

ALASKA LEGISLATURE COMMITTEE FILES 1901-1902

2146 ST SB 510 - SB 793

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STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

OFFICE OF THE COMMISSIONER

POUCH D

JUNEAU, ALASKA 99811

Phone: 465-2500

May 6, 1981

Honorable Charles Parr
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Parr:

Thank you for your letter of April 24 with reference to legislation (SB 510) which you are introducing to provide a route survey from Prospect Creek to the Ambler Mining District. My department is supportive of meaningful initiatives to plan for and develop the transportation and power infrastructures necessary to realize the potential of the Ambler District.

John Sims, Director of the Office of Minerals Development, is currently in the process of contacting mining companies active in exploration of the Southern Brooks Range Mineral Belt with a view to establishing collective infrastructure needs. At least two major companies, Anaconda and Bear Creek have very substantial proven reserves while several other companies are pursuing active exploration programs. Remote mineral districts such as the Kobuk or Ambler Belt will require the collective efforts of and cooperation between the private sector state and federal agencies to provide for overland access and other components of infrastructure. This should be addressed not as a site-specific need but to further the development of more than one mining property.

Even in these days of depressed base metal prices, the major mining companies would, in all probability, be developing mines in the Ambler District given the existence of a realistic mineral development climate and a resolution of infrastructure requirements.

Initiatives of the Office of Minerals Development in conjunction with the holders of in-ground resources should clearly indicate an appropriate integrated development scenario. This contact could then be broadened into a task force approach involving the private sector, agencies and affected communities with the objective of working towards the establishment of a viable, healthy and efficient mining industry in the Interior.

May 6, 1981

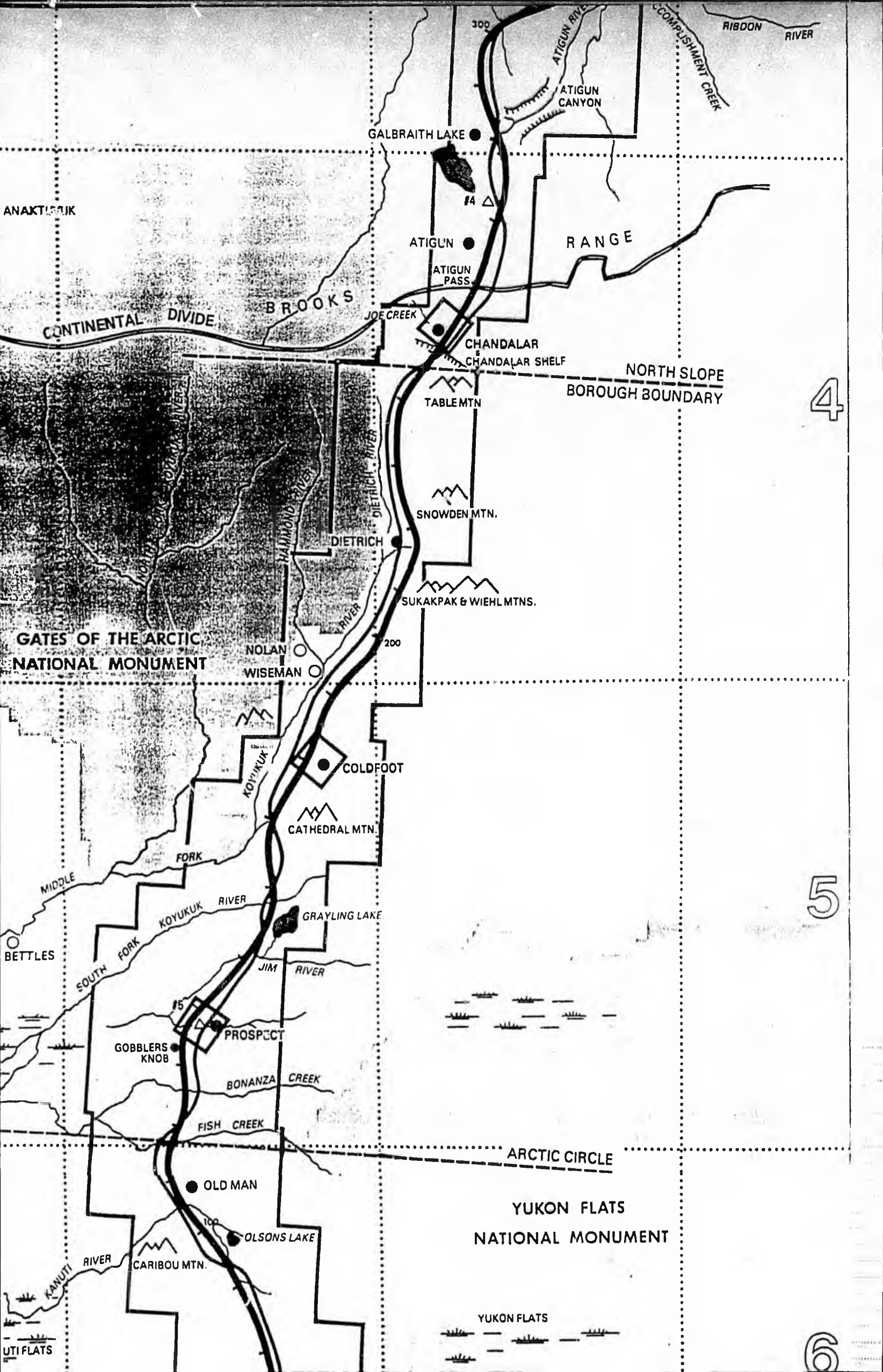
While we are probably, in realistic terms, a decade or more away from major mineral production in the Ambler District, given the lead and lag times inherent in the start-up of new mining operations, it is timely to seize the initiative now and develop momentum in this vital aspect of our future economy.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles R. Webber", followed by a horizontal line extending to the right.

Charles R. Webber
Commissioner

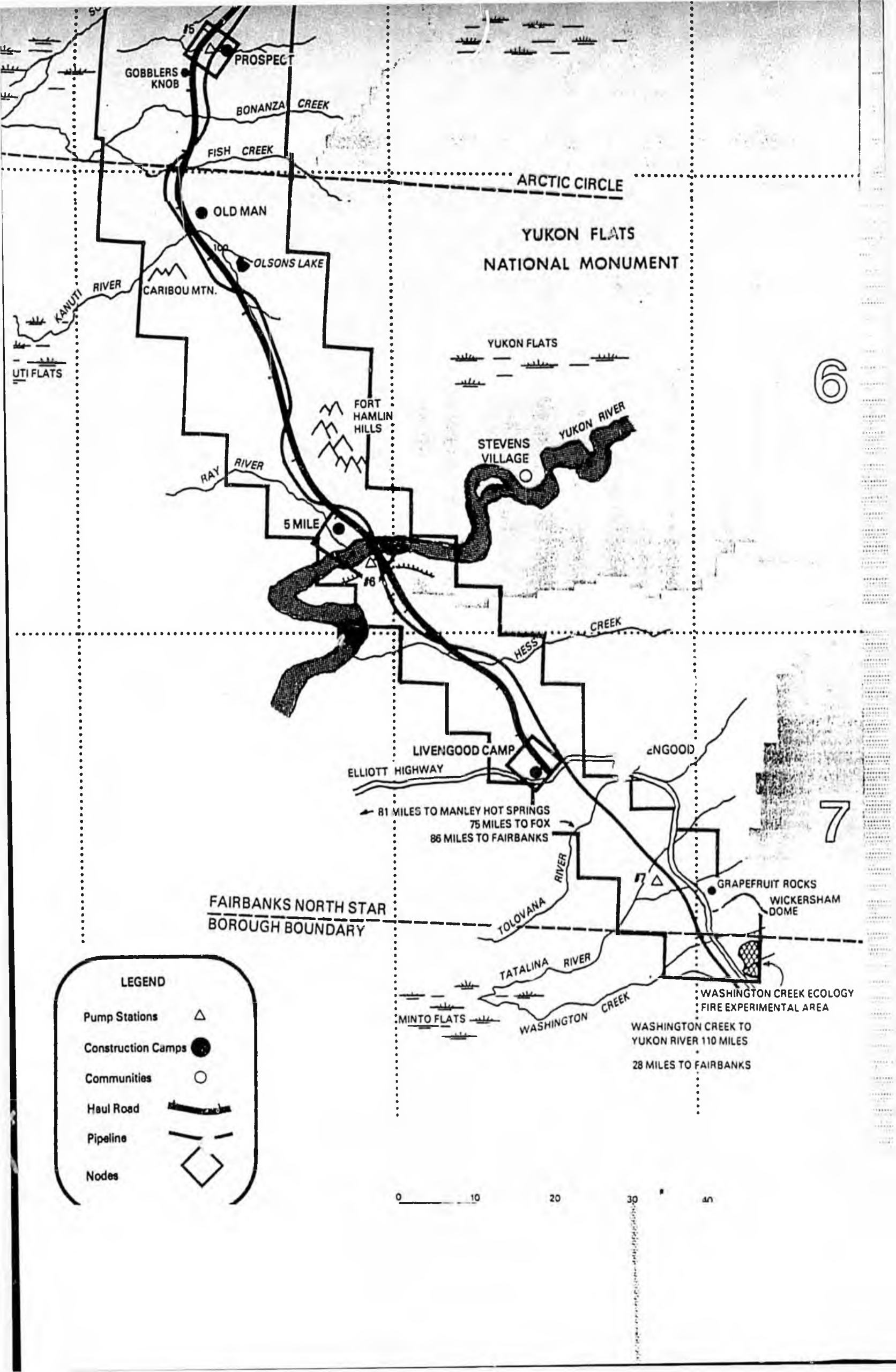
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GOBBLERS KNOB
PROSPECT

BONANZA CREEK

FISH CREEK

ARCTIC CIRCLE

OLD MAN

YUKON FLATS
NATIONAL MONUMENT

OLSONS LAKE

CARIBOU MTN.

UTI FLATS

YUKON FLATS

6

KANUTI RIVER

FORT HAMLIN HILLS

STEVENS VILLAGE

YUKON RIVER

RAY RIVER

5 MILE

HESS CREEK

LIVENGOOD CAMP

ENGOOD

ELLIOTT HIGHWAY

81 MILES TO MANLEY HOT SPRINGS
75 MILES TO FOX
86 MILES TO FAIRBANKS

7

FAIRBANKS NORTH STAR
BOROUGH BOUNDARY

TOLOVANA RIVER

GRAPEFRUIT ROCKS

WICKERSHAM DOME

LEGEND

- Pump Stations
- Construction Camps
- Communities
- Haul Road
- Pipeline
- Nodes

MINTO FLATS
WASHINGTON CREEK ECOLOGY
FIRE EXPERIMENTAL AREA

WASHINGTON CREEK TO
YUKON RIVER 110 MILES
28 MILES TO FAIRBANKS

0 10 20 30 40

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

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

FILE WITH BILL

CHARLIE PARR

ALASKA LEGISLATURE

S.R. Box 50599
Fairbanks, Alaska 99701
(907) 456-5029

Pouch V
Juneau, Alaska 99811
(907) 465-4907

June 5, 1981

MEMORANDUM

TO: Senator Bill Ray and
Members of the Transportation Committee

FROM: Senator Charles H. Parr *CHP*

SUBJECT: SB 510

At the time I testified before your committee on SB 510, the enclosed material had been requested but not yet received from DNR.

Although I understand the concerns of the Senator from Kotzebue, I should point out to the committee that some of the largest mineral deposits along the route of the proposed road are fairly far east of the Ambler area. It seems that some steps will need to be taken in the near future to exploit the at least \$10 billion of known metal deposits.

CHP:pbd
Enclosure

South Flank Brooks Range Mineral Belt

It is generally estimated the mineral belt along the south flank of the Brooks Range, from the pipeline haul road west to the Ambler district, contains a minimum of \$10 billion dollars worth of metals already discovered. The metals include important amounts of copper, lead, zinc, silver, and gold. Less well known deposits of chromium and nickel exist farther to the west. Nonmetallics present include barite, asbestos, talc, and jade. Minor amounts of coal are known.

Some of the deposits have been extensively explored by drilling (Arctic Camp and Bornite). Others are partly tested, and the entire extent and reserves are still not completely determined. Industry has released grade and/or tonnage figures on some deposits, but information is generally confidential or incomplete. Additional exploration will increase the proven reserves.

A statistical analysis of the resource potential of some of the region by the U.S. Geological Survey (Grybeck and Young, 1978) suggests that there could be several times as much ore still undiscovered as has been found to date.

The attachments include two maps and one table. Map A is to be used with the table which provides information on the types of metals present and available data on grades and tonnages by deposit.

Map B is included because it gives the locations of the known prospects and principal metals at a glance.

Explanation of Map "A"

The map is a copy of a portion of the Mineral Terranes of Alaska map series published in 1979 by the University of Alaska Arctic Environmental Data Center. There is a township base; 1" = 16 miles.

Shaded areas represent various rock units found to be favorable for one or more types of minerals in some areas.

Triangles and hexagonal symbols indicate the better-known ore deposits; size of symbol is a general indication of the size of the ore deposit; numerous minor deposits are not shown.

Numbers above the symbols correspond to numbers in the table containing names of the deposits, types of metals present, and comments.

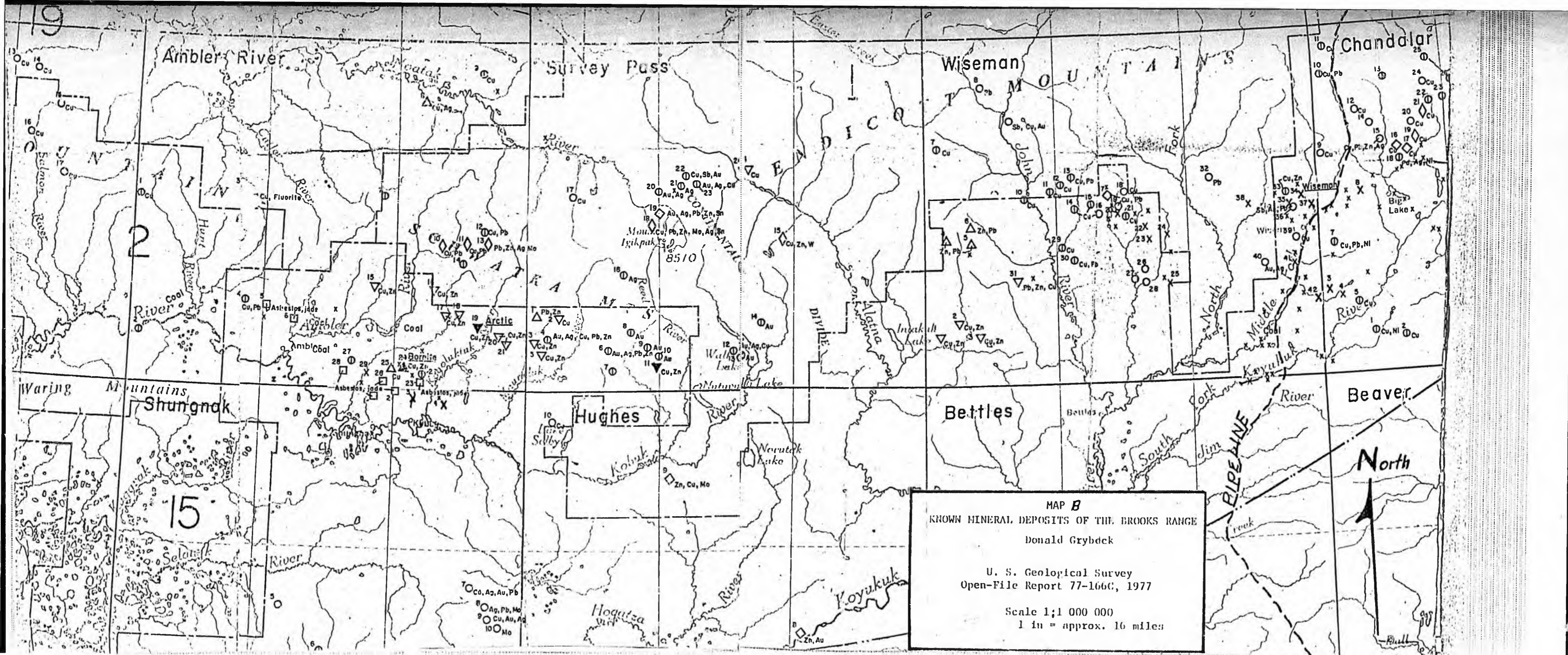
Dotted outlines are areas having anomalous metals in stream sediments, detected by geochemical prospecting. Symbols for anomalous metals shown.

A section of the Haul Road has been inked in for reference.

Mineral Deposits, South Flank of Brooks Range

<u>Map Number (Map A)</u>	<u>Name of Prospect</u>	<u>Comments (as of March 1978)</u>
1	Picnic Creek	This is a major copper, lead, zinc silver occurrence, where 17 drill holes have defined over 1 billion dollars worth of metal. The deposit is almost surrounded by the proposed park, and is less than 6 miles from the Park Boundary.
2	Red (Walker Lake)	Copper, zinc, gold, silver present but not drilled.
3	Unnamed	Assays of 1% tungsten and tin.
4	R-0	Copper and zinc prospect: geology similar to that in Ambler district.
5	Arrigetch Peaks North	Copper, zinc, tungsten, tin.
6	Ann (and others in vicinity)	Are copper, lead, zinc and silver occurrences containing up to 20% lead-zinc and 3% copper.
7,8,9	Abo and others	Similar to Ann deposit.
10	KAV	Copper; silver.
11,12	Unnamed	A cluster of occurrences containing copper, lead, zinc, silver and molybdenum in this area.
13	Horse Creek	A significant deposit containing copper, zinc, lead, silver, and gold. Similar to Arctic Camp Deposit (No. 18).
14	Cliff	Near Horse Creek deposit; zinc, lead, copper.
15	Smucker	A high grade copper, lead, zinc, silver deposit. 5 drill holes have defined several millions tons of mineral resource with values up to \$110/ton. The geology suggests significant additional reserves will be found.

