

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 06/2

2103 HT ORIENTATION HAUL ROAD. AK RFP - TRANSP. PACKAGE 2103

Page three  
FIRST REPORT OF THE HOUSE TRANSPORTATION  
INTERIM COMMITTEE

U.S. Geological Survey was consulted to find what maps and materials were available and also contact people for additional information. Many maps and other information was collected and an index of these is being compiled.

In conversation with other aides in Fairbanks, the issue of the O'Brian Creek Bridge outside of Chitina was raised and a topic for further investigation is the responsibility of the Department of Transportation to maintain certain roads and facilities. Responsibility has been shifted from this bridge from D.O.T. to possibly Department of Natural Resources, to possibly the Bureau of Land management, with the end result, each agency pointing to the other while nothing is done about the situation. The committee will research this responsibility question with the help of Kasiloff Associates contract and report legislation that may be needed. One of the things that was referred to in the five-phase audits of the Department of Transportation is that Legislative intent is absent in many areas. This will be addressed in the final interim report of the committee.

It was also found on this research trip several practices that are used by the department in regards to Federal Funding, maintenance--reconstruction attitudes and these will be investigated further and included in the final report.

\*\*\*It should be explained here that the Department of Transportation is so large and complex that there may be no clear cut solutions to problems on a state-wide basis, as situations differ from region to region and a conclusion that may be drawn in one area of the state is not applicable to the whole state. It is important to be cautious of oversimplification in these discussions. More information will be available in the final report.

Much time was spent at the Rasmusson Library on the University of Alaska Fairbanks Campus. This library is the repository for many of the state reports and consultant surveys that have been done. The committee had been told during the Legislative Session, that many of the materials requested were not available. This proved to be not true as many of the materials were on the shelf at the library. They had been done at different times by different sources but are readily available to anyone.

A partial listing of the materials includes:

- A Proposal to Develop a Study for a Statewide Transportation Plan
- Multimodal Transportation and Utility Corridor Systems in Alaska
- Air Cushion Vehicles as Knik Arm Ferries
- Five Year Highway Construction Program, January 1976
- Ak. Region Ten Year Plan FY 80-FY 89 U.S. F.A.A.
- Alaska Railroad Annual Reports

Page four  
FIRST REPORT OF THE HOUSE TRANSPORTATION  
INTERIM COMMITTEE

Information was also accumulated on the Dalton Highway (Haul Road) for the files and to check into reported absence of maintenance. At this same time, there was a "shut-down" by both independent and union truck operators until substantial repairs could be implemented.

Rep. Cato, Rep. Abood attended a meeting that was called to address these concerns. Also in attendance was Lt. Governor Terry Miller, Ron Lind-D.O.T., Sen. Parr, Rep. Smith.

The Chairman toured the Shotgun Cove Road situation in Whittier. Much concern has been raised over transportation in and to Whittier during the Legislative Session.

On the same trip, Rep. Cato toured the Fourth of July Creek Marine Industrial Park Facility that is under construction in Seward. This will be a full service marine industrial park when completed and will be able to handle major repair on large commercial and fishing vessels whose work now is done outside of Alaska. Also much construction of drilling rigs and floating platforms could be built there.

The committee has contracted with Kasiloff Associates to provide the committee with recommendations for legislation relating to the Department of Transportation/ Public Facilities, recommendations for accountability to the legislature, by the Department, and other work as outlined in the contract. The interim office is working closely with the principal researcher on this project.

The interim office was exposed to another situation that is very important to many areas of the state in close proximity to the office. Due to a large amount of precipitation, Valdez and Cordova experienced flood situations and serious erosion problems. The office is investigating the amount of attention that is given to erosion control and prevention. This is an area that received attention in the committee in the Legislative Session.

The Transportation Committee has had one meeting to date as a discussion meeting to give new members a collective understanding of issues and share information. It was also a planning meeting for the rest of the interim. The Committee is considering a meeting in Nome to discuss and receive input on transportation issues in the western part of Alaska. Marine Highway Scheduling, Agricultural Development and Transportation, Dalton Highway, Kasiloff Associates contract and other issues were discussed.

Rep. Cato has just completed a round trip on the Dalton Highway to see if improvements have taken place on the road to alleviate the safety and other concerns that have been raised.

Page five  
FIRST REPORT OF THE HOUSE TRANSPORTATION  
INTERIM COMMITTEE

The Chairman also drove the Richardson Highway noting the construction projects underway and the seriously hazardous section between Gulkana and Sourdough Lodge that is not under immediate consideration by the Department of Transportation. (Photographs have been taken.)

A complete report and recommendations on this trip will be submitted to the Transportation Committee and Rep. Randy Phillips when the tapes are transcribed.

This concludes the First Report of the House Transportation Interim Committee. Additional information is available through the interim office. The final report will include this and other reports and also contain findings and recommendations.

# Alaska State Legislature

INTERIM OFFICE  
P.O. BOX 775  
VALDEZ, ALASKA 99636  
(907) 655-5001



## House of Representatives

### Committee on Transportation

Pouch V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-4858

Rep. Bette Cato, Chairman

#### SECOND REPORT OF THE HOUSE TRANSPORTATION INTERIM COMMITTEE

NOVEMBER 15, 1981

This is the second in a series of three reports from the House Transportation Interim Committee. The report will cover activities of the Interim Committee for the period from September 15, 1981 to November 15, 1981. The activities are listed in chronological order. Attached is a copy of the budget breakdown of expenditures through October 1, 1981, and a copy of Kasiloff Associates report to the Committee.

In continuing with the long range goal of the Committee; to work towards a complete state-wide multi-modal plan, several members attended the Maritime '81 Conference. This conference was sponsored jointly by the State Department of Transportation and Public Facilities, the United States Coast Guard, Federal Maritime Administration, the United States Army Corps of Engineers, and the University of Alaska Sea Grant Program.

Attention was focused on four major topics: Commerce and Resources, Operations and Finance, Legislation and Regulation, and Facilities and Technology. Representative Bette Cato, Chairman of the House Transportation Committee spoke on the Legislation and Regulations panel. Many of the participants were from outside of Alaska and the conference perspective showed Alaska in comparison with other areas and trends for the future. Discussions dealt with ports on their own merit. It was established that ports were of little value if there were not the "connecting links" to resources raw materials, or other products to go through the port. In other parts of the world, markets were first set up for use by the country and the instate transportation existed, prior to the export market. It became easy to connect these with water transportation for export trade.

Page 2

Second Report of the House  
Transportation interim Committee

In Alaska, there is not an established pattern to the transportation links. The trend is to export raw materials and import processed goods. Therefore the instate infrastructure does not exist to adequately handle transport of goods to the ports. In some instances, geographical proximity is appropriate but infrastructure efficiency and quality is not.

It was interesting to hear the long range plans for the Harbors Division of the Hawaii Department of Transportation. There was a 1980-1985 plan and also a 2000 plan, complete with engineering specifications, slide presentation and programmed improvements. Alaska State Department of Transportation, does not have a plan for five years or for the year 2000, even though the five year plan is mandated by statute. They have no plan at all. The Commissioner has said that they are not considering at this time, any new roads or are able to provide a five year plan. The lack of a long range plan is a very serious omission of rational development and planning that clearly reflects an administration that is opposed to development, growth of the state, and transportation improvements of any kind.

The Legislature has been told that after the reorganization of the Department, that they have to wait until the regional transportation studies have been completed before a statewide plan can be made. There has been planning under the old Highway department the was in place and could provide some type of direction. This was totally abandoned and currently there is only project planning. Whether or not the project fits into any sort of plan or long range goal for the state is immaterial. This results in "roads to nowhere" and "spot improvements".

This finding is not totally derived from the Maritime '81 Conference, it has been a trend the committee has discovered throughout the entire

Page 3

Second Report of the House  
Transportation Interim Committee

interim. The Conference has emphasized the importance of a comprehensive plan that is not present in the State of Alaska at this time.

The conference will generate a report that will include transcribed meetings and specific recommendations.

Congressional Representative Don Young, at the request of a constituent, received a decision from the Federal Maritime Administration that time on the Alaska Marine Highway System for an able bodied seaman and time may be transferred from limited (to certain seas and operating conditions), to unlimited classification. Thereby allowing seaman to credit hours to certification for all types of operating conditions.

A delgation of Rep. Cato, Rep. Moss and Sharon Tyone--secretary to the Committee attended the Highway Users Federation Association, Western Region, meeting October 2-5, 1981. This meeting was held on the Ferry Columbia on it's route from Seattle to Juneau, Alaska.

The meeting went into depth on vehicular accidents, proposed changes in Federal and local highway safety programs, and changes in funding by the Federal Government. Several participants including those from the private sector, raised several questions. At issue were, where do the private sector fit in, how much funding is available, and what programs are currently in use?

Peter Koltnow from the Washington D.C. office provided some of the answers. Alaska is taking a 75% cut in funding this year in all Highway User funding, which includes safety, training, and planning. The Clean Air act was discussed along with pollution and environmental control.

Page 4

Second Report of the House  
Transportation Interim Committee

Cost effectiveness on auto maintenance and inspection in order to comply with the Pollution and Environmental Controls Acts also received attention in the conference.

The maintenance issue was discussed. Several points were raised including increased costs for maintenance, taxes, user fees. Since 1973, costs for asphalt have risen over 200%.

The Committee has looked into regulations that have been proposed by the Department of Transportation and Public Facilities relating to driveways, railroads and utility permits. These regulations, by definition, "includes any corporation, company, individual, or association of individuals, or any lessee, trustee, or court appointed receiver of the line, that owns, operates, manages, or controls any line, plant, pipeline, or system for furnishing, producing, generating, transmitting, or distributing power, electricity, communications, telecommunications, water, gas, oil, petroleum products, steam, heat, light, chemicals, air sewage, drainage not connected with highway drainage, irrigation, or similar products including publically owned fire and police signal systems, and street lighting systems which directly or indirectly serve the public or any part thereof; and for furnishing transportation of goods or persons by means of a railway, tramway, cableway, conveyor, flume, canal, tunnel, pipeline, or any other similar means. Privately owned facilities devoted exclusively for the use of the owner are included in this definition for the purpose of issuing permits;"

Page 5

Second Report of the House  
Transportation Interim Committee

It could be shown that the Department would have difficulty in complying with its own regulations. The definition of "utility" applies to 44 pages of regulations that directly relate to all of the residents of Alaska. The costs of Capital Improvements will increase in the public sector as well as impact on private ventures increasing the costs of utility services. This too impacts the individual property owner and improvements made "exclusively for the use of the owner" are subject for the purpose of issuing permits.

This set of regulations manifests the basic philosophy of the Administration to prevent or where possible inhibit growth, development, and transportation of resources. This also serves to restrict individuals and subject them to more bureaucratic red tape. In a time when the national trend is to reduce red tape, regulations and permits, we see an administration that is turning out regulations in profusion. This definitely does not reflect "regulatory reform" attempts.

Chairman Rep. Bette Cato, A.A. Steven Soenksen, and Joyce Munson, Kasiloff Associates, traveled to Washington D.C. to study Federal-State related transportation issues. Meetings were arranged through the White House with the Federal Highway Administration, Federal Railway Administration, Department of Interior, Congressional delegation and others.

During the last legislative session, the committee and other legislators have been told that certain projects have been delayed due to Federal Funding problems. We were informed in Washington that the funds are made available at the beginning of the Federal Fiscal Year and that the Alaska Department of Transportation has access to funds on or after that date. Thus the problem lies not with the funding but with the

Page 6

Second Report of the House  
Transportation Interim Committee

Departments non-compliance with federal guidelines or other State Administrative problems. There are over 100 "in state" signatures that are needed for a project, and this administrative boondoggle causes project delays.

The delegation also was told that the Federal Highway Administration could not support Alaska's inclusion in the Interstate Program, although Sen Murkowski's amendment to a bill is before Congress that may permit this. At statehood, Alaska had the chance to join the Interstate program and chose against it. This is because the amount of money the state received would be higher under Federal Aid Primary program due to the amount of land held by the Federal Government. As the land held was 95% of the total land in the state, 95% of the costs of federally approved projects were paid by the Federal Government and 5% of the costs, paid by the state of Alaska.

The Federal Highway Administration provided insight into the 4-R program and the states participation in this. The 4-R stands for resurfacing, restoration, rehabilitation, and reconstruction. This represents federal participation in maintenance functions for non-freeway roads. It was established to permit use of Federal funds to extend the useful life of highways. Size and weight regulations were also discussed.

A copy of meeting notes related to the Railroad Transfer to the State, are attached to this report.

This concludes the second report of the Interim House Transportation Committee. Additional information is available through the interim office. The final interim report will include this and other reports and also contain findings and recommendations.

