of this issue. Please let me know if I can be of any further assistance or answer any questions.

Sincerely,

Thomas C. Tougas  
Vice President  
Transportation Division

TCT/sch

cc: George Davidson  
Director, Alaska Marine Highway System

300 Elliott Ave. West  
Seattle, WA 98119  
206 281-3535  
Telex: 164564 HALL WSEA  
FAX: 206 283-2687 or 206 281-7110

A RESOLUTION OF THE  
GREATER COPPER VALLEY CHAMBER OF COMMERCE  
RE: ALASKA MARINE HIGHWAY POLICY

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WHEREAS, the Marine Highway System of the State of Alaska is an extension of the Alaska state highway system, and

WHEREAS, tours to the Columbia Glacier via Columbia Bay is a tourist excursion developed by private enterprise for the benefit of the visitors to Alaska and the tourist industry, and

WHEREAS, the intrusion of the state's Marine Highway System into Columbia Bay by the ferries traveling between Valdez and Whittier (namely the M/V Bartlett and M/V Tustumena) places the State of Alaska in direct competition with private industry, and

WHEREAS, such competition is unfair because through state subsidies, the Marine Highway System is offering reduced rates to the general public and free passage to persons over the age of sixty-five (65) years, and

WHEREAS, the policy of free passage during the period from May 16th to September 30th, commonly referred to as the tourist season, does not apply to any main trunk line within the Marine Highway System other than the line between Valdez and Whittier, and

WHEREAS, such unfair competition is placing private enterprise in financial jeopardy,

THEREFORE NOW BE IT RESOLVED, that the Greater Copper Valley Chamber of Commerce hereby requests that the State of Alaska, Department of Transportation and Public Facilities, Division of Marine Highways, cease and desist from their practice of allowing any and all ferries to enter the Columbia Bay from the period of May 16, to September 30, and

FURTHER, that the Marine Highway System no longer allow free passage to persons over the age of sixty-five (65) years on any main trunk line of the system, including the line between Valdez and Whittier, and

Further, that the Marine Highway System develop a constant and regular schedule and become a daily link between the major communities of the Prince William Sound, namely Cordova, Valdez and Whittier.

The above resolution is approved and signed this 4/7/88

day of September, 1988 by the following members

of Greater Copper Valley Chamber of Commerce.

Donna Tollman  
Donna Tollman, President

Jasper Hall  
Jasper Hall, Vice President

Evelyn Bunch  
Evelyn Bunch, Secretary

Sandy Filzman  
Sandy Filzman, Treasurer

Park Kriner  
Park Kriner, Director

Mike Lanegan  
Mike Lanegan, Director

Don Horrell  
Don Horrell, Director

Peggy Keesecker  
Peggy Keesecker, Director

David Bruno  
David Bruno, Director

Gail Niebrugge  
Gail Niebrugge, Director

Ronald Bursey  
Ronald Bursey, Director

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**Valdez Convention  
& Visitors Bureau**

P.O. Box 1603 Valdez, Alaska 99686 (907)835-2954

November 9, 1988

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

Dear George:

The Board of Directors for the Valdez Convention & Visitors Bureau at a meeting on November 8, 1988, voted to unanimously support the Alaska Visitors Association Resolution regarding the Alaska Marine Highway intrusion into Columbia Bay.

The VCVB recognizes the vital importance of services provided by the Alaska Marine Highway Ferry System in Prince William Sound and would like to commend your efforts. However, with the additional time in your current schedule allowing for an excursion into the Columbia Glacier area, providing visitor services that are currently being performed by private enterprise, the function of transportation between the communities of Cordova, Whittier and Valdez is being limited. We would like to suggest that investigation of a round robin type of schedule connecting the Prince William Sound communities might be more beneficial to all.

George, thank you for allowing us this opportunity to communicate our concerns and ideas.

Sincerely,



Karen Cowart  
Executive Director

# Valdez Chamber of Commerce

P.O. Box 512 • Valdez, Alaska 99686 • Phone 835-2330

December 29, 1988

State of Alaska  
Office of the Governor  
P.O. Box A  
Juneau, Alaska 99811

Attention: Honorable Steve Cowper, Governor

Re: Alaska Marine Highway Policy - Prince William  
Sound

Dear Governor Gowper,

We would like to state at this time that we support the removal of the state ferries making a side excursion into Columbia Bay. By doing this they are in direct competition with private industry.

You will find enclosed a copy of a resolution passed by the Valdez Chamber of Commerce asking you to see that the movements of the ferry are confined to that of being a link between the primary towns in the Prince William Sound, namely Cordova, Valdez and Whittier.

