

ALPHABETICALLY LISTED

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whose property the highway will pass to express any objections they may have to the proposed location of such highway.

(b) When hearings have been held under subsection (a), the State highway department shall submit a copy of the transcript of said hearings to the Secretary, together with the certification, Pub.L. 85-767, Aug. 27, 1958, 72 Stat. 992.

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ers to afford an opportunity for but not necessarily to hold public hearings to give consideration to the economic effects of the proposed road location, file with the Commissioner of Public Works a transcript of the hearings and certify to the Commissioner that such opportunity to be heard has been afforded and such economic effects considered. *Binghamton Citizens Penn-Carlisle 17 Highway Committee v. Federal*, 1953, 180 N.Y.S.2d 613, 7 A.D.2d 170.

The spirit of this section and regulations of New York statutory acceptance and implementation with respect to location of a federal aid highway is that a fair opportunity should be given to the citizens to express their views on the proposed road location. *Id.*

Literary references
Highways § 100(1).
U.S. Highways § 102 et seq.

1. Purpose

Purpose of this section providing that any highway department which submits plans for a federal aid highway project shall certify to Secretary that it has held public hearings or has afforded opportunity for such hearings and has considered economic effects of such a location was to insure wise and fair use of federal funds, and under Pennsylvania law, 24 P.S. § 22918, and policy, stated federal aid, such hearings are not required to be held. *Hoffman v. Stevens*, D.C.Pa.1959, 171 F.Supp. 808.

2. Nature and form of hearing

This section relating to public hearings by State Highway Department planning a federal aid highway project which bypasses or goes through city does not contemplate that Department shall conduct quasi-judicial hearing but merely that Department will hold public hearing to inform residents of area of location under consideration so that such residents can express their views, including their views as to economic effects of such location. *Janecka v. Department of Highways*, 1960, 318 F.2d 235, 76 N.Y. 2d.

3. Opportunity to be heard

When a highway is to be built under this chapter, statute and regulations, when read together require state offi-

that economic effects would be considered at hearing. *Janecka v. Department of Highways*, 1960, 318 F.2d 235, 76 N.Y. 2d.

4. Persons conducting hearing

That public hearings conducted under this section with respect to a freeway through a municipality were presided over by private citizen other than by an officer of the department did not violate the constitutional rights of objecting property owners. *Mikeshki v. Smith*, 1963, 147 A.2d 176, 37 1-1/2 A. 501, affirmed 153 A.2d 567, 38 Del.Ch. 402.

7. Questions of fact

Affidavits of citizens seeking injunction against State Highway Commission and others in connection with designing, laying out, opening and constructing an interstate highway through city were insufficient to raise fact issues as to holding of public hearing on locating and planning highway, laying out and constructing it, procuring scientific design, making of economic survey, and complying with federal and state laws. *Putch v. Greer*, Tex.Civ.App. 1962, 353 S.W.2d 896, *rev. n. r. e.*, certiorari denied 353 U.S. 913, 51 L.Ed.2d 721.

cert denied 353 U.S. 725, 375 U.S. 913, 9 L.Ed.2d 721.

8. Judicial action

In proceeding for an order annulling public hearings concerning the location of a federal aid highway by officers of the State Department of Public Works, pleading legal generalizations such as that the hearings were conducted in a manner contrary to law and in disregard of the rights of the petitioners, presented no ground for judicial action where nowhere in the pleading was there any demonstrative factual allegation in context. *Binghamton Citizens Penn-Carlisle 17 Highway Committee v. Federal*, 1953, 180 N.Y.S.2d 613, 7 A.D.2d 170.

9. Location, construction, and maintenance, state power

Federal regulations with respect to interstate highway must be complied with in order for state to receive federal funds, but such requirements do not limit or affect authority of State Highway Commission to select location, construct and maintain highways in the state. *Putch v. Greer*, Tex.Civ.App.1962, 353 S.W.2d 896, *rev. n. r. e.*, certiorari denied 353 U.S. 913, 51 L.Ed.2d 721.

§ 129. Toll roads, bridges, tunnels, and ferries

(a) Notwithstanding the provisions of section 301 of this title, the Secretary may permit Federal participation, on the same basis and in the same manner as in the construction of free highways under this chapter, in the construction of any toll bridge, toll tunnel, or approach thereto, upon compliance with the conditions contained in this section. Such bridge, tunnel, or approach thereto, must be publicly owned and operated. Federal funds may participate in the approaches to a toll bridge or toll tunnel whether such bridge or tunnel is to be or has been constructed, or acquired, by the State or other public authority. The State highway department or departments must be a party or parties to an agreement with the Secretary whereby it or they undertake performance of the following obligations:

(1) all tolls received from the operation of the bridge or tunnel, less the actual cost of such operation and maintenance, shall be applied to the repayment to the State or other public authority of all of the costs of construction or acquisition of such bridge or tunnel, except that part which was contributed by the United States;

(2) no tolls shall be charged for the use of such bridge or tunnel after the State or other public authority shall have been so repaid; and

(3) after the date of final repayment, the bridge or tunnel shall be maintained and operated as a free bridge or free tunnel.

(b) Upon a finding by the Secretary that such action will promote the development of an integrated Interstate System, the Secretary is authorized to approve as part of the Interstate System any toll road, bridge or tunnel, now or hereafter constructed which meets the standards adopted for the improvement of projects located on the Interstate System, when such toll road, bridge or tunnel is located on a route heretofore or hereafter designated as a part of the Interstate System. No Federal-aid highway funds shall be expended for the construction, reconstruction or improvement of any such toll road, except to the extent permitted by law after June 29, 1956. No Federal-aid highway funds shall be expended for the construction, reconstruction or improvement of any such toll bridge or tunnel, except to the extent permitted by law on or after June 29, 1956.

Funds authorized for expenditure on any of the Federal-aid systems, including the Interstate System, shall be available for expenditure on projects approaching any toll road, bridge or tunnel where such project will have some use irrespective of its use for such toll road, bridge or tunnel.

(d) Funds authorized for the Interstate System shall be available for expenditure on Interstate System projects approaching any toll road on the Interstate System, although the project has no use other than an approach to such toll road, if an agreement satisfactory to the Secretary has been reached with the State prior to the approval of such project -

(1) that the section of toll road will become free to the public upon the collection of tolls sufficient to liquidate the cost of the toll road or any bonds outstanding at the time constituting a valid lien against such section of toll road covered in the agreement and their maintenance and operation and debt service during the period of toll collections, and

(2) that there is one or more reasonably satisfactory alternate free routes available to traffic by which the toll section of the system may be bypassed.

(e) Notwithstanding the provisions of section 301 of this title, the Secretary may permit Federal participation under this title in the construction of a project constituting an approach to a ferry, whether toll or free, the route of which has been approved under section 103(b) or (c) of this title as a part of one of the Federal-aid systems and has not been designated as a route on the Interstate System.

Such ferry may be either publicly or privately owned and operated, but the operating authority and the amount of fares charged for passage shall be under the control of a State agency or official, and all revenues derived from publicly owned or operated ferries shall be applied to payment of the cost of construction or acquisition thereof, including debt service, and to actual and necessary costs of operation, maintenance, repair, and replacement. Pub.L. 85-767, Aug. 27, 1958, 72 Stat. 902; Pub.L. 86-657, §§ 5, 8(n), July 14, 1960, 74 Stat. 523, 524.

Historical Note

Pub.L. 86-657, § 2(b), is the catchline.
Subsec. (c), Pub.L. 86-657, § 5(a), added subsec. (c).
Pub.L. 86-657, § 8(n), substituted words "under prior Acts" which followed "Funds authorized."

Legislative History: For legislative history and purpose of Pub.L. 86-657, see 1160 U.S. Code Cong. and Adm. News, p. 3120.

Notes of Decisions

Section 1
Time to amortize cost

Library references

26 U.S.C. 1301.
26 U.S.C. 1302.
26 U.S.C. 1303.
26 U.S.C. 1304.
26 U.S.C. 1305.
26 U.S.C. 1306.
26 U.S.C. 1307.
26 U.S.C. 1308.
26 U.S.C. 1309.
26 U.S.C. 1310.
26 U.S.C. 1311.
26 U.S.C. 1312.
26 U.S.C. 1313.
26 U.S.C. 1314.
26 U.S.C. 1315.
26 U.S.C. 1316.
26 U.S.C. 1317.
26 U.S.C. 1318.
26 U.S.C. 1319.
26 U.S.C. 1320.

1. Time to amortize cost

Highway Commission's contract to issue bonds to all bridge revenue refunding bonds was not violation of act of Congress establishing commission to operate and maintain toll bridges provided that tolls were so adjusted as to amortize cost of bridge within 20 years, notwithstanding that some of refunding bonds extended beyond 20 years, since act did not purport to limit time which bonds should run. State Highway Commission of Kentucky v. King, Ky. 1935, 62 S.W.2d 443, 26 Ky 124.

Act of Congress, authorizing highway maintenance to operate interstate toll bridges provided that tolls were so ad-

justed as to amortize cost of bridge as soon as possible within 20 years, made it duty of commission to so operate bridges as to free them from tolls at earliest possible date, but did not hamper commission in financing their costs, and would not prohibit collection of tolls after 10 year period if revenue had not been sufficient to pay bonds issued in financing costs of bridge. Id.

2. Ferries

The establishment of ferries across streams and un navigable waters, for national transportation purposes as distinguished from sightseeing, amusement and the like, is not a matter of purely private right and function, but is a public function permitted only by the consent, express or implied, of sovereign authority. U. S. v. Washington Toll Bridge Authority, 110 U.S. 1003, 100 F.Supp. 93, reversed on other grounds 207 F.2d 323, certiorari denied 63 S.Ct. 324, 322 U.S. 611, 9 L.Ed. 2d 719.

Where a ferry serves as an essential link in a highway, it is as much an integral part of the highway system as a bridge. Id.

§ 130. Railway-highway crossings

(a) Except as provided in subsection (d) of section 129 of this title and subsection (b) of this section, the entire cost of construction of projects for the elimination of hazards of railway-highway cross-

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ALASKA MARINE HIGHWAY AUTHORITY

HB 651

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

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

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

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

The federal funding varies from year to year as appropriated in the federal budget. In recent years, the funds made available to the state have exceeded \$120 million yearly. By special legislation, Alaska receives the primary and secondary funds and may redesignate

according to the long-range plan. Thus, the Marine Highway System may utilize the federal highway funding without regard to any federal allocation limits.

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

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

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

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

A recent project was awarded on a section of the Seward Highway south of Anchorage. The ten-mile long project will

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

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

Anchorage
Times

Heavy seas

IN ALL the operations of the state government, there must be nothing more difficult than running the Alaska marine highway system. Things have not been going well with the ferry service. As a matter of fact, the situation hasn't been good for a long time.

Granted, it's proper to expect high performance from all those who draw state pay for providing public services. True, it's disappointing when things don't seem to function properly. Admittedly, it's all too easy to be critical when that happens.

A new legislative report makes the marine highway operation a matter of timely concern. A \$16.5 million refurbishing job on the ferry Taku, it was reported, has left the vessel listing, with serious mechanical and structural deficiencies.

Who's to blame?

ACCORDING TO Sen. Bill Ray, the Juneau Democrat who heads the Senate Transportation Committee, the fault lies with the Alaska Department of Transportation and Public Facilities, the agency that directs the ferry system.

Department officials deny the allegation. They say the legislative investigation, conducted by Sens. Ray and Ed Dankworth, the Anchorage Republican who is co-chairman of the Senate Finance Committee, was inadequate and deficient itself.

Indisputably, there is concern over the way the ferry system is being run. Complaints are common about the mishandling of passenger bookings. Hardly anyone can be certain that schedules will be met because frequent mechanical breakdowns result in cancellation of sailings. Indifference seems to be the

by-word for customer relations. There has been a running battle over the propriety of having Alaska ferries manned mainly by crewmen who live in Seattle. The ships seem to spend more time tied up in Seattle for repairs and servicing than they do in plying their routes. Things are so bad financially that Gov. Jay Hammond has canceled service to and from Seattle for three months early next year.

Rather than emphasizing the negative, however, Alaska's goal should be to find a positive approach to correct the problems and make the system sail smoothly. Surely, there must be a way — or is the situation so hopeless that the only alternative would be to abandon the whole operation?

NOBODY WANTS THAT to happen. The ferries were conceived primarily to provide surface transportation between the island cities of Alaska's scenic Southeastern panhandle, where it is impossible to build highways in the traditional sense.

The task of operating the system is one of the many responsibilities of the Department of Transportation. Maybe that's one of the problems. It could be that the duties and responsibilities of the department and its people are so wide-ranging that, bureaucratically speaking, effective management is impossible.

The first step may be to provide the department with effective assistance to examine its structure and procedures — not in an atmosphere of accusation and condemnation but with a positive approach aimed at corrections that will make the ferry system work.

Clearly, something must be

A real puzzler

THE OPERATION of Alaska's ferry system has always been something of a mystery to those who live in this part of the state. It appears that it likewise is pretty much a mystery to those who live in Southeastern Alaska, where the ferries are an important slice of the social and economic life.

Who could make much sense out of spending millions of dollars to build and staff vessels, only to assign the three largest ships in the fleet to be tied up and left idle at the Port of Seattle for one quarter of the year?

THAT'S THE WORD this week from the state's Marine Highway office, which announced that budget cuts imposed by the 1981 legislature will force cancellation of all service between Seattle and Alaska next March, April and May. During that period, the largest ships will be tied up at dockside and smaller ferries will make runs between Prince Rupert, B.C., and Southeastern Alaska ports.

Service will be continued to and from Seattle through the winter months of December, January and February — a time when it would seem that

traffic would be light. But the other side of that coin is that winter driving conditions are such that ferry business might be lost because people would be reluctant to undertake the 900-mile drive from Seattle to Prince Rupert.