South-  
eastern  
Conference

Southeastern Conference

February 11, 1982

Attendees Rep. Stetler

Rep. Sattliff

Rep. Cato

Rep. Moss

Rep. Zharraff

Rep. Duncan

Rep. A. Bond

Guests: Rep. Hagen

at the Southeast Conference

Policy statements for air, Marine SE Alaska discussion

① Establish Permanent Airport in all communities

< See Policy Statement >

② "Master Plan" location of Facilities - Proposed future expansion

③ Emergency Landing Strips - Logging road expanded for strip

Marine -

Marine Hwy be setup

Support  
Prime Airport facility - South Terminal - increase  
frequency of rail options in SE.

< Rep. Sattliff requests State Section AA to look into? >

? DOT encouraging Native Corporations to develop emergency landing  
strips

Ahead - I don't see how we can put concentrated efforts into this,  
while there are substandard Airports in the Central and Northern  
areas of the state.

HR 80 March 8-B Yukon territorial legislature will meet with  
Alaska Legislature - would be a good time to SE Conference. Speak  
with Canadians

Rep Hange - All we are asking is the state to request for it  
Service to leave strips intact and not rip them up  
and "Lay + leave to rest."

Rep Seckliff - Could we set up an advisory council  
- We feel the ferry is a bastard child of dot,  
- We need a state department

Rep Hange - we need professional Management.  
- long range plan - needs to be run like a business

52 Conf - We are encouraging the state look at more land based  
travel and less marine

Check out if - southern terminus is in Prime Forest  
World Alaska loose out on federal funds (only link with  
South 48.

70 Perry's Comments - Set up authority

# THE SOUTHEASTERN CONFERENCE

P.O. Box 29  
Douglas, AK 99824  
Phone: 586-6846



January 7, 1982

Representative Bette M. Cato  
Chairman  
Transportation Committee  
House of Representatives  
Pouch V  
Juneau, AK 99811

Dear Representative Cato:

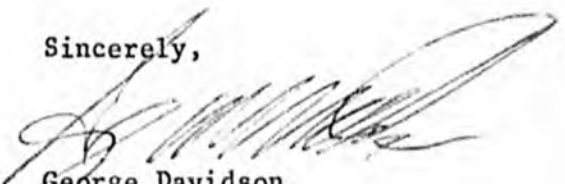
Attached find a copy of a letter sent to Marvin Taylor, Chairman of the Alaska Transportation Planning Council, which incorporates some of our concerns on transportation.

I am also enclosing that portion of our 1981 policy statement on transportation adopted at the Conference's annual meeting in Sitka.

The Board of Directors of the Southeastern Conference will be meeting in Juneau February 10 and 11. We would welcome the opportunity of meeting with you and the members of the Transportation Committee to discuss our concerns on transportation either February 10 or 11, at such time as would be convenient with you. You may call me at 789-2152 once you know what your schedule will permit.

We will be hosting our annual Legislative Dinner the night of February 10 and wish to invite you and the members of the committee to attend. We will be furnishing you with additional details at a later date.

Sincerely,



George Davidson  
President

Enclosures

cc: Representatives Abood, Metcalfe, Sutcliffe,  
Duncan, Zharoff, and Moss

President	George Davidson
First Vice President	Sunny Hicks
Second Vice President	Robert Messeguee
Lobbyist	Phil Holdsworth

An Association of Southeast Alaska Communities

## SOUTHEASTERN CONFERENCE 1981-82 POLICY STATEMENT

### TRANSPORTATION

#### AIR

The Southeastern Conference encourages the state to continue funding the aviation projects in Southeast Alaska until all communities have airports.

The Southeastern Conference encourages the state to prepare a master plan for each state-owned airport in Southeast Alaska.

The Southeastern Conference encourages the state to develop an aviation safety program to include development of a network of emergency landing strips throughout Southeast Alaska and to include in the safety program an improved instrument approach facility at all major airports.

#### MARINE

The Southeastern Conference requests that the state consider a transportation system comprised of a combination of marine and land components to better serve Alaskans and to begin such program by relocating the southern terminus of the marine highway system to Prince Rupert.

The Conference feels the present system suffers from a lack of response and concern by many Marine Transportation employees and that this lack results in poor service, impolite responses to public needs, lack of adequate distribution of information and poor utilization of the Marine Transportation equipment.

We encourage the state to rectify the attitude of the Marine Transportation employees.

The Conference also feels that the facilities provided for rest accommodations on the LeConte and Aurora are inadequate for the length of its run and we encourage the state to improve the seating and other rest facilities on these ferries and that at such time as refurbishment takes place on these ferries, lifts be added to accommodate the elderly and handicapped.

The Conference feels that the state should encourage or require all Marine Transportation employees to reside in Alaska.

The Southeastern Conference requests that fares on the Marine Highway System be reduced to more fairly represent the relative cost of like travel by vehicle.

The Conference recommends that the Marine Highway System be taken out of the Department of Transportation and a separate Marine Highway Authority be created with representation from each district served by the system.

#### LAND

The Conference encourages the reservation of right-of-way corridors throughout Southeast Alaska to connect with inland highway systems and we encourage the early construction of the

Wrangell-Petersburg Aarons Creek Highway project.

We further encourage a road-building program based on comparing long-term cost between highway development and ferry operations and maintenance. We further feel that by definition, a ferry system should be used only to connect one road system to another and encourage the state of Alaska to invest in further road systems in Southeast Alaska where practicable. Also, we call to the need to know the social/economic impacts on the communities.

The Southeastern Conference further encourages improvements for travel in Southeast Alaska communities through the construction of the following specific projects:

- a) The Ketchikan Airport bridge
- b) The Juneau Airport causeway
- c) The Sitka-Katlai Bay road
- d) The Wrangell Pats Creek project
- e) Petersburg Main Street improvements
- f) Cordova Woodshed Road project improvements and paving

# THE SOUTHEASTERN CONFERENCE

P.O. Box 29  
Douglas, AK 99824  
Phone: 586-6846



December 8, 1981

Mr. Marvin P. Taylor  
Chairman  
Alaska Transportation Planning  
Council  
Pouch Z  
Juneau, Alaska 99811

Dear Mr. Taylor:

We solicit your support of the Southeastern Conference's Policy Statement on Transportation (copy enclosed).

We would further request that the Governor's Office on Satellite Communication be urged to help develop a State Satellite Communication system for aircraft that utilizes existing VHF aircraft radios.

We seek your help in supporting the construction of airfields in all Southeast Alaska communities with a definite time schedule to be provided by DOT and funding requested through the Governor's Office as well as the legislature in order to accomplish this within the next 10 years.

We ask that the Transportation Planning Council request either the U. S. Forest Service or the State of Alaska to upgrade the existing runway at Bradfield Canal which supports the Tye Lake Hydro project.

We request that the Governor's Office contact the Canadian Customs office in Vancouver and request customs coverage for the Stewart, B. C. airport.

Many times float planes cannot land in Hyder because of high wave conditions in Portland Canal. At other times, ice is a

President George Davidson  
First Vice President Sunny Hicks  
Second Vice President Robert Messegee  
Lobbyist Phil Holdsworth

An Association of Southeast Alaska Communities

Marvin P. Taylor  
December 8, 1981  
Page 2

problem. There is no secure place to tie up float or amphibious planes. Yet, less than one mile from Hyder in Stewart, B. C. exists a paved runway which wheel and amphibious airplanes could utilize year round as the Canadians keep it cleared of snow in the winter. At the present time, the Canadian Customs will not clear aircraft to take passengers to Stewart, B. C. without flying from Ketchikan to Prince Rupert and then to Stewart. This extra portion of the trip generates over 50 minutes of additional flying time which translates into additional cost for the customer and operator.

This could be avoided as Canadian Customs' personnel are present at Stewart and the aircraft and passengers could be cleared in Stewart.

We are urging a greater cooperative effort by the Canadian Customs to allow aircraft and passengers who are going to Hyder to be cleared at Stewart. This would help the mining exploration companies in Canada and the United States, air transportation companies, and the citizens of both Hyder and Stewart, as well as promote tourism. We hope this kind of cooperation could be accomplished as soon as possible.

We would further urge that you request through the Governor's Office the continued funding of the Alaska Aviation Safety Foundation.

Thank you in advance for any support you can give us.

Sincerely,

George Davidson  
President

cc: Linda Deegan  
Alaska Air Carriers Assoc.

Senate Transportation Committee  
House Transportation Committee

Trans.

Package -

Backup

Info

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED  
AS A UNIT IN THE ORIGINAL DOCUMENT

*Handwritten notes:*  
*... for ...*  
*... authority ...*  
*...*

THE LEGISLATURE OF THE STATE OF ALASKA  
 TWELFTH LEGISLATURE

FISCAL NOTE

- I. REQUEST  
 Bill/Resolution No. HB 651 - Establishing the Alaska Marine  
 Title Highway Authority  
 Requested by House Transportation Committee Date 1/21
- II. FISCAL DETAIL  
 Agency Affected Department of Transportation & Public Facilities  
 Program Category Affected Transportation  
 ERU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		925.4				
200 TRAVEL		104.3				
300 CONTRACTUAL		708.8				
400 COMMODITIES		107.3				
500 EQUIPMENT		621.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		2467.3	1354.9	1449.7	1551.2	1889.9

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		2242.3	1106.6	1181.0	267.0	1585.7
FEDERAL FUNDS						
OTHER (Specify Source) CIP		<225.0>	<248.3>	<268.7>	<284.2>	<304.2>

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		22	22	22	22	22
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)  
 This fiscal note shows the net expected cost to the State under the attached assumptions. Costs for FY 84 reflect the deletion of one time items and addition of inflation at 7%.

The assumptions used in this fiscal note do not have the authority utilizing its full powers for separation and therefore have reduced the costs. If additional authority is desired, the costs would increase.

Before accurate costs can be determined for this bill, a substantial amount of time should be devoted to determining the requirements for separation of duties from the State system as well as estimating the amount of autonomy the authority would desire.

IV. DATE 2/9/82 PREPARED BY R Lind J Eide  
 AGENCY DOT/PF  
 Original: Legislative Finance PHONE 465-3900 465-3950  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HB 651 - Establishing the Alaska Marine  
 Title Highway Authority  
 Requested by House Transportation Committee Date 1/21

II. FISCAL DETAIL  
 Agency Affected Department of Transportation and Public Facilities  
 Program Category Affected Marine Transportation  
 ERU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		2086.5	2232.6			
200 TRAVEL		104.3	111.6			
300 CONTRACTUAL		787.4	260.7			
400 COMMODITIES		110.0	64.2			
500 EQUIPMENT		621.5	15.0			
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>3709.7</b>	<b>2684.1</b>	<b>2871.9</b>	<b>3072.9</b>	<b>3518.2</b>

FUNDING (Thousands of Dollars)

GENERAL FUND		3709.7	2684.1	2871.9	3072.9	3518.2
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME		56.0	56.0	56.0	56.0	56.0
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Additions required to the Marine Transportation budget.

See attachments.

IV. DATE \_\_\_\_\_ PREPARED BY Jim Eide  
 AGENCY DOT/PE  
 Original: Legislative Finance PHONE 465-3960  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

### III. ANALYSIS

There are administrative and organizational topics not specifically addressed in either House Bill No. 651, "An Act relating to ferry and ferry terminals and establishing the Alaska Marine Highway Authority", or House Bill No. 651, "An Act establishing the Alaska Marine Highway Authority". Since the proposed legislation is similar in each of these bills, we are making the following assumptions in preparation of fiscal notes for each bill.

1. There is no offsetting credit taken for the expenditure of earned revenue to support the cost of operation of "Alaska Marine Highway Authority". In actuality, the initial cost would be the same if funding came from a direct appropriation for the full cost of operations from the legislature with earned revenue returned to the General Fund, or if earned revenue was expended with an appropriation to support the shortfall.
2. It is assumed the "Alaska Marine Highway Authority's" Payroll, Personnel, and Accounting systems would feed into the existing State systems to insure checks and balances, and would eliminate the necessity of creating a duplicate system.
3. We have assumed that initial start-up costs will be fully funded by the Legislature.
4. It is assumed the "Authority's" funding would be at the Division level and allocated to operating components as set out in its budget.
5. We have assumed a General Fund Subsidy for the difference between the total operating cost and the expected revenue for each fiscal year. We have further assumed that the total amount authorized would be available at the beginning of each fiscal year to allow the "Authority" to plan operations for each year.