Map Number (Map A)	Name of Prospect	Comments (as of March 1978)
16	Sunshine Creek	Copper, zinc, lead, silver and gold. Details not published, but deposit similar to Arctic Camp.
17	Dead Creek	Copper, zinc, lead, silver and gold. Details not published, but similar to Arctic Camp.
18	Arctic Camp	This is one of the world's largest copper, lead, zinc, silver ore bodies. Numerous diamond drill holes have defined 40 million tons which average 4% copper, 1.0% lead, 5.5% zinc, 1.5 ounces/ton silver.
19	Bornite	This is a very high grade copper deposit, numerous drill holes have been defined several 100 thousand tons of high grade reserve worth approximately \$120/ton and millions of tons of lower grade copper. Also contains zinc, lead, silver, and gold. Extensively explored by drilling and a 1100-foot vertical shaft.
20	Pardner Hill	May be similar to Bornite. Copper, lead, gold, and silver. Near Bornite deposit.
21	Kobuk Placer District	Placer gold has been mined.
22	Unnamed	Northwest of Ambler district. Primarily vein copper deposit.
23	Omar	Northwest of Ambler district. Drilling indicates a significant copper deposit.
24	Frost	Northwest of Ambler district. Copper, zinc and barite. Possibly as much as 10 million tons of barite indicated.
25	Clery Creek	Placer gold district north of Kiana.



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RESOLUTION

REVILLA - GRAVINA HARD LINK ACCESS

WHEREAS: Ketchikan currently is feeling the impact of a growing community accelerated by the influx of increasing industry by U. S. Borax, the ferry maintenance facility, the Swan Lake Hydro Project and an increasing tourism trade, and;

WHEREAS: Ketchikan's existing and proposed road system is obsolete for the size of the community and is considerably behind highway development and expansion in the rest of the State, and;

WHEREAS: The Department of Transportation has indicated its intent to re-draft a long range transportation study for Southeastern, incorporating an expanded road system for future linkage between major communities and relegating ferry use for shuttle service between areas of lesser trade, and;

WHEREAS: The ferry transportation in operation to the airport is barely sufficient to meet current passenger, vehicle and freight demands and will be overburdened in the near future, making water access to a major commercial and industrial development outmoded, and;

WHEREAS: The air freight business at Ketchikan International Airport has increased beyond projection in the past two years and will continue on the incline even more rapidly with the type of new industries being introduced into the community, and;

WHEREAS: Local land investors and developers have been thwarted from providing Ketchikan with future housing projects and residential areas because land has not been available for release and no direction has been given to possible and alternative usages, and;

WHEREAS: Ketchikan has an increasingly urgent need for available land for both residential and industrial development as could be provided for with the opening of Pennock and Gravina Islands, and;

WHEREAS: The State has revenues available for long term capital improvement projects and the Federal Government will share in a major portion of the financing with the State of Alaska for one hard access to the Ketchikan International Airport, and;

WHEREAS: Ketchikan has strong and experienced legislative representation in Juneau of which we can only be assured throughout the 1982 session;

BE IT THEREFORE RESOLVED: The Greater Ketchikan Chamber of Commerce does re-endorse its prior position letter of July 22, 1980 and urges action by our local officials in Juneau to procure the funding in the 12th Legislature for the engineering studies and the State's share of the project construction costs for the most feasible Revilla-Gravina Hard Link section of the Ketchikan Transportation Corridor.

SIGNED AND SEALED this 23rd day of June, 1981 by;

Les Hook
President
Greater Ketchikan Chamber of Commerce

*incldy feasibility
of a tunnel*



STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

DEPUTY COMMISSIONER - PLANNING AND RESEARCH

POUCH Z
JUNEAU, ALASKA 99811

(907) 465-3900

July 16, 1981

The Honorable Robert H. Ziegler, Sr.
Alaska State Senator
307 Bawden
Ketchikan, Alaska 99901

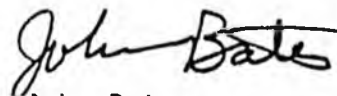
Dear Senator Ziegler:

At your request we have reviewed the Gravina Island Crossing Study prepared by this department in 1974.

We estimate that the cost of updating the study and conducting field engineering to evaluate either bridge or tunnel construction, including geological testing, would cost approximately \$1.0 million dollars. The previous study of the crossing did not involve any significant testing of the geologic structure and therefore would not provide a basis for estimating the actual total construction costs. Completion of the necessary field investigations will allow the development of a realistic total cost of the structure.

If you have any additional questions please contact me or Warren Sparks, Director, Southeast Region Planning and Programming at 465-2470.

Sincerely,



John Bates
Deputy Commissioner



KETCHIKAN GATEWAY BOROUGH

344 FRONT STREET
KETCHIKAN, ALASKA 99901

JANUARY 18, 1982

SENATE TRANSPORTATION COMMITTEE
STATE OF ALASKA
JUNEAU, ALASKA

SENATORS:

FOR SOME TIME KETCHIKAN HAS BEEN CONCERNED WITH THE DEVELOPMENT AND GROWTH OPTIONS INSIDE OUR BOROUGH. WE ARE ANTICIPATING SIGNIFICANT AMOUNTS OF GROWTH AND DEVELOPMENT OVER THE NEXT TEN YEARS AND THE DEVELOPMENT OPTIONS ARE LIMITED.

THE PLANNING COMMISSION IS CONSIDERING OPTIONS FOR EXPANSION INCLUDING SEVERAL DIFFERENT AREAS ON REVILLA ISLAND AND ON GRAVINA ISLAND. A WATERFRONT DEVELOPMENT STUDY COMPLETED WITH COASTAL MANAGEMENT FUNDS LAST YEAR CONCLUDED THAT THE MOST DESIRABLE INDUSTRIAL AND COMMERCIAL LAND IS AVAILABLE ON GRAVINA ISLAND. WE FEEL THAT SOME RESIDENTIAL AREAS WILL BE DEVELOPED THERE AS WELL.

ONE OF THE MAJOR CONSTRAINTS IN DEVELOPING THIS OPTION IS ACCESS. AT THE PRESENT TIME, I AM SURE MANY OF YOU ARE AWARE, WE ACCESS THE ISLAND BY FERRY. THIS IS ONE OF THE FEW PLACES WITHIN THE STATE WHERE THE FERRIES ARE OPERATED BY THE LOCAL MUNICIPALITY AND NOT BY THE STATE. IT SHOULD BE

SENATE TRANSPORTATION COMMITTEE
JANUARY 18, 1982

POINTED OUT THAT KETCHIKAN SERVES THE ENTIRE SOUTHEAST REGION, THEREFORE, THIS FERRY IS USED BY PEOPLE OUTSIDE THE MUNICIPAL BOUNDARIES, YET IS COMPLETELY FINANCED BY THE LOCAL COMMUNITY. IN 1980 WE CARRIED 290,000 AND IN 1981 WE CARRIED 297,000 PASSENGERS.

AT THE PRESENT TIME WE ARE OPERATING A SMALL FERRY THAT HAS LIMITED CAPABILITIES. WE ONLY OPERATE ABOUT 16 HOURS A DAY. WHEN THERE IS EXPANSION TO GRAVINA, IT WILL BE NECESSARY TO START A 24-HOUR OPERATION. ALSO, WE HAVE REQUESTS FROM OPERATORS AT THE AIRPORT TO HAVE THE ABILITY TO KEEP CREWS IN THEIR WORK AREAS OVERNIGHT. WHEN ALASKA AIRLINES HAS A SCHEDULING PROBLEM, THE FERRY CREWS HAVE TO WORK OVERTIME AS THEY WAIT TO MEET THE LAST FLIGHT BEFORE CLOSING DOWN THE AIRPORT. KETCHIKAN INTERNATIONAL AIRPORT SERVES AS A BACKUP POINT FOR OTHER AIRPORTS. OUR FERRY CREW STAYS ON DUTY UNTIL AFTER A PLANE TOUCHES DOWN IN JUNEAU WHEN JUNEAU'S WEATHER IS MARGINAL.

WHEN THE PROPOSED MOLYBDENUM MINE IS OPERATIONAL, THERE ARE INDICATIONS THAT THE POPULATION OF THE KETCHIKAN BOROUGH WILL DOUBLE. WE FEEL THAT WITH THIS IN MIND, DEVELOPMENT AND EXPANSION TO GRAVINA ISLAND IS NECESSARY FOR THE COMMUNITY. SOME TYPE OF HARD ACCESS IS NECESSARY TO FACILITATE THIS GROWTH AND TO ALLOW THE COMMUNITY TO MARKET THE PRESENT POTENTIAL OF THE AIRPORT.

THANK YOU.

OPINION

Save money for the boro

When the issue of a tunnel or a bridge to the airport is raised, some opponents to either plan point to the cost as a reason to stick with the ferries.

Cost is a factor but not in the way the opponents realize. The bridge or tunnel will be cheaper for Ketchikan Gateway Borough residents and here is why:

The state will build the tunnel or bridge as part of the state highway program.

The state receives most of its highway construction funds from fuel taxes and highway user fees imposed by the federal and state government. Ketchikan residents, like other motorists, are paying those fees now. Plus, we are paying for the ferries to the airport.

The fees and taxes paid to the federal government go into the highway trust fund. The accumulated monies are allocated to states each year on a formula based on the size of the state, the amount of federal land in the state, and the number of miles of road. Currently, Alaska receives about \$106 million a year from that trust fund. The trust fund is unaffected by Reagan budget cuts.

The state matches those funds. In the past, that match has been as small as five percent. But it grows larger as federal land is conveyed to the state and Native corporations. The state raises its funds from motor fuel taxes, bond issues or from the general fund, whatever the governor and the legislature agree upon.

When the bridge or tunnel is constructed it will be maintained by the state as a part of the state highway system, not by the borough. Sen. Frank Murkowski (R-Alaska) was successful recently in getting a bill through the Senate that puts Alaska in a second federal highway program, the interstate plan. That program was set up before Alaska became a state. The territory

was denied participation. If the legislation now clears the House to include Alaska, it will mean \$80 million additional in highway maintenance funds for the state over the next few years.

In the meantime, borough residents are paying the federal and state highway taxes, and helping retire bond issues that support highway projects without Ketchikan getting one of its own desired highway projects.

In the meantime, borough residents are paying for a ferry system whose repair bill this year may approach \$1 million. One of the two ferries has been overhauled at a cost so far of \$284,000, although the final price tag isn't known. The second ferry will also undergo extensive repairs as soon as the first one is back in the water.

We admit that such high ferry maintenance expense may come every 10 years. But the life of a ferry is about 25 years, after which we start buying new ships.

Traffic to Gravina Island is growing. Last summer, for the first time, two ferries ran during peak times to handle the passenger load, which now exceeds 280,000 people a year.

As business grows at the airport, as land develops on Gravina Island, there will be demand for more service, which means a third and fourth ferry and more ferry landings. Those ferries and their maintenance are paid by borough taxpayers.

We see a bridge or tunnel — and we prefer the tunnel — as a saving for borough residents.

We encourage the borough assembly to get on with the planning to determine whether a bridge or tunnel is the most feasible. We encourage our state legislators to get the project on the state highway program before borough residents have to buy more ferries.

Political Being safe

By DAVID BRODER

Washington Post Writers Group
WASHINGTON — The folks at the Republican Senatorial Campaign Committee are frustrated. Their polls show Sen. Lloyd Bentsen (D-Texas) would be vulnerable to a strong Republican challenger this year. But they can't convince the Texas business and money establishment that Bentsen has done anything that deserves defeat. They went so far as to spread the word in Dallas financial circles that Bentsen had voted for food stamps, a public-service job, legal and abortion services for the poor and other bleeding-heart liberal stuff like that. They produced a flurry of inquiring phone calls that annoyed Bentsen's staff to the point that a Bentsen aide called the Republicans to point out that the GOP Senate campaign committee chairman, Bob Packwood of Oregon, had voted for most of the same things. But the GOP failed in its mission of stirring the Texas establishment into a holy crusade to beat Bentsen.

It's no wonder the Republicans have a problem. When Congressional Quarterly published its "presidential support" scorecard last week, showing how often each member of Congress had backed Ronald Reagan's position on the 1981 roll-calls, it was hard to tell who was the champion Reaganite in Texas.

Sen. John G. Tower, the staunch GOP conservative, backed Reagan on 78 percent of the roll-calls. And Lloyd Bentsen, the man the Republican would love to beat, backed Reagan 79 percent of the time.

True, those percentages can be misleading, because all votes — vital or routine — count equally. But on the 11 roll-calls CQ rated as "key" tests of Reagan's program, Bentsen voted seven times with Reagan and his colleague Tower.

Bentsen may be a particularly dramatic case of political adaptation. He supported Reagan's positions in 1981 almost exactly as consistently as he had supported Jimmy Carter's positions in 1980. But he is certainly not

unique. Of the 30 Democratic senators up for re-election this year, 15 voted with Reagan on half or more of the roll-calls.

Three of the 15 — John Stennis, Mississippi, Edward Zorinkay, Nebraska and John Melcher of Montana — gave Reagan a higher ratio of support than they had given Carter in 1980.

The only Democratic senators running this year who opposed Reagan more often than they backed him on the CQ scorecard are the heart of the liberal lineup: Kennedy, Massachusetts, Riegle of Michigan, Metzenbaum of Ohio and Sarbanes of Maryland, most conspicuously, and, in lesser ratios, Williams of New Jersey, Moynihan of New York and Mitchell of Maine.

What this suggests to me is that most of the Democratic senators up this year have put themselves in a position where they can run a "Chuck Robb card



Le

'We did

EDITOR, Daily News:

We citizens of this great land have been pushed around long enough. We have a chance to have a very helpful and very profitable business in our vicinity. We need the Borax mine.

To me the Borax mine means I will have steady work until retirement, my sons can work until retirement, and very possibly my grandchildren can work until retirement.

My contact with Alaskans has shown me that very few here are against the Borax mine. It seems the only opposition comes from a group of kahoona

with Sierra Club.

SEACC, SEACF has less than about 100 member. What I hear, I feel does not represent the people Alaska, or our nation's interests.

Most people will agree we need control and balance with nature, can't go around ruining our forests & rivers.

But then also we need to work & live. Remember we're in hard times. People here is pretty skinny. Christ around these parts. We need economic expansion the mine bring. Especially in the face of

Letter

Board Members

Pat Brees
Paul Crowl
Mike Cruise
Ken Duckett
Sue Hashagen
Rose Isaac
Ron Parsley



Mike Cruise, Chairman
P.O. Box 3081
Ketchikan, Alaska 99901

MAR 5 1982

Pennock — Gravina Island Association

February 26, 1982

Honorable Jalmar M. Kerttula
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Kerttula,

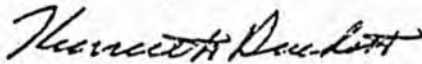
The Pennock-Gravina Association represents 51 voters registered in the Pennock-Gravina Precinct, Ketchikan Gateway Borough, Alaska. Our association ~~is opposed to Senate Bill No. 636,~~ introduced in the Senate by Senator Ziegler. This bill is for a special appropriation of \$1,000,000 for design of a bridge from Revilla Island to Gravina Island. Our association is opposed to this expenditure for the following reasons:

- 1) The only time the project was subject to a vote of the people of the Ketchikan Gateway Borough it came out last on a list of five projects. None of the four projects considered to be a higher priority than the bridge by the voters have been constructed.
- 2) The development direction dictated by a bridge to Gravina Island is in direct conflict with the current Ketchikan Comprehensive Plan. Public testimony given on January 19, 1982 before the Ketchikan Planning and Zoning Commission on development options for the Ketchikan area was in overwhelming opposition to changing current development direction. The Planning and Zoning Commission adopted the "Revilla Cluster" alternative at the conclusion of that hearing.
- 3) Recent Borough Planning Department estimates indicate there are between 6 and 7 thousand acres of private and borough selected land on Revilla Island. The Planning Department's high estimate of the amount of land needed for development from now until 1990, if U.S. Borax locates in Ketchikan, is 1,033 acres. This implies we have 40 to 60 years worth of land available for development on Revilla Island even if growth continues at its current rapid rate. This makes no allowance for Cape Fox land which the Corporation may choose to develop in the future.
- 4) Most communities are directing their residential development away from their airport due to the noise problems from modern jet airplanes. This bridge would focus this type of development in the immediate area of the airport on Gravina Island. We believe this is a very poor direction for our future development to take.

5) There are many badly needed projects on the Revilla Island (Ketchikan) side of Tongass Narrows that need funding and to fund the bridge project would detract from these projects. Some of these projects are: a downtown Ketchikan parking facility; traffic relief on Tongass Avenue; improvement of many existing rural roads such as in the Forest Park and Point Higgins areas, among others; construction of outlying area sewerage systems; accessing of developable land with the bypass road; Ketchikan Community Center and many others.

The opposition of our Association to this bridge is well known in Ketchikan. In our discussions with fellow residents, we hear evidence that opposition to the bridge is strong and widespread throughout the community. We have repeatedly asked in oral testimony before the Borough Assembly for the issue to be brought to the people for ballot determination. This has not been done. If popular vote shows the people of Ketchikan to be in favor of this project as a high priority, we will withdraw our opposition. Until then, we respectfully request that you vote against this appropriation.

Sincerely,



Kenneth Duckett
Board Member
Pennock-Gravina Island Association

KD:ad

cc: Alaska State Legislators
Alaska State Senators
Ketchikan Daily News
Anchorage Daily Times
Anchorage Daily News

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February 9, 1982


Mr. and Mrs. Del L. Ingrim
3715 W. Northern Lights Blvd.
Anchorage, Alaska 99503

Dear Mr. and Mrs. Ingrim:

This is to acknowledge receipt a copy of your correspondence of February 5 to Senator Rodey opposing Senate Bill 683 which requests funds to widen West Northern Lights Blvd.

I appreciate your taking the time to send me your thoughts on this subject. You may be assured that I will take your views into consideration on this piece of legislation.

