

ALASKA LEGISLATURE COMMITTEE FILES 1983-1984 86/2

3201 ST SB 352 - SB 389

substantial influence. The court further emphasized that the Governor was in a position to exercise influence on an otherwise independent board through the fact if there were a real disagreement in policy, he could exert control over the board members through his ultimate power to reeve them. The court, in Walker, cited with approval language from the Superior Court decision in the case to this effect:

If the Governor is dissatisfied with the executive director in either his capacity as a member of the Alaska State Housing Authority or the Alaska State Mortgage Association, he can assert his authority over the board members to effect the director's removal, and should they disregard his wishes, his alternative is to appoint members to the board who will appoint an executive director satisfactory to the Governor.

Walker, at 250 n.19.

At the same time, the court recognized that there may be important and legitimate reasons for the legislature to insulate a board or authority from direct gubernatorial influence over particular decisions. In the courts words:

It is true that the Commissioner of Commerce can not dictate the decisions of the Board. Nor can any other state official It is quite apparent that the legislature intended the board to be free from outside control in making decisions on particular loans.

De Armond, at 724 (emphasis added).

Nonetheless, it is clear from the decisions that there are limits to the degree of insulation that the court will

tolerate and still uphold the constitutionality of the placement of the independent corporation nominally within a department of state government.

Accordingly, it is our view that to insure constitutionality of this bill the legislature should, at an absolute minimum:

1. create an independent authority which is part of an enumerated department of state government;

2. provide that the board for the public corporation or authority be comprised of persons appointed by the Governor and who serve at his pleasure;^{3/} and

3. that the commissioner of the department in which the authority is placed serve as a voting member of the board.

3/ There is a secondary, but perhaps no less important, reason why the appointees to the governing body of the railroad should serve at the Governor's pleasure. As a constitutional matter, there is a serious question as to whether any appointee of the executive branch with the exception of those who serve in regulatory or quasi-judicial positions can be subject to any other restrictions but that they serve at the Governor's pleasure. The U.S. Supreme Court has interpreted that under the federal constitution, if an office is "executive" in nature, legislative efforts to restrict the president's power to remove an official are invalid. Myers v. United State, 272 U.S. 178. That opinion has been modified slightly in Humphries Executor v. United States, 295 U.S. 602, as the court held that a member of the Federal Trade Commission could have his term set by Congress and be insulated from removal by the president, but the court was clear to limit its opinion to quasi-legislative or judicial agencies, i.e. those that were actually passing regulations or resolving legal disputes as their prime function. The Railroad Authority would fall in neither of these categories, but would be within a traditional executive agency structure.

We raise this issue because we can be reasonably sure that the content of this bill will be litigated in the courts, if there is any reasonable basis to do so. The appointment of commissioners to the Railroad Authority who serve at the Governor's pleasure would reduce the possibility of legal attack on yet another basis.

It would be advisable, as well, to include at least some of the kinds of provisions (such as the annual reports to the Governor and legislative audits) which the court in De Armond cited as significant, although these may not be essential. Beyond that, the legislature may, in our view, limit the application of acts such as the Executive Budget Act, Administrative Procedures Act and others which impact most executive branch agencies, but are not, in our view, critical to upholding the constitutionality of this public corporation structure.

AMG/SAB/yw

621 Nathan Circle
Anch 99502
10 April 84

APR 26 1984

To Whom it May Concern:

Reference: Abnormal gravel train noise while unloading in our area, 621 Nathan Circle, adjacent to Alagco Gravel Company.

Copies to:

1. Alaska Railroad General Manager
2. Alaska Railroad Train Master
3. Municipality Noise Control
4. Alagco Gravel Company
5. Federal Environmental Agency, Seattle
6. Senate Transportation Committee
7. Senator Pappy Moss
8. Representative Rick Uehling

One of the Anchorage area gravel locations is across the railroad track from us. During most of the unloading periods the train is directly in front of our house.

Past unloading times have utilized up to twelve hours, occurring all weekdays and occasionally even on Sunday. A typical day last summer was arrival at 5 to 6 a.m. to as late as 2 a.m. next morning. Were told future outlook is for more traffic and noise. Sleeping is impossible during unloading periods.

Nearly all of the trains going north or south, including the other gravel trains, pass here. This involves the one unloading here having to move into the siding and then reposition each time.

The unbearable noise problem is created by the stretching and compressing of the train couplings which, in most cases, occurs for every car stopping over the dumping area. To emphasize - noise from trains simply passing by is unimportant in comparison to the noise created while unloading gravel at this location.

The basic complaint is that almost all of the noise can be eliminated via the engineer and crew being careful. An occasional train will unload, mostly without us even hearing it. Slow starts and stops with light continuous brakes applied apparently solves most of the problem. All of the abnormal noise can be solved via modifying the unloading setup to permit continuous movement of the train and reasonable care on the part of the engineer and crew.

We've called dozens of times to complain to the railroad and environmental noise people. Also, a couple of times to the gravel company. Explained that we realize the trains are a necessity but the the noise is controllable. Answers are always vague, and unsatisfactory, to the effect they didn't intend to really try to do any thing about the problem. Examples follows:

1. Railroad people

(A) Property is commercial across railroad where noise originates, therefore legitimate.

- (B) Train Master - he has a lot of engineers, needs to be informed of those being careless. Offered to call him and keep records of abnormal noise cases but received no cooperation.
- (C) Reply to complaint on two occasions was to expect situation to get worse.

2. Environmental people

- (A) They are uncertain how noise laws work, one side of railroad being commercial and other residential.
- (B) To my knowledge they never even made a reasonable attempt to get an average noise level.
- (C) After several calls were told they knew about the problem, were looking into it. Three years since - no action to my knowledge.

3. Gravel Company people

- (A) Their reply to complaint - they left one or two previous areas due to residential problems and are not about to move again.

SOLUTIONS

1. Confirm that noise is a serious problem via contacting people in the area, including tenants in house with us.
2. Talk with a Mr. or Mrs. Richard Penland, a previous nearby neighbor. My understanding is that he sold his house partially due to the noise. Their comment to me was how could we stand it being even nearer the tracks than they were and if I intended selling to be sure and do it in the winter when the gravel trains weren't operating. Their present address is 110 East 11th Avenue, phone number: 278-4367.
3. Discipline those persons in charge of engineers and crews that refuse to make the necessary efforts to control the noise. They probably wouldn't believe we were serious when the first one was fired. When the second one got fired the noise would stop.
4. Modify unloading arrangement to permit the operation with a minimum of starts and stops.
5. Organize the neighborhood to force action on the part of the railroad. This would probably require legal court action since they obviously don't respond to verbal complaints.
6. Last resort - sell the house and move out.

need help

STATE OF ALASKA

APR 26 1984
BILL SHEFFIELD, GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION
OFFICE OF THE COMMISSIONER
POUCH O, JUNEAU, ALASKA 99811

Telephone: (907)
Address:
(907) 465-2600

April 17, 1984

Ms. Lauri Adams
Sierra Club Legal
Defense Fund, Inc.
419 6th Street, Suite 321
Juneau, Alaska 99801

Dear Ms. Adams:

Your letter of March 16, 1984, asks several key questions regarding the State pesticides program and its applicability to the Alaska Railroad (ARR) vegetation control program. As stated in the Attorney General's letter of March 12, 1984, this agency will have statutory authority to regulate or prohibit the use of pesticides and broadcast chemicals by whatever entity the legislature creates to operate the railroad.

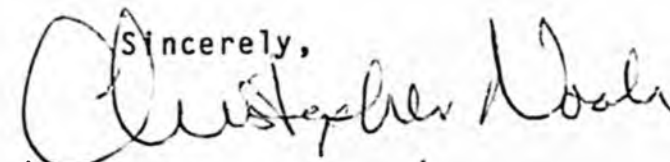
Specifically, in answer to your questions:

- 1) The spray program would be regulated as a "public pesticides project" as defined by 18 AAC 90.060(11) and subject to public notice and hearings provided by 46.03.330(b).
- 2) Likewise, the spray program would require a pesticide project permit under 18 AAC 90.055.
- 3) I know of no other permits (other than certification of applicators) that this department would need pertaining to the spray program. It is certainly possible that other departments have permitting requirements, under "worker right to know" statutes, or occupational safety and health for example. Any residual chemicals or containers which are "hazardous wastes" would be subject to appropriate EPA or State requirements.

April 17, 1984

I hope this satisfactorily answers your questions. Feel free to contact Bob Martin of my staff if you need clarification of any of these points.

Sincerely,



Richard A. Neve
Commissioner

RAN:vh

cc: Keith Kelton, ADEC
Bob Martin, ADEC
Bill Burgoyne, ADEC
Sara Kavasharov, Attorney General's Office
Governor Bill Sheffield
Senator Pappy Moss
Senator Jalmar Kerttula
Mark Hickey, Dept. of Transportation
Paul Bratton
Billie Trent, ADEC

MEMORANDUM

Date: April 23, 1984

Subject: News Release

To: All Committee Members

From: Senator Pappy Moss, Chairman *P. Moss*

Please find attached a copy of a news release I have released this date concerning the House version of SB 352.

Alaska State Legislature

H. PAPPY MOSS, CHAIRMAN
BETTYE FAHRENKAMP, VICE CHAIRMAN
JAN FAIKS
DON GILMAN
JALMAR KERTTULA



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Senate Committee on Transportation

Comparison of Major Differences
between
CS for Senate Bill No. 352 (Finance) Working Draft dated 5/2/84
and
CS for House Bill No. 512 (Finance)
as passed by the House on May 7, 1984

Senate Transportation Committee
Staff Analysis
May 9, 1984

*Section 1. Legislative Findings and Purpose.

The House has an additional finding which reads: "there is vast potential in Alaska's natural resource areas and extension of the Alaska Railroad into natural resource areas is necessary for long-term economic growth."

In addition, under the corporate intent section of the findings there are some variations of the language between the two bills. Under the House bill the bonding capability of the corporation is limited to raising capital for expansion purposes. Furthermore two more sections are included in the House Bill which read: "in all job classifications, provide for the employment of women and minorities if qualified;" and, "provide for the payment of equal pay for equal work." Under the same section of the Senate bill bonds require legislative approval.

Sec. 42.40.020 Board of Directors.

The Senate bill has the chief executive officer on the board and the House bill does not. The Senate bill requires 10 years of experience for the board member who is an experienced railroad manager while the House bill requires "substantial" experience. Similarly, the Senate bill requires at least five years of business experience of two of the board members while the House bill requires "substantial" experiences.

Sec. 42.40.040 Term of office.

The Senate bill provides for removal of the board by the governor at his pleasure while the House bill provides for removal for cause only. (However, see the Senate constitutional amendment section.)

Sec. 42.40.100 Management by the Board.

Under the Senate bill the board is required to delegate certain functions to corporation management within 60 days of its first meeting while under the House bill the board may delegate to the corporation management and no time period is set.

(House bill Sec. 42.40.205 brings part of the Senate bill definition of rules into the main part of the bill and exempts certain corporate functions from the rule making process.)

Sec. 42.40.260 Annual Report.

Every five years the Senate bill requires verification of corporation initiated attempts to sell the corporation to private enterprise. (However, see House bill Section 6.)

Sec. 42.40.280 State Oversight Reports.

The House bill requires oversight reports for the extension of the track and for bonds over \$5,000,000. while the Senate bill does not.

Sec. 42.40.285 Legislative Approval Required.

The House bill requires legislative approval for bonds over \$5,000,000 while the Senate bill requires approval for all bonding.

The House bill requires legislative approval for extension of the tracks more than 25 miles or five percent of the total track mileage while the Senate bill requires legislative approval for all track extension which are not a spur, industrial, team, switching or side track.

The Senate bill requires legislative approval for a lease that exceeds 20 years if it does not have a termination clause if needed for railroad purposes while the House bill does not.

Sec. 42.40.290 Long Range Program and Capital Improvement Plans.

The House bill requires that the corporation consult with affected state agencies and municipalities in preparing their long range program and capital plans while the Senate bill contains no similar provision.

(The House bill authorizes Eminent Domain (see Sec. 42.40.390) while the Senate bill does not.)

Sec. 42.40.540 Appropriations.

Under the Senate bill the corporation is required to get concurrence of the governor for an appropriation request while the House bill has no similar requirement.

(The House bill has a section prohibiting the use of corporate assets for political activities (see Sec. 42.40.705) while the Senate bill does not.)

Sec. 42.40.940 Sale of the Railroad.

The governor may sell the corporation under the Senate bill so long as it can be assured that the railroad will continue to operate after the sale while the House bill says the governor may force the board to negotiate a sale in good faith.

(The House bill specifically states the corporation is subject to state anti-trust laws.)

Constitutional Amendment

The Senate bill has the removal for cause section kick in if the constitutional amendment passes while the House bill has it in this legislation. The Senate bill has a revised rule section that kicks in if the constitutional amendment passes while the House bill does not.

Section 7 Special Report.