Sincerely,

  
Don Jacobs, President  
Valdez Chamber of Commerce



# Alaska Sightseeing Tours

## TravAlaska

4th & Battery Bldg., Suite 808, Seattle, WA 98121  
(206) 441-8687 • (800) 426-7702 • Telex: 329-459 • Fax: (206) 441-4757

December 15, 1988

George W. Davidson  
System Director  
Alaska Marine Highway  
P.O. Box "R"  
Juneau, AK 99811

Dear Mr. Davidson:

I wish in this letter to add my support to those requesting that the Alaska State Marine Highway discontinue its practice of conducting a tour of Columbia Glacier on the service between Valdez and Whittier.

At the AVA Conference in Whitehorse in Fall of 1981, the same question was raised. I was a member of the private conference with Mr. Hudson wherein it was agreed that between the industry and the State, the ferry system would divert to operating the ferry into the bay, remaining 3 to 5 miles away from the face of the glacier. The practice has since been altered, and now the ferry goes to the face of the glacier and remains there for an extended period of time, and even drops the ramp to pick up ice! This is a long ways from operating a point to point ferry system.

Private enterprise must be protected from competition with a state operated agency. We, as operators of the M/V Glacier Seas, representing an investment of a million and a half dollars, strenuously object to the State competing in our area of tour operation. It has a strong negative impact on our revenues, brings into question our viability and the ability to continue successful operations. We take a very serious view of this situation.

I can give no credit at all to your claim that you must have revenue from tourists who wish to visit the Columbia Glacier. The original charter of the ferry system was to provide point to point transportation connecting points that were not served by highway. This is still the only reason for the ferry's operation. There's no legitimate argument for continuing to operate a tour type of service.

The AVA Conference in Sitka voted in resolution petitioning the State to discontinue tour type ferry service. I now ask you to recognize that the public you are serving does not expect you to compete with private enterprise.

I'm sure that should a public forum be held on this subject, that the people of the State of Alaska would support the position that we are taking. Please advise your decision on this matter.

Very Sincerely Yours,

Charles B. West  
President

Member

ASTA



October 25, 1988

Mr. George Davidson, Director  
Alaska Marine Highway System  
Department of Transportation & Public Facilities  
P.O. Box R  
Juneau, Alaska 99811

Dear Mr. Davidson:

This is to express our views on the resolution recently passed at the annual Alaska Visitors Association convention in Sitka concerning the Marine Highway System routing in the Kenai and Prince William Sound Region. Chugach Alaska Corporation (CAC) is the Native regional corporation for the Prince William Sound/South Kenai/Central Gulf of Alaska area. The company is also a member of AVA and the Prince William Sound Tourism Coalition.

The communities of the Chugach Region from west to east include Port Graham, English Bay, Seward, Chenega Bay, Whittier, Valdez, Tatitlek and Cordova. There is no regularly scheduled transportation linking all of the Region's communities or even those within its two populated districts, the Prince William Sound and south Kenai Peninsula.

As a company owned by a significant percentage of the local population with major land holdings and business investments throughout the area, CAC strongly urges continued improvements to the marine highway's service of the local communities. The ferry schedule should link the communities within each district and provide a link between the two districts. As much as possible, the schedule should provide "two-way" transportation from each community and link the two districts with a schedule that ties into the local ferry schedule.



In conclusion, we thank you for your persistence in improving the service of the Marine Highway to the maritime communities of southcentral Alaska and particularly those of the Chugach Region.

Sincerely,

CHUGACH ALASKA CORPORATION

Michael H. Chittick  
President

- cc: Chenega Corporation
- English Bay Corporation
- Eyak Corporation
- Port Graham Corporation
- Tatitlek Corporation

~~cc: Stan Stephens~~



Plaza Inn Hotels, Inc. d/b/a Days Inn - Anchorage  
321 East Fifth Avenue  
Anchorage, Alaska 99501-2654  
(907) 276-7226

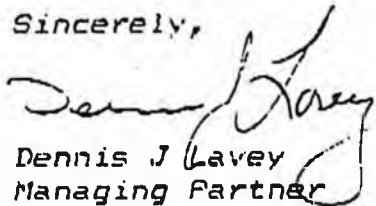
*December 15, 1986*

*To Whom It May Concern;*

*As a 22 year resident of the state of Alaska I am opposed to the state ferries providing tour related services to Columbia Glacier.*

*The state ferry concept began as an alternative to building roads to the coastal communities. The ferries should be providing safe speedy passage between communities, not tour related.*

*Sincerely,*

  
*Dennis J Lavey  
Managing Partner  
Days Inn*



# ALASKA VISITORS ASSOCIATION

P.O. BOX 102220  
ANCHORAGE, ALASKA 99510  
(907) 275-8663

Tel: 21-167  
Within Alaska 090-25-167  
Lower U.S. 090-25-167  
Canada 090-25-167  
International 314-25-167

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Holland America Line-  
Westcott, Inc.  
Seattle, Washington

**Vice President/  
Administration**  
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NAVA Development Corp  
Anchorage, Alaska

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Alaska Travel Services  
Anchorage, Alaska