Sincerely,


Bill Ray
Senator
District C

- ACK -

Mr. and Mrs. Del L. Ingram
3715 W. No. Lights Blvd,
Anchorage, Alaska 99503

February 5, 1982

The Honorable Patrick Rodey
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Re: Senate Bill No. 683
West Northern Lights Blvd.

Dear Senator Rodey:

According to the Anchorage Times of January 28, 1982, Senate Bill #683 proposes \$18.8 million to widen West Northern Lights Blvd. to five lanes from Lois Drive to the Lake Hood Airport entrance. I hope you will consider the following facts before making a final decision. Northern Lights needs to be made safer and upgraded and widening this road four or five lanes will not do this.

Northern Lights Blvd. from McKenzie Drive to the old military reservation (now International Airport) travels through what was once my grandfathers homestead which was patented when Alaska was still a Territory in the early 1900's. After World War II, W. Northern Lights, formerly KFQD Road, came into existence. It was cut through from McKenzie Drive (formerly Simonson Blvd.) to the military reserve. At one time, Northern Lights turned North at Simonson Blvd. for two blocks then west to Point Woronzof where the military had gun emplacements during the war.

When the property was subdivided by my relatives, the present W. Northern Lights Blvd. was opened up with a 60' right-a-way, not a 80' which apparently exists from the railroad tracks to McKenzie Drive - this section of Northern Lights was developed into a residential area and was not intended for a five lane arterial as the state, or city, presently plan.

When the International Airport was being constructed, a road was open from Northern Lights around Lake Hood. The residents were assured it was merely a temporary road. A gate was locked every night to prevent access. Now the state opened another road from Northern Lights to the new post office. It appears the state itself wants another high speed access road to service the airport to further its development, but if you will check a few of the subdivision plot plans, you will see the intentions were for West Northern Lights to be a residential street at the lower end and not a commercial highway.

Minnesota and International Airport Road was improved this past year at great expense for the purpose of servicing the airport - trees imported from the South "48" for beautification for the tourists. I hope a recount of traffic on W. No. Lights will be initiated because after the busy hours 8 am and 5:51 pm there is not sufficient traffic to substantiate a 4 or 5 lane road. We don't want a truck route through this residential area.

The Honorable Patrick Rodey
February 5, 1982
Page 2

A four or five lane highway in this area would require considerable condemnation of private property and homes. Many homes face Northern Lights and since direct access to a main arterial is discouraged from a residential lot by City Code, our property values will drop because of no access. Wally Hickel had the right idea when he suggested placing the airport access below the bluff along the railroad track from the railroad yards, across Chester Creek and through earthquake park to the airport. The state owns the tide lands. Negotiating with the Alaska Railroad makes more sense than removing valuable homes. Your 18.8 million dollars could be spent on that route. Northern Lights needs upgrading with better lighting, repaving, and street signs, not widening, to make it safer. If they continue to correct problems that exist now in this manner, we will have another Tudor Road nightmare.

We attended the meeting on February 4, 1982, of the Turnagain Council and the general consensus from those present was they did not want this section of W. Northern Lights Blvd. widened to 4 or five lanes because they felt this would not solve the problem, but only create more. We will be attending those meetings for our input and looking at ways to correct W. No. Lights problems to present to the Municipality and the State of Alaska.

Please refer to Robert and Virginia Flint's letter to you dated 2-4-82. We agree with their recommendations for solving the traffic flow.

As a 55 yr. state resident and 30 years in this area, I urge you to reconsider your position on S.B. 683.

Very truly yours,

Delmar L. Ingram

Delmar L. Ingram

Thelma B. Ingram
Thelma B. Ingram

cc: Senate Transportation Committee

The Honorable Bill Ray
The Honorable Donald E. Gilman
The Honorable Jalmar Kerttula
The Honorable John C. Sackett
The Honorable Joe Montgomery
The Honorable Joe Hayes
The Honorable Tony Knowles, Mayor of Anchorage
Assemblyman David Walsh
Assemblyman Rick Mystrom
Lee Browning, Planning

February 9, 1982

Robert and Virginia Flint
2515 Telequana Drive
Anchorage, Alaska 99503

Dear Mr. and Mrs. Flint:

This is to acknowledge receipt a copy of your correspondence of February 4 to Senator Rodey opposing Senate Bill 683 relating to West Northern Lights Blvd.

Thank you for taking the time to send me this information. You may be assured that I will take your views into consideration.

Sincerely,

Bill Ray
Senator
District C

- ACK -

2515 Telequana Drive
Anchorage, Alaska 99503
February 4, 1982

The Honorable Patrick Rodey
Alaska State Senate
Pouch V
Juneau, Alaska 99811

RE: Senate Bill No. 683
West Northern Lights Blvd.

Dear Senator Rodey:

According to the Anchorage Times of January 28, 1982, Senate Bill No. 683 proposes to appropriate \$18.8 million to widen West Northern Lights Boulevard to five lanes from Lois Drive to the Lake Hood airport entrance. We have lived in Turnagain since 1964, currently one and one-half blocks from West Northern Lights. We are strongly opposed to this proposal and urge that you withdraw the bill. The project as described would be a clone of Tudor Road designed to serve as a major access to the airport and not as a traffic aid to residents of the area.

Access to the Airport

When International Airport Road was first constructed over ten years ago a road was built from Northern Lights around Lake Hood to the terminal. At that time, residents were assured that the road was temporary for the construction period only, since International Airport Road was to be the access to the airport. The "temporary" road was never closed and in fact another road has recently been built from Northern Lights to the Post Office. The State now plans major air cargo development at the North end of the new North-South runway. That plan contemplates West Northern Lights as the major truck access. The State DOT concedes that if West Northern Lights becomes four lanes, traffic will be drawn to the airport and upgrading of the airport access roads will follow. (source: Kay Schmidt ADOT Planning, Anchorage). Obviously the West Northern Lights/Turnagain area, which is residential not commercial, does not want a major high speed truck route through the community. Instead of enhancing safety for joggers, bicyclists and children, such users could go near the road only at the peril of their lives. Moreover it would completely bisect this community in violation of the guidelines set out in the Anchorage Municipal Code (Section

The Honorable Patrick Rodey
February 4, 1982
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24.10.030B). There is absolutely no need for such an access since International Airport Road and Minnesota Drive are divided highways developed for the purpose of easy access to the airport. We are opposed to any development of West Northern Lights that would encourage airport traffic. If residential traffic is to be considered another approach must be taken.

Residential Needs

Besides swamping the area with high speed truck traffic to the airport, the SB 683 proposal will solve none of the residential problems and will in fact worsen them. A major complaint is the difficulty of access to Northern Lights from residential streets such as Lord Baranof. Anyone who has tried to turn left onto Tudor Road knows that such a project makes the task more difficult not less. Extra traffic and speed would make such a left turn entrance nearly impossible.

Cross traffic, especially by children, is important in this area. Local churches and Turnagain Elementary School lie south of the road and are used by Turnagain residents as is the Lake Spenard beach. Lynary Park north of the road is heavily used by those on the south side. How are children with bikes going to cross five lanes and successfully dodge the trucks? Safety will take a giant step backwards if this project is ever constructed.

A multilane highway in this area would require considerable condemnation of private homes. Many homes face Northern Lights and some are fairly close to the existing right-of-way. Since direct access to an arterial from residential lots is to be discouraged according to the Municipal Code it is evident that many residences will be damaged or eliminated. Turnagain Elementary School is on Northern Lights also. A substantial portion of its frontage would be required and its access disturbed.

At the current time there is absolutely no need for a four or five lane road in this area. The traffic count on which DOT intends to recommend a multilane highway was taken in the wrong place. The 1980 traffic count on Northern Lights of 18,189 was taken, we are informed, west of the division of Benson and Northern Lights and east of the railroad tracks. This section is already four lanes. Traffic begins to drop off immediately after this section especially due to left turn traffic on to Turnagain Boulevard. The traffic count on Northern Lights at the airport access road was 7,890 or less than that required for a minor arterial. The access road itself had 3,660 cars per day while the treatment plant/detox road had only 2,000. Driving experi-

ence at peak hours (8AM and 5:15PM) show only occasional congestion or delays at specific points. These problems can be eased or corrected without changing the character of the area.

Needed Improvements

The traffic problem on West Northern Lights occurs on a small stretch between the railroad tracks and Turnagain Boulevard. This occurs because the various highway bureaucracies failed to cooperate with each other before unification. The result is that eastbound there is only one lane between Turnagain Boulevard and the tracks. When traffic backs up in the morning rush hour it is this segment that is the culprit. Westbound the two lanes turn into about one and a half lanes at Turnagain Boulevard which is a heavy left turn corner. Cars are either backed up or drive around on the bike path. The access at Wisconsin and Turnagain Parkway is a lesser problem since traffic is lighter there. Otherwise traffic flows smoothly except that there can be short waits on the side streets when entering Northern Lights. In addition the bike path is too close to the road in many places. In fact the entire road needs sharper definitions since it is difficult to distinguish the bike path from the road especially in winter.

These problems can be solved as follows:

1. Northern Lights should be four lanes from the tracks to Turnagain Boulevard.
2. Northern Lights at Wisconsin and Turnagain Parkway should have permanent and visible left turn lanes in both directions. Lines were painted on the street last fall, but this obviously doesn't help in the winter. A traffic light could be installed at this intersection. Four lanes are not needed between Turnagain Boulevard and Wisconsin.
3. The bike path can be improved by separating it from the road at the worst points.
4. Improved street lighting will greatly improve winter safety. The road is now very dark.

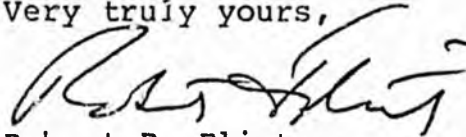
None of these improvements will cost the amount required by SB 683 and certainly not \$10 million per mile. None will require the taking of as significant amount of private property. None would divide the community or endanger residents by inviting high speed airport and truck traffic. Such improvements can be accom-

The Honorable Patrick Rodey
February 4, 1982
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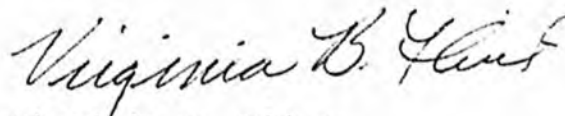
plished quickly with a minimum of disruption unlike the major reconstruction proposed.

We urge you to reconsider your position on SB 683. Please do not push a high speed road through this residential area.

Very truly yours,



Robert B. Flint



Virginia B. Flint

cc: Senate Transportation Committee
The Honorable Bill Ray
The Honorable Donald E. Gilman
The Honorable Jalmar Kerttula
The Honorable John C. Sackett
The Honorable Joe Montgomery
The Honorable Joe Hayes
The Honorable Tony Knowles, Mayor of Anchorage
Assemblyman David Walsh
Assemblyman Rick Mystrom
Mike Meehan, Planning
Ken Markve, AMATS

Same Letter being sent to Senators Sturgulewski and Dankworth

FILE WITH BILL

BISS AND HOLMES

ATTORNEYS AT LAW

AN ASSOCIATION OF PROFESSIONAL CORPORATIONS

BURTON C. BISS
ROGER F. HOLMES

618 CHRISTENSEN DRIVE
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February 10, 1982

Senator Ed Dankworth
Pouch "V"
Juneau, Alaska 99811

RE: Senate Bill 683, West Northern Lights Boulevard

Dear Senator Dankworth:

According to an article in the Anchorage Times you have introduced legislation to appropriate \$18.8 million to widen West Northern Lights Boulevard to five lanes from Lois Drive to the Lake Hood Airport entrance. My wife and I have lived on Westwood Drive in West Turnagain for over 12 years. We strongly oppose this proposal and urge that you withdraw the bill, or amend it to the level suggested below.

A neighbor of ours, Bob Flint, has sent you some extensive comments concerning his opposition to this road. My wife and I fully agree with these comments. Millions of dollars have been spent upgrading Minnesota Bypass and International Airport Road to provide a high speed route between downtown and the airport. S.B. 683 would not solve the existing traffic problems on West Northern Lights, most of which are minimal, rather, we believe that bill would compound the problem tenfold.

Most highway surveys which have been done indicate that major upgrading of a traffic route increases traffic dramatically. As an example, if 8,000 cars a day now use West Northern Lights, you might expect 12,000 or 13,000 to use it the moment the five lane road is opened.

The major complaints of the Turnagain residents appear to be the inability to get from the Turnagain area onto Northern Lights and off of it during the 8:00 a.m. and 5:00 p.m. rush hours. Adding several thousand high speed vehicles a day to that road seems counter-productive. Sooner or later there will probably have to be traffic lights in place at the Forest Park Drive, Turnagain Parkway/Wisconsin intersection and

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Re: Senate Bill 683
February 10, 1982

perhaps at Lord Baranof or Turnagain Boulevard. Once West Northern Lights becomes a high speed access to the airport, there will be tremendous conflict between the neighborhood residents needing traffic light access to the road and high speed commuters opposing them. More than 50 residential units between Lord Baranof and Telequana have their driveway access directly onto Northern Lights Boulevard. For these homes an increased right of way or lane development will either result in their property being taken or an almost insurmountable access problem.

West Northern Lights now from the school to Lake Hood often has little or no police enforcement of the speed limit. Many of the airport service vehicles (trucks, taxis, crew buses, etc.) can be seen daily traveling in excess of 50 miles per hour on this back road within 2 or 3 feet of people attempting to use the bicycle paths for walking, cycling, etc.

If this road is constructed to 4 or 5 lanes, Turnagain Elementary School will become a hazardous busing route or an elevated crosswalk will have to be installed. A high percentage of the school children now attending Turnagain Elementary School cross Northern Lights Boulevard every morning and afternoon. In the fall and spring the vast majority of these students come to school on their bicycles. History suggests that these children are not going to take their bicycles up and over the road. History also suggests that commercial traffic on a five lane, high speed road routinely ignores the 20 mile per hour school zone speed limit.

We are prepared to acknowledge that the traffic problem on West Northern Lights needs investigation. Most probably there will have to be one or two stop lights installed along West Northern Lights Boulevard to allow an opportunity for traffic to enter and exit from Northern Lights. Perhaps an additional third turning lane will have to be added in some places and the existing road should be built to high standards with curbs and gutters defining the lanes. Also, the major bottleneck in traffic between the railroad tracks and Lord Baranof should be eliminated by installing four lanes in this section.

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Senator Ed Dankworth
Re: Senate Bill 683
February 10, 1982

Effort should be made to discourage commercial use of West Northern Lights Boulevard. Since we have a first class access to the airport it should no longer be possible for commercial traffic to use West Northern Lights Boulevard as a truck route.


While 2 or 3 stop lights along West Northern Lights Boulevard may add an additional few minutes of commuting time for the residents, they will go a long way towards deterring the use of West Northern Lights as a short cut, high speed route to the airport. This should add immeasurably to the elimination of what problem now exists.

The unspoken State purpose in developing a five lane road appears to be the desire to develop commercial property at the north end of the north/south runway. A five lane road from Minnesota along Northern Lights to the north end of the north/south runway, unencumbered by stop lights, will make that state lease land very attractive commercial property. If this is the real reason, then perhaps that fact should be made known to the residents before they are asked to support this proposal. I am sure the vast majority of Turnagain residents would prefer to see any commercial property developed on the north side of the runway use an upgraded road tying into International Airport Road rather than further impacting their neighborhood.

Thank you for your consideration. Should you wish to discuss this matter further, please feel free to contact me.

Very truly yours,

BISS & HOLMES



Roger F. Holmes

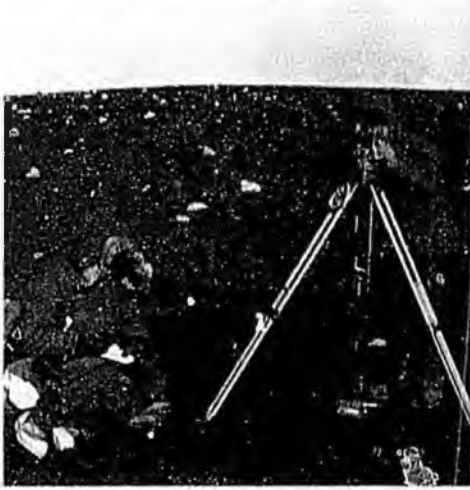
RFH:bc

cc: Senator Patrick Rodey
Senator Jalmar Kerttula
Senator John C. Sackett
Senator Donald E. Gilman
✓ Senator Bill Ray
Senator Arliss Sturgulewski

Representative Jce Montgomery
Representative Joe Hayes
Mayor Tony Knowles
Assemblyman Rick Mystrom
Assemblyman Dave Walsh

- FILE -

president's report 1980-81



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President
Anchorage

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Vice President
Fairbanks

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Anchorage

Donald B. Abel, Jr.
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Juneau

Hugh B. Fate, Jr.
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Kodiak

Thomas Miklautsch
Fairbanks

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Timothy Burgess
Student Representative
Fairbanks

Administration

Jay Barton
President

Sherman Carter
Executive Vice President and
Vice President for Finance

George C. West
Vice President for Academic Affairs

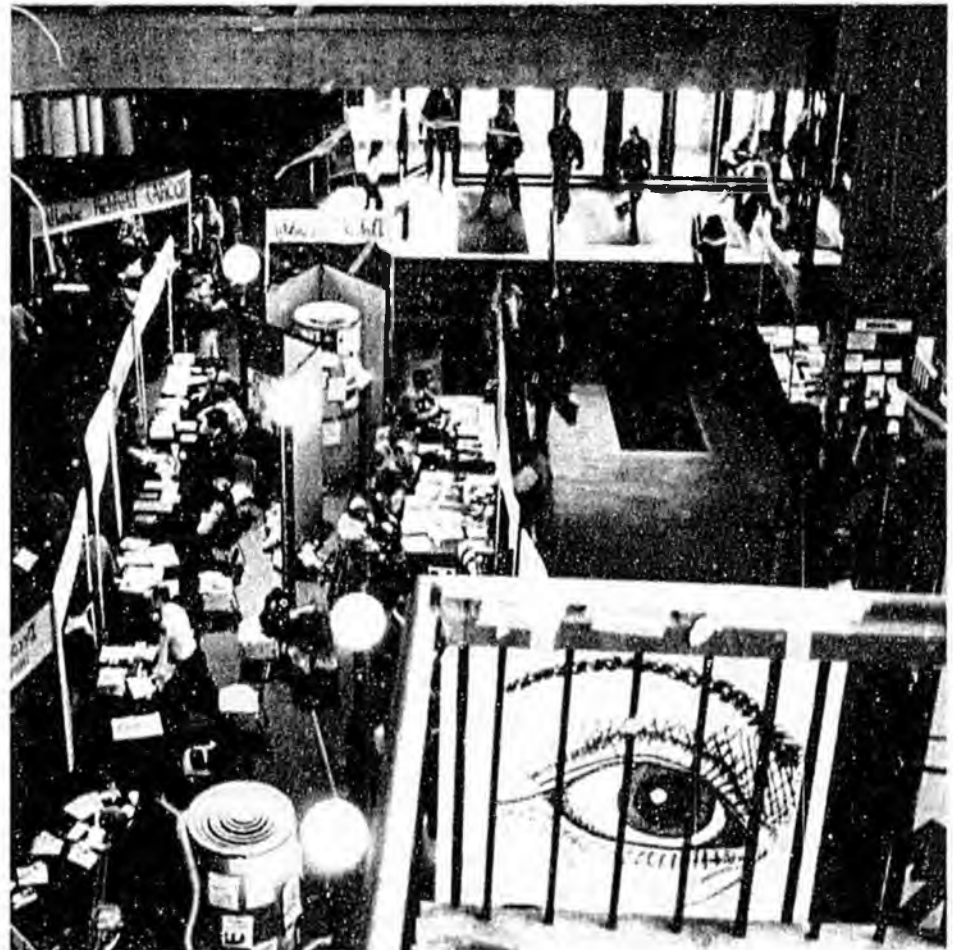
Campus Administrators

Patrick J. O'Rourke
Chancellor
Fairbanks

David Outcalt
Acting Chancellor
Anchorage

Michael Paradise
Chancellor
Juneau

Edwin Biggerstaff
Interim Chancellor
Community Colleges, Rural Education
and Extension



president's report 1980-81

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TO: His Excellency Governor Jay Hammond, Members of the State Legislature, Citizens of the State of Alaska, Friends of the University of Alaska

This has been a good year for the University of Alaska. More degrees were awarded than in any other year. Enrollments were up across the entire State. No greater compliment can be paid to any University than to have qualified students seeking admission to its educational programs.