The Senate bill requires the corporation to contract with an outside consultant for a report on the long term operation of the railroad and possible alternative operational options including selling to private enterprise. The House bill has no similar provision.

Section 10

The Senate bill restricts the Railroad from applying for a right-of-way across the Kobuk (Gates of the Arctic).

SENATE
LETTER OF INTENT

TO ACCOMPANY SCS CSHB 512 (Finance) am S

It is the policy of the State that the Alaska Railroad should be operated in a business-like manner so as to foster the development of a strong and financially sound system of Interstate Commerce. Accordingly, although the Railroad may use public resources or the benefits of its public status to extend its lines or to provide passenger service, it should not use direct subsidies to compete unfairly with privately owned carriers.

Adopted by the Senate May 30, 1984.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST
 Bill/Resolution No.: SB 352
 Title: Alaska Railroad Corporation Act of 1984
 Sponsor: Kerttula, Faiks, & Halford
 Requestor: Senator Moss
 Date of Request: 3/8/84

FISCAL DETAIL
 Agency Affected: _____
 Program Category Affected: _____
 BRU, Program or Subprogram(s) Affected:
Alaska Railroad

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING	-0-	37,300	57,750	58,000	57,300	57,900
100 PERSONAL SERVICES		24,300				
200 TRAVEL		300				
300 CONTRACTUAL		4,800				
400 SUPPLIES		5,200				
500 EQUIPMENT		1,200				
600 LAND & STRUCTURES		-0-				
700 GRANTS, CLAIMS		1,500				
800 MISCELLANEOUS		-0-				
TOTAL OPERATING	-0-	37,300	57,750	58,000	57,300	57,900
CAPITAL	-0-	15,800	20,450	20,450	20,450	20,450
REVENUE	-0-	37,350	67,200	70,200	73,300	76,350

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	15,750	11,000	8,250	4,450	2,000
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	37,350	67,200	70,200	73,300	76,350
TOTAL	-0-	53,100	78,200	78,450	77,750	78,350

POSITIONS:

FULL-TIME	-0-	478	478			
PART-TIME	-0-	38	38			
TEMPORARY	-0-	64/300	64/300			

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

General Fund (Although the legislation does not speak to this point, every indication suggests use of a general fund appropriation to offset fiscal impact.)

ANALYSIS: Attach a separate page for analysis

Prepared By: Mark S. Hickey, State Railroad Coord. Phone: 465-3900
 Division: Alaska Railroad Transfer Team Date: 3/15/84
 Approved by Commissioner: R. J. Knapp Date: 3/15/84
 Agency: Department of Transportation & Public Facilities

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

STATE OF ALASKA 1984 LEGISLATIVE SESSION

FISCAL NOTE

Bill/Resolution No.: SB 352

Title: Alaska Railroad Corporation Act of 1984

BILL ANALYSIS

Overview:

This fiscal note is based upon the results of the Alaska Railroad Team's Alaska Railroad Acquisition Assessment, released in December 1983. That document provides a comprehensive analysis of the major issues concerning acquisition of the Alaska Railroad (ARR). It includes a thorough assessment of the financial exposure to the State from ensuring continued rail operations in accordance with the requirements of the Alaska Railroad Transfer Act of 1982 (ARTA).

The estimates presented in this fiscal note are derived from the "worst case" scenario of future railroad activity. Current indicators such as the continued uncertainty over the export coal contracts suggest use of this analysis as the most realistic forecast for determining actual fiscal impact. Please note that the acquisition cost of \$22.3 million for railroad purchase has been addressed in a separate fiscal note attached to the acquisition legislation.

While the data and forecasts used in both the Acquisition Assessment and this fiscal note reflect the input and work of the railroad and the United States Railway Association (USRA), the final estimates are based on independent analysis and downward adjustment by the Transfer Team. Our work includes such factors as removal of uncertain revenue increases, increased costs for compliance with state and local building codes, and additional adjustments for necessary capital rehabilitation.

This bill analysis is limited to providing explanations of the fiscal impact resulting from the proposed legislation. It should be noted that there exist policy conflicts between provisions of this legislation and the Sheffield Administration's Policy Statement of January 26, 1984.

Assumptions:

The FY 85 figures are based upon an assumption that actual railroad transfer will occur somewhere between November and January of that fiscal year. As a result, most of the estimates are merely prorated for a partial fiscal year ending in July 1985. However, there are certain one-time, start-up expenditures directly attributable to the actual railroad transfer which cause the sizeable shortfall during what is only a partial fiscal year.

Although a breakout of specific operating expenditures has been provided for FY 85 in order to provide the railroad operating entity a functioning program during its first year of operations, an actual budget structure has not been included to avoid prejudicing the new operating entity's prerogatives to formulate its own budget structure and subsequent submissions. Please note that the FY 85 submittal also contains the request for all funds needed by the Transfer Team and other state agencies to perform the duties resulting from passage of this legislation and acquisition of the railroad.

Although the current legislation places the Alaska Railroad within the Department of Commerce and Economic Development for purposes of the constitution, other sections of this bill anticipate removing it if a proposed constitutional amendment passes next November. Accordingly, this note does not address a specific "agency affected" to avoid a future conflict in this area.

Since the constitutional amendment cannot become effective until November if it passes, this note is predicated on an assumption that all funds for the corporation will be passed through by the respective line agency under which the corporation is located. Funds for all other state agencies will be passed on to the Transfer Team for further processing as appropriate.

Administrative costs incurred by the line agency under which the corporation is located should be minimal and will be covered as part of the corporation's overhead. Please note that all fiscal impact to state agencies resulting from this legislation have been coordinated by the Transfer Team and are reflected in this note.

All estimates are presented in constant 1985 dollars. An annual inflation factor of 6% has been used to convert the original 1983 constant dollar estimates in the Acquisition Assessment.

Operating Expenditures:

This estimate includes both general operating expenses and new expenditures resulting from the railroad transfer (i.e., additional costs due to potential loss of railroad gravel reserves under third-party claims). Included in the former category are costs for maintenance-of-way, maintenance of power and equipment, transportation services, communications, administration and overhead, marketing and real estate management. The latter category includes increased legal and overhead expenses, additional insurance and risk management contributions, fiscal impact to the Transfer Team and other state agencies because of railroad acquisition, and one-time, start-up costs for items such as the printing of new letterhead and the marking of personal property.

Although revenue is projected to increase during FY 87-89, costs during that period are not significantly larger than the first two years of operations due to the sizeable, one-time transfer related expenses immediately following transfer. These estimates are based on historical data provided by current railroad personnel and reflect anticipated operating expenditures needed to comply with the terms of ARTA.

Attachment A provides more details on the FY 85 submittal by object of expenditure. Some \$4 million of this estimate is to cover immediate expenditures resulting from actual transfer of the railroad. This includes the following:

- (1) \$1.750 million for the Alaska Railroad Transfer Team to perform its duties as outlined in Attachment B;
- (2) \$2 million for specific one-time, start-up costs to be incurred by the new entity for items such as the marking and inventorying of personal property, the printing of new stationery and payment warrants, additional legal costs, and certain corporation expenditures for the new Board of Directors;
- (3) \$200,000 in funds to conduct a final pre-transfer audit to establish the accuracy of balance sheets and the identification of accounting problem areas; and
- (4) \$80,000 in additional fiscal impact to the Department of Administration to ensure preservation of railroad archival records and additional labor relations work not budgeted for in the Transfer Team's FY 85 budget memo.

Another component of the FY 85 submittal includes \$270,000 in funds in direct response to the following requirements of the legislation:

- (1) \$200,000 to initiate the Special Report required in Section 9 on the feasibility of attracting private sector involvement in the railroad's operations;
- (2) \$35,000 to the Department of Natural Resources to respond to any state land request by the corporation under Section 42.40.360; and
- (3) \$35,000 to fund costs for the new railroad employees labor relations agency as provided in Section 42.40.780.

The remaining estimates in this area reflect the normal operating expenses by category for the part of FY 85 involving state operation of the railroad. These specific estimates have been prepared with the close cooperation of railroad administration and budgeting personnel. All expenditures for per diem and compensation of the Board of Directors have been included in the general estimates for the 100 and 200 categories.

Capital Expenditures:

The capital component of this fiscal note represents a combination of increased capital costs resulting from transfer and prorated expenditures for ongoing railroad operations. The analysis contained in Chapters 4 and 5 of the Acquisition Assessment serve as the basis for both of these estimates.

In addition, the results from the State's independent engineering condition assessment have been used to project an increased level of expenditure minimally acceptable to begin reversing deterioration of the railroad's physical plant, including the initiation of a systematic plan for replacing aged rolling stock. It is important to understand that engineering condition alone cannot be the basis for a projected level of sustained capital expenditure, but must be tempered by national trade-offs between long-term plant condition and available revenues.

The capital estimate of \$15.8 million includes a one-time expenditure of \$4.9 million to replace the railroad's working capital fund. ARTA establishes a process where little, if any, money will be transferred from the ARR's Revolving Fund because of pre-transfer federal claims and contingent liabilities that must be paid by the fund. As a result, an amount equal to about one month's worth of operating expenses (which is similar

to working capital requirements for other railroads) is needed to fund and maintain adequate working capital for the railroad after transfer.

Another capital expenditure resulting from railroad transfer is the initiation of compliance with Occupational Safety and Health Act (OSHA) requirements and state and local building codes. Approximately \$4.5 million per year has been set aside during the forecasted period to move toward compliance in these areas. Chapter 5.3 of the Acquisition Assessment provides more details regarding this requirement.

The remaining \$6.4 million of this estimate covers general railroad capital needs, prorated for the period of state ownership during FY 85. An additional \$7.85 million is projected for expenditure by the railroad for this program. Attachment C provides additional information regarding the capital improvement program to be performed during FY 85.

It should also be noted that based on a recent audit review of the ARR's financial statements, about \$4 million per year of capital expenditures could just as easily be categorized as operating costs (primarily maintenance-of-way expenditures) if generally accepted accounting principles are applied to the railroad. However, no adjustments have been made with our estimates to avoid creating greater confusion by conflicting with existing railroad procedures prior to a general system overhaul by the corporation upon transfer.

Revenue:

This estimate on a prorated basis represents projected FY 85 revenues from its freight, passenger and real property rental activities. The FY 85 revenue figure is based on a projected commodity mix fairly similar to the last two years of railroad operations. Attachment D contains some additional information from the ARR's 1983 Draft Annual Report regarding FY 82 and FY 83 operations.

These projections are based on information from the railroad and USRA, which were then adjusted downward by the Transfer Team to remove 50% of the net cash from anticipated revenue increases in export coal, interline and pipe traffic. If either of these movements were in fact to materialize in a significant way, it could sizeably reduce the need for general fund assistance during FY 87-89. Likewise, any major downswing from our projections would probably result in the need for even larger general fund assistance during those years.

Funding Source:

The "Other Funds" appearing on the fiscal note are railroad revenues.

Positions:

ARTA basically mandates a two-year period of full protection of current salaries and benefits for all employees who choose to transfer. What happens following that period becomes a matter for contractual negotiation between management and employees.

The figures presented in this part of the fiscal note are the actual number of employees in each category as of March 1, 1984. No estimate can be made of the actual number of those choosing to transfer, although it is anticipated that most employees will do so. In the case of temporary employees, the first number on this line is the actual number today, while the second estimate reflects the average number of temporary hires used in the summer for major maintenance work.

Summary:

The estimates provided in the attached fiscal note are primarily based on the Transfer Team's assessment of the likely fiscal impacts from state acquisition of the Alaska Railroad. It is important to reiterate that the acquisition cost of \$22.3 million has been addressed in a separate fiscal note attached to the acquisition legislation.

It is our view that the corporation's overall organization as currently envisioned in the proposed legislation will not have any appreciable impact immediately on the railroad's general financial condition. Beyond the increased cost for modifying the existing administrative and management systems during the first two or three years following state takeover, it is difficult to predict whether the proposed organizational arrangements in this legislation will generate cost efficiencies not enjoyed during federal ownership.

The philosophy in the current legislation is, to the extent possible, to foster a self-sustaining business orientation for railroad operations. This is consistent with the Transfer Team's analysis of the types of steps necessary to achieve a break-even position at some point during the first decade of state operations.

There is no specific mandate in this legislation for new extensions or any more services than those currently in existence. This should allow the railroad adequate time to reorganize and streamline its existing operations. In addition, although several specified planning responsibilities have been added to the railroad's duties, the long-term savings from performing these kinds of systematic assessments should more than compensate for any short-term costs resulting from performance of these efforts.

Attachment E is a ten year summary (FY 73-82) of the railroad financial operations during federal ownership. It should be noted that an additional \$66.2 million dollars in congressional appropriations was provided during this period to cover passenger expenses and certain capital needs.

ATTACHMENT A

Operating Budget - FY85

In Thousands (000) of Dollars

This operating budget is prorated for FY 85 except for the impacts to state agencies depicted in the 300 level. All amounts shown are in 1985 dollars. These estimates represent the total prorated FY 85 operating budget for the railroad following state acquisition. Projected revenues from the railroad's operations will serve as the main source of funds for these expenditures, with limited assistance from general fund appropriations.

