

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 8672

2148 ST SB 838 - SJR 66

- o Lots 3, 4, 5, 6, 7, and 8, Block 20
- o Lots 1, 2, and 3, Block 19, and
- o Vacation of Second Avenue east of Bridge Avenue.
- o While not crucial for access from Bridge Avenue to the cargo staging area, the triangular wedge of land between Bridge Avenue and the northeast corner of Block 19 should also be acquired as soon as funds permit.

After 1984, additional space will be needed.

For the petroleum port and construction to protect the bulk fuel storage tank farm, an entry permit will be needed from the Public Health Service.

b) Future Construction and Development

It is proposed that the City purchase or otherwise acquire such property within the port development/riverbank stabilization area (project) that is necessary for construction and/or is not being used in conformity with this Master Plan.

The City should immediately seek the acquisition of all vacated Public Health Service property within the designated project area for use in connection with the petroleum products port and probably secondary general cargo port facilities. Such public lands should be transferred free of cost. The acquisition of any private

property necessary to future construction and development can be aided through the use of part of the petroleum dock gallonage fee and general cargo wharfage fees.

5. Land Costs

The cost of land acquisition for proposed 1981-82 general dock expansion and Brown's Slough widening and moorage is included in the construction estimates shown herein. Total cost of land acquisition for port development depends greatly on the cooperation of all present inholders and potential beneficiaries. Therefore, this total land acquisition cost must await the 1982-1983 annual updating of the Port Development Master Plan and the City of Bethel Comprehensive Plan.

IV. MAXIMUM TERM CONSTRUCTION SCHEDULE (Revised, February 1982)

The following schedule of improvements is the maximum reasonably allowable term of construction to first protect vital existing facilities, and then to develop the economic potential of the Port of Bethel. An accelerated construction program would lessen the chance of the entire problem becoming moot through loss of existing and partially completed improvements from eccentricities of the Kuskokwim River.

A. 1981 - 1982

1. Petroleum Dock And Tank Farm Protection
 - a) One 60 foot diameter circular cell
 - b) 200 feet of wall type bulkhead
 - c) Approximately 700 feet of concrete mat

2. Transshipping vessel moorage
 - a) Widen Brown's Slough
 - b) 900 feet of wall type bulkhead*
 - c) Dredging and backfill

3. Enlarge General Cargo Dock
 - a) Two 60 foot diameter circular cells
 - b) Acquire land

* Under construction, February 1982

4. Industrial Area Protection

- a) Acquire Land (In progress February 1982)
- b) Construct warehouse (Pending funding, February 1982)

B. 1982 - 1983 (Revised February 1982)

1. Industrial Area

- a) 1200 linear feet of bulkhead, proceeding upstream from Main Street the southwest corner of Lot 11, Block 20, the proposed junction with the general cargo dock extension.

2. General Bank Stabilization

- a) Continue non-structural sloping, terracing, seeding and sodding, if alternative appears feasible.

C. 1983 - 1984

1. General Bank Stabilization

- a) 1000 linear feet of articulated concrete mat.

D. 1985 - 1986

1. General Area Bank Stabilization

- a) Approximately 3,200 linear feet of articulated concrete mat, to complete bank stabilization other than industrial and cargo dock areas.

E. 1987 - 1990

1. Protection and Completion of General Cargo Dock and Staging Area.
 - a) Incrementally extend general cargo dock and staging area to the SW Corner of Lot 11, Block 20 through the construction of eight additional 60 foot diameter circular cells.

F. 1981 - 1990

1. Designate Port of Bethel development area limits, to include all of the lands described in Section III C 3, General Description of Port Development Area.
2. Acquire the lands necessary for immediate expansion of the port general cargo staging area, as described in Section III C-4(a).
3. Acquire all vacated Public Health land for use and lease in connection with the petroleum products docking and storage facility and secondary general cargo dock.
4. Acquire all other available vacated Federal lands within the Port of Bethel development area.
5. Resubdivide and allocate lands within port development area for specific uses.
6. In addition to lands in 2, above, acquire such property that is presently in non-conforming, port development, use.

V. CONSTRUCTION COST ESTIMATES

A. NOTES

1. Inflation. The following construction cost estimates for alternatives A - D include a 15% annual increase attributable to inflation in material and labor costs.
2. Design. Estimates are based on existing state-of-the-art. Technical advances and innovative design may reduce the costs shown. For example, in 1972 we were told that, "nothing can be done at Bethel." The existing medium draft cargo handling facility refuted that contention.
3. Effect of Accelerated Schedule. Accelerated construction schedules can reduce costs by taking advantage of economies of scale, and by offsetting the penalty of annual inflation. Moreover, quick completion reduces potential loss of existing and partially completed facilities, from riverbank erosion, prior to completion of the total port facility/bank stabilization program described herein.

B. ESTIMATES (In Thousands)
 REVISED, February 1982

1. Alternative A		<u>\$1982</u>	<u>\$ Future</u>
1981-1982	General Cargo Dock	3,640	3,640
	Petroleum Dock and Protection	3,230	3,230
	1981-1982 Project	6,870	6,870
	Funded F.Y. 82	<u>5,250</u>	<u>5,250</u>
	Shortfall	<u>1,620</u>	<u>1,620</u>
1982-1983	1200 Linear feet bulkhead Main Street to Lot 11 Block 20	3,812	4,383
	Non-structural Bank Stabilization	0,331	0,381
	Cargo Dock Completion	1,620	1,863
	1982-1983 Project	<u>5,763</u>	<u>6,627</u>
1983-1984	1000 linear feet concrete mat protection	<u>1,286</u>	<u>1,479</u>
1985	1600 linear feet concrete mat protection	<u>2,058</u>	<u>2,984</u>
1986	1600 linear feet concrete mat protection	<u>2,058</u>	<u>3,293</u>
1987	Cargo Dock Extension	<u>1,448</u>	<u>2,913</u>
1988	Cargo Dock Extension	<u>1,448</u>	<u>3,350</u>
1989	Cargo Dock Extension	<u>1,448</u>	<u>3,852</u>
1990	Cargo Dock Extension	<u>1,448</u>	<u>4,430</u>
TOTAL PROGRAM 1981-1990		<u>22,207</u>	<u>34,178</u>

Recapitulation of Alternative A, By Allocation (Revised February 1982)

(In Thousands)	\$ 1982	\$ Future
1. General Cargo Dock	\$9,432	\$18,428
2. Petroleum Dock & Tank Farm Protection	\$3,230	\$3,230
3. Waterfront Industrial Area Protection	\$3,812	\$4,383
4. General Area Riverbank Protection	\$5,733	\$8,137
5. Warehouse 1982	<u>\$1,000</u>	<u>\$1,000</u>
	\$23,207	\$35,178

Alternative A gives maximum benefit per dollar invested. It allows cargo handling facilities and industrial area to reach fullest potential while simultaneously providing for bank stabilization.

Construction cost savings can be realized by shortening completion period. Accelerated construction will take advantage of economies of scale and offset inflation.

2. Alternative B (Revised February 1982)

1981-1982 Cargo Dock	\$ 3,640
1981-1982 Petroleum Dock & Protection	3,230
1982-1983 1200 feet bulkhead	4,383
1983-1984 8000 feet mat protection	<u>13,376</u>
	\$24,629

Alternative B continues to provide the needed industrial area and bank protection. It does not allow the general cargo handling facilities to reach their needed size and, therefore, will add to cargo handling costs.

3. Alternative C

1981-1982 Cargo Dock	\$ 3,640
1981-1982 Petroleum Dock & Protection	3,230
1982-1983 9000 feet mat protection	<u>13,311</u>
	<u>\$20,181</u>

Alternative C provides the minimum reasonable alternative. Though it provides bank stabilization for an indeterminate period, possibly 25 years, it provides only temporary relief to the increasing problem of efficient cargo handling. Under this alternative, expansion of the general cargo dock will require removal of earlier construction.

4. Alternative D

1982-1983 10,000 linear feet of mat protection \$13,825

Alternative D is an emergency measure to safeguard existing facilities only. It provides the minimum acceptable alternative.

S

B

849

FROM: Frank Jones
General Manager, Alaska Railroad

The following conforms with the Alaska Railroad's contractual agreement with the operating unions:

(a) No person operating an Interstate Commerce Commission-regulated railroad offering passenger service in this state may operate a train or engine, outside of yard limits, regardless of the form of energy used for propulsion, unless it meets the following requirements:

(1) a passenger train or a mixed passenger-freight train with more than two cars carrying passengers shall have at least a minimum passenger crew, which shall consist of one locomotive engineer, one locomotive fireman (or helper), one conductor, [ONE BRAKEMAN,] and one flagman;

(2) a freight train shall have at least a minimum freight crew, which shall consist of one locomotive engineer [, ONE LOCOMOTIVE FIREMAN] (or helper), one conductor, and one [TWO] brakemen;

(3) a light engine without cars shall have at least a minimum light engine crew, which shall consist of one locomotive engineer, one locomotive fireman (or helper), or [AND] one conductor.

(b) Except for hostling movements and duties as negotiated for each railroad company, no person operating an Interstate Commerce Commission-regulated railroad offering passenger service in this state may operate an engine or locomotive, regardless of the form of energy used for propulsion, for switching cars or in transfer movements, unless every engine or locomotive is manned by a minimum crew consisting of one locomotive engineer, [ONE LOCOMOTIVE FIREMAN (OR HELPER),] one conductor, and one brakeman [TWO HELPERS].



united transportation union

March 15, 1982

To: Senator Bill Ray

This letter should provide you with some information on Bill Number 849, "an act relating to train crews", a bill to which our membership is definitely opposed. I have put this brief together to explain how this bill affects us here in Skowhegan.

This is a critical issue to us in Skowhegan, and we would certainly appreciate any assistance which you could give us in the matter. We are at your disposal for further information and dialogue at any time.

Thank you very much.

I remain,

Corrigan L. Gates

Corrigan L. Gates
Legislative Representative
United Transportation Union
Local 1787

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ORIGINAL.



united transportation union

March 15, 1982

U.T.U. Brief on Senate Bill Number AS 23.10.420(a)

Background Information

The White Pass & Yukon Route Railroad, a Canadian-owned corporation with home offices in White Horse, Yukon Territory, is the last operating common carrier three-foot wide narrow gauge railroad in North America. Built at the height of the Klondike Gold Rush in 1898, it runs 110 miles from tidewater at Skagway, Alaska, to Whitehorse in the Yukon Territory. Since 1970, American crews (who used to operate all trains on the railroad) run the 41 miles to Lake Bennett, T.C., the division point, and Canadian crews take the trains the balance of the distance to Whitehorse.

Though "modern" in some respects, such as diesel locomotives and a containerized freight handling system, the W&YR contends with some of the worst terrain and climate conditions in the world. The Canadian side from Bennett to Whitehorse is flat with only a few grades; the U.S. division is the "trickiest part of the road".

Alaskan crews must drag their trains up 21 miles of 3.0% grade to reach the summit, and then contend with another pass and two short (but equally steep) grades before reaching Bennett. The return to Skagway presents the problem of controlling 60-car trains of lead-zinc ore concentrates on the steepest railroad grade in America.

The railroad is interspaced with high wooden trestles and cliff-like retaining walls which perch the track a thousand feet above the canyon floor for miles. Blizzards have dumped over four hundred inches on the summit of White Pass, and though there are "good" years, the railroad has been blocked sometimes for weeks on end. The worst storm shut down the road for 21 days.

The geography and weather create more than just momentary problems; they compound the dangers of railroading to the highest extent. Even on a well-maintained railroad, running safe operational standards is critical. Here it is very literally a matter of life and death. Avalanches and rock slides periodically wipe cars over the side, and derailments (which occur very frequently) could mean disaster at many locations. Such a disaster would even be environmental in its scope, since the prospect of tons of lead and zinc dumped into the Skagway River would certainly affect life in the water, and down to the sea.

Train crews have learned to take safety as more than just the title page in the rule book. After all, we're the ones out there in the middle of it. Five-man crews on the MPVW exist primarily for safety, in spite of management's stand on this bill. Here are a few examples:

1. Ice building up between the wheels and the brake shoes can cause winter brake failures. The Company has refused to upgrade their equipment, and this leaves the crew to deal with problems out on the road.
2. Bridges and trestles on the road are not equipped with walkways. A train which is stretched across a bridge leaves no walking (or climbing) room at the edge. Therefore, a brakeman cannot walk from one end of the train to the other, and a second brakeman is needed to walk the other end in emergencies. This can be critical.
3. In winter months it often takes the combined strength of two men to set a good safe handbrake on a car, and the same force of two men to "knock-down" or remove the brake. On older cars with faulty handbrakes this applies all year, even with brake clubs.
4. The "sophisticated communications system" (two-way radios) in use are continually in for repair and are prone to failure. The crews do not rely on them because of this safety hazard, and hand signals are regularly used in switching moves.
5. The primary job of the crew while underway is to watch for any hint of trouble on or around the train. The railroad is twisted like a piece of spaghetti with 16 to 24° curves, and there are documented cases of the fireman, riding on the left-hand side of the locomotive, spotting danger which was out of the engineer's line of sight and stopping the train. Similarly, brakemen ride at both ends and watch over the train for hotboxes, loads shifting or breaking loose, broken axles or wheels, downed brake rigging, derailed cars, broken rails, fires, washouts, etc. Thus, the manning positions at the head-end with the engineer and fireman watching the track from the lead unit, a brakeman riding the "rear" or trailing unit watching over the train behind, and a conductor and rear-brakeman overseeing the train ahead of the caboose (and the track behind for signs of derailed brake rigging or derailed equipment) have been established for the safe operat-

tion of the crew while underway. Scores of documented cases exist of crew men at their positions spotting trouble which would have gone unseen by other crew members, and thus saving the Company thousands of dollars in repairs and wreck clean-up operations.

Most important to the crew members in the light of safety on the road is the grim fact that besides dealing with faulty locomotives, antiquated equipment, and track and bridge maintenance which barely meets the job at hand, employees have to deal with snowslides and cliffs over which a train's plunge would mean certain injury or death. The specter of a passenger train loaded with 400 tourists going through a rotten trestle, or derailling high above "Dead Horse Gulch", or being hit by a rock slide (on top of the 1900-era wood-roofed parlor cars with their old oil stoves) brings chudders to the men who actually are on board as well as to management. Crew members to deal with such accidents are essential. Even more frightening in the winter season are the snow slides. There has been an increase in winter passenger traffic over the last few years, and thus the crew is faced with the added burden of protecting its vehicles as well as themselves.