Once again the University's external auditors have given its financial accounting a clean and unqualified opinion. The University's accountability for the public funds with which it has been entrusted has never been stronger.

National recognition has given us confidence in the quality of our research and public service programs as well. The Secretary of Commerce, this year, named the University of Alaska a Sea Grant College after assessing the quality of our activities over the



last 10 years in fisheries and marine science. The Marine Advisory Program, a key portion of the Sea Grant College activities, received especially high marks for its contributions to the fishing industry of Alaska.

The year has turned up some problems too. The University of Alaska, Juneau, according to the Northwest Commission on Schools and Colleges, needs some significant strengthening to develop full quality education programs. Our intentions are to meet these requirements in order that the University of Alaska, Juneau, can more effectively serve Juneau and the Southeast.

Problems with rural education have renewed the debate over increasing access to higher education versus focusing and concentrating our resources. The thinness of Alaska's population, coupled with the tremendous difficulties in travel and communication, makes the issue of more than passing significance. Newly developing cooperative programs with the Department of Education will enable us to use educational resources in rural Alaska with greater effectiveness. The telecommunication programs, initiated by the Legislature a year ago, are reaching completion. The new technology offers tremendous potential for education in the State.

This year also witnessed the development of a collaborative plan in petroleum technology involving Kenai Peninsula Community College, Tanana Valley Community College and the University of Alaska, Fairbanks. Collaborative efforts such as this may well be more and more the shape of the future as we attempt to use our resources more effectively, while at the same time maximizing access to higher education.

I continue to be pleased to serve one of the State's most important resources — its University. It is a real pleasure to be part of an enterprise that can command the loyalty and dedication of so many hundreds of students, faculty and staff across the State.

Respectfully,

A handwritten signature in cursive script that reads "Jay Barton". The signature is written in dark ink and is positioned to the right of the typed name.

Jay Barton
President

The University of Alaska is a statewide system of higher education comprising major campuses at Fairbanks, Anchorage and Juneau, 10 community colleges, 12 rural education centers, a Cooperative Extension Service, and a number of research facilities located around the state. The University, founded at Fairbanks in 1917 as the Alaska Agricultural College and School

of Mines, admitted its first students in 1922. It gained university status in 1935 by action of the territorial legislature. Before 1966, construction was confined to the original campus at Fairbanks but since that year the emphasis has been on building the

total University. The Anchorage campus, drawing students from the state's most heavily populated area, has grown rapidly. Growth of the Fairbanks and Juneau campuses has been substantial. Most of the community colleges now have their own physical plants, and construction of facilities to house the rural education centers has begun.



Providing Educational Opportunities

As a land-grant institution, the University of Alaska strives to offer appropriate instruction of the highest quality to all who have the interest, dedication and ability to learn, and during 1980-81 it served more Alaskans than ever before with a wide array of educational and community interest programs. In the fall of 1980, a total of 40,925 persons, approximately 10 percent of the State's population, enrolled in one or more university classes.

The budget granted by the State enabled the University to add 16 new degree and certificate programs and approximately 70 people to its instructional staff, greatly strengthening the total educational program.

Reorganization of the University of Alaska, Juneau (UAJ) into a four-year institution through the

merger of Juneau-Douglas Community College and the Southeast Senior College units was successfully completed during the year. The change permitted more efficient use of faculty and resources while increasing the programs of the college.

Responding to needs of industry and the State, the University in 1980-81 further broadened and improved its fisheries and fisheries-related programs. The University was designated a Sea Grant College, the 16th in the nation, during the year. To complement this designation, a statewide Fisheries Planning Committee made up of university personnel and a group of distinguished fishery experts drafted a 10-year plan to (1) increase the quality and quantity of programs to train fisheries managers, biologists, fisheries scientists and industry leaders while providing scientific informa-

tion on the wise and appropriate uses of the freshwater and marine resources of Alaska; and (2) join with the fishing industry to provide training opportunities, carry out research and development for the fishing and processing industries, and to promote the transfer of a maximum amount of information and technology to the industry.

The plan involves all major units of the University. Fisheries management and fishery science programs will be conducted by UAJ; fishery technology and extension programs by the Fishery Industrial Technology Center, a new unit to be located in Kodiak; seafood marketing, fishery economics and marine law, and social science programs by the University of Alaska, Anchorage (UAA); and fisheries oceanography, freshwater fisheries and related marine science, limnology and marine biology programs by the University of Alaska, Fairbanks (UAF). Under the plan, overall coordination of the program is to be provided by the recently activated Office for Fisheries, headed by Donald Rosenberg and located in the Office of the President.

A key element of the plan is the Fishery Industrial Technology Center. The legislation authorizing it, sponsored by Representative Fred Zharoff of Kodiak, was approved by the Legislature and signed by the Governor. An initial appropriation of \$175,000 will be used to complete plans for the center and its activities.



In 1979 the University and State Department of Education jointly developed an instructional telecommunications program that promised to augment substantially existing educational delivery systems, particularly in rural Alaska. In 1980-81 considerable progress was made in completing the network to implement the program. The University of Alaska Instructional Telecommunications Consortium was created to direct the university phase of the overall program. Jane Demmert heads this unit.

Plans called for instructional programs to be transmitted throughout the State by television and audio conferencing systems. Computing services were to be made available through the university computer network in areas served by community colleges. By the end of the year, 59 audio conferencing terminals had been installed in 31 communities.

The University's computer network, which at the outset of the year served the Fairbanks, Anchorage and Juneau campuses and four community colleges, was extended to five of the six remaining community colleges with the linkage to Ketchikan expected in the near future. The consortium arranged for the licensing of a new satellite television channel which it will operate for itself and the State Department of Education.

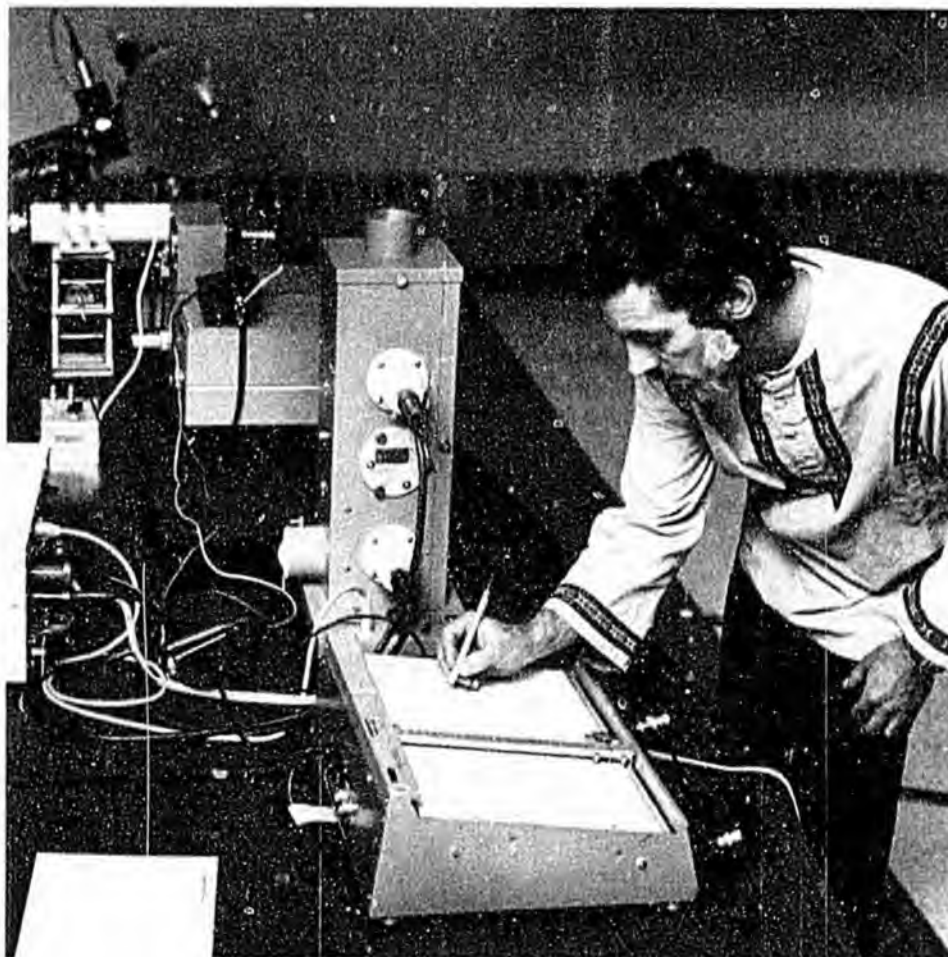
Cleve Mathews occupied the new Atwood Chair of Journalism at UAA for the year, lending substantial strength to the campus' communications program. Mathews is professor of journalism and assistant dean of Syracuse University's S.I. Newhouse School of Public Communications and a former *New York Times* editor and director of news and public affairs for National Public Radio. The UAA journalism chair is supported by a \$100,000 gift from *Anchorage Times* editor and publisher Robert B. Atwood and his wife Evangeline.

The Alaska Native Language Center, headed by Irene Reed, continued its vital efforts to preserve the Alaska native languages—teaching native languages and training persons to teach these languages in the Alaska school systems; producing native language texts, including language dictionaries, for use in schools and by the public; translating documents and other informational materials into native languages; and providing consultant services to social scientists, school districts and state agencies.

The Cross-Cultural Educational Development Program at UAF carried on its important work, providing teacher training in small communities throughout rural Alaska. Started in 1970 as a possible answer to the problem of high teacher turnover in rural schools, the program trains people living in rural Alaska to become certificated teachers. Some 120 students were enrolled in the program this year.

UAJ's Center for Educational Rehabilitation Services grew during the year from a local program to a statewide educational program fully integrated with the State Division of Corrections to offer education and training at all nine state prisons. More than 500 inmates participated in the program. The campus also entered into agreement with the Juneau School District to provide vocational-technical programs for high school and college students. This joint effort is the first such cooperative arrangement in the State and involves the sharing of facilities.

Development of a coordinated outreach education program by UAJ's new Division of Continuing Education and Public Service was given high priority during the year, and educational services were made available to a number of Southeast Alaska communities.



A statewide Petroleum Extension Program was established to provide the trained personnel needed for jobs in industry. The cooperative program, coordinated by Dennis Steffy of Kenai Peninsula Community College, involves that college, the state-operated Alaska Skill Center at Seward, Tanana Valley Community College, and UAF. The petroleum industry provided substantial financial support and equipment and formed an advisory group which helped to give direction to the program.

In preparing the 1980-81 budget request, the University sought to make resource reallocations within each of the major administrative units and from one such unit to another to carry out its renewed commitment to rural and Native Alaska. As a result of this farsighted planning, the request for the Division of Community Colleges, Rural Education and Extension was increased by approximately \$450,000.

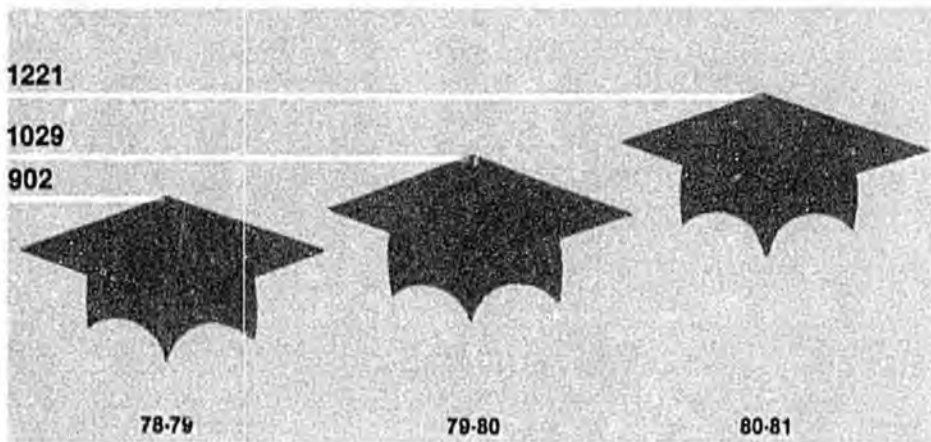
Legislative action again caused the funding for operation of Chukchi Community College at Kotzebue to be given to the Northwest Arctic School District instead of the University. The Governor vetoed the appropriation; however, in doing so he called upon the University, the State Department of Education and the Commission on Postsecondary Education to resolve the problems involving the delivery of postsecondary education to rural Alaska.

The Board of Regents reviewed procedures for establishing community colleges and developed a uniform policy requiring specific criteria including application procedures, student population requirements, staffing, transferability of credits and cost-sharing to insure that the institutions are a viable part of the overall university educational community.

The Northwest Association of Schools and Colleges denied full accreditation of UAF during the year but continued the accreditation candidacy status of the campus for another two years.

Problems noted by the accreditation agency's evaluation team included a lack of student housing, inadequate library holdings and space, inadequate student services, insufficient funding for faculty and staff development and an overreliance on part-time faculty. The university administration and Board of Regents are committed to taking the steps necessary to provide quality educational delivery in Southeast Alaska.

Degrees Awarded 1978-1981



Strengthening the University

The second Alaska Community College Conference, sponsored by Anchorage Community College, drew nearly 300 instructors and support staff to Anchorage in May 1981 for three days of workshops, professional development activities, and discussions on delivery of postsecondary education in the State. Five nationally prominent educators lectured and assisted in conducting the workshops which dealt with such topics as instructional telecommunications, developmental education, educational equality and community service. Special service meetings were held for community college council members, administrators, and other personnel.

During 1980-81 employee salaries were increased by an average 7.6 percent. The University and community college teachers' union (Alaska Community College Federation of Teachers, AFL-CIO) agreed to a one-year extension of the existing collective bargaining contract, and the University sought and received from the Legislature funding for a salary increase for union members.

How University of Alaska salaries compare with those paid by other employers in Alaska and employers in other states was the question addressed by consultants in 1980 during the first phase of the review of university compensation practices.

After adjusting for differences in cost of living in Alaska and elsewhere, Frank B. Manley and Company found that University of Alaska salaries are reasonably competitive. With regard to facul-

ty, salaries for instructors and full professors were slightly low in comparison with adjusted "market" averages, while assistant and associate professors' salaries appeared slightly above the market. The relationships varied by academic disciplines.

For administrative, professional and technical (APT) employees, salaries were found to be somewhat above market at the lower and middle APT grades and below market at the higher APT grades. Classified salary ranges generally began at the average of the Alaska market so that the maximum earnings potential (as represented by the top of each grade) is the most significantly above market of any employee group. However, two-thirds of classified employees are paid in the lower steps of their grades which means the actual average salaries are only slightly above market.



Bachelor Degrees Awarded by Academic Area 1980-81

Agriculture & Natural Resources	5.65%	28	
Biological Sciences	9.35%	43	
Business Management	15.22%	70	
Education	15.87%	73	
Engineering	8.70%	40	
Health Professions	6.52%	30	
Letters	2.17%	10	
Physical Sciences	3.04%	14	
Psychology	5.65%	26	
Public Affairs & Services	5.00%	23	
Social Sciences	9.35%	43	
Other	13.48%	62	Total 460

The consulting firm found that the University of Alaska benefits program compares favorably with those at other universities. A task force has been formed to consider the findings and recommendations and to develop its own recommendations for the president and Board of Regents.

The Office of Human Resource Development evolved out of the former statewide personnel office during 1979-80 and was substantially strengthened during 1980-81. It was so named by President Barton to emphasize that the University looks upon its people as its most important resource. During the year the University upgraded the managerial level of the program and began a search for an associate vice president to take charge of the office, which had been headed by a director.

In the interest of broadening communication with employees, the University at the outset of the academic year began publishing the *University Report*, a biweekly newsletter which was distributed with paychecks. Additionally, special reports were sent to employees informing them of specific developments or actions when they occurred.