<u>Category</u>	<u>Amount</u>	<u>Explanation</u>
100 Personal Services	\$24,300.0	This funding level is based upon current work force of 478 permanent full-time, 38 part-time and 64 temporary positions. Of this amount salary comprises \$19,950 and benefits comprise \$4,350. Also included in this estimate are the Board of Directors' compensation expenses.
200 Travel	300.0	This funding level is the estimate of travel funding needs, including the Board of Directors' travel expenses.
300 Contractual	4,800.0	This funding level includes coverage of the following areas: continuation of Transfer Team activities for FY 85 - \$1,750.0 (see Attachment B); Transfer Financial Audit - \$200.0; \$200.0 for initiation of the Special Report required in Section 9 of the bill; Department of Administration - \$80.0 for archives preservation and labor relations coordination; costs for the labor relations agency under Article 8 of the bill - \$35.0; Department of Natural Resources - \$35.0 for land designation activities under Article 5 of the bill. The remainder of these funds are for the railroad's general contractual needs resulting from capital improvement, operations and financial planning activities.

400 Supplies	5,200.0	This funding level is required for the day-to-day operations of the railroad, supporting all facets of operations from administration to maintenance of way.
500 Equipment	1,200.0	This item is the complement of the supply item also supporting day-to-day railroad operations.
700 Grants & Claims	1,500.0	This item provides for funds for the railroad's risk management expenses, payment of damage claims, workmen's compensation expenses and other money claims against the railroad. No grants are anticipated.
TOTAL:	<u>37,300.0</u>	

ALASKA RAILROAD TRANSFER PROJECT

FY 85 PROJECT BUDGET

The goal of the Alaska Railroad Transfer Team is to provide an orderly and informed decision-making process for possible transfer of the Alaska Railroad from federal ownership, thus ensuring continuation of essential rail services in Alaska. If a decision is reached to pursue state take-over of the railroad, then it is also the goal of the Alaska Railroad Transfer Team to organize and oversee a systematic transition from federal ownership.

This document discusses the major work components of the FY 85 budget submittal. The need to pursue some of these efforts is entirely contingent on a decision to acquire, while other work efforts are separate from that decision. Attachment A provides the FY 85 budget submittal as introduced by the Governor. Attachment B is the project budget for FY 84 and provides considerable detail regarding several work tasks, many of which are ongoing in 1985.

The following breakdown is structured on a component or agency basis, versus reiterating specific details regarding ongoing work tasks. As a result, some of this explanation should be read in conjunction with Attachment B in order to fully understand all of the scheduled work efforts.

Work Component #1 - Alaska Railroad Transfer Team Staff

As indicated in Attachment A, funding is needed to support four positions in the Office of the Commissioner, Department of Transportation and Public Facilities. These positions are as follows: a State Railroad Coordinator (Special Assistant II); a Planner IV; a Planner III; and a Correspondence Secretary III. These four individuals comprise the Transfer Team Staff with direct responsibility for performance and coordination of all team activities. This group reports directly to the Commissioner of DOT&PF in the performance of their duties. The following breakdown represents expenditures directly related to this area by object of expenditure.

<u>Object of Expenditure</u>	<u>Description</u>	<u>Amount</u>
Personal Services	4 Positions - DOT&PF	\$195,100
Travel	4 Positions - DOT&PF	66,000
Contractual	Printing/limited Professional Services	35,000
Supplies	Miscellaneous	8,000
	Total	<u>\$304,100</u>

Work Component #2 - Department of Natural Resources Assistance

An existing Reimbursable Services Agreement with the Department of Natural Resources will be continued during FY 85. Work efforts covered by this assistance include ongoing support activity by the Division of Technical Services for conveyance documents and related title review work. Additional support by DNR will be provided for coordination with the Bureau of Land Management's cadastral survey work and assistance from the Division of Land and Water Management to implement the railroad transfer. The following breakdown by object of expenditure presents the needed funding for these services.

<u>Object of Expenditure</u>	<u>Description</u>	<u>Amount</u>
Personal Services	4 Positions - DNR	\$191,900
Travel	4 Positions - DNR	20,000
Contractual	Miscellaneous	
	Professional Services	30,000
Supplies	Miscellaneous	8,100
	Total	\$250,000

Work Component #3 - Department of Labor Assistance

Specific assistance is still needed by the Department of Labor to perform an extensive survey of the railroad's physical facilities in relation to federal and state occupational safety and health laws, regulations and standards. Although this was scheduled for performance during FY 84, insufficient funding required postponement of this work effort until FY 85. Scheduled funds during FY 84 for this effort were diverted to cover additional labor relations work by the Department of Administration and the use of an Engineer-in-Training position to assist with the engineering condition assessment. The following breakdown provides an estimate for this activity by object of expenditure.

<u>Object of Expenditure</u>	<u>Description</u>	<u>Amount</u>
Personal Services	2 Full-time - DOL 2 part-time	\$142,700
Travel	2 Full-time - DOL	7,300
Training	2 Full-time	5,200
Contractual	Miscellaneous Professional Services	39,800
Supplies	Miscellaneous	6,500
Equipment	Health Sampling Equipment/ Memory Typewriter	12,000
	Total	\$213,500

Work Component #4 - Department of Administration Assistance

Activity in the area will consist of continuing work efforts initiated during FY 84 explained under task #6 of Attachment B. Particular attention must be paid to the analysis of the five collective bargaining agreements, which will support the full scale initiation of the two-year renegotiation process in conjunction with the new entity established to operate the railroad. Another important work effort will be to conduct an orderly transition from federal to state ownership for all personnel matters and ensure that all of the specified requirements from the federal transfer legislation are properly met by the new organization established to operate the railroad. Other efforts include assistance with insurance and risk management needs. The following breakdown by object of expenditure presents the necessary funding for this area.

<u>Object of Expenditure</u>	<u>Description</u>	<u>Amount</u>
Personal Services	1 Full-time Position	\$105,000
	2 Part-time Positions	45,000
Travel	1 Full-time, 2 Part-time	105,000
Contractual	Liaison Assistance/ Miscellaneous	
	Professional Services	
Supplies	Miscellaneous	<u>2,400</u>
	Total	\$257,400

Work Component #5 - Department of Law Assistance

Assistance from the Department of Law is needed for several tasks to be performed by existing AG staff and retained special counsel. Included are the following work efforts: (1) legal work pertaining to the 3(e) (ANCSA) claims against railroad property by native village corporations, including ongoing negotiation and staff work to support the State's position during the adjudication process; (2) legal assistance for the preparation of transfer documents and attention to related land conveyance problems; (3) resulting from the response to various court actions by third parties because the railroad transfer; (4) ongoing legal assistance with issues involving regulation by the Interstate Commerce Commission (ICC); and (5) support of efforts relating to personnel/labor relation matters. The following breakdown by object of expenditure presents the needed funding for this area.

<u>Object of Expenditure</u>	<u>Description</u>	<u>Amount</u>
Personal Services	Staff Attorneys	\$180,000
Travel	Staff Attorneys	20,000
Contractual	Wickwire Lewis	150,000
	David Walsh	75,000
	David Rogers	75,000
	Total	\$500,000

Work Component #6 - ICC Rate Valuation/Capital Plan Activit

Work efforts under this component will consist of the following: (1) initiation of planning work necessary to file the appropriate valuation studies before the ICC for purposes of rate-making justification; and (2) performance of ongoing capital planning analysis. This second task will be a continuation of efforts performed under task #5 in Attachment B. It will be coordinated with the initiation of the ICC valuation studies to maximize generation of a data base useful to both efforts. Funding in this area is needed for contractual assistance, which will be directly managed by the Transfer Team Staff.

<u>Object of Expenditure</u>	<u>Description</u>	<u>Amount</u>
Contractual	Consulting Assistance	\$225,000
	Total	\$225,000

ALASKA RAILROAD TRANSFER PROJECT BUDGET

PROJECT BUDGET

The following depicts the project budget by work component and amount:

	<u>Amount</u>
(1) Alaska Railroad Transfer Team Staff	\$ 304,100
(2) Department of Natural Resources Assistance	250,000
(3) Department of Labor Assistance	213,500
(4) Department of Administration Assistance	257,400
(5) Department of Law Assistance	500,000
(6) ICC Rate Valuation/Capital Plan Activity	<u>225,000</u>
Project Total	\$1,750,000

ATTACHMENT C

Capital Improvement Program - FY85

In Thousands (000) of Dollars

This CIP is prorated for FY 85. All amounts shown are in 1985 dollars. These estimates represent costs to the State, and are only part of the ARR's total capital budget. Revenues from the ARR for capital improvements will be added to State funding.

<u>Item</u>	<u>Amount</u>	
Working Capital Fund	\$ 4,900	As with all businesses, the ARR will need working capital. It is estimated that one month's worth of operating expenses will be adequate working capital for the ARR.
OSHA/Code Compliance	\$ 4,500	As a federal agency, the ARR has not been subject to many health, safety, and building code standards that would otherwise apply. These codes will apply upon transfer, and initial surveys conducted by the State have been used to determine necessary compliance levels. See Appendix C of the Alaska Railroad Acquisition Assessment for more details.
Other Capital Improvements	\$ 6,400	These expenses represent the minimal expenditure necessary for the ARR to maintain current levels of service, while initiating efforts to reverse deterioration of physical plant condition. Component priorities have been selected using the findings of the State's independent condition assessment. As indicated in the attached supplement, most capital improvements are for track and roadbed, upgrade of certain cargo handling facilities, and motive power and equipment purchases.
TOTAL	<u>\$15,800</u>	

Supplement to Item #3, Attachment C

Track & Roadbed - \$6,185,000

Ties - Install 50,000 @ \$42.00 ea.	= \$2,100,000
Rail - Install 6 miles @ \$350,000 ea.	= \$2,100,000
Ballast - Install 85,000 yd ³ @ \$14 yd ³	= \$1,190,000
Other - (Turnouts, sledding, culverts, ditching)	= \$ 795,000

Bridges - \$883,000

Replace stringers, bents, and spans
Reset bearings, piles, and abutments

Tunnels - \$1,060,200

Line with multi-plate
Excavate rock fall areas

Docks - \$706,800

Preliminary work to rebuild barge slip #1 at Whittier

Communications - \$570,000

Complete microwave system
Remove pole lines
Acquire equipment

Motive Power & Equipment - \$4,845,000

Locomotives	= \$2,250,000
Upgrade Facilities	= \$1,845,000
Equipment	= \$ 750,000

Note: This totals \$14.25 million and is the ARR's overall FY 85 capital budget, of which \$6.4 million is covered under this fiscal note.

FINANCIAL

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The following four financial statements (Tables VIII through XI) describe the financial situation (Note 1) of The Alaska Railroad.

TABLE VIII: STATEMENT OF INCOME
FISCAL YEARS 1982-83
(Thousand dollars)

CATEGORY	1983	1982
REVENUES (Note 2):		
Operating Revenues:		
Freight	\$43,787	\$47,877
Passenger	3,305	2,627
Other (Note 15)	5,305	4,941
Total Operating Revenues	52,397	55,445
Non-Operating Revenues (Note 16)	3,697	3,352
Total Revenues	\$56,094	\$58,797
EXPENSES (Note 3):		
Operating Expenses:		
Maintenance of Way & Structures (Note 4)	\$9,859 ⁽¹⁾	\$8,554
Maintenance of Equipment	12,326	11,702
Transportation	19,551	18,685
Traffic Management	855	757
Incidental	4,529	4,152
General and Administration (Note 5)	5,863	5,128
Total Operating Expenses	52,993	48,978
Non-Operating Expense (Note 17)	277	258
Total Expenses	\$53,270	\$49,236
NET PROFIT (Surplus)	\$2,824	\$9,561
Add Depreciation included in Expenses	4,404	3,712
CASH FLOW (Gain)	\$7,228	\$13,273

Notes follow Table XI

(1) Includes \$1.7 million which was part of Congressional Appropriation major maintenance and not included in FY 1982 expense.

