

ALPHA LITHOGRAPH COMPANY

3157 HB - 150 HB 169 HB 3157 HB

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(A) fuel consigned to foreign countries,

(B) fuel sold for use in jet propulsion aircraft operating in flights to foreign countries,

(C) fuel used in stationary power plants operating as public utility plants and generating electrical energy for sale to the general public,

(D) fuel used by nonprofit power associations or corporations for generating electric energy for resale,

(E) fuel used by charitable institutions, [OR]

(F) fuel which is at least 10 percent alcohol by volume, or

(G) fuel used in and on watercraft for any purpose; [.]

\* Sec. 6. AS 43.40.010(f) is repealed.

\* Sec. 7. This Act takes effect July 1, 1982.

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 745  
 Title An Act repealing the motor fuel tax on motor fuel used in watercraft.  
 Requested by House Resources & Finance Committees Date 2/19/80

II. FISCAL DETAIL

Agency Affected \_\_\_\_\_ Revenue \_\_\_\_\_  
 Program Category Affected \_\_\_\_\_ Fiscal Services \_\_\_\_\_  
 BRU, Program, or Subprogram(s) Affected \_\_\_\_\_ Audit Division \_\_\_\_\_  
 (Note: If more than one budget component is affected, list separate line-item amounts and funding for each component in the analysis section.)  
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

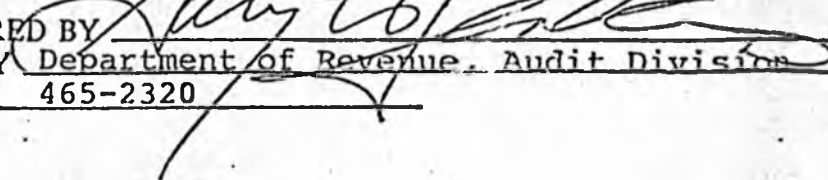
FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE February 19, 1980 PREPARED BY   
 AGENCY Department of Revenue, Audit Division  
 PHONE 465-2320  
 Original: Legislative Finance  
 cc: Budget and Management  
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 745

Title An Act repealing the motor fuel tax on fuel used in watercraft

Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected \_\_\_\_\_

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

TOTAL

FUNDING <sup>Millions</sup>  
(Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND	-0-	(\$3.2)	(\$3.3)	(\$3.4)	(\$3.5)	(\$3.6)
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME						
PART TIME						
TEMPORARY						

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

The bill proposes to repeal the motor fuel tax presently imposed on motor fuel used in watercraft. If passed the repeal would become effective immediately.

The above estimate is based on the general assumptions contained in the department's long range estimating model.

IV. DATE 2/20/80

PREPARED BY Barbara Sorensen

AGENCY REVENUE

PHONE 42174

Original: Legislative Finance  
cc: Budget and Management

Prime Sponsor (First Legislator Named)

REPORT OF MOTOR FUEL DISTRIBUTED OR SOLD IN ALASKA DURING June 1976

ACCUMULATIVE TOTAL

from July 1975

to June 30, 1976

	TOTAL GALLONS	EXEMPT GALLONS	DIVISION I	DIVISION II	DIVISION III	DIVISION IV	TAXABLE GALLONS	
Aviation-Jet	25,217,826	16,243,677	480,436	121,620	7,445	926,752	8,974,149	96,495,305
Aviation-Gas	1,631,666	136,616	202,842	89,647	722,988	479,573	1,495,050	13,266,181
(non-taxable) Aviation-Bonded	3,307,371	3,307,371	-0-	-0-	3,307,371	-0-	<del>3,307,371</del>	21,362,024
Gas-Highway	18,345,936	442,084	1,752,422	341,505	11,434,791	4,375,134	17,903,852	179,697,007
Diesel-Highway	20,237,262	5,940,651	1,125,275	4,581,829	5,296,474	3,293,033	14,296,611	148,690,620
Gas-Marine	1,203,804	31,054	386,499	11,193	680,078	104,980	1,172,750	5,644,629
Diesel-Marine	3,363,654	507,197	822,163	8,367	1,957,486	68,441	2,856,457	23,675,425
(non-taxable) Marine Non- Dispulsion	1,031,366	1,031,366	227,678	-0-	803,688	-0-	<del>1,031,366</del>	9,664,494
Other Type Fuel	258,619	18,236	141	239,697	215	330	240,383	1,084,094

REPORT OF MOTOR FUEL DISTRIBUTED OR SOLD IN ALASKA DURING JUNE 1977

ACCUMULATIVE TOTAL  
TAXABLE GALLONS  
from 7/1/76  
to 6/30/77

	TOTAL GALLONS	EXEMPT GALLONS	DIVISION I	DIVISION II	DIVISION III	DIVISION IV	TAXABLE GALLONS	
Aviation-Jet	21,942,474	12,377,786	460,825	80,221	8,106,778	976,864	9,624,688	96,217,874
Aviation-Gas	2,006,857	151,515	215,282	157,262	795,632	687,166	1,855,342	14,410,305
Aviation-Bonded (non-taxable)	3,328,439	3,328,439	-0-	-0-	-0-	-0-	-0-	-0-
Gas-Highway	17,797,282	388,613	1,412,850	411,411	11,661,604	3,922,804	17,408,669	182,313,174
Diesel-Highway	15,797,825	5,565,524	771,907	2,526,414	4,714,107	2,219,873	10,232,301	122,319,720
Gas-Marine	1,623,510	347,913	363,646	57,280	581,335	273,336	1,275,597	5,894,272
Diesel-Marine	3,545,296	237,143	747,468	29,107	2,418,705	112,873	3,308,153	36,975,208
Marine Non- Propulsion (non-taxable)	1,264,140	1,264,140	-0-	-0-	-0-	-0-	-0-	-0-
Other Type Fuel	79,897	-0-	1,881	49,324	24,193	4,499	79,897	534,963

Revised 2/28/78.

TAXABLE GALLONS BY DIVISION

ACCUMULATIVE  
TOTAL  
TAXABLE  
GALLONS  
from 7-1-77  
to 6-30-78

FUEL TYPE	TOTAL GALLONS	EXEMPT GALLONS	DIVISION I	DIVISION II	DIVISION III	DIVISION IV	TOTAL TAXABLE GALLONS	ACCUMULATIVE TOTAL TAXABLE GALLONS
aviation-Jet	31,332,685	20,010,912	496,809	124,355	9,899,220	801,389	11,321,773	110,893,476
aviation-Gas	1,933,070	(16,611)	211,017	144,242	997,193	597,229	1,949,681	15,057,178
(Non-taxable) aviation-Bonded	3,672,077	3,672,077						
Gas-Highway	19,113,589	345,764	1,558,317	328,407	13,418,705	3,462,396	18,767,825	178,220,245
Diesel-Highway	14,985,130	6,985,267	652,075	15,075	4,520,449	2,812,260	7,999,863	121,212,785
Gas-Marine	1,628,220	294,961	344,571	86,571	661,956	240,161	1,333,259	6,283,606
Diesel-Marine	4,669,467	454,561	1,048,906	31,419	3,050,223	84,358	4,214,906	37,924,119
Other Type Fuel	3,603,276	-0-	2,724	111	48,095	3,552,346	3,603,276	7,708,796
Grand Totals	80,937,514	31,746,931	4,314,419	730,180	32,595,841	11,550,143	49,190,583	477,300,205

From Dept Rev.

CUMULATIVE SUMMARY OF REVENUE  
COLLECTED 7/1/79 THRU 2/29/80  
8/12 or 66.67%

CODE NO.	TYPE OF TAX	GROSS RECEIPTS	REFUNDS	NET RECEIPTS	ESTIMATE	NET RECEIPTS % OF ESTIMATE
001	Property	\$ 1,901,275.54	\$ 645,399.56	\$ 1,255,875.98	\$ 175,000,000.00	.72
016	Alcohol	5,437,537.01		5,437,537.01	7,700,000.00	70.62
017	Cigarette Tax - GF	1,103,028.24	5,015.84	1,098,012.40	1,700,000.00	64.59
018	Cigarette Tax - SF	1,838,379.76		1,838,379.76	2,800,000.00	65.66
020	Electric & Telephone	235,218.67		235,218.67	2,000,000.00	11.76
021	Highway Fuel	17,677,047.72	3,407,799.15	12,269,248.57	18,400,000.00	66.68
022	Aviation Fuel	2,960,869.95		2,960,869.95	3,600,000.00	82.25
023	<del>Marine Fuel</del>	<del>2,401,773.55</del>		<del>2,401,773.55</del>	<del>3,100,000.00</del>	<del>77.48</del>
036	Individual Income	115,157,292.75	7,140,971.28	108,016,321.47	122,000,000.00	88.54
037	Fiduciary Income	38,198.23	27,205.66	10,992.77	100,000.00	10.99
038	Corporation Income	12,010,132.03	10,257,249.83	1,752,882.20	15,000,000.00	11.69
039	Oil & Gas Corp Income	242,799,956.47	945,162.00	241,854,794.47	402,000,000.00	60.16
046	Business License	1,873,061.28	296,758.28	1,576,303.00	4,000,000.00	39.41
052	Estate	154,416.69	5,838.48	148,578.21	200,000.00	74.29
057	Pool	925,577.70		925,577.70	2,500,000.00	37.02
061	Hires & Mining	119,938.00	506.10	119,431.90	100,000.00	119.43
062	Raw Fish	5,740.35	9,071.13	(3,330.78)	8,600,000.00	0
063	Cold Storage	213,971.44	1,222.21	212,749.23	8,700,000.00	2.45
064	Freezer Ship	184,585.24	28,390.07	155,995.17	3,600,000.00	4.33
065	Oil Production	327,713,964.85	5,414.96	227,708,568.89	420,590,000.00	54.14
066	Oil & Gas Conservation	190,247.31		190,247.31	600,000.00	31.71
067	Gas Flaring	1,333.49		1,333.49	10,000.00	33.33
068	Gas Production	7,083,912.92		7,083,912.92	11,700,000.00	60.55
096	Prepaid Tax (102)	(239,048.33)	5,143.00	(244,191.33)	0	0
106	Liquor Lic. Application	61,500.00		61,500.00	80,000.00	76.88
107	Pub Liquor License	142.34		142.34	600.00	23.72
108	Brewery	0	0	0	100.00	0
109	Distillery	0	0	0	0	0
110	Beverage Dispensary	405,150.00	3,800.00	401,350.00	480,000.00	83.61
111	Club License	21,400.00	200.00	21,200.00	23,400.00	90.60
112	Common Carrier	11,500.00		11,500.00	15,900.00	72.33
113	Restaurant	35,350.00		35,350.00	43,000.00	82.21
114	Roadhouse	2,700.00		2,700.00	6,400.00	42.19
115	Retail	226,300.00	6,000.00	220,300.00	270,400.00	81.47
116	Retail Stock Sale	0	0	0	0	0
117	Wholesale General	23,000.00	500.00	22,500.00	79,000.00	28.48
118	Wholesale Malt Beverage	4,700.00		4,700.00	14,100.00	33.33
119	Misc. License	12,765.50		12,765.50	18,000.00	70.92
145	Amusement & Gaming	58,719.52	192.00	58,527.52	85,000.00	68.86
146	Lottery Permits	27,725.43		27,725.43	20,000.00	138.63
402	Misc. Revenues	9,503.80		9,503.80	0	0
692	Redistributed Revenue	0	0	0	0	0
<b>TOTAL.</b>		<b>\$642,778,886.89</b>	<b>\$24,792,039.35</b>	<b>\$617,986,847.54</b>	<b>\$1,215,135,900.00</b>	<b>50.86</b>
126	Vessels & Gear	\$ 0	\$ 0	\$ 0	\$ 0	0
137-844	Comm. Fish Resident	85,995.28		85,995.28	151,000.00	56.95
138-845	Comm. Fish Nonresident	139,397.27		139,397.27	217,000.00	64.24
147	Comm Fish Ext Per	1,125.00		1,125.00	0	0
120-218	Sport Fish & Hunt	3,676,681.76		3,676,681.76	4,385,000.00	83.85
<b>SUB-TOTAL</b>		<b>\$ 3,903,199.31</b>	<b>0</b>	<b>\$ 3,903,199.31</b>	<b>\$ 4,753,000.00</b>	<b>82.12</b>
<b>TOTAL</b>		<b>\$646,682,086.20</b>	<b>\$24,792,039.35</b>	<b>\$621,890,046.85</b>	<b>\$1,219,888,900.00</b>	<b>50.98</b>
<b>INTEREST</b>						
575	Interest on Loans	\$ 1,876,501.42	\$ 0	\$ 1,876,501.42	\$ 2,628,000.00	71.40
576	Interest on Investments	50,796,660.04	0	50,796,660.04	64,160,000.00	79.17
577	Interest on Deposits	16,205.89	0	16,205.89	3,222,000.00	.50
<b>TOTAL INTEREST</b>		<b>\$ 52,689,367.35</b>	<b>\$ 0</b>	<b>\$ 52,689,367.35</b>	<b>\$ 70,000,000.00</b>	<b>75.27</b>
<b>TOTAL REVENUE</b>		<b>\$699,371,453.55</b>	<b>\$24,792,039.35</b>	<b>\$674,579,414.20</b>	<b>\$1,289,888,900.00</b>	<b>52.30</b>

KODIAK AREA CHAMBER OF COMMERCE



March 1, 1981

Representative Fred Zharoff  
House of Representatives  
Pouch V  
Juneau, Alaska 99811

Dear Fred,

At its meeting on February 23, 1981, the Board of Directors of the Kodiak Area Chamber of Commerce passed a motion unanimously supporting House Bill 101 repealing the tax on motor fuel used in or on watercraft.

We are pleased that you are a co-sponsor of this bill and trust that you will see that our support is passed on to appropriate legislators.

As you know, the Chamber represents the vast majority of Kodiak businesses thereby reflecting the position of the Kodiak economic community.

Sincerely,

KODIAK AREA CHAMBER OF COMMERCE

  
Hazel E. Hogan  
President

HEH:fp

cc: Don Wickey  
State Chamber of Commerce

GALLONS BY DIVISION

TAXABLE FUEL

Fuel Type	Total Gallons	Division I	Division II	Division III	Division IV	Accumulative
						Total Gallons From 7-1-78 To 6-30-79
Aviation Jet	12,910,717	624,348	204,117	8,898,285	3,183,967	112,228,872
Aviation Gas	2,101,199	212,817	216,369	1,183,427	488,586	15,767,888
Highway Diesel	4,620,769	851,822	1,137,951	1,834,129	796,867	78,221,778
Highway Gas	19,616,487	1,256,925	525,481	14,326,881	3,507,200	180,542,151
Highway Other	7,187,902	136	42	162	7,187,562	59,740,023
Marine Diesel	6,489,323	1,217,855	55,481	5,128,423	87,564	47,706,166
Marine Gas	1,460,117	350,647	113,483	820,238	175,749	7,671,593
Marine Other	30,359	770	10,739	5,844	13,006	607,345
<b>Taxable Total</b>	<b>54,416,873</b>	<b>4,515,320</b>	<b>2,263,663</b>	<b>32,197,389</b>	<b>15,440,501</b>	<b>502,485,816</b>

EXEMPT FUEL

Fuel Type	Total Gallons	Division I	Division II	Division III	Division IV	Accumulative
						Total Gallons From 7-1-78 To 6-30-79
Aviation Jet	30,868,996	24,414	16,620	25,015,616	5,812,346	223,166,036
Aviation Gas	75,531	-0-	212	37,269	38,050	558,862
Aviation Randed	3,604,049	-0-	-0-	3,604,049	-0-	58,402,138
Highway Diesel	11,203,701	678,200	732,782	9,653,516	139,203	53,385,455
Highway Gas	6,976,703	51,596	34,812	6,690,118	200,177	14,677,171
Off-Highway Diesel	8,443,685	1,415,531	1,288,468	4,108,219	1,631,467	84,942,755
Marine Diesel	485,005	59,473	-0-	425,532	-0-	7,145,930
Marine Gas	1,460,117	350,647	113,483	820,238	175,749	1,798,817
<b>Exempt Total</b>	<b>63,117,787</b>	<b>2,579,861</b>	<b>2,186,377</b>	<b>50,354,557</b>	<b>7,996,992</b>	<b>444,077,184</b>

<b>Grand Total</b>	<b>117,534,660</b>	<b>7,095,181</b>	<b>4,450,040</b>	<b>82,551,946</b>	<b>23,437,493</b>	<b>946,563,000</b>
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H B

154

COMMITTEE REPORT

HOUSE

FURTHER:

(9)

3/11/83

Date: 3-22-83

Mr. Speaker:

The Committee on TRANSPORTATION has had HB 154

An Act relating to train crew size.