In March 1981, employees voted two to one to withdraw from the federal Social Security System. The voting followed an intensive informational effort by the university administration to make clear what benefits are afforded by Social Security and what the University could offer in their place. The administration subsequently recommended withdrawal and the Board of Regents in May voted unanimously to withdraw from the federal system and provide replacement benefits.

In its continuing effort to afford equal employment opportunities to more people, the University made significant progress during the year. From September 1980 through June 1981, the number of minority employees grew from 270 to 309.

On the technological side, there were significant advances during 1980-81. On January 1, 1981, the University activated a new computerized, automated financial accounting system with three components—a fund accounting system, an on-line accounts payable system, and an on-line accounts receivable system. The new system has substantially improved financial reporting and administration. Work to refine and improve it is continuing.

Serving the Public

Around the State in 1980-81 the University offered workshops and conferences on survival skills for fliers and outdoorsmen, on prospecting, the needs of senior citizens, economic development, fisheries education and development, the education of handicapped children, real estate education and research, alcoholism and drug abuse, writing and the arts, and careers in the law aimed principally at Alaska Natives and other minorities. Additionally, the University assisted in the training of energy auditors for the State's energy conservation program and provided other sustaining programs of community interest throughout the State.

Through their service on various public and professional governing and advisory bodies, university personnel made significant contributions to their communities, state and nation and to their academic disciplines.



Master Degrees Awarded by Academic Area 1980-81

Agriculture & Natural Resources	7.45%	14	
Biological Sciences	3.19%	6	
Business & Management	8.51%	16	
Education	41.49%		76
Engineering	16.49%		31
Letters	3.19%	6	
Physical Sciences	6.92%	13	
Psychology	3.19%	6	
Social Sciences	3.72%	7	
Other	5.85%	11	
			Total 188

At the request of the Alaska Eskimo Whaling Commission, John Kelley of the University's Institute of Marine Science, the former scientific director of the Naval Arctic Research Laboratory at Barrow, established a scientific committee to advise the commission. The whaling commission in March 1981 was given authority by the National Oceanic and Atmospheric Administration to manage the bowhead whale hunt in 1981 and 1982.

The UAA Justice Center and an Anchorage public television station won the Alaska Press Club's prestigious Public Service Award in May 1981 for producing *Williams v. Zobel*, a televised Alaska Supreme Court hearing on the legal challenge of Alaska laws relative to the income tax and permanent fund dividends. The Justice Center's John Havelock, assisted by Douglas Barry, provided the professional commentary.

Other examples of individual service to the state are cited elsewhere in this report.

One of the University's oldest public service institutions is the Cooperative Extension Service, which in 1980-81 celebrated its 50 years of service to Alaskans which began with support of the original Matanuska Valley Colony. Through personal contact, telephone, and television and radio presentations, the Cooperative Extension Service and Marine Advisory Program served more than 78,000 persons during the year. They distributed 368,000 publications and mailed out nearly 133,000 newsletters. Personnel worked out of 17 extension and marine advisory offices located around the State.

The Bartlett Lecture Series in March 1981 brought Soviet exile and human rights activist Alexander Ginzburg to Fairbanks, Anchorage and Juneau. The distinguished lecture series is financed by the Bartlett Memorial Fund, established in the name of E. L. (Bob) Bartlett, the Territory of Alaska's delegate to Congress from 1945-59 and U.S. Senator from Alaska from 1959 until his death in 1968.

During the year the National Bank of Alaska donated to the Elmer E. Rasmuson Library on the UAF campus a rare book collection considered to be the most significant collection of basic works on the early history of Alaska. The Rasmuson Library was also designated the repository for the papers of former Senator Mike Gravel who represented Alaska in the U.S. Senate for 12 years. The UAA Library acquired the papers of the family of Richard Tighe Harris whose discovery of gold in 1880 with Joe Juneau led to the founding of Juneau. The papers were a gift of the Fred Harris family of Anchorage. Mr. Harris is a grandson of Richard Harris.

The University of Alaska Foundation received from WOMETCO Enterprises, Inc. a major piece of property in downtown Fairbanks with an assessed value of \$1.8 million. The foundation also received a gift of a one-third interest in a patented Colorado silver claim (the remaining two-thirds interest is held by the Colorado School of Mines) from Mr. Cleland Conwell, a Fairbanks mining engineer and alumnus of the University.

The foundation is a nonprofit corporation organized to raise funds from private sources for the enhancement of the University.

RECOGNITION

The University conferred honorary degrees on eight distinguished individuals at 1981 commencement exercises in Fairbanks, Anchorage and Juneau. The honorees:

- The late William Berry, a prominent Alaskan artist.
- Robert (Bobby) Sheldon, a former legislator and pioneer in the use of motor vehicles in Alaska for public transportation.
- Leslie Nerland, a former member of the Board of Regents and delegate to the Alaska Constitutional Convention of 1955-56.
- Dr. Albert Lincoln Washburn, professor emeritus of the University of Washington and chairman of the National Academy of Science's Polar Research Board.
- Jay Rabinowitz, chief justice of the Alaska Supreme Court (at the time of award).
- George Sullivan, longtime mayor of Anchorage and a former legislator.
- Lew Williams, Jr., publisher of the *Ketchikan Daily News* long involved in Alaska journalism.
- Mildred Sparks, widely known Alaskan artist and native leader.

Research

In his address to the 32nd Alaska Science Conference held on the Fairbanks campus in August 1981, John Bligh, director of UAF's Division of Life Sciences and the conference chairman, noted that "If . . . one reads between the abstracts of the papers presented at the conference, one will see that the greater part of the biological researches being done in Alaska is being done for the . . . welfare of Alaska and Alaskans."

Bligh's observation would apply equally well to all the research endeavors carried on by the University. The University strives to produce a body of fundamental and applied knowledge beneficial to the State and its people. The University's work is well thought of in the government's granting agencies. It continues to rank near the top among the 100 public universities most frequently chosen to carry out federally supported research projects.

Some highlights of the University's 1980-81 research report:

- The Geophysical Institute's new VAX 11/780 computer (obtained through a grant from the Fleischmann Foundation) gave institute scientists an unprecedented capability for scientific research in large-scale data analysis and the modeling of geophysical processes from the magnetosphere to the lower atmosphere to glaciers and to the core of the earth.
- Landsat (satellite) imagery was used by the Geophysical Institute to map nearly 500 ice floe displacements in the vicinity of Norton Sound (a shallow-water arm of the Bering Sea extending eastward into Alaska). The motion of the ice in this area is now much better understood in terms of ocean currents, the wind direction and the flow through the Bering Sea. Satellite (or high-flying aircraft) imagery has also been used successfully in studies of, for example, geothermal sources at Pilgrim Springs to evaluate the area as an energy resource; inventorying the range of the reindeer in Northwest Alaska; and estimating the amount of timber that could be used as fuel in Alaska.
- Development of the Seward Marine Center (on the Kenai Peninsula) was emphasized during the year by the Institute of Marine Sciences. The center is the home port of the R/V *Alpha Helix*, a research vessel operated by the University for the National Science Foundation. Work was begun on a new public education building at Seward which will include a display area, library, conference room and, eventually, an aquarium.
- The massive multi-institutional and multi-disciplinary long-term program known as PROBES (Processes and Resources of the Bering Sea shelf) was continued during the year by the Institute of Marine Science.
- Research of the Institute of Arctic Biology has responded to an immediate need for information applicable to the reindeer industry. Studies concentrated on disease control, utilization of barley grown in the Delta region of interior Alaska, and the feasibility of reintroducing a reindeer industry as a means of supplying red meat for peoples of the Kuskokwim region of Southwest Alaska. A health-aid manual was developed for reindeer herders, and the book *Alaskan Wildlife Diseases*, three years in preparation, was published.
- Under the auspices of the WAMI (Washington-Alaska-Montana-Idaho) regional medical education program, the University developed policy alternatives for health planning relative to large-scale construction projects such as the oil and gas pipeline projects and potential mineral exploitation. These projects are of special interest, not only because of their size but because of their remoteness from conventional health care delivery services.
- The University conducted a wide range of energy-related projects of great potential benefit to Alaska, including studies of gas hydrates, which are crystalline solid mixtures of water and natural gas. Decomposition of gas hydrates during drilling can pose special problems for petroleum extraction, but the most interesting aspect is that there may be a huge natural gas resource locked up in hydrates under Alaska's North Slope and offshore.
- Studies conducted by the Agricultural Experiment Station in the Delta Junction area showed that the best-adapted varieties of barley gave higher yields than the U.S. average. A three-year trial of several early-maturing varieties of buckwheat has demonstrated which are best adapted to different areas of Alaska (buckwheat is a crop having high potential in Asian markets).
- Potato-breeding research at the Palmer Research Center in cooperation with the U.S. Department of Agriculture resulted in the release in 1981 of a new white-skinned, scab-resistant potato. This potato was introduced in 1975 and is now proven to be scab-resistant as a result of field trials ranging from Southeast Alaska to the Kobuk region of Northwest Alaska, in the Arctic.

Sea Grant College

The success of its Sea Grant Program and related programs over the past decade resulted in the University's being designated a National Sea Grant College in 1980.

This designation was granted "in recognition of the sustained excellence of (the University's) marine programs and services . . ." the U.S. Secretary of Commerce wrote President Jay Barton.

"On behalf of the Department of Commerce, I welcome the University into this exclusive group of academic institutions, and I congratulate you and the people of Alaska on this noteworthy achievement."

The University became the 16th institution to receive the Sea Grant College designation since the program was established in 1966.

- The Mineral Industry Research Laboratory continued its studies of Alaskan coals, particularly with a view to export markets. The characteristics of 35 Alaskan coal seams have now been documented in terms of washability, dehydration, petrology and mineralogy, sulfur and ash content. (Alaska has enormous quantities of coal, as well as most other mineral resources). The laboratory also recently completed work on mercury-antimony-tungsten metal-bearing provinces of Alaska.

- The third and final phase of the Man-in-the-Arctic program was completed by the Institute of Social and Economic Research. The program was designed to study the socioeconomic forces in Alaska and to apply the knowledge gained to critical problems of Alaskan development.

The foregoing represents only a portion of the total research conducted during the year by the University.

With regard to future research, there were some developments during 1980-81 which tended to temper optimism. The Naval Arctic Research Laboratory at Barrow, operated by the University for many years, was reduced to caretaker status. With no other federal agency coming forward to operate it, the facility is destined for closure in 1982. NARL is the last federally sponsored arctic laboratory. It has served national needs for more than 33 years. The University and Alaska's congressional delegation are now pressing for a national arctic policy which will assure that vital research will continue to be carried on in that important region.

The national administration's efforts to reduce governmental spending also promised to curtail research—in Alaska and elsewhere in the nation—to a degree which has yet to be fully calculated.



Campus Development

Capital improvement projects with a total cost of more than \$17 million were completed during 1980-81. One of the largest improvements was the installation of a new turbine generator at UAF, financed through the sale of some \$5.2 million in revenue bonds. The UAF campus is now self-sufficient in electricity and heat production.

Among other major improvements completed during the year (funded by general obligation bonds and direct legislative appropriations):

- UAA/Anchorage Community College Performing Arts Center addition.
- UAA/Anchorage Community College physical education building.
- Offices for members of the collective bargaining unit at Anchorage Community College.

- Kodiak Community College classroom and library additions.
- Maintenance warehouse and building addition at Kenai Peninsula Community College.
- Addition to Matanuska-Susitna Community College.
- Dillingham Rural Education Center.
- Classroom, technical laboratory and career education buildings at UAJ.

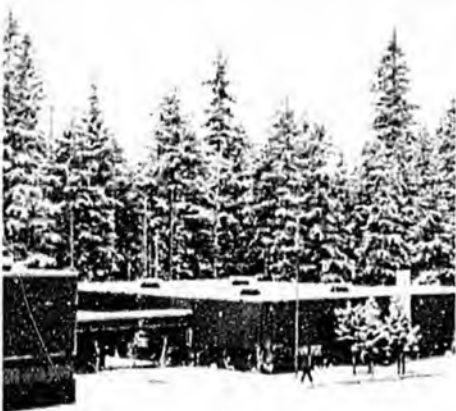
Contracts were awarded for a number of other projects, including rural education centers at Delta and Fort Yukon, a hangar and classroom/office building for Anchorage Community College, additions to the Bill Ray Center and fisheries building at Juneau, and a central receiving facility at Fairbanks.

Further campus development was assured in November 1980 when voters solidly endorsed an educational bond issue that included \$37.3 million for the University.

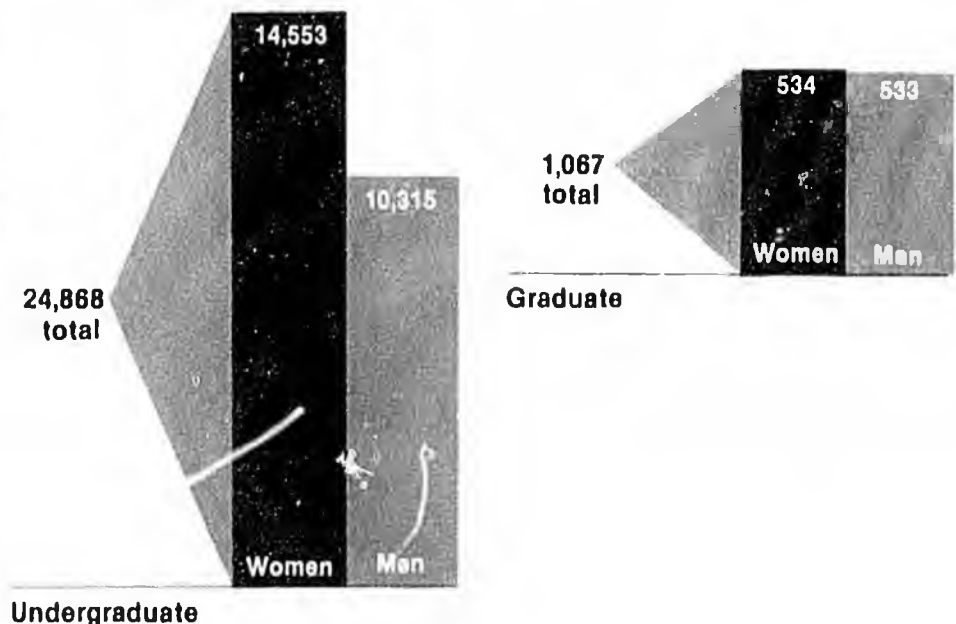
The University's Office of Land Management completed a technical inventory of all university landholdings to determine current status. Natural resource inventories were begun on landholdings in various parts of the state to determine timber, mineral and material development potential.

Tracts of land in Juneau, Nome and Fort Yukon were purchased for educational purposes.

In what may be a landmark decision relative to University trust lands, the Alaska Supreme Court ruled in February 1981 that University trust lands cannot be taken without compensation.



Credit Headcount Enrollment, Fall 1980



Looking Ahead

As the year drew to a close, there was ample evidence that ever greater demands would be made upon the University. With an unprecedented number of applications on file for admission to the university centers in 1981-82, it appeared likely that enrollment records would be set at those centers in the fall of 1981. The operating funds provided by the State for 1981-82—\$124.8 million—were less than requested by the University but still constituted, in President Barton's words, "a very comfortable budget" that would enable the University to fulfill its basic responsibilities.

Speaking before the Fairbanks chapter of the Alaska Press Club in August 1981, Barton said: "I can report to you that the University is in very good health. It has a greatly renewed sense of purpose, much better morale and a sense of excitement that things are moving."



S E R V I C E T O S T A T E , E D U C A T I O N

University personnel accepting appointment to State governing and advisory bodies during the year included the following:

Mike Metty, president of Northwest Community College (Nome), reappointed to the Governor's Manpower Planning Council.

T. Neil Davis, professor of geophysics at UAF, reappointed to the Alaska Council on Science and Technology.

Charles K. Ray, dean of UAF's School of Education, appointed to the new State Task Force on Effective Schooling.

James H. Chase, UAA affirmative action officer, reappointed to the State Commission for Human Rights.

Paul McCarthy, archivist at UAF's Rasmuson Library, appointed to the Alaska Historical Commission.

Bette Anne Phillip, associate professor of medical science in the WAMI (Washington-Alaska-Montana-Idaho) program of regional medical education at UAF, appointed to the Citizens' Advisory Committee on Petrochemicals.

Wayne Myers, director of the WAMI program, reappointed to the Alaska Medical Facilities Authority Board. (He was also appointed a consultant to the Division of Medicine in the U.S. Department of Health and Human Services' Bureau of Health Professionals).

Jack O'Bar, director of the UAA library, appointed to the State Advisory Council on Libraries.

Donald Triplehorn, professor of geology at UAF, reappointed to the Royalty Oil and Gas Development Advisory Board.

Some other significant affiliations during the year in the area of public service and the advancement of the professions and education in general:

Edith Wells, instructor in Anchorage Community College's Office Occupations Program, appointed to the American Vocational Association's Region V Policy Committee.

Frederick Milan, professor of human ecology at UAF, appointed to a committee on polar biomedical research established by the National Research Council's Polar Research Board.

Randall Ackley, director of UAF's Center for Educational Rehabilitation, elected to the executive committee of the University Without Walls International Council, at the First International Conference on Nontraditional Education held in Toronto, Canada.

Tom Healey, director of planning and research for the Division of Community Colleges, Rural Education and Extension (CCREE), elected chairman of the Alaska Vocational Education Planning Council.

Rene Blahuta, of the archives staff at UAF appointed to the City of Fairbanks' Commission of Historic Preservation.

Dennis Dammert, assistant to President Jay Barton, appointed to the board of directors of the Fairbanks-based Institute of Alaska Native Arts, Inc.

President **Jay Barton** elected to the board of directors of the Public Service Satellite Consortium, a nonprofit corporation open to public or private nonprofit institutions or organizations which use telecommunications for educational, health care or other public service purposes.

Vincent S. Haneman, Jr., dean of the UAF School of Engineering, appointed a delegate to the Educational Affairs Council by the American Society for Engineering Education.