6. The same inflation factor would apply to the "Authority's" budget request as followed by State agencies. We have assumed it to be seven percent (7%) for the fiscal note.
  7. Initially the "Authority" would continue direct involvement with the State in the following:
    - A. Occupancy of a State owned office building.
    - B. Continued support from the State mail system.
    - C. Access to the State equipment fleet.
    - D. Access to the Statewide purchasing contract (i.e., fuel).
    - E. Continued use of "shared" communications lines through Department of Administration, Division of Communications.
    - F. Continued insurance, bonding, etc., as now supplied through Department of Administration, Division of Risk Management.
    - G. Legal service from the Attorney General's office.
  8. We have assumed that Department of Transportation and Public Facilities transferred employees would bring their own equipment and that equipment for the proposed thirty (30) new hire employees would be \$76.5.
  9. We have assumed the "Authority" would require its own computer services for reservations, cost accounting, dispatching vessels crews, and payroll input; and that one time costs would be \$545.0 for hardware and \$250.0 for software.
  10. Assuming expansion, the first year shows one time start-up funds for Contractual \$543.6; (Software \$250.0; Legal Services \$200.0; Additional Space Rental \$93.6); and \$50.0 Commodities (primarily office supplies).
- Summary - 200 - 500 Accounts: Of \$1623.0 shown for the first year, \$1145.6 is a first time start-up cost. Yearly maintenance of all 200 through 500 Accounts would be around \$475.0 per year.

11. Of the \$2086.5 increase in Personal Services, \$1172.4 is assumed to be positions already within the Department of Transportation and Public Facilities performing similar services in Finance, Supply, Payroll, Design and Construction, and Personnel for the Division of Marine Highway Systems. The actual increase then would be \$914.1 for Personal Services to fund eight (8) upgraded positions and twenty-four (24) new positions.

<u>MHS EXISTING</u>	<u>DOT TRANSFERS</u>	<u>NEW POSITIONS</u>	<u>TOTAL POSITIONS</u>
PFT 36	PFT 32	PFT 24	PFT 92
PPT 4			PPT 4

This is a total of ninety-two (92) Permanent Full Time and four (4) Permanent Part Time Administrative positions, with a total of thirty-one (31) Supervisors (Range 18 and above) and sixty-five (65) support positions to operate and supervise nine vessels (725 employees) and twenty-six Shore Facilities (twenty-eight (28) Permanent and twenty-three (23) Permanent Part Time employees). No increase has been made in Vessel or Shore Facility Personnel.

Approximately \$225,000 of CIP funded positions are proposed to be general funded because they would be considered more operational.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HB 66T/651 - Establishing the Alaska Marine  
 Title Highway Authority  
 Requested by House Transportation Committee Date 1/21

II. FISCAL DETAIL  
 Agency Affected Department of Transportation and Public Facilities  
 Program Category Affected Transportation  
 BRJ. Program, Or Subprogram(s) Affected various-See Analysis  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		<1161.1>				
200 TRAVEL		0				
300 CONTRACTUAL		<78.4>				
400 COMMODITIES		<2.7>				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		<1242.2>	<1329.2>	<1422.2>	<1521.7>	<1628.3>

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		<1017.2>	<1080.9>	<1156.5>	<1237.5>	<1324.1>
FEDERAL FUNDS						
OTHER (Specify Source)		<225.0>	<248.3>	<268.7>	<284.2>	<304.2>

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		<34>	<34>	<34>	<34>	<34>
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Identifies costs and positions dedicated to Marine Transportation under current systems. (See attached).

IV. DATE 2/9/82 PREPARED BY R Lind  
 AGENCY DOT/PF  
 PHONE 465-3900  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

1578M

	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Total</u>	<u>General Fund</u>	<u>Other</u>	<u>PFT</u>	<u>Man Mos</u>
S.E. Design and Construction	275.0	-	-	-	-	275.0	50.0	225.0	5	60
Info. Systems	40.0	-	67.4	-	-	107.4	107.4	-	1	12
Support Services	796.1	-	10.0	2.5	-	808.6	808.6	-	26.5	318
S.E. Region	50.0	-	1.0	.2	-	51.2	51.2	-	1.5	18
	<u>1161.1</u>	<u>0</u>	<u>78.4</u>	<u>2.7</u>	<u>0</u>	<u>1242.2</u>	<u>1017.2</u>	<u>225.0</u>	<u>34.0</u>	<u>408</u>

7

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED  
AS A UNIT IN THE ORIGINAL DOCUMENT.**

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
Bill/Resolution No. HB 648 - Transfer certain functions of Department of Title Transportation & Public Facilities to Department of Administration  
Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL  
Agency Affected Transportation & Public Facilities  
Program Category Affected Transportation  
BRU, Program, Or Subprogram(s) Affected All - See attached  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		(11491.3)				
200 TRAVEL		(623.8)				
300 CONTRACTUAL		(7218.1)				
400 COMMODITIES		(5199.3)				
500 EQUIPMENT		(47.9)				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		(24580.4)	Assume increase with inflation.			

FUNDING (Thousands of Dollars)

GENERAL FUND		(19092.5)				
FEDERAL FUNDS						
OTHER (Specify Source)		(5487.9)				

POSITIONS

FULL TIME		(236.0)				
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Assumes transfer of building and facility type structures to Department of Administration. Does not transfer building maintenance at Anchorage and Fairbanks International Airports.

Bill is confusing as to harbors, etc. that were previously with Department of Public Works. We have assumed transportation items such as harbors and airports remain with the Department of Transportation.

See attached for particular BRU adjustments.

IV. DATE 2/17/82 PREPARED BY Dou Lind  
AGENCY DOT/PF  
Original: Legislative Finance PHONE 465-3900  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)

	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Other</i>	<i>Total</i>	<i>General Fund</i>	<i>Funding</i>		
	<u>100</u>	<u>200</u>	<u>300</u>	<u>400</u>	<u>500</u>				<u>Other</u>	<u>Other</u>	<u>PFT</u>
<u>Maintenance &amp; Operations-Facilities</u>											
Central Region	1126.4	20.2	1749.3	400.2	-	-	3296.1	3049.5	246.6	26.0	330.4
Interior Region	965.1	12.2	1795.4	682.5	-	-	3455.2	3093.1	362.1	22.0	286.8
Dalton Highway	548.0	103.4	110.3	982.8	-	-	1744.5	1679.1	65.4	9.0	136.8
Southeast Region	1553.4	23.7	2138.4	1089.3	19.6	-	4824.4	4736.1	88.3	34.0	442.6
Western Region	255.0	5.0	270.8	299.0	-	-	829.8	775.1	54.7	4.0	63.6
Southcentral Region	879.1	11.2	466.7	1595.9	24.8	-	2977.7	2207.4	770.3	16.0	226.2
Subtotal	<u>5327.0</u>	<u>175.7</u>	<u>6530.9</u>	<u>5049.7</u>	<u>44.4</u>	-	<u>17127.7</u>	<u>15540.3</u>	<u>1587.4</u>	<u>111.0</u>	<u>1486.4</u>
<u>Planning &amp; Programming-Facilities</u>											
Central Region	949.6	32.5	51.7	10.0	1.6	-	1045.4	1045.4	-	21.0	252.0
Interior Region	443.0	13.5	42.4	7.2	.7	-	506.8	506.8	-	8.0	96.0
Southeast Region	427.8	24.8	178.2	10.5	1.2	-	642.5	642.5	-	9.0	108.0
Subtotal	<u>1820.4</u>	<u>70.8</u>	<u>272.3</u>	<u>27.7</u>	<u>3.5</u>	-	<u>2194.7</u>	<u>2194.7</u>	<u>-</u>	<u>38.0</u>	<u>456.0</u>
<u>Design &amp; Construction-Facilities</u>											
Central Region	1693.4	78.2	66.7	21.2	-	-	1859.5	290.9	1568.6	34.0	412.8
Interior Region	1368.5	186.6	121.3	18.3	-	-	1694.7	418.5	1276.2	25.0	304.0
Southeast Region	1053.6	112.5	226.9	82.4	-	-	1475.4	419.7	1055.7	20.0	243.7
Subtotal	<u>4115.5</u>	<u>377.3</u>	<u>414.9</u>	<u>121.9</u>	-	-	<u>5029.6</u>	<u>1129.1</u>	<u>3900.5</u>	<u>79.0</u>	<u>960.5</u>
<u>Administration</u>											
Support Services	28.4	-	-	-	-	-	28.4	28.4	-	1.0	12.0
Regional Operations	200.0	-	-	-	-	-	200.0	200.0	-	7.0	84.0
Subtotal	<u>228.4</u>	-	-	-	-	-	<u>228.4</u>	<u>228.4</u>	-	<u>8.0</u>	<u>96.0</u>
<u>TOTAL</u>	<u>11491.3</u>	<u>623.8</u>	<u>7218.1</u>	<u>5199.3</u>	<u>47.9</u>	-	<u>24580.4</u>	<u>19092.5</u>	<u>5487.9</u>	<u>236.0</u>	<u>2998.9</u>

FOR THE  
TWELFTH LEGISLATURE  
INTERIOR  
TRANSPORTATION  
NEEDS

PREPARED BY  
THE GREATER FAIRBANKS  
CHAMBER OF COMMERCE

JANUARY 1982

Kasiloff Associates

Contract Proposal

to

Representative Bette Cato  
Chairman  
House Transportation Interim Committee

935 E. 79th

Anchorage, Alaska 99502  
(907) 344-2013 or  
278-9616

## PROJECT NARRATIVE

### I. Statement of Problems

Historically the Dept. of Transportation/Public facilities (formerly the Dept. of Highways, Dept. of Public Works) has been audited through the years by the Legislative Auditors. Since 1976, the Audit Division of the Legislative Affairs Agency has conducted three routine, and one special, audit reviews of the DOT/Pf's highway program. The audits have been brought to the attention of the legislature and often the newspapers, problems are identified and acknowledged, but no action taken. Many of the recommendations made in the latest audit have been made before.

In 1979, an interim committee, the Special Committee on Roads and Highways was appointed by House Speaker Terry Gardner. Their findings let them to request an independent performance review of the DOT/PF and a complete audit of the DOT/PF's Capital Improvement Projects program. Unfortunately, the audits that had been conducted had not reviewed the facilities planning and research, design and construction and administrative divisions of the Department. The audit request was accepted by the Legislative Budget and Audit Committee in November, 1979. The five phases of the audit are now complete and point conclusively that legislative reform is needed.

Section 1, Executive Order 39, effective July 1, 1977, provided for the creation of the State Of Alaska Department of Transportation from the Department of Highways, the consolidation of the Department of Highways, the consolidation of the Department of Transportation and the Department of Public works and the

establishment of the State Of Alaska Department of Transportation and Public Facilities. The findings in the interim report presented by the Special Committee on Roads and Highways and substantiated by the audit reports conclude that changes are needed in the statutes to clearly define legislative intent. For example the present reorganization plan not only conflicts with AS 44.40.020, which specifies that the "functions of the department within each region shall be performed, to the maximum extent feasible, through a regional office" but with the basics of any functional organization plan, in that the present reorganization plan discourages intra and inter-regional and departmental communication and cooperation, as the rule "clear it through Juneau first: remains in effect. The Department is interpreting the statute to mean a "regional presence".

It is now to be determined if once again a "band aid" approach will be taken or if it can be expected that, without legislation, DOT/PF will initiate the necessary changes (again many of the findings of the previous audits were the same problems). The intention of the newly created standing Committee on Transportation according to the Chairman will be to develop the legislation needed to adequately address the reforms.

In an effort to facilitate needed legislative reforms Rep. Bette Cato, the Chairman of this committee requested this written proposal from the Kasiloff Consulting Service. The primary researcher will be Joyce Munson formerly elected to the House of Representatives and served as Chairman of the Special Committee on Roads and Highways and presented the report to the legislature in 1980.

II. GOAL:: To research, compile and present recommendations for substantial changes in the operation of the Department of Transportation/Public Facilities through legislative reform. The reason for this is simply to get "projects on the street". Since FY75 the legislature has appropriated approximately 3.8 billion for capital improvement projects, however, capital expenditures average less than 300 million in FY75-80. As of June 30, 1980 approximately 825 million of FY75-80 will remain unexpended. At this rate it is anticipated in FY 81 expenditures will emerge at the FY 80 level of spending. Remaining funds and the FY 81 Capital appropriations totaling approximately 1.655 Billion would not be totally expended until 1986. Ways must be found to expedite the projects. The legislature in accordance with the demands from the public for jobs and economic aid has appropriated these funds for additional capital improvement projects. This has not proven effective and in fact creates additional problems. Until the problems identified in the legislative audits are corrected with needed legislation, they will continue to be "bogged down" within the department.

III. OBJECTIVES:

1. Examine current status of DOT/PF to determine if any corrective changes have been made since the first audit reports were released.
2. Review audit reports and compile information necessary as well as back up data for recommendations for legislation.