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

Mr. W. Miller Do Pass  
Adelheid Horvath Do Pass  
Butte Co. Do Pass

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

Butte Co. Do Pass  
Mike ... Do Pass

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Butte Co.  
**CHAIRMAN**

MPT

8:00 AM, 3/22/83  
Capitol, Room 108

HOUSE TRANSPORTATION COMMITTEE

CHAIR PERSON	✓ BETTE CATO	D-VALDEZ
VICE-CHAIR PERSON	✓ MIKE MILLER	
MEMBER	MITCH ABOOD	R
"	✓ RANDY PHILLIPS	R
"	✓ BARBARA LACHER	R
"	✓ ALDERHEID HERRMANN	D
"	MIKE SZYMANSKI	D
"	JACK McBRIDE	D
"	MIKE DAVIS	D

I am M. P. Taylor, Manager, Rail & Alaska Operations, resident of Skaqway, for the 20 mile narrow gauge. RR

After 85 years - Now in a non-competitive position

73 " - of successful operation without this legislation.

Only railroad in the 50 states - should not apply to international RR.

Applies to only 20 miles - ARR not effected, Law stems back to turn of the century steam days. *ARR only 3-person crews*

Top speed on grades in the 20 miles this law regulates, is 15 MPH, with all bridges, walls etc, reduced to 10 MPH

Belongs on bargaining table. Law does not allow free flexibility in union-management negotiations.

*The F.R.R. ADM governs Safety*

This law was not born out of safety. It was thoroughly studied by two federal governments, namely:

- 3) Three United States Presidential Commissions
- and One Canadian Royal Commission

(Alaska Human Rights Commission - Cantrell)

Today the RR industry on the Eastern seaboard is making a remarkable comeback because they are permitted to be competitive. Such consist rules are freely negotiated between management and labor. Two men, No caboose, 15 Cars.

*(Display & Quote "MODERN RAILROADS*

We are inspected and regulated by the US Federal Railroad Administration, and the Canadian Transport Commission. We must comply with the same safety and operating regulations as any standard gauge transcontinental RR. The only difference being, we only, still have to comply with the law under discussion. I hasten to point out that the FRA & CTC regulations now reflect reduced consist crew size is left strictly to management-labor negotiations.

*OPERATING WITH A 3 MAN CREW.*

Our RR is 110 miles long. In this 110 miles we are regulated by eight jurisdictional bodies - one for each 14 miles. In Alaska it is one for each 5 miles. A very difficult task to say the least.

We have management-labor negotiated crew consist on the Canadian portion of the RR. It is working successfully and is now a fact of life.

We have hauled passengers for 85 years without a fatality. In recent years in excess of 50 thousand annually and they still want to come - in fact they are calling every day expressing disappointment that the trip is not available for '83.

(Last fatality to a T&E was in 1947)

(F.E.L.A.)

Our earnings, except for most of our passenger business, are all in Canadian dollars. With the exchange rate we must earn \$1.23 Canadian for every dollar paid out in Alaska. This in itself is burden enough.

When a management-labor issue is regarded as a State issue, questions are inevitable. Crew consist should be a management-labor issue. We have a drain here with no ultimate plug. We need jointly (management-labor) to return to a competitive position and at the same time put a stopper in the drain. It just won't work any other way.

①

has  
Last year the law was amended to permit a 3 man yard crew. Nothing changed on the property because there has been no management-labor negotiation.

A short while ago I recall one of our State airlines asked the State for assistance in determining crew consist. They were turned down and that is the way it should be.

With today's technology the continental RR's all, without exception, operate without <sup>STATE</sup> laws governing crew consist. Look at the changes taking place daily on the flight decks of our largest aircrafts in respect crew consist.

Frankly, we are no longer competitive. We have been a good Corporate citizen in Skagway - our objective is to get our 156 furloughed Skagway employees back to work at the earliest possible time. But we need your help.

\*  
We must have a window - a window of Hope - if we are to return to a competitive position. Our employees need the same window.

Honorable members of the Committee, I ask you to help provide a small portion of this window of Hope by lifting this unnecessary burden from our shoulders by repealing this law.

I would be pleased to answer any questions to the best of my ability.

\* Simply put, The RR will not re-open until a number of things happen, and repeal of this law is one of those things. The RR has been losing money for years — 4 m back in '79 we're just not competitive under the present structure

FINANCIAL STATUS OF 3

Company no longer in a position to help

\*...Financing conditions of our 3 operating companies; Railroad goes through 3 jurisdictions. Are all in trouble and that's not to say that the corporate wouldn't permit the rail to operate at some loss or at break even point, cause it is a link in all the rest of our corporate operations. But the corporate is no longer in a position to finance the losses of the rail operation.

I think we are a progressive company; we've proven that through the years.

Reason for shutdown is basically because of mining operations are shutdown?  
(asked by Rep. Miller).

Mr. Taylor: That is one of several reasons

HOUSE FLOOR SESSION  
HB 154  
4/12/83

Hayes HB 154 before us in 2nd reading

Goll Move this amendment and ask unanimous consent.

Hayes There is objection.

Goll This bill that addresses 5 man crew law has been considered by committees of this body. During that time been approached by numerous representatives of the community of Skagway, notably those employed by the White Pass RR requesting some modifications be made to protect the health and safety of those employees. Historically, these laws of this kind have received some criticism and rightly so, in mandating the labor-mgmt relations between railroads and for this reason I support the intent of the legislation, specifically, the AK legislature may find itself in possession of AK RR and this RR is exempt from the 5 man crew law because it is a federal RR, but upon transfer to AK, it becomes subject to that restriction, which I don't feel is appropriate and would urge passage of this bill. However, in Skagway, we have a different situation, a narrow gauge RR there which traverses some difficult mountain passes there and presents threat and danger to health and safety because of nature of the track. The tressels are dilapidated but more important, they don't have walkways between them, and on the RR it is sometimes difficult or impossible for the crews to move freely between the cars to deal with certain instances with passengers or operations of the train itself. The union has stated most emphatically, and it should be noted that the union is protected by contract with regard to the crew and there would not be any change in relations between labor and mgmt at this time of the White Pass RR. Nonetheless, what the people who work on the trains are looking for are increased modification of the track to provide for access in case of emergency across or along the edges of these tressels and barring that, some sort of protection which will provide for crew members in various parts of the train in case of emergency. I have been assured by the unions involved and the individual employees on variety of occasions that at such time as health and safety needs are met, by improvement of the track or walkway adjacent there to, that the union itself would take action to see that the rest of this law was repealed. With regards to the amendment specifically, it seems rather wordy, all it really is is a reproduction of the existing statute, with the addition of the word narrow gauge. This would provide

for all RR in AK to have absolutely free reign in determining their crew size with the exception of the narrow gauge RR which in my opinion and opinions of the employees and many residents of Skagway, require special treatment at this time. I hope you will support this amendment for the sake of the life and safety concerns of the people who operate the White Pass and upon doing so I would then urge your passage of the entire bill. Thank you very much.

Furnace

As this party is aware of, the Labor and Commerce Committee did hold hearings on this particular piece of legislation and we did invite mgmt and labor to come in and they did support passage of the legislation as presented here today for discussion. One of the central reasons for that is strongly felt that this is indeed a labor relation matter-one that should be solved at the table and it appears to me reading through the amendment, although there may be some merit here, it has a tendency to defeat the purpose of the bill as it has been discussed to the committee, and that is to put this responsibility back in the hands of labor and mgmt and let them collectively resolve the issue. Support of this amendment would again defeat the purpose of the bill as we have it today. I'm sure that there are additional members on this floor that have more information than I have on it. I would simply urge the body not to support the amendment however.

Duncan

As I interpret the amendment, I may be wrong, it does not defeat the intent of the bill. The amendment speaks only to narrow gauge RR. It does, as the Rep from Haines explained, does allow the AK RR or any other RR to have whatever size crew determined at the bargaining table. This amendment would say that for narrow gauge RR there shall be 5 member crew and as far as I know that is only one RR and that is in the Skagway area. So, I don't think it defeats the intent of the legislation at all.

Phillips

Really didn't want to get into the debate here but I'll try to give a summation of our meeting with White Pass and the Yukon RR officials in Whitehorse. We had met with Tom King and other man from Skagway, counterpart-on American side, and they were in opinion that they must have, one of their bottom lines for survival of the RR, was to have this law changed from a 5 man crew to 3 man crew and as I understand it, the 5 man crew also applies in the yards itself and not just along the track. But this was one of their bottom line recommendations in order for the survival of the RR as a whole in the near future. Of course, we have the Cyprus Anvil mine being closed there and if that reopens that will solve quite a bit of the problem with the RR but that's just only one of the problems, this other

thing the crew size is another problem that needs to be solved in order for RR to reopen. Now it was reemphasized that this alone, the crew size will not save the RR but it will help and we have asked numerous questions and this was one of their bottom lines in order to fulfill the reopening of the RR.

Uehling

Question through the chair to the sponsor of the amendment. Basically, why are we giving this particular group, the narrow gauge RR a special exemption over other RR in the state?

Goll

Let me answer the questions raised in reverse order. First, with regards to the appearance of special exemption, we are not exempting this particular company or anything of that sort, it is my belief and belief of those who work the RR that what we have here is very winding tracks that go around the mountain passes and is very treacherous. The conditions of the tressels and facilities have not been upgraded for many years and there have been alot of near misses and the last thing I would like to do is contribute to creating fewer personnel on a RR where emergency situations are not unheard of. If you drove on flat ground, all have to do is stop train, but you have a situation on these tracks it is considered to be very dangerous by the people involved. This law would provide a professional person on the train for such emergencies. To try to stress the point would like to refer to comments of first speaker from Anchorage, it is important to recognize that it is very valid to free up the ability of surface transport industry to make its own contract determinations, this particular case is that of life and safety protection, at least that is my view of the matter, and for that reason, I support this amendment, not in order to hamstring mgmt or labor in its negotiating process, but to insure that where necessary, we have adequate safety standards on these railroads. With the regards to comments from Rep from Eagle River, its all very well for Canadian mgmt to state that they can not operate under these circumstances, not withstanding that, they have been successfully operating under these circumstances for many years, reason that the White Pass RR is closed is because mines in Yukon Territory are closed. 85% White Pass's business is based on transport of mineral materials. It's not appropriate and not correct to imply that by reducing the crews by 2 men that the RR will somehow overcome an 85% loss of revenue nor is it correct to assert that if they were to overcome those revenues they would be unable to operate with this crew size. I have great respect for the needs of mgmt and owners of RR, or trucks or property of any sort, but here we have the safety of the workers in question and a long history of successful operation under the existing law and don't think its correct to assert that this will create such difficulties for the

White Pass and I'd like to refer you to line 3 of the amendment which states specifically that this only deals with operation outside of the yards, in the case of the RR, impacted is essentially on these mountains outside of town and that's the rationale behind this amendment.

Hurlbert Support the amendment. Urge the body to give courtesy to the member from area that deals with that.

Szymanski I raise in support of the amendment also and I think that the knowledge that the Rep from Southeastern has concerning The White Pass RR is evident. The amendment does narrowly define the application of the law to the narrow gauge RR and there is only one in existence and possibly the only one in the future. I think public safety is one of the charges that we have here as the body to protect and I don't see any harm to continue the language and supporting the language of the narrow gauge RR service protection as outlined in the amendment and would urge all members to consider it before they dismiss it out of hand. Haven't heard any testimony in committee indicating that there would be any significant advantage at all to repeal the language.

Uehling Basically, I oppose the amendment and I believe that the Rep from Haines did answer some of my questions. I think that by adding this amendment we will be giving certain exemption to this particular Railway and basically, don't think its fair to put a crew size of 5 people in that particular situation and not allow other situations through out the state. And considering the fact that it goes into Canada and it a Canadian RR.

Barnes Discuss a moment the relevancy of this amendment to the bill. My understanding and discussion of White Pass RR was that one of the reasons the RR was not running was exactly what is encompassed in the amendment that is presently before us. And it is my feeling that if the amendment is adopted, we simply have no reason to pass the bill because we are back at the starting point, where we were when we initially began and it would be my opinion then that since we would have no need for the bill, that we would at that point return it to rules.

Goll Did discuss amendment with office of the sponsor and it was understood that was of particular concern was that the AK RR not be impacted by this sort of restriction. That it be free to set its crew sizes appropriate to its needs. The way the law is written in so far as there are not any other operating RR in the state, that would now occur with the transfer of the AK RR to the state. It was my hope to protect the health and safety of the employees and the passengers and believe this particular RR or any RR

of its type requires these sorts of safeguards and that was the sole intent of the amendment. My feeling is that due to the circumstances upcoming with the AK RR it still is very valid that we pass this bill amended.

McBride

I was at the Whitehorse conference and heard the gentlemen that runs the RR. We need to understand that he is a very good manager and does his job well and he would like to accomplish as much as he can while the RR is shut down. Foolish to think that because there is 2 people that he thinks may or may not need to be on that RR to think that is the reason it isn't operating. There was quite a bit of discussion on that earlier when RR was talking about shutting down and when they did shut down and it just absolutely doesn't have anything to do with it; what matters is that the mines are not running and while they are not operating and he is going to get as much as he can in every segment of that, including negotiating with the mine etc also. It is in the matter of labor negotiation as this just sets a minimum crew size and the labor and mgmt could very well decide to have 10 men run that crew. Our interest here is just to protect the public safety and we have to realize that the most treacherous part of the trip on that RR is on the AK side and therefore that is the thing that we should be considering today, if the public safety is well addressed w/o a minimum crew law on that particular RR and I believe it should.

Duncan

Speak in support of amendment introduced by Rep from Haines. Been some statements made that this amendment is going to cause the RR to be closed down indefinitely and the reason it did close down and one of the reasons as because of the requirement of 5 crew members. That is not true and I think that the Rep from Haines indicated very clearly that that wasn't the case. The real reason why the White Pass is not running now is because 85% of its revenues are gone because of the closure of the mines, not because of the size of the crew they are required to operate with on passenger service. That full crew law did not force the closure of the White Pass RR. That law only applies to passenger service. There are only 2 crews that operate on the passenger end of that operation. What we are really talking about is 4 jobs, difference between the 5 member crew and 3 member crew on 2 crews - that's 4 positions. The requirement that they put those 4 people on or 2 members on each crew in order to maintain safety is not going to cause the RR to stay closed down. The real point is the safety of the passengers and the crew and not the normal RR operation that you are running across miles of prairie. You are running up in the mountains of some winding passes, tressels and if something happened on that train, it is very important to have crew men there who can handle it. Seems to me we should rely on the information that the individual

from Haines has. He has worked very diligently over past few weeks with White Pass trying to resolve the problem there and I am confident that if he felt that reduction to a 3 member crew was going to get that RR going again, then he would support that. On the other hand, he does feel that safety is a very high requirement on the RR. And a 5 member crew meets that. Again, the reason for that closure was not because of the full crew law but because of the fact that 85% of the revenues are gone. Also remind some of the members that have been here for some years, at least for the past 5 or 6 years we have fought this same battle. This proposal has been before us for the past 5-6 years. There has been attempts to reduce the size of the crews on the passenger service for White Pass and Yukon. And they didn't close down because they didn't get that reduction. White Pass-Yukon continued to operate. They only closed this past year when the mines closed and the revenues dropped considerably. All we are talking about are 4 positions, 4 members of the crew. That difference will not cause the White Pass-Yukon to close down. I think we should rely on information from Rep from Haines has and has worked closely with them, most knowledgable on this floor as far as White Pass-Yukon RR goes and we should accept his advice and support his amendment.

Miller

Correct one statement. Mentioned that full crew law applied even in the yard. The amendment of Rep. of Haines specifically lowers the 5 crew down to 3 person crew while in the yard (sec 2). Another indication of the correctness of this amendment. Urge my colleagues to vote yes.

Grussendorf

Some concern in relation to negotiation between mgmt and labor on the operation of the RR. I would like to remind this body that we are talking about a foreign owned RR that is doing commerce in the US with AK. It is not uncommon for the US or a state to demand a certain level of standards that the mgmt would have to comply with for the safety and general commerce actions that are going to occur. And this says something that I think we are overlooking, we have been comparing it to the other RR throughout the state of AK which we don't have that many, but its a different thing, we don't have the handle on it as much as we don't have a handle on Panamanian ships and how they handle crews and passengers. You can see that if there was an emergency on the RR (for those who have ridden it or driven alongside it) , it would be nice to have 5 crew members because you would want someone at both ends as well as in the middle to tell the passengers to stay on or where to get off. Would be important from a safety point of view and therefore I support the amendment.

Bettisworth

Rarely do I have a chance to agree with my colleague in Juneau, but basically, everything he said is correct.