1. This is the case of the Canadian Pacific Railway, Ltd. of Vancouver. The company is a member of the Federal Government, Ltd. of Canada. The company is now an over-all coal-burning company at this time, and is trying to diversify its operations. One of the things that has included the coal-burning in track repairs for railroads. The company has "knocked out" a lot of money--in a little while, it will be "knocked out" toward their locomotives, some of which are now 20 years old and in critical need of replacement or complete long-term overhaul. Because traffic is so heavy at this time, the company can't take their engines out of service much more than stop-gap, repairs on the worst problems. Engine failures or malfunctions are a common occurrence on the railroad. It is also worth noting that the average train length in 1969 was 30 cars, operated by five men. Today the same five men have to run trains that can be 100 cars long out of White Pass. This is actually more work for each man involved, with more weight to contend with, more cars to watch (and to walk when checking the train, or in emergencies), and definitely more hazardous.

1. Remarkable but true in light of the terrain and operational hazards on the WPCYS is the fact that White Pass does not usually have to comply with Federal laws concerning safety and operation. The reason: White Pass is "narrow gauge" instead of "standard gauge" (4' 8" wide track), and as such the Company can usually operate under requirements and regulations which would close down a standard gauge road "outside". This appears to be an oversight by the Federal Railroad Administration, but is understandable since the little known and obscure White Pass is the last narrow gauge common carrier left in the U.S. Also, it is generally viewed as a Canadian company. The 24 miles within Alaska under jurisdiction of American law, usually slide by unnoticed.
2. Much of the freight equipment, passenger equipment and airplane equipment is antiquated and of museum vintage. Crews must deal with this as well as other problems, adding to operational hazards.
3. Because of all the previous factors, it is little wonder that the White Pass accident and safety record is atrocious. Summer travel has increased each year, and with it the number of accident reports. Employees must be extra alert at all times to prevent injury or death from faulty equipment, dangerous operational procedures, or management decisions affecting the movement. White Pass enjoys saying that they have "never lost a passenger's life" in their 100-year history. The men who ride the trains can only count the number of dead employees over the years, and laugh on wood. The Company is playing Russian roulette with human lives, and their own odds are poor in producing the number of men on board who will be available to deal with the expected--and unexpected--hazards of operating a line under the most extreme conditions.

Statement of Position of the United Transportation Union

Members of the United Transportation Union, Local 1777 in Alaska, are concerned over the fact that the U.T.U. will aid a non-union Canadian corporation in obtaining Alaskan jobs on U.S. soil. This is by itself a serious international problem, worthy of close attention--particularly in light of the proposed Alaska Pipeline project.

Few people even know that there is a railroad in South Alaska. Instead of revealing the present law, we propose a rider should be added that would exempt state owned Railroads.

March 15, 1982

Lastly, very few individuals are aware of the delicate balance that exists in Skagway between labor and management. We feel that the introduction of this bill is an attempt by the Company to further drain our union treasury attending a battery of hearings in Juneau. The last time we had to testify it involved long hours and much expense--something which the Company can easily afford.

Even this situation, our membership has nothing except the recent State law to protect us from the whims of a foreign corporation. Our only defense at present lies in "An Act relating to train crews" as set forth in State law. It really thus seem beyond comprehension for our own lawmakers--our own elected representatives--to vote to repeal the only security which we in Skagway have in these difficult days.

Corrican L. Gates
Legislative Representative
United Transportation Union
Local 4737
Skagway, Alaska 99840

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POSITION PAPER

A.S. 23.10.420 sets forth certain minimum crew requirements for the operation of trains or engines in the State of Alaska, if the railroad is operating under an Interstate Commerce Commission license. The only railroad in Alaska regulated under the statute is the Pacific and Arctic Railway and Navigation Company, also known as the "White Pass and Yukon". That railroad operates out of Skagway, Alaska. The U.S.-Canadian Border is less than 50 miles away from Skagway. It is necessary to amend the statute to reflect current needs and technology.

A.S. 23.10.420 was passed during 1970 in Alaska, at a time when most other states had repealed, or were repealing, similar laws then in existence. Across the country, railroads had demonstrated that trains could be operated safely with fewer crew members than required under laws similar to Alaska's. Even since the passage of the Alaska statute, many states have repealed their minimum crew laws. One striking example can be found in the Arkansas Full Crew Law. The Alaska statute currently in existence was patterned after the Arkansas law. Two years after passage of the Alaska statute, Arkansas repealed the very law that the Alaska statute was modeled after.

Full crew laws stem back to the days of steam locomotives, where braking systems were very rudimentary, and signaling was carried out by hand. Today, with modern diesel locomotives, automatic continuous braking systems, and sophisticated communication systems, traditional needs no longer exist.

Rather than repealing the Alaska Minimum Crew Statute, the proposed bill offers a compromise approach. It retains provisions dealing with minimum crews for passenger trains while deleting such requirements for freight trains. Therefore, con-

cerns regarding passenger safety continue to be met by the amended legislation.

Further; provisions identical to the statute in existence, A.S. 23.10.420, are presently incorporated into a collective bargaining agreement between the railroad and the applicable union. Therefore, the present relationship between the railroad and the union would continue to exist until such time as the existing collective bargaining agreement expired and further negotiations were held. The amendment to A.S. 23.10.420, removing unnecessary provisions in the statute, would simply insure that during future labor negotiations parties would negotiate without undue advantage to either party. The parties would be able to negotiate from equal starting positions, a concept which is fundamental to American labor relations.

Lastly, the effect of the current law penalizes one Alaska railroad. It is important to maintain this railroad in Alaska. Simple economics indicate that, for the railroad to survive, it must either increase its revenues or decrease unnecessary costs. Though the Company continues to vigorously pursue new forms of revenue, initial capital outlays preclude rapid development of new sources of revenue. The amended legislation would serve to decrease unnecessary costs for the railroad. Pacific and Arctic Railway and Navigation Company not only creates employment for many Alaskans, but provides essential services in Alaska.

Will Caboose Ride Off Into the Sunset? Railroads Hope So

* * *

Unions Say They Are Needed
For Safety, Even Though
Other Uses Are Obsolete

By JOHN D. WILLIAMS

Staff Reporter of THE WALL STREET JOURNAL

If the nation's railroads have their way, the jaunty red caboose soon may be clattering off into oblivion.

To streamline operations, the railroads would like to permanently uncouple these little lookout cars from freight trains. "Caboose are dead weight," says a vice president of a Western railroad. "They are inefficient and belong to a different era."

Caboose have also emerged as a symbol of the railroad industry's latest efforts to modernize operations in the face of bitter opposition from the men who ride the rails. Engineers, conductors, brakemen—and their unions—argue that cabooses are a vital safety feature. "If you see something from the caboose that averts just one accident, it has paid for itself," declares John Mogan, an official with the 160,000-member United Transportation Union.

In talks described as "fighting and scratching" by one union man, both sides are sporadically bargaining in Washington. Besides the fate of cabooses, the agenda concerns the revision of a freightload of work and pay rules dating back to the days of the horse and buggy.

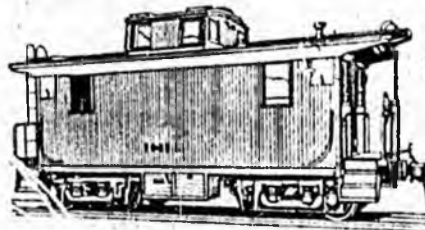
Paying by the Mile

The most distasteful of these, in management's view, is the currently accepted measure of the day's pay on the railroads: traveling a distance of 100 miles. Formulated back when trains crept along at some 10 miles an hour, the rule often allows crew members to pocket fat paychecks for a few hours' work. For example, an engineer who makes the six-hour, 216-mile run between terminals in West Virginia and Ohio collects over two days' pay, or about \$200. (If paid by the hour, he would make only about \$70.)

Then there is the matter of "arbitraries." Under current rules, management makes these extra payments for certain tasks that it argues should be routine duties. Crews on some railroads, for example, get \$5.37 a day extra for coupling or uncoupling air hoses. And the extra pay goes to each member of the train crew, even though only one man does the work.

For over two decades, railroads have been trying with varying degrees of intensity to unsnarl this tangled thicket of work rules. Now that recent mergers have extended the distances spanned by single rail systems—and with more such mergers planned—the struggle has taken on new urgency. Railroads, eyeing a new growth era hauling coal and other bulk products longer distances, are determined to end costly labor practices they see as obstructing that goal.

The stakes are high. Ending the 100-mile-day basis of pay and paying by the hour



would save the railroads hundreds of millions of dollars annually. The issue is so controversial that it will probably be handed over to a special study commission. Ending arbitraries alone would save between \$250 million and \$445 million a year, estimates an industry negotiator, a vice president of labor relations for a major carrier. And scuttling the nation's fleet of 13,000 cabooses, he says, could mean annual savings of \$381 million. "But we surely won't be able to win all we want," he concedes.

Comfortable Cabooses

Indeed, the unions seem unwilling to budge much on the caboose issue, or on any other. Countering management's demands, the UTU has even asked several railroads to add amenities like air conditioning and shock absorbers to make cabooses more comfortable.

Derived from the Dutch word "kabuls," meaning ship's galley, cabooses first were hitched to trains around 1855. Initially little more than converted boxcars, they were mainly a refuge for the crew, who gathered here to eat, sleep and spin yarns. These ker-osene-lit, coal-heated shelters quickly acquired a host of nicknames, many of them—like "glory wagon," "chariot" and "dog-house"—laden with irony.

By the 1920s, observation cupolas had been added, and the caboose was serving a multitude of practical functions. It was a place for the conductor to do his paper work, and it was a perch from which to flag down approaching trains or to watch for "hot-boxes," the smoldering axles that cause derailments.

Today, even union men concede that cabooses have outlived much of their past usefulness. Railroads put crews up overnight in motels, paper work is fed into computers.

Please Turn to Page 18, Column 4

Wall Street Journal
March 18, 1982

Will Cabooses Ride Off Into the Sunset? Railroads Hope So

Continued From First Page

and track-side electronic devices monitor for hotboxes or signal when a rear-end collision threatens.

On the issue of safety, however, the unions refuse to yield. "Some trains today are a mile long," a UTU spokesman says. "There could be a derailment in the middle without the engineer knowing it, unless the conductor called him on the radio from the caboose." He adds that the automatic safety equipment is neither fail-safe nor in universal use.

Moreover, cabooses have undeniable nostalgic appeal as one of the last surviving links to the early days of railroading. With railroads figuring so prominently in the settlement of the West, the caboose became a stock fixture in Tom Mix serials and other early Westerns. Hardly an episode went by without a harrowing leap to or from a caboose by a long succession of desperadoes.

The price of keeping these antiquities rolling is considerable. A newly minted caboose, depending on refinements, costs somewhere between \$50,000 and \$100,000 today. Demand has been soft of late, according to the nation's largest caboose maker, the International Car division of Paccar Inc., the Bellevue, Wash., castings and forgings concern. International Car suspended production at its Kenton, Ohio, plant four months ago for lack of orders. In 1969—its peak year—the plant turned out 299 cabooses.

"A Headache"

"The caboose is very romantic and picturesque, but for modern-day railroads, they're a headache," says a vice president of an Eastern railroad. Besides their cost and the need to regularly maintain them, he says, they tend to get in the way when trains are being formed or broken up in switchyards.

Reluctantly, the UTU has permitted several railroads to run short trains without cabooses as an experiment. The Illinois Central Gulf Railroad, a unit of IC Industries Inc., ran such a freight train successfully from 1974 until last January, when the contract expired.

And in 1968, the Southern Railway became so fed up with cabooses that it simply stopped using them—until the UTU won a federal court order forcing their reinstatement.

The current labor dispute heated up last December, after the railroads with little fuss, reached agreement on a pay package with 10 rail unions representing workers not directly involved in train operations. However, snags developed when management got down to bargaining with the two major unions, the UTU and the Brotherhood of Locomotive Engineers. Insisting that by precedent work rules and cabooses are local bargaining matters, the UTU is negotiating on those issues with only three large, profitable railroads: the Atchafalaya, Topeka & Santa Fe, the Seaboard Coast Line and Burlington Northern Inc.

Legal Battle Ahead

The National Railway Labor Conference, the industry's bargaining body, has gone to court to block such local bargaining. The conference, representing 117 railroads, recently filed suit against the UTU in a federal court in Washington to prevent a strike against any carrier while national bargaining continues.

While a protracted legal battle looms, at least one railroad chief executive suggests that a brief strike could result. Meanwhile, the recession is hardening management's resolve to update work rules that have helped push the average salary of a freight engineer up to \$42,000 a year and that of a freight conductor to \$38,000 a year.

High on management's hit list: rules concerning "deadheading," "lap backs" and "penalty pay." Railroads want to pay crews by the hour—rather than by the higher mileage rate—while they are deadheading, or riding home as a passenger after the end of a work shift. They also want to eliminate the lap-back penalty, whereby crews receive a second full day's pay if, while on a run over 100 miles, they are ordered back in the opposite direction even a few miles. Management would also abolish penalty pay, by which both the train crew and the switchyard crew are paid a bonus if either performs the work of the other.

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Official Business

Alaska State Legislature

Senate

Office of the President

Pouch V
State Capitol
Juneau, Alaska 99811

March 25, 1982

Corrigan L. Gates, Legislative Representative
United Transportation Union
Local 1787
Skagway, Alaska 99804

Dear Mr. Gates:

Your recent correspondence regarding SB 849 has been received in my office.

I enjoyed your presentation and will be happy to work with you and Senator Ray (your Senator) on this issue.

Sincerely,

Senator Jay Keritula
Senate President

JK/gt/bb



THURSDAY

United Transportation Union

March 15, 1982

To: Senator Jalmar M. Kerttula

This letter should provide you with some information on Bill Number 49, "an act relating to train crews", a bill to which our membership is definitely opposed. I have put this brief together to explain how this bill affects us here in Skarway.

This is a critical issue to us in Skarway, and we would certainly appreciate any assistance which you could give us in the matter. We are at your disposal for further information and dialogue at any time.

Thank you very much.

I remain,

Corrican L. Gates

Corrican L. Gates
Legislative Representative
United Transportation Union
Local 1707

BILL MILES / LOBBYIST
FOR WHITEPASS REQUEST
SB 849



United Brotherhood of Carpenters and Joiners of America

March 15, 1972

U.B.C. Brief on Senate Bill Number AS 23.10.420(a)

Background Information

The White Pass & Yukon Route Railroad, a Canadian-owned corporation with home offices in White Horse, Yukon Territory, is the last operating common carrier three-foot wide narrow gauge railroad in North America. Built at the height of the Klondike Gold Rush in 1898, it runs 110 miles from tidewater at Skagway, Alaska, to Whitehorse in the Yukon Territory. Since 1970, American crews (who used to operate all trains on the railroad) run the 41 miles to Lake Bennett, B.C., the division point, and Canadian crews take the trains the balance of the distance to Whitehorse.