3. Review legislative budget process relating to "add on" projects. These are projects not in the Governors budget, often non-existent in the planning by DOT/PF, but added to the budget at the request from individual legislators. This has many times compounded problems within the Department. Make recommendations to the Chairman for a format that would assist the orderly development of these requests.
4. Review the organization plan of DOT/PF and compare with audit recommendations and the report of the special committee to evaluate the existing problems and make recommendations for changes where needed.
5. Research and compare State statutes from various states to those in Alaska on organization, priority setting on capital improvement projects, financial management etc. The statutes now in place are so general as to leave the department the liberty to make policy for the state without legislative direction.
6. Research and compare state statutes from various other states to those in Alaska that would build "safeguards" into the law to prevent fraud and abuse. At the present time the law is not clear on project control. For example, on July 23, 1980, the Attorney General's office issued a formal opinion reversing certain positions taken in the feb. 29, 1980 opinion. Two opinions by previous Attorney General's were of the opposite conclusions. Ac-

cording to the latest opinion, in passing the legislation AS37.07.080, the legislature fully intended that there could be transfers between the allocations in bond acts. Statutes are ambiguous in many areas.

7. Review planning process on capital improvement projects and make recommendations for legislation for public input. This will be needed especially if bond issues are no longer used and the public does not have the opportunity to vote on appropriations.

#### IV. IMPLEMENTATION AND SCOPE OF WORK

The project will cover a six months span from June 15 to December 15, 1981. The first three months will be spent researching, compiling and evaluating audit reports and preparing material for recommended legislation as outlined in objectives 1 through 4, including researching the organizational structure of DOT/PF, utilizing the audit reports, the report by the special committee, as well as new material generated. The purpose of this analysis is to identify possible needed revision of the 1979 DOT/PF reorganizational plan to realign the authority with the responsibility authorized to the divisional directors and regional managers of the regions. This work will be done in conjunction with Alaska General Contractors and DOT/PF.

The next three months will be used to research and compare the state statutes from various states and make recommendations to the chairman for proposed legislation to be drafted for introduction in the next session. This will include organization, project control and priority setting on capital improvement projects.

The primary consultant will be available by telephone or will travel to Valdez at the request of the Chairman.

BUDGET .

The following budget is proposed for the four month period from August 15 through december 15, 1981.

Principal Researcher	350 hours @\$75	\$25,350
Assoc. Researcher	200 hours @\$40	<u>8,000</u>
		\$33,350
 Travel Costs		
2 trips to Juneau (3 days per trip)		\$1,200
3 trips to Valdez (4 days per trip)		1,800
2 trips Outside at request of Chairman .		<u>4,000</u>
		\$7,000
	<u>Total</u>	<u>\$40,350</u>

All additional overhead is included in daily rates

The consultants will work as a liason with the Interim Committee on Transportation and will report progress as the work develops. A final report and all recommendations will be submitted by Dec.15.

Joyce Munson

935 East 79th Avenue

Anchorage, Alaska 99502

Telephone: 344-2013

Birthdate: 12/13/30

Birthplace: Guthrie, Oklahoma

Marital Status: Separated

Children: Four - Steven Munson 32, Kathryn Manna 30, Janie Munson 26,  
Robert Munson 24

Education: Two years Wichita University, Wichita, Kansas, Art Major

Alaskan Resident: 27 years

**Work History:**

1978 - 1980 Legislator, House of Representatives  
Positions in legislature include Vice Chairman of Commerce,  
Vice Chairman of Health, Education, Social Services.  
Chairman of Special Committee on Roads and Highways.

**Responsibilities:**

As Vice Chairman of two Committees, I often chaired and had responsibility for the meetings. As Chairman of the Special Committee working in the interim, I held public hearings throughout Alaska, worked with the State Department of Transportation and AMATS in Anchorage. At the completion of the work I presented a study including recommendations for changes and submitted legislation reflecting the same. As a State Legislator I worked with the different Divisions of the State, Local Government, the private sector and my constituents.

Salary: \$31,000

1971 - 1978 Executive Director of the Alaska Mental Health Association

**Responsibilities:**

My main responsibility was to serve as an advocate for the mentally ill.

**Administration:** Managed and operated office, including handling of all finances, accounting reports and payroll.

**Public Relations and Communications:** Worked with newspapers, radio and television on publicity and news releases. Designed brochures for local use.

Began publication of quarterly magazine "Coping", which entailed seeking financing, soliciting manuscripts, writing articles and acting as the editor and publisher.  
Researched, wrote and presented speeches to community organizations.  
Planned and conducted annual conferences.  
Reviewed and ordered all educational materials.

Organization: Worked with volunteers on a statewide level organizing local chapters. Started a new organization called REACH which is an association for families of the mentally ill.

Grant Writing: Wrote grants and received funding from Regional Medical Program, Humanities, National Institute of Mental Health and the State of Alaska.

Fund Raising: Planned and conducted benefits and functions for fund raising. Organized door to door solicitation using volunteers.

Legislation: Followed all legislation pertaining to Mental Health, researched and drafted legislation, lobbied for legislation, funding for services, etc.

Salary: \$25,000

Resigned when elected to Public Office

1965 - 1971 School Secretary at Inlet View School, Greater Anchorage Area School District

Responsibilities: Managing office, including all attendance forms, etc., scheduling for teachers, preparing annual school budget, working with children and parents.

Resigned to work for Alaska Mental Health Association

#### Community Activities Included:

Served on:  
Board of Directors Neighborhood Health Center  
Drug Management Board  
U.S. Commission of Civil Rights  
Anchorage School District Community Development Center  
Anchorage School District Budget Advisory Committee  
Governors Advisory Board on Mental Health  
Board of Directors, Anchorage Little Theater  
Board of Directors, Unitarian Fellowship  
President of Anchorage PTA Council  
President of various local PTAS  
Office in Bartlett Democratic Club

Began publication of quarterly magazine "Coping", which entailed seeking financing, soliciting manuscripts, writing articles and acting as the editor and publisher.  
Researched, wrote and presented speeches to community organizations.  
Planned and conducted annual conferences.  
Reviewed and ordered all educational materials.

Organization: Worked with volunteers on a statewide level organizing local chapters. Started a new organization called REACH which is an association for families of the mentally ill.

Grant Writing: Wrote grants and received funding from Regional Medical Program, Humanities, National Institute of Mental Health and the State of Alaska.

Fund Raising: Planned and conducted benefits and functions for fund raising. Organized door to door solicitation using volunteers.

Legislation: Followed legislation pertaining to Mental Health, researched and drafted legislation, lobbied for legislation, funding for services, etc.

Salary: \$25,000

Resigned when elected to Public Office

1965 - 1971 School Secretary at Inlet View School, Greater Anchorage Area School District

Responsibilities: Managing office, including all attendance forms, etc., scheduling for teachers, preparing annual school budget, working with children and parents.

Resigned to work for Alaska Mental Health Association

#### Community Activities Included:

Served on:  
Board of Directors Neighborhood Health Center  
Drug Management Board  
U.S. Commission of Civil Rights  
Anchorage School District Community Development Center  
Anchorage School District Budget Advisory Committee  
Governors Advisory Board on Mental Health  
Board of Directors, Anchorage Little Theater  
Board of Directors, Unitarian Fellowship  
President of Anchorage PTA Council  
President of various local PTAS  
Office in Bartlett Democratic Club

RESUME SYNOPSIS  
of  
ROBERTA ARNOLD

SRA, Box 31-G  
Anchorage, AK 99507  
(907) 344-2947

EXPERIENCE:

Information Assistant, Teleconference Moderator,  
Legislative Information Office, Legislative Affairs  
Agency, Anchorage, AK, 1980, 1981.

Legislative Assistant to oil industry lobbyist in Juneau,  
Alaska Oil and Gas Association, Anchorage, AK, 1978, 1979

Administrative, Legislative, Campaign, and Legal Aide  
to Gene Guess (Ely, Guess & Rudd) - Legislator, attorney,  
and statewide candidate, Anchorage, AK, 1970-1975.

Administrative Aide to Public Finance Analyst, Joint  
Finance Committee, Alaska State Legislature, Juneau, AK,  
1964.

Commissioner's Secretary, Department of Highways,  
Juneau, AK, 1962-1963.

Research and Administrative Assistant, Local Affairs  
Agency, Office of the Governor, Juneau, AK, 1960-1962.

Assistant Chief Clerk of the House, Alaska State  
Legislature, Juneau, AK, 1960.

EDUCATION:

University of Alaska, Anchorage; 1974-1982, graduating  
Senior, 1982. Major - Anthropology. Minor - English.  
B+ average. Courses include advanced English composition  
and communications, political science, history classes  
relevant to experience (grade A).

Washington State College, Pullman, Wash., 1950-1952.

Juneau High School, Juneau, AK, 1950. Salutatorian.

ACTIVITIES:

Pioneers of Alaska Auxiliary, Alaska Anthropological  
Association, Cook Inlet Historical Society, Anchorage  
Historical and Fine Arts Museum, Nordic Ski Club,  
Anchorage Mental Health Association, statewide political  
organizations.

PERSONAL:

Lifelong Alaskan, widow (1980), five sons, two  
granddaughters.

Amplified resume available on request  
References available

# Alaska State Legislature



## House of Representatives

### Committee on Transportation

Rep. Bette Cato, Chairman

INTERIM OFFICE  
P.O. BOX 775  
VALDEZ, ALASKA 99636  
(907) 835-5001

Pouch V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-4858

#### FIRST REPORT OF THE HOUSE TRANSPORTATION INTERIM COMMITTEE September 15, 1981

At the end of the Legislative Session, the committee had several bills remaining in committee. The interim was to be devoted to investigating questions that were raised by the newly formed standing Transportation Committee.

The first part of the interim, the Committee has worked to set up the office and acquire information about various aspects of transportation in the state. It seems that for any given issue, there is a wealth of information that, while not always current, is valuable for insight into the problem. Often at great cost, a thorough investigation has been performed and what is needed may be an update on a given issue and not a complete "study".

One of the tasks that the committee is undertaking, is to accumulate these studies and prepare a catalog of materials that are available for use by the legislature and other interested parties. The state administrative agencies are mandated to do this of reports that they generate, but in reality, this is not done. Perhaps this is an area that should be addressed during the next legislative session.

The long range goal of the House Transportation Committee has been to work towards developing a state-wide multi-modal plan for transportation infrastructure in the state of Alaska. The early part of the interim has been devoted in part to that goal. This report will be written in chronological order to show the progress of the committee. In addition, at the end of this report, there is a budget breakdown for expenditures to the end of August.

The interim office is staffed by Steve Soenksen, Administrative Assistant and by Sharon Tyone, Secretary, who is also researching Marine Highway and other issues. All projects are at the direction of Rep. Bette Cato, Chairman, House Transportation Committee.

Page two  
FIRST REPORT OF THE HOUSE  
TRANSPORTATION INTERIM COMMITTEE

The interim office was established in Valdez, Alaska and began operations on July 1, 1981. Much time was spent reworking the files to establish familiarity with the materials on hand and to find areas that more information was needed. It is a project to place an index of all of the materials on hand on data base and have a catalog of materials available for anyone interested in background material on a certain project or area. This would give a file system that would be state-wide in scope for reference.

Shortly after the opening of the office, Rep. Mitch Abood, Vice-chairman of the committee, traveled on the Dalton Highway to have a first hand account of the conditions there. A copy of a transcript of that trip is available in the interim office and will be included in the final report.

Committee Aide Steve Soenksen was sent on a research trip to investigate several areas of concern and also to find information to apply to the long range goal of the committee.

The trip began with a drive up the Richardson highway to observe some of the conditions that exist with maintenance and also new construction on the highway.

There was a tour of the Delta Agricultural Project. A full account of the tour was made and also a slide presentation of the various aspects of the project was made. This presentation was made to the committee at the committee meeting held in Anchorage August 31, September 1.

Contact was made with representatives of the Federal Government Agricultural Commodity Insurance Program Representatives that were also on the tour of the project. They were impressed with the project but voiced concerns about transportation and marketing of the product. They commented that a rail link with Valdez would be desired in terms of future development of agricultural to handle the volume that could be expected within the next ten years. The rail link would also stimulate other developments in the area to compliment agricultural development.

The committee is interested in the relation between resource development and transportation and much of the information finding on this trip was devoted to this end. The Transportation Committee and the Resources Committee should work together to identify transportation corridors and other commonalities. (It was later found that much of this work has been done by the old Joint Federal-State Land use Planning Commission.)

Under direction of the Chairman Bette Cato, work was to be conducted to find the possibility of developing maps with overlays that show various resources and transportation corridors. This is an ongoing project throughout the interim. Much information has been collected to date.

Page three

FIRST REPORT OF THE HOUSE TRANSPORTATION  
INTERIM COMMITTEE

U.S. Geological Survey was consulted to find what maps and materials were available and also contact people for additional information. Many maps and other information was collected and an index of these is being compiled.