GOV. JAY HAMMOND has said on previous occasions that the best way to save money on ferry operations is to keep the vessels tied up and out of operation. This latest move indicates that the experts managing the system agree.

But it's a funny way to way to run a ferry system — or so it seems from a distance, at any rate.

If the demand isn't great enough to support the system, or if the rates can't be set high enough to bring in reasonable revenues measured against operating expenses, this move is nothing more than a stop-gap remedy.

The situation calls for a long-term solution. That doesn't appear to be forthcoming from Juneau.

As it is, docking the ferries is good business for the Port of Seattle. But how it helps Alaska is — as we said at the beginning — a real mystery.

Q: Done 10/15/81

Ferry

Wages discussed

By LORI EVANS

Empire Staff Reporter

Everything from selling the ferry fleet to a private corporation to establishing wages that reflect the cost-of-living between Alaska and Seattle are being considered as alternatives to induce ferry workers to move to Alaska, according to a list released by Juneau Sen. Bill Ray, chairman of the Senate Transportation Committee.

Ray and three members of his committee, along with House Transportation Committee Chairwoman Belle Cato, D-Valdez, presented the list of 15 alternatives to ferry workers — about 34 percent which live outside Alaska — during meetings this weekend in Seattle.

In addition to selling the fleet and favoring Alaskan ferry workers with higher wages, other alternatives in the list include:

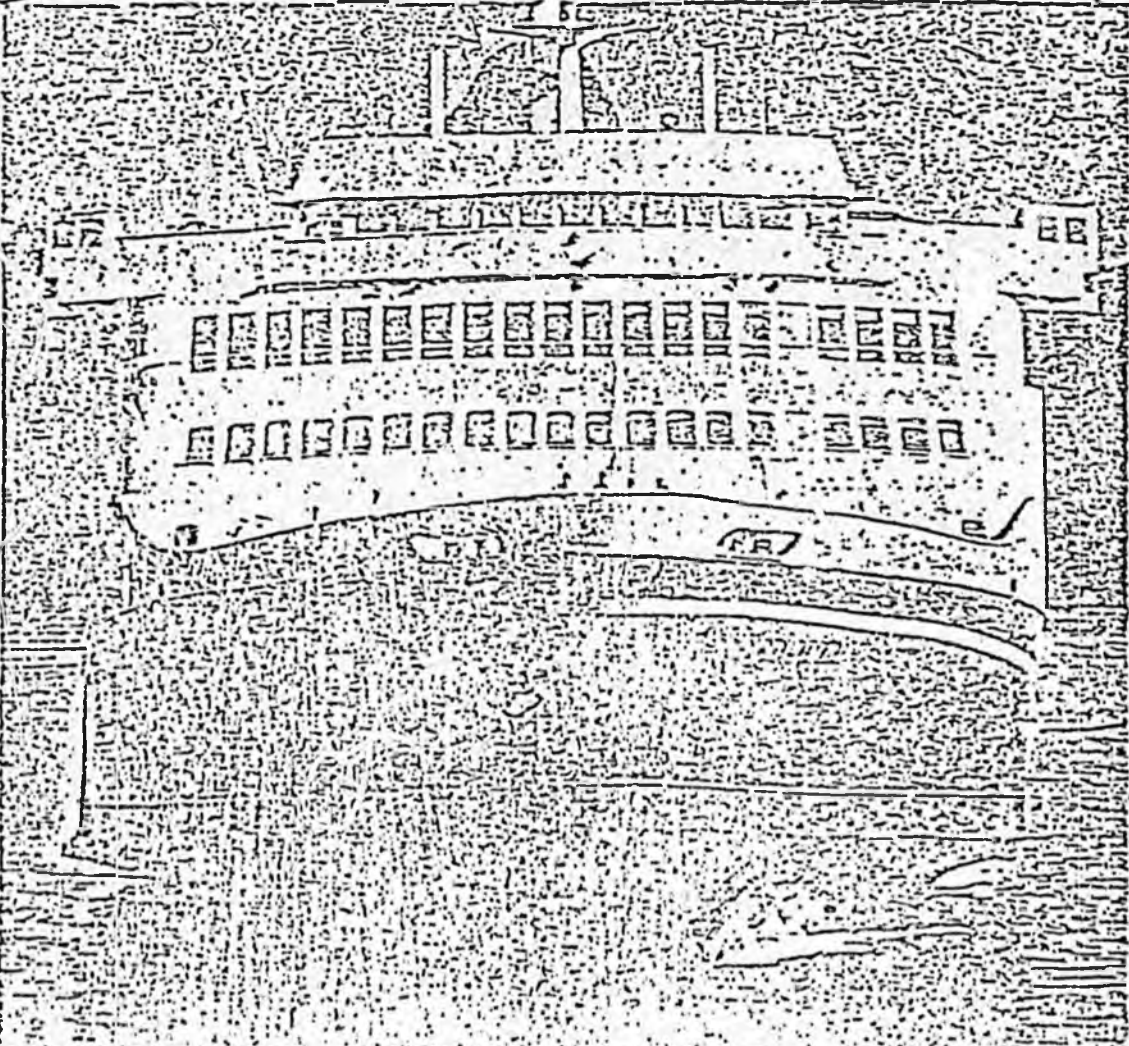
- Paying a cost-of-living allowance to Alaska residents;

- Discontinuing Seattle service and establishing Prince Rupert, British Columbia, as the southern terminus;

- Placing a Malaspina or Columbia class vessel on the Seattle run for twice weekly service between Seattle and Ketchikan with all other vessels on intra-state routes only;

- Minimizing lay-up time in Seattle by using Ketchikan and Juneau as tie-up terminals. Seattle would only be used for dry dock for a maximum of two weeks per year;

- Giving preference to Alaskans in hiring;



The state ferry Columbia steams into Auke Bay

- Reclassifying ferry workers to eliminate the right to strike;

- Mandating a state stance on hiring practices, eliminating Seattle-based union hiring halls;

- Replacing mainline vessels with a fleet of hydrofoils with smaller crews (five to seven compared to 25 to 50) and completely automated engine rooms with independent

- wheel house control;

- Contracting with a private management firm to operate and manage the ferry system;

- Placing ferry workers in a partially exempt or exempt service;

- Encouraging ferry workers to decertify Seattle based unions in favor of Alaska-based organizations.

Ray said the purpose of the weekend meetings was

to present union officials with ideas being considered to entice ferry workers to live in the state.

While Ray said the meeting, which lasted about four hours, was "positive," he added it is too early to say what — if anything — came of it.

Of the approximate 645 people employed on the ferries about 220 live outside of Alaska.

A new ferry story

THE STATE FERRY system is apparently going to be asking for big money from the legislature next year. The director says the ferry Tustumena, which was built for \$2.82 million in the 1960s, should be retired because operating costs are too high. He plans to replace it with a new ferry that would cost \$48 million.

That will be a financial jolt for the legislators who apparently will be facing a few financial crunches. Forecasts are being made that state revenues will fall short of expectations because of the intricacies of the world oil markets and resultant effects on state oil revenues. Gov. Jay Hammond has said he will apply the proposed spending limit on budget operations.

And that could mean that money for the new ferry will become an issue to be put up to the voters in a referendum.

THE FERRY SYSTEM has always been subsidized by the general fund of the state. The Alaska Marine Highway System has been designated by the federal government as eligible for highway funds, so much of its support comes out of Alaska's share of the national road program money.

The idea of building a new ferry might be seen as an oblique approach to adding another vessel to the fleet. This is implied in the comment of the director that he has not determined whether or not the

Tustumena would remain in service after it is replaced.

That brings up the question of why a replacement is needed if the old ship can still be operated after the new one is on line.

The Tustumena carries 325 passengers in inland waters, 220 in open waters and 54 standard-sized autos. Its length is 290 feet and its speed 14 knots. The so-called replacement would accommodate 450 passengers, 80 vehicles, length 350 feet, speed 16 knots. It would also introduce berths for 150 passengers — something that has not been enjoyed on the runs from Homer to Kodiak and Prince William Sound ports in the past.

THE FERRY SYSTEM has been controversial throughout its history. Residents of Southeastern Alaska communities love the ferry boats and respond violently to any criticism of them or their operating costs. But the system has less support in other parts of Alaska.

The proposal to spend \$50 million on a new boat will inevitably stir up a big fuss in the next session. Enthusiasm among Southeastern legislators for spending this big bundle of money will be quite a contrast to the same legislators' claim that the state cannot afford to move its capital to Willow, which when originally proposed was only a \$110-million project.

9/25/81

Anch. T

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

(907) 465-3900

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

DEPUTY COMMISSIONER - ADMINISTRATION

POUCH Z
JUNEAU, ALASKA 99811

February 22, 1982

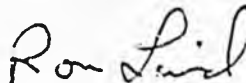
Honorable Bette M. Cato, Chairman
House Transportation Committee
State Capitol
Pouch V
Juneau, Alaska 99811

Dear Representative Cato:

Your assistant requested that we answer the question "would an authority as proposed in House Bill 651, be eligible to receive federal highway construction funds as a pass through from the designated State agency"? The simple answer is "we assume that they would be eligible to receive pass through funding." The authority would need to have an organization and financial system which met all of the requirements of the federal program.

Since there is not a category of federal funding set aside for marine construction, the use of funds for their purpose reduces the amounts available for other projects. We do not believe it would be in the State of Alaska's best interest to require the authority to meet all of the federal requirements. In the projected future, there should be a sufficient level of state funds available to provide State project funds if the legislature and the governor agree.

Sincerely,



Ron B. Lind
Deputy Commissioner

Recently, news reports have referred to possible legislative action to restructure the Department of Transportation and Public Facilities, or to establish a separate operating agency for the Division of Marine Highways which operates the Alaska Ferry System.

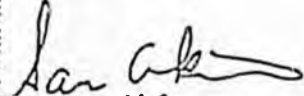
Last summer, our family had the distinct displeasure of traveling from Seattle to Juneau aboard the ferry system vessel MV Matanuska. I was embarrassed for all Alaskans to hear the comments about the voyage by visitors from out of state, and I was tremendously disappointed in the functioning of a group of state employees who are the first Alaskans many of our visitors encounter. So disappointed, in fact, that I wrote the attached letter to the System Director, Jim Eide.

Mr. Eide responded to my letter, but in the ensuing months, I have misplaced that letter. His response was polite, but only apologetic, not giving any indication that serious effort would be taken to improve the situation which ruined our trip.

I hope that when the matter of restructuring the DOT/PF arises, you will take some of the information in my letter to Eide as a basis for considering the problem. The present DOT simply is too massive and unwieldy for any single person to control, and long-entrenched employees have made plain that they have no interest in improving their performance or the system's operation. If the ferry system is to continue as a viable substitute for highways in Southeast, some action must be taken to bring the organization back under control of properly constituted authority. At the moment, it appears that only union membership carries authority within the ferry system.

You may use my letters in whatever fashion you deem appropriate.

Sincerely


Sam C. Akin

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

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

Dear Mr. Eide

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

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

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

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

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

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

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

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

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

After stopping over in Juneau, we boarded the "Columbia" on Aug. 1, to continue our trip to Haines. Thankfully, we had no problem boarding, and met a young man who seemed to know what he was doing. Probably one of your lower-paid employees, he was responsible for lining vehicles up prior to loading. He knew his job, and was able to communicate very effectively and politely. Frankly, you might want to groom him as a purser or first officer. At least he wasn't alienating passengers!

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

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

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

the events I've detailed completely spoiled a trip we had contemplated for several years. Very honestly, I have no intention of ever boarding an Alaska ferry again, and I certainly will do my best to discourage others from doing so.

While I understand the basic need for the ferries as transport for residents of Southeast, and concur fully in the validity of the concept, I have found nowhere in your travel promotional materials a warning that such inconveniences should be expected, or that the system hires surly officers so as to discourage pleasure passengers.

We found most of the deck and dining crew to be pleasant, cooperative and interested in assuring that we enjoyed the voyage. The pursers (there were two plus assistants on the voyage to Juneau) and the first officer we encountered have left a bad taste we'll be a long time forgetting. Other passengers commented to us from time to time, also, about the apparent lack of interest in passenger care exhibited by these officers.

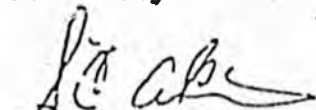
I have taken time to write this letter because I am deeply disturbed that the State of Alaska will tolerate attitudes of the kind we encountered among its employees, and particularly so in a group which represents much of the first impression visitors from outside will have of our State.

I am sending copies of this letter to my area legislators, and to the editors of the various newspapers in the Southeast ports touched by the ferries. Copies also are going to the various tourism promotional groups in the State.

In the future, I will recommend to friends and acquaintances planning a trip aboard the ferry system that they think twice before making reservations.

I believe that you and your administrative staff should take a careful look at the procedures used to ticket passengers, at the methods used to determine loading/unloading procedures, and that you should make a very careful examination of the public relations attitudes of ships' crews and officers, particularly those who are in daily contact with passengers.

Sincerely



Samuel C. Akin

Alaska State Legislature



House of Representatives

Committee on Transportation

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

Rep. Bette Cato, Chairman

TO : Members of the House
Transportation Committee

FROM : Steven M. Soenksen A.A.

RE : HB 651 Marine Highway Authority
(Advisory Board)

DATE February 17, 1982

Based on the committee discussions today and from the previous hearings on the HB 651, I have prepared this information for Legal Services to draft a committee substitute bill. Legal services work schedule is such that they will not be able to prepare a draft until next Thursday, February 25. I will put in this memo the issues that need to be addressed in the draft for the committee's consideration. I want to stress at this point, that I am not an attorney and therefore not qualified to write statutory language. However, this should serve for committee discussion and for Legal Services to prepare a bill.

The draft should follow the HB 665 from 1978. The intent language in Chapter 1 of this bill, is current and appropriate.