But there is another approach to this situation: This amendment is not necessary primarily because it is not the prerogative of the State of AK or any other state to dictate by law to any organization how many people they should or should not use to perform a function. That is the prerogative of negotiations between labor and mgmt if those negotiations exist. Certainly, safety is a factor and should be a factor. All you are quite familiar with the Teamsters Union 959 in the State of AK who is the rep. bargaining agent for that RR. And in bargaining sessions, it is established between labor and mgmt that they need 10 people to operate that train, certainly it will be in their agreement. However, if they determine it takes 3-4 people they cannot do it because the State of AK has interfered with their right as mgmt and labor to negotiate an agreement. Therein is the problem with this amendment. It doesn't necessarily have anything to do with whether the RR will or will not operate that's correct, if this amendment should pass and certainly we should all vote against the bill, because the object of this whole legislation is to remove an archaic law that was put on the books over 40yrs ago when RR were converting to coal fire to oil fire engines and was a move to preserve jobs by organized labor and nothing else. This is the last state in the union to fail to remove that archaic law from books. This is our opportunity to do it and we ought to do it. The amendment completely defeats the purpose of the bill.

Goll

Repeat once again. Agree completely with previous speaker that in most cases and particularly in the case of the AK RR we do not wish to have these sort of constraints. This law is devoted to this particular RR. This narrow gauge RR has a real need for this size crew, simply for the life and safety reasons that have stated. It is important that the law, the original bill do pass, in order that the AK RR be free from unnecessary regulations. I am not a supporter of unnecessary regulation and I do feel that in this case, just as in other life and safety issues, the State of AK has obligation to protect its citizens and would like to see this amendment passed on the White Pass RR.

Abood

For the edification of this body, there is only one operating narrow gauge RR. They have many crew members on it and that's in Disney Land. Very peculiar, you've got 15% of the narrow gauge RR when it's operating again will be devoted to passenger service. Right now the RR isn't running and its costing them a great deal of money to keep the things sitting the way it is. I don't think this amendment is good because it doesn't do a thing. All the rest of the US have elected the 5 man crew is not in the best interests of the state. I have to agree with the Rep from Fairbanks, we are trying to pull it down, make it less costly. I would urge the body against the amendment and if the amendment passes I personally vote against the bill.

Wendte Agree with the gold miner from Flat lands to the extent that we are not talking about labor-mgmt issue, not talking the existence of the RR for financial reasons, but point out that the 40's was probably when the same cars, track and whole same set up has changed very little on that RR. Wonder how many of you on this floor has ridden that RR as I have and would hope that before you leave SE you would do that and in doing that I would hope that there be 5 crew members so that you would be back next year. The concern is one of safety and I don't think...I don't care to leave it up to labor to tell me that we can get by with one person for a crew of a 747 for example. I think in areas of public safety the record is very clear to the extent that we have a responsibility to provide safety for our citizens. I think the arguments on this floor clearly revolve around the issue of safety for the operation of one particular RR. That has been one that has been there, it is archaic, it needs additional concern for safety than do other RR or "the" RR in this state and I would support the amendment and think it is our responsibility to provide for the safety of travelers on that RR and hope we would adopt that today.

Hayes Further debate? Are you ready for the question? The question is Shall the House adopt amendment number 1 to HB 154?

Clerk Roll: 17 yeas, 20 nays

Hayes House has failed to adopt amendment number 1. Does the Clerk have further amendments?

Clerk No

Hayes HB 154 before us in 2nd reading. Any amendments?

Clerk No

Barnes Move and ask unanimous consent that HB 154 be considered engrossed, advanced to 3rd reading and placed on final passage.

Hayes No objections, so ordered. Clerk please read bill for 3rd time

Clerk Reads bill

Hayes Debate? Ready for the question? Question is Shall HB 154...

Ducan Just a couple points more based on discussion during second reading when amendment offered. A couple points made by members who voted against the amendment that they didn't feel we should become involved in a labor-mgmt dispute, the legislature should stay out of that, something

that should be done at the table, point out that by not adopting the amendment, we did get the legislature involved in a labor-mgmt dispute only we took mgmt's side. It's mgmt that didn't want the 5 crew, full crew law; labor supports that, so contrary to the arguments that we should stay out of it and therefore not adopt the amendment, we involved ourselves directly in it, however the Legislature took mgmt's side. Which of course, I don't think is any better than taking labor's side. We should have left it as was. It was also mentioned that this law has been on books for 40 yrs. That is incorrect. The information I have is that it was probably about 12 yrs ago that this law was actually adopted by legislature. Wanted to make those points and urge the legislature to defeat the bill at this time.

Hayes Further debate? Ready with question?  
Question is Shall HB 154 pass the House?  
Rep Lindauer changed vote from yes to no

Clerk Roll: 24 yeas 12 nays

Hayes HB 154 has passed the House

Goll Would like to give notice of reconsideration  
on vote for HF 154

Hayes Notice has been given

HOUSE FLOOR SESSION  
HB 154  
4/18/84

Hayes Unfinished business before body

Goll Bring up reconsideration of HB 154

Hayes Rep Goll has brought up reconsideration of HB 154. Clerk please read bill.

Clerk HB 154 by Rules Committee by request of the Governor. An Act relating to train crew size

Hayes HB 154 before us in 3rd reading under reconsideration. Is there debate?

Goll Like to return it to 2nd reading for purposes of introducing a specific amendment.

Hayes There is objection. Clerk please read amendment.

Clerk I don't have amendment.

Goll Same amendment introduced last week. Exempts narrow gauge RR from repeal of crew law in order to provide adequate health and safety for the crew and passengers on narrow gauge RR.

Hayes We have motion to return HB 154 to 2nd reading for purpose of specific amendment. The amendment has been previously submitted. Clerk please give page reference. There was objection to your motion Rep Goll to return to 2nd reading. Is there debate?

Goll No, Mr. Speaker we have probably covered the arguments pretty well and I would be ready for the question.

Wendte Urge body to recall my statements in bringing their conscience back to consistency last week when discussing deregulating the TV's and urge you develop that consistency as in our discussion that time of public convenience and you chose to regulate partially, deregulate at that time and to continue partial regulation. I would note in regard of the specific amendment being requested, that in this instance and I remind you we are talking safety and I consider in terms of the partial deregulation which is the effect of the amendment that safety is a much more justifiable reason to do it than just public convenience as you chose to do last week. I urge passage of the motion and adoption of amendment when it is before us. Remind us, as those of us involved in business since this did get a mgmt

versus labor, I hope the body would keep in mind that they would not consider it more important for the mgmt of a foreign corporation as opposed to Alaska workers, in this instance; particularly among those who may have visited Skagway—a community of 80% unemployed where every job counts. Primarily, I urge your adoption of the safety factor.

- Bettisworth      Fail to see the parallel between TV and RR. Certainly, there is no worry that someone will put a parallel RR along the White Pass and Yukon. I would remind members and strongly urge you to vote against the amendment that under current law if determined by labor and management that they need 10 people on the RR they can do it. But if determined only need 4 people on it, they cannot. Decision needs to be worked out. Safety factor has been overworked on this subject and certainly we are all concerned, but we should also be concerned whether the train will be able to operate or not. Strongly urge you to vote against this amendment.
- Pestinger        Understand the train is not operating now and there are no plans to operate it because of economics of mining in the region. If that is so, safety is not a factor, it's a moot factor. I respectfully submit that economics of mining in the territory may have a bigger issue than what we are debating.
- Hurlburt        Rise in support of amendment and going back to 2nd reading. Safety is a factor. Think they are trying to get the most they can out of the White Pass RR being closed now. I support going back to 2nd reading.
- Hayes            Further debate? Ready for the question?  
Question is Shall HD 154 before us on reconsideration be returned to 2nd reading for purpose of a specific amendment. Proceed to vote.
- Clerk            Roll: 18 Yeas 21 Nays
- Hayes            Motion to return to 2nd reading failed. Is there debate?  
Question is Shall HB 154 before us on reconsideration pass the House?
- Clerk            Roll: 26 Yeas 13 Nays
- Hayes            HB 154 has passed the House on reconsideration

this chapter committed within a period of two years after a previous conviction for a violation of §§ 405—415 of this chapter. Other convictions are first convictions. Each day's violation of the provisions of §§ 405—415 of this chapter is a separate offense. (§ 43-2-3 ACLA 1949)

**Sec. 23.10.420. Train crews.** (a) No person operating an Interstate Commerce Commission-regulated railroad offering passenger service in this state may operate a train or engine, outside of yard limits, regardless of the form of energy used for propulsion, unless it meets the following requirements:

(1) a passenger train shall have at least a minimum passenger crew, which shall consist of one locomotive engineer, one locomotive fireman (or helper), one conductor, one brakeman, and one flagman;

(2) a freight train shall have at least a minimum freight crew, which shall consist of one locomotive engineer, one locomotive fireman (or helper), one conductor, and two brakemen;

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

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

(c) In this section "engine" includes connected, multiple units under single control.

(d) A person who violates a provision of this section may be fined up to \$500 upon conviction. Each violation constitutes a separate offense. (§ 1 ch. 150 SLA 1970)

Legislative committee report.—For 666 am S), see 1970 House Journal, p. report on ch. 150. SLA 1970 (CSHB 604.

HB 154 TITLE & SPONSOR SUMMARY  
 AMENDED TITLE:  
 AN ACT RELATING TO TRAIN CREW SIZE

11:43 2/20/84 PAGE 1

PRIME SPONSOR: HOUSE RULES COMMITTEE.  
 CO-SPONSORS:

CURRENT STATUS: 7/01/83 CHAPTER 0040 JLA 83

HB 154 HOUSE ACTION 11:44 2/20/84 PAGE 2 OF 3  
 LEGISLATIVE ACTION

DATE	SEC	PAGE	LEGISLATIVE ACTION
02/02/83	01	0158	FIRST READING -- COMMITTEE REPORTS
02/02/83	02	0159	F/NOTE EQUALS ZERO/ANALYSIS
02/02/83	03	0159	GOV TRANSMITTAL LETTER
03/11/83	04	0452	L&C -- DP03, NR02
03/23/83	05	0592	TRAN -- DP04, NR03
04/12/83	06	0825	SECOND READING
04/12/83	07	0827	AM01 NOT ADOPTED BY DIV 17-20-03
04/12/83	08	0827	ADVANCED TO 3RD READING BY UNAN CONSENT
04/12/83	09	0827	THIRD READING
04/12/83	10	0827	PASSED BY DIV 24-12-04
04/12/83	11	0827	NOTICE OF RECONSIDERATION GIVEN
04/18/83	12	0849	POSTPONED UNTIL 04/18/83 BY UNAN CONSENT
04/18/83	13	0906	FAILED TO RETN 2ND READING BY DIV 18-11-04
04/18/83	14	0907	PASSED ON RECONSIDERATION BY DIV 26-13-04
06/15/83	23	2131	TRANSMITTED TO GOVERNOR
07/01/83	24	2126	SIGNED BY GOVERNOR-CH0040, EFF 09/29/83

HB 154 SENATE ACTION 11:44 2/20/84 PAGE 3 OF 3  
 LEGISLATIVE ACTION

DATE	SEC	PAGE	LEGISLATIVE ACTION
04/19/83	15	0746	FIRST READING -- COMMITTEE REPORTS
06/01/83	16	1100	TRAN -- DP03, NR01
06/22/83	17	1460	L&C -- DP02, NR02
06/24/83	18	1482	RLS --
			TAKEN UP IMMEDIATELY
06/24/83	19	1484	SECOND READING
06/24/83	20	1484	ADVANCED TO 3RD READING BY UNAN CONSENT
06/24/83	21	1485	THIRD READING
06/24/83	22	1485	PASSED BY DIV 10-00-06

# Alaska State Legislature

## House of Representatives



Rep. Bette Cato, Chairman

Committee on Transportation

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

February 24, 1984

Maurice Byblow  
Yukon Legislative Assembly  
PO Box 2770  
Whitehorse, Yukon Y1A 2C6

Dear Mr. Byblow:

Enclosed please find the information you requested on the White Pass-Yukon Railroad when visiting Juneau. In addition to the bill HB 154, "An Act relating to train crew size", the following information is contained in this packet:

- . The Alaska Statute on Train Crews
- . A letter from Governor Sheffield to the Speaker of the House concerning his position on the bill
- . The minutes for the House Floor Sessions on the bill and the minutes of the Committees that heard the bills
- . Copies of all Committee tapes and House and Senate Floor Session tapes on HB 154
- . Senate Bill 849, "An Act relating to minimum crew requirements for the operation of railroad trains and engines; and providing for an effective date".
- . The United Transportation Union's position on on SB 849
- . Committee minutes on SB 849

I hope this information will be sufficient for your needs. Please let me know if I can offer you any other assistance.

I truly enjoyed meeting with you and your delegation from the Yukon Territory and hope we may have the chance to do so again.

Sincerely,

A handwritten signature in cursive script that reads "Bette".

Representative Bette Cato  
Chairman, House Transportation Committee

FEB 28 1984



FEB 28 1984

***united transportation union***

February 24, 1984

Representative Bette Cato  
Box 775  
Valdez, Alaska 99686

Dear Representative Cato:

Enclosed are copies of various articles from the Whitehorse Star, as well as Senator Stevens' entry into the Congressional Record January 26, 1984, and also an article from the Seattle Post Intelligencer, August 7, 1977. This organization strongly asks for similar type of action or statements from your respective position in the legislature.

At this time this organization still stands opposed to the year around opening of the Klondike Highway that would impact the White Pass Railroad as well as the tourist industry. You are well aware of the constant bleating of these foreign corporations putting all their woes on labor in general, and American labor here in Skagway in particular.

Sincerely,

Larry Jacquot  
General Chairman  
United Transportation Union  
Local 1787

LJ:jb

Enclos



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 98<sup>th</sup> CONGRESS, SECOND SESSION

Vol. 130

WASHINGTON, THURSDAY, JANUARY 26, 1984

No. 4

## Senate

THURSDAY, JANUARY 26, 1984

(Legislative day of Monday, January 23, 1984)

S 224

### ALASKANS ARE UNITED TO SAVE SKAGWAY

Mr. STEVENS. Mr. President, on December 15, 1983, the Canadian Transport Commission (CTC) completed an exhaustive inquiry into the transportation requirements of the Yukon and issued a draft report for comment by affected Canadian and Alaska interests. The formal comment period does not conclude until February 15. But public comment on certain findings and recommendations of the Commission is necessary and appropriate at this time.

It is possible that certain major shippers in the private sector will make fundamental transport decisions—perhaps as early as next week—which will profoundly affect Alaska. Those decisions should not be made without a full understanding of the probable consequences.

BACKGROUND

Mr. President, the city of Skagway is the closest year-round tidewater port for the Yukon Territory. For the past 84 years, the principal transportation system serving the Yukon has been the White Pass & Yukon Railway, providing passenger and freight service between Skagway and the territorial capital of Whitehorse. Of the total railway length, 59.1 miles are located in Yukon, 30.9 miles in the Province of British Columbia, and 20.4 miles in the State of Alaska.

As a private sector business enterprise, the railway, to say the least, is unique. It is owned and operated by the White Pass & Yukon Corp. Ltd., and the railway business in Alaska is carried on by a U.S. subsidiary, the Pacific & Arctic Railway & Navigation Co. (PARN). The PARN operates under a certificate of public convenience and necessity issued by the ICC. The Canadian operations are certificated by the CTC. Operations in Canada, of course, are governed by Canadian transport law.

The conflicting regulatory requirements of the United States and Canadian Governments have never been a serious problem. The challenges have been overcome by good-faith negotiations, and relations between the United States and Canada remain most harmonious in respect to the international railway system which serves vital interests in both countries.

Although owned by Canadian interests, the railroad's principal employment base is in Skagway. The maintenance shops are located in Skagway. The majority of the operating personnel are Alaskans. Alaskans for four generations have served the transport requirements of Yukon through the facilities at Skagway.

Unfortunately, Mr. President, railway operations between Whitehorse and Skagway were suspended following the closure of the Cyprus Anvil Mining Corp.'s (CAMC) open pit lead/zinc/silver mine and mill near Faro, Yukon Territory, in June 1982.

As noted in the CTC draft report—

(The major difficulty faced by the WPY Rail Division is that it is essentially a captive railway—captive to CAMC. Without CAMC traffic, it does not have the economic power to operate. Some believe it should op-

erate even without the high volume bulk freight but that would be impractical, for the fair rate to cover costs would be astronomical. (CTC draft report, p. 81).

Under controlling Canadian law, according to the CTC, the—

WPY Rail Division is a regulated mainline rail carrier and as such . . . it cannot set rates which are less than the compensatory rate (that is the rate must cover the long run variable cost of operation). (Id.)

In the last full year of operations prior to the closing of CAMC—

More than 9,900 tons of freight, 44,500 tons of petroleum products, 416,000 tons of (CAMC) mineral concentrate and approximately 55,000 passengers were carried by the railway. (Id., p. 26).

The Skagway employees, for the most part, have been without jobs since June 1982. The situation these employees now face is quite simple: if the CAMC resumes operations and converts to trucking rather than rail service for its ore concentrate transportation requirements, the White Pass & Yukon Railway, after all these years, will probably be abandoned under controlling Canadian law. Of course, PARN cannot operate a viable railroad from Skagway to a point on the Canadian border—so PARN will be abandoned as well.