In conversation with other aides in Fairbanks, the issue of the O'Brian Creek Bridge outside of Chitina was raised and a topic for further investigation is the responsibility of the Department of Transportation to maintain certain roads and facilities. Responsibility has been shifted from this bridge from D.O.T. to possibly Department of Natural Resources, to possibly the Bureau of Land management, with the end result, each agency pointing to the other while nothing is done about the situation. The committee will research this responsibility question with the help of Kasiloff Associates contract and report legislation that may be needed. One of the things that was referred to in the five-phase audits of the Department of Transportation is that Legislative intent is absent in many areas. This will be addressed in the final interim report of the committee.

It was also found on this research trip several practices that are used by the department in regards to Federal Funding, maintenance-reconstruction attitudes and these will be investigated further and included in the final report.

\*\*\*It should be explained here that the Department of Transportation is so large and complex that there may be no clear cut solutions to problems on a state-wide basis, as situations differ from region to region and a conclusion that may be drawn in one area of the state is not applicable to the whole state. It is important to be cautious of oversimplification in these discussions. More information will be available in the final report.

Much time was spent at the Rasmusson Library on the University of Alaska Fairbanks Campus. This library is the repository for many of the state reports and consultant surveys that have been done. The committee had been told during the Legislative Session, that many of the materials requested were not available. This proved to be not true as many of the materials were on the shelf at the library. They had been done at different times by different sources but are readily available to anyone.

A partial listing of the materials includes:

- A Proposal to Develop a Study for a Statewide Transportation Plan
- Multimodal Transportation and Utility Corridor Systems in Alaska
- Air Cushion Vehicles as Knik Arm Ferries
- Five Year Highway Construction Program, January 1976
- Ak. Region Ten Year Plan FY 80-FY 89 U.S. F.A.A.
- Alaska Railroad Annual Reports

Page four  
FIRST REPORT OF THE HOUSE TRANSPORTATION  
INTERIM COMMITTEE

Information was also accumulated on the Dalton Highway (Haul Road) for the files and to check into reported absence of maintenance. At this same time, there was a "shut-down" by both independent and union truck operators until substantial repairs could be implemented.

Rep. Cato, Rep. Abood attended a meeting that was called to address these concerns. Also in attendance was Lt. Governor Terry Miller, Ron Lind-D.O.T., Sen. Parr, Rep. Smith.

The Chairman toured the Shotgun Cove Road situation in Whittier. Much concern has been raised over transportation in and to Whittier during the Legislative Session.

On the same trip, Rep. Cato toured the Fourth of July Creek Marine Industrial Park Facility that is under construction in Seward. This will be a full service marine industrial park when completed and will be able to handle major repair on large commercial and fishing vessels whose work now is done outside of Alaska. Also much construction of drilling rigs and floating platforms could be built there.

The committee has contracted with Kasiloff Associates to provide the committee with recommendations for legislation relating to the Department of Transportation/ Public Facilities, recommendations for accountability to the legislature, by the Department, and other work as outlined in the contract. The interim office is working closely with the principal researcher on this project.

The interim office was exposed to another situation that is very important to many areas of the state in close proximity to the office. Due to a large amount of precipitation, Valdez and Cordova experienced flood situations and serious erosion problems. The office is investigating the amount of attention that is given to erosion control and prevention. This is an area that received attention in the committee in the Legislative Session.

The Transportation Committee has had one meeting to date as a discussion meeting to give new members a collective understanding of issues and share information. It was also a planning meeting for the rest of the interim. The Committee is considering a meeting in Nome to discuss and receive input on transportation issues in the western part of Alaska. Marine Highway Scheduling, Agricultural Development and Transportation, Dalton Highway, Kasiloff Associates contract and other issues were discussed.

Rep. Cato has just completed a round trip on the Dalton Highway to see if improvements have taken place on the road to alleviate the safety and other concerns that have been raised.

Page five  
FIRST REPORT OF THE HOUSE TRANSPORTATION  
INTERIM COMMITTEE

The Chairman also drove the Richardson Highway noting the construction projects underway and the seriously hazardous section between Gulkana and Sourdough Lodge that is not under immediate consideration by the Department of Transportation. (Photographs have been taken.)

A complete report and recommendations on this trip will be submitted to the Transportation Committee and Rep. Randy Phillips when the tapes are transcribed.

This concludes the First Report of the House Transportation Interim Committee. Additional information is available through the interim office. The final report will include this and other reports and also contain findings and recommendations.

# Alaska State Legislature



Rep. Bette Cato, Chairman

*OK*  
*Ort*  
House of Representatives

Committee on Transportation

INTERIM OFFICE  
P.O. BOX 775  
VALDEZ, ALASKA 99686  
(907) 835-5001

Pouch V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-4858

SECOND REPORT OF THE HOUSE TRANSPORTATION INTERIM COMMITTEE

NOVEMBER 15, 1981

*George Springer Jan 2 1982*

This is the second in a series of three reports from the House Transportation Interim Committee. The report will cover activities of the Interim Committee for the period from September 15, 1981 to November 15, 1981. The activities are listed in chronological order. Attached is a copy of the budget breakdown of expenditures through October 1, 1981, and a copy of Kasiloff Associates report to the Committee.

In continuing with the long range goal of the Committee, to work towards a complete state-wide multi-modal plan, several members attended the Maritime '81 Conference. This conference was sponsored jointly by the State Department of Transportation and Public Facilities, the United States Coast Guard, Federal Maritime Administration, the United States Army Corps of Engineers, and the University of Alaska Sea Grant Program.

Attention was focused on four major topics: Commerce and Resources, Operations and Finance, Legislation and Regulation, and Facilities and Technology. Representative Bette Cato, Chairman of the House Transportation Committee spoke on the Legislation and Regulations panel. Many of the participants were from outside of Alaska and the conference perspective showed Alaska in comparison with other areas and trends for

*Just Format Style Space*

Page 2

Second Report of the House

Transportation Interim Committee

the future. Discussions dealt with ports on their own merit. It was established that ports were of little value if there were not the "connecting links" to resources, ~~raw materials, or other products to go through the port.~~ In other parts of the world, markets were first set up for use by the country and the instate transportation existed, prior to the export market. It became easy to connect these with water transportation for export trade.

In Alaska, there is not an established pattern to the transportation links. The trend is to export raw materials and import processed goods. Therefore the instate infrastructure does not exist to adequately handle transport of goods to the ports. *In some cases, Proximity is appropriate but the ~~infrastructure~~ infrastructure is not.*

It was interesting to hear the long range plans for the Harbors Division of the Hawaii Department of Transportation. There was a 1980-1985 plan and also a 2000 plan, complete with engineering specifications, slide presentation and programmed improvements. Alaska State Department of Transportation, does not have a plan for five years or for the year 2000, even though the five year plan is mandated by statute. They have no plan at all. The Commissioner has said that they are not considering at this time, any new roads or plan for infrastructure development of

Second Report of the House

Transportation Interim Committee

*The lack of a long range plan*  
any kind. ~~This~~ is a very serious omission of rational planning and development that clearly reflects an administration that is opposed to development, growth of the state, and transportation of any kind.

The Legislature has been told that after the reorganization of the Department, that they have to wait until the regional transportation studies have been completed before a statewide plan can be made. There has been planning under the old Highway department that was in place and could provide some type of direction. This was totally abandoned and currently there is only project planning. Whether or not the project fits into any sort of plan or long range goal for the state is immaterial. This results in "roads to nowhere" and "spot improvements".

This finding is not totally derived from the Maritime '81 Conference, it has been a trend the committee has discovered throughout the entire interim. The Conference has emphasized the importance of <sup>a comprehensive</sup> a plan ~~that is~~ <sup>currently</sup> ~~put into work~~, of which the State of Alaska has none.

The conference will generate a report that will include <sup>complete</sup> transcribed meetings and specific recommendations.

Congressional Representative Don Young, at the request of a constituent,

Page 4

Second Report of the House

Transportation Interim Committee

*from the Maritime Administrator*  
received a decision that time on the Alaska Marine Highway System for an able bodied seaman and time may be transferred from limited (to certain seas and operating conditions), to unlimited classification. Thereby allowing seaman to credit hours to certification for all types of operating conditions.

A delgation of Rep. Cato, Rep. Moss and Sharon Tyone, Secretary to the Committee attended the Highway Users Federation Association, Western Region, meeting October 2-5, 1981. This meeting was held on the Ferry Columbia on it's route from Seattle to Juneau, Alaska.

The meeting went into depth on vehicular accidents, proposed changes in Federal and local highway safety programs, and changes in funding by the Federal Government. Several participants including those from the private sector, raised several questions. At issue were, where do the private sector fit in, how much funding is available, and what programs are currently in use?

Peter Koltnow from the Washington D.C. office provided some of the answers. Alaska is taking a 75% cut in funding this year in all Highway User funding, which includes safety, training, and planning. The Clean Air act was discussed along with pollution and environmental control.

Page 5

Second Report of the House

Transportation Interim Committee

Cost effectiveness on auto maintenance and inspection in order to comply with the Pollution and Environmental Controls Act<sup>s</sup> also received attention in the conference.

The maintenance issue was discussed. Several points were raised including increased costs for maintenance, taxes, user fees, Since 1973, costs for asphalt have risen over 200%.

The Committee has looked into regulations that have been proposed by the Department of Transportation and Public Facilities relating to driveways, railroads and utility permits. These regulations, by definition, "includes any corporation, company, individual, or association of individuals, or any lessee, trustee, or court appointed receiver of the above, that owns, operates, manages, or controls any line, plant, pipeline, or system for furnishing, producing, generating, transmitting, or distributing power, electricity, communications, telecommunications, water, gas, oil, petroleum products, steam, heat, light, chemicals, air sewage, drainage not connected with highway drainage, irrigation, or similar products including publically owned fire and police signal systems, and street lighting systems which directly or indirectly serve the public or any part thereof; and for

Second Report of the House

Transportation Interim Committee

furnishing transportation of goods or persons by means of a railway, tramway, cableway, conveyor, flume, canal, tunnel, pipeline, or any other similar means. Privately owned facilities devoted exclusively for the use of the owner are included in this definition for the purpose of issuing permits;"

It could be shown that the Department ~~could not comply~~ with its own regulations. The definition applies to 44 pages of regulations that directly relate to all of the residents of Alaska. The costs of Capital Improvements will increase in the public sector as well as impact on private ventures increasing the costs of utility services. This too impacts the individual property owner and improvements made "exclusively for the use of the owner" are subject for the purpose of issuing permits.

*Costs of Projects to  
→ would increase and would have a difficult time  
it were subject to its own  
regulations*

This set of regulations manifests the basic philosophy of the ~~Hammer~~ Administration to prevent or where possible inhibit growth, development, and transportation of resources. This also serves to restrict individuals and subject them to more bureaucratic red tape. In a time when the national trend is to reduce red tape, regulations and permits, we see an administration that is turning out regulations in profusion. This definitely does not reflect "regulatory reform" attempts.

Page 7

Second Report of the House

Transportation Interim Committee

Chairman Rep. Bette Cato, A.A. Steven Soenksen, and Joyce Munson, Kasiloff Associates, traveled to Washington D.C. to study Federal-State related transportation issues. Meetings were arranged through the White House with the Federal Highway Administration, Federal Railway Administration, Department of Interior, Congressional delegation and others.

During the last legislative session, the committee and other legislators have been told that certain projects have been delayed due to Federal Funding problems. We were informed in Washington that the funding <sup>is all</sup> ~~is~~ made available <sup>at the beginning of the fiscal year</sup> ~~on October 1, of each year~~ and that the Alaska Department of Transportation has access to funds on or after that date. Thus the problem lies not with the funding but with the Departments non-compliance with federal guidelines or other State Administrative problems. There are over 100 "in state" signatures that are needed for a project, and this administrative boondoggle causes project delays.

The delegation also was told that the Federal Highway Administration could not support Alaska's inclusion in the Interstate Program, although Sen Murkowski's amendment to a bill is before Congress that may permit this. At statehood, Alaska had the chance to join the Interstate

Second Report of the House  
Transportation Interim Committee

program and chose against it. This is because the amount of money the state received would be higher under Federal Aid Primary program due to the amount of land held by the Federal Government. As the land held was 95% of the total land in the state, 95% of the costs of federally approved projects were paid by the Federal Government and 5% of the costs, paid by the state of Alaska.

The Federal Highway Administration provided insight into the 4-R program and <sup>Alaska's</sup> ~~the state's~~ participation in this. The 4-R stands for resurfacing, restoration, rehabilitation, and reconstruction. This represents federal participation in maintenance functions for non-freeway roads. It was established to permit use of Federal funds to extend the useful life of highways.