Expense/Revenue Ratio	94.97%	83.74%
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TABLE IX: BALANCE SHEET
SEPTEMBER 1982-83
(Thousand dollars)

CATEGORY	1983	1982
ASSETS:		
Current Assets:		
Cash (Note 8)	\$9,646	\$14,966
Trust and Deposit Funds (Note 9)	32	7
Accounts Receivable	14,195	13,105
Materials and Supplies (Note 10)	10,143	7,040
Prepaid Expenses	<u>20</u>	<u>0</u>
	34,036	35,118
Properties:		
Land (Note 11)	265	265
Buildings	12,943	12,921
Roadway Structures & Facilities	127,215	125,000
Equipment	57,895	49,864
Non-Operating Property	<u>1,947</u>	<u>1,877</u>
Total Properties	200,265	189,927
Less Accumulated Depreciation:	<u>60,516</u>	<u>57,678</u>
Properties - Net	139,749	132,249
Additions & Betterments in Progress (Note 12)	<u>11,599</u>	<u>12,059</u>
	151,348	144,308
Other Assets and Deferred Charges	2,526	3,029
Total Assets	<u>\$187,910</u>	<u>\$182,455</u>
LIABILITIES & PROPRIETARY INTEREST OF THE U.S. GOVERNMENT:		
Current Liabilities:		
Accounts Payable	\$4,721	\$3,416
Accrued Payrolls Payable	1,320	1,056
Trust and Deposit Funds (Note 9)	<u>32</u>	<u>7</u>
	6,073	4,479
Other Liabilities and Unadjusted Credits	<u>2,209</u>	<u>3,152</u>
Total Liabilities	\$8,282	\$7,631
Proprietary Interest (Note 13):		
Net Investment	200,621	192,995
Retained Earnings from July 1, 1954	(18,171)	(23,578)
Current Year Operating Results	2,824	9,561
Extraordinary Items (Note 6)	<u>(5,646)</u>	<u>(4,154)</u>
Total Proprietary Interest (Note 13)	179,628	174,824
Total Liabilities & Proprietary Interest	<u>\$187,910</u>	<u>\$182,455</u>

Notes follow Table X:

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TABLE X: STATEMENT OF CHANGES IN FINANCIAL POSITION
 FISCAL YEARS 1982-83
 (Thousand dollars)

CATEGORY	1983	1982
Funds were provided by:		
Revenues and Other Receipts	\$56,438	\$58,699
Appropriations from Congress (Note 14)	<u>7,600</u>	<u>6,160</u>
Total Funds Provided	64,038	64,859
Funds were used for:		
Labor	35,579	33,221
Other	14,044	17,839
Capital Improvements & Replacements	<u>16,348</u>	<u>11,821</u>
Total Funds Used	65,971	62,881
Increase (Decrease) in Government Equity	(1,933)	1,978
Other Increases (Decreases):		
Unfulfilled Orders	(2,924)	3,983
Supplies and Materials	3,103	1,119
Properties	7,040	3,964
Other	<u>(482)</u>	<u>513</u>
Total, Other	6,737	9,579
Total Increase (Decrease) in Government Equity	<u>\$4,804</u>	<u>\$11,557</u>
Proprietary Interest:		
Beginning Balance	\$174,824	\$163,267
Increase (Decrease)	<u>4,804</u>	<u>11,557</u>
Ending Balance (Note 13)	\$179,628	\$174,824

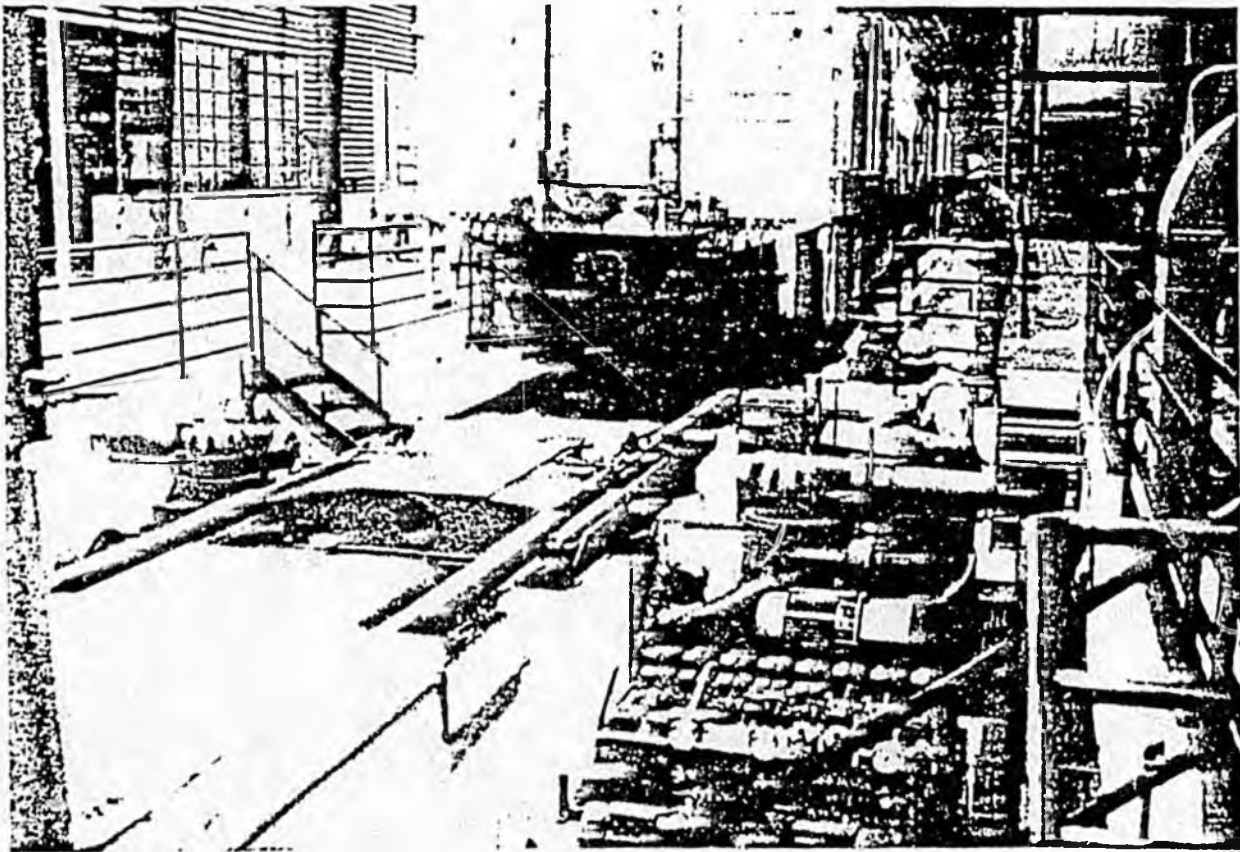
Notes follow Table XI

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TABLE XI: FIVE-YEAR CONDENSED SUMMARY OF OPERATIONS
FISCAL YEARS 1979-83
(Thousand dollars)

CATEGORY	1983	1982	1981	1980	1979
REVENUES:					
Operating	\$52,397	\$55,445	\$40,782	\$26,737	\$23,200
Non-Operating (Note 16)	<u>3,697</u>	<u>3,352</u>	<u>3,159</u>	<u>2,155</u>	<u>2,081</u>
Total Revenues	\$56,094	\$58,797	\$43,941	\$28,892	\$25,181
EXPENSES:					
Operating	\$52,993	\$48,978	\$40,358	\$34,380	\$31,285
Non-Operating (Note 17)	<u>277</u>	<u>258</u>	<u>273</u>	<u>344</u>	<u>204</u>
Total Expenses	\$53,270	\$49,236	\$40,631	\$34,724	\$31,489
NET PROFIT (LOSS)	\$2,824	\$9,561	\$3,310	(\$5,832)	(\$6,308)
Less Extraordinary Items (Note 6)	<u>(\$5,646)</u>	<u>(\$4,154)</u>	<u>(\$204)</u>	<u>(\$692)</u>	<u>(\$319)</u>
Annual Retained Earnings	(\$2,822)	\$5,407	\$3,106	(\$6,524)	(\$6,627)
Expense/Revenue Ratio	94.97%	83.74%	92.47%	120.19%	125.05%

Notes follow Table XI



A modern wheel truing machine was installed in a newly constructed shop building in 1983.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF ACCOUNTING POLICIES

The Alaska Railroad uses the generally accepted principles, standards, and related requirements of governmental accounting as approved by the Comptroller General of the United States. Operations are conducted in a manner consistent with related commercial enterprises and, at the same time, in conformance with the requirements incumbent upon a Government agency.

As is the customary practice of the industry, the Railroad uses betterment and retirement accounting instead of depreciation accounting for roadbed and track. Under this method, prescribed by the Interstate Commerce Commission, the cost of replacing tracks and structures--less salvage recovered--is charged to the appropriate operating expense account and only the cost of betterments is capitalized. These capitalized items are not depreciated, but upon retirement of the tracks and structures, the entire capitalized amounts--less salvage recovered--are charged to expense.

The accounting system and related procedures disclose financial condition and operating results to provide full accountability of the Government's investment in the Railroad and to afford management the necessary data to carry out its responsibility in the most efficient and economical manner.

The Railroad is financed from a revolving fund.

2. REVENUES

Revenues from rail operations are included in income on an accrual basis upon the completion of service.

3. EXPENSES

Expenses are accrued or applied or both on a basis consistent with generally accepted accounting principles.

4. MAINTENANCE OF WAY AND STRUCTURES

Maintenance of way and structures include expenses incurred by engineering (\$9,207,000) and communications (\$652,000).

5. GENERAL AND ADMINISTRATION

General and administration accounts include expenses for headquarters and staff (\$1,378,000) and the administration department (\$4,485,000).

6. EXTRAORDINARY ITEMS

Extraordinary items include the loss on excess current inventories (\$23,000), deferred outlays (\$3,760,000), prior-year adjustments (\$697,000), and costs associated with the transfer evaluation (\$1,166,000).

7. DEPRECIATION

Depreciation is computed using the straightline method and is based on estimated service lives of depreciable properties, except for the railway track and structures, which are computed using the industry betterment method. Depreciation charges are determined by using the composite or group rates applicable to various classes of property.

The following is a list of depreciation charges in FY 1983:

	(Thousand dollars)
Mechanical - equipment	\$2,807
Engineering - buildings and structures	892
Transportation - docks	438
Communications	170
Non-operating	66
Other	<u>31</u>
Total	\$4,404

8. CASH

Cash refers to the fund balance with the U.S. Treasury, which is the net amount of cash receipts, e.g., revenues, proceeds from sales, and amounts of congressional appropriations, less disbursements.

9. TRUST AND DEPOSIT FUNDS

Trust and deposit funds include special deposits and other collections not covered by the revolving fund and cleared by disbursement or transfer, as appropriate. A contra account to this asset account is reflected in the liability section.

10. MATERIALS AND SUPPLIES

Inventories, consisting of replacement or repair parts for equipment and road property, construction materials, and fuel, are valued at average cost, including freight.

11. LAND

Land includes only property purchased by the Railroad from private owners and carried at acquisition cost. The Railroad owns over 38,000 acres withdrawn from the public domain at no cost; this land is not included in the financial records.

12. ADDITIONS AND BETTERMENTS IN PROGRESS

This is a control account for authorized capital projects during the period of construction or procurement. Upon completion of the capital project, the related costs are transferred into the appropriate fixed asset property account.

13. PROPRIETARY INTEREST OF THE U.S. GOVERNMENT

The proprietary interest shows the Federal Government's net interest in The Alaska Railroad. At the end of FY 1983, it is summarized as follows:

(Thousand dollars)

Appropriation by Congress	\$259,496
Allotments from other agencies, sales of lots, etc.	1,724
Property transferred or donated (not public domain)	19,903
Earthquake losses	(16,738)
Deficits from operations and capital losses to 6/30/54	(63,764)
Retained earnings (7/1/54 to 9/30/82)	(18,171)
FY 1983 operating results	2,824
Extraordinary Items (Note 6)	<u>(5,646)</u>
Total proprietary interest of the U.S. Government	\$179,628

14. CONGRESSIONAL APPROPRIATIONS

Funds appropriated by Congress were obligated within the fiscal year, as shown below:

(Million dollars)

	<u>FY 83</u>	<u>FY 82</u>
Congressional appropriations received	\$7.60	\$6.16
Obligated during fiscal year	<u>\$7.60</u>	<u>\$6.16</u>
Amount unobligated at end of fiscal year	\$0.00	\$0.00

15. OTHER OPERATING REVENUES

Other operating revenues include those revenues that were neither freight nor passenger. Individual accounts exceeding \$90,000 in FY 1983 were:

(Thousand dollars)

Reimbursable services	\$2,036
Sale of non-invested property	1,301
Reimbursements - real estate, utilities, and equipment	541
Whittier shuttle - vehicles	533
Wharfage and handling	148
Mail	145
Switching	116
Equipment rentals	90
All other	<u>395</u>
Total	\$5,305

16. NON-OPERATING REVENUES

Non-operating revenues in FY 1983 were:

(Thousand dollars)

Miscellaneous rentals	\$3,466
Interest earned	144
All other:	<u>87</u>
Total	\$3,697

17. NON-OPERATING EXPENSES

Non-operating expenses in FY 1983 were:

(Thousand dollars)

Buildings	\$199
Depreciation	60
Equipment	10
All Other	<u>2</u>
Total	\$277



At a re-enactment of the original golden spike ceremony Governor Sheffield wields the same maul used by President Harding in 1923.

TRAFFIC

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FREIGHT

Table II shows freight revenue tons and freight revenue dollars by major classification of commodities for fiscal years 1983 and 1982. Total tonnage for fiscal year 1983 exceeded fiscal year 1982 by 34 percent. For the third consecutive year sand and gravel led all other commodities in percentage gains. The primary cause of the 60-percent escalation was a vigorous private and business construction year plus increases in public works projects in Anchorage. The drop in movements of iron and steel products from Seward to Fairbanks destined for the North Slope from its peak in 1982 accounted for the return of manufacturers and miscellaneous products to a lower level, but still above FY 1981.