"It is the purpose of this chapter to provide users of the state ferry system and the taxpayers of the state with a ferry service operated and managed as a public service for their benefit under a fair and reasonable tariff schedule, and to ensure that the Marine Highway System will be rendered equitably, economically and efficiently to all users. It is also the purpose of this chapter to make certain that the state ferry system is properly developed and operated, in coordination with other transportation modes and services, to assure the traveling public complete and dependable marine transportation services, and that the state ferry system is operated in the public interest."

Alaska Marine Highway Advisory Board.

There is created within the Department of Transportation and Public Facilities the Alaska Marine Highway Advisory Board.

Membership and Vacancies

The board consists of five members appointed by the governor. Members should be chosen from communities served by the Marine Highway System. Two of the members should be from South East, one member from South Central, one member from Western, and one member from the public at large. Members serve at the pleasure of the governor for five year terms. They must be residents of the state and qualified voters at the time of their appointment and shall comply with the requirements of AS 39.50 (conflict of interest). The members first appointed shall have terms of one, two, three, four and five years respectively. Each member shall hold office for the term of his/her appointment and until his/her successor has been appointed and qualified. A member is qualified for reappointment. A vacancy in a membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but only for the unexpired term. Each member, before entering upon his duties, shall take and subscribe to an oath to perform the duties of his office faithfully, impartially and justly to the best of his ability. A record of the oath shall be filed with the Office of the Governor.

Compensation

The members of the board serve without compensation, but are entitled to travel and per diem expenses as provided in AS 39.20.180.

Officers, Meetings, Rules, and Quorum

The members shall elect one of their number as chairman. The board shall prescribe its own rules of procedure. It shall meet at a time and place determined by the chairman, and at other times and places as the chairman, or a majority of the board members, consider necessary. The powers of the board are vested in the members, and three members of the board constitute a quorum. Action may be taken and motions and resolutions adopted by the board at any meeting by the affirmative vote of at least three members. A vacancy in the membership of the board does not impair the right of a quorum to exercise all the powers and perform all the duties of the authority.

Director

The board shall appoint a director whose salary range shall be below a range 20 (or whatever range you'd want put in here).

Duties

The board shall make recommendations to the Department regarding the operation, including schedules and tariffs, management, and planning and construction of facilities, of the marine highway system. The department shall submit written comments on these recommendations. In addition to the comments, the department shall develop a plan of implementation of the recommendations. Should the department not plan to adopt a recommendation made by the board they shall provide options or

reasons why they would not plan to adopt the board's recommendation. The department, in the commissioner, shall respond within thirty days of receiving the board's recommendations. Before the convening of the Legislative session each year, the board shall submit to the governor and the legislature a comprehensive report describing the operations, recommendations made, and expenditures for the previous year.

The board shall hold public hearings to access the public's reactions to the operations of the marine highway system, including employee/customer relations, schedules. The board may make recommendations to include but not limited to the previously mentioned items regarding the operations, schedules, tariffs, management, planning and construction of facilities of the marine highway system. The board may also give recommendations as to labor relations and agreements with the appropriate marine unions.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 19.70.120 ANNUAL AUDIT Also by ^{Jan-15} March 1, records shall be checked by a CPA. Allows a legislative auditor access to these records at any time.

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

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

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

Sec. 19.70.160 DEFINITIONS should be self explanatory.

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

No other substantive changes have been made in this bill

TESTIMONY ON CS HB 648, CS HB 649, CS HB 651,
CS HB 652 and CS HB 654

My name is Walter B. Parker. I am a resident of Anchorage, Alaska residing at 3724 Campbell Airstrip Road. I have been active in Alaskan transportation operations and planning since 1946.

CS HB 651

I support the concept of the Marine Highway Authority and believe it could work well with a restructured DCF. I believe the Authority could have financing options available that would be more difficult to achieve as a regular state agency.

If the legislature elects to establish this Authority I would urge to allow for a reasonable break in period. It will not be possible for the Authority to impress itself overnight on the old operation and the real gains make take five years or longer to achieve.

In passing, it would seem that board members of the Authority should receive the same compensation as other major state boards.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. CSHB 651 - Establishing the Alaska Marine
Title Highway Authority
Requested by House Transportation Date 3/26/82

II. FISCAL DETAIL
Agency Affected Department of Transportation & Public Facilities
Program Category Affected Transportation
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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		925.4				
200 TRAVEL		92.3				
300 CONTRACTUAL		708.8				
400 COMMODITIES		107.3				
500 EQUIPMENT		621.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		2455.3	1342.9	1437.7	1539.2	1877.9

FUNDING (Thousands of Dollars)

GENERAL FUND		2230.3	1094.6	1169.0	1255.0	1573.7
FEDERAL FUNDS						
OTHER (Specify Source)						
CIP		<225.0>	<248.3>	<268.7>	<284.2>	<304.2>

POSITIONS

FULL TIME		22	22	22	22	22
PART TIME						
TEMPORARY						

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

This fiscal note shows the net expected cost to the State under the attached assumptions. Costs for FY 84 reflect the deletion of one time items and addition of inflation at 7%.

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

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

IV. DATE 3/31/82 PREPARED BY RON LIND
AGENCY DOT/PE
Original: Legislative Finance PHONE 465-3900
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

- I. REQUEST
 Bill/Resolution No. CSHB 651 - Establishing the Alaska Marine
 Title Highway Authority
 Requested by House Transportation Date 3/26/82
- II. FISCAL DETAIL
 Agency Affected Department of Transportation & Public Facilities
 Program Category Affected Marine Transportation
 ERU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		2086.5	2232.6			
200 TRAVEL		92.3	99.6			
300 CONTRACTUAL		787.4	260.7			
400 COMMODITIES		110.0	64.2			
500 EQUIPMENT		621.5	15.0			
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		3697.7	2672.1	2859.9	3060.9	3506.2

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		3697.7	2672.1	2859.9	3060.9	3506.2
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		56.0	56.0	56.0	56.0	56.0
PART TIME						
TEMPORARY						

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

Additions required to the Marine Transportation budget.

See attachments.

IV. DATE 3/31/82 PREPARED BY RON LIND
 AGENCY DOT/PF
 Original: Legislative Finance PHONE 415-3900
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

III. ANALYSIS

There are administrative and organizational topics not specifically addressed in either House Bill No. 651, "An Act relating to ferry and ferry terminals and establishing the Alaska Marine Highway Authority", or House Bill No. 661, "An Act establishing the Alaska Marine Highway Authority". Since the proposed legislation is similar in each of these bills, we are making the following assumptions in preparation of fiscal notes for each bill.

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

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

Summary - 200 - 500 Accounts: Of \$1623.0 shown for the first year, \$1145.6 is a first time start-up cost. Yearly maintenance of all 200 through 500 Accounts would be around \$475.0 per year.

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

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

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

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

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

598453

7



STATE OF ALASKA
OFFICE OF THE GOVERNOR

BILL ANALYSIS

Department Transportation & Public Facilities	Sponsor (Principal) Representative Cato	Bill Number H3 68
Department Position Opposed		
Division Director Ron B. Lind, Deputy Commissioner	Date 2/9/83	Commissioner's Date

GOVERNOR'S OFFICE USE

Comments:		
<input type="checkbox"/> Position Noted	By	Date

SUMMARY

1. a) Related Bills (Similar or Conflicting)	1. b) Other Agencies Affected by Bill
2. a) Organizational Support for Bill	2. b) Organizational Opposition to Bill

3. Program Effects of Bill

Create "Authority" to run the Alaska Marine Highway.

4. Fiscal Impact: None Fiscal Note Attached

5. Amendments Proposed:

6. Comments:

Reduces operational control by Executive Branch.
Increases costs related to operations.

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

(907) 465-3900

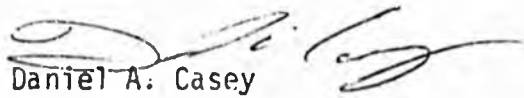
POUCH 2
JUNEAU, ALASKA 99811
(TELEX 45-328)

The Honorable Bette Cato
Chairman
House Transportation Committee
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Cato:

As requested by a member of your staff, we are providing the attached position paper on HB 68, "An Act relating to ferries and ferry terminals and establishing the Alaska Marine Highway Authority."

Sincerely,


Daniel A. Casey
Commissioner

Enclosure

HB 68: An Act relating to ferries and ferry terminals and establishing the Alaska Marine Highway Authority.

The Department of Transportation and Public Facilities is opposed to the creation of an authority to operate the Alaska Marine Highway System. Given the lack of attention to the System over the past many years and user's concerns in this regard, it is understandable why the establishment of an authority may be considered. However, the concept of an authority to harness private sector self-sufficient, motivation for efficiency, with certain powers of the State that private industry does not have, such as the rights of eminent domain and access to government bond markets. In this instance, the system falls way short of being fiscally able to cover its own bonding, thus, the general fund obligations would be necessary, with no increase in debt capacity gained. In the case of the Marine Highway System revenues, only 50% of operating costs are covered, not to mention capital requirements. Such an Authority creates an additional administrative layer, insulated from the Executive Branch, is not responsive to the electorate's mandates as resulted by the Executive and yet draws a significant amount of its operating monies directly from the General Fund. In short, accountability is deminished.

The Marine Highway System is a marine highway and qualifies for substantial Federal highway funding. The administration of the construction projects associated with the Marine Highway System, to qualify for Federal funds, needs to follow strict design and financial audit guidelines. The amount of construction entailed in the Marine Highway System does not necessitate the full design and construction discipline capacity for a stand-alone department. The continued support from the Department of Transportation and Public Facilities in this regard insures that we execute these projects in a way that complies with the Federal Highway Administrative Guidelines without burdening the system with the requirement, otherwise, of establishing self-sufficiency for part-time requirements. Operations staff input into the design process needs improving and will be.

The performance problems associated with the Marine Highway System are well understood by the existing Governor and his Commissioner of the Department of Transportation and Public Facilities and the addressing of these problems are not necessarily solved through establishment of an authority. Both the public and the Legislature can have a significant influence on the attentiveness to the ferry system. Their recent concerns, as well as the personal commitments of the Governor and the incumbent Commissioner, will go farthest in insuring a rebalance of system service, strategy and resources.

Some organization changes envisioned within the Department of Transportation and Public Facilities will insure 1) greater visibility of the system, 2) more control of the system management over the configuration of its capital assets without necessarily having to execute the programs directly, and 3) a freer hand to initiate operating improvements. In the latter instance, we plan to modify the Marine Highway BRU format, so that businesslike trade offs between revenue and costs are highlighted and encouraged. This will provide similar financial visibility as well as authority.

H B

69

HL 69 *Rec'd*

HOUSE BILL NO. 69 by Cato, entitled:

Jan. 18 '83

"An Act relating to the Department of Transportation and Public Facilities and establishing the Board of Transportation and Public Facilities at the head of the department."

was read the first time and referred to the Transportation and Finance Committees.

HB 69 TITLE & SPONSOR SUMMARY

15:33 7/27/83 PAGE 1 OF 2

AMENDED TITLE:

AN ACT RELATING TO THE DEPARTMENT OF TRANSPORTATION AND
PUBLIC FACILITIES AND ESTABLISHING THE BOARD OF
TRANSPORTATION AND PUBLIC FACILITIES AT THE HEAD OF THE
DEPARTMENT

PRIME SPONSOR: CATO.

CO-SPONSORS:

CURRENT STATUS: 5/09/83 IN (H) FINANCE

HB 69 HOUSE ACTION

15:34 7/27/83 PAGE 2 OF 2

DATE SEQ PAGE

LEGISLATIVE ACTION

01/18/83 01 0044 FIRST READING -- COMMITTEE REPORTS
05/09/83 02 1235 TRAN -- DF01, NR06
05/09/83 03 1235 TRSP F/NOTE HSE SUPPL #57
FINANCE
RULES

**

**

Fcd '83

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 69 - Re DOTPF and establishing the Board of
 Title Transportation & Public Facilities at the head of the department
 Requested by Representative Cato Date 1/18/83

II. FISCAL DETAIL
 Agency Affected Dept. of Transportation & Public Facilities
 Program Category Affected _____
 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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		230.0	240.0			

FUNDING (Thousands of Dollars)

GENERAL FUND		230.0	240.0			
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 1/28/83 PREPARED BY Doug Goldbach
 AGENCY DOT/PF - Financial Management
 Original: Legislative Finance PHONE 465-3911
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/82)

OMB Reviewed by: Jeff Morrison *jm* 9

H B

70

I. REQUEST

Bill/Resolution No.: HB 70
 Title: Relating to regions in DOT & PF and prescribing duties of directors
 Sponsor: Cato
 Requestor: Cato

II. FISCAL DETAIL

Agency Affected: DOT & PF
 Program Category Affected: All
 BRU, Program of Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LANDS & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL OPERATING	0.0	8,785.8	9,225.1	9,686.3	10,170.7	10,679.2
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

General Funds

IV. ANALYSIS: See Attached for Analysis.

Prepared By: Paula Ramsey Phone: 465-4060
 Division: Planning and Programming Date: 4/14/83
 Approved by Commissioner: [Signature] Date: 4/18/83
 Department: Transportation and Public Facilities

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different for Sponsor)

Estimated Additional Design and Construction functions:

Central Region - Director's Office	457.3
Buildings & Harbors	555.1
Southeast Region - Right of Way	324.0
Technical Services	410.6
Highway and Aviation	746.8
Subtotal:	<u>2,493.8</u>
Southcentral Residency	(122.5)
Western Residency	(115.6)
Total	<u>2,255.7</u>
Estimated COLA 20%	451.1
Total	<u>2,706.8</u>

Estimated Additional Planning and Programming functions:

Interior Region - Transportation Planning	1,596.3
Facility Planning	345.6
Subtotal	<u>1,941.9</u>
Estimated COLA 10%	194.2
Total	<u>2,136.1</u>

Subtotal D & C and P & P:	4,842.9
X Two additional region,	x 2
	<u>9,685.8</u>
Less estimate of 11 Directors (5 M&O, 3 D&C, 3 P&P) and 4 Deputies which exist in current regions	(1,500.0)
Total	<u>8,185.8</u>
Plus estimate of 5 Directors (one for each region) and 1 Deputy	600.0
Total	<u>8,785.8</u>

T O T A L

\$8,785.8

IV. ANALYSIS

The operating costs to duplicate the regional organizations for Design and Construction Unit and the Planning Programming Unit in two additional regions would approximate \$8.8 million in general funds. This estimate does not attempt to cover any cost which would be required for space and other capital costs. Without further detailed study, we estimate that space costs could range from \$500,000 to \$3,000,000. Additional facilities will be needed in both new regions, and Nome has little to no space currently available.