*The delegation also received information on the Gross-Weight regulations and some information will be available in a later report.*  
A copy of meeting notes related to the Railroad Transfer to the State, are attached to this report.

This concludes the second report of the Interim House Transportation Committee. Additional information is available through the interim office. The final interim report will include this and other reports and also contain findings and recommendations.

Bill Analysis by Rep. Bette Cato's office.

HB 649 "an act relating to regions in the Department of Transportation and Public Facilities; prescribing the duties of regional transportation and public facilities directors; and providing for an effective date."

This bill establishes boundaries for regions in the state of the Department of Transportation and Public Facilities. It requires that each director has at least 6 years experience in transportation construction or engineering. It gives geographical boundaries (charted on a map for the committee consideration) and also lists duties of regional transportation and public facilities directors.

Sec. 3. AS 44.42 Adds a new section for duties of the directors.

(a) Each director is responsible for planning, design, and construction within the region consistent with the state transportation plan and the public facilities plan.

(b) directors shall submit to the commissioner proposed program plans, program budget requests, and reports of program performance at a time directed by the director of the division of budget and management. The commissioner may comment on the plan but shall forward it to budget and management without change.

(c) The directors shall submit to the commissioner a plan for their region implementing the statewide plan 90 days prior to the end of the fiscal year, for the following year. A change in the plan can be submitted at any time but the commissioner has 90 days to disapprove of the plan.

This bill takes effect July 1, 1982

ESTABLISHING FIVE REGIONS WITHIN THE  
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

HB 649

The Department of Transportation and Public Facilities (DOTPF) was created for several good reasons, one of which was to place the authority and responsibility for designing, constructing and maintaining public transportation facilities in the hands of those people closest to those facilities. The philosophy that prompted that decision was, "those people closest to the transportation problem are most intimate with the problem and left to their own devices, they are in the most knowledgeable position to solve that problem at the lowest possible cost to the taxpayer while providing the safest and most convenient transportation facility to the traveling public."

Unfortunately the DOTPF did not turn out as planned. The administration advocated a strong emphasis on planning, which resulted in the creation of a completely independent section headed by a director who had more authority than the regional engineer. The planning section duplicated the work that the design section had been doing but they did it with many more people and in reality the planning and the construction estimates were still being done by the design section. The planning section's primary function was to send the paperwork into headquarters which would allocate federal or state money to the individual projects so that the design and construction section could begin the project development which would ultimately lead to construction.

The creation of the planning section added one more layer of paper shufflers to the growing bureaucracy and the end result was higher preliminary engineering costs due to the many new highly paid planners that charged their time to these projects, and most severe, was the fact that the projects were delayed because each Project Development Authorization PDA form had to be signed by five to seven different level planners before the project could be funded.

The old Department of Highways operated fairly efficiently because there was one person in charge who could resolve internal disputes. The DOTPF created a many headed monster that was only controlled by the commissioner. The general organization is shown below:

Your reorganization of the DOTPF, to be effective, should establish one leader in each region.

This one leader or director in each region would report directly to a chief engineer at headquarters.

The Chief Engineer would report to a board of commissioners appointed from each region and representing all of the required sciences as outlined in 12-1989 "Bradley". The preferred organizational chart is shown below:

Section 44.42.040 (a) spells out the requirement for six years of experience. This is good but you should add the word "civil" prior to "engineering". Civil engineering encompasses all phases of transportation engineering. It is very important that the Regional Director have a good academic education and practical experience in civil engineering so that he can effectively direct those working under him to accomplish the goals set by the Commission and/or Legislature.

The regional boundaries that you have set up are generally good. However, Region I (Anchorage) is primarily an urban region and the boundaries should be moved from Mile 118 on the Glenn Highway to Mile 66. This would put the Cascade Maintenance station in Region V and it would allow Region V, which is a rural region, to upgrade the road access between Valdez and Palmer. The section of the Glenn Highway from Palmer to the existing regional boundary at Mile 118 has not had a single mile of reconstruction since 1961 and there is nothing planned in this section within the next six year program.

The Longitude line used for the East Boundary of Region I should be  $148^{\circ} 42' W$ , South to Latitude  $61^{\circ} N.$ , thence East along Latitude  $61^{\circ}$  to Prince William Sound, as shown on the attached map.

The new region that represents the greater Anchorage Bowl should not have jurisdiction over the Glenn Highway North of Palmer since they have exhibited no interest in upgrading that section of highway since Statehood. The Glenn Highway is the main thoroughfare for travelers driving into the State of Alaska and it is in deplorable condition from Palmer out to the existing regional boundary at Mile 118.

Section 44.42.045 (a) - The creation of the DOTPF was intended to streamline the department and make it more efficient and productive. The opposite has occurred because of one major blunder. Someone determined that one person should not be in charge of each region because he had too much power, or the job was too complicated, or because there were too many disciplines under his command. The solution to this problem was to create several equal directors in each region who would report directly to one of the four deputy commissioners in headquarters. The result is that the following sections:

1. Maintenance and Operations
2. Design and Construction
3. Planning
4. Administration

are controlled by a different deputy commissioner at headquarters and each section is protective of its authorities and is almost totally uncooperative with the other sections.

The solution to this problem is obvious to anyone working in any of the regions. They need one person in charge who can orchestrate the work of the region and who can resolve disputes between the sections. Woody Johansen and his leadership in the Interior Region (Fairbanks) is a good example of how the regions should be run. The Interior Region is the only region that has developed a good land transportation system in the state. Mr. Johansen could not accomplish what he did under the current DOT segmented authority.

This section should be revised to place the authority of all sections in the region under the authority of one person.

## ALASKA MARINE HIGHWAY AUTHORITY

HB 651

At the present time, the Alaska Marine Highway is included in the Federal Highway System and is eligible for participation in primary and secondary federal-aid highway funding.

Generally, the south-eastern routes are on the primary system, and the south-central routes are on the secondary system.

It is very important to note that only construction expenditures may qualify for inclusion in the federal-aid program. It is also important to note that there are no funds designated for the sole purpose of expanding the Marine Highway System. The funds spent on the Marine System come directly from the yearly appropriation.

The State of Alaska receives funds for new construction on the primary, secondary, and urban systems. The state receives the funds on the basis of a formula that includes system mileage, postal routes, area of federal lands, and other minor factors. Funding comes in several categories such as primary, secondary, urban, safety, railroad crossings, junk yard control, planning, beautification, etc.

The federal funding varies from year to year as appropriated in the federal budget. In recent years, the funds made available to the state have exceeded \$120 million yearly. By special legislation, Alaska receives the primary and secondary funds and may redesignate according to the long-range plan. Thus, the Marine Highway System may utilize the federal highway funding without regard to any federal allocation limits.

The same stipulations apply to the Marine Highway System-funds are for construction only. Maintenance and operations costs do not qualify. On the average, approximately 95% of the project cost is federal-aid, and the remaining 5% is provided by the state. In addition, the state may be responsible for costs that the feds do not allow.

The Marine Highway System originated when it became obvious that the panhandle cities may never be connected by roads. The fleet was acquired at a typical cost of several million dollars per ship. The smaller cities were serviced with boats such as the Chilkat, designed to carry a few passengers, vehicles, and vans on short trips. Most of the fleet is designed for the inland passage, with only the Tustumena rated for crossing the Gulf of Alaska and other open waters.

It is possible that the creation of the Marine Highway Authority will cause problems in utilization of the federal-aid highway trust fund monies. The question is, does this matter?

Consider that the State of Alaska has thousands of miles of substandard roads on its limited system. Reviews by a national users group revealed that the state was losing ground with the highway system deteriorating faster than it was being rebuilt.

A recent project was awarded on a section of the Seward Highway south of Anchorage. The ten-mile long project will cost almost thirty million dollars. Each region has several major projects schedules and the overall program could easily use twice the federal funds (\$120 million plus) available each year. The Marine Highway System has similar needs. The recent repowering and rehabilitation of the Taku cost over \$15 million. The replacement of the aging Tustamena is estimated to cost \$55 million. The entire highway allocation to the central region, including Anchorage, Kenai Peninsula, Matanuska-Susitna, Kodiak Island, the Aleutians, the south-west Alaska totals less than \$50 million yearly.

The need for replacement and expansion of the Marine Highway System is documented by the studies conducted by the DOTPF. The creation of the Authority and the ability of that Authority to finance improvements should stabilize the long-range program for the ferry system. Since no portion of the federal highway funds are reserved for the Marine Highway System, there will be no effect other than a possible minor reduction due to a system mileage reduction. This reduction could be zeroed out by adding resource development routes to the system.

TRANSFER OF DOT/PF MAINTENANCE  
RESPONSIBILITIES TO MUNICIPALITIES

HB 652

In most states the cities and counties have a share in the Federal-aid Highway Trust Fund monies. The shares may be based upon the area, population, and needs, as set by the commission. This allows for local control of both the construction and maintenance program.

In Alaska the municipalities lacked the expertise for maintenance and construction in earlier years and instead strived to have most of their main streets on the federal or state highway system. Thus, the local streets were maintained at no cost to the local government.

Under Alaska Statute 29.89.020, the state provides funding for maintenance of certain local roads but excludes the official state highway system and roads built under the local service road program. The past payments of less than \$1500 per mile per year (now up to \$2500) allowed for the costs for routine and periodic maintenance for lightly traveled routes. DOTPF records now indicate that maintenance costs for heavily traveled municipal routes can approach the \$30,000 per mile range. Those records are computerized and lists all charges for similar roads within control areas. Signal systems cost several thousand dollars for maintenance and repairs for each intersection yearly.

In urban areas the quality of maintenance is directly related to expenditure. The DOTPF may expend three hundred thousand for signal maintenance yearly in Anchorage. If this does not allow for complete and immediate repairs to the traffic detection system, the intersection has a greatly reduced capacity.

The DOTPF, using federal funds, installed a modern Honeywell computer system for traffic signal coordination in Anchorage several years ago. The software package, however, has yet to be installed to make the system fully functional. As of this date, the computer is hand-fed one of several timing schemes depending on traffic conditions. When originally installed, the system was designed to be traffic responsive for maximum efficiency. The Municipality of Anchorage has indicated a strong desire to control the entire signal system but is hesitant to do so if offered only what the previous expenditures were. The budget should be based on a quality operation.

The major maintenance activities in the municipal areas include:

Snow and Ice Removal  
Signing and Illumination

Signal Timing and Maintenance  
Lane Striping  
Pavement Sealing  
Pavement Repairs  
Landscaping, Planting/Mowing  
Cleaning/Sweeping  
Drainage Control

The state and municipal officials may vary in assigning priorities to the activities and generally there is no budget consultation.

There is a certain economy in the consolidation of maintenance activities on an area basis rather than on a street-by-street basis. Presently, the DOTPF and several municipalities "trade-off" routes for routine snow removal so that the equipment is not traveling with blades up between system streets.

## CREATING TRANSPORTATION BOARD

HB 654

This proposed bill would create a DOT Board. The bill, if passed, might be the only method possible to make the DOT function efficiently. Currently the directions to the DOT come from the Governor, the Administration, the Legislature, the four Deputy Commissioners at the DOT Headquarters, and the several Directors within each region.

The workers, the few that are left, receive these various directions which are usually conflicting and at odds with one another, and the predictable result is that production and morale are extremely low.

Almost all of the other States have gone to a Board of Commissioners due to the very same problems that are currently confronting the State of Alaska DOT. Other States have found that an unsalaried Board of Commissioners is the sole body that filters the directions from the Administration, the Legislature, and other interested agencies, and gives a unified single direction to the DOT organization. This has generally resulted in a stable long-range program without constantly juggling priorities.

You may consider requiring the appointment of members to represent both major political parties equally with one independent member, so that all major political factions would be represented regardless of who occupies the Governor's mansion.

The current DOT is not and has not functioned effectively since its inception in 1977. Since that time, there is \$50,000,000 in Federal Highway funds that should have been spent to upgrade the existing transportation system in the State. Instead, the money is on the Federal Aid books and it will soon be lost to the State. Even if the money is obligated by some miracle in the near future, inflation will have eroded its potential to repair and reconstruct the thousands of miles of highways that are disintegrating due to lack of maintenance and reconstruction.

This bill and HB 651 appear to conflict since they are both creating Commissions that have authority to plan for and implement transportation systems. HB 651 has authority just for the Marine Highway System whereas HB 654 is intended to have overall authority for all transportation modes. Generally, when you have overlapping authorities, you end up with infighting to gain greater control and the end result is lower efficiency due to the transportation planning going in too many directions. The Marine Highway is tied directly to the Land Highway System and the authority for both modes should remain under one Board of Commissioners.