TABLE II: FREIGHT TRAFFIC BY COMMODITY

COMMODITY	1983 FY	1982 FY	% CHANGE
REVENUE TONS CARRIED (000's)			
Sand and Gravel	4,397.7	2,753.8	+ 59.7
Coal	625.8	653.6	- 4.2
Petroleum, Oil, Lubricants	462.2	439.4	+ 5.2
Manufacturers and Misc.	323.1	449.9	- 28.2
TOFC/COFC (Piggyback)	98.0	122.4	- 19.9
Products of Forests	105.1	77.0	+ 36.5
Products of Agriculture	<u>6.1</u>	<u>6.8</u>	- 10.3
Total Tonnage	6,018.0	4,502.9	+ 33.7
REVENUE DOLLARS (000's)			
Sand & Gravel	6,647	4,556	+ 45.9
Coal	5,007	5,072	- 1.3
Petroleum, Oil, Lubricants	9,723	8,376	+ 16.1
Manufacturers and Misc.	15,704	22,512	- 30.2
TOFC/COFC (Piggyback)	3,625	4,915	- 26.2
Products of Forests	2,955	2,301	+ 28.4
Products of Agriculture	<u>126</u>	<u>145</u>	- 13.1
Total Revenue	43,787	47,877	- 8.5

PASSENGER

Aggressive and expanded advertising and marketing resulted in an overall increase of 21 percent in passenger ridership as shown in Table II. The marketing efforts included active promotion of tour packages which attracted, for the first time, nine cruise ships to stop at the Railroad's Port of Whittier, and provided over 14,000 of the special train riders.

TABLE III: PASSENGERS HANDLED

SERVICE	1983 FY	1982 FY	% CHANGE
Anchorage-Denali-Fairbanks	61,887	60,810	+ 1.8
Anchorage-Portage-Whittier (Shuttle)	117,740	95,449	+ 23.4
Specials	<u>31,732</u>	<u>18,857</u>	+ 68.3
Total Passengers Handled	211,359	175,116	+ 20.7

The number of vehicles carried on the Anchorage-Portage-Whittier (shuttle) service was 19,516, up 10 percent over FY 1982.

TARRIFS

The major rate adjustments made in FY 1983 are reflected in Table IV:

TABLE IV: FY 1983 TARIFF CHANGES

TYPE	DATE	% INCREASE
Interline	1-17-83	5
Intrastate:		
General Commodities	2-12-82	5
Gravel	4-19-83	3
Passenger:		
Anchorage - Fairbanks	1-01-83	10
Whittier Shuttle	7-01-83	10

Attachment E
3/14/84

ALASKA RAILROAD OPERATIONS SUMMARY
(Dollar Amounts in Thousands)
Fiscal Years 1973-1982*

	<u>FY 1973</u>	<u>FY 1974</u>	<u>FY 1975</u>	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>
Operating Revenue	\$16,996	\$20,783	\$41,416	\$52,517	\$33,376	\$27,440	\$23,100	\$26,737	\$40,782	\$55,445
Non-Operating Revenue	681	703	871	1,161	1,646	1,651	2,081	2,155	3,159	3,352
<u>Total Revenues</u>	<u>17,677</u>	<u>21,486</u>	<u>42,287</u>	<u>53,678</u>	<u>35,022</u>	<u>29,091</u>	<u>25,181</u>	<u>28,892</u>	<u>43,941</u>	<u>58,797</u>
Operating Expenses	\$20,057	\$22,389	\$35,883	\$49,387	\$35,703	\$33,301	\$31,285	\$34,380	\$40,358	\$48,978
Non-Operating Expenses	153	158	272	191	255	213	204	344	273	258
<u>Total Expenses</u>	<u>20,210</u>	<u>22,547</u>	<u>36,155</u>	<u>49,578</u>	<u>35,958</u>	<u>33,514</u>	<u>31,489</u>	<u>34,724</u>	<u>40,631</u>	<u>49,236</u>
<u>Gain (Loss)</u>										
Before depreciation - cash flow (\$ 7)	\$ 7	\$ 1,300	\$ 8,513	\$ 6,628	\$ 2,186	(\$ 1,227)	(\$ 3,089)	(\$ 2,306)	\$ 6,567	\$13,274
After depreciation	(\$ 2,533)	(\$ 1,061)	\$ 6,132	\$ 4,100	(\$ 936)	(\$ 4,423)	(\$ 6,308)	(\$ 5,832)	\$ 3,310	\$ 9,561
<u>Capital Expenditures</u>	<u>\$ 1,260</u>	<u>\$ 313</u>	<u>\$ 2,772</u>	<u>\$ 8,602</u>	<u>\$ 8,316</u>	<u>\$ 5,822</u>	<u>\$ 8,181</u>	<u>\$ 6,893</u>	<u>\$11,409</u>	<u>\$11,821</u>
<u>Revenue Tons of Major Commodities</u> (in thousands of tons)										
Sand and Gravel	2	1	1	104	700	727	637	396	1,797	2,754
Bulk Petroleum	363	414	557	624	532	374	220	252	379	439
Coal	565	563	584	607	550	593	524	590	653	654
Iron & Steel Pipe & Fittings	11	15	107	174	16	28	33	37	83	165
Piggyback	43	57	95	114	100	100	89	92	113	122
Forest Products	49	56	120	124	82	68	55	109	101	77
Manufactured Iron & Steel	18	37	60	89	19	12	12	10	8	19
Cement	15	14	25	32	42	33	33	32	43	51
Machinery and Machines	12	21	60	31	47	47	24	16	28	24
Mfrs. & Misc. NOS	32	34	44	29	17	13	25	26	11	**
Other	216	165	209	260	270	183	156	181	146	198
<u>TOTAL</u>	<u>1,331</u>	<u>1,337</u>	<u>1,862</u>	<u>2,188</u>	<u>2,305</u>	<u>2,178</u>	<u>1,808</u>	<u>1,741</u>	<u>3,362</u>	<u>4,503</u>
<u>Passengers</u>	<u>74,000</u>	<u>84,000</u>	<u>81,000</u>	<u>84,500</u>	<u>103,632</u>	<u>126,277</u>	<u>151,045</u>	<u>150,678</u>	<u>161,068</u>	<u>172,116</u>

* The Federal Government changed its fiscal year from July 1-June 30 to October 1-September 30 beginning in FY 1977, resulting in a transition quarter in 1976. To avoid a 15-month fiscal year for comparisons, these statistics use July 1, 1975 through June 30, 1976 as FY 1976, and October 1, 1976 through September 30, 1977 as FY 1977, dropping the transition quarter.

**Mfrs. & Misc. NOS. (not otherwise specified) discontinued, now included in specific categories.

S B

364

ALASKA

STATE LEGISLATURE

MEMORANDUM

January 25, 1984

TO: Senator Pappy Moss

FM: Senator Don Bennett



RE: SB 364 Erosion Control Projects

This appropriations measure is to serve as the vehicle for funding Erosion Control Projects. The finance Committee should begin work on the Bill as soon as possible. I would appreciate it if you would wave the Bill from the Transportation Committee.

DB/bet

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COMMITTEE REPORT
SENATE

FURTHER: FINANCE

1/24/84

Date: Feb 7 1984

Mr. President:

The Committee on TRANSPORTATION has had SB 370

authorizing the acquisition of the Alaska Railroad; authorizing the governor to negotiate the transfer terms; efd.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- 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
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Peggy Wilson
W. Sherman

J. ...

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 24, 1984

The Honorable Jalmar Kerttula
President of the Senate
Pouch V
Juneau, AK 99811

Dear Senator Kerttula:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that will authorize the state to acquire the Alaska Railroad. The bill is required so that the certification process mandated by the Alaska Railroad Transfer Act (ARTA; P.L. 97-468) can be effected. Once this certification process is completed, acquisition of the railroad can occur as soon as practicable.

The bill essentially says that the state agrees to meet the transfer conditions set out in the Transfer Act. A more detailed analysis of the bill follows:

Section 1 says that the state agrees to the transfer conditions set out in the Alaska Railroad Transfer Act. Specifically, these points of agreement are as follows:

- 1) The state agrees to acquire all the rail property of the railroad.
- 2) The state agrees to operate the railroad as a rail carrier in intrastate and interstate commerce.
- 3) The state agrees to assume all rights, liabilities, and obligations of the railroad that exist on the date of transfer.
- 4) The state agrees to protect the employment interests of the railroad employees as required by sec. 604(d)(3)(A)(i) -- (vii) and sec. 607 of ARTA.

- 5) The state agrees to protect the employment interests of the officers of the railroad as required by sec. 604(d)(3)(E) of ARTA.
- 6) The state agrees to allow the Secretary of Transportation access to employees and records of the Alaska Railroad.
- 7) The state agrees to compensate the United States at the appraisal value that was determined by the United States Railway Association.

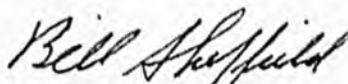
Section 2 authorizes the governor to enter into the various transfer agreements that relate to the points listed above and that will be required in order to secure certification of compliance with the Transfer Act and thus to secure the transfer of the railroad.

Section 3 defines certain terms used in the bill.

Section 4 provides for an immediate effective date.

I urge your favorable action on this bill as soon as possible so that the transfer of the ownership of the Alaska Railroad to the state can become a reality.

Sincerely,


Bill Sheffield
Governor

SENATE LETTER OF INTENT

CSSB 370(Trsp) am

It is the intent of the Legislature that the Department of Transportation and Public Facilities shall hold a public hearing in each of the communities affected along the proposed right-of-way corridor established under 16 U.S.C. 410hh (4)(b)-(e) known as the Western (Kobuk River) unit of the Gates of the Arctic National Park, before proceeding with any proposed railroad into the Ambler Mining District.

Adopted by the Senate 3/15/84

097

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 1/19/84

REQUEST

Bill/Resolution No.: _____
 Title: Alaska Railroad Acquisition Act

FISCAL DETAIL

Agency Affected: N/A
 Program Category Affected: N/A

Sponsor: _____
 Requestor: Rules, by request of Governor
 Date of Request: 1/18/84

BRU, Program or Subprogram(s) Affected: _____
 N/A

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING *						
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	22,271.0	-0-	-0-	-0-	-0-
REVENUE *	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	22,271.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	22,271.0	-0-	-0-	-0-	-0-

POSITIONS: *

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL: GENERAL FUND

*This fiscal note only covers the actual purchase price. Specific estimates for these other needs will be presented in subsequent fiscal notes relating to proposed operating entity legislation.

ANALYSIS: Attach a separate page for analysis

Prepared By: Mark S. Hickey, State Railroad Coordinator Phone: 465-3900
 Division: Alaska Railroad Transfer Team Date: 1/19/84

Approved by Commissioner: H. Glenzer, Jr. Date: 1/19/84
 Agency: Dept. of Transportation & Public Facilities

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

Analysis:

If the State elects to acquire the Alaska Railroad in accordance with the Alaska Railroad Transfer Act of 1982, it must compensate the United States for its fair market value. The Alaska Railroad Transfer Team has determined the valuation of \$22,271,000 performed by the United States Railway Association should be accepted as reasonable.

In addition to the purchase price, the Transfer Team has identified the total liability to the State associated with acquisition of the railroad. Although there are a few unknowns still under investigation, we have determined that under a low-end or "best case" scenario, that approximately \$23.5 million will be needed for additional "start-up costs" to cover the first years of operations. Under a high end or "worst case" scenario, the additional financial exposure to the State from ensuring continued rail operations for the next ten years may run as high as \$47.9 million (in 1983 dollars).

The railroad is an important link in Alaska's transportation network, particularly for the surface movement of bulk commodities. Abandonment of rail service would, at the very least, result in costly impacts to the State's highway system.

The federal government has the authority to dispose of the railroad, and appears committed to doing so. There is no guarantee that service will be continued under another disposition. Nor is there any current evidence of a private sector interest willing to step in and guarantee continued rail services.

Acquisition ensures continuation of essential rail services, gives the State control over the railroad's operations, and preserves all future options regarding its final disposition. It also offers the State an opportunity to restructure the existing organization to obtain greater efficiencies and make the railroad more responsive to our goals.

For these reasons, the Sherrilein Administration has accepted the recommendation of the Transfer Team that the State should proceed with acquisition of the Alaska Railroad. Furthermore, additional discussion with the federal government over compensation terms has led to the conclusion to seek a direct cash acquisition versus more complicated land trades or financing packages.

Alaska State Legislature

House of Representatives



Rep. Bette Cato, Chairman

Committee on Transportation

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

MEMORANDUM

TO: Representative Albert Adams, Chairman
House Finance Committee

FROM: Representative Bette Cato, Chairman *BC*
House Transportation Committee

DATE: March 23, 1984

RE: CSSB 370 (Transportation) am

This is to inform you that the House Transportation Committee rescinded a committee motion made on March 20, 1984 concerning the passage of the Senate Letter of Intent accompanying CSSB 370 (Transportation) am and passed the Letter of Intent out of committee on March 21, 1984.