The actual costs would vary greatly based upon the level of autonomy desired in the regions and refinement of possible reduction in the existing regions. Reductions for duplication of effort would be minimal compared to the total cost. The estimate provided here is based upon the assumption that only the Design and Construction (D&C) and Planning and Programming (P&P) Units would be expanded into the two additional regions. No specific estimates have been made for costs of increased administrative services required in the regions. Each region could operate with relative autonomy in the three major components, D&C, P&P, and Maintenance and Operations (M&O).

Beyond these assumptions, the estimated changes are conservative. Economies are identified in reductions on possibly duplicative management staff in all regions, and yet cost reductions are minimal compared to the total cost.

In order to estimate five full regions, we removed the functions in the Western Maintenance and Operations (M&O) Region and the Southcentral Region, which are Design and Construction (D&C) positions known as "Residencies". These positions formerly served limited reconnaissance and coordination functions in Nome and Valdez. This leaves three full regions, with all three components, and two with the M&O component only. Each component, however, currently has a director, and the proposal in HB 70 speaks of only five directors, one for each region. We therefore estimate conservatively that eleven directors (five for M&O, three for Planning and Programming (P&P), and three for D&C) and four deputy directors be removed from the cost estimate.

We then estimated the cost of adding a D&C and P&P component to both the Western and Southcentral Regions. These estimates were derived from the component in existing full regions we thought most realistically appropriate. The proxies were selected for D&C functions from either Central or South-eastern Region, whichever was lower. Interior Region's P&P functions were used as proxies for the P&P component.

With D&C and P&P components added in, we then had five full regions with all three components in each, but without management. Accordingly, we added back in the cost of five directors (one for each region as specified in the bill) and one deputy director.

The direct costs for capital projects were not included because it is assumed they would be transferred from the regional offices now handling those projects.

Attachment

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
Deputy Commissioner - Standards and Statewide Programs

Pouch Z
Juneau, Alaska 99811
(907)465-3900

March 30, 1983

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

Dear Representative Cato:

In response to your recent questions regarding the Department of Transportation and Public Facilities (DOT&PF), the following information is provided:

- 1) The Department currently employs a total of 85 planners, Transportation Planners and Facility Planners as follows:

Central Region	34
Interior Region	19
Southeast Region	28
Headquarters	4

- 2) There is nothing formal in the State's personnel system which states the minimum qualifications for Deputy Commissioners. For your information, however, the Department's new appointments have the following experience in positions related to their current functions:

Fred Seeger, Deputy Commissioner for Standards and Statewide Programs-15 years
David Haugen, Deputy Commissioner for Central Region-16 years
H. "Glen" Glenzer, Deputy Commissioner for Interior Region-15 years
Jonathan W. Scribner, Acting Deputy Commissioner for Southeast Region-15 years

- 3) Enclosed please find a 24" X 36" Organization Chart of DOT&PF, which is identical to the one distributed to Department employees.
- 4) The Executive Budget, Book II is the most recent official version of the FY 84 Capital Budget which is available. A copy is enclosed.
- 5) Although I have not yet received a transcript or tape of the meeting on March 28th, I will attempt to summarize my comments. I cautioned the

committee to be very careful of any expansion which would be occasioned by the creation of additional regional offices in the DOT&PF. The costs, in particular, to be concerned about are administrative overhead costs, such as Administrative Officers and other personnel. The proposal to expand to five regions would increase these costs for both Planning and Programming and Design and Construction functions. Enclosed, please find a copy of the fiscal note prepared for CSHB 649 introduced last year. It will provide some idea of how costly such a decision might be--as much as \$9.7 million for staff and as much as \$500,000 to \$3 million for space cost.

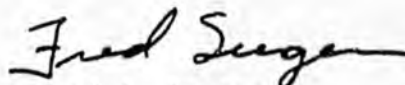
- 6) A list of the locations of DOT&PF Maintenance Stations follows. Some of these serve for both road and airport maintenance. There are additional maintenance stations - not listed here - which are entirely, or almost entirely for airport maintenance.

Maintenance Stations (Road Camps)

Bear Creek	Girdwood	Birch Lake
Cottonwood	Silver Tip	Eagle
Nome	Moose Pass	O'Brien Creek
St. Mary's	Seward	South Fork
Bethel	Kalsin Bay	Tok
McGrath	Kodiak	Gardiner Creek
Dillingham	Seldovia	Slana
King Salmon	Homer	Skagway
Ruby	Ninilchik	Haines
Deadhorse	Soldotna	Juneau
Livengood	North Kenai	Sitka
Manley Hot Springs	Cascade	Kake
Fairbanks	Nelchina	Petersburg
Nenana	Cordova	Wrangell
Healy	Valdez	Klawock
Cantwell	Thompson Pass	Ketchikan
East Fork	Ernestine	Hyder
Chulitna	Chitna	Seven Mile
Talkeetna	Taslina	Jim River
Willow	Gulkana	Cold Foot
Palmer	Paxson	Chandalar
Birchwood	Trims	Fag River
Anchorage	Big Delta	

If our office can be of further assistance, please call.

Sincerely,



Fred J. Seeger
Deputy Commissioner

Enclosure

cc: John C. Bates
Wayne E. Weeks
Emil Notti
Office of the Governor

FJS/PR/rw

1.6

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CSHB 649 Relating to regions in DOTPF and prescribing
 Title duties of directors
 Requested by House Transportation Committee Date March 26, 1982

II. FISCAL DETAIL
 Agency Affected _____
 Program Category Affected _____
 ERJ, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	up to 9720.0					

FUNDING (Thousands of Dollars)

	up to	9720.0				
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)
 The operating costs to duplicate the regional organizations for the Design and Construction Unit and the Planning and Programming Unit in two additional regions would approximate \$9.7 million in general funds. This estimate does not attempt to cover any costs which would be required for space and other capital costs.

The actual costs would vary greatly based upon the level of autonomy desired in the regions and the refinement of possible reduction in the existing regions. Reductions for duplication of effort would be minimal compared to the total cost.

Reductions to the existing regions have been limited to those now used for the Nome and Valdez Residencies and the three existing director positions which would be deleted.

IV. DATE March 30, 1982 PREPARED BY Ronald Lind *RL*
 AGENCY DOT/PP
 Original: Legislative Finance PHONE 465-3000
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

The cost estimates are based upon the assumptions that only the Design and Construction and Planning and Programming Units would be expanded into the two additional regions. No specific estimates have been made for costs of increased administrative services required in the regions.

The costs were calculated as follows:

For the Design and Construction activities, the lower general fund amount in the Southeast or Central Division in the 1983 budget for each component was used. The general fund costs for the two residencies were then deleted. The estimate for the Planning and Programming activities is based upon costs for the Transportation and Facility components for the Interior Region. The direct costs for capital projects were not included because it is assumed that they would be transfers.

Attachment

Attachment for Fiscal Note -
CSHB 649

General Fund

	<u>Operating</u>	<u>Indirect</u>
Central Region - Director's Office	450.0	105.0
" " Technical Services	260.0	200.0
" " Buildings & Harbors	395.0	175.0
Southeast Region - Right of Way	310.0	20.0
" " Highway and Aviation	570.0	95.0
Subtotal:	<u>\$1,985.0</u>	<u>595.0</u>
Southcentral Residency	[30.0]	-
Western Residency	[40.0]	-
Estimated COLA 20%	<u>\$1,915.0</u>	<u>595.0</u>
	380.0	120.0
	<u>\$2,295.0</u>	<u>715.0</u>
Interior Transportation Planning	\$1,450.0	-0-
" Facility Planning	500.0	-0-
Estimated COLA 10%	<u>\$1,950.0</u>	-0-
	200.0	-0-
	<u>\$2,150.0</u>	
Subtotal D & C and P & P	\$4,445.0	715.0
Less estimate of 3 Directors which exist in current region	[300.0]	-0-
Two additional regions	<u>\$4,145.0</u>	<u>715.0</u>
	x 2	x 2
	<u>\$8,290.0</u>	<u>\$1,430.0</u>
TOTAL		<u><u>\$9,720.0</u></u>

ALASKA

DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES REGIONS

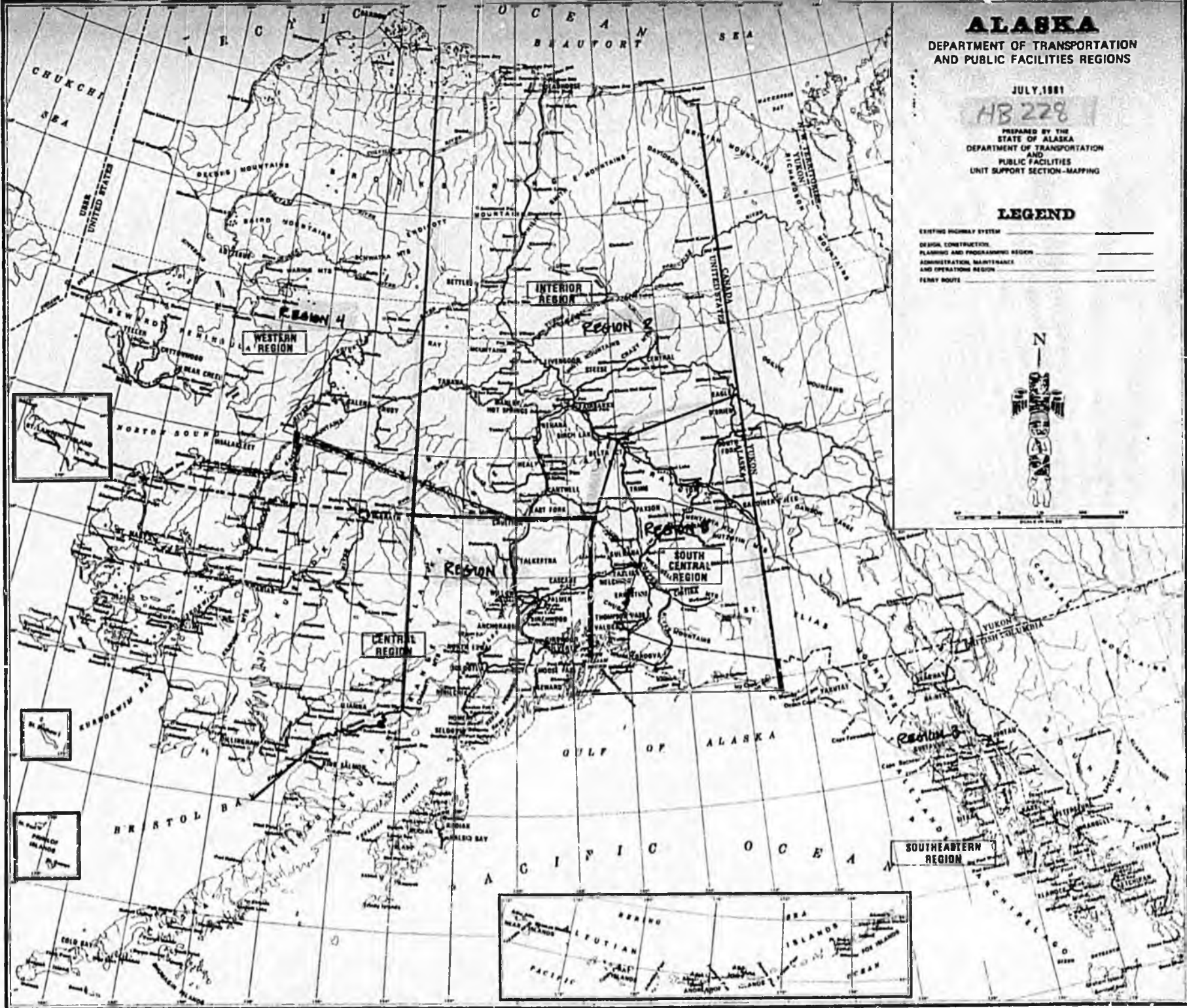
JULY, 1981

HB 228

PREPARED BY THE
STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND
PUBLIC FACILITIES REGION
UNIT SUPPORT SECTION-MAPPING

LEGEND

- EXISTING HIGHWAY SYSTEM _____
- DESIGN, CONSTRUCTION, PLANNING AND PROGRAMMING REGION _____
- ADMINISTRATION, MAINTENANCE AND OPERATION REGION _____
- FERRY ROUTE - - - - -



Original sponsor: Cato

1 IN THE HOUSE

BY THE TRANSPORTATION
COMMITTEE

2 CS FOR HOUSE BILL NO. 70 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to regions in the Department of
7 Transportation and Public Facilities and prescribing
8 the duties of regional transportation and public
9 facilities directors."

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

11 * Section 1. AS 44.42.040 is amended to read:

12 Sec. 44.42.040. REGIONAL [DEPARTMENTAL] ORGANIZATION OF DEPART-
13 MENT. (a) The commissioner shall establish five regions within the
14 state in accordance with (b) of this section. The functions of the
15 department within each region shall be performed, to the maximum
16 extent feasible, through a regional office. Each regional office
17 shall be directed by a regional transportation and public facilities
18 director appointed by the commissioner. Each regional transportation
19 and public facilities director shall have at least six years experi-
20 ence in transportation construction or engineering.