Sec. 6. AS 44.42.050 (d) should be revised to include a 10% contingency to cover project overruns in design and construction. All too frequently several major and badly needed projects are delayed because there are insufficient or no funds set up to cover these overruns. It should be noted that most overruns are not the result of mistakes, but they are usually caused by additions to the projects demanded by State and Federal agencies or as a result of requests made at public hearings.

Sec. 8. AS 44.42.055 (b) (1) The budgets requested by the Commission should be prepared by the Department Heads in the lower echelons who are responsible for project development. Too often during the last few years, the budgets have been made out by the new Directors who have recently been brought into the DOTPF who really have no conception of the needs of their departments. Great sums of money are being expended by the DOTPF, but in many cases, the funds are being misspent. Funds for outside travel, especially to the Planning Section, are being allocated, where in fact, the funds could be spent to increase productivity in the Department by purchasing desk computers, and some of the latest state of the art survey and drafting equipment.

(2) The Board of Commissioners would be more receptive to Municipal demands than the current isolated and insulated Commissioner and Deputy Commissioners. For instance, the City of Valdez has repeatedly requested the minor expenditure of DOT funds for the extension of the bike path from the Airport Road intersection along the Richardson Highway to the new recreational complex at Mile 1.5. There have been five automobile fatalities and one bike fatality in this area during the last five years. The City has been told that there are higher priorities than this bike path. The people closest to the transportation problems usually have the best solutions to those problems. The duties of the Board of Commissioners, as outlined in this bill, would require the Board to listen to public input from the municipalities and from other public and private organizations.

# STATE OF ALASKA

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

*Stev*  
JAY S. HAMMOND, GOVERNOR

POUCH K - STATE CAPITOL  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3632

3603

April 2, 1982

Honorable Bette Cato  
Representative  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Representative Cato:

In our review of CSHB 651 we have identified certain flaws in the legislation as it is currently presented. We are passing our ideas along to you in the hopes that our review may be useful in marshalling your arguments pertinent to the legislation.

1. Section 19.70.020 contains a few practical problems as well as a constitutional difficulty.

A directorship of six individuals seems guaranteed to lead to tie votes potentially deadlocking the policy making activities of the board. This could be eliminated by making the commissioner of transportation a voting member or by adding language similar to AS 44.88.050 which provides a tie breaking mechanism for the board of the Alaska Industrial Development Authority. The mechanism calls for the submission of tie vote matters to the governor. His decision breaks the tie.

The non-voting membership of the commissioner of transportation is tokenism. Our review of other independent entities within state government indicates that commissioners of departments connected with the independent entity are voting members of the body of directors. We have discovered no logical reason to deviate from that precedent.

April 2, 1982

The confirmation of directors by the legislature is directly contrary to Bradner v. Hammond, 553 P.2d 1 (Alaska 1976), which defined the parameters of Article III, Sections 25 and 26 of the Alaska Constitution pertinent to the confirmation powers of the legislature. Legislative confirmation is appropriate only for heads of principal departments and boards or commissions of principal departments and regulatory or quasi-judicial agencies. The proposed ferry authority is clearly outside the class intended to be subject to confirmation.

2. Section 19.70.040 excludes legal counsel from classified service under AS 39.25. This language should be clarified so that no authority to hire independent counsel can be inferred. Use of the attorney general as counsel will maintain the chain of supervision within the executive branch. Alternatively, a section specifically stating that the attorney general is counsel would be appropriate.
3. Section 19.70.140 seems to imply that the authority is outside the operations of the Administrative Procedure Act (APA) but that access to public records and open meetings are guaranteed nevertheless. This language is superfluous in that all organizational units of the executive branch are bound to adhere to all of the provisions of the APA unless expressly excluded by law. Alaska State Housing Authority v. Dixon, 496 P.2d 649 (Alaska 1972).
4. As a general position, the Department of Law, does not favor the creation of independent authorities. This policy is especially applicable to the proposed ferry authority in that the functions of the marine highway system are uniquely governmental in nature and not akin to the class of entities typically associated with independent proprietary authorities. We feel this point could be developed into a strong policy argument against the creation of this specific authority.

April 2, 1982

Finally, even assuming that the creation of a marine highway authority would be desirable, this legislation lacks certain key elements:

1. Neither the "purpose clause" in Section 1 nor the language of Section 19.70.010 are sufficient to demonstrate qualification for federal tax exemption. Certain buzz words are necessary to fulfill federal tax exemption requirements. Phrases such as "necessary for an essential government purpose" or "necessary public purpose" must be specifically stated in the purpose clause.


We further suggest a detailed statement of findings and policy in addition to a purpose clause. Examples of adequate phrasings may be found in AS 44.83.010--44.83.070, the Alaska Power Authority or AS 44.85.005--44.85.020, the Alaska Bond Bank Authority.

2. Typically, the real and personal property, assets, income and receipts of authorities are specifically exempted from state taxation. Examples of language may be found in AS 44.82.150, the Alaska Gas Pipeline Authority or AS 18.55.70, the Alaska Housing Authority.

The above represents the Department of Law's objection to this bill. Please call us if you have any questions about our analysis.

Very truly yours,

WILSON L. CONDON  
ATTORNEY GENERAL

BY:   
Mary-Margaret O'Connell  
Assistant Attorney General

MMOC/prm

This is an excerpt from the House Transportation Committee Final Interim Report.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Effective July 1, 1977, Sec.1, Executive order 39, provided for the creation of the Department of Transportation and Public Facilities. The new department consolidated the former Department of Highways and the Department of Public Works. DOT/PF was mandated to administer and construct statewide capital improvement projects in the following categories:

1. Highways and local service roads and trails,
2. International, truck, and secondary airports,
3. Marine transportation carriers,
4. Harbor and port facilities,
5. Public building facilities,
6. Communication-related facilities and structures.

Justification for the department consolidation was based on the belief that the state would best be served by the creation of a single department for planning, study, development, management, and operation of an integrated intermodal transportation system. It was presented as

a step forward—merging the departments would lead to greater efficiency and save the taxpayers tremendous amounts of money.

Since consolidation, time and the record show neither aim was accomplished. Projects have been delayed, facilities have deteriorated, and the operating budget has soared. The expected integration has not occurred; the design modes are still separated. By statute "the functions of the department are to be performed within each state region, to the maximum extent feasible". But consolidation has in effect created satellites to an extremely powerful headquarters staff.

When Robert Ward was appointed as second commissioner of DOT/PF, contractors who had been highly critical of the department were relieved. They believed, "Bob Ward is a good administrator; if he can't straighten out the department, no one can." Commissioner Ward has accomplished much but DOT/PF organization is cumbersome and the responsibilities excessive. The department has been labeled a monster by the newspapers, the public is disillusioned, and most legislators of the past four years, are appalled. Critics and objective appraisers alike conclude that the department, as it presently exists, cannot function effectively nor meet the needs of the public. Status reports list allocations that date to 1972 and perhaps before. Many of the projects funded in 1974-75 are in the design state. Two major upheavals of this past year are the proposed transfer of DOT/PF personnel out of Juneau (although this move has been fought by the legislature and the Lt. Governor, it has been slowly occurring) and the threat by Dalton Highway users to cease traveling the road because of its dangerous

conditions due to lack of maintenance. Millions need to be spent in reconstruction of roads and bridges, as proposed in the assessed needs in the policy statement draft. The only needs identified for new projects are docks and harbors. In Alaska it must be recognized that with the lack of in-state manufacturing, transportation should be geared towards import and export trends. The current transportation policy addresses in-state movement of goods and persons but falls short of considering export trends. With the export of energy resources in the near future as well as mineral and agricultural exports, the failure to recognize this important facet of Alaska's economy cannot continue.

All of the foregoing indicates that state transportation is simply not being developed and will not be in the future under the present organization structure.

The House Transportation Committee Chairman Cato, has requested legislation to be drafted which will resolve the following:

1. Remove the function of providing non-transportation public facilities from DOT/PF and place it in the Department of Administration. DOT/PF will thus become a department of transportation, and as such should not be involved in "public buildings", as they are not a part of the transportation system. The design and construction of such buildings are contracted to the public sector. Public buildings are not now, nor will they ever be, integrated into the system. Further, the purely administrative functions regarding same do not require transportation expertise.

The department should not be in the business of leasing office space for all state agencies, maintaining schools, etc.

2. Regionalize DOT/PF into five regions. Each regional district should have a director with regional authority for planning, design, and construction, provided each is compatible with an approved plan. District plans would be considered final unless disapproved by the department within a specified time. Budgets would be submitted to the department by each district and then presented to the governor and legislature, by district. The district director would be required to have at least five (5) years experience in transportation, construction or engineering. Addressing regionalization in legislation is most important in a state of great size and differing geography. The present commissioner's response to criticism regarding lack of regionalization has been to create three, rather than five, regions.

3. Two phase funding should be employed for "add-on" projects, i.e. those not included in the Governor's budget. The first phase would be for planning, and the second for construction. Legislative requests often tie up money for years because problems develop in the planning and design areas. Under this plan a better estimate would be available for the cost of a capital project before construction monies are appropriated.

4. Establish a Marine Highway Authority. The Department of Transportation should not be "running the ferries." Criticism through Alaska has been vociferous regarding the entire existing system—from tariffs, to service, to providing information.

Operation of a major ferry system should not be the charge of a state agency, particularly when the agency is forced to be a giant conglomerate.

5. Allow cities or boroughs to assume maintenance within their boundaries, for road and highways. This problem was identified at public hearings across the state two years ago. The problem is funding! The draft legislation should require the department to pay for this local maintenance at the same monetary rate as at present.

6. Change DOT/PF budget cycle from July to October. This change would make it possible to coincide with the federal funding cycle and alleviate current problems of dual budgeting and funding.

7. Establish a transportation board. This board would determine transportation policy as well as approve transportation plans, department programs and budget. It would also appoint the commissioner. Thirty-three states have either a transportation commission, a board of transportation, or a highways commission. It is apparent--from reviewing the organization of departments of transportation in other states--that the public is greatly involved in all levels of policy making, planning, and the setting of priorities. Appointed commissions or boards serve the public interest in all aspects. These entities are usually responsible for:

1. Appointing a director of transportation,
2. Program planning,
3. Administrative practices,
4. Awarding contracts,

5. Progress reports to the legislature,
6. Annual reports to the governor,
7. Development of a statewide transportation plan,
8. Proposing and establishing policy.

Presently, in Alaska, all powers are in the sole control of one state department. A transportation council, established by the Governor, serves only in an advisory capacity. A transportation board's membership need not change with the election of a new governor; overlapping four year terms would insure continuity for transportation functions, i.e., set up in the same manner as most state boards and/or commissions are in Alaska.

Some of the identified transportation problems cannot be easily rectified by legislation, thus we address them with recommendations as follows:

1. Problem - Lack of public hearings on projects (those in the Governor's budget and the legislature's add-on projects).

Recommendation - The Transportation Committee recommends to the Speaker of the House that the standing Committee on Transportation review all projects proposed prior to inclusion into the budget.

2. Problem - Lack of maintenance on highways, bridges, etc.

Recommendation - The chairman of the House Transportation Committee should request the commissioner of transportation to recommend a formula to be incorporated each year into the

budget for maintenance, based on the department's recent compilation of highway maintenance costs.

3. Problem - Maintenance on the Dalton Highway.

Recommendation - The Committee should schedule hearings on Dalton Highway maintenance. Highway users and DOT/PF representatives should be asked to testify.

The Chairman should request the Commissioner of DOT/PF to investigate the possibilities of contracting with a prime contractor for overall maintenance and management, with the responsibilities for sub-contracting, etc.

The Committee should request an investigation regarding turning the Dalton Highway into a toll road.

4. Problem - Standards and setting of priorities.

Recommendation - Standards and setting of priorities should be developed by DOT/PF and documentation submitted to the legislature.

5. Problem - Size and weight restrictions are written, administered and enforced by four separate entities.

Recommendation - The Committee should investigate regulations in the DOT/PF in conjunction with Administrative Regulation and Review Committee.

6. Problem - Responsibility of Road and Highway Maintenance.

Background - There have been disputes between DOT/PF and Bureau of Land Management, Department of Natural Resources and others regarding jurisdiction on certain roads and in subdivisions. Consequently, nobody performs the necessary work.

Recommendation - The Committee should further investigate maintenance responsibility.

HB 652 "An act authorizing the transfer to certain municipalities of responsibilities of the Department of Transportation and Public Facilities for maintenance of state highways; and providing for an effective date."

As in HB 654 Sec 12 which provides for local control of public works projects, this act provides for local control for maintenance of state highways within a municipality. (Should take the word "state" out of the title) On page 2, line 5, (d) this section was put in to allow the commissioner some latitude in deciding amounts on monies to the municipality. There should be the provision that additional monies may be provided by the municipality or possible some "percentage of cost" clause that the municipality should pay in so that it is not a total expenditure of dollars to the municipality without control or accountability. Otherwise, the municipality could just assume an agreement to leverage state dollars into them, and transfer dollars at will to other areas.