Juan Roederer, director of the Geophysical Institute, appointed to the National Academy of Science's Panel on Geophysical Data and Public Policy.

Steve Langdon, assistant professor of anthropology at UAA, appointed to the Scientific and Statistical Committee of the North Pacific Fishery Management Council, the federal regional body given primary responsibility for managing and regulating the fisheries within the 200-mile limit off the Alaskan coast.

Robert Hunsucker, professor of geophysics and electrical engineering at UAF, appointed to the U.S. delegation to the 20th General Assembly of the International Union of Radio Science (held in Washington, D.C. in August 1981).

Claus Naske, professor of history at UAF, elected to the board of editors of the *Pacific Northwest Quarterly*, published by the University of Washington. (Naske was also named Historian of the Year by the board of directors of the Alaska Historical Society).

**Report of Independent
Certified Public Accountant**

**Balance Sheet
June 30, 1981**

The Board of Regents
University of Alaska:

We have examined the balance sheet of the University of Alaska as of June 30, 1981, and the related statements of changes in fund balances and current funds expenditures for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. The financial statements of the University of Alaska as of and for the year ended June 30, 1980 were examined by other auditors whose report dated October 23, 1980 expressed an unqualified opinion on those financial statements, totals of which are included for comparative purposes only.

In our opinion, the aforementioned financial statements present fairly the financial position of the University of Alaska at June 30, 1981, and the changes in fund balances and current funds expenditures for the year then ended, in conformity with generally accepted accounting principles, applied on a basis consistent with that of the preceding year.

Paul Marshall Mitchell & Co.

October 30, 1981

(with comparative totals only at June 30, 1980)
(000's omitted)

Assets

Cash and temporary
investments
Investments
Accounts and notes
receivable, less allowances
of \$902 in 1981 and
\$1,376 in 1980
Due from State of Alaska
Inventories
Other assets
Investment in plant

Total assets

Liabilities

Accounts payable and accrued
expenses
Accrued annual leave
Due to State of Alaska -
Lapsed state appropriations
Long-term debt

Total liabilities

Interfund balances

Fund Balances

Unrestricted:

Unallocated
Designated

Restricted:

Grants refundable
Established by donors
Unexpended plant
Replacements and renewals
Retirement of indebtedness
Net investment in plant

Total fund balances

**Total liabilities and
fund balances**

Current Funds		Student Loan Funds	Endowment and Similar Funds	Plant Funds	Totals	
Unrestricted	Restricted				1981	1980
\$12,814 7	\$ 23	\$ 230	\$ 612 5,568	\$ 3,521 1,665	\$ 17,177 7,263	\$ 11,317 7,151
2,498 210 1,681 351	7,581	1,203	73	207 66,070	11,562 66,280 1,681 351	15,199 58,625 1,630 64
\$17,561	\$7,604	\$1,433	\$6,253	\$350,646	\$303,497	\$341,286
\$11,946 4,002			\$ 6	\$ 2,776	\$ 14,728 4,002	\$ 18,909 3,647
1,535					1,535	2,113
17,483 (6,311)	6,669	\$ (95)	6 111	27,405 30,181 (374)	27,405 47,670	27,489 52,158
(3,504) 9,893		3	299		(3,504) 10,195	(3,695) 5,959
	935	1,854 (329)	5,837		2,789 5,508 65,538	3,936 5,736 54,257
				65,538 2,303 1,293	65,538 2,303 1,293	54,257 1,805 1,405
6,389	935	1,528	6,136	251,705 320,839	251,705 335,827	219,725 289,128
\$17,561	\$7,604	\$1,433	\$6,253	\$350,646	\$383,497	\$341,286

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Fund Balances

for the year ended June 30, 1981
(000's omitted)

Revenues and other additions:

Educational and general:

- Student fees
- Government appropriations
- Endowment generated
income and donations
- Sponsored programs
- Recovery of indirect costs
- Sales and services of
educational departments
- Interest income
- Other sources
- Auxiliary enterprises

Total revenues

Expenditures and other decreases:

- Current fund expenditures
- Recovery of indirect costs
- Expended for plant facilities
- Retirement of indebtedness
- Interest on indebtedness
- Provision for doubtful notes
- State appropriations lapsed
- Other

Other changes:

- Additions to plant facilities
includes donations of
\$1,163 and \$4,818 from
current fund expense
- Retirement of indebtedness
- Retirement of plant assets
- Increase in indebtedness
- Other additions

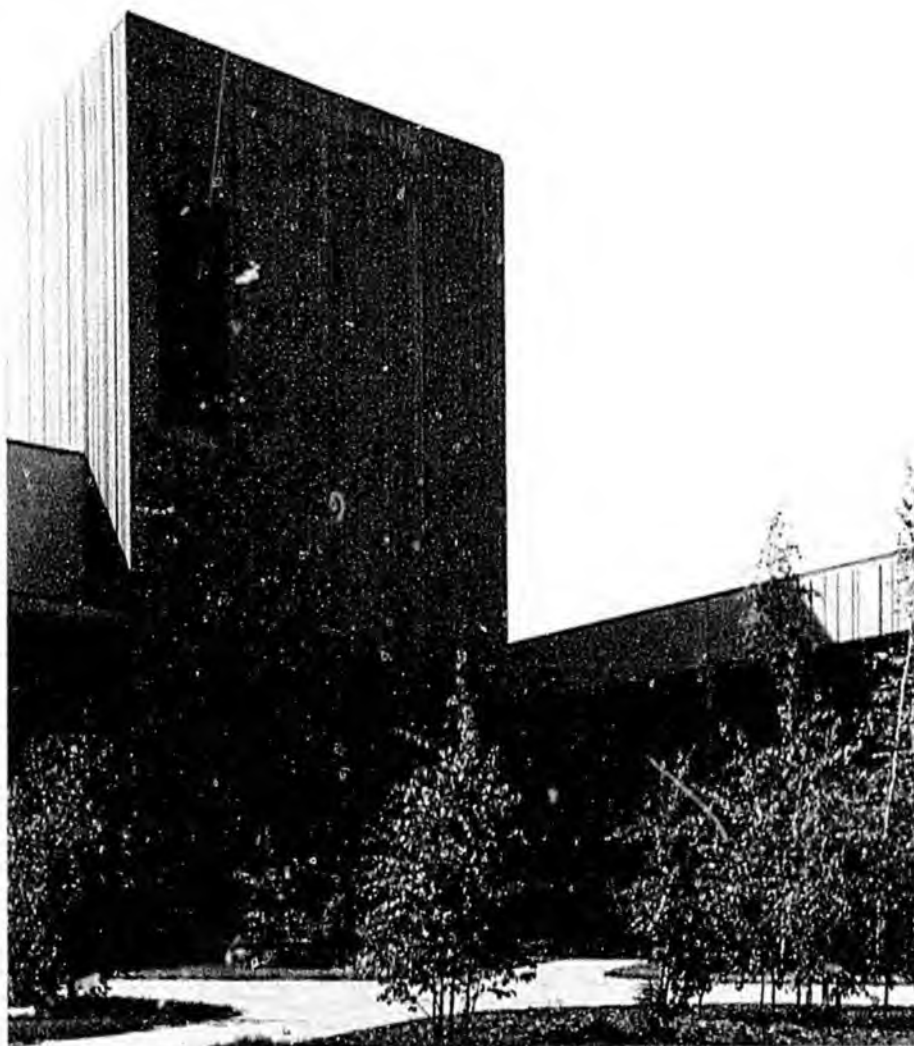
Transfers between funds:

Mandatory:

- Retirement of indebtedness:
 - Educational plant
 - Auxiliary enterprise plant
- Renewals and replacements:
 - Educational
- Student loan matching

Non-mandatory

- Net increase (decrease)
in fund balance
- Fund balances (deficit),
beginning
- Fund balances, ending



Current Funds		Student Loan Funds	Endowment and Similar Funds	Plant Funds			
Unrestricted	Restricted			Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant
\$ 8,147							
110,391				\$38,439			
48	\$ 97		\$ 353				
	34,408	\$ 232					
5,196							
401							
1,934		28		267	\$ 215	\$ 120	
4,181				31			
6,976							
137,274	34,505	260	353	38,737	215	120	
128,553	30,682						
	5,196			26,999			
						1,488	
						1,750	
		15	85				
1,535				114			
		79	21	216	2	10	
130,088	35,878	94	106	27,329	2	3,248	
							33,175
							1,488
							(1,293)
							(1,403)
							13
(1,887)	(17)				(497)	2,401	
(793)					48	745	
(991)					991		
(13)	(13)	26					
473	24	17		(127)	(257)	(130)	
3,975	(1,379)	209	247	11,281	498	(112)	31,980
2,414	2,314	1,319	5,889	54,257	1,805	1,405	219,725
\$ 6,389	\$ 935	\$1,528	\$6,136	\$65,538	\$2,303	\$1,293	\$251,705

The accompanying notes are an integral part of the financial statements.

Statement of Current Funds Expenditures for the year ended June 30, 1981

(with comparative totals only for 1980)

(000's omitted)

	Unrestricted	Restricted	Totals	
			1981	1980
Instruction	\$ 46,188	\$ 4,706	\$ 50,894	\$ 40,284
Academic support	12,391	706	13,097	11,376
Organized research	15,879	20,675	36,554	42,403
Public service	4,569	716	5,285	5,320
Student service	6,572	1,814	8,386	7,511
Operation & maintenance of plant	14,711	241	14,952	12,462
General administration & institutional expense	21,550	460	22,010	17,027
Student aid	127	1,364	1,491	1,089
Total educational & general activities	121,987	30,682	152,669	137,472
Auxiliary enterprises	6,566		6,566	5,946
Total	\$128,553	\$30,682	\$159,235	\$143,418

The accompanying notes are an integral part of the financial statements.



Notes to Financial Statements

1. Significant Accounting Policies:

Fund Accounting

In order to ensure observance of limitations and restrictions placed on use of resources available to the University, accounts of the University are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund. In the accompanying financial statements, funds that have similar characteristics have been combined into fund groups.

Within each fund group, fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds designated for specific purposes by action of the Board of Regents. Externally restricted funds may only be utilized in accordance with purposes established by the source. The Board of Regents retains full control over use of unrestricted funds.

Endowment funds are subject to restriction of gift instruments requiring that the principal be invested and income only be utilized. While quasi-endowment funds have been established by the Board of Regents for the same purposes as endowment funds, any portion of quasi-endowment funds may be expended. Such funds are included as "designated" funds in the balance sheet.

Gains and losses arising from sale, collection or other disposition of investments and other non-cash assets are accounted for in the fund which owned such assets. Ordinary income derived from investments, receivables and the like is accounted for in the fund to which it is restricted or, if unrestricted, as revenues in unrestricted current funds.

All other unrestricted revenue is accounted for in the unrestricted current fund. Restricted gifts, grants, appropriations, endowment income and other restricted resources are accounted for in the appropriate restricted funds. Restricted current funds are reported as revenues and expenditures when expended for current operating purposes.

Accrual Basis

Financial statements of the University have been prepared on the accrual basis, except for depreciation accounting as explained under investment in Plant below.

Current Funds

The statement of changes in current funds balances (revenues, expenditures, and other changes) is a statement of financial activities of current funds related to the current reporting period. It does not purport to present results of operation or net income or loss for the period as would a statement of income or a statement of revenues and expenses.

To the extent that unrestricted current funds are used to finance plant asset acquisitions, amounts are accounted for as 1) expenditures in the case of normal replacement of movable equipment and library books or, 2) mandatory transfers in the case of required provisions for debt amortization and interest and equipment renewal and replacement.

Encumbrances representing outstanding purchase orders and other commitments for materials or services not received as of June 30 are not reported as expenditures or included as liabilities. Such encumbrances are included as designated unrestricted current funds.

Investment in Plant

Plant and equipment are stated at cost at date of acquisition or fair value at date of donation in the case of gifts. Museum collections, with the exception of art work are excluded. Depreciation is not recorded, in conformity with educational institutional accounting practices.

Investments

Investments are stated at cost, or market at date of donation.

Inventories

Inventories are principally stated at the lower of first-in, first-out cost or market.

2. State Appropriations:

Alaska Statute 37.25.010 states that unexpended balances of a one-year appropriation will lapse on June 30 of the fiscal year for which appropriated. This statute prohibits the University from eliminating its accumulated current funds deficit without special consideration by the State. The University recorded a liability of \$1,534,766 for appropriations that lapsed at June 30, 1981.

The State of Alaska funded an addition to the working capital fund during fiscal year 1981 of \$2,500,000, and approved placement of \$676,522 of fiscal year 1981 income into the fund. This fund is included in the current unrestricted, designated fund balance at June 30, 1981.

Notes to Financial Statements, continued

2. **State Appropriation, Continued:** For fiscal year 1981, the legislature provided that some funds appropriated for the organized research units would lapse on December 31, 1981, rather than June 30, 1981. Accordingly the unexpended balance of these funds, \$2,021,466 at June 30, 1981, is included in current unrestricted, designated fund balance.

3. **investments**

At June 30, 1981 the University held the following investments:

	Book Value	Market Value*
Cash and certificates of deposits	\$2,161,402	\$2,161,402
United States government securities	4,894,413	4,461,515
Other bonds and notes	63,997	63,856
Common stocks	23,564	33,267
Real property	117,805	117,805
Other	2,953	2,953
	<u>\$7,264,134</u>	<u>\$6,840,798</u>

Fund Group

Unrestricted current funds	\$ 7,344	\$ 7,344
Restricted current funds	22,980	32,895
Endowment and similar funds	5,568,481	5,230,409
Plant funds	1,665,329	1,570,350
	<u>\$7,264,134</u>	<u>\$6,840,798</u>

*Book value is used where a quoted market value is not available.

Funds held in trust by others are not included in University investments. Such investments, which are administered by, and in custody of independent fiduciary agencies, have a cost basis of \$1,050,770 and estimated market value of \$984,922 at June 30, 1981. Income of \$63,154 was received by the University during 1981 for general and designated purposes.

4. **Investment in Plant:**

Investment in plant at June 30, 1981 is as follows:

Land	\$ 5,214,418
Buildings	180,207,862
Improvements other than buildings	16,478,188
Equipment (including library books and museum artworks)	43,832,706
Construction in progress	33,450,300
	<u>\$279,183,474</u>

At June 30, 1981 the University held equipment with a cost of \$6,259,000 which was acquired for use under various federal contracts and grants. Since title to this equipment is retained by the Federal government, it is not included in the financial statements.

5. **Long-Term Debt:**

A summary of long-term debt at June 30, 1981 is as follows:

	Total	Current Maturities 1981-82
Notes	\$ 5,022,222	\$ 164,919
Revenue bonds	13,478,000	423,000
State of Alaska general obligation bonds	855,000	190,000
Installment contracts	1,341,257	419,810
Principal of leasehold obligations	7,450,000	500,000
	<u>28,146,479</u>	<u>1,697,729</u>
Less borrowed funds not expended	742,081	
Total outstanding	<u>\$27,404,398</u>	
Interest		1,663,594
Total debt service		<u>\$3,361,323</u>

Repayment terms and interest rates on all debt are described below in sections by type of obligation. Total principal maturities occur as follows: \$1,697,729 in FY82, \$1,753,258 in FY83, \$1,494,175 in FY84, \$1,309,859 in FY85, \$1,001,276 in FY86 with the balance of \$20,890,182 maturing in subsequent years.

Notes to Financial Statements, continued

5. Long-Term Debt, Continued:

Notes

Principal Outstanding

5% note to State of Alaska for construction loan to finance the Campus Activity Center at Fairbanks. Student fee revenues are pledged on the note which is payable in annual installments of approximately \$284,000 including interest to June 1995.	\$ 2,809,370
8½% note collateralized by Yak Estates housing project and payable in monthly installments of \$15,995 including interest to May 2012.	2,092,286
8% mortgage note collateralized by deed of trust for the Community College Building in Anchorage payable in annual installments of \$16,940 including interest to October 1991.	120,936
	<u>\$ 5,022,222</u>

Revenue Bonds

	Interest Rate	Principal Outstanding
Housing System due serially to 2008	3% to 3¾%	\$ 8,263,000
Anchorage Campus Student Center due serially to 2000	7¾% to 8%	4,795,000
Dormitories due serially to 1988	3%	420,000
		<u>\$13,478,000</u>

Housing system bonds are collateralized by a pledge of all revenue of the Housing System except that portion necessary to pay current expenses in excess of \$79,273. The University has established reserves for future debt service and for major repairs and replacements.

Debt service for the Anchorage Campus Student Center bonds is to be provided from an allocation of Anchorage student fees and such other special fee assessments as are necessary.

Net rentals from dormitories are pledged to fund debt service on dormitory bonds.

State of Alaska General Obligation Bonds

State of Alaska general obligation bonds of \$855,000, issued to finance the Anchorage Energy Utility System, mature serially to 1988, with interest of 7.6% to 8%. Debt service is to be provided by State appropriation.

Installment Contracts

	Principal Outstanding
Honeywell Information Systems, Inc.	\$ 949,645
United Banclease	85,415
Hewlett-Packard Company	289,883
International Business Machines Corp.	16,314
	<u>\$1,341,257</u>

Installment contracts with Honeywell are for the purchase of data processing equipment costing \$1,970,717. The contracts provide for equal monthly payments over 72 to 96 months of \$26,923 including interest of 4.5% to 6.1%.

The University has acquired equipment costing \$284,506 by installment contracts with United Banclease. The contracts are payable in monthly installments of \$5,402 over 6 years and include interest of approximately 11%.

The installment contract with Hewlett-Packard is for the purchase of data processing equipment costing \$368,537. The contract provides for equal monthly payments over 53 to 60 months of \$7,948 including interest of 7.5% to 8.75%.

The installment contracts with IBM are for the purchase of typewriter equipment costing \$24,997. The contracts provide for equal monthly payments over 60 months of \$499 including interest of 7.75% to 10.50%.