A copy of the Senate Letter of Intent is attached with this memorandum. A copy has also been sent to your committee staff.

Bette

You will need to make a motion on the Floor today to rescind the Committee's motion yesterday concerning CSSB 370(Trsp)am not passing the Senate's Letter of Intent, say under UNFINISHED BUSINESS.

The following is what you will need to say:

I move and ask unanimous consent that the House Transportation Committee's report of yesterday concerning CSSB 370(Trsp)am be corrected to reflect the House Transportation Committee rescinded its action and moved the Senate Letter of Intent today.

SB 519 cont'd

HCS SB 519 FIN CONCUR

Yeas: 0

Nays: 20 Bennett, Eliason, Fahrenkamp,
Faiks, Ferguson, Fischer Paul,
Fischer Vic, Gilman, Haiford,
Josephson, Kelly, Kerctula, Moss,
Mulcahy, Pettyjohn, Ray, Rodey,
Sackett, Sturgulewski, Ziegler

and so, the Senate failed to concur.

The Secretary was requested to notify the House of the Senate's action and request the House to recede from its amendment. In the event the House fails to recede, the President appointed a CONFERENCE COMMITTEE to meet with a like committee from the House to consider the bills:

Senator Sackett, Chairman
Senator Bennett
Senator Vic Fischer

SB 312

Message of May 4 was read, stating the House passed:

CS FOR SENATE BILL NO. 312 (JUD)
(creating the office of public
advocacy; efd).

CS FOR SENATE BILL NO. 312 (JUD) was referred to the Secretary for enrollment.

SB 370

Message of May 4 was read, stating the House passed:

CS FOR SENATE BILL NO. 370 (TRSP) am
(authorizing the acquisition of the
Alaska Railroad; authorizing the governor
to negotiate the transfer terms; efd).

CS FOR SENATE BILL NO. 370 (TRSP) am was referred to the Secretary for enrollment.

HB 106

Message of May 5 was read, stating the House rescinded its previous action in failing to concur in the Senate amendments to HOUSE BILL NO. 106.

SENATE CS FOR HOUSE BILL NO. 106 (SA) am S
(Alaska bidder preference)

passed the House.

Senate members on the CONFERENCE COMMITTEE were automatically discharged:

Senator Elason, Chairman
Senator Vic Fischer
Senator Josephson

Messages of May 4, 5 and 6 were read, stating the House passed:

FIRST READING AND REFERENCE OF HOUSE RESOLUTIONS

HJR 75

HOUSE JOINT RESOLUTION NO. 75 by the Resources Committee,
Relating to crude oil exports,
was read the first time and referred to the Resources Committee.

FIRST READING AND REFERENCE OF HOUSE BILLS

HB 188

CS FOR HOUSE BILL NO. 188 (FIN) am by the Finance Committee,
entitled:

"An Act relating to big game hunting
by nonresidents."

was read the first time and referred to the Resources Committee.

SENATE AMENDMENT

BY FERGUSON

To: AMEND CS FOR SENATE BILL No. 370((Trsp)

To: _____ HOUSE BILL No. _____

PAGE: 2 LINE: 14

Insert a new section to read:

Sec. 3. The state-owned railroad as defined under 45U.S.C.1202(14
may not apply for a right-of-way across the Western(Kobuk River) unit
of the Gates of the Arctic National Preserve under 16U.S.C.410hh
(4)(b)-(e).

Renumber remaining sections accordingly.

SENATE AMENDMENT

BY FERGUSON

To: AMEND CS FOR SENATE BILL No. 370 (TRSP)

To: _____ HOUSE BILL No. _____

PAGE: 1 LINE: 16

After "1203(a) Insert:

as described in the report of July 14, 1983, as amended,
submitted to the Congress and the Legislature under 45 U.S.C.1204(a)

Page : 2 Line: 10

After the word "transfer" DELETE: ALL MATERIAL and Insert:

to the State of the rail properties of the Alaska Railroad
as described in the report of July 14, 1933, as amended, submitted
to the Congress and the Legislature under 45U.S.C.1204(a).

Alaska
MUNICIPAL
League

TELEPHONES
(907) 586-1325
(907) 586-6526

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

A RESOLUTION URGING THE STATE OF ALASKA
TO PURCHASE THE ALASKA RAILROAD

WHEREAS the federal government has offered to sell the Alaska Railroad to the State of Alaska; and

WHEREAS negotiations are now underway as to price, method of operation, and cost factors; and

WHEREAS the economic values to Alaska and its resource development are the underlying questions;

NOW THEREFORE BE IT RESOLVED that the Alaska Municipal League urges the State to acquire the Alaska Railroad System, including all existing and future planned rights-of-way; and

BE IT FURTHER RESOLVED that the Alaska Municipal League urges the negotiating teams to complete their work with dispatch so as to ward off adverse future congressional action.

Adopted this 5th day of November, 1983.

ALASKA SENATE TRANSPORTATION COMMITTEE
COMMITTEE MEETING AGENDA

Tuesday, February 7, 1984
1:30 p.m.
The Butrovitch Room

I. Call Meeting to Order

A. Note Committee Members Present

B. Welcome Those Observing

C. Those wishing to testify, sign in. Remind those giving testimony to speak up and state their name for the record.

II. Announce Legislation under consideration or purpose of meeting:

SB 370 "Authorizing the acquisition of the Alaska Railroad; authorizing the governor to negotiate the transfer terms; and providing for an effective date."

Other notes or reminders:

-Acquisition Authorization

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE
2 CS FOR SENATE BILL NO. 370 (Transportation) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act authorizing the acquisition of the Alaska
7 Railroad; authorizing the governor to negotiate the
8 transfer terms; and providing for an effective date."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
10 * Section 1. ACCEPTANCE OF CERTIFICATION REQUIREMENTS OF ALASKA RAIL-
11 ROAD TRANSFER ACT OF 1982. The state accepts, for itself and any entity
12 that might subsequently be created to operate the Alaska Railroad, the
13 certification requirements under 45 U.S.C. 1201 - 1214 (Alaska Railroad
14 Transfer Act of January 14, 1983). Accordingly, the state agrees to
15 (1) acquire the Alaska Railroad and accept all rail property of
16 the Alaska Railroad under 45 U.S.C. 1203(a) as described in the report of
17 July 14, 1983, an amended, submitted to Congress and the legislature under
18 45 U.S.C. 1204(a);
19 (2) operate the Alaska Railroad as a rail carrier in intrastate
20 and interstate commerce;
21 (3) assume all rights, liabilities, and obligations of the
22 Alaska Railroad existing on the date of transfer to the state, including
23 leases, permits, licenses, contracts, agreements, claims, tariffs, accounts
24 receivable, and accounts payable, except as otherwise provided by 45 U.S.C.
25 1201 - 1214;
26 (4) protect the employment interests of the employees of the
27 Alaska Railroad during the two-year period commencing on the date of trans-
28 fer, as required by 45 U.S.C. 1203(d)(3)(A) and 45 U.S.C. 1206;
29 (5) protect the employment interests of the officers of the

1 Alaska Railroad as required by 45 U.S.C. 1203(d)(3)(E);

2 (6) allow representatives of the United States Secretary of
3 Transportation adequate access to employees and records of the Alaska
4 Railroad when needed for the performance of functions related to the period
5 of federal ownership; and

6 (7) compensate the United States at the value determined by the
7 United States Railway Association under 45 U.S.C. 1204(d).

8 * Sec. 2. (a) The governor may enter into transfer agreements, compen-
9 sation agreements, and any other related agreements with the United States
10 Secretary of Transportation in order to secure certification by the secre-
11 tary that the state has met the requirements of 45 U.S.C. 1203 and in order
12 to secure the transfer of the Alaska Railroad to the state of the rail
13 properties of the Alaska Railroad as described in the report of July 14,
14 1983, as amended, submitted to Congress and the legislature under 45 U.S.C.
15 1204(a).

16 (b) Transfer of the Alaska Railroad shall not occur until after the
17 effective date of an Act establishing or otherwise providing for an entity
18 to operate the state-owned railroad.

19 * Sec. 3. DEFINITIONS. In this Act, unless the context clearly indi-
20 cates otherwise,

21 (1) "Alaska Railroad" means the agency of the United States
22 Government that is operated by the U.S. Department of Transportation as a
23 rail carrier in Alaska under authority of 43 U.S.C. 975 - 975(g) (Alaska
24 Railroad Act) and 49 U.S.C. 1655(i) (Department of Transportation Act) or,
25 as the context requires, the railroad operated by that agency;

26 (2) "certification requirements" means the conditions under 45
27 U.S.C. 1203 that the United States Secretary of Transportation must certify
28 as having been satisfied by the state before transfer of the Alaska Rail-
29 road to the State of Alaska may occur under 45 U.S.C. 1203(a);

1 (3) "compensate" means payment in full or by credit agreement
2 with cash or pledged funds;

3 (4) "officers of the Alaska Railroad" means the employees occu-
4 pying the following positions at the Alaska Railroad as of the day before
5 the date of transfer to the state: general manager; assistant general
6 manager; assistant to the general manager; chief of administration; and
7 chief counsel.

8 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
9 10.070(c).

Offered: 2/15/64
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE TRANSPORTATION COMMITTEE
2 CS FOR HOUSE BILL NO. 543 (Transportation)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act authorizing the acquisition of the Alaska
7 Railroad; authorizing the governor to negotiate the
8 transfer terms; and providing for an effective date."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
10 * Section 1. ACCEPTANCE OF CERTIFICATION REQUIREMENTS OF ALASKA RAIL-
11 ROAD TRANSFER ACT OF 1982. The state accepts, for itself and any entity
12 that might subsequently be created to operate the Alaska Railroad, the
13 certification requirements under 45 U.S.C. 1201 - 1214 (Alaska Railroad
14 Transfer Act of January 14, 1983). Accordingly, the state agrees to
15 (1) acquire the Alaska Railroad and accept all rail property of
16 the Alaska Railroad under 45 U.S.C. 1203(a);
17 (2) operate the Alaska Railroad as a rail carrier in intrastate
18 and interstate commerce;
19 (3) assume all rights, liabilities, and obligations of the
20 Alaska Railroad existing on the date of transfer to the state, including
21 leases, permits, licenses, contracts, agreements, claims, tariffs, accounts
22 receivable, and accounts payable, except as otherwise provided by 45 U.S.C.
23 1201 - 1214;
24 (4) protect the employment interests of the employes of the
25 Alaska Railroad during the two-year period commencing on the date of trans-
26 fer, as required by 45 U.S.C. 1203(d)(3)(A) and 45 U.S.C. 1206;
27 (5) protect the employment interests of the officers of the
28 Alaska Railroad as required by 45 U.S.C. 1203(d)(3)(E);
29 (6) allow representatives of the United States Secretary of

1 Transportation adequate access to employees and records of the Alaska
2 Railroad when needed for the performance of functions related to the period
3 of federal ownership; and

4 (7) compensate the United States at the value determined by the
5 United States Railway Association under 45 U.S.C. 1204(d).

6 * Sec. 2. (a) The governor may enter into transfer agreements, compen-
7 sation agreements, and any other related agreements with the United States
8 Secretary of Transportation in order to secure certification by the secre-
9 tary that the state has met the requirements of 45 U.S.C. 1203 and in order
10 to secure the transfer of the Alaska Railroad to the state.

11 (b) Transfer of the Alaska Railroad shall not occur until after the
12 effective date of an Act establishing or otherwise providing for an entity
13 to operate the state-owned railroad.

14 * Sec. 3. DEFINITIONS. In this Act, unless the context clearly indi-
15 cates otherwise,

16 (1) "Alaska Railroad" means the agency of the United States
17 Government that is operated by the U.S. Department of Transportation as a
18 rail carrier in Alaska under authority of 43 U.S.C. 975 - 975(g) (Alaska
19 Railroad Act) and 49 U.S.C. 1655(i) (Department of Transportation Act) or,
20 as the context requires, the railroad operated by that agency;

21 (2) "certification requirements" means the conditions under 45
22 U.S.C. 1203 that the United States Secretary of Transportation must certify
23 as having been satisfied by the state before transfer of the Alaska Rail-
24 road to the State of Alaska may occur under 45 U.S.C. 1203(a);

25 (3) "compensate" means payment in full or by credit agreement
26 with cash or pledged funds;

27 (4) "officers of the Alaska Railroad" means the employees occu-
28 pying the following positions at the Alaska Railroad as of the day before
29 the date of transfer to the state: general manager; assistant general

1 manager; assistant to the general manager; chief of administration; and
2 chief counsel.

3 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
4 10.070(c).

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SB 366 cont'd

The report was signed by Senator Fahrenkamp, Chairman and concurred in by Senators Paul Fischer, Mulcahy, Ziegler, Eliason, Sturgulewski and Vic Fischer.