**Vice President/  
Marketing**  
RALPH WEST  
Alaska West Association  
Anchorage, Alaska

**Secretary**  
BOB PERLO  
Southeast Stevedoring  
Corp  
Ketchikan, Alaska

**Treasurer**  
RAY PEDERSEN  
Princess Tours  
Seattle, Washington

### PAST PRESIDENTS

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1981-1982

EDWARD D. COFFEY  
1983-1985

MARSHALL CRUTCHER  
1985-1988

BEN CRAWFORD  
1988-1989

EVERETT PATTON  
1989-1990

ROBERT A. BAKER  
1990-1991

ROBERT E. ELLIS  
1991-1992

ROBERT J. HERRON  
1992-1993

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1993-1994

H. JACK MUSEL  
1994-1995

JAMES GAMBON  
1995-1996

FRANK DOWNEY  
1996-1997

BILL SHEFFIELD  
1997-1998

JOHN MONROE  
1998-1999

RONALD LATHMORE  
1999-2000

JOHN STEVENS  
2000-2001

LEN LAURANCE  
2001-2002

E. AL PARRISH  
2002-2003

AL "BOB" HALBERG  
2003-2004

CHUCK WEST  
2004-2005

CHARLES CONWAY  
2005-2006

JAM BINKLEY  
2006-2007

MARTHA EDWARDS  
2007-2008

ROLF KLUG  
2008-2009

DAVE PALMER  
2009-2010

CHRIS VON IMHOFF  
2010-2011

ROBERT M. BRENNAN  
2011-2012

DENNIS BRANDON  
2012-2013

AL "KIRK" JANTERMAN  
2013-2014

JOHN LITTE  
2014-2015

1988-19

## A RESOLUTION OF THE ALASKA VISITORS ASSOCIATION REGARDING:

### The Alaska Marine Highway intrusion into Columbia Bay.

WHEREAS, the Marine Highway System is an extension of the Alaska highway system, and

WHEREAS, the Columbia Glacier tours is a product developed by private enterprise for the benefit of the visitor industry, and

WHEREAS, the intrusion of the State's Marine Highway System into Columbia Bay places the State in direct competition with private industry, and

WHEREAS, such competition is unfair and places private enterprise in financial jeopardy with reduced rates and free passage to Senior Citizens

NOW, THEREFORE BE IT RESOLVED, that the Alaska Visitors Association hereby requests the State of Alaska, Department of Transportation and Public Facilities, Division of Marine Highways cease and desist their practice of allowing any and all ferries to enter Columbia Bay, and

BE IT FURTHER RESOLVED that the marine Highway System eliminate their policy of Complimentary passage to Senior Citizens during the tourist season of May 1 through October 1, effective immediately, and **TAKE OUT**

BE IT FURTHER RESOLVED that the Marine Highway System develop a constant and regular schedule and become a link between the major cities of the Prince William Sound, namely Cordova, Valdez and Whittier.

Sponsored by Stan Stephens, Stan Stephens Charters  
Brad Phillips, Phillips Cruises  
Harry Wheeler, Alaska Sightseeing Tours

presented at the Voice of the Membership, MOTION PASSED TO PUT RESOLUTION ON AGENDA, October 15, 1988

AMENDED AND ADOPTED by the membership on October 15, 1988

State of Alaska  
Office of the Governor  
P. O. Box A  
Juneau, Alaska 99811

November 11, 1988

Attention: Honorable Steve Cowper, Governor

Re: Alaska Marine Highway Policy - Prince William Sound

Dear Governor Cowper:

We spoke with you in Tok last month regarding the policy of the Alaska Marine Highway as it relates to the M/V Bartlett and M/V Tustumena incursion into Columbia Bay during the tourist season on their passage from Valdez to Whittier.

In brief, the ferry is intruding upon the work of private industry and by doing so the private carriers increasingly find themselves in financial jeopardy. It is simply wrong for the state to be in business doing a job that private industry can do; especially when private industry is willing and able to perform the task.

Please find enclosed a copy of a resolution passed by the Greater Copper Valley Chamber of Commerce, signed and dated November 7, 1988, asking you to see that the movements of the ferry are confined to that of being a link between the primary towns in the Prince William Sound, namely Cordova, Whittier and Valdez.

Please give this matter your attention so the results of the decision you make can be reflected in the Summer Marine Highway Schedule.

Please forward a reply once your decision is made.

Sincerely,

L. Alan LeMaster, President  
Gakona Junction Village; and President  
Alaska Highways Marketing Network and Member  
DOT&PF TODS Taskforce

cc: Hon. Jack Coghill, Senator District J  
Hon. Dick Shultz, Representative District 17  
Mr. Mark Hickey, Commissioner DOT&PF  
Mr. George Davidson, Deputy Commissioner DOT&PF  
Mr. Douglas Burton, Traffic Manager Ak. Marine Highways  
file