Notes to Financial Statements, continued

5. Long-Term Debt, Continued:

Principal of Leasehold Obligations

The University has leased its heating facility through 2011. Payments of principal and interest remaining under terms of the 49-year lease are \$13,198,169. Permanent structures existing in 2011 become property of the University. The heating facility is included in plant fund assets and the related liability is included as "principal of leasehold obligation payable."

Lease payments by the University equal lessor's payments on the bonds. At June 30, 1981, the lessor's bonds outstanding consist of:

1962 Series payable serially to 1983 (4.75 %)	\$ 570,000
1969 Series payable serially to 1992 (5.05-6.5%)	1,680,000
1978 Series payable serially to 2000 (7.1-9.5%)	<u>5,200,000</u>
	<u>\$7,450,000</u>

6. Building Program and Construction Commitments:

Major construction projects of the University are funded by State of Alaska general obligation bonds, revenue bonds and direct appropriations. At June 30, 1981 the University's unexpended plant funds include appropriations receivable from the State of Alaska as follows:

1970 Bonds	\$ 51,361
1974 Bonds	1,614,701
1978 Bonds	3,662,494
1980 Bonds	37,270,000
1978 Direct Appropriation	317,700
1978 Direct Appropriation through Department of Transportation	54,723
1979 Direct Appropriation	359,500
1980 Direct Appropriation	<u>22,174,700</u>
1981 Direct Appropriation	565,000
	<u>\$66,070,179</u>

Construction commitments at June 30, 1981 aggregated \$6,822,264.

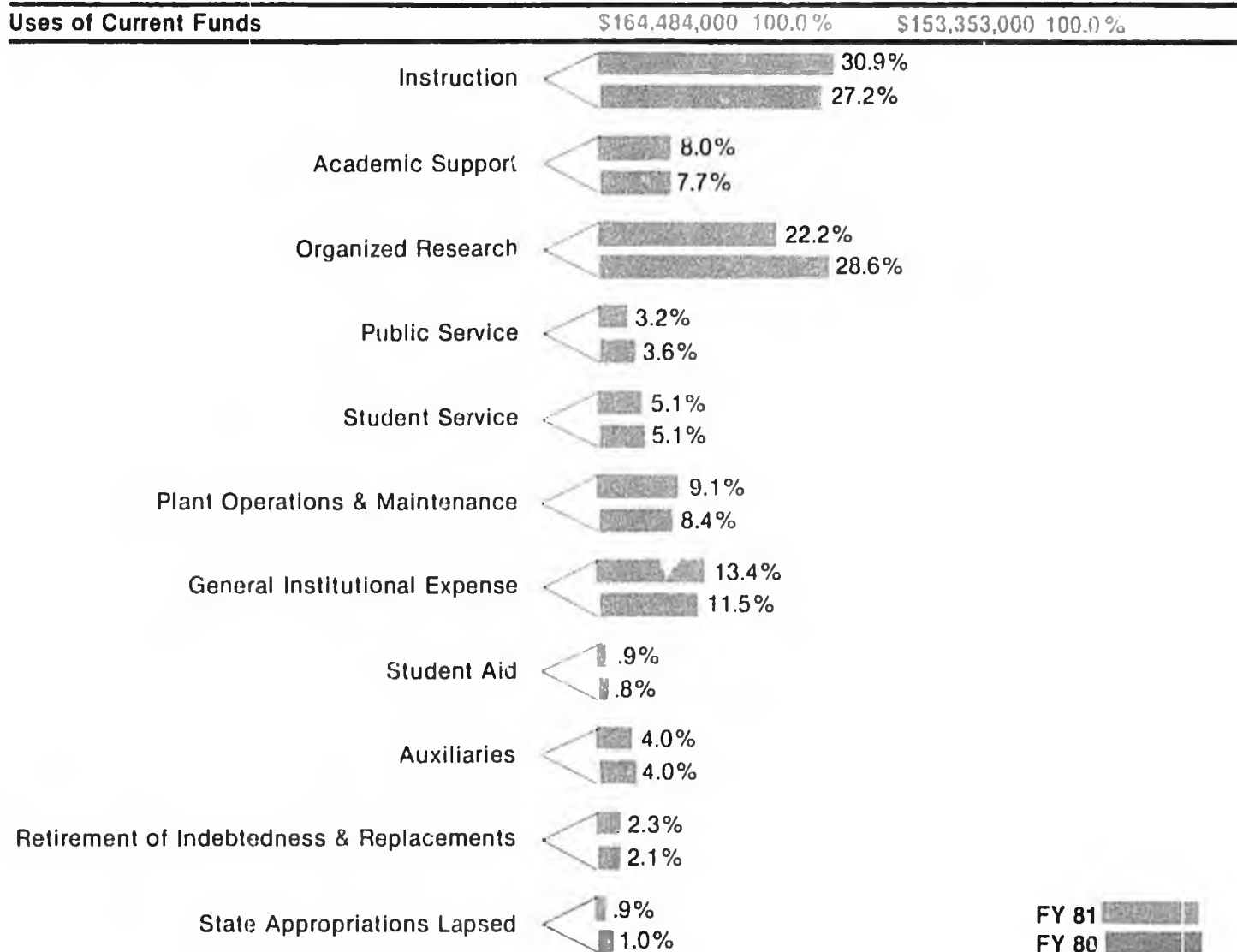
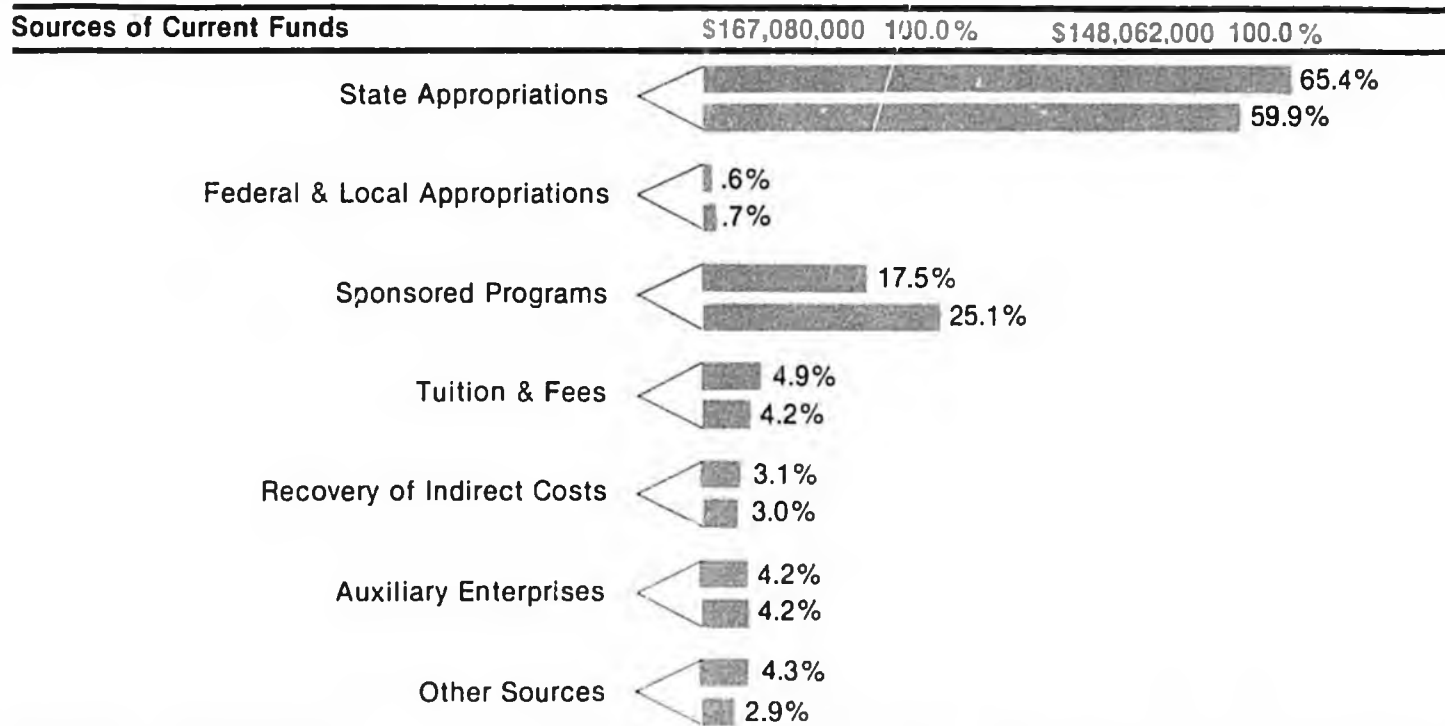
7. Pension Plans:

Substantially all full-time employees of the University are covered under the Public Employees' Retirement System of Alaska or the State of Alaska Teachers' Retirement System contributory pension plans. Total pension expense for the year was \$7,098,537. This included a provision to amortize prior service costs of the Public Employees' Retirement System of Alaska and the Teachers' Retirement System over periods of 25 and 30 years, respectively.

8. Litigation

The University is involved in a number of legal actions. While outcomes cannot be determined at this time, management and counsel are of the opinion that liability, if any, from these actions will not have a material effect on the University's financial position.

Sources and Utilization of Current Funds



FY 81 
 FY 80 

The Board of Regents



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Geophysical Institute, Dale Mohr, Geophysical Institute

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Information Services

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728

March 4, 1982

Werner and Leslie Egloff
P.O. Box 575
Girdwood, Alaska 99587

Dear Mr. and Mrs. Egloff:

This is to acknowledge receipt of your letter of March 1 concerning Senate Bill 728 relating to the Girdwood-Alyeska pathway.

Senate Bill 728 passed out of the Senate Transportation Committee on February 16 and it is currently in Senate Finance awaiting action.

You may be assured that I am supportive of this legislation. I appreciate your sharing with me your thoughts on this bill.

Sincerely,

Bill Ray
Senator
District C

ANS - Am supportive

THE BAKE SHOP

WERNER EGLOFF
P. O. BOX 575
GIRDWOOD, ALASKA 99587
TELEPHONE (907) 783-6102

3/1/82

SENATOR BILL RAY

CHAIRMAN

SENATE TRANSPORTATION COMMITTEE

ALASKA STATE LEGISLATURE

POUCH V (MS 3100)

JUNEAU / ALASKA 99811

DEAR SENATOR RAY,

PLEASE SUPPORT SENATE BILL 728
REGARDING THE GIRDWOOD WALKWAY.

THIS WALKWAY SHOULD HAVE BEEN BUILT
YEARS AGO AND IS NOW AN ABSOLUTE
NECESSITY BEFORE MORE PEOPLE GET
KILLED WHEN THEY HAVE TO WALK
ON THE HIWAY.

Werner Egloff
Lustie Egloff

March 5, 1982

Jonnie Victor-Myers
Box 421
Girdwood, Alaska 99587

Dear Ms. Victor-Myers:

This is to acknowledge receipt of your correspondence concerning Senate Bill 728, relating to the Girdwood-Alyeska pathway.

Senate Bill 728 was reported out of the Senate Transportation Committee on February 16 and is currently awaiting action in Senate Finance.

I appreciate your taking the time to write and share your thoughts. You may be assured that I am supportive of this legislation.

Sincerely,

Bill Ray
Senator
District C

ACK - I SUPPORT

Box 421

Girdwood, Ak 99587

Senator Bill Ray
Alaska State Legislature
Pouch V (MS3100)
Juneau, Ak 99811

Feb 25, 1982

Dear Senator Ray:

I urge you to consider Senator Mike Colletta's bill #728. This bill concerns construction of the Girdwood Walkway. As a resident of Girdwood for only 5 years, I have already witnessed the death of three children on our main road. There are far too many pedestrians in our community, with an unlit road as the main path from one end of the valley to the other. The only way to save the lives of our children and ourselves and still have the freedom to walk through our community is the overdue construction of a walkway. I strongly urge you to consider this bill. Thank you.

Sincerely,

Jonnie Victor-Myers

Jonnie Victor-Myers

March 2, 1982

Jacquelyn and Kenneth Graham
Box 272
Girdwood, Alaska 99567

Dear Mr. and Mrs. Graham:

This is to acknowledge receipt of your telegram of February 24 concerning Senate Bill 728 relating to the Girdwood-Alyeska pathway.

Senate Bill 728 passed out of the Senate Transportation Committee on February 16 and is currently in Senate Finance awaiting action.

You may be assured that I do support this legislation. I appreciate your sending me your support for this bill.

Sincerely,

Bill Ray
Senator
District C

ANS - I DO

MSGR

TELEGRAM

ALASKA, INC.
PHONE 580-4412
WALKWAY 212 99504

902 PM
1962

#

02522 POM IDA GIRDWOOD AK 15 02-24 0628P AST

PMS SEN BILL RAY

JUNEAU

I URGE YOU TO SUPPORT SENATE BILL 728 REGARDING THE GIRDWOOD
WALKWAY.

JACQUELYN AND KENNETH GRAHAM

BOX 272

GIRDWOOD AK 99587

S B

793

- FILE -

GEORGE C. SILIDES

REGISTERED CIVIL ENGINEER
BOX 746
FAIRBANKS, ALASKA
(907) 456-1110

HAROLD H. GALLIETT, JR.

REGISTERED CIVIL ENGINEER
746 "F" STREET
ANCHORAGE, ALASKA
(907) 272-9212

A JOINT VENTURE

Senator Bill Ray
Chairman
Senate Transportation Committee
Alaska State Senate
Pouch V, State Capitol
Juneau, Alaska 99811

March 30, 1982

Re: Progress Report,
Port of Whittier Access Study,
Period February 18, 1982 - March 30, 1982

Dear Senator Ray,

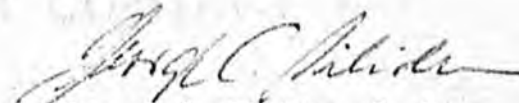
On 18 March 1982 the project was personally reviewed with Senator Dankworth. At that time, the general findings developed since our Preliminary Report of 1 February were discussed. Also reviewed were the Proposed Alignment Sheet, Construction Conditions Sheet, and various photos of actual and potential avalanche conditions.

The written Report, with accompanying route mapping, is being put into final format. It is proposed to deliver the Final Report on or before 15 April 1982.

We are submitting our Invoice to the Legislative Affairs Agency, representing a 20% incremental project completion.

Sincerely yours,

GALLIETT & SILIDES
A JOINT VENTURE


George C. Silides, P. E.

CC:

Senator Jay Kerttula, Senate President
Senator Ed Dankworth, Project Director
Mr. Myrton Charney
Mrs. Janelle King



Alaska State Legislature

Senator Vic Fischer • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

MEMORANDUM

TO: Sen. Bill Ray
FROM: Sen. Vic Fischer *Vic*
DATE: March 3, 1982
RE: SB 793--Whittier Access

Enclosed for your information is an Anchorage Assembly resolution supporting improved access from Portage to Whittier, development of Shotgun Cove and (!) construction of a small boat harbor at LaTouche Island.

cc: Sen. Gilman
Sen. Kerttula
Sen. Dankworth
Sen. Sackett

APPROVED

Date:

2-2-82

Submitted by: Assemblyman Don Smith
Prepared by: Municipal Clerk's Office
For Reading: February 2, 1982

ANCHORAGE, ALASKA

AR NO. 82-40

A RESOLUTION OF THE ANCHORAGE ASSEMBLY SUPPORTING BUDGET PROPOSALS TO FUND IMPROVED RAIL SHUTTLE SERVICE BETWEEN PORTAGE AND PRINCE WILLIAM SOUND FOR RECREATIONAL DEVELOPMENT.

WHEREAS, the Prince William Sound Region is one of the most magnificent and spectacular areas in Southcentral Alaska and has become a major tourist attraction and recreational area, and

WHEREAS, this area would be readily accessible to over one-half the population of Alaska if reasonable highway access were provided, and

WHEREAS, improved access is particularly important to the people of the Anchorage Municipality, inasmuch as over 6,000 pleasure boats are registered in the Anchorage Area and the small boat harbor is being tripled in size, and

WHEREAS, the Alaska Marine Highway has indicated an intention to increase the level of ferry service to Whittier from Southeast ports if ready access is provided to Anchorage, and

WHEREAS, there are currently proposals before the Legislature to appropriate funds to initiate construction of a highway from Portage and Bear Valley and to provide frequent and convenient shuttle service through the tunnel, until a permanent highway connection can be completed.

NOW, THEREFORE, BE IT RESOLVED, that the Anchorage Municipal Assembly endorses and supports budget proposals to fund recreational development in Prince William Sound, including the following:

1. Construction of a road from Portage to Whittier, or in the alternative, substantially expanded rail service.
2. Construction of a road, or ferry service from Whittier to Shotgun Cove and development of a small boat harbor.
3. Construction of a small boat harbor at LaTouche Island.



Alaska State Legislature

Senator Vic Fischer • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

February 16, 1982

To: Members of the Senate and interested parties

From: Senator Vic Fischer

Re: SB 793 - relating to capital costs for improving access and support facilities in Whittier and Prince William Sound.

Prince William Sound is a recreation area of national significance in close proximity to Alaska's population centers. Demand for access to the Sound has reached a critical state because current facilities are totally inadequate.

Getting to Whittier and into Prince William Sound is difficult and costly both for local residents and visitors. Whittier residents face a two-day round trip to reach Anchorage, have no on-site medical service, and are often isolated for days at a time by bad weather and shuttle breakdowns.

Using the waters of the Sound through Valdez or Whittier is a two-day round trip for railbelt Alaskans and tourists alike. The time and expenses prohibit most people from enjoying the recreation potentials of the area.

This appropriation would provide funds to upgrade the road and rail system connecting Portage and Whittier. It will allow one-day round trips, increase carrying capacity and extend hours of operation, and construct support facilities.

Lack of adequate boat moorage to accommodate the boating public is another critical problem in the Sound. The moorage at Whittier is completely filled, with waiting lists several years long. There is no room to expand the current harbor facilities.

This bill provides funding for construction of a road from Whittier to Shotgun Cove, the best available new harbor site. Design of a small boat harbor will be carried under SB 793. Once costs are established, a capital appropriation will be proposed.