Though "modern" in some respects, such as diesel locomotives and a containerized freight handling system, the W.P. & Y.R. contends with some of the worst terrain and climate conditions in the world. The Canadian side from Bennett to Whitehorse is flat with only a few grades; the U.S. division is the "trickiest part of the road".

Alaskan crews must drag their trains up 21 miles of 7.5% grade to reach the summit, and then contend with another 21 miles and two short (but usually steep) grades before reaching Bennett. The return to Skagway presents the problem of controlling 60-car trains of lead-zinc ore concentrates on the steepest railroad grade in America.

The railroad is interspaced with high wooden trestles and cliff-like retaining walls which perch the track 100 feet above the canyon floor for miles. Glaciers have advanced over four hundred inches on the summit of White Pass, and although there are "good" years, the railroad has been blocked sometimes for weeks on end. The worst storm shut down the road for 21 days.

The geography and weather create more than just maintenance problems; they compound the dangers of railroading to the highest extent. Even on a well-maintained railroad, keeping safe operational standards is critical. Here it is very literally a matter of life and death. Avalanches and landslides periodically wipe cars over the side, and derailments (which occur very frequently) could mean disaster at many locations. Such a disaster would even be environmental in all score, since the prospect of tons of lead and zinc dumped into the Skagway River would certainly affect life in the water, and down to the sea.

Train crews have learned to take safety as more than just the title page in the rule book. After all, we're the ones out there in the middle of it. Five-man crews on the B&O exist primarily for safety, in spite of management's attitude on this bill. Here are a few examples:

1. Ice building up between the wheels and the brake shoes can cause winter brake failures. The Company has refused to upgrade their equipment, and this leaves the crew to deal with problems out on the road.
2. Bridges and trestles on the road are not equipped with walkways. A train which is stretched across a bridge leaves no walking (or climbing) room at the edge. Therefore, a brakeman cannot walk from one end of the train to the other, and a second brakeman is needed to walk the other end in emergencies. This can be critical.
3. In winter months it often takes the combined strength of two men to set a good safe handbrake on a car, and the same force of two men to "knock-down" or remove the brake. On older cars with faulty handbrakes this applies all year, even with brake clubs.
4. The "sophisticated communications systems" (two-way radios) in use are continually in for repair and are prone to failure. The crews do not rely on them because of this safety hazard, and hand signals are regularly used in switching moves.
5. The primary job of the crew while underway is to watch for any hint of trouble on or around the train. The railroad is twisted like a piece of spaghetti with 15 to 20° curves, and there are dangerous cases of the fireman, riding on the left-hand side of the locomotive, spotting danger which was out of the engineer's line of sight and stopping the train. Similarly, brakemen riding at both ends watch over the train for hotboxes, load shifting or breaking loads, broken axles or wheels, downed brake rigging, derailed cars, broken rails, fire, washouts, etc. Thus, the manning positions at the head-end with the engineer and fireman watching the track from the lead unit, a brakeman riding the "rear" or trailing unit watching over the train behind, and a conductor and posse riding over the top of the train head of the caboose (and the trailing unit for signs of downing brake rigging or car load equipment) have been established for the safe operation.

tion of the train while underway. Dozens of documented cases exist of crew men at their positions spotting trouble which would have gone unseen by other crew members, and thus saving the Company thousands of dollars in repairs and wreck clean-up operations.

2. Most important to the crew members in the light of safety on the road is the grim fact that besides dealing with faulty locomotives, antiquated equipment, and track and bridge maintenance which barely meets the job at hand, employees have to deal with snowslides and cliffs over which a train's plunge would mean certain injury or death. The specter of a passenger train loaded with 400 tourists going through a rotten trestle, or derailing high above "Dead Horse Gulch", or being hit by a rock slide (on top of the 1900-era wood-roofed parlor cars with their oil stoves) brings shudders to the men who actually are on board as well as to management. Crew members to deal with such accidents are essential. Even more frightening in the winter season are the snowslides. There has been an increase in winter passenger traffic over the last few years, and thus the road is loaded with the added burden of protecting its valiant as well as themselves.

3. This is the case with Yukon Ltd. of Winnipeg. It owned a Federal Electric, Ltd. of Winnipeg. The Company managed it on an over-all basis at this time, and are trying to tighten their operation. Part of this has included the replacement of track rolling--a major rail replacement program knocked out to save money--and an attitude of "let it 'til it dies" toward their locomotives, some of which are now 25 years old and in critical need of replacement or complete long-term overhaul. Because traffic is so heavy at this time, the Company can't take their engines out of service such more than stop--as repairs on the worst problems. Engine failures or malfunctions are a common occurrence on the railroad. It is also worth noting that the average train length in 1959 was 36 cars, operated by five men. Today the same five men have to run trains that are 100 cars long out of this area. This is usually more work for each man involved, with more weight to contend with, more cars to watch for, to walk when checking the train, or in emergencies, and infinitely more risk involved.

- 1. Remarkable but true in light of the terrain and operational hazards of the WPSYS is the fact that White Pass does not really have to comply with Federal laws concerning safety and operation. The reason: White Pass is "narrow gauge" instead of "standard gauge" (4' 8" wide track), and as such the Company can usually sneak by under requirements and regulations which would close down a standard gauge road "outside". This appears to be an oversight by the Federal Railroad Administration, but is understandable since the little known and obscure White Pass is the last narrow gauge common carrier left in the U.S. Also, it is generally viewed as a Canadian company. The 11 miles within Alaska under jurisdiction of American law, usually slide by unnoticed.
- 2. Much of the freight equipment, passenger equipment and air equipment is antiquated and of museum vintage. Company must deal with this as well as other problems, which are operational hazards.
- 3. Because of all the previous factors, it is little wonder that the White Pass accident and safety record is atrocious. Passenger travel has increased each year, and with it the number of accident reports. Employees must be extra alert at all times to prevent injury or death from faulty equipment, hazardous operation, procedure, or management decisions affecting air equipment. White Pass enjoys a claim that they have "never lost a passenger's life" in their 100-year history. The only way this can be true can only occur if the number of passengers over the years, and hours worked. The Company is plainly Canadian and it is with human liver, to do in an odd way for reducing the number of accidents--both fatal and non-fatal--to the 100% of the expected--which is expected--hazard of mountain railroading under the most extreme conditions.

Statement of Position by the United Transportation Union

of the United Transportation Union, Local 177 in Alaska, and accordingly referred to Senate Bill 100, which will aid a non-union Canadian corporation in obtaining a license to operate in Alaska. This is an attempt to interfere with the rights of the workers of Alaska--especially in the case of the proposed Alaska Railway.

It is people's opinion that there is a railroad in Alaska. In order to maintain the present law, the workers should be protected. There would exist state laws.

March 15, 1942

Lastly, very few individuals are aware of the delicate balance that exists in the way between labor and management. We feel that the introduction of this bill is an attempt by the Company to further drain our union treasury attending a battery of hearings in Juneau. The last time we had to testify it involved long hours and much expense--something which the company can easily afford.

Given this situation, our membership has nothing except the present State law to protect us from the whims of a foreign corporation. Our only defense at present lies in "An Act relating to train crews" as set forth in State law. It would thus seem beyond comprehension for our own lawmakers--our own elected representatives--to vote to repeal the only security which we in Alaska have in these difficult days.

Morrison L. Gates
Legislative Representative
United Transportation Union
Local 1747
Skagway, Alaska 99840

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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

ALASKA TRANSPORTATION COMMISSION

BILL ANALYSIS

SB 862: An Act relating to common carriers and contract carriers regulated by the Alaska Transportation Commission.

Senate Bill 862 would not have a fiscal impact on the Alaska Transportation Commission. The proposed amendments to AS 42.10. will not impact the Commission's workload as the amendments do not expand or reduce the Commission's responsibilities.

The passage of Senate Bill 862 would result in five amendments to AS 42.10, Alaska Motor Freight Carrier Act. Since each amendment will leave a different impact, we have elected to present our analysis on each amendment separately.

The first amendment, lines 11 through 19, page 1, basically relieves the Commission of the requirement to find special conditions exist if an application for a permit is processed in less than 30 days. The positive impact would be that the Commission could process applications for permits faster and would not be obligated to define a special condition. The negative impact could be that protestants would not be assured of the opportunity to file their petitions before the Commission acts.

The second amendment, line 23, page 1, simply deletes the words "rules and." The Commission does not see a problem with this deletion as any rules that would require compliance would be promulgated by regulation.

The third amendment, lines 3 to 8, page 2, is probably the most significant. The three elements are that specific minority-owned businesses, carriers utilizing dump type equipment and other designated carriers classified under AS 42.10.250 may be issued a permit without a showing of public convenience and necessity.

The positive aspect would be that certain minority-owned businesses, dump truck operators, and other possible classifications could be granted permits without having to prove public convenience and necessity. Such applicants would have to prove themselves financially able, properly equipped, and capable of conducting the services applied for. While this amendment would not eliminate the possibility of protests, it could limit protests to the issue of financial fitness, adequate equipment and capability to conduct services.

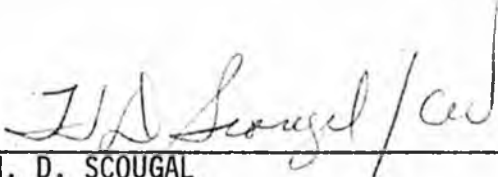
While this amendment would not deregulate these categories of applicants, the entrance of new applicants might be much easier than if they had to show public convenience and necessity for the services they wish to

perform. Currently, even if an applicant can demonstrate fitness, a permit will be denied if current permitted carriers can demonstrate that public convenience and necessity is being met by existing services.

Some people may consider that the amendment does not go far enough in guaranteeing minority-owned businesses entrance in the areas of contract carriage. The language is still permissive in that the term "may be issued" instead of "shall be issued" is used. Further, the group of minority-owned businesses is limited to those prequalified by the Small Business Administration. The amendment does not provide relief to businesses that might qualify as minority-owned by other agencies.

In the case of permits for carriers of commodities in bulk in open dump type equipment, the Commission agrees that the showing of public convenience and necessity should not be an issue when permits are granted.

The fourth and fifth amendments, line 9, page 2, repeal two sections of AS 42.10 that require operators of open dump type equipment to file and adhere to tariffs. The filing of tariffs can be especially burdensome to operators of dump type equipment. The Commission agrees with the repeal of both AS 42.10.280(a) and 42.10.310(b).



H. D. SCOUGAL
ALASKA TRANSPORTATION COMMISSION
April 2, 1982



Alaska State Legislature

Senate Committee on State Affairs

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

Official Business

March 29, 1982

To: Senator Bill Ray, Chair
Senate Transportation Committee

From: Senator Vic Fischer *Vic*

Re: Backup information on SB 862 - Regulating Common Carriers.

SB 862 changes statutes governing the regulation of dump trucks and requirements for obtaining common carrier permits for some small businesses.

Provisions de-regulating carriers of commodities in bulk in open dump-type equipment were introduced by request from Walter Kubley, of the Alaska Transportation Commission.

According to Kubley, requests for common carrier permits to operate dump trucks are routinely granted without exception. Thus, present restrictions merely create regulatory roadblocks while serving no real public purpose. Under SB 862, current health and safety standards would remain, but the application process would be streamlined both in time and paperwork.

SB 862 also exempts carriers awarded contracts as minority owned businesses through the Small Business Administration from having to show "public convenience and necessity".

A portion of SBA contracts are set aside for minority owned business under Section 8A. These contractors are sometimes required to transport items between federal sites that require traveling over state roads, bringing them under the jurisdiction of the ATC. ATC regulations require every contractor to show public convenience and necessity. If the route is already covered by an existing common carrier, ATC cannot grant a permit to the minority contractor without extensive hearings and arguments. Since these contractors are, by their nature, very small business, the cost of fighting ATC requirements is prohibitive.

State law is presently making implementation of a federal program for minority owned small businesses difficult, if not impossible. Since this problem has affected only two applicants, as far as ATC records indicate, granting exemption should present no significant problem for current carriers.

Since the Senate State Affairs Committee is meeting at the same time as your committee, I will be unable to testify regarding this bill. I hope this memo will assist.

MSG 82-00016265 PRY 1 03/24/92 11:15:21 ORIG: LA01 IN= 0002 OUT= 0035
FROM: CINDY, ANCH TO: JNU INFO
TARGET: LJH2 SUBJ: POM PAGE 0001

TO: SENATORS FISCHER AND STIMSON, COLLETTA, PARR, BRADLEY, KERTTULA
ALL REPRESENTATIVES

FROM: PHIL PLEASANT, 4437 E. 7TH, ANCH 99503 337-1469

BLACK BUSINESS AGAIN DENIED ACCESS TO THE FREE MARKET PLACE. REFER TO APPLICATION PERMIT TO ALASKA TRANSPORTATION COMMISSION, DOCKET #81478 MF/O IN REGARDS TO A PERMIT FOR PYE-FER TRANSPORT, FOR CONTRACT CARRIER PERMIT TO TRANSPORT GOODS FROM ELMENDORF WHICH WAS DENIED. WE NEED TO HAVE SOME LEGISLATIVE ACTION TO INSURE OUR PARTICIPATION IMMEDIATELY, POSSIBLY TOMORROW, AS WE WERE TO BEGIN OPERATIONS JAN. 2, 1982 AND ARE STILL BEING DENIED ACCESS TO THE MARKET PLACE. I AM TOLD BY THE TRANSPORTATION COMMISSION THAT REGULATIONS MUST BE CHANGED IN ORDER FOR US TO OBTAIN ACCESS TO THE MARKET PLACE.

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Alaska State Legislature

SENATOR
DON GILMAN

Juneau Ph.
(907) 465-4934



HOME ADDRESS
P.O. BOX 630
KENAI, ALASKA 99611
(907) 283-4182

DURING SESSION
POUCH V
JUNEAU, ALASKA 99811

State Senate

April 29, 1982

MEMORANDUM

To: Senator Bill Ray
From: Senator *Don* Don Gilman
Re: Projects for Inclusion in SB 890 (Bond Bill
for Transportation)

I would like the following projects included as amendments in SB 890.

(1) Homer Port and Harbor - Phase II \$7,300.

This is an ongoing project with Phase I currently under construction.

(2) Kenai/Funny River Bridge and Approaches 6,500.

(3) Anchor River Road 7,100.

(4) East End Road 8,750.

Items (2), (3), and (4) appear in the Kenai Regional Transportation Study as prepared by the Department of Transportation (see attachment). They are identified as priority projects which rate high in potential use and provide significant economic benefit to the entire Kenai Peninsula transportation net. Items (2), (3), and (4) are the highest priority items not covered by other funding sources.