This request is in line with a Fairbanks Chamber of Commerce Recommendation.

HB 653 "an act changing the fiscal year of the Department of Transportation and Public Facilities; and providing for an effective date."

As the title implies, this is what this act does. It also speaks to unexpended balances for different durations of time. Sec. 6 may need some work. It carries out appropriations for the "life of the project". We may want to change this in committee to "final completion of the project". This same section provides that a statement supporting the amount of the unexpended balance requiring to complete the projects..and the amount that may be lapsed shall be recorded with the Department of Administration.

This would give an idea where there are hold ups and what the problems are, also what monies may lapse.

This act will take effect June 30 of 1982, this next fiscal year. This may cause problems with budget preparation. A budget could be approved for a twelve month year and a separate consideration for a three month cycle, or a fifteen month budget could be prepared.

House Bill 654

This is "an act relating to the Department of Transportation and Public Facilities and establishing a board at the Department of Transportation and Public Facilities and providing for an effective date."

This bill establishes a board of transportation mad up of 7 members.  
two members with highway construction experience  
two members with aeronautical experience  
one member with a maritime background  
one member with to be an economist  
one member as graduate of an accredited law school

Members serve overlapping terms with no member serving more than two terms.

The board shall: "Recommend policy for adoption to the legislature to assure the development and maintenance of a comprehensive and balanced statewide system that will meet the needs of the people of the state for safe and efficient transportation services." The bill outlines considerations for the board in their preparation of these policies from page 2, line 17 through page 5 line 4.

On page 5, line 12 (d), ..." the board shall supervise the execution (of the plan) by the commissioner of other statutory powers and responsibilities granted to the commissioner by law.", which gives added accountability from the commissioner to the board.

The board may adopt regulations. The board shall adopt regions in the state. The functions of the department.. shall be performed, to the maximum extent possible through the regional office. Region directors are appointed by the commissioner. (Recall that the board has supervisory powers here too, see paragraph above) \*\*\*In this section you may want to include better intent language to further define "to the maximum extent possible"

This bill also elaborates on the "plan" for transportation from Sec. 4, page 5, line 26 through Sec. 6. This Sec. 6 speaks to "two year" plan but does not address two phase funding. See HB 560.

Sec. 7 through Sec. 10 speaks to Public Facilities and outlines procedures for the public facilities and other plans.

Bill Analysis by Rep. Bette Cato's office

HB 651

"An Act relating to ferries and ferry terminals and establishing the Alaska Marine Highway Authority"

Sec. 1 Purpose : The purpose of this act is to establish an authority for the operation, management, and planning and construction of facilities for the marine highway system that is independent of state government. The authority shall be the exclusive state agency directly associated with the operation, management, planning and construction of facilities for the marine highway system.

Sec. 2 Adds a new chapter 70 to title 19; AS 19.70.010, ALASKA MARINE HIGHWAY AUTHORITY.

This section creates the Marine Highway Authority as a public corporation of the state. The corporation is an instrumentality of the state in the Department of Transportation and Public Facilities but has a legal existence independent of and separate from the state and continues until its existence is terminated by law.

Sec. 19.70.020. DIRECTORS Directors, consists of seven directors, the commissioner of DOT/PF, ex-officio, (non-voting), and six directors appointed by the governor with the following qualifications; a representative of commercial carriers, representative of the maritime industry, a representative of the tourism industry, and three members of the public representing regions, Region 1, southeast Alaska, Kodiak, Region 2, and Region 3, southcentral (Prince William Sound).

Most language in this section is boilerplate "board" language pertaining to qualifications, conflict of interest... Directors serve without compensation, but are entitled to travel and per diem expenses.

Sec. 19.70.030 OFFICERS AND QUORUM The directors elect a chairman from their number. The directors shall elect a secretary that need not be one of the directors. Four directors constitute a quorum. Majority motions or action may be taken.

Sec. 19.70.040 STAFF The authority may employ staff, may contract for services in exercising it's powers.

Sec. 19.70.050 POWERS OF THE AUTHORITY Sets out powers and obligations of the authority.

Sec. 19.70.060 authorizes the name for the system; "ALASKA MARINE HIGHWAY SYSTEM."

Sec. 19.70.070 COMPREHENSIVE LONG RANGE PLAN, mandates a comprehensive long range plan for the marine highway system that shall be updated at least every five years.

Sec. 19.70.080 ACQUISITION OF LAND AND EASEMENTS, sets out procedures that the authority utilizes to acquire property.

Sec. 19.70.090 AUTHORITY TO PURCHASE PROPERTY FOR THE PURPOSE OF EXCHANGE allows the authority to purchase property for exchange.

Sec. 19.70.100 VACATING OF LAND OR RIGHTS IN LAND, This section allows the authority to vacate land or use rights by filing a deed in the appropriate recording district. Upon vacating, title reverts to persons, heirs, successors, or assigns in whom it was vested at the time of the taking. The authority may transfer land to the Department of Natural Resources for disposal, proceeds of which go to the General Fund.

Sec. 19.70.110. ANNUAL REPORT. By March 1 of each year, the authority shall submit to the governor and the legislature a comprehensive report describing the operations, income, and expenditures for the preceding calendar year.

Sec. 19.70.120 ANNUAL AUDIT Also by March 1, records shall be checked by a CPA. Allows a legislative auditor access to these records at any time.

Sec. 19.70.130 BUDGET AND APPROPRIATIONS The authority is funded by the legislature through the governor by the Executive Budget Act (AS 37.07) Money is directly appropriated and may be spent as authorized.

Sec. 19.70.140 PUBLIC RECORDS; OPEN MEETINGS. Subject the authority to open meetings and public records.

Sec. 19.70.150 NAMING OF VESSEL OR FACILITY sets guidelines for naming

Sec. 19.70.160 DEFINITIONS should be self explanatory.

Sec. 3 AS 19.60.010 and following sections of the bill are amended to read "authority" instead of "Department" giving the authority jurisdiction in law where the department had been specified.

No other substantive changes have been made in this bill

Bill analysis by Rep. Bette Cato's office

HB 652 "An act authorizing the transfer to certain municipalities of responsibilities of the Department of Transportation and Public Facilities for maintenance of state highways; and providing for an effective date."

This act provides a municipality the option for local control for maintenance of state highways and airports within a municipality.

Sec. 1 AS. 19.10.030 amends existing law to allow the responsibility for maintenance to be transferred to a municipality.

Sec. 2. AS. 19.20.013 is a new section (This relates to Highways)

(a) A municipality may, by resolution of it's governing body, request the transfer to it the responsibility of the department for the maintenance of state highways.

(b) states how the agreement between the department and the municipality shall be made.

(c) this section was put in to allow the commissioner direction as to the amount of monies to the municipality.

(d) authorizes a municipality the power to maintain highways and to enter into an agreement for such.

Sec. 3 AS. 02.15.062 is a new section to allow for local control of airport maintenance, with similar provisions as the highways section.

Sec. 4 effective date authority, July 1, 1982

\*\*\* Fiscal impact is estimated at zero, (Fiscal note attached), should represent a savings to the state once enacted, as well as provide for better maintenance.

\*\*\* The CS added "airports"

\*\*\* Bill is supported by the Alaska Municipal League and Dept. of Community and Regional Affairs position paper included in members files.

1740 Patterson Ct.  
Anchorage, AK 99504  
Sept. 11, 1981

Mr. James Eide  
Director, Division of Marine  
Highway Systems  
Alaska Department of Transportation  
and Public Facilities  
Pouch R  
Juneau, AK 99811

Dear Mr. Eide

This letter is one of complaint. I am writing it one month after beginning the ferry trip concerned, hoping that my comments will not be too colored by the intense disgust and anger aroused by the events of the trip.

On August 11, my wife, daughter, mother-in-law and I embarked from Seattle aboard the MV Matanuska, bound for Haines/Skagway, with a layover in Juneau. We had made reservations for the voyage during the preceding May, and had paid our fare the required 45 days in advance. At the time we made reservations we were unable to obtain stateroom reservations, and so made plans to have our names placed on the waiting list upon our arrival at the Ferry System office in Seattle. We did so, and subsequently obtained a room after departure from Seattle. That, and the pleasant treatment received from the Seattle office staff were about the only favorable aspects of the trip.

As we were traveling with a large camper, our tickets were written in such a manner that the Matanuska purser would not allow us to board except as a group in the camper. Inasmuch as foot passengers were boarded before passenger vehicles, we were among the last passengers to board the vessel. By the time we reached the passenger facilities aboard, the only remaining seats were located in the forward observation lounge. All deck seats and recliner seats were occupied by passengers, back packs, sleeping bags and other impedimenta. There was no effort by the purser staff to determine which seats were being used as seating and which were being used as convenient luggage storage. During the first several hours of the voyage, while stateroom vacancies were being checked, we occupied seats in the forward lounge. Throughout that time, over the public address system, the staff continually announced that all luggage would have to be removed from the lounge area, and placed in lockers. All lockers, unfortunately, were in use. Needless to say, we remained where we were, sitting with sleeping bags and toilet kits on our laps.

When we lodged a complaint with the purser about the boarding system used, he responded that "This is the way we've been doing it for twenty years, and we don't intend to change." That was the moment when I realized that the Ferry System was no longer under control of the State government, but under control of the crew.

I am convinced that passengers who are required to pay fares in advance should at least have equal opportunity for deck seating with those foot passengers who pay their fares on the date of sailing. As a matter of fact, I cannot see why the Ferry System cannot devise a means of assuring that those who pay in advance are allowed to board in advance. When a party is ticketed with a vehicle, only the driver needs to board with that vehicle. Why cannot your people adjust their system to allow others of the party to board with pre-ticketed foot passengers?

off-loading of cargo vans. Yet, when preparing for loads at Seattle, all vehicles were lined up in an apparent effort to load them in reverse order of their destinations. In other words, vehicles going to Ketchikan were loaded after those destined for Wrangell. This makes sense, doesn't it? But yet at Ketchikan, Wrangell and Petersburg, about a dozen vehicles were off-loaded, then re-loaded after cargo was discharged. The excuse given us, and to other inconvenienced passengers, was that "Safety rules" required this process. Then why go through the exercise of pretending to load cargo in reverse order of destination? To me, and to the other passengers who played "on and off the ferry" it seemed apparent that the first officer simply did not wish to be bothered with the extra effort required to load in sensible fashion.

There was sufficient time in Ketchikan for most passengers to do some sight-seeing. However, those of us who were waiting on the dock to reload our vehicles were told to remain with the vehicles, as we would be reloaded as soon as all cargo was removed. About a half hour after all passengers had returned to the vessel, our vehicles were reloaded. Again, it seems to me to be more inconsiderate handling of passengers. There was no reason for us to remain dockside with our vehicles. It simply was easier for the person responsible for cargo loading to do it that way.

Incidentally, the first officer, whose name I failed to get, very coldly informed me after a similar botchup in Wrangell, that I "should stop chipping teeth", and let him get on with his very important job. Frankly, the urge to chip a couple of his teeth was almost overpowering. To think that I've paid taxes for over 20 years to support a clod of this type!

On reboarding after the scheduled stop at Sitka, we were informed by an assistant purser that our ticket was improperly prepared, and that we might not be able to reboard. This was our fourth boarding of the vessel, and only now was our ticket unacceptable. The young lady was polite, and when she realized that I was at the extreme limit of my patience with the ferry crew, she allowed us to board, and subsequently corrected our ticket, blaming the problem on an error by inexperienced clerks at the Anchorage office. I don't care whose error it was, it should have been detected at our first boarding, not our fourth!

After stopping over in Juneau, we boarded the "Columbia" on Aug. 17 to continue our trip to Haines. Thankfully, we had no problem boarding, and met a young man who seemed to know what he was doing. Probably one of your lower-paid employees, he was responsible for lining vehicles up prior to loading. He knew his job, and was able to communicate very effectively and politely. Frankly, you might want to groom him as a purser or first officer. At least he wasn't alienating passengers!

Once aboard the "Columbia", however, we again found that seating was at a premium. Boarding had been at about 2:00 AM, and most seats and sheltered areas already had been claimed. However, in the recliner lounge area, we found that people were sleeping on the floor between the seat rows, having the effect of occupying three seats for one passenger.

The watchman didn't seem too concerned about that. Not nearly so concerned as he was about my wife sleeping on the floor in front of his time clock. When he needed to punch in on the clock, he simply prodded her with his foot and told he she'd have to move.

Our plans had been to go by ferry to Skagway from Haines, but after the experiences detailed in this now over-long letter, we elected discretion as the better move, and left the vessel in Haines to return to Anchorage.