21 * Sec. 2. AS 44.42.040 is amended by adding a new subsection to read:

22 (b) The five regions are:

23 (1) Region one begins in Bristol Bay on latitude 58°00'N
24 and travels east along that line to longitude line 158°00'W; then
25 north along longitude line 158°00'W to the mouth of Kvichak Bay; then
26 travels northeasterly along the southern bank of the Kvichak River to
27 Iliamna Lake; then northeasterly along the southern shore of Iliamna
28 Lake to longitude line 154°00'W, and travels north along longitude
29 line 154°00'W to a point due west of the community of Cantwell; then

1 east to the community of Cantwell; then southwesterly to the junction
2 of the Glenn Highway and the Fishhook-Willow Road (approximately one
3 mile northeast of Palmer); then southeasterly to Prince William Sound
4 at Fairmount Point 60°53'45"N, 147°27'W and inclusive of Kodiak,
5 Afognak, Barren, Trinity, Chirikof, and Pribilof Islands.

6 (2) Region two begins at the Arctic Ocean on latitude 141°
7 00'W; then southerly along that line to a point due east of the
8 community of Eagle; then southwest to the community of Cantwell; then
9 west to longitude 154°00'W; thence north along longitude 154°00'W; to
10 the Arctic Ocean.

11 (3) Region three begins in the Gulf of Alaska on longitude
12 line 141°00'W; then north along longitude 141°00'W to Boundary Point
13 187; then southeasterly along the Canadian-United States border bound-
14 ing Southeastern Alaska in its entirety.

15 (4) Region four begins in the Arctic Ocean at Smith Bay on
16 longitude line 154°00'W; travels south along longitude 154°00'W to a
17 point where longitude line 154°00'W crosses the southern shore of
18 Iliamna Lake; then southwesterly along the southern shore of Iliamna
19 Lake to the Kvichak River; then southwesterly along the southern bank
20 of the Kvichak River to Kvichak Bay; then south along longitude line
21 158°00'W to latitude line 58°00'N, then west along that line into
22 Bristol Bay, and inclusive of St. Matthew, St. Lawrence, and Nunivak
23 Islands.

24 (5) Region five begins at the Gulf of Alaska on longitude
25 line 141°00'W and travels northerly along that line to a point due
26 east of the community of Eagle; then southwest to the community of
27 Cantwell; then southwesterly to the junction of the Glenn Highway and
28 the Fishhook-Willow Road (approximately one mile northeast of Palmer);
29 then southeasterly to Prince William Sound at Fairmount Point

1 60°53'45"N, 147°27'W.

2 * Sec. 3. AS 44.42 is amended by adding a new section to read:

3 Sec. 44.42.045. DUTIES OF REGIONAL TRANSPORTATION AND PUBLIC
4 FACILITIES DIRECTORS. (a) Each regional transportation and public
5 facilities director is responsible for planning, design, and construc-
6 tion within the region consistent with the state transportation plan
7 established under AS 44.42.050 and the state public facilities plan
8 established under AS 44.42.055.

9 (b) Each regional transportation and public facilities director
10 shall submit to the commissioner proposed program plans, agency budget
11 requests, and reports of program performance at a time directed by the
12 director of the division of budget and management, Office of the
13 Governor.] The commissioner may comment on the program and financial
14 plans submitted by a regional transportation and public facilities
15 director under AS 37.07 but shall forward the program and financial
16 plans submitted by a regional transportation and public facilities
17 director to the division of budget and management without change.]

18 (c) Each regional transportation and public facilities director
19 shall submit to the commissioner a plan implementing the state trans-
20 portation plan and the state public facilities plan 90 days before the
21 end of a fiscal year for implementation in the succeeding fiscal year.
22 A revision of the plan implementing either the state transportation
23 plan or the state public facilities plan may be submitted at any time.
24 A regional implementation plan or a revision of a regional implementa-
25 tion plan is final unless disapproved by the commissioner within 30
26 days of its receipt by the commissioner.

Alaska State Legislature

House of Representatives

Committee on Transportation

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



Rep. Bette Cato, Chairman

APRIL 4, 1983
AMENDMENTS TO CSHB 70

Page 1, lines 18-20:

Delete: Each regional transportation and public facilities director shall have at least six years experience in transportation construction or engineering.

Insert: The Department of transportation and public facilities shall require that a director or candidates for regional directors position possess at least 6 years experience in transportation construction and engineering.

Page 1, lines 23 - Page 2 line 5

The boundary lines for Region one will include Rep. Herrmann's election district boundary lines in order to accomodate her concerns of having her election district incorporated into one region.

Page 3, lines 9 through 26 TO BE DELETED.

My name is Walter B. Parker. I am a resident of Anchorage, Alaska residing at 3724 Campbell Airstrip Road. I have been active in Alaskan transportation operations and planning since 1946.

CS HB 649

I strongly support the primary concepts contained in this bill. The original idea of a state DOT envisioned regional transportation directors who would be responsible for coordinating planning, programming, operations and maintenance in their regions and who would report directly to the Commissioner. The director for each region could be selected for a background that most suited the problems of that region.

Normally, it is bad practice to place administrative boundaries in the statutes as this bill does. However, it is not a major problem and if other regions were created it could be accomplished at the next legislative session.

I would hope that we would soon have another region for Kodiak, the Aleutians, the Alaska Peninsular and Bristol Bay. I believe that the unique transportation requirements of western Alaska can best be met by having two regions which are devoted solely to those problems and staffed to handle those problems.

I also believe that the AMATS and FMATS structures could be separated out from their regions and handled as independent entities with liaison and coordination staff from DOT. This would leave Central Region and Interior free to handle the state concerns and the intent of AMATS and FMATS for maximum municipal control would be further enhanced. In the same manner, there is no particular reason why the Anchorage and Fairbanks International Airports could not be independent entities for administrative purposes. This would ensure that the regional director would focus most of his energies on regional concerns rather than on the major units for which he has responsibility. Obviously, planning would relate to all of the above both at the regional and statewide level but it would be planning for systems and not for day to day operations and maintenance.

Finally, the structure proposed in this bill would enable the Commissioner's office to become a lean planning, auditing and evaluating function. This would leave the Commissioner free for interaction with the regional directors, other state and federal agencies, the Governor and the legislature to maintain overall policy direction. The main point is that the relationship between regional directors and the Commissioner would be uninterrupted by other staff levels. Overall system direction for highways, aviation, marine, transit and other systems could be maintained through assignments in the Commissioner's office.

MAR 9 1982

Woodrow Johansen
P.O. Box 80422
College, AK. 99708

March 3, 1982

Subject: House Bills/DOT&PF

Steve Soenksen
Administrative Assistant
House Transportation Committee
Alaska House of Representatives
Fouch V
Juneau, Alaska 99811

Dear Mr. Soenken:

I want to thank you for the opportunity of reviewing the seven pieces of legislation recently introduced to the House of Representatives concerning reorganization of the Department of Transportation and Public Facilities.

I found the proposals interesting and it is heartening to know that there are concerns in Juneau for the efficient administration of the transportation segment of the state government.

I cannot agree with all proposed changes but they definitely are a starting point for discussion.

There are attached my comments on the bills submitted in numerical sequence.

Sincerely,



Woodrow Johansen

Attachments

House Bill 649

This bill establishes five Department of Transportation and Public Facilities Regions within the state and further places a director in charge of each region. I have no comment on the number of regions established. I do believe, however, that the boundaries of the regions should be studied. Consideration should be given to the transportation and communication facilities within the regions and between the regions. I heartily agree with the concept of placing one individual in charge of a region, that individual to be completely responsible for the functioning of the department within that region. I also believe, however, that there must be an organization existing within the state exercising control over all the regions by establishing policy and procedures on a statewide basis. Without this statewide organization to establish uniformity in policy and procedure, the department would function as a group of independent entities.

ESTABLISHING FIVE REGIONS WITHIN THE
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

HB 649

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

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

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

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

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

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

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

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

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

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

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

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

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

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

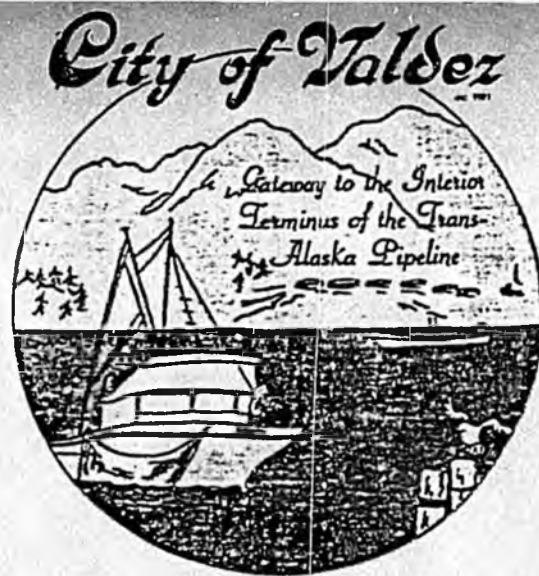
The solution to this problem is obvious to anyone working in any of the regions. They need one person in charge who can coordinate the work of the region and who can resolve disputes between the sections. Woody Johansen and his leadership in the Interior Region (Fairbanks) is a good example of how the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

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

HB 70, by Cato. Would organize the Department of Transportation & Public Facilities into five regions within the state (currently organized in regions-- no number specified.) Sets out specific location of each region. Provides each regional director shall have six years experience in transportation construction or engineering. Outlines duties of the directors, stating each is responsible for planning, design, and construction within the region, as well as for submission of plans, budget requests, and reports of program performance to the Commissioner of DOTPF. Does not provide for an effective date (effective 90 days after Governor's signature)

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

- (a) Each director is responsible for planning, design, and construction within the region consistent with the state transportation plan and the public facilities plan.
- (b) directors shall submit to the commissioner proposed program plans, program budget requests, and reports of program performance at a time directed by the director of the division of budget and management. The commissioner may comment on the plan but shall forward it to budget and management without change.
- (c) The directors shall submit to the commissioner a plan for their region implementing the statewide plan 90 days prior to the end of the fiscal year, for the following year. A change in plan can be submitted at any time but the commissioner has 90 days to disapprove of the plan.



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

Re: House Bill No. 649
Valdez Backup Information

Dear Representative Cato:

Due to perceived inefficiencies within the Department of Transportation and Public Facilities (DOT/PF), the Commissioner decided, during the spring of 1981, to reorganize the DOT/PF design section into three regions. Historically, there have been five regions administered from Valdez, Nome, Anchorage, Fairbanks and Juneau. However, not all functions of the department were necessarily represented in each region.

The reorganization plan is reducing the number of regions responsible for design functions to three, eliminating the design component in Valdez (Nome not currently having a design component) by transferring Valdez construction employees to Anchorage and Fairbanks. In conjunction with this transfer will be the expansion of the three regional offices' authority and responsibilities so that disputes can be settled on the regional level and need not be mediated by the Juneau Headquarters. This reorganization is supposedly being accomplished in order to increase the efficiency of the department by:

- facilitating the integration of department functions and eliminating duplicative efforts by maximizing the utilization of available design personnel; and
- decentralizing headquarters authority into strong regional organizations that can more adequately fulfill the myriad types of projects required of the department.

However, from the outset there has been strong opposition to this reorganization from the Valdez community and the DOT/PF employees effected by the plan. Four points keep surfacing when considering the organizational changes and the affect it will and has had upon Valdez.

- 1) A major concern of the opponents of the move/reorganization is that the removal of the highway design function in the Southcentral Region, served by Valdez, may result in a reduced interest in the rural highway systems. There is legitimate and strong fear that the design component for those highway projects will have to compete for attention and funding with urban projects.

This concern has already been proven justified due to the change in the five-year capital improvement priorities plan that has occurred since the reorganization of the Southcentral District Headquarters. The new capital improvement plan for this area now includes projects for the Whittier area, which had never previously been considered a part of the Southcentral District, and the overall budgets have been cut considerably for each year.

- 2) There was also considerable pride in Valdez that the Valdez design contingent has proven itself to be one of the most efficient design units in the State. Valdez residents have contended that if the DOT/PF Commissioner wants to increase the efficiency of the department, he should not integrate one of the most efficient units into a design unit that has a high concentration of problems.
- 3) Of major concern in and for Valdez are the adverse social and economic impacts on the community of Valdez. The loss of these state jobs will and is having an impact on retail businesses, the schools (the Growden-Harrison Grade School already under consideration for shutting down) and to some extent, the regional economy. Also, the Valdez DOT/PF design personnel are totally integrated within the community and are therefore actively involved in community affairs, serving on the many boards and commissions and providing many significant "professional" contributions to the growth and potential of the City.
- 4) The original reorganization plan stated that of the thirty-five positions in the design and construction unit in Valdez, twenty-five positions would move by October 01, 1982, leaving only construction employees in the design and construction unit in Valdez. As a result of these transfers, there would be two promotions and five demotions for the Valdez employees. In addition to the permanent employees in the design and construction unit in Valdez, there were fifty seasonal employees. After the transfer there would be fifty-two seasonal employees in design and construction in Valdez.

The original strength of the entire Valdez DOT/PF contingent was 110 full-time positions and 100 seasonal.

positions. About 25% of the entire contingent will be or has been effected by the move.

Although we are unable to ascertain if this original plan has been precisely activated, I do feel sure that these are fairly accurate numbers when estimating the DOT/PF employees already relocated out of Valdez. Additionally, there is valid concern among Valdez residents that more transfers will follow. The construction unit (eight employees) will remain in Valdez through the 1982 construction season because of the large number of projects on-line in the Southcentral Region, but there is a great deal of uneasiness that some support personnel will be moved to Anchorage and Fairbanks subsequent to this transfer of the design unit.