Kenai River Bridge (2) has been designed by the Department of Transportation, and the design is in the final stages of approval. Anchor River Road (3) and East End Road (4) are under design by contract through the Kenai Peninsula Borough. Design of these projects will be complete and ready for the 1983 construction season.

Attachment

Chart #3

HIGH PRIORITY PROJECTS

	Ongoing DOT/FF Project	Ongoing KPB or Municipal Projects	Community Desires	Economic Development	Use Deficiency (safety, traffic) overload, etc)
Roads					
1. Anchor Point		x	x		
2. Airport Bypass (Kachemak Dr.)	x		x		
3. Pean Creek		x	x		
4. Big Eddie		x	x		
5. Cannery			x		
6. Ciechaneki			x		
7. Clem Gulch				x	x
8. Coho Loop			x		
9. East End - Phases I, II, & III	x	x	x		x
10. East End - Phase IV			x	x	x
11. East Hill	x		x		x
12. Feuding Lane/Kenai Keys			x		
13. Funny River/Bridge/Scout Lake	x		x	x	
14. Halbouty		x	x		
15. Homesite Loop					
16. Kenai Alternate			x		
17. Kenai Spur			x		
18. Kingsley/Oil Well	x	x	x	x	
19. Lake			x		x
20. Lamplight/Bolt		x	x		
21. Lou Morgan/Scout Lake	x		x	x	
22. Lowell Point			x		x
23. Meyers/Strawberry		x	x		
24. Ninilchik/Beach			x	x	x
25. North Anchor River			x		x
26. North Kenai - Phases I and II	x		x		
27. North Kenai - Phase III			x		
28. Olson/Bunnel/Main			x		
29. Pioneer Ave.			x		x
30. Resurrection River		x	x	x	
31. Seldovia Airport Rd./Main St.			x		x
32. Seldovia St./Anderson Way			x		
33. Diamond Ridge/Olsen Mt.		x	x		
34. Soldotna Frontage/Wye					x
35. Sports/Mackeye Lake Connection		x	x		
36. Seward Highway	x		x		x
37. Sterling Highway	x		x		x
38. Tustumena Lake	x			x	
39. West Hill	x		x		x
Air					
40. English Bay Airport	x		x		
41. Homer Apron. Airport	x		x		x
42. Kenai Airport		x	x		x
43. Port Graham Airport			x		
44. Seldovia Airport			x		x
45. Seward Airport			x		x
46. Soldotna Airport			x		x
Marine					
47. English Bay Shuttle Ferry Ramp			x		
48. Fourth of July Creek	x	x	x	x	
49. Homer Ferry Terminal and Passenger Bldg.	x		x	x	x
50. Homer Fish Dock	x	x	x		
51. Homer Small Boat Harbor	x	x	x	x	
52. Homer Ocean Dock			x		
53. Kachemak Park Shuttle Ferry Ramp				x	
54. Kasilof Harbor			x	x	
55. Kenai Small Boat Harbor			x		
56. Ninilchik Harbor			x	x	x
57. Port Graham Harbor/Ferry Dock	x	x	x	x	
58. Seldovia Ferry Terminal and Passenger Bldg.	x		x	x	x
59. Seward Ferry Terminal			x	x	x
60. Seward Small Boat Harbor			x	x	
61. Shuttle Ferry Vessel	x	x	x	x	
62. Tustumena Replacement	x		x		x
Rail					
63. Fourth of July R.R. Spur			x		

SCR

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STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

JAN 26 1981
JAY S. HAMMOND, GOVERNOR

POUCH K-STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3656

January 21, 1981

Daniel L. Behnke
Project Engineer
TETRA TECH, INC.
Suite 101
909 W. 9th Ave.
Anchorage, AK 99501

Re: Proposed Territory Waiver-Nome
Causeway. Our file J-66-450-81

Dear Mr. Behnke:

Your December 3, 1980 letter to Mr. Claud Hoffman regarding a possible waiver of any claim the state might make to additional submerged lands based on construction of the proposed Nome causeway has been referred to me.

Following discussion with Robert E. LeResche, Commissioner of the Department of Natural Resources, and Wilson L. Condon, Attorney General, I have been instructed to inform you that we cannot give the requested assurance that construction of the causeway will not extend the state's boundary seaward. The state has given such assurances only once in the past, and then only because failure to do so might have resulted in a failure to obtain maximum production from the Prudhoe Bay oil and gas field.

If you have additional questions, I will be happy to discuss this matter at your convenience.

Sincerely,

WILSON L. CONDON
ATTORNEY GENERAL

By: 

G. Thoams Koester
Assistant Attorney General

GTK:d1m

cc: Senator Frank R. Ferguson
Mr. I. Widom, City of Nome
Mr. J. Caruth, Corps of Engineers
Mr. Orin B. Collier, BLM
Mr. Louis F. Claiborne, Deputy Solicitor General
Representative John G. "Jack" Fuller

POSITION PAPER

SENATE CONCURRENT RESOLUTION NO. 5

Purpose: Free travel for severely handicapped Alaskans on the State marine highway system.

Analysis: The resolution requests the Governor to direct the Division of Marine Highways to initiate a program whereby severely handicapped Alaskans may travel on state ferries for no charge on a space-available basis between Alaska's points of embarkation from October 1 to May 15 annually.

We estimate that about 2,000 disabled Alaskans do not have the income or employment potential to allow purchase of ferry tickets without presenting the person with a further hardship. Of this total, about 250 live in areas served by the ferry system.

The Department of Transportation and Public Facilities has initiated the process of making the ferries more accessible to the handicapped. The car and passenger decks on the Columbia, Matanuska, and Taku are accessible by elevator. Continued work is needed for barrier free access to toilet facilities on these ferries and for removing architectural barriers on other ferries.

One suggestion for improving this resolution would be extending the time of this travel throughout the year, since it is to be made available on a space available basis in the original instance.

Departments Position:

The Department supports passage of the resolution.

Recommended by: Verner Stillner, (H11)
Verner Stillner, Director
Division of Mental Health and
Developmental Disabilities

Date: 2/2/81

Recommended by: David Bruce
David Bruce, Deputy Director
Division of Public Health

Date: 2/2/81

Approved by: Helen D. Beirne
Helen D. Beirne, Commissioner
Department of Health & Social Services

Date: 5/2/81

**THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE**

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Concurrent Resolution No. 5
 Title Free travel for severely handicapped Alaskans for the State marine highway system.
 Requested by Commissioner's Office Date January 29, 1981

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Division of Marine Highways.
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No cost impact is foreseen to the Department of Health & Social Services as a result of this legislation.

IV. DATE January 29, 1981 PREPARED BY Verner Stillner, Director
 AGENCY Mental Health & Developmental Disabilities
 PHONE 465-3370
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Wesley Hubbard 2/1/81

Draft CS for SCR5

Explanation of changes proposed by the sponsor, Senator Eliason.

Took out "severely" throughout the resolution and added the definition of "handicapped person" from the Federal Rehabilitation Act of 1973. The State Department of Transportation felt that a single definition for handicapped was necessary and preferred that it be defined at the legislative level.

Changed "Alaskans" to "persons" throughout to avoid legal challenge on basis of discrimination against out-of-state residents.

Added provision for requiring the signature of a physician verifying that the person meets the established definition of handicapped person. (D.O.T. was also concerned about how to administrate the program.) This method of qualification for the free travel pass would provide uniform criteria, would be simple and inexpensive to administer and most importantly, would protect the privacy and right to medical confidentiality of the handicapped person. The simple yes or no and signature of the doctor negates the need for the handicapped persons to specify or describe their disabilities to any non-medical personnel such as the ferry's purser.

SCR

6



JUNEAU, ALASKA

Alaska State Legislature

Senate

6 January 1981

SCR 6 BRIEF

In 1980, the Legislature passed and the voters approved \$5,000,000 for the construction of a deep water port facility. Since that time, the Bureau of Land Management has objected to the construction of a causeway that is needed to build the port facility. In turn, the Army Corp of Engineers who is responsible for issuing the permit to construct the causeway, has requested that the State of Alaska waive any claim to the submerged lands that would result from the extension of the causeway outward from the shoreline by 3600 feet.

The Department of Natural Resources and the Attorney General have both denied the request for the waiver. The DNR and AG state that to waive claim would constitute a challenge to the state's three mile territory authority. The DNR and AG's office opinion, coupled with the BLM objection, places the possibility of lengthy litigation to the forefront. This is not a viable option.

SCR 6 would direct the DNR and AG's office to waive claim to the to additional submerged lands. The AG's office says that they have only once given waiver to *additional* claims in a case that would have resulted in lengthy litigation and held up the project. Such is the case this time with the Nome port facility. If the project is delayed because of legal entanglements present funding amounts would prove inadequate which would result in more state funding above and beyond what has been appropriated. This is not a fair trade-off.

In addition, there would be severe economic loss in the region with lost jobs, excessive lieterage fees and delayed resource development that is dependent upon the port facility.

STATE OF ALASKA

JAN 26 1981
JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K-STATE CAPITOL
JUNEAU, ALASKA 99911
(907) 465-3656

January 21, 1981

Daniel L. Behnke
Project Engineer
TETRA TECH, INC.
Suite 101
909 W. 9th Ave.
Anchorage, AK, 99501

Re: Proposed Territory Waiver-Nome
Causeway. Our file J-66-450-81

Dear Mr. Behnke:

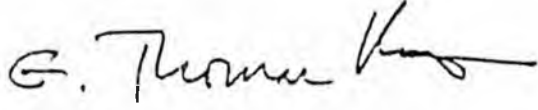
Your December 3, 1980 letter to Mr. Claud Hoffman regarding a possible waiver of any claim the state might make to additional submerged lands based on construction of the proposed Nome causeway has been referred to me.

Following discussion with Robert E. LeResche, Commissioner of the Department of Natural Resources, and Wilson L. Condon, Attorney General, I have been instructed to inform you that we cannot give the requested assurance that construction of the causeway will not extend the state's boundary seaward. The state has given such assurances only once in the past, and then only because failure to do so might have resulted in a failure to obtain maximum production from the Prudhoe Bay oil and gas field.

If you have additional questions, I will be happy to discuss this matter at your convenience.

Sincerely,

WILSON L. CONDON
ATTORNEY GENERAL

By: 
G. Thoams Koester
Assistant Attorney General

GTR:dlm

cc: Senator Frank R. Ferguson
Mr. I. Widom, City of Nome
Mr. J. Caruth, Corps of Engineers
Mr. Orin B. Collier, BLM
Mr. Louis F. Claiborne, Deputy Solicitor General
Representative John G. "Jack" Fuller

MEMORANDUM
TO: Wilson Condon, Attorney General
Department of Law

DATE: 12/23/80

Attn: Tom Koester, Assistant Attorney General
Department of Law

FILE NO: 2425

TELEPHONE NO: 263-2200

FROM: *gch*
Claud M. Hoffman, Director
Division of Technical Services

SUBJECT: Apln. for Construction of
Causeway in Norton Sound

BY: *I.Z.*
Irving Zirpel, Jr., Chief
Coastal/Marine Boundary Section

The attached letters are self explanatory requesting a waiver of the State of Alaska's right to extend the boundary of its territorial sea due to the proposed construction of a causeway and docking facility.

We have examined the Norton Sound, Nome Harbor and Approaches Chart #16206 and compared the chart shoreline data with 1980 aerial photography (both black and white and color infrared). We find very little difference due to accretion or erosion. The area involved if the seaward boundary is extended due to the proposed causeway construction consist of approximately 665 acres.

Being as the shoreline in this area appears to be relatively stable and is adequately shown on chart #16206, and the proposed construction is not to extend seaward beyond the 31 ft. depth line, we recommend that the causeway construction be permitted without effecting the seaward boundary of the state's territorial sea.

The above is submitted for your perusal and comments.

RECEIVED
Department of Law
Juneau, Alaska

DEC 30 1980
AM PM
7,8,9,10,11,12,1,2,3,4,5,6



TETRA TECH, INC.
 SUITE 101
 808 W. 9TH AVE.
 ANCHORAGE, ALASKA 99501
 TELEPHONE (907) 274-4531
 TELEX NO 090-25424
 TETRATECH P80

Tom Coster
Jim Condon

DD: [unclear]
Please review
\$ let's discuss

December 3, 1980

JB

[Handwritten mark]

Mr. Claude Hoffman, Director
 Division of Technical Services
 Department of Natural Resources
 State of Alaska
 703 W. Northern Lights Blvd.
 Suite 200
 Anchorage, Alaska 99503

Dear Sir:

This is in regards to an application to the Corps of Engineers by the City of Nome for a permit for construction of a rubblemound causeway and docking facility in Norton Sound, Alaska. The location and orientation of the causeway are shown on the accompanying drawings.

The Corps of Engineers has received a protest from the Division of Cadastral Survey, Bureau of Land Management, (see attached letter) that the construction of the 3,400 foot causeway would alter the existing shoreline, affecting approximately 400 acres of Federal OCS lands. (The length of causeway and dock is presently proposed to be 3600 feet.) They request that permission to build the causeway be withheld unless they receive assurance from the State of Alaska that the construction will not extend the State boundary seaward into what is presently Federal OCS land.

The City of Nome would like to have this potential conflict resolved in a timely manner so that the construction of the port facility is not delayed. Tetra Tech is acting for the City of Nome in this matter, and will be happy to supply any additional information you require.

Sincerely,

Daniel L. Behnke

Daniel L. Behnke
 Project Engineer

DLB:am
 Enclosure

cc: Mr. I. Widom, City of Nome
 Mr. J. Caruth, Corps of Engineers
 Mr. Orin Collier, BLM



United States Department of the Interior (Corps of Engineers)

9640.2 (720)

BUREAU OF LAND MANAGEMENT
WASHINGTON, D.C. 20240

November 5, 1980

Alaska District, Corps of Engineers
Attention: Regulatory Functions Branch
P.O. Box 7002
Anchorage, Alaska 99510

Gentlemen:

This is in regard to your notice NPACO Application No. Q7I-OYD-2-800311 dated 24 October 1980.

As shown on the plans enclosed with the notice, the proposed rubblemound causeway would extend the present shoreline seaward 3,400 feet to affect about 400 acres with a similar area coverage to the OCS.

This Bureau is always concerned where a shoreline alteration tends to extend a State boundary seaward to the detriment of the Federal ownership on the OCS.

Accordingly, we must protest the application unless there is assurance by the State of Alaska that the construction will not extend the State boundary seaward.