The city of Skagway, under those circumstances, will have had a glorious past—but no future.

#### THE ALASKAN PUBLIC INTEREST

Mr. President, I am pleased and gratified to note that the Alaskan public interest was considered by the CTC inquiry officers in the preparation of their report. The CTC met with State and local officials, and made the following observation:

The Alaskan Government realizes the historic role which the port of Skagway has played in the development of Yukon. A commonality is viewed between the region about Skagway and Yukon in terms of remoteness and reliance on the transportation industry. If the WPY railway is abandoned, there is serious concern about the continued existence of Skagway. *There is also doubt that Skagway could survive as a city on the basis of seasonal tourism.* Even the WPY railway was abandoned and trucking was permitted on the Alaskan portion of the South Klondike highway, the railway jobs would not be replaced in number by jobs in trucking—most trucking jobs would go to Canadians. As well, if major trucking to Haines or elsewhere was adopted and the WPY railway was abandoned and there was no trucking on the South Klondike Highway, *that would be the beginning of the end for Skagway.* (Emphasis supplied). (Id., p. 47).

The American employees of the railway, rail and longshore units are represented by General Teamsters Local 959, State of Alaska. Railway trainmen and engineers in Alaska are represented by the United Transportation Union (UTU) Local 1757. And Teamsters Local 213 represents all Canadian employees of the White Pass and Yukon.

According to the draft report, "every attempt was made to meet with the Union representatives and spokesmen for the employees" of the railroad. In

addition the CTC met with the United for Skagway Committee, a group composed of municipal officers and community leaders, as well as the Teamsters Union and the UTU.

The Alaskan public interest, therefore, was taken into consideration in the development of the CTC report, along with, obviously, the interests of Canada in general, and the Yukon in particular.

#### THE CAMC POSITION

The CAMC is not only the dominant and controlling shipper on the White Pass and Yukon, it is also the dominant industrial enterprise in the Yukon Territory. Accordingly, in order to facilitate the reopening of mining operations on the initial target date of June 1983, the Canadian Federal Government and the Yukon Territorial government extended approximately \$25 million in aid to CAMC. The mine and mill, however, remain closed. According to the draft CTC Report.—

CAMC requires 6 months lead time, after a decision to reopen the mill is made, in order to finalize marketing, to staff operations, to make capital expenditures and to secure supply contracts. CAMC will not start up the mill during the winter due to the harsh Yukon climate. Consequently, the earliest time for mill start up would be late 1984, and the decision to do so would have to be made in or before April 1984 . . . In this context all transportation arrangements including trucking approvals (if necessary) must be in place by mid-March 1984 or it will be unlikely that the mill would reopen and that shipments would resume prior to the fall of 1985." (Italic supplied). (Id., p. 7).

Mr. President, CAMC informed the CTC that—

Trucking either to Skagway or Haines results in CAMC costs being reduced, and that the preferred route for trucking will be Faro to Skagway. In the event the Skagway road is not open to traffic, CAMC would pursue trucking to Haines. (Id., p. 14)

With respect to the prospective Faro-Skagway trucking operation, CAMC stated that there are no physical restrictions which would require limiting the gross vehicle weight to levels below 134,500 lbs, and that operations would be based on—

70 foot, 7-axle B-train trucks with facility to handle loaded and empty ore containers and loaded backhaul containers for such items as coal, iron, combination with lime, soda ash, fuel, rods and balls, and general freight . . .

And with respect to the alternative Faro-Haines route, CAMC stated:

The Haines route is not restricted . . . and appears capable of facilitating 134,500 lb. loads. (Id., p. 14).

The final CAMC position was characterized by CTC as follows:

If the 134,500 lb. load is not permitted on the Alaska sections of either the Skagway or the Haines alternative, a shuttle operation (i.e., the splitting of B-train configurations to a single trailer operation in order to meet Alaskan road weight limits) was recognized by CAMC to be a possible requirement. (Id., p. 15.)

Mr. President, the best evidence available to me indicates that CAMC

will reopen its mining and mill operations at Faro later this year. Thus, CAMC must decide in the immediate future whether to pursue its trucking option. I am informed that meetings will be held in Whitehorse next week, involving railroad management, CAMC, the Canadian Federal Government, and the Yukon Territorial government. Alaskan interests, I am further informed, will not participate in those meetings.

I wish to stress, therefore, the intolerable burdens that Alaska and the United States will bear if the decision is made by CAMC, for whatever reason, to pursue the trucking option for transportation from the Faro mining facility to tidewater Alaskan ports.

#### THE ALASKA BURDEN OF CAMC'S TRUCKING OPTION

First, the conversion to trucking—if successfully implemented—will mean the forced abandonment of the White Pass & Yukon Railway in the United States and Canada.

Second, the conversion to trucking will mean the elimination of the Skagway employment base, and the export of most of the available jobs from Alaska to Canada.

Third, the tourism industry in southeastern Alaska will suffer irreparable harm. Not only will the scenic railway trip be eliminated permanently as an attraction for up to 55,000 visitors annually, but if the South Klondike Highway is used for ore concentrate trucking and backhaul, the scenic value of that highway system will be lost to virtually uninterrupted movements of B-train trucks 7 days a week, 24-hours per day. One estimate is that these trucks would pass a point on the highway every 15 minutes, round the clock. If B-train trucks were split at the border, every 7½ minutes, round the clock.

Fourth, the Federal-aid primary route from Skagway to the U.S. border, now closed between October 15 and May 1, will require upgrading to meet the transportation requirements of the mine. These costs, of course, will be borne by U.S. Federal and Alaska State taxpayers. After upgrading, according to the CTC draft report, the increased annual maintenance cost for the Alaska section of the highway will be \$375,000.

Fifth, if the alternative Faro-Haines route is selected by CAMC, in addition to upgrading of the highway, the incremental increased maintenance cost in Alaska, on an annual basis, will be at least \$420,000.

Sixth, U.S. Customs apparently will be required to man a post at the border, 7 days per week, 24-hours per day, in order to accommodate the traffic originating at the Canadian mine. This extraordinary cost will be borne entirely by U.S. Federal taxpayers.

Seventh, the U.S. Federal Government and the State government will be required to bear the social costs of

massive long-term unemployment in southeastern Alaska caused by the elimination of the railroad as a viable transportation component and the destruction of the underlying economic base of Skagway.

Mr. President, Alaskans have the capability, as a practical matter, to protect themselves against these massive losses as a result of an inappropriate decision by one major private sector shipper. Alaskans, after all, control the configurations of the vehicles that travel on their Federal-aid primary highways. That is part of the police power inherent in every State and nation.

#### CONCLUSION

Mr. President, the CTC draft report recognizes that CAMC has grossly understated the actual costs, and the indirect social costs, of converting to highway transportation operations when the mine is reopened later this year.

The CTC recognizes, as Alaskans do, that the White Pass & Yukon Railway is a national treasure which Canada and the United States cannot afford to lose. I have met with representatives of railway management; they are determined to reopen the railroad and serve all shippers at rates that are fair and compensatory. I have discussed the problems with representatives of the railroad's employees; they are committed to reopening the railroad, as are the community leaders of Skagway and other vitally affected interests in southeastern Alaska.

There have been differences between labor and management on the railroad in the past—now those differences must be resolved in good-faith negotiations. I believe they will be resolved.

Mr. President, in view of these facts, I believe that the citizens of Alaska have every right to resist the abandonment of the White Pass & Yukon Railway. I believe they have every right to resist the use of their roads—at massive Federal and State cost—by an endless stream of B-train combination trucks from the mining operations in Yukon. I shall join them in this effort. The financial costs to the U.S. Treasury, to the Alaska State treasury, and to the community of Skagway are too great if the trucking option is pursued by CAMC when mining operations resume.

Most important of all, Mr. President, the human and social costs of the trucking option are intolerable to Alaska and to the U.S. interests.

If a decision is made in the coming days or weeks by CAMC regarding its future transportation requirements, I hope that my views, which are shared by virtually all affected Alaskan citizens, are taken into consideration.

Thank you, Mr. President.

# Move rail shops, coun. Toews asks

By MASSEY PADGHAM  
Staff Reporter

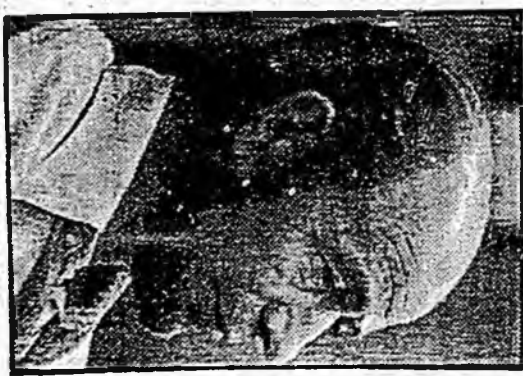
The White Pass railway should be paid to move its maintenance and repair yards from Skagway to Whitehorse, a Whitehorse councillor says.

Coun. Vern Toews was successful in getting council approval Monday for that position and several others as the city's response to the draft report on transportation by a Canadian Transport Commission study group.

While the novelty of the proposal (no one else has made it to the commission) raised a few eyebrows, council appeared to agree with the "what-have-we-got-to-lose" comment from city chief administrator Ron Gourlay.

"It's a different approach," he admitted. "I just wanted to shake people up."

He also says train crews should run all the way from Whitehorse to Skagway rather than having Canadian and Americans switch at Bennett, B.C.



**VERN TOEWS**  
Shake em up.

"It will cause a lot of screams by our friends in Skagway," Toews admitted. "They'll still have the longshoremen, they'll still have the train engineers and they will still have the required inspectors."

He said the railway has a problem getting Canadian government help because most of its employees are American. If the federal government agreed to pay the estimated \$10-million cost of the move, it would mean a move of Canadian rail operation and 40 to 70 new jobs in Whitehorse, he said.

"Why not relocate, so we have the economic development in the Yukon and Canada," he said.

But the idea simply isn't economic, White Pass president Tom King responded yesterday. He said White Pass needs 10 of the 13 locomotives in Skagway to haul trains up the tortuous hill to the White Pass.

"We need the majority of the power at the other end because that's where the hill is."

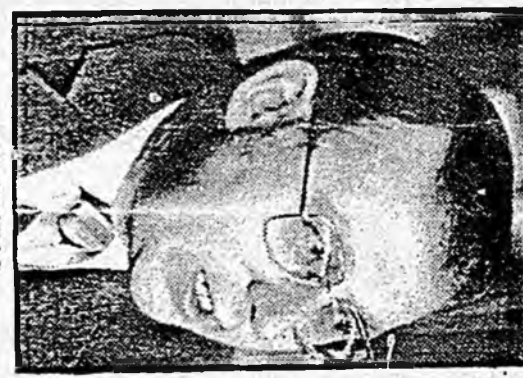
By law, locomotives have to be inspected daily, so having the yards in Whitehorse would simply mean an extra 200 kilometres or more of dead running on the engines, he said in an interview yesterday. Even if, as Toews suggested, inspectors were left in Skagway, having the yards in Whitehorse would mean extra running for regular maintenance purposes.

Toews said one advantage of moving the maintenance facilities was that Canadian wages are lower on the railway than for the American rail workers.

Toews said the White Pass shops in Skagway are getting old and would need major work soon

anyway. King did say some maintenance could be done here. He said White Pass believes it might be a good idea to extend its rail lines in the Marwell Industrial area over to its truck maintenance complex to allow maintenance of some rail equipment here.

But King liked other parts of Toews suggestions and said he is pleased the city had publicly recognized the railway's importance to the city. King said White Pass hopes to run crews the entire length of the track, rather than having Canadians and Americans switch off in Bennett. Closing the Bennett yards would save about \$500,000 a year, Toews said.



**TOM KING**  
Needed in Skagway.

Toews also said any money the government might consider using to upgrade the highway for trucks should be spent on the railway, thus cutting rail costs. He said a better road is, in effect, a subsidy to the truckers, while the railway gets no such help.

"I recommend a (rail) subsidy equivalent to what the trucking industry gets," Toews said. White Pass has taken a similar position.

For example, upgrading the South Klondike Highway would cost about \$20 million, he said. If it was given to White Pass for improvements, such as lowering steep hills, it would put White Pass in a position to compete with trucks, he said.

## 9,000 Commute Across Border To U.S. Jobs

**BUFFALO (AP)** — United States unemployment is above 7 per cent, but some 9,000 Canadians are crossing the border each day to work in jobs ranging from skilled laborer to management specialist.

The total is more than 20 times the number of Americans allowed to go to work in Canada, where the jobless rate is 8 per cent, and some labor leaders here object to the presence of the Canadian com-

muters.

"I think maybe we are too lax. We've been the nice guy. There's too many out of work now," said George Wessel, president of the Buffalo Council of the AFL-CIO.

Buffalo, with an 8 per cent jobless rate, is described by a U.S. immigration and Naturalization Service (INS) officer as the area along the northern border most affected by foreign commuters.

About 9,000 Canadians hold permits to work south of the border, according to the INS. The Department of Manpower and Immigration in Ottawa reports 408 U.S. citizens hold permits to commute to work in Canada.

Other economic observers here are not so upset over the 1,033 Canadians who come to work in this area every day.

# U.S. Senator blasts Anvil trucking

By MASSEY PADGHAM  
Staff Reporter

A senior American senator says Cyprus Anvil Mining Corporation will place an intolerable strain on employment and finances in Alaska if it is allowed to go ahead with its plan to truck ore concentrates to Skagway or Haines.

Thursday, Alaska Senator Ted Stevens unleashed a strong attack in the U.S. Senate in Washington on Anvil's plans, on the grounds it would lead to the permanent closure of the White Pass and Yukon railway, which has its key operating base in Skagway.

"The city of Skagway, under these circumstances, will have had a glorious past — but no future."

Stevens, who is the influential assistant majority leader in the Senate, described the railway as a national treasure that neither Canada nor the United States can afford to lose.

It was a strong message that Alaskan interests are not prepared to allow streams of

over-weight ore trucks to run to Alaskan port regardless of how much money Cyprus Anvil believes trucking will save. Anvil has told a Canadian Transport Commission study group that trucking will save \$10 million to \$15 million a year.

"The human and social costs of the trucking option are intolerable to Alaska and to the U.S. interests," he said. "If the White Pass and Yukon railway is abandoned, there is serious concern about the continued existence of Skagway."

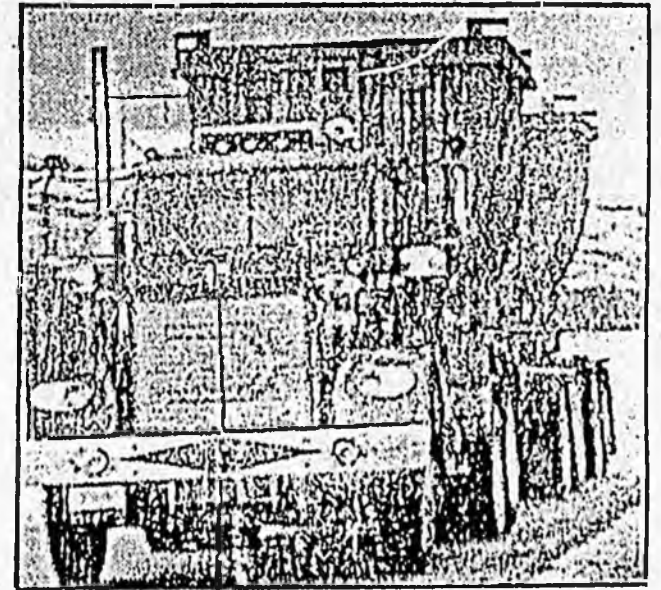
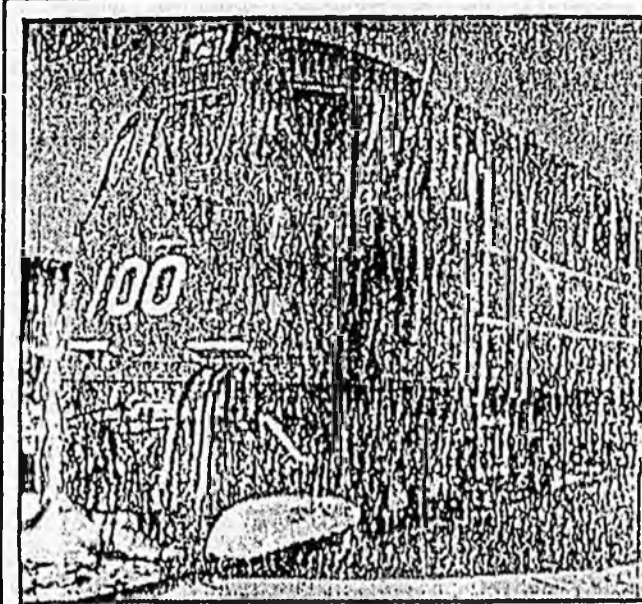
The Anvil lead-zinc-silver mine in Faro closed 19 months ago. Stevens said he was responding to the commission's draft report, which said the rail line is dependent on the large mining company.