SENATE BILL NO. 366 was referred to the Community and Regional Affairs Committee.

SB 385

The Judiciary Committee considered SENATE BILL NO. 385 (Alaska Commission on Postsecondary education; efd) and recommended it be replaced with

CS FOR SENATE BILL NO. 385 (JUD), entitled:

"An Act relating to postsecondary education; and providing for an effective date."

and do pass. The report was signed by Senator Ray, Chairman and concurred in by Senators Ziegler, Josephson, Pettyjohn and Eliason.

SENATE BILL NO. 385 was referred to the Finance Committee.

SB 389

The Finance Committee considered SENATE BILL NO. 389 (special appropriation to the Department of Transportation and Public Facilities for construction of a Kenai River bridge; efd) and recommended it be replaced with

CS FOR SENATE BILL NO. 389 (FIN), entitled:

"An Act making special appropriations to the Department of Transportation and Public Facilities for construction of a Kenai River bridge and for repairs to the Tununak River bridge; and providing for an effective date."

with a majority do pass. The report was signed by Senator Bennett, Co-Chairman and concurred in by Senators Sackett, Mulcahy, Josephson, Faiks and Ferguson.

SENATE BILL NO. 389 was referred to the Rules Committee.

SB 480

The Resources Committee considered the establishment of certain commissions and recommended it be replaced with

CS FOR SENATE BILL NO.

"An Act relating to the commissioner of natural resources; and providing for an effective date."

and do pass. The report was signed by Senator Ray, Chairman and concurred in by Senators Mulcahy, Eliason, Sturgulewski and Josephson.

SENATE BILL NO. 480 was referred to the

SB 499

The Judiciary Committee considered SENATE BILL NO. 499 (vehicle laws) and recommended it be replaced with

CS FOR SENATE BILL NO.

with a majority do pass. Ray, Chairman and concurred in by Senators Pettyjohn, Josephson, Ziegler and Sackett. Senators Ziegler and Sackett concurred in the recommendation."

SENATE BILL NO. 499 was referred to the

SB 528

The Health, Education and Social Services Committee considered SENATE BILL NO. 528 (spousal support; efd) and recommended it be replaced with

CS FOR SENATE BILL NO.

Senator Josephson, Chairman and concurred in by Senator Halford. Senator Halford concurred in the recommendation."

A zero fiscal note was submitted by Richard I. Pegues, Director of Law, dated March 28, 1984, that in cases of spousal support defense that, at the time of the hearing, the defendant was the legal spouse of the

Buy Alaska

APR 9 1984

Enterprises

M. A. "DUSTY" RHOADS

(Author: Books)

- 100 pages
- 100 illustrations
- 100 photos

Dear Rep. Cato:

3-31-84

Ply, peruse the enclosed mail-out letter for pertinent data about the ~~Funny R. Area~~! At this time hundreds of people have to drive approx. 1 hr. round trip, for staples, medicine, med. care, school on a difficult & unsafe Funny R. Road. (Example: F. Wisecarver death recently on series of curves banked the wrong way!)

DOT/Maintenance has indicated they can be a lot more efficient w/ the bridge. Also, H&A wants the bridge in order to service our area more efficiently.

Div. of Parks favors the bridge in order to bring the public to St. Park Lands on the So. side of the Kenai R. in order to relieve some of the congestion on the No. Side.

I could go on & on about the positive benefits offered by the bridge, but they should be apparent.

Ply, urge the passing of H&A 660! Sincerely,

"THINK ALASKA, ... SEE ALASKA, ... Buy Alaska!"

M.A. Rhoads

Buy Alaska

Enterprises

- Brokerage
- Development
- Construction

M. A. "DUSTY" RHOADS
Owner/Broker

Dear Neighbor,

March 7, 1984

The purpose of this letter is to make you aware of and ask your support for Senate Bill #389 & House Bill #660. These are bills sponsored by Sen. Gilman & Rep. Malone for \$5.5 million to construct the Funny River Access Bridge, near Sterling.

The site and right of ways have all been engineered, the Corps of Engineers Permit obtained and the bridge design is in final stages. If this legislature appropriates the funds the Dept. of Transportation can complete final design and begin Right of Way acquisition this fall and winter in order to 'go to bid' in early 1985 and begin construction that year.

Our borough Mayor and Assembly are adding this project to the Capital Projects Priority List and pledging to support our representatives in Juneau for this funding. *Done!*

Now it is up to us that live, work and/or own businesses or property in the Funny River/Sterling area. We must make our phone calls, write letters and send petitions to our Senators, Representatives and Governor expressing support and the need for this funding and project. Mail all notes and letters for the Governor to Pouch A, Juneau 99811, and Pouch V, Juneau 99811 for our Senators and Representatives.

Mayor Thompson has advised that the Legislative Affairs Office, located in the Cordova Bldg., Soldotna, 262-9364, can keep you up to date on the progress of the bill and suggested we make use of the weekly Teleconference, Thursday nights between 7:00-8:00PM, to speak directly with Juneau.

H.E.A. has indicated that there are approx. 200 meter services in the Funny River area, so calculating a conservative 50 percent to be absentee owners from other areas such as Anchorage and using the average family of four as a factor, the Funny River population is approx. 400, maybe more. *Conservative!*

In closing, there are many obvious benefits for the residents of Funny River, the business community of Sterling and absentee property owners in the area. Again, I urge you to take a few moments and write a note to your congressmen. If we all will, the bridge won't be 'just talk', it will become reality.

Sincerely yours,



M.A. "Dusty" Rhoads

"THINK ALASKA, ... SEE ALASKA, ... Buy Alaska!"



Homer Electric Association, Inc.

P.O. BOX 350 ✦ SOLDOTNA, ALASKA 99669 ✦ 262-5831

February 23, 1984

M. A. Rhoads
P.O. Box 4585
Soldotna, AK 99669

Dear Dusty:

Good luck in your efforts to secure funding for a bridge across the Kenai River in the Sterling area. Homer Electric Association very definitely is in support of this effort. There are approximately 198 electric meters in the Funny river area that are served by HEA. The feeder lines for this area cross the Kenai River near Sterling, in the event of an outage it sometimes means a trip out to Funny River to locate and correct the problem then a trip from Funny River through Soldotna to Sterling to actually restore the service. Our routine service work could be routed much more efficiently with the installation of this bridge.

Hope this information will be of some help.

Very truly yours,

Eugene R. Collins
District Manager

ERC/cw

Alaska State Legislature



POUCH V
JUNEAU, ALASKA 99811

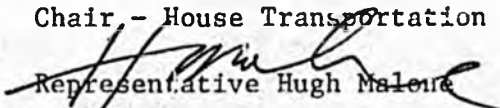
P. O. BOX 9
KENAI, ALASKA 99611

REPRESENTATIVE HUGH MALONE

APR 16 1984

April 16, 1984

TO: Representative Bette Cato
Chair, - House Transportation Committee

FROM:  Representative Hugh Malone

SUBJECT: SB 389

The Kenai River/Funny River Bridge project is one that has been identified by local and state authorities for over 20 years. It has been documented by community need and economic factors in attached pages from the Kenai Regional Transportation Study, published by DOT/Pf and jointly prepared by DOT/Pf, Kenai Peninsula Borough and the Cities of Soldotna, Kenai, Homer, Seward, Selkovia, etc.

Salient features are as follows:

1. Provide access to a large area on the southeast side of the Kenai River. Borough tax records show approximately 200 families with 576 persons in the area. Assess is currently in the 17-mile Funny River Road following the Kenai River from Soldotna.

A large portion of Funny River Road passes through federal land of the Kenai Wildlife Refuge (formerly the Kenai National Moose Range). The road was constructed many years ago to minimum access standards and poses grave safety problems due to its narrow width and current high traffic levels. Accidents are frequent (see attached Peninsula Clarion article). School buses have a treacherous time in the severe weather conditions during winter and break up. Routing keeps children on the buses far longer than necessary.

2. The Bridge project is far more cost effective and removes much of the need for upgrade and realignment of Funny River Road. The project cost is under \$6 million while DOT/Pf's cost estimates of reconstructing for the 17 miles of the road run as high as \$1 million per mile.
3. Provides faster and improved ambulance, fire and public safety access to families on the south side of Kenai River by allowing emergency vehicles to use the paved Sterling Highway and cross the Kenai River toward the end of Funny River Road. Residential fires are frequently terminal since heavy fire equipment makes very slow progress over the 17 miles of narrow, icy and potholed road.

Representative Bette Cato
April 16, 1984
Page 2

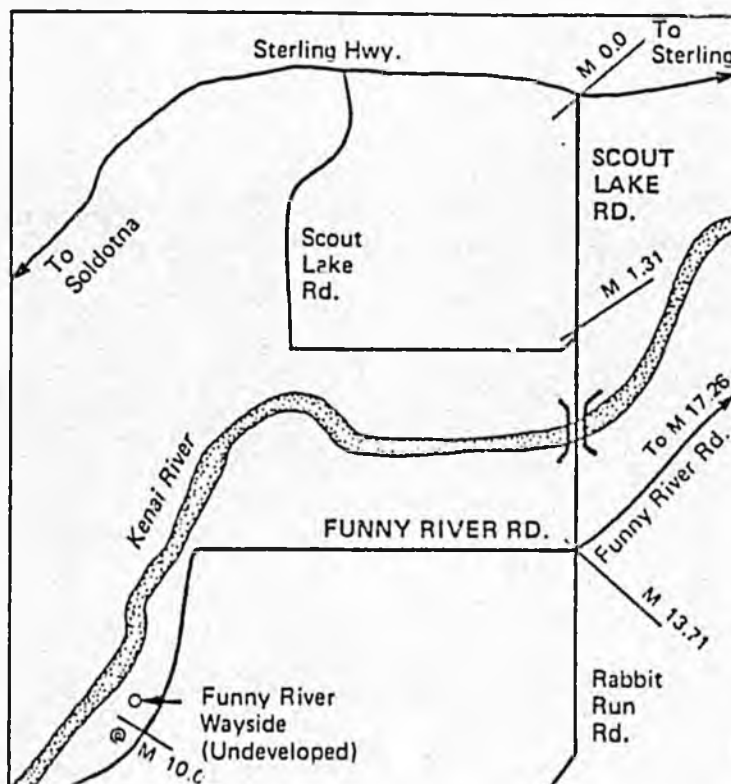
4. Provides access for residents of the southern side of Kenai River to:
 - ° Sterling Elementary School, grades K - 6.
 - ° Business area of Sterling.
 - ° Access to paved Sterling Highway for faster, safer travel either toward Anchorage or Soldotna.
5. Provides general public access to under-utilized state park lands on the southeast side of Kenai River, helping to solve access problem to the river and to disperse the immense fishing crowds over a wide variety of sites.

Actions on this Bridge/Road project are as follows:

1. 1980 - Appropriation for reconnaissance.
2. 1981 - Appropriation for design.
3. 1982 - Included in bond package which was vetoed by Governor.
4. Included in Sheffield 1983 Administrative Budget (DOT/Pf) which was submitted to legislature.

The bridge has identified as #14 on the Kenai Peninsula Transportation Plan. Since the development of that plan, 10 of the 14 projects have been completed, are under contract or adopted as municipal projects, moving this project up to number 4 on the priority list.

Thank you.

FUNNY RIVER (SR 117300)/BRIDGE/SCOUT LAKE (SR 118700)

Capital Cost:

\$ 8.4 million

Funny River: 1980 ADT = 225

Scout Lake: 1980 ADT = 200

Existing Condition: Scout Lake Mile 0.0 (E. Jct. Sterling Hwy) to Mile 1.31 (Jct. improved road to river): Gravelled 22' surface, no shoulders. Funny River Mile 10 to Mile 17.26 (End of route): Gravelled 26' surface.

Proposed Physical Improvement: Phase I: Scout Lake (Sterling Hwy to Funny River Rd); Widen to 36', pave. Construct 26'-wide bridge, boat ramp and parking area next to bridge. Phase II:

Funny River: Mile 13.71 to Mile 17.26: Widen to 36', pave. Phase III: Funny River: Mile 10 to Mile 13.71: Widen to 36', pave.

Project Alternatives: Improve Funny River Rd., Mile 0.0 (Jct. Sterling Hwy) to Mile 17.26 (End of route) to 28' rural paved standard.

Status: DOT/PF has completed Scout Lake Rd. and bridge design.

Funding for project requested in DOT/PF's Central Region, FY 83 CIP.

Next Step Prior to Construction: Final design and permits for Funny River Rd., Mile 10 to Mile 17.26 and parking area.

Factors Affecting Development: Need parking area maintenance agreement with DNR-Div. of Parks

Relation to Other KRTS Projects: None

Cost - 5.672

X-14615

SCOUT LAKE ROAD EXTENSION

STERLING HIGHWAY TO FUNNY RIVER RD. GRADING, DRAINAGE, PAVING, & BRIDGE



RECEIVED
OCT.