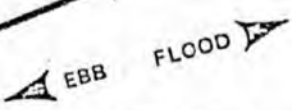
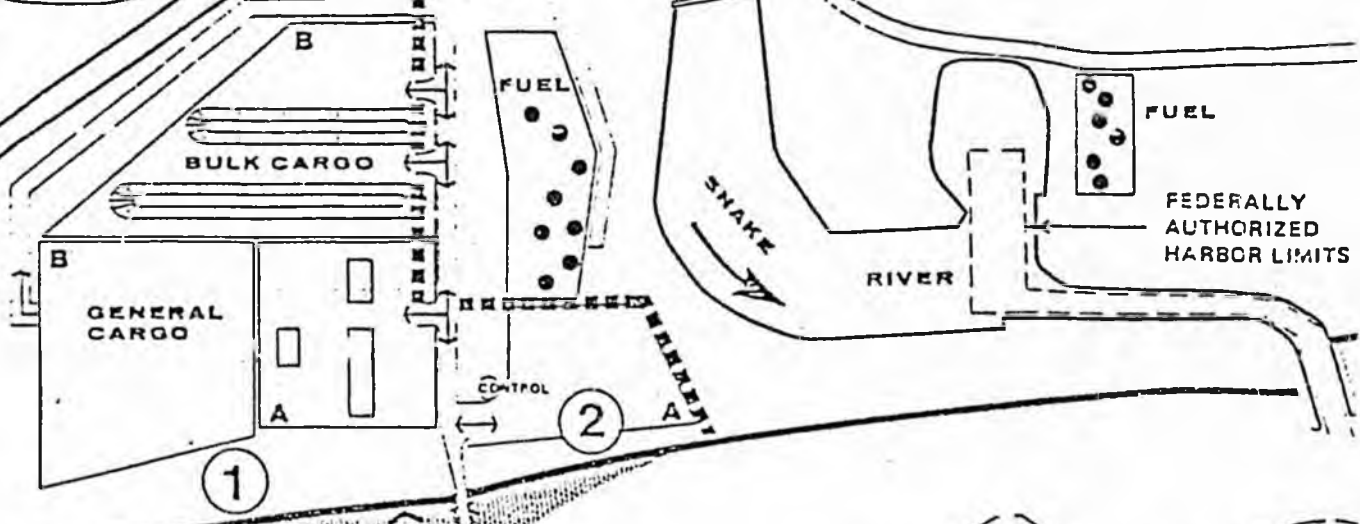
Sincerely yours,

Orin B. Collier
Acting Chief
Division of Cadastral Survey

RUNWAY 27

NOME AIRPORT

NOME



NORTON SOUND

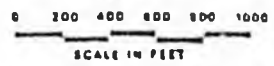
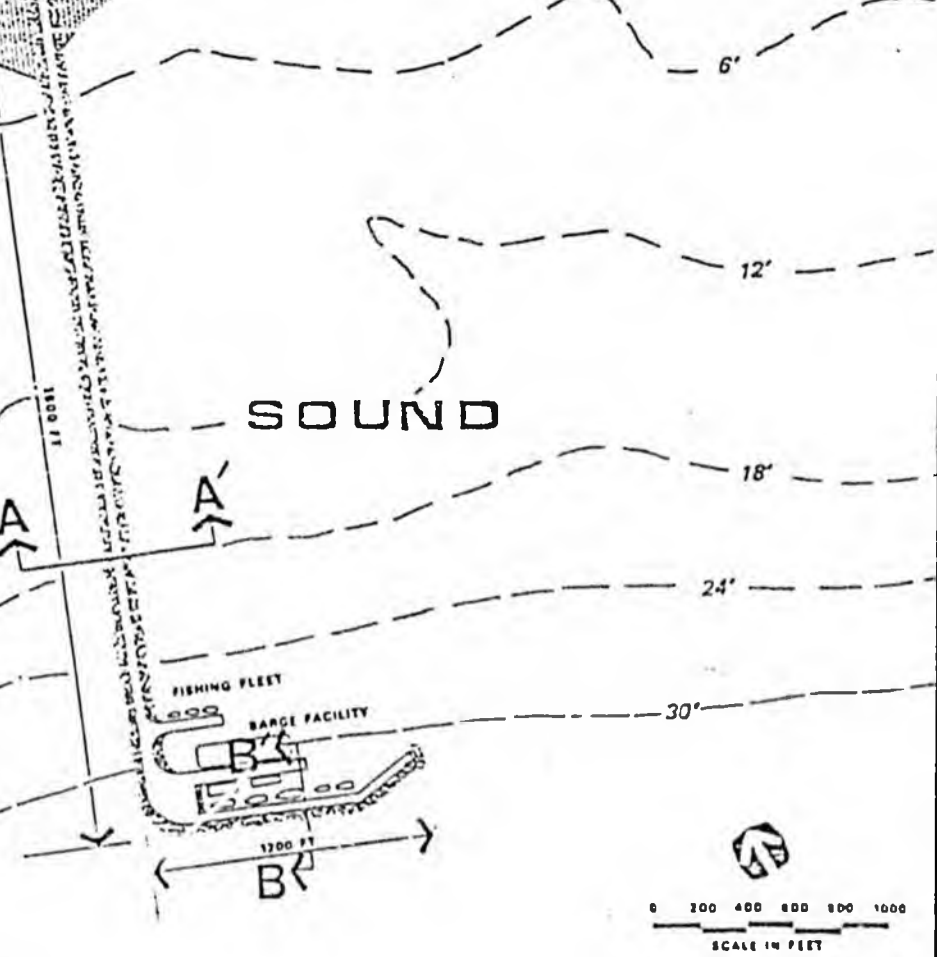
NOTES:

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 FROM NOAA CHART 16206 (1977)
 MEAN TIDAL RANGE = 1.6 FEET
 APPROXIMATE C. USEWAY FILL
 QUANTITIES TO BE TRUCKED TO SITE
 FROM NOME QUARRY SITE.

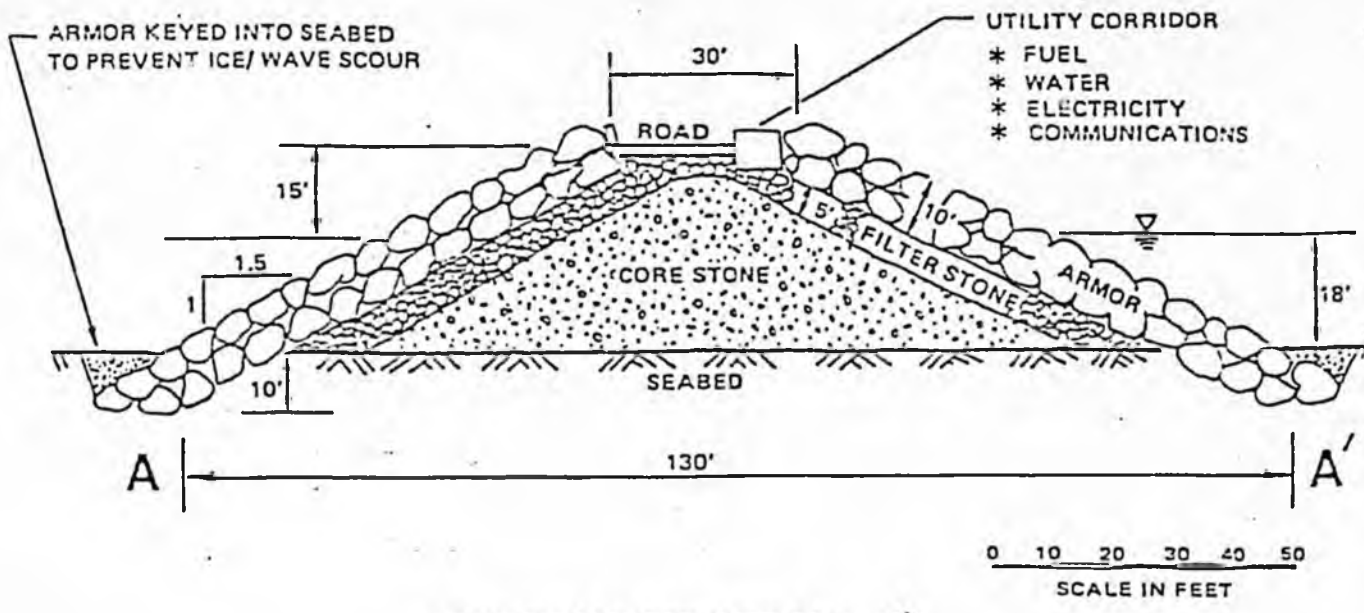
	APPROX. SIZE	QUANTITY, CY
ARMOR STONE	4 - 8 TCNS	313,000
FILTER STONE	100 - 500LBS.	130,000
CORE STONE	5 - 50LBS.	436,000

PURPOSE: TO PROVIDE PRIVATE AND COMMERCIAL
 MEDIUM DRAFT PORT FACILITIES TO
 CITY AND REGION.

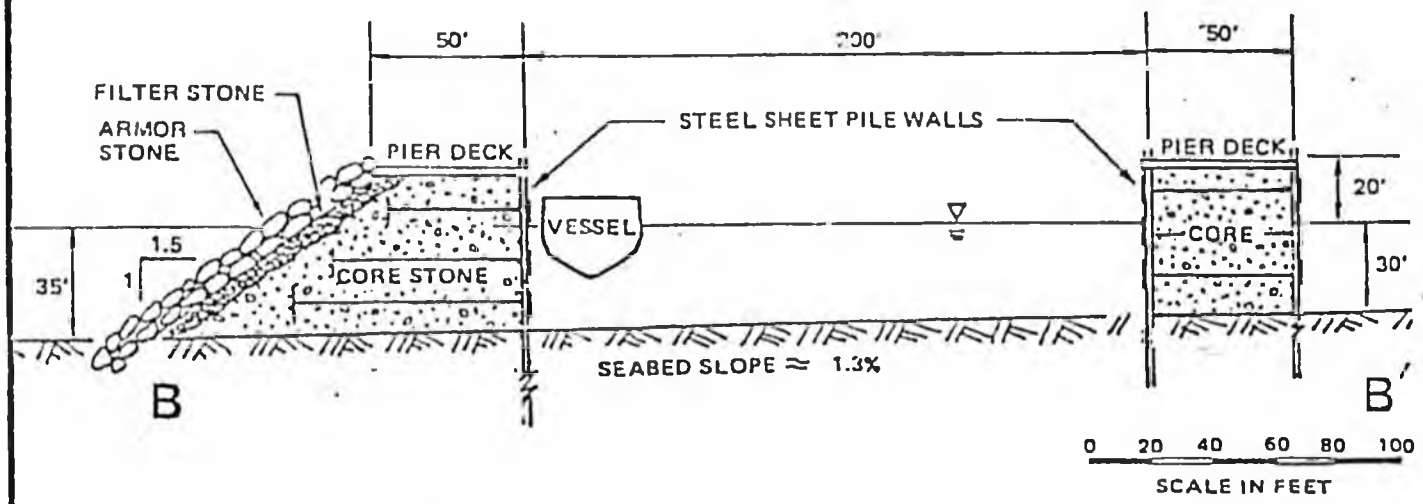
ADJACENT PROPERTY OWNERS: (1) (2) ALASKA GOLD COMPANY



PORT OF NOME
 BERING SEA, ALASKA
 APPLICANT: CITY OF NOME
 SHEET 2 OF 3 9/10/78



CAUSEWAY CROSS-SECTION, A-A'



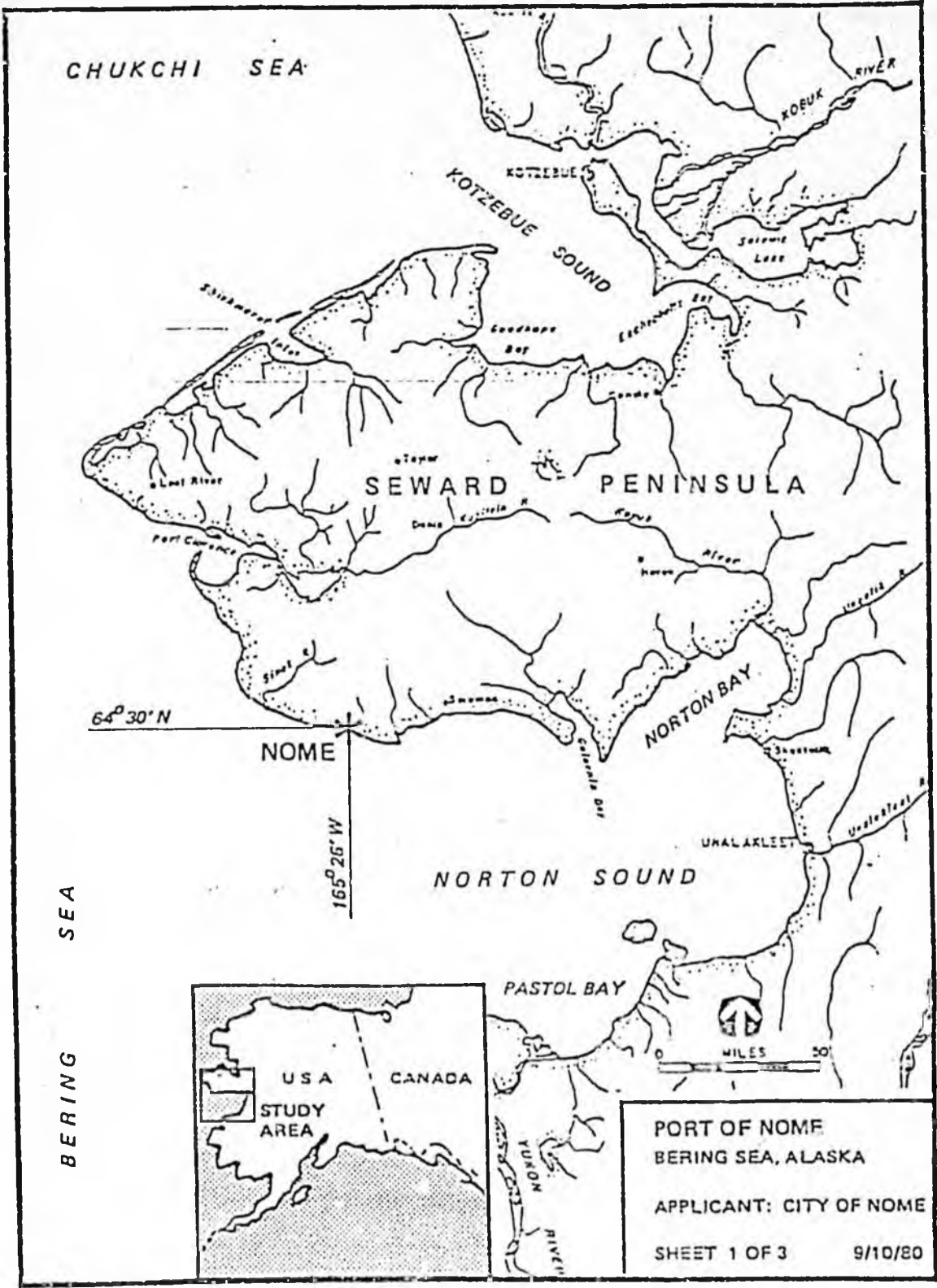
OFFSHORE TERMINAL CROSS-SECTION, B-B'