The report noted Alaska's

concern, saying abandonment of the railway "would be the beginning of the end for Skagway."

"The railway jobs would not be replaced in number by jobs in

Cont'd on P. 3



## Stevens

Cont'd from front

trucking — all trucking jobs would go to Canadians."

In effect, he said the loss of the railway through continued closure of the Anvil mine is the same thing to Alaskans as the loss of the railway by an opened mine trucking ore. He urged Alaskans to fight the trucking option.

Quoting liberally from the Commission report, Stevens told the Senate that Anvil assumes it would be able to operate in Alaska with seven-axle two-trailer units weighing a total of 134,500 pounds (61,000 kilograms). If not, a more expensive shuttle service between the U.S.-Canada border and a port hauling one trailer at a time would be needed.

Stevens said if trucking was allowed the route between Skagway and the U.S. border, a federal aid route, would have to be upgraded and would still cost

another \$375,000 a year to maintain. That would be borne by U.S. federal and Alaska state taxpayers, he said. Extra maintenance costs on the Haines road would be \$420,000, he said.

Another cost to the U.S. federal government, an expenditure Stevens could use his influence to stop, would be 24-hour-a-day, seven-day-a-week customs operations.

In addition, "the U.S. federal government and the state government will be required to bear the social costs of massive long-term employment in southeastern Alaska caused by the elimination of the railroad as a viable transportation component and the destruction of the underlying economic base of Skagway," he said.

"Mr. President, Alaskans have the capability, as a practical matter, to protect themselves against these massive losses as the result of an inappropriate decision by one major private sector shipper," he ad-

ded. "Alaskans, after all, control the configurations of the vehicles that travel on their Federal-aid primary highway. That is part of the police power inherent in every State and nation."

Stevens said he believes the differences between the railway and its unions will soon be resolved.

Stevens also said the closure of the railway would mean the loss of the 55,000 tourists who travelled on it each year and opening of the South Klondike highway to truck traffic would drive away other tourists having to compete with trucks.

"I believe the citizens of Alaska have every right to resist the abandonment of the White Pass and Yukon railway," Stevens said.

"I believe they have every right to resist the use of their roads — at massive federal and state cost — by an endless stream of trucks from the mining operations in the Yukon. I shall join them in the effort."



## *united transportation union*

March 15, 1982

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

### Background Information

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

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

Alaskan crews must drag their trains up 21 miles of 3.9% grade to reach the summit, and then contend with another pass and two short (but equally steep) grades before reaching Bennett. The return to Skagway presents the problem of controlling 60-car trains of lead-zinc ore concentrates on the steepest railroad grade in America.

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

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

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

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

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

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

REPORT OF THE U.T.U. TO THE BOARD OF DIRECTORS OF THE COMPANY

1. White Pass and Yukon Ltd. of Vancouver is owned by Federal Industries, Ltd. of Winnipeg. The Canadian management is on an over-all cost-cutting spree at this time, and are trying to tighten up their operation. Part of this has included the postponement of track repairs--a major rail replacement program was knocked out to save money--and an attitude of "beat it 'til it dies" toward their locomotives, some of which are now 28 years old and in critical need of replacement or complete long-term overhaul. Because traffic is so heavy at this time, the Company can't take their engines out of service much more than stop-gap, repairs on the worst problems. Engine failures or malfunctions are a common occurrence on the railroad. It is also worth noting that the average train length in 1969 was 30 cars, operated by five men. Today the same five men have to run trains that can be 100 cars long out of White Pass. This is actually more work for each man involved, with more weight to contend with, more cars to watch (and to walk when checking the train, or in emergencies), and definitely more hazardous.

2. Remarkable but true in light of the terrain and operational hazards on the WP&YR is the fact that White Pass does not legally have to comply with Federal laws concerning safety and operation. The reason: White Pass is "narrow gauge" instead of "standard gauge" (4' 8½" wide track), and as such the Company can usually sneak by under requirements and regulations which would close down a standard gauge road "outside". This appears to be an oversight by the Federal Railroad Administration, but is understandable since the little known and obscure White Pass is the last narrow gauge common carrier left in the U.S. Also, it is generally viewed as a Canadian company. The 21 miles within Alaska under jurisdiction of American law, usually slide by unnoticed.
3. Much of the freight equipment, passenger equipment and airbrake equipment is antiquated and of museum vintage. Crews must deal with this as well as other problems, adding to operational hazards.
4. Because of all the previous factors, it is little wonder that the White Pass accident and safety record is atrocious. Summer travel has increased each year, and with it the number of accident reports. Employees must be extra alert at all times to prevent injury or death from faulty equipment, dangerous operational procedures, or management decisions affecting train movement. White Pass enjoys saying that they have "never lost a passenger's life" in their 80-year history. The men who ride the trains can only count the number of dead employees over the years, and knock on wood. The Company is playing Russian Roulette with human lives, and their own odds get worse by reducing the number of men on board a train who are available to deal with the expected--and unexpected--hazards of mountain railroad-ing under the most extreme conditions.

#### Statement of Position by the United Transportation Union

We of the United Transportation Union, Local 1787 in Skagway, are adamantly opposed to Senate Bill 849, a bill which will aid a non-resident Canadian corporation by eliminating Alaskan jobs on U.S. soil. This is by itself a dangerous international precedent, worthy of close attention--particularly in light of the proposed Alcan gasoline project.

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

March 15, 1982

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

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

Corrigan L. Gates  
Legislative Representative  
United Transportation Union  
Local 1787  
Skagway, Alaska 99840

Commissioner Robison  
of DEPT. OF LABOR WILL  
TESTIFY

LEFT 2 messages for  
Bill Miles, lobbyist White  
Pass & Yukon RR -  
regarding this bill

# Alaska State Legislature

## House of Representatives

### Committee on Transportation

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

Rep. Bette Cato, Chairman

Tuesday, March 22

HB 154: An Act relating to train crew size

BY: The Rules Committee by Request of the Governor

Would repeal law establishing minimum train crews in Alaska (AS 23.10.420). See Governor's letter.

Does not provide for an effective date (effective 90 days after Governor's signature)

Reported back to the House on March 11 by Labor & Commerce with the committee recommending as follows: Furnace (Chairman), Cowdery, Ringstad recommended do pass; Koponen and Malone had no recommendation.

*Materials in folder —*

*HB 154*

*Gov Sheffield's transmittal letter*

*Fiscal Note*

*United Transportation Union Brief*

cc



HB 154

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

February 1, 1983

The Honorable Joe L. Hayes  
Speaker of the House  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill repealing the existing law requiring train crews of certain minimum sizes. The existing law requires that passenger and freight trains have crews of no less than five persons, that a light engine without cars have a crew of at least three persons, and that a switch engine have a crew of at least three persons.

The repeal may allow railroads within the state to determine crew size based on economic and operational concerns. However, this repeal does not relieve a railroad of its existing obligation to operate with customary due care and high regard for the safety of its passengers, freight, and employees. The repeal is not intended to make any pronouncement on what is or is not an appropriate subject for collective bargaining.

I urge you to approve this bill.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Bill Sheffield  
Governor

NB 154

cc

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE  
FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 154

Title "An Act relating to train crew size."

Requested by Rules - Committee

Date 1/21/83

II. FISCAL DETAIL

Agency Affected Labor

Program Category Affected Social Services

BRU, Program, or Subprogram(s) Affected Commissioner's Office

(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	0	0	0			

FUNDING (Thousands of Dollars)

GENERAL FUND	0	0	0			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No Fiscal Impact.

IV. DATE January 27, 1983

PREPARED BY *Judy Knight*  
Judy Knight

AGENCY Labor

PHONE 465-2700

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

H B

169

STATE OF ALASKA  
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: HB 169 Date on Bill: 2/7/83  
 Title: Approp. to DOTPF..allocations..local service roads and trails.  
 Sponsor: Herrmann, Koponen, Zharoff, Cato and McBride  
 Requestor: House Transportation Committee

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital	10,000.0			
Operating				
Total	10,000.0			

b. Revenues:

Revenue	FY 83	FY 84	FY 85	FY 86

2. Source of funds to offset fiscal impact of bill:

Sponsor did not identify source.

3. Assumptions:

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It not represent the policy of the Sheffield Administration or the final estimate of fiscal impact.

Prepared By: Wayne Weeks Phone: 465-4060  
 Division: Planning & Programming Date: 2/14/83  
 Approved by Commissioner: [Signature] Date: 2/19/83  
 Department: Transportation and Public Facilities

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/8/83

GSSB 438 (L&C), (cont'd)

the board to fill out the term to which the member was appointed, regardless of new sections added by this bill. Provides Act takes effect immediately.

Sections of the Senate-passed version are taken out by House L&C, and they include 1) an amendment to current law that would have allowed for one public member on the board; 2) a registrant requesting renewal of a certificate to give evidence of the registrant's continued competence as a professional architect, engineer, or land surveyor; and 3) section allowing existing board members to serve out their term, regardless of appointment of a public member.

Appropriation  
(local service  
rds. & trls.)

HOUSE BILL NO. 169, (see pages 150;189, 1983 report). Reported back to the House April 6 by Finance recommending it be replaced with a Finance substitute and as follows: Bettisworth (V-Chair), Grussendorf, Zharoff, Hurlbert, Ward and Fritz recommend it do pass. Martin, Furnace and Duncan had no recommendation. A letter of intent was attached. To Rules. The letter states:

"It is the intent of the House Finance Committee that the Local Service Roads and Trails (LSR&T), program not be discontinued as recommended by the previous Commissioner of the Department of Transportation and Public Facilities, (DOT/PF).

The LSR&T program is vital to local governments and provides very important benefits to communities in the rural and urban areas of Alaska.

The House Finance Committee intends that the Department of Transportation and Public Facilities support continued operation of this vital program and request continued funding for its operations in subsequent fiscal years."

The Finance substitute appropriates \$6.5 million to the Dept. of Transportation and Public Facilities for allocations for local service roads and trails. Provides Act takes effect immediately.

History: Introduced 2/7/83 by Reps. Herrmann, Koponen, Zharoff, Cato and McBride, and appropriated \$10 million to the Dept. of Transportation and Public Facilities for the local service roads and trails program (identical to SB 7). Reported out of Transportation 2/14 with a do pass recommendation and a letter of intent:

It is the intent of the House Transportation Committee that the Local Service Roads and Trails (LSR&T), program not be discontinued as recommended by the previous Commissioner of the Department of Transportation and Public Facilities, (DOT/PF).

The LSR&T program is vital to local governments and provides very important benefits to communities in the rural and urban areas of Alaska.

The House Transportation Committee intends the DOT/PF support continued operation of this vital program and request continued funding for its operations in subsequent fiscal years.

TESTIMONY OF  
SENATOR FRANK R. FERGUSON  
ON SENATE BILL 7 BEFORE THE  
SENATE TRANSPORTATION COMMITTEE

SENATE BILL 7 PROVIDES FOR A SUPPLEMENTAL APPROPRIATION TO THE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES FOR \$10 MILLION FOR THE LOCAL SERVICE ROADS AND TRAILS (LSR&T) PROGRAM.

THE LSR & T PROGRAM IS A PROGRAM OF VITAL IMPORTANCE TO BOTH URBAN AND RURAL COMMUNITIES. THE PROGRAM OFFERS FUNDING FOR CONSTRUCTION OF LOCAL ROADS AND TRAILS THAT ARE NOT ELIGIBLE TO RECEIVE FEDERAL HIGHWAY FUNDING.

LAST YEAR, THE HAMMOND ADMINISTRATION BEGAN A PHASE-OUT OF THE LSR & T PROGRAM. THE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES HAS STATED PUBLICLY THE REASONS FOR THE LSR & T PHASE-OUT IS DUE TO THE MUNICIPAL GRANT PROGRAM AND LINE ITEM APPROPRIATIONS. THIS EXPLANATION IS LACKING IN SUBSTANCE.

FIRST, LINE ITEM APPROPRIATIONS AND MUNICIPAL GRANTS ARE, IN

MOST CASES, THE SAME THING. WHEN MAKING A LINE ITEM APPROPRIATION TO A COMMUNITY, THE LEGISLATURE DESIGNATES IT AS A MUNICIPAL GRANT. THE MUNICIPAL GRANT PROGRAM IS NOT A PROGRAM FUNDED BY THE LEGISLATURE BUT RATHER A PROCEDURE ALLOWING THE STATE TO CONTRACT WITH LOCAL COMMUNITIES.

SECOND, APPROPRIATIONS TO LOCAL COMMUNITIES BY THE LEGISLATURE HAVE NEVER BEEN SUFFICIENT TO MEET THE EXISTING TRANSPORTATION NEEDS. THE LSR & T PROGRAM HAS ALWAYS BEEN LOOKED UPON BY THE LEGISLATURE AS A WAY TO FUND PROJECTS THE ADMINISTRATION AND LEGISLATURE WERE NOT ABLE TO CONSIDER DUE TO TIME CONSTRAINTS BUT WERE IN NEED OF CONSTRUCTION OR REPAIR IMMEDIATELY.

THE \$10 MILLION SUPPLEMENTAL WILL ALLOW THE DEPARTMENT TO ENTER INTO AGREEMENTS WITH LOCAL COMMUNITIES FOR PROJECTS THAT HAVE BEEN IDENTIFIED AS IN NEED OF FUNDING. BECAUSE OF THE PHASE-OUT, THE DEPARTMENT HAS BEEN TRYING TO CLOSE OUT PROJECTS AND NOT ENTERING INTO CONTRACTS FOR PROJECTS THEY KNOW NEED FUNDING. THE MEMORANDUM IN YOUR PACKETS FROM

SENATOR MOSS INDICATES THAT APPROXIMATELY \$2,818,000 IS  
AVAILABLE FOR FUNDING THROUGH THE END OF THE FISCAL YEAR.  
ACTUALLY, THE \$2,818,000 IS COMMITTED BUT NOT UNDER AGREE-  
MENT.

IN THE PAST, DOT HAS RECEIVED \$10 MILLION DOLLARS TO COVER A  
TWO-YEAR PERIOD FOR THE LSR & T PROGRAM. SINCE THE LSR & T  
PROGRAM DID NOT RECEIVE FUNDING THIS FISCAL YEAR, THE \$10  
MILLION WILL ALLOW THE DEPARTMENT TO ENTER INTO AGREEMENTS  
FOR NEW PROJECTS THIS CONSTRUCTION SEASON, AND CONTINUE  
OPERATIONS INTO THE NEXT FISCAL YEAR.

# Alaska State Legislature

## House of Representatives



Rep. Bette Cato, Chairman

Committee on Transportation

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

DATE: 27 MARCH

TO: AL ADAMS, CHAIRMAN *BC*  
HOUSE FINANCE COMMITTEE

FROM: Bette Cato, Chairman  
House Transportation Committee

RE: HB 169 - appropriations bill for Local Service Roads and Trails

Per our phone conversation this morning, the House Transportation Committee requests that House Bill 169 be moved out of the House Finance Committee with a reduced appropriation of \$6.5 million.

Please find enclosed back-up material addressing HB 169 and recent correspondence from the Department of Transportation regarding LSR&T allocations for FY 1985.

Thanks so much for your time and assistance.

Enclosure

# Alaska State Legislature

## *House of Representatives*

### *Committee on Transportation*



Rep. Bette Cato, Chairman

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

#### LETTER OF INTENT TO ACCOMPANY HOUSE BILL 169

It is the intent of the House Transportation Committee that the Local Service Roads and Trails (LSR&T), program not be discontinued as recommended by the previous Commissioner of the Department of Transportation and Public Facilities, (DOT/PF).

The LSR&T program is vital to local governments and provides very important benefits to communities in the rural and urban areas of Alaska.

The House Transportation Committee intends the DOT/PF support continued operation of this vital program and request continued funding for it's operations in subsequent fiscal years.

# MEMORANDUM

## State of Alaska Department of Transportation & Public Facilities

TO: C.D. Karella  
State LSR&T Engineer  
Juneau

DATE: November 15, 1982

FILE NO:

TELEPHONE NO:

FROM: D.S. Ronken *DR*  
LSR&T Engineer  
Fairbanks

SUBJECT: LSR&T Program

In response to our telephone conversation of 11/5/82, I have informed J. Chandler at Nome to supply you with the information you requested regarding the LSR&T Program in the bush communities.

I have been in contact with the local governments and the comments received from them regarding the LSR&T Program are as follows:

Since local roads and streets are always in need of improvement the local governments would like all the funds they can possibly obtain for roadway construction.

The local governments without road powers feel that the DOT/PF has too much control over the funds. They object to some of the conditions stated in Section "C" of the project agreement.