Additionally, the housing impact is and will continue to be large, due to several houses going on the market at the same time in a town the size of Valdez. This affects the price of existing housing as well as new construction.

- 4) A final point of concern, one voiced by both employees of Valdez DOT/PF and by other members of the community, is that the DOT/PF design contingent works within a relatively compact DOT/PF unit in Valdez. There is justifiable concern that this move to the much larger structures in Fairbanks and Anchorage will contribute to inter-division disputes being sent to headquarters for resolution, thus delaying and diluting decisions. Currently, disputes and/or differences between different sections can be resolved easily in-house because of the smallness of the operation in Valdez.

Therefore, due to our concerns mentioned above, it is the City of Valdez' opinion that a five-region DOT/PF system is preferable to a three region system. A persuasive case can and has been made for preserving a "rural-oriented" highway design and construction unit in Valdez. If the existing unit in Valdez is meshed into the larger more urban-oriented Anchorage and Fairbanks regions, the rural highway needs of a vast section of Alaska will most likely suffer. A design unit located in a region where sensitivities are attuned to rural highway requirements will undoubtedly be more affective in dealing with those requirements.

One of the basics that cannot be overlooked is that the Department of Transportation and Public Facilities was created for several good reasons, one of which was to place the authority and responsibility for designing, constructing and maintaining public transportation facilities in the hands of those people closest to those facilities. The philosophy that prompted that decision was, "those people closest to the transportation problem are most intimate with the problem and left to their own

House Bill No. 649
February 23, 1982
Page four

devices, they are in the most knowledgeable position to solve that problem at the lowest possible cost to the taxpayer while providing the safest and most convenient transportation facility to the traveling public".

This then forms the basis for proceeding with House Bill 649 and our belief in a "rural-oriented" system, which is what a five-region program provides.

Much of Alaska's road system, covering less than one-fourth of the State, can be easily served out of Valdez. Consequently, Valdez' current role should be at least maintained if not expanded. Rather than abolishing the rural highway emphasis, serious consideration should be given to expanding the Valdez region's jurisdictional area to cover more highway miles, both north towards Fairbanks and north and west towards Anchorage. Approximately two years ago the DOT/PF even considered expanding the Valdez region's reach and we feel this consideration was valid.

Additionally, the Prince William Sound area represents a major target area for expansion of the State's transportation system. The DOT/PF unit in Valdez should become the focal point for that expansion. Given the transportation benefits of making the area more accessible for recreation and visitor use as well as general economic development, an expanded DOT/PF presence in Valdez seems called for.

In closing I wish to reiterate that the City of Valdez heartily supports House Bill No. 649 and will assist its approval in any manner we possibly can.

If you require any additional information, please let me know.

Re: 12-1988
Bradley

BY CATO

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

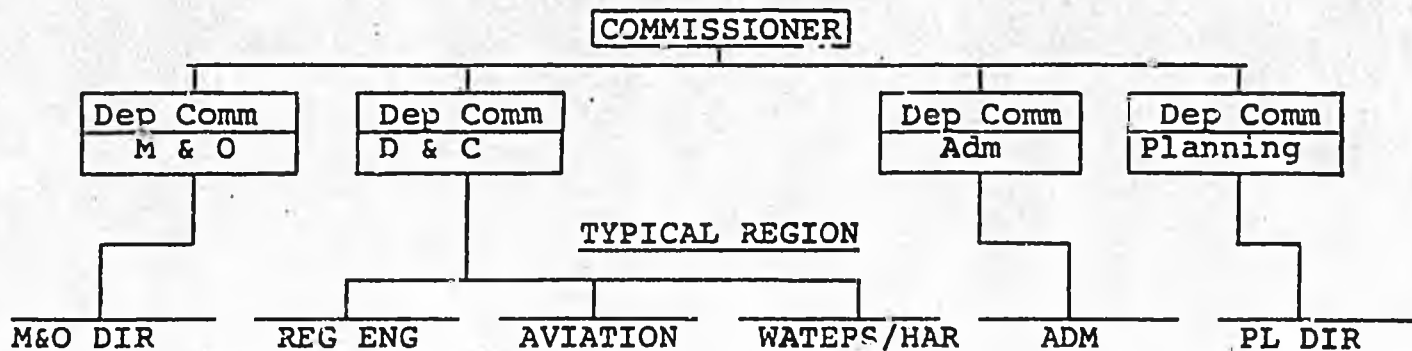
Unfortunately the DOT/PF did not turn out as planned. The administration advocated a strong emphasis on planning, which resulted in the creation of a completely independent section headed by a director who had more authority than the regional engineer. The planning section duplicated the work that the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

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

different level planners before the project could be funded.

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

TYPICAL ORGANIZATION CHART

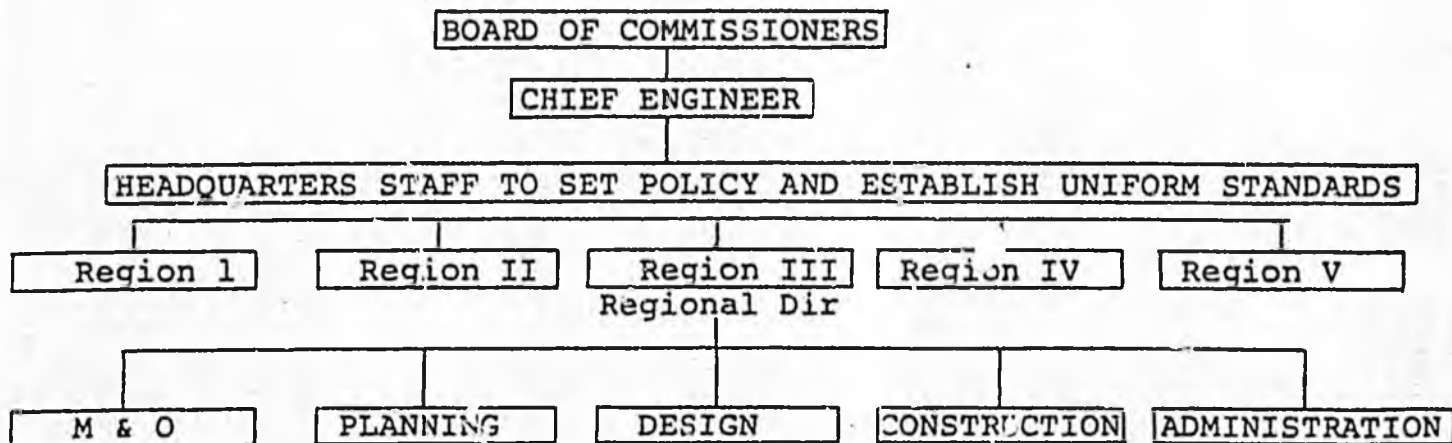


Your reorganization of the DOT/PF, to be effective should establish one leader in each region.

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

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

The preferred organizational chart is shown below:



Section 44.42.040 (a)

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

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

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

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

Sec. 44.42.045 (a)

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

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

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

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

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

Sec. 44.39.040. Vacancy. If a vacancy occurs in the office of the commissioner of fish and game, the governor shall appoint a successor for the unexpired term in the manner provided for the regular appointment. (§ 17 ch 64 SLA 1959)

Sec. 44.39.050. Removal of commissioner. The Board of Fisheries or the Board of Game may submit a resolution to the governor requesting the removal of the commissioner. The resolution shall set out the grounds for the request and the governor shall give the commissioner and both boards an opportunity to be heard. The final decision to remove or retain the commissioner shall be made by the governor. (§ 17 ch 64 SLA 1959; am § 38 ch 206 SLA 1975)

Chapter 41. Department of Public Safety.

Section

- 10. Commissioner of public safety
- 20. Duties of department

Sec. 44.41.010. Commissioner of public safety. The principal executive officer of the Department of Public Safety is the commissioner of public safety. (§ 18 ch 64 SLA 1959)

Am. Jur. 2d and C.J.S. references. — 1 and 2 Am. Jur. 2d, Administrative Law, § 1 et seq.; 63 Am. Jur. 2d, Public Funds, § 1 et seq.; 63 Am. Jur. 2d, Public Officers and Employees, § 22; 64 Am. Jur. 2d, Pub-

lic Works and Contracts, § 1 et seq.; 72 Am. Jur. 2d, States, Territories and Dependencies, §§ 66-74. 81A C.J.S. States § 147.

Sec. 44.41.020. Duties of department. The Department of Public Safety shall administer functions relative to the protection of life and property. (§ 18 ch 64 SLA 1959)

State troopers are employees of the Department of Public Safety. *Lee v. State*, Sup. Ct. Op. No. 749 (File No. 1395), 490 P.2d 1206 (1971).

And are not shielded by AS 09.65.090 from liability for ordinary negligence.

— The Good Samaritan Statute, AS 09.65.090, does not shield a police officer from liability for ordinary negligence. *Lee v. State*, Sup. Ct. Op. No. 749 (File No. 1395), 490 P.2d 1206 (1971).

Chapter 42. Department of Transportation and Public Facilities.

Section

- 10. Commissioner of transportation and public facilities
- 20. Powers and duties
- 30. Regulations
- 40. Departmental organization
- 50. State transportation plan
- 55. State public facilities plan

Section

- 60. Grants to the department
- 65. Conservation of energy in public buildings
- 70. Limitation on transportation facilities
- 80. Capital projects funds
- 900. Definitions

Editor's Order No. 3 AND PUR the diverse state would of a single study, de operation o portation departmen construct, all state systems, re advantage and consid environme

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Editor's note. — Section 1, Executive Order No. 39 (1977) provides: "FINDINGS AND PURPOSE. As governor, I find that the diverse transportation needs of the state would best be served by the creation of a single department for the planning, study, development, management and operation of integrated, intermodal transportation systems. The purpose of this department is to evaluate, plan, design, construct, manage, operate and maintain all state transportation modes and systems, relying on analysis of the relative advantages of different modes and systems and considering their social, economic, and environmental consequences."

Section 8, Executive Order No. 39 (1977) provides: "All litigation, hearings, investigations and other proceedings pending under a law amended or repealed by this Order, or in connection with functions transferred by this Order, continue in effect and may be continued and completed notwithstanding a transfer or amendment or repeal provided for in this Order. Certificates, orders, and regulations issued or adopted under authority of a law amended or repealed by this Order remain in effect for the term issued, until revoked, vacated, or otherwise modified under the provisions of this Order. All contracts, rights, liabilities, and obligations created by or under a law amended or repealed by this Order, and in effect on the effective date of this Order, remain in effect notwithstanding this Order's taking effect. Records, equipment, and other property or agencies of the state whose functions are transferred under this Order shall be transferred commensurate with the provisions of this Order."

Section 9, Executive Order No. 39 (1977) provides: "(a) The Department of Transportation and Public Facilities is vested with the duties and powers formerly held by the Department of Public Works

relating to planning, construction, maintenance and operation of transportation facilities, including state ferries, airports and water and harbor facilities, and for design and construction of buildings and appurtenant structures, and specifically including all powers and duties formerly held by the Department of Public Works under AS 02, AS 30.05, AS 30.15, AS 35, AS 41.20 and AS 44.65.

"(b) The Department of Transportation and Public Facilities is vested with the duties and powers formerly held by the Department of Highways relating to planning, construction, maintenance and operation of state transportation facilities including state highways, roads, bridges, traffic signs and signals, the supervision and maintenance of state automotive and mechanical equipment, the control of outdoor advertising visible from state highways and all other duties and powers of the Department of Highways, and specifically including powers and duties formerly held by the Department of Highways under AS 19, AS 28.01, AS 28.05, and AS 44.57."

Section 10, Executive Order No. 39 (1977) provides: "The commissioner of transportation and public facilities shall replace the commissioner of highways on the state Geographic Board, the Alaska Toll Bridge Authority, and all other boards and commissions."

Section 12, Executive Order No. 39 (1977) provides: "During Fiscal Year 1978, all appropriation items made for that fiscal year and prior years for the Department of Highways and the Department of Public Works may, upon approval of the governor, be appropriately transferred to implement the purposes of this Order."

Am. Jur. 2d and C.J.S. references. — 39 Am. Jur. 2d, Highways, Streets, and Bridges, § 1 et seq.

39A C.J.S. Highways § 1 et seq.

Sec. 44.42.010. Commissioner of transportation and public facilities. The principal executive officer of the Department of Transportation and Public Facilities is the commissioner of transportation and public facilities. (Executive Order No. 39 § 2 (1977))

~~Sec. 44.42.020. Powers and duties. (a) The department shall~~

(1) plan, design, construct and maintain all state modes of transportation and transportation facilities, communication facilities, and all docks, floats, breakwaters, buildings and similar facilities;

(2) study existing transportation modes and facilities and communication facilities in the state to determine how they might be improved or whether they should continue to be maintained;

(3) study alternative means of improving transportation and communication in the state with regard to the economic costs of each alternative and its environmental and social effects;

(4) develop a comprehensive, long-range intermodal transportation plan for the state;

(5) study alternatives to existing modes of transportation in urban areas and develop plans to improve urban transportation;

(6) cooperate and coordinate with and enter into agreements with federal, state and local government agencies and private organizations and persons in exercising its powers and duties;

(7) manage, operate, and maintain state transportation facilities, communication facilities, and all docks, floats, breakwaters and buildings, including all state highways, vessels, railroads, pipelines, airports, and aviation facilities;

(8) study alternative means of transportation in the state, considering the economic, social, and environmental impacts of each alternative;

(9) coordinate and develop state and regional transportation systems, considering deletions, additions, and the absence of alterations;

(10) develop facility program plans for transportation and communication facilities and state buildings, docks and breakwaters required to implement the duties set out in this section, including but not limited to (A) functional performance criteria; and (B) schedules for completion;

(11) supervise and maintain all state automotive and mechanical equipment, aircraft, and vessels, except vessels and aircraft used by the Department of Fish and Game or the Department of Public Safety; and

(12) supervise aeronautics and communications inside the state, under AS 02.10.