DATUM IS MEAN LOWER LOW WATER

PORT OF NOME
 BERING SEA, ALASKA

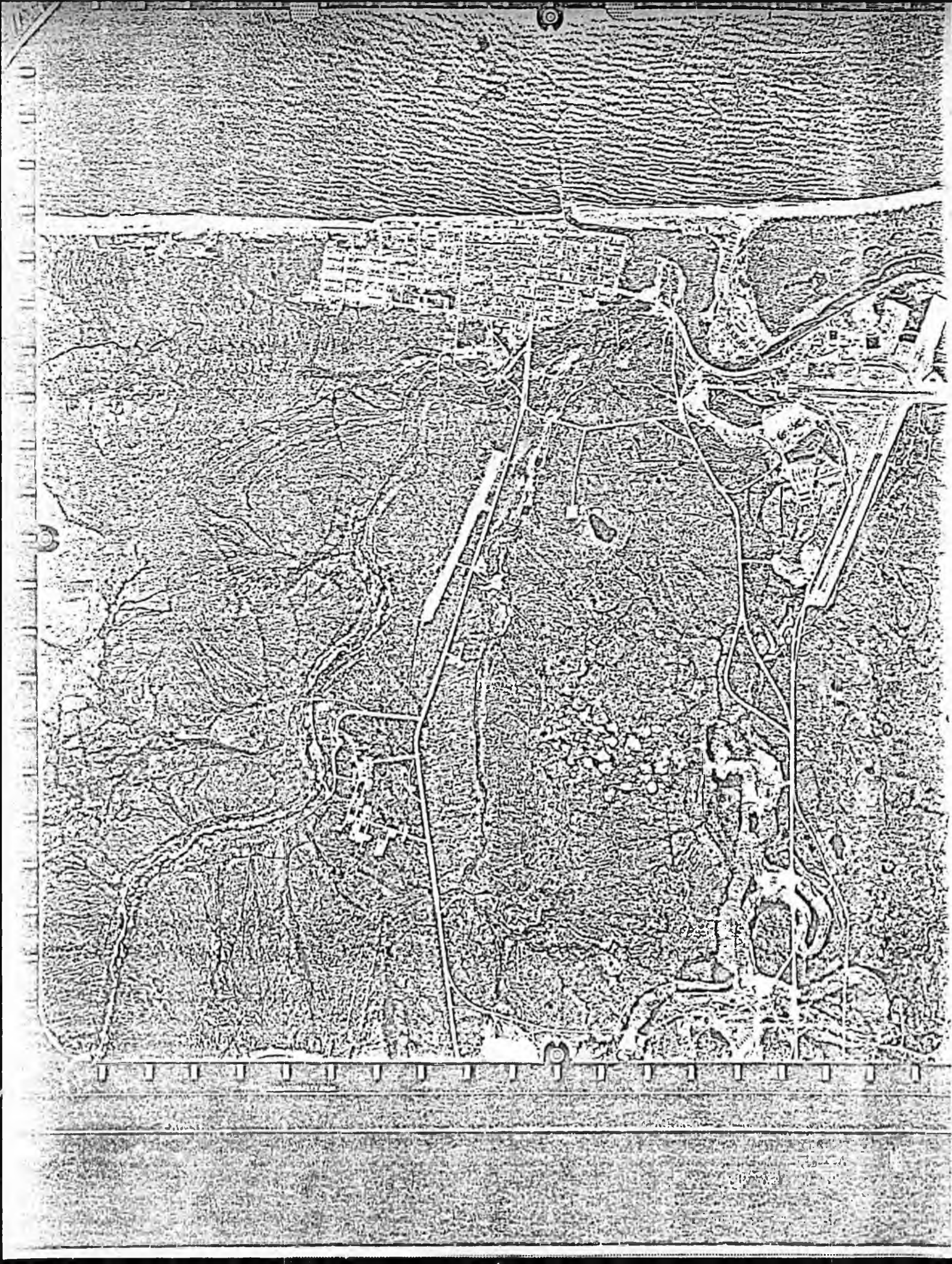
APPLICANT: CITY OF NOME

SHEET 3 OF 3 9/10/80

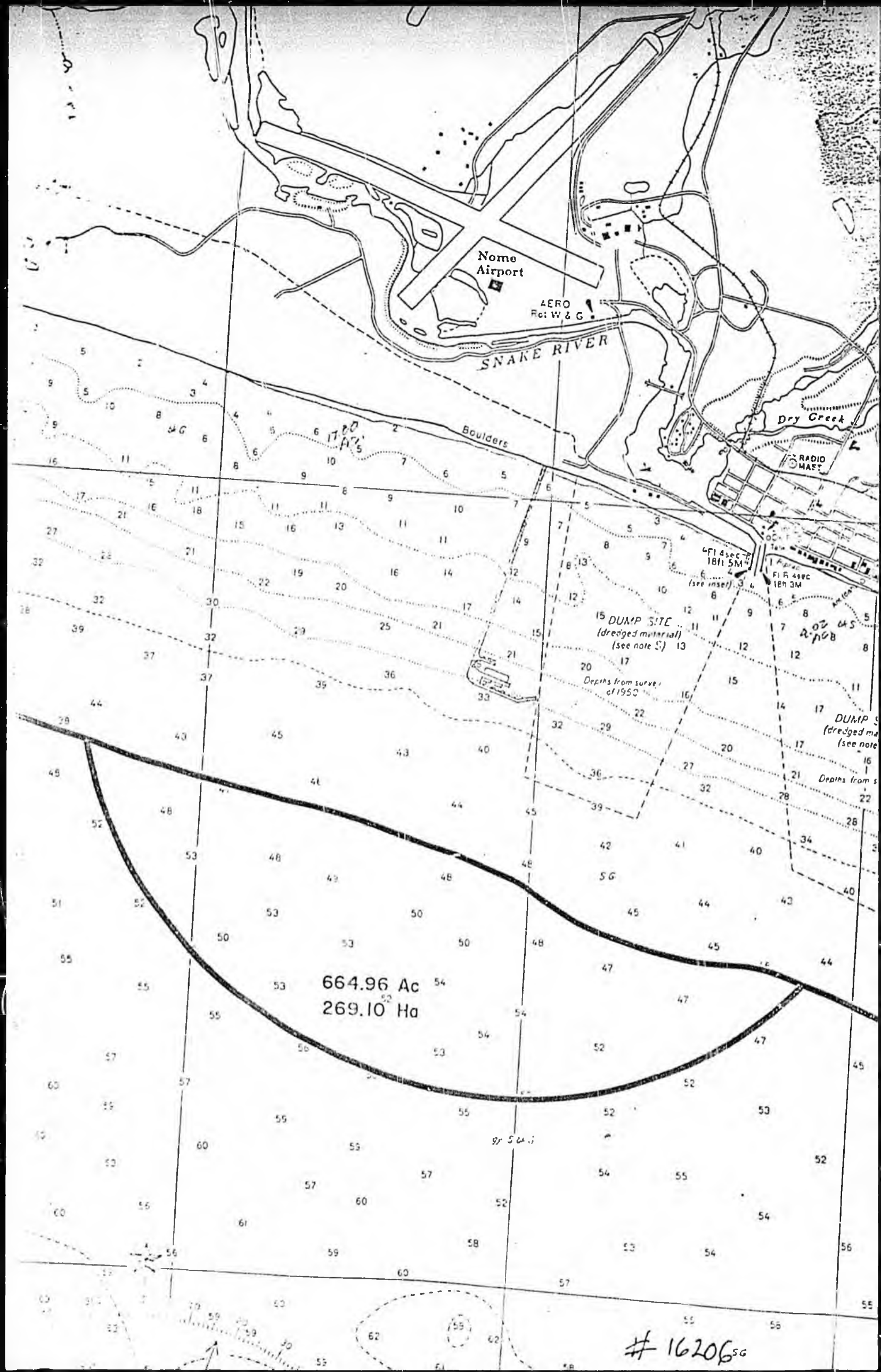


PORT OF NOME
 BERING SEA, ALASKA
 APPLICANT: CITY OF NOME
 SHEET 1 OF 3 9/10/80

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ORIGINAL.



THE PRECEDING DOCUMENT(S) MAY NOT FILM
LEGIBLY BECAUSE OF POOR QUALITY OF THE
ORIGINAL.



Nome Airport

AERO Rd: W & G

Snake River

Boulders

Dry Creek

RADIO MAST

4 Fl 4 sec 18 ft 5M
(see inset)

1 Fl 4 sec 18 ft 3M

15 DUMP SITE
(dredged material)
(see note 5)

Depths from survey of 1950

DUMP SITE
(dredged material)
(see note 5)

Depths from survey of 1950

664.96 Ac
269.10 Ha

16206 SG

SCR

35



Alaska State Legislature

Senate

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

TO: Senator Bill Ray

FROM: Senator Brad Bradley *BB*

SUBJ: SCR 35/Petersville Road

Attached is the backup information from Anchorage DOT/PF Office that was delayed in the mail and could not be sent by telex, because the system was down for two days.

Thank you for scheduling. I should be prepared if you will kindly reschedule in the near future.

BB/emb

SCR 35

PETERSVILLE RD.

T.26 & 27 N., R. 687 W., Seward Maridan
USGS Quads Talkeetna (B-1, B-2)

The Petersville road is presently maintained year round from the Parks Highway to Mile 7.4, the bridge at Moose Creek. There are approximately 20 families that live year round at mile 10.

The Department of Natural Resources is presently having open entry land disposals from miles 9 thru 12 on the Petersville Road. This will bring approximately 300 new land owners into this area.

In order to allow access to the present residence and new residencies it is requested that this highway be upgraded to a year round roadway with a 28 foot roadbed from mile 7.4 to mile 12.9 for a 5.5 mile improvement. This will allow access to the disposal area and a 28 foot roadbed will be suitable for school buses.

The Department of Transportation in Anchorage estimates that they will need approximately \$400,000 to do the preliminary study and roadwork.

This road continues to Petersville at mile 36, and access is only open in the summer.

SCR 35

PLS

TYPE

PETERSVILLE RD.

T. 26 & 27 N., R. 687

T. 26 & 27 N., R. 687 W., SEWARD MBRIDAR

USGS QUADS: TALKHEETNA (B-1, B-2)
B-1, B-2

The Petersville road is presently maintained year round from the Parks Highway to Mile 7.4, the bridge at Moose Creek. There are approximately 20 families that live year round at mile 10.

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The Department of Transportation in Anchorage estimates that they will need approximately \$400,000 to do the preliminary study and work.

This road continues to Petersville at mile 36, and access is only open in the summer.

SJR

12



JUNEAU, ALASKA

Alaska State Legislature

Senate

SJR 12 BRIEF

In 1980, the Legislature passed and the state voters approved, \$5,000,000 to build the Nome port facility. Since that time, the City of Nome has started work to construct the port facility. However, the Bureau of Land Management, Department of Interior, has lodged an objection to the building of a causeway that is needed for port construction to proceed.

BLM has lodged an objection with the Corps of Engineers and has requested that the permit not be granted unless the state waives claim to any of the submerged lands resulting from the "new" shoreline 3600 Ft. out from the existing shoreline.

SJR 12 would recommend that the Corps of Engineers, who is responsible for issuing the permit, disregard the BLM objection and grant the permit.

The deep water port facility in Nome is vital to the economic well being of the entire region. If the causeway permit is not granted and the port facility is not built, the residents of the Nome region will continue to pay excessive cost for literage fees, loss of jobs and delay needed resource development.

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

JAN 26 1981
JAY S. HAMMOND, GOVERNOR

POUCH K-STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3656

January 21, 1981

Daniel L. Behnke
Project Engineer
TETRA TECH, INC.
Suite 101
909 W. 9th Ave.
Anchorage, AK, 99501

Re: Proposed Territory Waiver-Nome
Causeway. Our file J-66-450-81

Dear Mr. Behnke:

Your December 3, 1980 letter to Mr. Claud Hoffman regarding a possible waiver of any claim the state might make to additional submerged lands based on construction of the proposed Nome causeway has been referred to me.

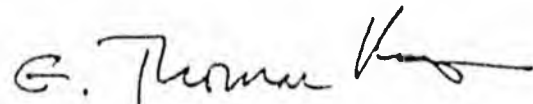
Following discussion with Robert E. LeResche, Commissioner of the Department of Natural Resources, and Wilson L. Condon, Attorney General, I have been instructed to inform you that we cannot give the requested assurance that construction of the causeway will not extend the state's boundary seaward. The state has given such assurances only once in the past, and then only because failure to do so might have resulted in a failure to obtain maximum production from the Prudhoe Bay oil and gas field.

If you have additional questions, I will be happy to discuss this matter at your convenience.

Sincerely,

WILSON L. CONDON
ATTORNEY GENERAL

By:



G. Thoams Koester
Assistant Attorney General

GTK:dln

cc: Senator Frank R. Ferguson
Mr. I. Widom, City of Nome
Mr. J. Caruth, Corps of Engineers
Mr. Orin B. Collier, BLM
Mr. Louis F. Claiborne, Deputy Solicitor General
Representative John G. "Jack" Fuller

MEMORANDUM

State of Alaska

TO: Wilson Condon, Attorney General
Department of Law

DATE: 12/23/80

Attn: Tom Koester, Assistant Attorney General
Department of Law

FILE NO: 2425

TELEPHONE NO: 263-2200

FROM: Claud M. Hoffman, Director
Division of Technical Services

SUBJECT: Apln. for Construction of
Causeway in Norton Sound

BY: Irving Zirpel, Jr., Chief
Coastal/Marine Boundary Section

JCH
9-31

The attached letters are self explanatory requesting a waiver of the State of Alaska's right to extend the boundary of its territorial sea due to the proposed construction of a causeway and docking facility.

We have examined the Norton Sound, Nome Harbor and Approaches Chart#16206 and compared the chart shoreline data with 1980 aerial photography (both black and white and color infrared). We find very little difference due to accretion or erosion. The area involved if the seaward boundary is extended due to the proposed causeway construction consist of approximately 665 acres.

Being as the shoreline in this area appears to be relatively stable and is adequately shown on chart #16206, and the proposed construction is not to extend seaward beyond the 31 ft. depth line, we recommend that the causeway construction be permitted without effecting the seaward boundary of the state's territorial sea.

The above is submitted for your perusal and comments.