The local governments however, do like the flexibility of the Program, i.e.:

- 1) Various types of construction that can be funded
- 2) Project funding can be changed to cover overrun, providing funds remain in their allocations
- 3) LSR&T Construction Program submitted (priority list) can be changed, if for some reason the local needs change

Some local governments in the Fairbanks area feel that the manner in which funds are allocated based on population by the latest federal census should be changed. With the population in the Fairbanks area increasing every year and the allocation based on the latest census of 1980 which has been questioned by the local government, they feel the present system leaves much to be desired.

In summary, the local governments like the program and would like to see it refunded. The funds obtained through the LSR&T Program are not sufficient to cover the road improvement needs, but all funds that can be obtained to improve the local transportation system will be accepted by the local governments providing the conditions for its acceptance do not change.

# MEMORANDUM

State of Alaska  
Department of Transportation & Public Facilities

TO: John J. Simpson, Director  
Standards and Technical Services  
Division

DATE: March 14, 1984

FILE NO: 2519

TELEPHONE NO: 789-6237

FROM: Charles D. Karella  
Statewide LSR&T Engineer *CDK*  
DC & M Standards

SUBJECT: LSR&T Allocation  
F.Y. 1985

The LSR&T Program was allocated \$7 million to re-establish the program. I was assured by the LBRC last spring, that this funding reflected on on-going program and that future funding would not be a problem.

During the House Transportation Committee hearing on SB 332, March 7, 1984, I suggested that it was not necessary to seek other sources of funding beyond the CIP, such as, SB 332. It would be simpler to manage the program at a solid level of funding. I told the Committee that the Governor's office assured me that they would not cut the LSR&T Program from the CIP budget and the Department would continue to have an adequately funded program in the future.

Since we are involved with all local governments and the legislature, I believe in all fairness, that the \$6 million annual funding level is bare bones and to drop below that will only jeopardize the integrity of the program but increase the cost of management per project constructed.

I feel if the DOT&PF does not want to chance the loss of the little rapport it now has with the legislature, we should leave the five million intact or even increase it.

I believe we will not only lose face with the legislature but also with the local governments who have been going in circles since January 1982 because of the following:

1. We began to phase out the program.
2. Then we established the LSR&T Program as a viable continuous program at a funding level of \$7 million per year.
3. Then we reduced the funds to bare bones level of \$6 million per year.
4. Now we have reduced the funding an additional 30%.

The attached comments from the Regions reflect an additional \$6 million that could be used in unorganized boroughs alone. A like amount could easily be utilized for additional local government projects which were requested, but were beyond our funding level of \$6 million per year.

If requested during the hearing tomorrow on HB 558, I will give the Committee a copy of this memo. (With your concurrence of course).

Attachment

mdh

# MEMORANDUM


State of Alaska  
Department of Transportation & Public Facilities

TO: C. D. Karella  
Statewide LSR&T Engineer

DATE: March 13, 1984

FILE NO:

TELEPHONE NO: 364-4222

  
FROM: Ole Bartness  
LSR&T Manager  
Southeast Region

SUBJECT: Funding LSR&T Projects  
FY 85 and Future

In regard to your question regarding the effect on the Southeast Region LSR&T Program with funding in the amount of 3.5 million dollars statewide, I offer the following:

Historically, the Southeast Region has received approximately 10 percent of the statewide appropriation. Based on that percentage, this would amount to \$350,000 for this region. Of this amount, approximately \$150,000 would be for the unorganized borough and could fund three to six projects, depending upon how tight we pull the drawstrings.

At the present time, there is an unencumbered balance of \$100,000 remaining for the unorganized borough in Southeast, and there would have been a zero balance long ago if the home rule cities were still included in the unorganized borough.

In what remains in the unorganized borough of the Southeast Region, some immediate future project priorities have been identified as follows:

<u>Location</u>	<u>Description</u>	<u>Estimated Cost</u>
Metlakatla	Roads & Parking	140,000
Elfin Cove	Boardwalk Repair	50,000
Kupreanof	Trail & Boardwalk	30,000
Angoon	Road to Emergency Helipad	90,000
Clark Bay	Road or Boardwalk	Unknown
Port Protection	Boardwalk/Trail	Unknown
Hyder	Roads	30,000
Edna Bay	Trails/Boardwalks	30,000
Tenakee	Trails, Bridges	Unknown
Hollis	Road Renovation	Unknown

Although there are some unknowns, it would not be out of line to estimate the above projects at a total cost of \$500,000.

Communities we have never heard from before are now contacting us for assistance. This appears to be a result of the State Land Lotteries which designated road and trail easements, but no access or minimal access was provided. In any event, these communities have needs, but we could furnish very little support with a \$3.5 million LSR&T appropriation.

^B:hn

# MEMORANDUM

# State of Alaska

TO: Charles Karella  
Design Construction &  
Maintenance  
Standards - Juneau

DATE: March 13, 1984

FILE NO:

TELEPHONE NO:

FROM:

Robert L. Haneline *RH*  
Central Regional  
LSR&T Engineer

SUBJECT:

Project Funding  
Requests, LSR&T  
Program

This memo will iterate information on project requests presently in abeyance, awaiting a source of funding approval which was relayed to your office by telephone last week.

## UNORGANIZED BOROUGH IV (South)

### 1. Chignik Bay - \$600,000

Construction of 4,500 l.f. of 14 foot-wide gravel roadway and a single lane, single span, 50 foot-long vehicle bridge. Provide access to proposed new HUD houses. Road to serve dual purpose as a protective dike (seawall).

### 2. Egegik - \$60,000

Construction of 600 l.f. of 16 foot-wide gravel roadway and approximately 3,000 l.f. of four foot-wide gravel path. Provide roadway access to existing HUD houses and replacement of existing boardwalks with a gravel pathway.

### 3. Eek - \$410,000

Construction of 2,700 l.f. of 14 foot-wide gravel roadway between the village proper and the airplane landing strip and 2,700 l.f. of eight foot-wide boardwalk needed to provide access between the village and the cemetery.

### 4. Manokotak - \$3,000,000

Construction of eleven miles of 14 foot-wide gravel roadway. The road is needed to provide City access to a proposed new garbage dump site, HUD housing site and the proposed Snake River Port Access Site. Funding needs are beyond the scope of the LSR&T program. This is a community planned development with a high community priority.

## UNORGANIZED BOROUGH I

### 1. Whittier - \$1,000,000

Construction of 1.4 miles of 26' to 36' wide paved streets, including 5,250 l.f. of sidewalk, 10,000 l.f. of curb and gutter and miscellaneous storm drains (\$700,000). The project also is to include the paving of the boat harbor parking area (\$300,000).

This office has also received verbal requests for LSR&T funding involvement from the communities of Mekoryuk and St. Paul. The information received is sketchy, at best. We lack the information needed to properly determine the project scope, cost, or feasibility; only know that the monies needed are anticipated to exceed \$1,000,000 per project.

For what it's worth:

A common sense approach to the functionability of any State funded, intelligently planned program requires that the certainty of future funding availability be known, as the ordinary business of any program centers around a fixed budget. Provisions for limited program adjustments to the seasonal ebb and flow of available funds exists to a small degree in the form of project deletion or construction delay.

To promulgate a five-year LSR&T construction program based on the anticipated availability of six million dollars per year and then to cut back the amount of funds available to the extent being proposed is controversial to say the least.

If nothing else, we have a main purpose at this time of convincing the money appropriating bodies of the importance of maintaining the State's credibility.

# MEMORANDUM

State of Alaska  
Department of Transportation & Public Facilities

TO: Charles D. Karella  
State LSR&T Engineer  
Standards & Technical Services  
Juneau

DATE: March 8, 1984

FILE NO:

TELEPHONE NO: 443-5266

FROM: Jeffrey S. Chandler *JSC*  
LSR&T Manager  
Northern Region, Western District  
Nome

SUBJECT: LSR&T Funding Allocations,  
Unorganized Borough/Western

Per your request, here is a brief description of our fiscal outlook for the LSR&T Program in the Western District unorganized borough.

Generally, under present law, the proposed funding level of \$6.0 million for the Statewide annual LSR&T program should be adequate to meet the Western District's 5 Year Plan for the unorganized borough. The major exception is the need for a one time infusion of \$500,000 which would be used as follows :

St. Michael Local Roads	300,000
Western LSR&T Equipment	200,000
Total	<u>\$500,000</u>

The St. Michael project is presently programmed for FY86, however there will be insufficient funding to plan and complete the entire project as requested unless LSR&T or the village can provide the additional funding by 1985.

The Western District LSR&T equipment fleets were substantially reduced during the period we were in phase-out status. We presently have one small fleet in reasonably good shape capable of handling typical LSR&T local hire projects, but one old bulldozer and two old trucks are in need of replacement. This would assure that the fleet will remain operationally effective for the next several years.

Upgrading the existing fleet would result in a level of reliability that would allow us to split it between two projects in seasons when we are administering supplemental grant projects in villages which have a limited assortment of equipment on site. This approach reduces mobilization costs and improves the effective utilization of locally available municipal equipment.

In the event that the present proposed funding level were further increased either Statewide or for the unorganized borough, then we would advance the schedule of projects in our 5 Year Plan accordingly.

Introduced: 2/7/83  
Referred: Transportation  
and Finance

Funding Information  
General Fund \$10,000,000  
Other Funds -0-  
\$10,000,000

BY HERRMANN, KOPONEN, ZHAROFF,  
CATO AND MCBRIDE

1 IN THE HOUSE

2

HOUSE BILL NO. 169

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making an appropriation to the Department of

7

Transportation and Public Facilities for allocations

8

for local service roads and trails; and providing for

9

an effective date."

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

11

\* Section 1. The sum of \$10,000,000 is appropriated from the general

12

fund to the Department of Transportation and Public Facilities for

13

allocations for local service roads and trails authorized by AS 19.30.111 -

14

19.30.251.

15

\* Sec. 2. This Act takes effect immediately in accordance with AS 01.-

16

10.070(c).

Bette:

This bill is identical to Sen. Ferguson's bill. As this is an appropriation bill, it is not possible to amend the Statute (AS 19.30.111) in it.

The transportation Committee may wish to offer a committee bill after hearing this bill to change the formula to allow a greater proportion of L.S.R. & T. funds to go to the rural areas, (non-Anchorage-Fairbanks-Juneau) The problem would be in gathering the support necessary for passage. Mike Scott in Senator Ferguson's office thought that it would be more possible to accomplish this originating in the House, specifically, the transportation committee. So.. would you like to pursue this or bring it up in committee and discuss possibilities with DOT? Personally, that would be my suggestion. This way the committee would hear the discussion and possibly support such a change in the L.S.R.&T. program.

I await further direction.

Steve

~~HB 169~~ TITLE & SPONSOR SUMMARY

15:43 7/27/83 PAGE 1 OF 2

AMENDED TITLE:

AN ACT MAKING AN APPROPRIATION TO THE DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES FOR ALLOCATIONS FOR  
LOCAL SERVICE ROADS AND TRAILS; AND PROVIDING FOR AN EFFECTIVE  
DATE

GENERAL DOLLARS: \$10,000,000 (APPROP)

PRIME SPONSOR: HERRMANN.

OTHER DOLLARS: \$0

~~CO-SPONSORS~~ KOPONEN, ZHAROFF, ~~SMITH~~, MCBRIDE.

CURRENT STATUS: 2/14/83 IN (H) FINANCE

HB 169 HOUSE ACTION

15:44 7/27/83 PAGE 2 OF 2

DATE SEQ PAGE

LEGISLATIVE ACTION

02/07/83	01	0193	FIRST READING -- COMMITTEE REPORTS
02/14/83	02	0244	TRAN -- DP07, NR02
02/14/83	03	0244	TRANSP CMTE LETTER OF INTENT
02.14/83	04	0244	F/NOTE HSE SUPPL #8
			FINANCE
			RULES

SB 7 ↔ HB 169  
SENATE TRANSPORTATION COMMITTEE, THURS., 2-10-83

MEMBERS PRESENT: SEN. MOSS, KERTULLA, GILLMAN,  
FAHRENKAMP, FAIKS, HALFORD

SEN. FERGUSON, <sup>PRIME</sup> SPONSOR — FORMAL TESTIMONY

SEN. KERTULLA - BRIEF HISTORY - EARLY 70's a logical system developed <sup>LSRT</sup> as a response to Farm to Market Road program - system based on geography + population; funding goes directly into area for this program  
problem comes with maintenance funds  
w/ upgrading LSRT should continue based on local input

Gene Wright - Bike Path <sup>along side</sup> Richardson Hwy - <sup>missing section</sup> in middle Historical Great trail to Cantequina Canyon Support bill

JOHN BATES

Gilman: Reluctance from DOT to take over additional roads for maintenance?

Bates - From start tried to get local gov't to maintain program

Gilman: Some local gov't. haven't the authority to maintain. Example: 2<sup>nd</sup> Class borough

If bill passes, if borough can't get agreement w/DOT to bring roads into system, can it ~~maintain~~

utilize funds to bring into secondary maintenance system

Roads identified by local govt - reach project agreement -  
bring into State maintenance

No Rec. - GILMAN

Do Pass - FAHRENKAMP  
FAIRS

LSR&T PROGRAMFACT SHEETFUNDING

FIRST ALLOCATION	1971	\$ 6 MILLION
LAST ALLOCATION	1980	10 MILLION
TOTAL ALLOCATION		50.8 MILLION

PROJECTS (DOLLARS)

COMPLETED OR UNDER AGREEMENT	\$ 50 MILLION
REIMBURSEMENTS REMAINING	8 MILLION

ANNUAL PROGRAM

150 ACTIVE PROJECTS

50 ROAD PROJECTS COMPLETED

50 MILES OF ROAD COMPLETED

2000 MILES OF WINTER TRAIL STAKING

SEVERAL MILES OF BOARDWALK,  
FOOT TRAILS & BIKE PATHS,

PROGRAM PHASE OUT

Phase out of the LSR&T Program began Jan 5, 1982

EQUIPMENT FLEETS

Upgrade of the two construction fleets is necessary to retain the programs mobility in remote areas.

The LSR&T Program, initiated in 1971, has been used to fund a variety of projects in almost every community in the Panhandle. Cost has ranged from a drainage project in Haines, costing \$1,300, to major street construction in Ketchikan, costing \$245,000.

Types of projects constructed include footbridges in Kasaan; housing access roads in Yakutat, Hydaburg and Klawock; trails in Metlakatla, Hoonah, Tenakee, Kasaan and Elfin Cove; road construction and reconstruction in just about every town; sidewalks, parking areas, boardwalks, drainage projects, paving, signing, stairways, and a boat launching ramp.

The LSR&T program has been flexible enough to answer the needs of the people in regard to getting them out of the mud, which was the original concept of LSR&T. Costs were kept down and the dollar stretched to the extent possible by using local labor, material and equipment whenever possible. Money was brought into the economy of the towns, jobs were created where none existed, and the people involved developed a sense of pride in their accomplishments.

Some of the projects constructed which have meant a great deal to the communities and the traveling public are listed below:

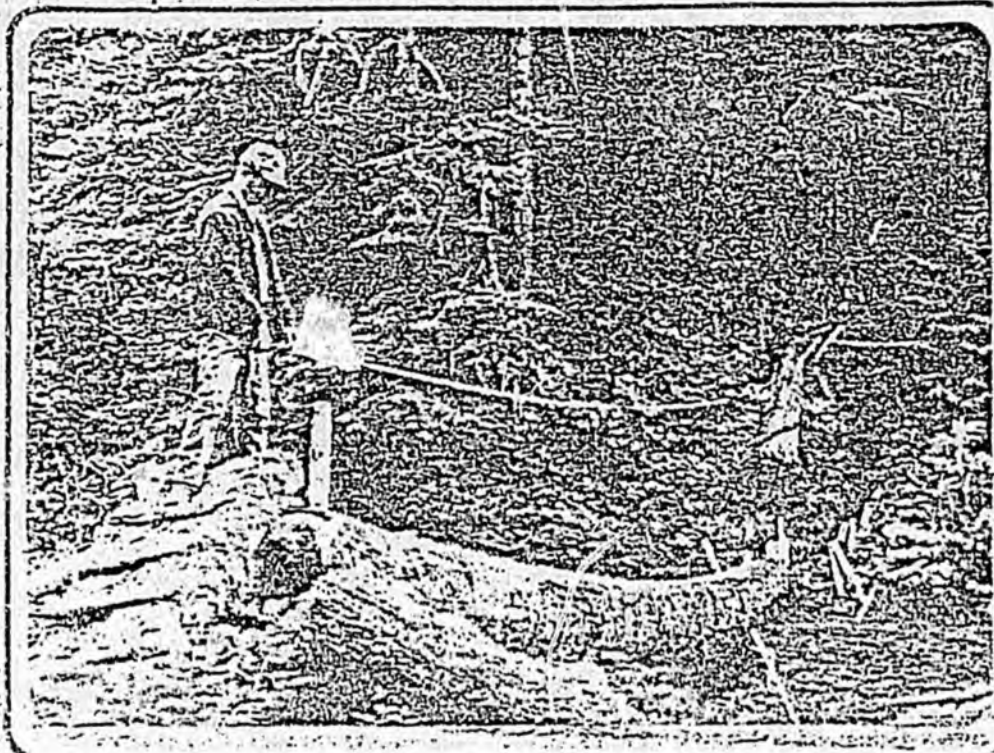
1. Kasaan Bridges and Boardwalk. Reconstructed to provide access from the harbor to town. Existing structures were completely rotten and the community had no funds.