(13) complete and maintain a current inventory of public facilities, including a projection of the serviceability of the facilities and projections of replacements and additions to facilities needed to provide the level of services programmed by the various user agencies, for municipalities with populations of less than 12,000 and for unincorporated communities, and perform those duties on a cooperative basis with larger municipalities.

(14) adopt energy performance standards for public facilities of the state, the construction of which begins after July 1, 1980; the standards shall be based on thermal and lighting energy standards established by

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the American Society of Heating, Refrigeration and Air Conditioning Engineers as adapted for application in high latitude, cold climate environs;

(15) provide planning assistance, including but not limited to energy audits and related technical services, to school districts and regional educational attendance areas to develop and implement

(A) standards for the design, construction and operation of rural educational facilities; and

(B) energy conservation measures for rural educational facilities.

(b) The department may

(1) engage in experimental projects relating to available or future modes of transportation and any means of improving existing transportation facilities and service and communication;

(2) exercise the power of eminent domain, including the declaration of taking as provided in AS 09.55. (Executive Order No. 39 § 2 (1977); am § 13 ch 168 SLA 1978; am § 12 ch 83 SLA 1980)

Effect of amendments. — The 1978 amendment added paragraph (13) to subsection (a).

Cross reference. — For the responsibility and authority of the

supreme court over state court facilities, see AS 22.05.025.

The 1980 amendment added paragraphs (14) and (15) to subsection (a).

Sec. 44.42.030. Regulations. The department may adopt regulations under the Administrative Procedure Act (AS 44.62) to implement, interpret, or make more specific its powers and duties. (Executive Order No. 39 § 2 (1977))

Sec. 44.42.040. Departmental organization. The commissioner shall establish regions within the state. The functions of the department within each region shall be performed, to the maximum extent feasible, through a regional office. Each regional office shall be directed by a regional transportation and public facilities director appointed by the commissioner. (Executive Order No. 39 § 2 (1977))

Sec. 44.42.050. State transportation plan. (a) The commissioner shall develop annually a comprehensive, intermodal, long-range transportation plan for the state. In developing and revising the state plan, the commissioner shall consider means and costs of improving existing modes and facilities, state and federal subsidies, and the costs and benefits of new transportation modes and facilities. The commissioner shall also consider the recommendation of the Alaska Transportation Planning Council. The plan shall be submitted to the governor for his review and approval and submitted by the governor to the legislature.

(b) In developing and revising the plan, the commissioner shall seek public review and evaluation by any reasonable means and may

(1) consult and cooperate with officials and representatives of the federal government, other governments, interstate commissions and

authorities, local agencies and authorities, interested corporations and other organizations concerning problems affecting transportation in the state; and

(2) request from an agency or other unit of the state government or of a political subdivision of it, or from a public authority, the assistance and data that may be necessary to enable the commissioner to carry out his responsibilities under this section; every such entity shall provide the assistance and data requested.

(c) Copies of the plan, as revised, shall be kept on file as a public document in the office of the commissioner and at each regional office of the department.

(d) The plan shall include a description of projects planned for design and construction for the following two years. The description is in addition to the long-range plan required by (a) of this section and by AS 19.10.140. The description shall include an itemization of the estimated cost for each project and the total cost of all projects. The commissioner shall propose and forward to the governor for his review and approval and inclusion, as approved, in the capital budget a construction program which includes the projects to be undertaken during the following two years, including recommended project priorities. Funds for transportation construction projects and necessary contingencies shall be itemized as allocations within the bill for the General Appropriations Act. (Executive Order No. 39 § 2 (1977))

Sec. 44.42.055. State public facilities plan. (a) The commissioner shall develop and annually revise a statewide comprehensive facility procurement plan for public facilities of the state and its municipalities.

(b) In developing and annually revising the facility procurement plan, the commissioner shall

(1) request and receive on an annual basis from all state agencies a projection of the anticipated facility needs of the agency for the next annual capital improvement program;

(2) consult with officials and representatives of municipalities, the federal government, interested corporations and other organizations concerning public facility needs in the state;

(3) develop specific facility procurement plans for projects in each of the following categories:

- (A) sewage transmission and treatment systems;
- (B) water transmission and treatment systems;
- (C) electrical generation and distribution systems;
- (D) health care and social services facilities;
- (E) educational facilities;
- (F) communications facilities and transportation facilities;
- (G) public safety and justice facilities;
- (H) recreational facilities;

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(J) cultural

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- (I) sanitation facilities; and
 - (J) cultural facilities;
 - (4) prepare recommendations to accommodate the various levels of service identified by state agencies and other parties with respect to the services described in (3) of this subsection, to include
 - (A) current and future facility needs;
 - (B) space standards and design guidelines for the appropriate facility types;
 - (C) maintenance and operations standards for the appropriate facility types;
 - (D) construction techniques and contracting methods;
 - (E) facility project budget requirements; and
 - (F) relative costs of identified alternatives (life cycle cost analysis) including but not limited to the installation and operation of energy systems which are not dependent on oil or gas for water heating, space heating and cooling requirements, and for the generation of electrical or mechanical power;
 - (5) identify common public facility needs among the various user agencies; and
 - (6) submit its findings, plans and recommendations to the governor and to the appropriate state agency to facilitate the development of agency capital improvement budget requests.
- (c) In the preparation and revision of the facility procurement plan, the commissioner may
- (1) develop and adopt regulations for use in carrying out the purpose of (b) of this section; regulations may not be adopted under this section unless approval is received from appropriate program agencies;
 - (2) make recommendations on the total capital improvement program to affected state agencies, local governments, and other interested parties and organizations, and to the divisions of budget and management and policy development and planning.
- (d) In this section, "public facility"
- (1) means a capital improvement within one of the categories described in (b) of this section which is constructed
 - (A) for subsequent occupancy or operation by the state, a public corporation of the state, the University of Alaska, a political subdivision, or a regional educational attendance area;
 - (B) by a political subdivision or any private party with the assistance of financial support provided by the state if funds appropriated or paid by way of a grant or loan in advance of construction of the facility, or any part of it, are 50 per cent or more of the estimated costs of construction of the facility;
 - (2) does not include projects constructed with the proceeds of one or more loans issued by a loan program administered by the Department of Commerce and Economic Development. (§ 14 ch 168 SLA 1978; am § 6 ch 62 SLA 1979; am § 13 ch 83 SLA 1980)

Revisor's note. — The word "recommended" in subsection (b)(4) was deleted by the revisor under AS 01.10.036 to clarify the meaning of the section.

Cross reference. — For the responsibility and authority of the supreme court over state court facilities

see AS 22.05.025.

Effect of amendments. — The 1979 amendment, in subsection (b), added subparagraph (J) to paragraph (3).

The 1980 amendment rewrote subparagraph (4)(F) in subsection (b).

Sec. 44.42.060. Grants to the department. The commissioner may apply for and accept, on behalf of the state, grants from the federal government or an agency of it, or from another state, a foundation, or any person, for any of the functions or purposes of the department. (Executive Order No. 39 § 2 (1977))

Sec. 44.42.065. Conservation of energy in public buildings. (a) The department shall, as soon as practicable after July 1, 1980, and at least once every seven years thereafter, perform an energy audit of each public building. A report of the results of the energy audits performed during the preceding year shall be submitted to the legislature not later than February 1 of each year.

(b) The department shall include in the report required in (a) of this section recommendations for corrective measures to improve the energy efficiency and to minimize the life-cycle cost of the public buildings surveyed. These measures may include (1) energy conservation measures, (2) measures involving solar technology and other alternative energy systems, (3) energy management, and (4) maintenance and operating procedures and energy-related modifications. In recommending the corrective measures, the department shall give priority to changes in maintenance and operating procedures over measures requiring substantial structural modification or installation of equipment.

(c) In this section, "energy audit" means a determination of

(1) the energy consumption characteristics of a building, including the size, type, and rate of energy consumption of major energy-consuming systems of the building and the climate characterizing the region where the building is located; and

(2) a determination of the energy conservation and cost savings likely to result from appropriate energy-conserving maintenance and operating procedures and modifications, including the purchase and installation of energy-related fixtures. (§ 14 ch 83 SLA 1980)

Editor's note. — For declaration of legislative policy on energy conservation, see sec. 1, ch. 83, SLA 1980, in the 1980 Temporary and Special Acts and Resolves.

Section 46, ch. 83, SLA 1980 provides: "A report of the results of the first energy

audit completed by the Department of Transportation and Public Facilities under AS 44.42.065, added by sec. 14 of this Act, shall be submitted to the legislature not later than January 31, 1982."

Sec. 44.42 department departments consideration construction Order No. 3

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Sec. 44.42.070. Limitation on transportation facilities. The department shall consult with the appropriate officials of other departments regarding environmental risks and economic and social considerations that may arise by reason of the location, design, construction or reconstruction of a transportation facility. (Executive Order No. 39 § 2 (1977))

Sec. 44.42.080. Capital projects funds. There is created within the department the following capital projects funds:

- (1) educational, cultural, and related facilities;
- (2) transportation and related facilities;
- (3) public institutions and related facilities;
- (4) public safety, justice, and related facilities;
- (5) health, and related facilities;
- (6) natural resource development facilities;
- (7) general purpose facilities. (§ 15 ch 168 SLA 1978)

Sec. 44.42.900. Definitions. In this chapter, unless the context requires otherwise,

- (1) "commissioner" means the commissioner of the Department of Transportation and Public Facilities;
- (2) "department" means the Department of Transportation and Public Facilities;
- (3) "transportation" or "transportation mode" includes, but is not limited to, the following means of conveyance or travel, including their related or auxiliary structures, facilities or services: air, rail, water, highway and pipeline. (Executive Order No. 39 § 2 (1977))

Chapter 46. Department of Environmental Conservation.

Article

1. Organization (§§ 44.46.010—44.46.020)
2. Environmental Advisory Board (§§ 44.46.030—44.46.050)
3. Alaska Council on Science and Technology (§§ 44.46.070 — 44.46.110)

Editor's note. — Section 5, ch. 120, SLA 1971 provides: "All litigation, hearings, investigations and other proceedings pending under any law amended or functions which may be transferred by this Act, continue in effect and may be continued and completed notwithstanding any such transfer or amendment provided for in this Act. Certificates, orders, rules or regulations issued or filed under authority of a law amended by this Act or functions which may be transferred by this Act, remain in

effect for the term issued, unless or until revoked, vacated, or otherwise modified under the provisions of this Act. All contracts or other obligations created by any law amended by this Act or by virtue of functions which may be transferred by this Act, and in effect on July 1, 1971, remain in effect unless or until revoked, or modified under the provisions of this Act."

Legislative history report. — For report on ch. 120, SLA 1971 (SB 75 am H), see 1971 House Journal, p. 1016.

Secs. 44.37.100 — 44.37.180. Creation and purpose; composition and appointment; compensation; chairman and quorum; personnel; powers and duties; report to legislature; dissolution of committee.

Repealed by § 99 ch 59 SLA 1982, effective May 28, 1982.

Editor's notes. — The repealed article derived from § 1, ch. 152, SLA 1966.

Chapter 42. Department of Transportation and Public Facilities.

Section

20. Powers and duties

55. State public facilities plan

Sec. 44.42.020. Powers and duties. (a) The department shall

(1) plan, design, construct and maintain all state modes of transportation and transportation facilities and all docks, floats, breakwaters, buildings and similar facilities;

(2) study existing transportation modes and facilities in the state to determine how they might be improved or whether they should continue to be maintained;

(3) study alternative means of improving transportation in the state with regard to the economic costs of each alternative and its environmental and social effects;

(4) develop a comprehensive, long-range intermodal transportation plan for the state;

(5) study alternatives to existing modes of transportation in urban areas and develop plans to improve urban transportation;

(6) cooperate and coordinate with and enter into agreements with federal, state and local government agencies and private organizations and persons in exercising its powers and duties;

(7) manage, operate, and maintain state transportation facilities and all docks, floats, breakwaters and buildings, including all state highways, vessels, railroads, pipelines, airports, and aviation facilities;

(8) study alternative means of transportation in the state, considering the economic, social, and environmental impacts of each alternative;

(9) coordinate and develop state and regional transportation systems, considering deletions, additions, and the absence of alterations;

(10) develop facility program plans for transportation and state buildings, docks and breakwaters required to implement the duties set out in this section, including but not limited to (A) functional performance criteria; and (B) schedules for completion;

(11) supervise and maintain all state automotive and mechanical equipment, aircraft, and vessels, except vessels and aircraft used by the Department of Fish and Game or the Department of Public Safety;

(12) supervise aeronautics inside the state, under AS 02.10;

(13) complete and maintain a current inventory of public facilities, including a projection of the serviceability of the facilities and projections of replacements and additions to facilities needed to provide the level of services programmed by the various user agencies, for municipalities with populations of less than 12,000 and for unincorporated communities, and perform those duties on a cooperative basis with larger municipalities;

(14) adopt energy performance standards for public facilities of the state, the construction of which begins after July 1, 1980; the standards shall be based on thermal and lighting energy standards established by the American Society of Heating, Refrigeration and Air Conditioning Engineers as adapted for application in high latitude, cold climate environs;

(15) provide planning assistance, including but not limited to energy audits and related technical services, to school districts and regional educational attendance areas to develop and implement

(A) standards for the design, construction and operation of rural educational facilities; and

(B) energy conservation measures for rural educational facilities.