RECEIVED
Department of Law
Juneau, Alaska

DEC 30 1980
AM PM
7,8,9,10,11,12,1,2,3,4,5,6

£



TETRA TECH, INC.
 SUITE 101
 808 W. 8th AVE.
 ANCHORAGE, ALASKA 99501
 TELEPHONE (907) 274-4531
 TELEX NO. 080-86424
 TETRATECH P80

Tom Coster
Wm Condon
June

Di: Eupel!
Please Review
\$ tet's drawings

December 3, 1980

Handwritten mark

Mr. Claude Hoffman, Director
 Division of Technical Services
 Department of Natural Resources
 State of Alaska
 703 W. Northern Lights Blvd.
 Suite 200
 Anchorage, Alaska 99503

Handwritten initials: JLB

Dear Sir:

This is in regards to an application to the Corps of Engineers by the City of Nome for a permit for construction of a rubblemound causeway and docking facility in Norton Sound, Alaska. The location and orientation of the causeway are shown on the accompanying drawings.

The Corps of Engineers has received a protest from the Division of Cadastral Survey, Bureau of Land Management, (see attached letter) that the construction of the 3,400 foot causeway would alter the existing shoreline, affecting approximately 400 acres of Federal OCS lands. (The length of causeway and dock is presently proposed to be 3600 feet.) They request that permission to build the causeway be withheld unless they receive assurance from the State of Alaska that the construction will not extend the State boundary seaward into what is presently Federal OCS land.

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Sincerely,

Daniel L. Beinke

Daniel L. Beinke
 Project Engineer

DLB:am

Enclosure

cc: Mr. I. Widom, City of Nome
 Mr. J. Caruth, Corps of Engineers
 Mr. Orin Collier, BLM



IN REPLY REFER TO: AS

United States Department of the Interior (Corps of Engineers)

9640.2 (720)

BUREAU OF LAND MANAGEMENT
WASHINGTON, D.C. 20240

November 5, 1980

Alaska District, Corps of Engineers
Attention: Regulatory Functions Branch
P.O. Box 7002
Anchorage, Alaska 99510

Gentlemen:

This is in regard to your notice MPACO Application No. 071-OYD-2-800311 dated 24 October 1980.

As shown on the plans enclosed with the notice, the proposed rubblemound causeway would extend the present shoreline seaward 3,400 feet to affect about 400 acres with a similar area coverage to the OCS.

This Bureau is always concerned where a shoreline alteration tends to extend a State boundary seaward to the detriment of the Federal ownership on the OCS.

Accordingly, we must protest the application unless there is assurance by the State of Alaska that the construction will not extend the State boundary seaward.

Sincerely yours,

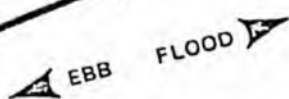
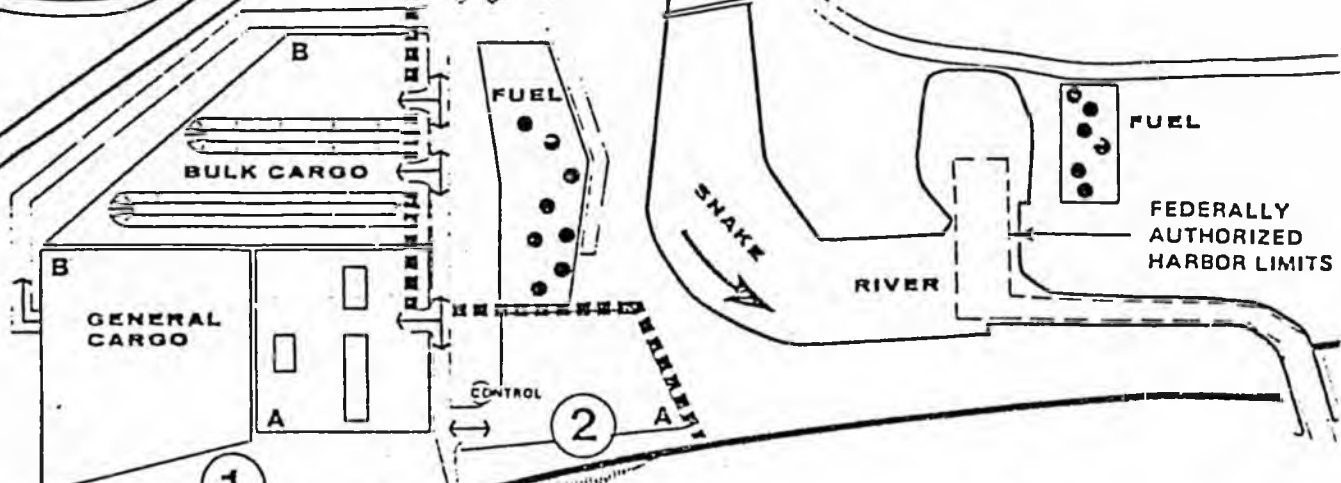
Orin B. Collier
Acting Chief
Division of Cadastral Survey

RUNWAY 27

CITY BOUNDARY

NOME AIRPORT

NOME



NORTON SOUND

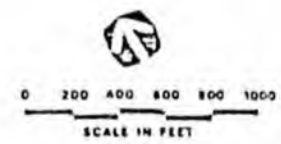
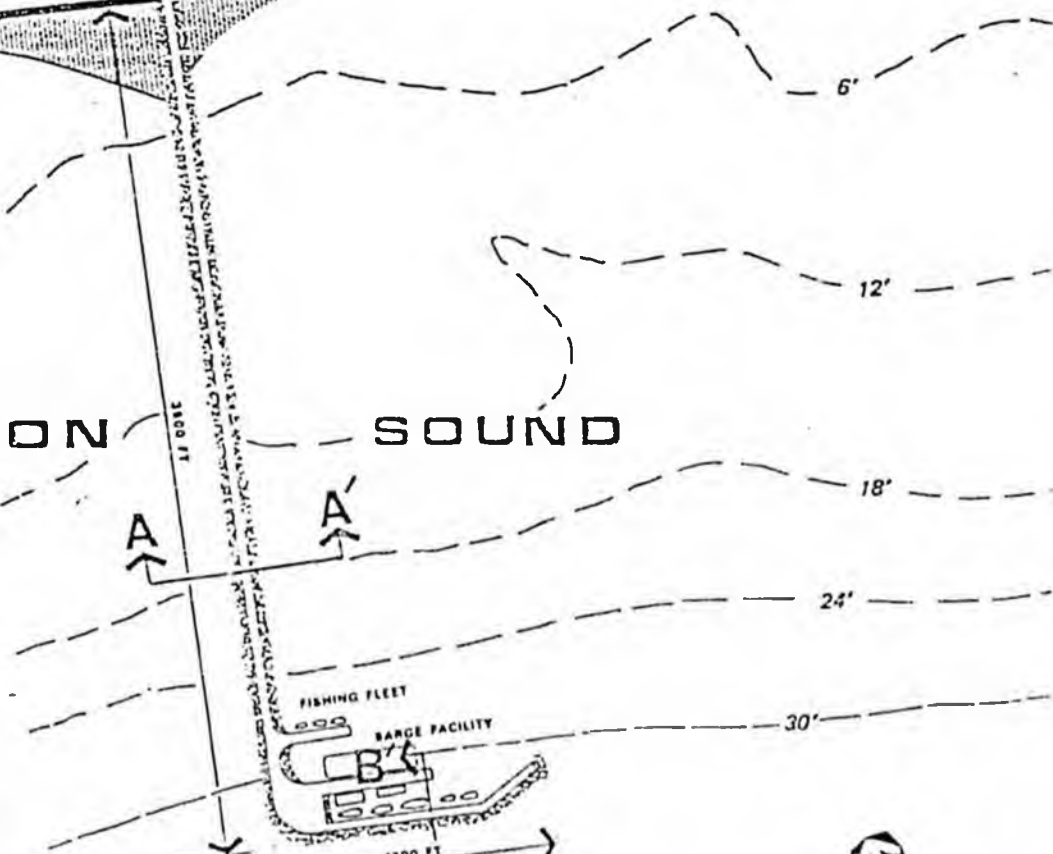
NOTES:

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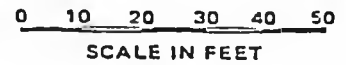
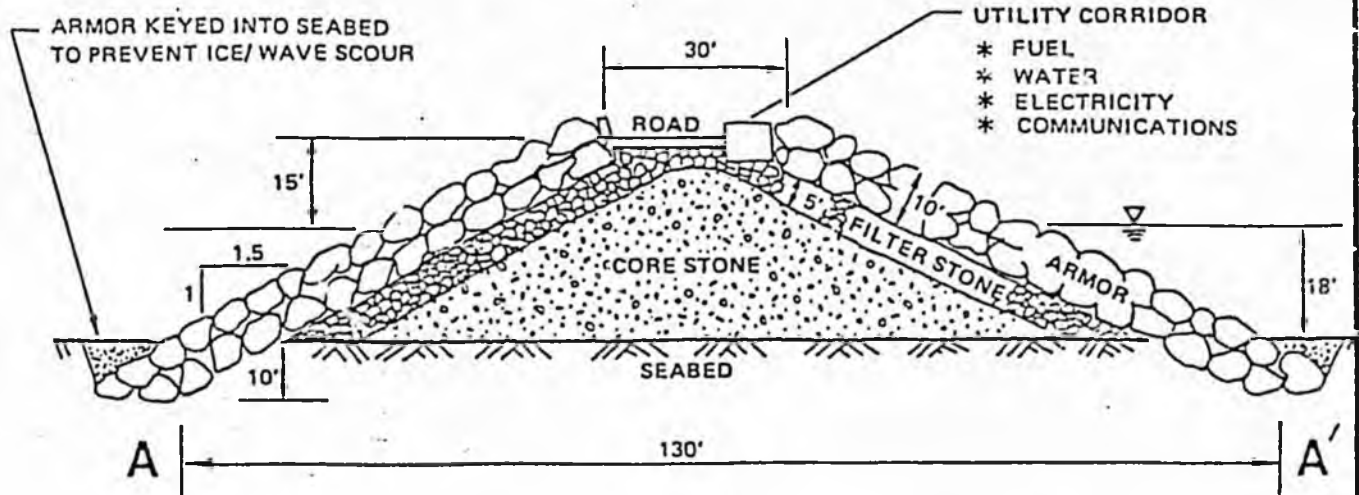
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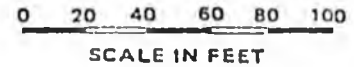
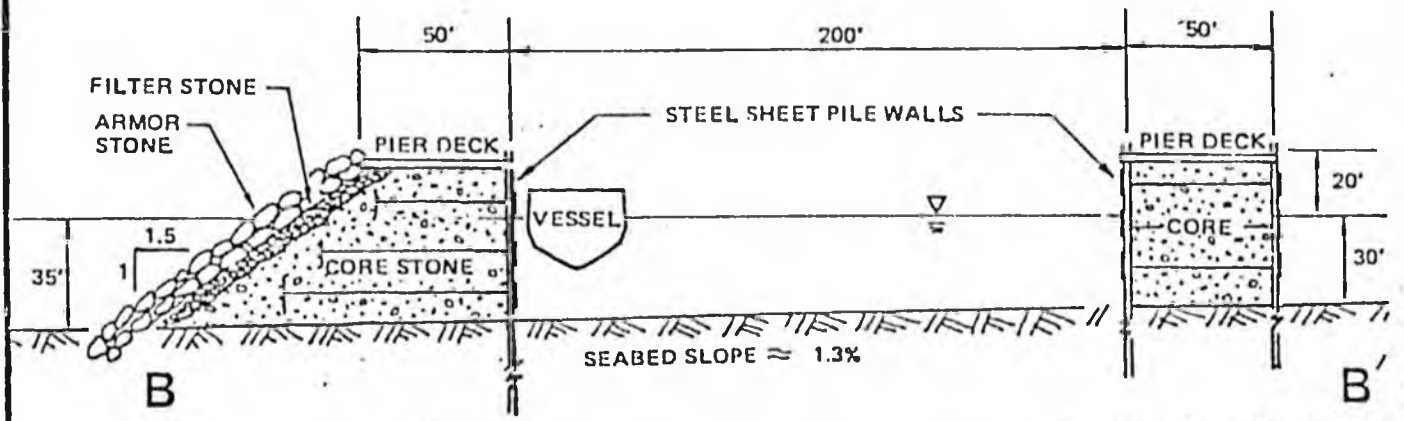
ADJACENT PROPERTY OWNERS: (1) (2) ALASKA GOLD COMPANY



PORT OF NOME
 BERING SEA, ALASKA
 APPLICANT: CITY OF NOME
 SHEET 2 OF 3 9/10/8



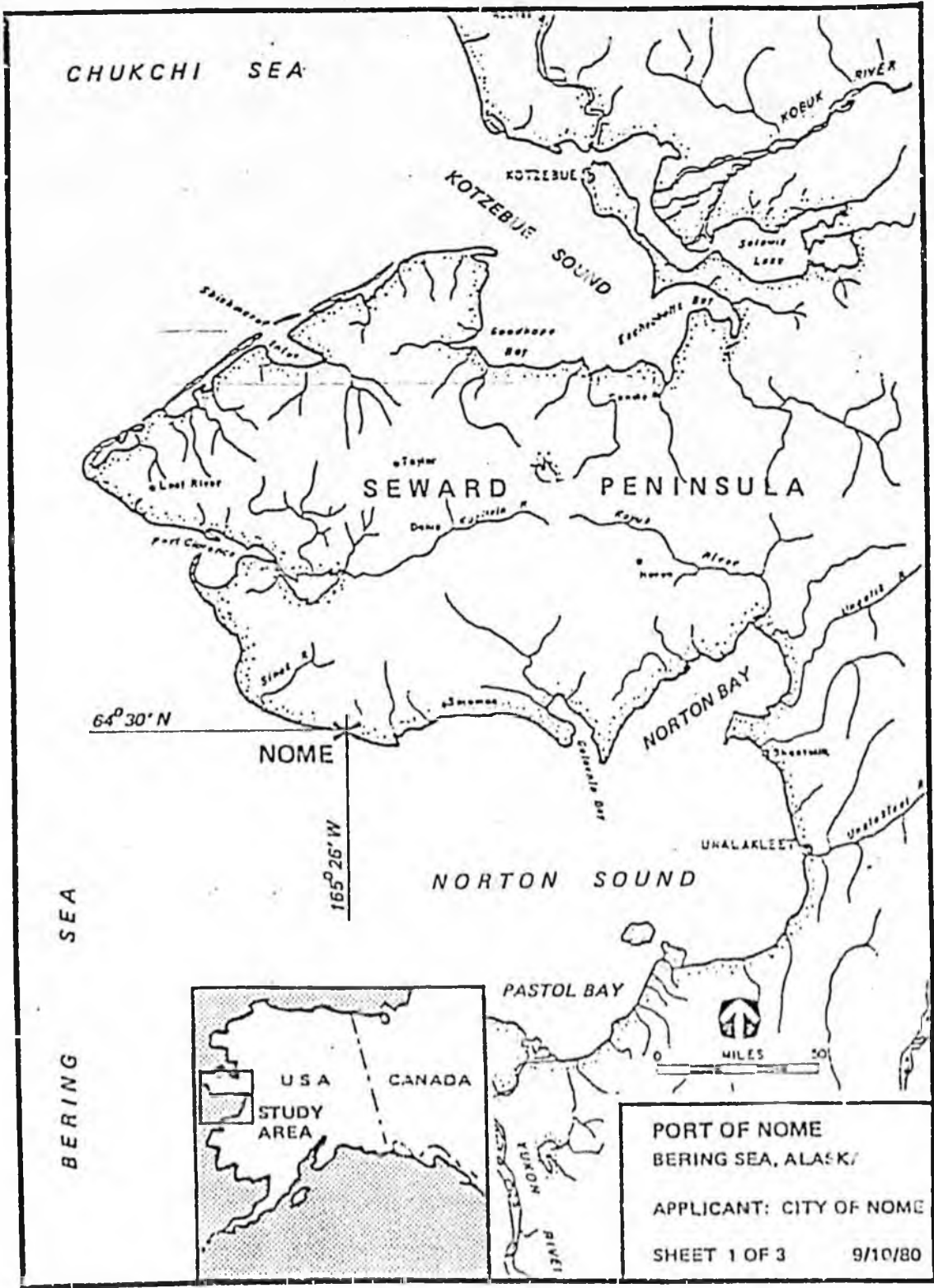
CAUSEWAY CROSS-SECTION, A-A'