2. Pelican Landfill Access. A road constructed by the city to meet EPA requirements.
3. Kake Totem Park. A road and parking area to the site of the world's tallest totem pole.
4. Hydaburg Townsite Road. A new road to provide access to a new municipal building and housing for senior citizens.
5. Elfin Cove Boardwalk and Trail. Replacement and reconstruction of the boardwalk and trail around the cove, including material for future maintenance.
6. Port Alexander. A boardwalk to replace a washed out trail connecting the inner and outer harbors.
7. Craig Cold Storage Road. A 30' roadway to provide access to a new city shop and site of proposed highway maintenance shop.
8. Haines Trail. A year-round trail for hiking, skiing, horseback riding, snowshoeing, etc.
9. Wrangell - Outer Drive. Construction of roadway embankment, drainage and sidewalks which access new municipal building to downtown.

10. Petersburg. Replaced Birch Street Trestle along Hammar Slough, and constructed several new access roads.
  
11. Juneau. Sidewalks, drainage, paving of local streets, including Evergreen Bowl Access, Trinity Drive, Memorial Drive and Riverside Drive.

These are only a few of the projects constructed under the program in the past ten years. As can be expected, each project is unique and in the villages sometimes innovation is the key to success.

Attached are excerpts from the April 1976 issue of The New Alaskan which had several interesting LSR&T projects featured.

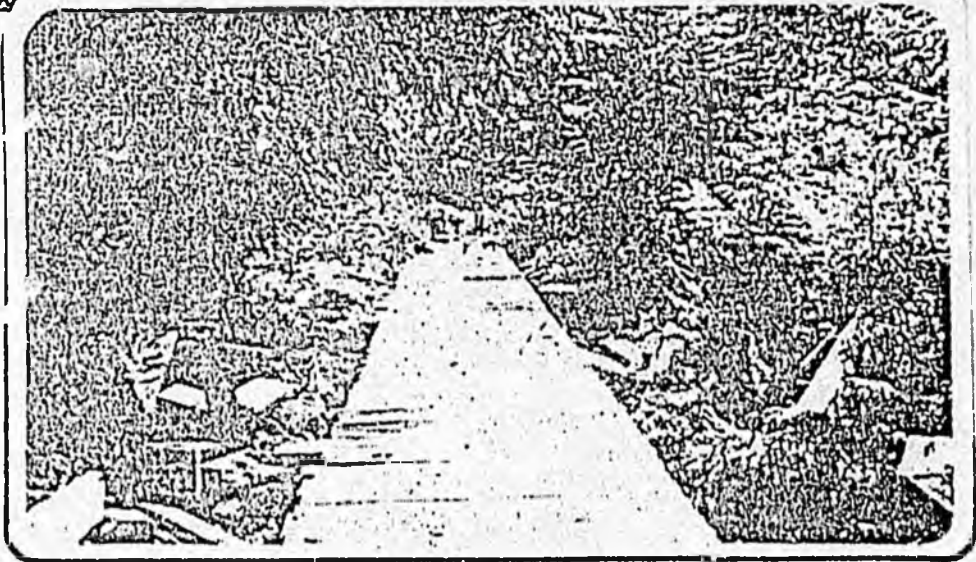


#### TENAKEE-INDIAN RIVER BRIDGE

The log spanning the Indian River, about one mile east of Tenakee collapsed in the spring of 1975. This crossing provided access to hunting and fishing areas for residents and outdoorsmen from southeast, and also access for home owners at Sunny Cove, Columbia, Superior, Harley Creek and Coffee Cove. Old bridge was placed by Loyal H. Clark in the spring of 1957. The tree came from the east side of Kadashan Bay, about 1/2 mile back from the beach in an area Bill Tonsgard logged. He used a TD-14 International Tractor to yard the log out and towed it across the inlet. The job was done by Mr. Clark alone, and took about 10 days. He rafted the tractor across the inlet and back, which he says was very time consuming.

The Department agreed to assist Tenakee in replacing this bridge, and arrangements were made to begin work directly after the Thanksgiving weekend last fall. Supplies were delivered to the site by Channel Flying of Juneau on November 28, 1975. The following day the temperature dropped sharply and it began to snow. It was decided to delay the project until the weather improved. Plans were made recently to begin work March 1, but once again the weather didn't cooperate.

The replacement bridge will be placed several hundred feet downstream and will consist of 2 logs placed side by side, cabled together and planked to provide a walking surface. The east Tenakee trail will also be improved at the same time. The forman for construction of the bridge will be Thomas Jack, of Hoonah, who resided in Tenakee previously. Don McGee will be forman for the remaining work. All work will be done using local labor. Mayor of Tenakee, Bob Pegues, initiated the project.



#### *Kasaan, Boardwalk*

*The purpose of this project was to connect the Village of Kasaan to the boat harbor and airplane float, a distance of approximately 1,000 feet. The existing boardwalk was completely rotten, and injuries had been caused due to people falling through the walk.*

*It was agreed that the lumber would be purchased from Mr. B.G. Morrison who has a small sawmill on the beach at Kasaan, and that the labor would be performed by local residents.*

*Work was started August 5th and proceeded by fits and starts until November, when a lack of material halted the project. A lack of lumber halted the project several times, as the mill had a habit of eating up its engines and Mr. Morrison was kept busy looking for replacements. The project lacks about 300 feet of being completed. The remaining material is being acquired from Ketchikan, and the project should be completed soon.*

*A unique aspect of this project is that the village had no monies available, and the project could not be set up on a reimbursement basis. A bank account was established for the project by the Department so weekly payroll could be handled, and materials purchased. The checks require the signature of a village representative and the Local Service Roads and Trails Engineer. This arrangement has been used several times with satisfactory results.*

### Hoonah — Spasski Trail

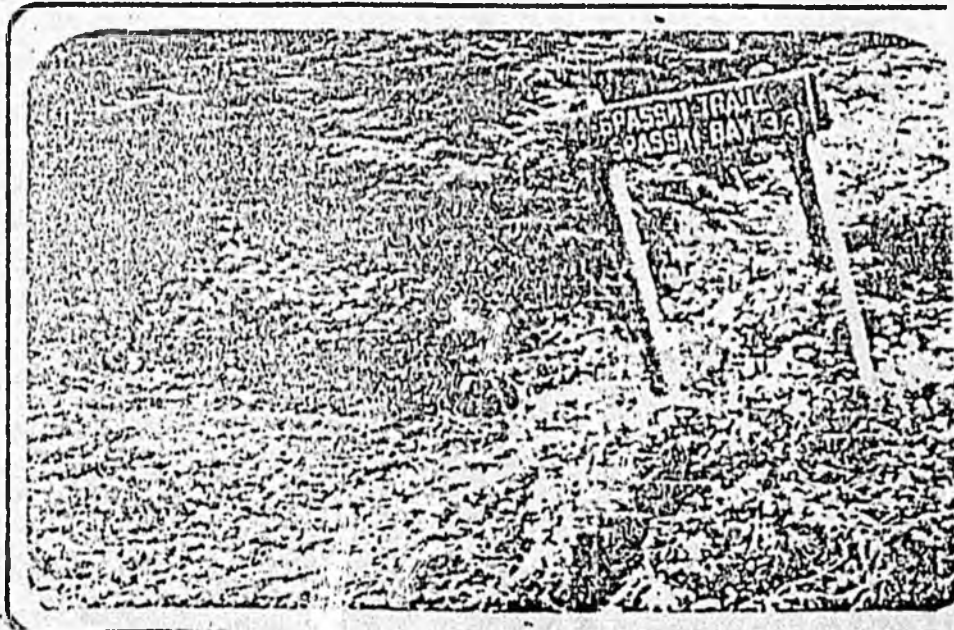
The Spasski Trail was originally upgraded by the Forest Service in 1938 and 1939, and probably maintained by the Forest Service until some time in the 1960's. The trail connects Hoonah to Spasski Bay a distance of approximately 3½ miles. The trail was heavily overgrown and several gullies and muskeg areas required crossings. The trail was usable, but just barely.

It was agreed to upgrade the trail to make it usable for recreational purposes such as hiking, hunting, snowshoeing, etc. Work was begun on September 8, 1975, with Thomas Jack as foreman. The size of the crew was usually about eight men, all local.

One of the cost items in the project was rifle shells, as the brown bear in the area also liked to use the trail. Dogs were usually kept with the crews to help keep the bears away.

The trail was completed to Spasski Bay the first week in October.

Also, as part of the project, it was agreed to construct a stairway down "Jackass Pass" which is a portion of undeveloped roadwork between Hill Street and Hemlock Avenue. This is a very steep area which was utilized by a number of people, including older residents, as a shortcut to town. According to Mayor Miles Murphy, it wasn't really any shorter, but people seemed to use it anyway. The same crew did the work on this project and it was completed in early November.



UNFOUNDED SOURCE HOONAH BULKHEAD  
Project G-30182

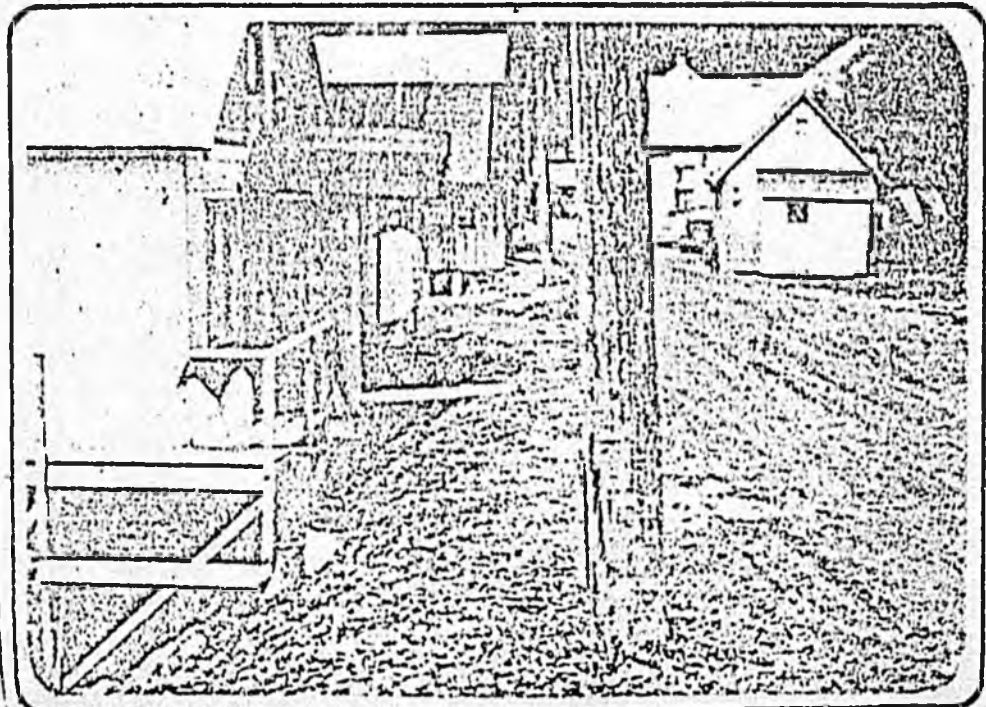
The purpose of this project was twofold. First to reinforce the log bulkhead along Front Street in Hoonah, and secondly to afford a measure of shore protection in areas where there was no bulkhead.

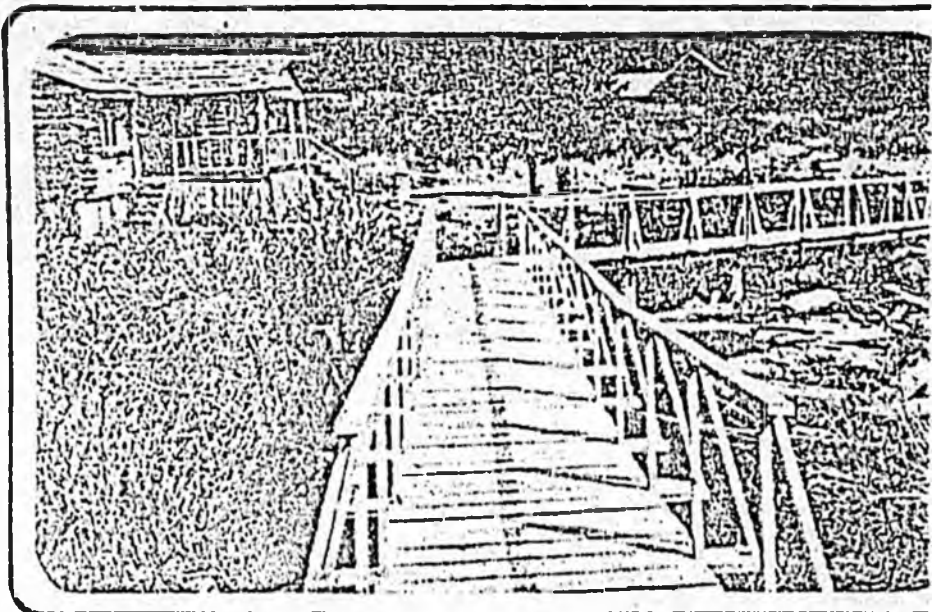
The project was initially designed and advertised by the Department of Highways, but the bids received were considerably over the engineers estimate, and were rejected. It was subsequently agreed between the Department and the City of Hoonah that the City would provide the labor and equipment on a reimbursable basis, and highways would supervise the work.

The work force consisted of Millard Cartee, Charles Bennett and Frank Wright, St. The LSR&T Superintendent was Roger Polley.

Work started in November, 1972, and consisted of building demolition and carpentry work until winter shutdown. Work commenced on the project in April, under supervision of Kelly St. Clair, of Hoonah. He was appointed by Mayor Frank See and approved and hired by the Department.

Rock was obtained from the Bureau of Indian Affairs quarry and the project was completed on May 22, 1973.





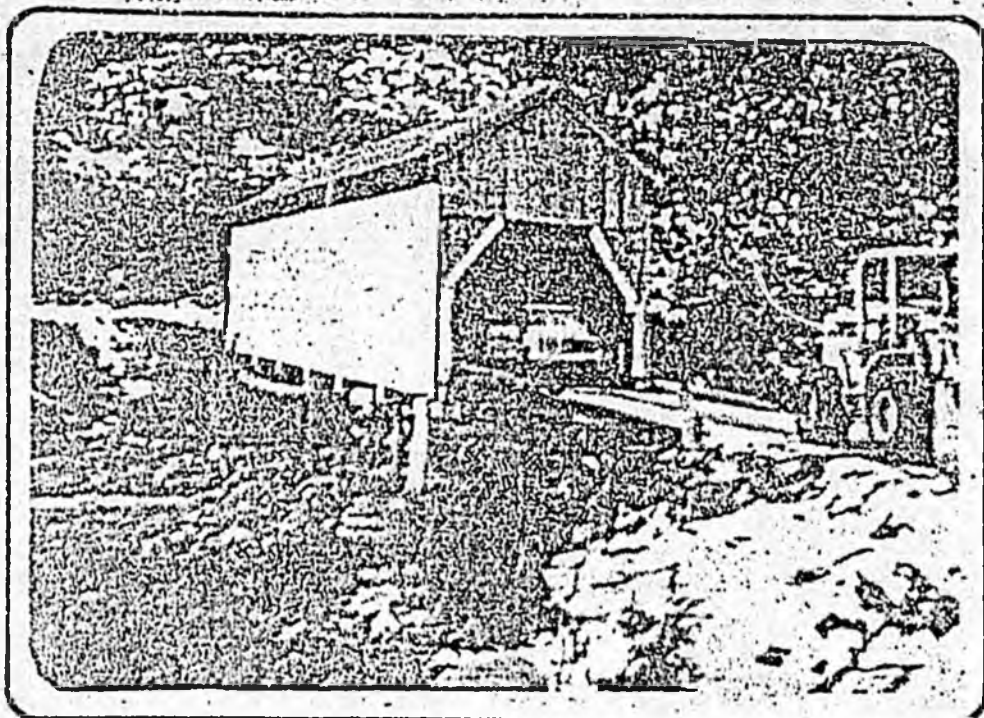
#### KASAAN VILLIAGE-BRIDGE RECONSTRUCTION

The objective of this project was to reconstruct the Tinkum Creek Bridge, and to redeck the Linkum Creek Bridge. The Tinkum Creek Bridge was constructed under L.S.R. & T. Project C-30019, and was completed on the 29th of September at a cost of \$2,237.23.

The above referenced bridge was destroyed on January 19, 1981 when attacked by drifting logs carried by storm sea waves generated by 70 mile per hour winds during an 18.5 foot high tide.