Capital improvements under this bill would improve the existing Whittier-Valdez segment of the State Marine Highway System and provide an attractive tourist resource. The possibility also exists for increased demand associated with natural resource development and expanded port activity.

The need for these projects is covered in the interim report on Prince William Sound recreation by the Senate Resources Subcommittee on Parks and Recreation, chaired by Senator Fischer.

Committees: State Affairs, *Chairman*; Resources, *Vice-Chairman*; Health, Education & Social Services

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



Alaska State Legislature

Senator Vic Fischer • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

4 February 1982

To: Chair, Senator Bettye Fahrenkamp and
Members - Senate Resources Committee

From: Senator Vic Fischer, Chair
Subcommittee on Parks and Recreation

A handwritten signature in black ink, appearing to read "Vic Fischer", written over the "From:" line.

Subject: Prince William Sound Recreation

Attached is a report on the public meeting and teleconference held December 15, 1982.

It is clear that recreation potentials of the Sound are among the most important in Alaska, serving the needs of Alaskans as well as visitors to the state. While everyone agrees that the natural environment must be protected, problems of access, land availability, and adequate facilities are yet to be resolved.

Several important land transfers are currently pending, and federal and private development plans are in final stages of completion. Legislation establishing the Alaska Marine Parks System is being drafted for introduction in the Senate next week. Recommendations for other legislative action will be withheld pending further work on Prince William Sound recreation development.

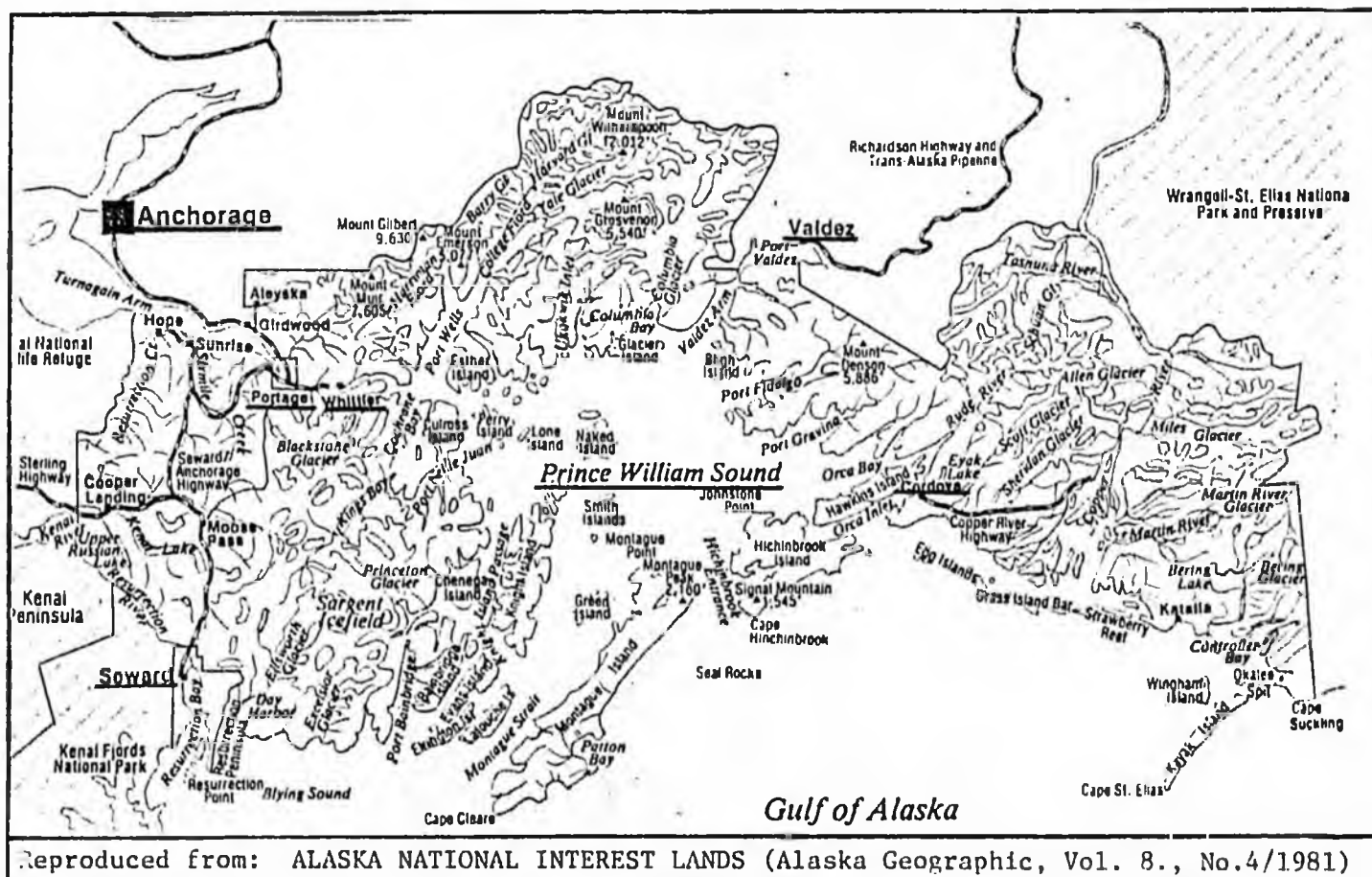
cc Senate President Jalmar Kerttula
Other Legislators
Teleconference participants
Agencies

PRINCE WILLIAM SOUND RECREATION

Report and Summary of public meeting/teleconference
PARKS AND RECREATION SUBCOMMITTEE
SENATE RESOURCES COMMITTEE
December 15, 1982
Anchorage, Alaska

Although the scenic beauty and recreation possibilities of Prince William Sound have long been recognized, limited access, lack of facilities, land status problems, and high costs have prevented the Sound's potentials from being realized.

The significance of the Sound to Anchorage and other population centers is seen by a glance at the map. The vast majority of recreational users in Alaska, both resident and tourist, are in close proximity to the Sound. Nearly half of all visitors to Alaska stop in Anchorage. Combined with tourists entering the Sound through Valdez, they represent the largest piece of the tourist pie outside of Southeastern Alaska.



Reproduced from: ALASKA NATIONAL INTEREST LANDS (Alaska Geographic, Vol. 8., No.4/1981)

In the words of Westours director Jack Musiel, " Prince William Sound has the potential of providing a water related vacation experience that, with proper consumer awareness and unlimited access, could rival Alaska's Inside Passage in consumer demand."

A unique public resource of national significance, the wealth of recreation, scenic, biologic, and cultural resources in the Sound argues strongly for cooperative management. Coordination and cooperation among landowner/managers, local residents, and user groups within the Sound is essential to protect and promote its recreational potential.

Recent negotiations have opened the way for settlement of serious land use and ownership conflicts. Rapidly escalating use, potential conflicts between user groups, need for public investments and concern over the quality and pace of development prompted a Senate Subcommittee on Parks and Recreation public hearing to provide a meeting ground for interested parties.

Testimony was presented by residents, as well as by municipal employees from Valdez, Whittier, Cordova, and Anchorage representatives of the tourist industry, wilderness guiding operations, commercial fishermen, private developers, and recreational users. Representatives of Native village and regional corporations, U.S. Forest Service, Alaska railroad, state Department of Transportation and Public Facilities, and the state Division of Parks testified during the teleconference.

This initial report concentrates on some of the principal problems preventing full use of the recreation potential of the Sound, on suggestions for alleviating those problems, and on policy considerations presented in public testimony before the subcommittee.

CURRENT LANDOWNERS/MANAGERS

The most serious problem with overall management of the recreation potential of Prince William Sound thus far has been the question of land status and ownership.

Five major groups currently comprise the landowners/managers within the Sound. They are: (1) federal government through Chugach National Forest (U.S. Forest Service) and, to a lesser extent, National Park Service; (2) state government, primarily through Department of Natural Resources, Division of Parks; (3) Chugach Natives Inc. and village corporations within it; (4) private landowners, including commercial developers; and (5) municipal governments.

1. Federal - The boundaries of Chugach National Forest include the entire Sound, although approximately 195,700 acres are being conveyed to the villages of Chenega, Tatitlek, and Eyak. Additional acreage will be transferred under Section 1428 of the Alaska National Interest Lands Conservations Act (ANILCA). Future land exchanges and conveyances are uncertain, however, in the wake of the recently completed Chugach Region Study, section 1429 of ANILCA and Section 14(h)(1) of the Alaska Native Claims Settlement Act (ANSCA).

The Forest Service is in the process of classifying lands within the Sound area and testimony noted their intent to identify locations complimenting sites approved in state selection for the Marine Park System. Also approved are some land transfers under the Alaska

Statehood Act in the vicinity of Whittier, Valdez, Cordova, and elsewhere.

The Chugach National Forest land management plan, in which management of the Sound is a key element, will be released in March 1982. It will be followed by a 90 day comment period. The Forest Service hopes to have the final plan ready by fall of 1982.

2. State - In 1977 the state, through the Division of Parks, began a program to select statehood entitlements from the National Forest and to lay groundwork for the Alaska Marine Park System.

This system, modeled after a similar one in British Columbia and Washington state, resulted from concern over federal timber harvesting practices and a recognition of the importance of the Sound for resident and visitor recreation. This led to the state's selection of several bays and islands from the Tongass and Chugach National Forest for possible future establishment - by an act of the state legislature - of an Alaska Marine Park System.

Of the 36 sites proposed in 1977, only 18 have been approved by the Forest Service and will be conveyed to the state by the Bureau of Land Management. The Division of Parks has filed a complaint against the Forest Service to obtain approval of the remaining sites and discussions on joint management possibilities have produced no agreements thus far.

The primary management goal for the Marine Park System is protection of natural and cultural resources for long-term public use and enjoyment. State park officials see neither the need nor desirability for commercial developments within any of the potential marine park sites in the Sound and held that basic services should be provided by the private sector.

3. Native Landowner/managers - Chugach Natives, Inc. (CNI), the second smallest regional corporation created under ANCSA, has not yet received its entitlements under provisions of the act. Initial negotiations with the Forest Service were unsatisfactory, particularly from the point of view of CNI, and a study of ownership patterns in the Chugach region was initiated under Sec. 14.30 of ANILCA, to help provide a meeting ground for Chugach Natives Inc., U.S. Forest Service, and the Division of Parks.

Testimony before the subcommittee suggested that Chugach Natives, Inc. felt that land status conflicts revealed through the recently completed Chugach Region Study must be settled immediately and while partial settlement was possible, it was unlikely either party would agree to entitlement without a view of the "total picture". Both the Forest Service and the state Division of Parks agreed that settlement of proposed land status questions was essential before any reasonable and responsible development of the Sound could occur.

Gail Evanaugh of Chenega Corporation testified that the natural harbor of Crab Bay at the new Chenega townsite, is ideally located to accomodate development to serve the area's recreational potential.

Families are expected to move into new community housing by fall of 1982.

Chenega's development plans, scheduled for release in March 1982, include recreational use by non-shareholders on a controlled basis. Chenega intends to request regular state ferry service to the townsite. Carl Propes of Chugach Natives Inc., said they plan to "aggressively develop" suitable unsettled areas and were considerably hampered in those efforts by problems of land ownership/management questions.

4. Private/Commercial Landowner/managers - Although less than 5% of Prince William Sound is in private ownership, other than Native corporation entitlements, private holdings do exist at the head of Nelson Bay, near Katalla, Port Fidalgo, Tatitlek, and on the abandoned townsite of Latouche. Additionally, there are numerous individuals holding homesite leases from the Forest Service, and there are lighthouse reserves at Cape Hinchinbrook, Cape St. Elias, the south end of Elrington Island, and near the entrance to Port Nellie Juan.

Probably the single most significant private landholding is on Latouche Island where nearly 200 parcels of private land have been sold and a model recreational community is planned.

Gliff Groh, attorney for Rarearth Inc., the company responsible for the development and sale of the Latouche land, discussed the extent of private holdings and plans for the future. He argued that private land is hard to come by in the Sound and that the state should have a compelling interest in making private land usable and accessible to residents. Since private land held by Native corporations would allow non-shareholder use only on a "controlled basis", Latouche presented the only real possibility for the general public to own and manage land within the sound.

However, most personal and written testimony argued that private development should not be supplemented or subsidized by the state in the form of roads, airports, improved harbors, or hydroelectric projects unless: (1) there was an existing need for services the private sector was unable to provide, (2) the greater public interest was being served and, (3) public funding did not interfere with nor compete with private interests.

Various local residents and land owners in the Sound area testified they felt it was improper that public money was being used to develop support facilities at Latouche when already existing facilities at Port San Juan, a regular ferry stop, are in great need of repair. Local residents testified that whereas Clam Bay (new Chenega townsite) was one of the best natural harbors in the Sound, Latouche was notoriously one of the worst.

Groh defended the state's choice of developing a harbor at Latouche by pointing out that copper companies shipped thousands of tons of ore from this site over a long period of time and "they must have known what they were doing". Dave Noten, one of the 194 private landholders at Latouche

also testified in favor of using public funds to develop basic support facilities.

ACCESS

Testimony about access to Prince William Sound concerned itself almost exclusively with transportation from Portage to Whittier.

The Sound can be accessed through Whittier by airplane or railroad. The nature of the weather prevents air transportation from being a reasonable alternative and no highway access exists beyond Portage.

A presentation by the Department of Transportation and Public Facilities (DOTPF) of the Whittier Transportations Options Study outlined various alternatives considered during the study. They included:

1. Improvement of existing Portage-Whittier Shuttle with a Bear Valley/Whittier auto/passenger shuttle. Total capital cost would be approximately \$20 million for the initial system (350 vehicles per day each direction and approximately 2,100 passengers) and about \$24 million for expanded service (590 vehicles and 3,900 passengers per day). Annual operating and maintenance costs were estimated at \$559,000 for initial service and just over \$1 million for the expanded system.
2. Improved rail passenger service, including four shuttle trips each way plus three round trips between Whittier and Anchorage. Estimated capital cost is \$22 million for initial (four shuttle trips plus three round trips) and \$26 million for expanded service (eight shuttle trips and four round trips). Annual operating costs were estimated at \$793,000 for initial and \$1.5 million for expanded service.
3. One-way joint use by vehicles and rail of existing tunnel. Capital cost for this alternative is estimated at \$36.7 million with maintenance and operating costs at \$390,000 per year.
4. Two-way joint use of widened, existing tunnel. Capital costs for this alternative are estimated at \$64.3 million, with annual operating and maintenance costs of \$440,000.
5. New two-way highway tunnel. The most expensive alternative, capital costs are estimated at \$68.3, with operating and maintenance costs estimated at \$440,000.
6. Portage Pass Highway. While it's possible to build a good highway, controlling the weather is, according to DOTPF, the most serious drawback to this alternative. Combinations of heavy snow fall with accompanying avalanche dangers, icing conditions, year-round high winds, steep grades (up to 9%) and heavy winter storms makes a high probability of having to close the highway for periods in the winter, particularly during adverse weather conditions. Since rail service may be eliminated if the highway were built, it could mean long periods of near total isolation for Whittier residents. Total capital costs are estimated at \$47.8 million, with maintenance and operating costs of \$270,000.

Although representatives from the tourism industry strongly supported the Portage Pass Highway, DOTPF preferred the Bear Valley/Whittier auto/passenger shuttle when evaluated for overall cost and service effectiveness.

Testimony from local residents supported the idea of improved rail service over creation of a new highway, both from a convenience and need standpoint and because they believed it would have the least negative impact on the protected lifestyle they enjoy in the Sound. Their emphasis was on access with the least negative impact on the environment.

Frank Jones of the Alaska Railroad suggested the state subsidize passenger service by improving support facilities, such as track changes in Whittier or Portage, a camper park and a visitor center near the ferry port for visitors to acquaint themselves with Prince William Sound offerings. Questions about future ownership of the railroad, in view of current negotiations between federal and state agencies, considerably hamper any long-term planning for improvement of rail services, according to Jones.

GENERAL COMMENTS

It was evident from testimony that both residents of the Sound and recreational users were concerned with the quality and pace of development.

Testimony suggested that as many as 40% of recreational users of the Sound seek an "off the beaten track" or "primitive" experience in close proximity to population and transportation centers. Local residents stressed that low population, lack of facilities, and isolation were the fabric of their lives and not something they wanted to "overcome".

At the same time, residents were concerned about the lack of emergency medical care or dependable transportation in emergencies, especially in view of the expected increase in search and rescue operations resulting from the rising use of the Sound by people unfamiliar with the area. Considerable anger was expressed that local residents transportation and timing needs were apparently not a priority with agencies planning the railroad and ferry schedules.

Testimony supported the concept that no or slow development was preferred to inappropriate or unplanned development. Local fishing communities expressed the fear that recreational use would interfere with the primary resource of the Sound - fishing.

The state-proposed Alaska Marine Parks System received universal support. Representatives from the tourist industry urged the state to educate recreational users of the Sound regarding harrassment of marine mammals, eagles, other marine shore wildlife and spawning salmon. They also urged stronger anti-littering enforcement and education.

RECOMMENDATIONS

Based on the testimony presented during the public meeting and the process of soliciting that testimony, some suggestions became apparent. They are:

1. Establish and support the Alaska Marine Parks System as designed by the Alaska Department of Natural Resources, Division of Parks.
2. Support rapid settlement of land status questions between the Forest Service and other land owner/managers within the Sound.
3. Institute measures to assure communities, residents and user groups within the Sound area are informed about pending policy issues in a timely enough manner for them to have appropriate input. Adequate notice alone would do much to alleviate public anger. Notice of public meetings should reach residents at least two weeks in advance.
4. Form a permanent Prince William Sound Recreation Advisory Committee comprised of representatives of local residents, user groups, land owner/managers, and other interested parties. Require that this Committee submit a yearly report reflecting overall planning for recreational development in the Sound as well as needs identified through public meetings.
5. Schedule another public meeting by this subcommittee probably in April or May of 1982 after release of the draft plan by Chugach National Forest and the Chenega Corporation development plan. At that time, a further look should be taken at land uses in the Prince William Sound area, Whittier access alternatives and development of other facilities.