OFFSHORE TERMINAL CROSS-SECTION, B-B'

DATUM IS MEAN LOWER LOW WATER

PORT OF NOME
 BERING SEA, ALASKA
 APPLICANT: CITY OF NOME
 SHEET 3 OF 3 9/10/80



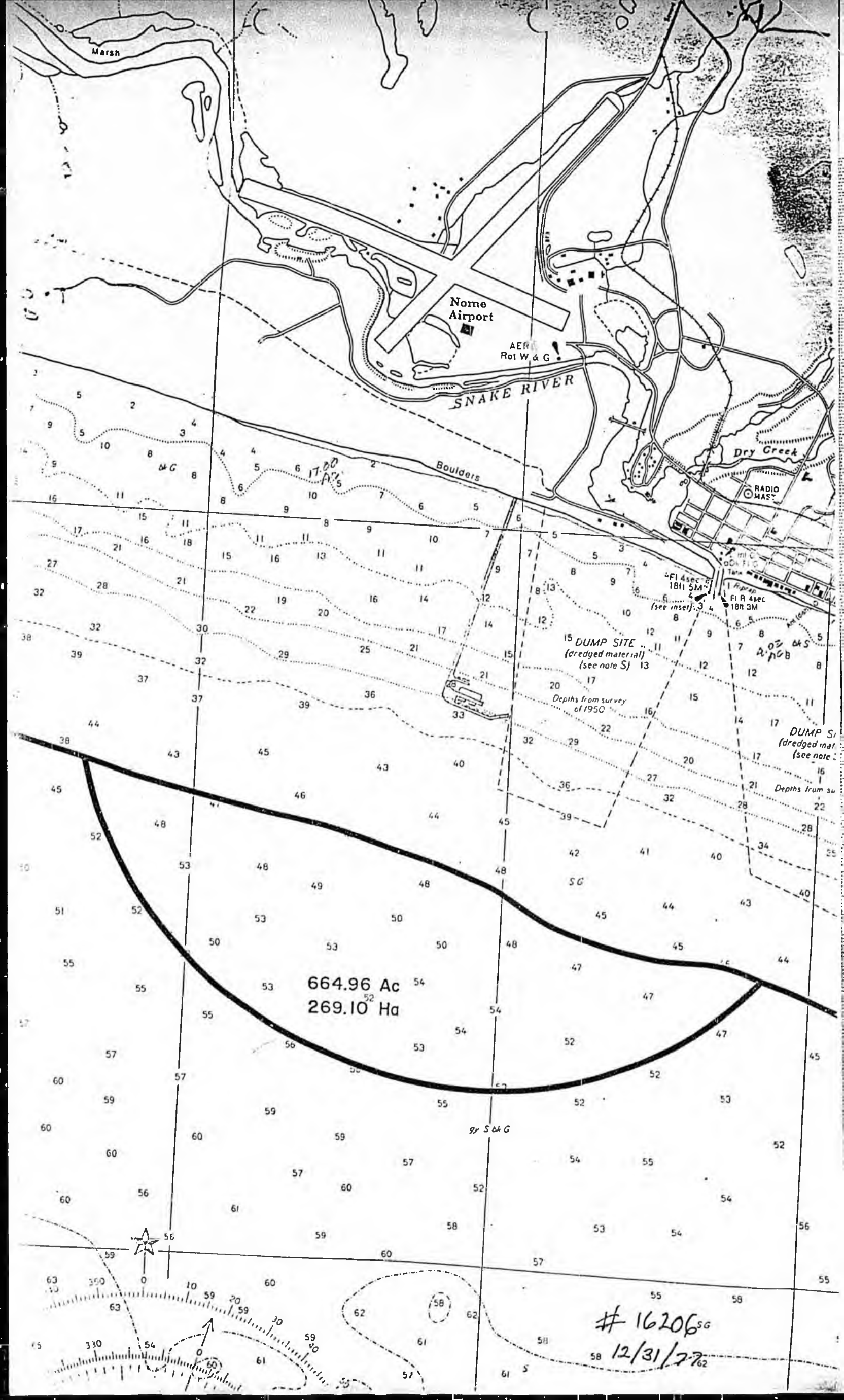
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SJR

66

- FILE -

ALASKA STATE LEGISLATURE - SENATE



SENATOR RICHARD I. ELIASON
P.O. BOX 143
SITKA, ALASKA 99835
POUCH V
JUNEAU, ALASKA 99811

COMMITTEES
FINANCE
RESOURCES
STATE AFFAIRS

February 10, 1982

MEMORANDUM

TO: Senator Bill Ray, Chairman
Senate Transportation Committee
FROM: Senator Dick Eliason *[Signature]*
RE: SJR 66 Regarding Coast Guard User Fees

This morning I introduced SJR 66 regarding the high user fees which the U.S. Coast Guard proposes to charge all boat owners. This is a matter of utmost importance to Alaskan boat owners. According to my calculations the proposed fees would cost the fishermen of Alaska well over \$24 million in direct charges per year. The proposed rate structure could effectively put many small fishermen out of business as the lowest fee proposed is \$1350 per boat.

As I understand, the U.S. Coast Guard is now in the process of drafting the user fee proposal into bill form which, once approved by the Secretary of Transportation, will be submitted to the Office of Management and Budget and the President for introduction to Congress. This is happening right now and so it is important that the Alaskan Legislature take a stand on the matter through SJR 66 and get this message to the President immediately. I hope that you will be able to schedule an early hearing of this resolution in the Senate Transportation Committee and get it moving towards Senate passage as soon as possible.

I am attaching for the Committee's review, information the Coast Guard has printed about the user fee proposal including rates to be charged, and a copy of a letter which I have written to the Coast Guard with my concerns about the proposal.

Senator Bill Ray
February 10, 1982
page 2

Due to an oversight in drafting one "whereas" clause which is not in the resolution, but which ought to be added would be:

"Whereas Coast Guard services are almost entirely unavailable in many of the remote areas of Alaska, it is inequitable to charge owners in those areas the same fee as vessel owners in areas well serviced by the Coast Guard;"

The committee may want to amend the resolution to include this.

Your scheduling and passage of SJR 66 would be very much appreciated by me and by vessel owners throughout the State. If I can provide any further back-up information, please let me know.



DEPARTMENT OF TRANSPORTATION
UNITED STATES COAST GUARD

ZND drift

MAILING ADDRESS:
U.S. COAST GUARD
WASHINGTON, D.C. 20553
PHONE:

DEC 23 1981

TAS

RBL

FILE

(To 158 addressees)

Dear :

Following the series of meetings held in September on the concept of establishing user fees for certain Coast Guard services, the comments received have been carefully reviewed. It was indicated at the meetings that an attempt would be made to inform all the interested groups and individuals of the results of this review and provide an update of the conceptual proposal.

The comments received at the meetings and subsequently were thorough, informative, and responsive. In addition to being responsive to the requests for information in nearly all areas, a number of suggestions were made concerning both the general philosophy of user fees as well as details of the demonstration fee schedule.

In light of the comments and recommendations received, and other information, a conceptual legislative proposal is being developed along with demonstration fee schedule revisions. Of necessity, both the illustrated budget level and the hundred percent recovery level used in the demonstration fee schedules have remained unchanged. As new budget figures and program distributions are developed, revisions in all the areas will be made to reflect the changes.

The enclosure includes a summary of a number of revisions to the demonstration fee schedules and the revised demonstration fee schedules.

A number of commenters expressed concern on some very basic philosophical and practical points. While all of these could not be accommodated, they were given very serious consideration. Many expressed concern over equity among marine users as well as among the various transportation modes. It is believed that the enclosed demonstration fee schedules reflect equity among the user groups. The need for user group input into setting the level of service to be provided was a common concern. It is clear that the services provided should reflect the needs of the users. This may be accomplished by incorporating the views of the users at both the national and local level.

ENCLOSURE

As indicated, the comments received to date have been very helpful and responsive. The review process is continuing. The information included in the enclosure should be viewed as an "update" and not a final version. Please review the enclosure and make any comments that you feel are appropriate.

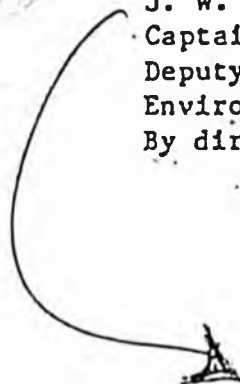
Thank you for your cooperation.

Sincerely,

J. W. KIME
Captain, U. S. Coast Guard
Deputy Chief, Office of Marine
Environment and Systems
By direction of the Commandant

Talked with:
Capt. Wm. Riedel
426-2274

Enclosures



D.C.

202-426-2008

5. Great Lakes

- All fees similar to same types of commercial vessels in inland or coastal areas
- Domestic icebreaking surcharge during January 15 - March 31 period has been eliminated

6-11. Direct Charges

- Commercial vessel safety fee schedules expanded to present more discreet client identification
- Terminals "sized" with separate fee for very small terminal and a greater spread in terminal sizes
- An incident fee has been established for cargoes of particular hazard

Introduction

New demonstration fee schedules have been developed based on the comments and responses to the public meetings held in September and written comments and recommendations received subsequently. All comments were given careful review. The budgetary figures used previously and the hundred percent recovery level has been continued. It is recognized that the cost figures will need to be revised to reflect the program costs at the time of implementation.

Summary of Changes in Fee Schedules

1. Recreational Boats

- Added inland boats (5 to 8 million)
- Divided into three groups: Internal, Inland, and Coastal
- All recreational boating SAR costs distributed to coastal group. Population and other appropriate costs distributed 75-25% between inland and coastal

2. Inland Uninspected Vessels

- Number of towboats has been refined to reflect a more accurate number using inland waters
- Classes of horsepower ratings have been changed from 4 to 3
- Barges have been grouped into two sizes breaking at 1600 gross tons in lieu of 1000 gross tons

3. Fishing Vessels

- Separated into domestic and foreign fleet
- Fee is identical for each class of vessel, whether foreign or domestic to provide fair and equal treatment

4. Commercial-Domestic and International

- Numbers of tugboats have been refined to reflect more accurate number using coastal waters
- Three groups for tugboats used. Horsepower ratings used to group (similar for coastal and inland fees)
- Barges have been grouped into two sizes breaking at 1600 gross tons with fees similar to like inland barges
- A separate fee schedule established for Mobile Offshore Drilling Units (MODU's)

DEPARTMENT OF TRANSPORTATION

U. S. COAST GUARD

(\$ in thousands)

ESTIMATED RECOVERABLE COAST GUARD OPERATING EXPENSE EXPENDITURES FOR FY 1982
 COSTS RECOVERABLE BY INDIRECT CHARGES - RECREATIONAL BOATING.

~~ESTIMATED RECOVERABLE COAST GUARD OPERATING EXPENSE EXPENDITURES FOR FY 1982~~

	<u>Totals</u>	<u>Internal</u>	<u>Inland</u>	<u>Coastal</u>
+ Search and Rescue.....	\$152,655	-	-	\$152,655
+ Short Range Aids to Navigation.....	4,505	-	\$ 3,380	1,125
+ Radionavigational Aids.....	366	-	-	366
+ Commercial Vessel Safety.....	1,000	-	750	250
+ Recreational Boating Safety.....	49,794	24,000	19,345	6,449
+ Port Safety and Security.....	291	-	216	75
+ Marine Environmental Protection.....	4,075	-	3,055	1,020
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotals	\$212,606	\$24,000	\$26,746	\$161,940
TOTAL			\$212,606	

I. RECREATIONAL BOATING

A. Discussion

1. 100% of all allocated costs recovered.
2. Three groups of recreational boaters established:
 - a. Those using only internal waters of states
 - b. Those using only inland navigable waters
 - c. Those using only coastal areas
3. Those using internal waters only do not benefit from CG operational services (e.g., SAR, aids to navigation) and therefore should not be charged for them.
4. Practically all search and rescue activity takes place in coastal areas. Therefore it is more equitable to charge higher fees for boats which use those waters, than those which restrict their activities to inland waters.

B. Demonstration Fee Schedule

1. Internal Waters - Annual Fees

	<u>Number</u>	<u>Fee</u>	<u>Amount (000's)</u>
Recreational Boats	6,000,000	\$4	\$24,000

2. Inland Area - Annual Fee

<u>Class</u>	<u>Number</u>	<u>Fee</u>	<u>Amount (000's)</u>
Less than 16 feet	2,600,000	\$ 4	\$10,400
16 to 26 feet	1,650,000	9	14,850
27 to 40 feet	57,000	15	855
41 to 65 feet	-	-	-
More than 65 feet	-	-	-
Total	<u>4,307,000</u>		<u>\$26,105</u>

3. Coastal Area - Annual Fee

<u>Class</u>	<u>Number</u>	<u>Fee</u>	<u>Amount (000's)</u>
Less than 16 feet	400,000	\$ 50	\$20,000
16 to 26 feet	750,000	110	82,500
27 to 40 feet	200,000	200	40,000
41 to 65 feet	45,000	400	18,000
More than 65 feet	<u>3,000</u>	600	<u>1,800</u>
Total	1,398,000		\$162,300
TOTALS			\$212,405