A field inspection indicated that the bridge would require relocation above the tidal area, to prevent a reoccurring damage. This was approved by the presents of log strewn beaches adjacent to the bridge site. Most of the existing bridge lumber could be salvaged and reused in the new structure. The new bridge was relocated 45 feet up stream and paralleling the preceding site.

The grant of right of way easement and petition was signed on the 23rd of February. Construction began on March 25, with the arrival of Dale Henkins, project supervisor, in Kasaan. Alton McAllister, Dale Peele and Dale Wallace were hired and work began on the project. The lumber was picked up and delivered to Ketchikan Transportation Company, by Ketchikan maintenance forces. The lumber was inadvertently loaded and shipped to Klawock by the Ketchikan Transportation Company. Klawock Maintenance Foreman, Louis Seltzer transported the lumber to Hollis, placing the lumber on the beach. Dale Henkins chartered the seine boat, Glenda Joe, to pick up the lumber in Hollis and delivered it to the Kasaan project. The project was completed on the 1st of April at a cost of \$4,820.00.



#### HYDER — TEXAS CREEK BRIDGE.

The Texas Creek Bridge, located 7½ miles north of Hyder, is said to be the last remaining covered bridge in Alaska, and is sought by tourists utilizing the Stewart, B.C. road connection.

The bridge was constructed by the Territorial Road Commission in 1928, and provides the only access to the west bank of the creek.

The winters of 1970 and 1971 badly damaged the main support members of the bridge, and without repairs it was doubtful the bridge could hold up under heavy wind and snow loads of another winter.

At a public meeting held in Hyder in September of 1972, it was agreed to make repairs to the bridge utilizing LSR&T funds. The various companies in Hyder having suitable equipment to perform the work were contacted and requested to furnish rental prices on equipment. Mr. Glen Wiikes of G.W. Logging submitted acceptable prices and was awarded the work.

Temporary repairs took eight days to accomplish. The repairs consisted of placing a 60 foot stringer under the damaged chord and installing three bents. These were reinforced with large boulders and river run from the creek, which also cleared the channel area to allow freer flow. Four sets of cross braces were installed inside the bridge, completing the job.

According to a report from Lawrence Marx, Highway Maintenance Foreman in Hyder, this strengthened the bridge to a point where traffic could utilize the bridge once again.

# Alaska State Legislature

SENATOR  
H. PAPPY MOSS  
P.O. BOX 182  
DELTA JUNCTION, ALASKA 99737  
9071895-4384



WHILE IN JUNEAU  
POUCH V  
JUNEAU, ALASKA  
99811  
(907)465-4921

## State Senate

### MEMORANDUM

Date: February 9, 1983

Subject: Some DOT/PF Correspondence Concerning the Local Service Roads and Trails Program

To: Committee Members  
Senate Transportation Committee

From: Senator H. Pappy Moss, Chairman,  
Senate Transportation Committee *HPM*

Please find attached three pieces of correspondence included to provide some documentation on the position of DOT/PF regarding the LSRT program.

The first letter, dated November 24, 1982, is included to illustrate the response given by DOT/PF to local communities requesting funding under the LSRT program. The bracketed portion is highlighted as the relevant text concerning DOT/PF's philosophy toward the program.

The second letter, dated April 16, 1982, is included to provide an example of a local community's response to DOT/PF's attitude toward the LSRT program.

The third piece of correspondence is included to show the positive attitude of DOT/PF field managers toward the program.

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES  
Division of Planning and Programming, Interior/Western Region

University Plaza - West, Suite D  
600 University Avenue  
Fairbanks, Alaska 99701  
(907) 479-4284

November 29, 1982

Robert L. Brean  
Executive Director  
Upper Tanana Development Corporation  
P.O. Box 459  
Tok, AK 99780

Dear Mr. Brean:

RE: Tok Homesite Tract Road

We are responding to your letter of November 1, 1982 to Mr. Don Ronken, Regional Local Service Roads and Trails Engineer, regarding an access road to Homesite Tract ASL Survey #77-164.

The Department has not requested funding for continuance of the Local Service Roads and Trails Program in recent budget requests, since the functions of this program have been largely supplanted in recent years by the Municipal Grant Program and by line item appropriations added by the legislature to our Departmental request. Determination of projects to be added as grants or line item insertions is a prerogative of the legislature.

This policy has enabled the Department to concentrate its resources on the urgent needs of the regional transportation system, from reconstruction and rehabilitation of the existing major roads and bridges to upgrading essential rural airport runways and lighting systems.

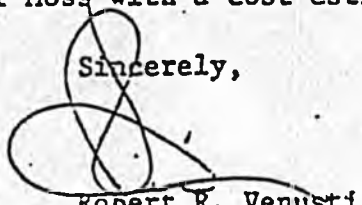
Our statewide transportation needs assessment already includes in excess of four billion dollars worth of needed improvements to the existing system. This tremendous backlog of identified projects coupled with the reduced state revenues now being projected makes it increasingly difficult to include in our budget our priorities for the facility improvements required for inter-community transportation, and certainly precludes us from budgeting for new facilities to service strictly local needs.

While your request is relatively small and for good purposes, there are far too many local needs of this type in our region for us to make an exception to our policies for your particular request.

We would be happy to provide technical assistance, in terms of engineering expertise and cost estimates, but are unable to include an actual funding request in our annual Capital Improvement Program.

Given these situations in relationship to your immediate need, it is suggested that you contact your local legislative contingent to ascertain if they might be willing to include a grant or appropriation for the access road during the coming session. We will be forwarding a copy of your letter to Senator Moss with a cost estimate.

Sincerely,



Robert R. Venusti  
Director

cc: Senator H. "Pappy" Moss ✓

# fairbanks north star borough

p.o. box 1267 520 fifth ave. fairbanks, alaska 99707 907-452-4761



April 16, 1982

Commissioner Bob Ward  
State of Alaska  
Department of Transportation  
Pouch Z  
Juneau AK 99811

Dear Commissioner *Bob* Ward:

I am responding to your March 12 letter in which you expressed your plans to phase out the Local Service Roads and Trails program.

I regret that you feel the need for this action, since the LSR&T Program provides a real and an essential service to people in this area. I do understand the impact of this program on your department and the problems which can arise--and have done so--in this regard. I would ask, however, that we first attempt to safeguard these services to the public and attempt to prevent the negative consequences which an abrupt elimination of the program would generate.

Your letter makes several statements with which I cannot concur, at least in regard to the comments on local government.

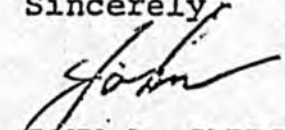
I think we are all aware that the state capital projects funding to local governments, as well as to state agencies, is being drastically reduced this year because of declining revenues to the State of Alaska. The special capital project funds we have received in the last two years have been for one-time activities and were specifically designed not to involve the Borough in expanded program operations.

Consequently, I can assure you that we do not have special funds in reserve which could be called upon to fund phased-out LSR&T activities. I would ask that, in view of the serious consequences which could flow from the elimination of this program, that DOT officials contact

Commissioner Bob Ward  
April 16, 1982  
Page two

their appropriate Borough counterparts to discuss ways and means by which a mutually beneficial arrangement might be reached, without first taking action that might later result in some harm to the public at large.

Sincerely,



JOHN A. CARLSON  
Borough Mayor

/sek

TO Charles D. Karella  
State LSR&T Engineer  
DOT/PF  
Headquarters/Juneau

DATE November 24, 1982

FILE NO

TELEPHONE NO: 443-5266

FROM Jeffrey S. Chandler *JSC*  
Acting LSR&T Manager  
DOT/PF  
Interior Region/Home Residency

SUBJECT: LSR&T Program In Rural Communities

In response to your enquiry regarding the involvement of the Local Service Roads and Trails Program in rural communities of Western Alaska, and the attitudes held by the rural communities towards the Program, I offer the following information.

The LSR&T Program generally has been highly regarded and supported by the bush communities. The underlying reasons for this are as follows:

### I. LOCAL PRIORITIES

~~The City Council of each community sets the priorities for local service projects needed in that community.~~

This process insures the Program's responsiveness to local needs. Within the limits of available funding, a community may designate access roads, local streets, bridges, boardwalks, or trail repairs for inclusion under the Program. Since LSR&T is primarily a reimbursement program, the local governing body may start construction as soon as a Project Agreement is approved and materials or equipment available, and is then reimbursed periodically for expenses. For larger heavy construction projects utilizing State equipment or a private contractor, costs are generally paid directly by the State.

### II. LOCAL INVOLVEMENT

The local community has direct input into all phases of each project, from planning through construction.

The scope of the project selected is determined by the City Council, within the limits of sound engineering principles. For locally constructed projects, flexibility is preserved through the construction phase, allowing alterations to accommodate local concerns which may not have been anticipated initially. Although LSR&T administers the project, ~~it is basically a community enterprise in which the community shares responsibility.~~ Through cooperative effort the State provides a helping hand rather than a hand-out. A completed project becomes a source of pride for residents of a rural community because they were integrally involved in creating the end product.

### III. LOCAL HIRE

~~Locally hired crews are employed to construct most rural LSR&T projects.~~

With labor intensive projects such as boardwalks and trail construction, the crew is hired locally by the local governing body which also appoints a local foreman.

Day to day operations of small scale heavy construction projects involving local equipment are also handled by a local foreman. On larger heavy construction projects involving State equipment, LSR&T may provide a foreman and/or a heavy-duty mechanic, while the construction crew is hired locally. In the event the local labor pool is exhausted, workers are generally sought from neighboring villages. The primary exception to this procedure occurs when a project has been let to contract, where hiring is done by a contractor whose policies generally tend to be more restrictive than those of local managers.

#### IV. LOCAL TRAINING

Training of local residents in new skills is necessary for most remote LSR&T road projects.

It is unusual to find the required number of qualified equipment operators and truck drivers locally available for the typical local road construction project. Training is therefore provided by an LSR&T representative or designated foreman and mechanic. Emphasis is placed on proper equipment care and usage, not only for safety reasons, but also to avoid unnecessary downtime. Safety awareness is encouraged through the life of a project in order to reduce the chances for injury or accident. This policy of training employees allows a greater proportion of local residents to obtain jobs than is the case with contractors, who generally require skilled workers for available positions. It also results in an added benefit outlasting the life of the project: a pool of trained workers who may be able to later obtain jobs for which they were previously unqualified.

#### V. LOCAL EQUIPMENT

Local equipment, public or private, is utilized for heavy construction projects whenever available.

For local road projects, LSR&T encourages the use of locally available equipment: from the local governing body, from DOT/PF, or from other public or private sources, in any combination necessary to perform the work. This practice results in substantial cost savings and production increases for the project, by avoiding the extra costs of mobilizing equipment from outside the community. LSR&T also has its own construction fleet, which is generally moved from project to project on an annual basis to supplement local equipment. In the event that adequate equipment is not available either locally or from LSR&T, and when private enterprise is available, then a project is generally put to contract with a contractor who is preferably already mobilized on site. It should be noted here that due to age and the phase-out of the LSR&T Program, most of the LSR&T equipment fleet will have been exceeded by the end of the year.

#### VI. REGION WIDE PROJECTS

All local communities in the Nome Residency area are eligible for participation in LSR&T's region-wide projects.

Winter Trail Staking and Shelter Cabins are two projects in which most rural communities participate annually. Although a limited amount of funds are available, these are distributed among local communities to help defray the costs of marking trails each winter, and the costs of putting up shelter cabins on the most heavily used trails for the use of the traveling public. A limited number of permanent trail markers are installed each year during Trail Staking. Permanent trail markers could be installed on the 1,400 miles of primary overland

trails in the Nome Residency area within two years, if current funding levels were doubled.

#### VII. PROFESSIONAL SUPPORT

Technical support services are provided to each project in proportion to the demands of the project and the needs of the community.

Engineering, supervisory, mechanical expertise, and expediting services are available for each LSR&T administered project. Where sufficient local initiative, labor, and expertise is available, periodic visits of the LSR&T Engineer is all that is required, resulting in lower administrative charges to the project. For small scale heavy construction projects, LSR&T provides a highly qualified roving heavy-duty mechanic, who periodically visits each project as needed to assist the local foreman in handling complex emergency mechanical repairs. For larger scale projects, the LSR&T Engineer or designated representative may direct the project and provide experienced foreman and qualified heavy-duty mechanic for the duration of the work. The key to this approach is flexibility: the fewer the resources of a local community, and/or the more complex the nature of the project, the greater the level of direct assistance provided, and vice-versa.

#### VIII. ADMINISTRATIVE SUPPORT

Most rural communities need some administrative support to keep their projects from bogging down.

This applies to a majority of local development projects involving local administration, whether funded through LSR&T, special legislative appropriations expended through LSR&T, or direct legislative grants to the villages. This need can be met by consulting engineering firms and contractors where funds are sufficient. However, for smaller projects a little common sense advice and direction is frequently all that is required, rather than a costly and lengthy study which doesn't help the local governing body with the day to day problems associated with doing its own construction projects. Although not mandated to do so, LSR&T has been providing technical information, quantity and cost estimates, and alternative recommendations to villages seeking guidance for the application of their direct grants for new construction equipment, new equipment storage buildings, and local transportation-related construction projects. The Nome office has handled seventeen such calls from different villages in the last five months.

#### IX. SUMMARY

Given the limits of available funding for rural areas, the LSR&T Program has made some substantial contributions in helping local communities to meet their own transportation needs. By and large, remote communities have not requested advanced development projects. Basic projects have been the rule, providing boardwalks, access roads, or streets for the community, frequently for the first time. Additionally, the Program has received strong support from the Bering Straits and KAKA Regional Native Corporations, in the form of streamlined permit procedures, free use materials, and expedited right-of-way reconveyance agreements. Finally, the LSR&T Program has retained the flexibility to fund those projects requested by villages which have not been addressed through the legislative process under line-item appropriations or specific grants. Hopefully this information will assist in the evaluation of the LSR&T Program as it has functioned in the Nome Residency, and contribute to the formation of a policy or program through which rural communities may continue to receive State support in alleviating their transportation problems.



# Bristol Bay Borough

BOX 189 • NAKNEK, ALASKA 99633

JIM D. CLARK  
MAYOR

TELEPHONE  
(907) 246-4224

February 10, 1983

Representative Cato, Chairman  
House Transportation Committee  
Pouch V  
Juneau, AK 99811

Dear Representative Cato:

I am writing in support of HB 169 which provides funds for the continuation of the Local Service Roads and Trails Program.

This program has been of great benefit to our borough. Utilizing local labor and construction equipment already in the area, the program gets more out of the state's money than other grant programs. The personnel at Local Service Roads and Trails are accustomed to working with residents from rural Alaska, understand the conditions which exist there, and work closely to see that all funds are accounted for and used efficiently. Many projects of varying size have been funded in this way, improving conditions in Alaska and contributing to a sense of accomplishment by local residents.

I hope your committee will consider this legislation favorably so the LSR&T program can continue to exist.

Sincerely,

Don Penner  
Administrative Assistant

/DP

BRISTOL BAY NATIVE ASSOCIATION

P.O. BOX 189

DILLINGHAM, ALASKA 99576

by Executive Committee

Bristol Bay Native Association  
Resolution in Support of the  
Department of Transportation and  
Public Facilities Local Service -  
Roads and Trails (LSR&T) Program

Resolution No. 83 - .03

WHEREAS, the LSR&T program has been very effective in developing village roads in the Bristol Bay Area; and

WHEREAS, the LSR&T program has schedule projects to provide access roads in support of the Bristol Bay Housing Authority (BBHA) Low Income HUD Housing construction in several villages in the Bristol Bay Region; and

WHEREAS, the Bristol Bay Housing Authority has awarded contracts for the construction of houses at Aleknagik, Egegik, Levelock and Port Heiden; and

WHEREAS, the Bristol Bay Housing Authority has scheduled a housing program for 1984 and 1985 at the villages of Iliamna, Igiugig, Kokhanok, Newhalen, and Nondalton and will require access road construction in each village; and

WHEREAS, additional road construction is needed to improve or provide access to townsite lots within village townsites; and

WHEREAS, each village is in need of a Dump Site with access road.

NOW THEREFORE BE IT RESOLVED, that the Department of Transportation and Public Facilities reactivate there very successful Local Service Roads and Trails program which is the very foundation of municipal sewer, water and sanitary waste disposal systems; and

BE IT FURTHER RESOLVED, that all of the projects scheduled herein be incorporated within the reactivated Local Service Roads and Trails program.

SIGNED

William P. Johns  
PRESIDENT

CERTIFICATION:

I, the undersigned secretary of said Association, do hereby certify that the Executive Committee is composed of ten (10) members, of whom 8 were present at a meeting this 20 day of January, 1983, and that the foregoing resolution was adopted by the affirmative vote of 8 members.

SIGNED

Ada Aokkedak  
SECRETARY