(b) The department may

(1) engage in experimental projects relating to available or future modes of transportation and any means of improving existing transportation facilities and service;

(2) exercise the power of eminent domain, including the declaration of taking as provided in AS 09.55.010 — 09.55.640. (Executive Order No. 39 § 2 (1977); am § 13 ch 168 SLA 1978; am § 12 ch 83 SLA 1980; am Executive Order No. 50, § 10 (1981))

Effect of amendments. — The 1981 amendment, in subsection (a), deleted "communication facilities" following "transportation facilities" in paragraph (1), deleted "and communication facilities" following "modes and facilities" in paragraph (2), deleted "and communication" following "improving transportation" in paragraph (3), deleted "communication facilities" following "transportation facilities" in paragraph (7), deleted "and

communication facilities" following "plans for transportation" in paragraph (10), deleted "and" at the end of paragraph (11), deleted "and communications" following "aeronautics" and substituted a semicolon for a period near the end of paragraphs (12) and (13). The amendment also deleted "and communication" following "facilities and service" in paragraph (1) of subsection (b).

Sec. 44.42.055. State public facilities plan. (a) The commissioner shall develop and annually revise a statewide comprehensive facility procurement plan for public facilities of the state and its municipalities.

(b) In developing and annually revising the facility procurement plan, the commissioner shall

(1) require a projection of annual costs;

(2) coordinate with federal government agencies concerning the following:

(3) develop the following:

(A) service

(B) water

(C) electric

(D) heating

(E) education

(F) transportation

(G) public

(H) recreation

(I) safety

(J) cultural

(4) provide

service to

the service

(A) construction

(B) safety

ity types

(C) recreation

ity types

(D) education

(E) transportation

(F) public

including

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heating

or medical

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(1) request and receive on an annual basis from all state agencies a projection of the anticipated facility needs of the agency for the next annual capital improvement program;

(2) consult with officials and representatives of municipalities, the federal government, interest corporations and other organizations concerning public facility needs in the state;

(3) develop specific facility procurement plans for projects in each of the following categories:

(A) sewage transmission and treatment systems;

(B) water transmission and treatment systems;

(C) electrical generation and distribution systems;

(D) health care and social services facilities;

(E) educational facilities;

(F) transportation facilities;

(G) public safety and justice facilities;

(H) recreational facilities;

(I) sanitation facilities; and

(J) cultural facilities;

(4) prepare recommendations to accommodate the various levels of service identified by state agencies and other parties with respect to the services described in (3) of this subsection, to include

(A) current and future facility needs;

(B) space standards and design guidelines for the appropriate facility types;

(C) maintenance and operations standards for the appropriate facility types;

(D) construction techniques and contracting methods;

(E) facility project budget requirements; and

(F) relative costs of identified alternatives (life cycle cost analysis) including but not limited to the installation and operation of energy systems which are not dependent on oil or gas for water heating, space heating and cooling requirements, and for the generation of electrical or mechanical power;

(5) identify common public facility needs among the various user agencies; and

(6) submit its findings, plans and recommendations to the governor and to the appropriate state agency to facilitate the development of agency capital improvement budget requests.

(c) In the preparation and revision of the facility procurement plan, the commissioner may

(1) develop and adopt regulations for use in carrying out the purpose of (b) of this section; regulations may not be adopted under this section unless approval is received from appropriate program agencies;

(2) make recommendations on the total capital improvement program to affected state agencies, local governments, and other interested parties and organizations, and to the divisions of budget and management and policy development and planning.

(d) In this section, "public facility"

(1) means a capital improvement within one of the categories described in (b) of this section which is constructed

(A) for subsequent occupancy or operation by the state, a public corporation of the state, the University of Alaska, a political subdivision, or a regional educational attendance area;

(B) by a political subdivision or any private party with the assistance of financial support provided by the state if funds appropriated or paid by way of a grant or loan in advance of construction of the facility, or any part of it, are 50 per cent or more of the estimated costs of construction of the facility;

(2) does not include projects constructed with the proceeds of one or more loans issued by a loan program administered by the Department of Commerce and Economic Development. (§ 14 ch 168 SLA 1978; am § 6 ch 62 SLA 1979; am § 13 ch 83 SLA 1980; am Executive Order No. 50, § 11 (1981)."

Effect of amendments. — The 1981 facilities and" near the beginning of sub-amendment deleted "communication section (b)(3)(F).

Chapter 46. Department of Environmental Conservation.

Article

1. Organization (§ 44.46.020)
3. Alaska Council on Science and Technology (Repealed)

Article 1. Organization.

Section

20. Duties of department

Sec. 44.46.020. Duties of department. The Department of Environmental Conservation shall

(1) have primary responsibility for coordination and development of policies, programs and planning related to the environment of the state and of the various regions of the state;

(2) have primary responsibility for the promulgation and enforcement of regulations setting standards for the prevention and abatement of all water, land, subsurface land and air pollution, and other sources or potential sources of pollution of the environment, including by way of example only, petroleum and natural gas pipelines;

(3) promote and develop programs for the protection and control of the environment of the state;

(4) take such actions as are necessary and proper to further the policy declared in AS 46.03.010.

(5) adopt regulations for

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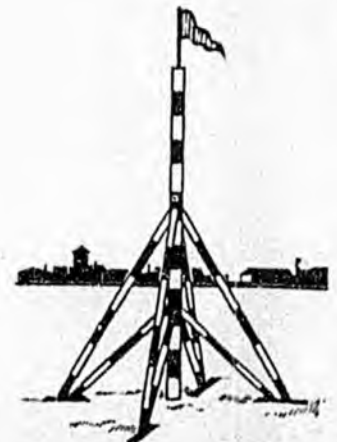
City of Nenana

State of Alaska

-HB 72-

A BILL MAKING A SPECIAL APPROPRIATION FOR RESOURCE
ROADS AND CROSSINGS IN THE NENANA-TOCHAKET AREA

NENANA RIVER BRIDGE span 440 ft.	3.8 MILLION
3 BRIDGES-LITTLE NENANA span 140 ft.	1.9 MILLION
-EAST MIDDLE span 105 ft. (bank to bank-75 ft.)	
-WEST MIDDLE span 144 ft. (bank to bank-84 ft.)	
22.8 MILES OF ROADWAY @ \$442,982/mile	10.1 MILLION
16.8 MILES OF 3 PHASE TRANSMISSION LINE @ \$77,602/mile	1.3 MILLION
TOTAL PROJECT	17.1 MILLION



ENGINEERS ESTIMATE OF COST *

NENANA TOTCHAKET ACCESS ROAD (22.8 MILES)

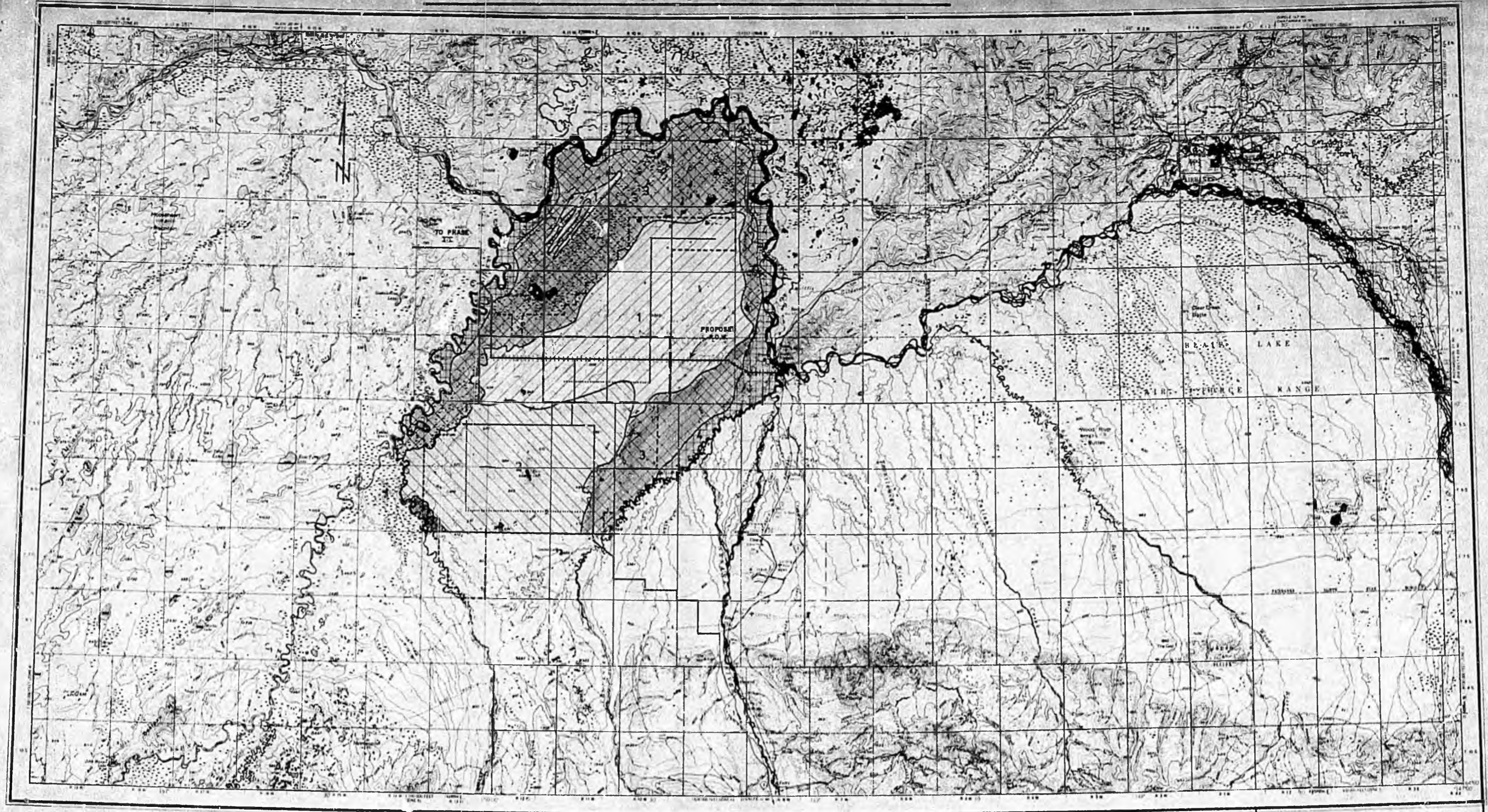
Item No.	Item	Unit	Unit Price	Quantity	Amount
1.	Moblization	L.S.	Lump Sum	All Req'd	\$336,915
2.	Temporary Erosion and Polution Control	C.S.	Cont. Sum	All Req'd	28,000
3.	Construction Surveying by Contr.	L.S.	Lump Sum	All Req'd	252,686
4.	Furnishing and Maintaining Field Office	L.S.	Lump Sum	All Req'd	12,000
5.	Furnishing and Maintaining Field Laboratory	L.S.	Lump Sum	All Req'd	12,000
6.	Unclassified Excavation	C.Y.	3.00	1,033,510	3,100,530
7.	Borrow, Type B	C.Y.	4.50	65,850	296,370
8.	Borrow, Type A	C.Y.	7.75	342,805	2,656,738
9.	Filter Cloth	S.Y.	1.10	241,320	265,452
10.	Subbase, Grading "C"	Ton	17.00	99,190	1,686,230
11.	18" CMP Culvert	L.F.	35.00	7,294	255,290
12.	36" CMP Culvert	L.F.	70.00	392	27,440
13.	Box Beam Guardrail	L.F.	30.00	1,812	54,360
14.	Culvert Marker Posts	Each	80.00	196	15,680
15.	Standard Signs	S.F.	60.00	108	6,480
16.	Culvert Thaw Pipe	Each	2,750.00	4	11,000
17.	Seeding	Lb	9.00	65	585
18.	Watering (for compaction)	M.Gal.	1.00	22,741,000	22,741
	Construction Cost				9,040,497
	+ 12 % E & C;				1,084,859
	Total Cost				10,125,356

* Assumes R/W Clearing & Grubbing Completed in Spring of '83 (with 1.6 Million re-appropriated in 1982)





NOTE: ORIGINAL DOCUMENT IS COLOR-CODED. IF NECESSARY
TO PROPER INTERPRETATION, REFER TO ORIGINAL DOCUMENT
IN THE ALASKA STATE ARCHIVES

TOTCHAKET AGRICULTURAL PROJECT

ALASKA
TOPOGRAPHIC SERIES



MAP UNITS

-  NENANA - DEEP, NEARLY LEVEL TO STRONGLY SLOPING, WELL DRAINED AND JOICATELY WELL DRAINED, SILTY SOILS, ON OUTWASH PLAINS
-  TERANISHNA - DEEP, NEARLY LEVEL TO STEEP, WELL DRAINED TO EXCESSIVELY DRAINED, SILTY SOILS THAT ARE UNDERLAIN BY SAND, ON OUTWASH PLAINS
-  GOLDSTREAM - SHALLOW TO DEEP, NEARLY LEVEL, POORLY DRAINED, SILTY SOILS AND VERY POORLY DRAINED PEAT SOILS, ON BROAD ALLUVIAL PLAINS
-  TANANA - MODERATELY DEEP AND DEEP, NEARLY LEVEL, WELL DRAINED AND SOMEWHAT POORLY DRAINED, SILTY SOILS AND VERY FINE SANDY LOAMS, ON FLOOD PLAINS

GENERAL SOIL MAP

LEGEND

-  PHASE I - 48,000 ACRES
-  PHASE II - 284,000 ACRES
-  ARTERIAL ROAD
-  COLLECTOR ROAD
-  RAILROAD

SCALE 1" = 270 FEET



NOTE: INFORMATION FROM U.S.G.S. FAIRBANKS AND NANTISHNA QUADRANGLES / U.S.D.A. SOIL CONSERVATION SERVICE / UNIVERSITY OF ALASKA

PREPARED FOR -
THE CITY OF NENANA
PROJECT AG-10C
GENERAL SOIL MAP

PREPARED BY:

KALJUNCO, INC.
E.R. 10113
FAIRBANKS, AK 99701

DRAWN BY:
G. HOFFMAN

SCALE:
1" = 270 FT.

DATE:
2/19/81

FILE NO.
SI-15