DEPT. OF TRANSPORTATION

B.O.P. 5+00

LEGEND

CONSTRUCT RESIDENTIAL DRIVEWAY APPROACH
RADIUS 25' UNLESS SHOWN OTHERWISE

CONSTRUCT PUBLIC ROAD APPROACH
A=90° UNLESS SHOWN OTHERWISE

CONSTRUCT PIPE CONDUIT (SKEW INDICATED IF
OTHER THAN PARALLEL TO C CONSTRUCTION)

REMOVE AND DISPOSE OF CULVERT PIPE

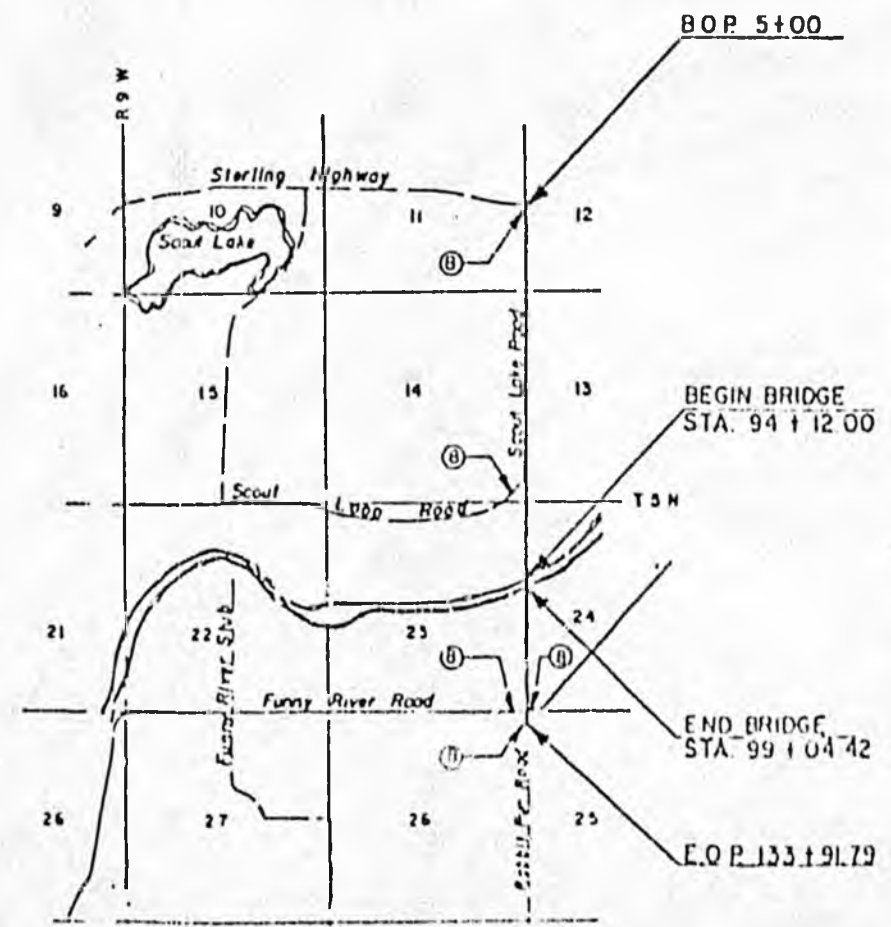
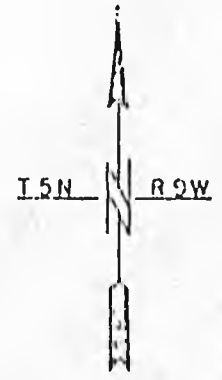
INSTALL GUARDRAIL

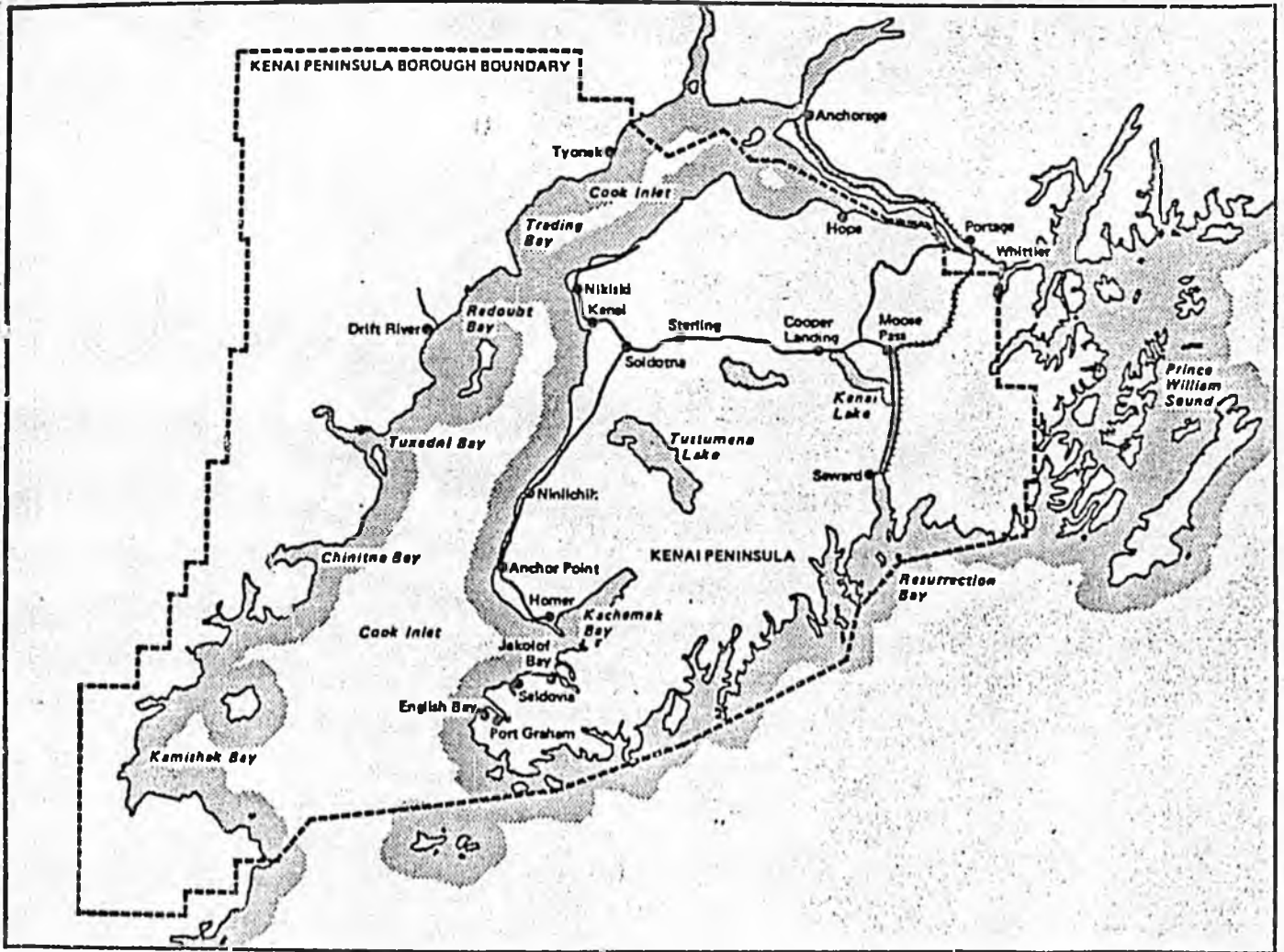
REMOVE STRUCTURE

TRAFFIC SIGN (NUMBER REFERS TO POST NUMBER
LISTED IN SIGN SCHEDULE)

PERMANENT ADVANCE CONSTRUCTION SIGN IN ACCORDANCE
WITH STANDARD DRAWINGS C-100A AND C-100B

ADJUST SURVEY MEASUREMENT/ CASE TO GRADE





Source: Woodward-Clyde Consultants

KENAI REGIONAL TRANSPORTATION STUDY (KRTS) PROJECT

Prepared for
Alaska Department of Transportation and Public Facilities

October 1982

Woodward-Clyde Consultants/Wince-Corthell and Associates

Table III-4
HIGH PRIORITY PROJECTS*

	Ongoing DOT/PP Project	Ongoing KPS or Municipal Projects	Community Desires	Economic Development	Use Deficiency (safety, traffic) overload, etc)
<u>Roads</u>					
1. Airport Bypass/Kachemak	x		x		
2. Anchor Point		x	x		
3. Bean Creek		x	x		
4. Bear Creek (Kachemak City)			x		x
5. Big Eddie		x	x		
6. Cannery			x		
7. Ciechanski			x		
8. Clam Gulch				x	x
9. Coho Loop			x		
10. Diamond Ridge (Skvline Dr./Olson Mt.)		x	x		
11. East End - Phases I, II, III, & IV	x	x	x		x
12. East Hill	x		x		x
13. Feuding Lane/Kenai Keys		x	x		
14. Funny River/Bridge/Scout Lake	x		x	x	
15. Halibout		x	x		
16. Homesite Loop		x	x		
17. Kenai Alternate			x		
18. Kenai Spur			x		
19. Kingsley/Oll Well	x	x	x	x	
20. Lake St./Picnear Ave.			x		x
21. Lamplight/Holt		x	x		
22. Lou Morgan/Scout Lake	x		x	x	
23. Lowell Point			x		x
24. Mackays Lakes		x	x		
25. Movers/Sratchorry		x	x		
26. Nash Rd./Seward Hwy. Intersection			x		
27. Ninilchik/Beach		x	x	x	x
28. North Anchor River		x	x		x
29. North Kenai Highway Phases I, II, & III	x		x	x	
30. Olson/Tunnel/Main			x		
31. Resurrection River		x	x	x	
32. Seldovia Airport Rd.-Main St.			x		x
33. Seldovia/Jakolof Bay-Seldovia/Anderson			x		
34. Seward Highway	x		x		x
35. Soldotna Frontage			x		x
36. Sports Lake		x	x		
37. Sterling Highway	x		x		x
38. Tustumena Lake	x			x	
39. Watt Hill	x		x		x
<u>Air</u>					
40. English Bay Airport	x		x		
41. Homer Airport	x		x		x
42. Kenai Airport		x	x		x
43. Port Graham Airport			x		
44. Seldovia Airport			x		x
45. Seward Airport			x		x
46. Soldotna Airport			x		x
<u>Marine</u>					
47. English Bay Shuttle Ferry Ramp			x		
48. Homer Ferry Terminal and Passenger Bldg.	x		x		x
49. Homer Fish Dock	x	x	x		
50. Homer Seal Boat Harbor	x	x	x	x	
51. Homer Ocean Dock			x		
52. Kachemak Park Shuttle Ferry Ramp			x	x	
53. Kaslof Harbor			x	x	
54. Kenai Small Boat Harbor		x	x		
55. Ninilchik Harbor			x	x	x
56. Port Graham Harbor/Ferry Dock	x	x	x	x	
57. Seldovia Ferry Terminal and Passenger Bldg.	x		x	x	x
58. Seward Ferry Terminal			x	x	x
59. Seward Small Boat Harbor			x	x	
60. Shuttle Ferry Vessel	x	x	x	x	
61. Tustumena Replacement	x		x		x
<u>Rail</u>					
62. Fourth of July R.R. Spur			x		

*Projects are listed alphabetically and not order of priority

HIGH PRIORITY PROJECTS

The high priority project list consists of 1) ongoing, 2) current needs and 3) the higher ranked future projects. This list is shown in Table III-4, and detailed descriptions of each of these projects are included at the end of this chapter. In addition, the general location of each High Priority project is shown in Figure III-3.

The higher ranked projects were the subject of both quantitative and qualitative evaluations. While these evaluations provided valuable information on each project, the evaluations were not the sole criterion for placing or keeping a project on the high priority list. In fact, the Technical Advisory and Steering Committees made the final decisions on placements in the high priority group.

High Priority Project Descriptions

The following descriptions are intended to provide the information and data needed for DOT/PF's capital improvement programming (CIP) decisions. Thus, they represent a "resource" from which DOT/PF can select projects for its annual CIP submission to the Governor.

Each of the following projects are numbered to coincide with those shown earlier in Table III-4. Also the project names are those from the DOT/PF Coordinated Data System (CDS) log--when the popular name differs from the CDS designation, it is added to the CDS name and number.

Most of these roads have been recognized and scheduled for improvement by DOT/PF, by the Borough or by the cities. Thus, the traffic capacity/use analyses in the Phase II report served mainly to confirm their overloaded condition. Table II-3 identifies facilities below the minimal level of service for this project.

FUTURE NEEDS

Community Development Goals

During Phase II of the KRTS study, a large list of projects was proposed by the general public and elected and appointed officials during the initial round of public meetings. Many of these facilities are on-going or below minimal level of service facility projects which are included in Tables II-1 and II-2 above. The remaining projects included both regional and local projects on the state-maintained system. See Table II-4 for these community preferred projects which were presented in the Phase II report and repeated here. Note that Table II-4 still includes projects previously included in the On-going (Tables II-1 and II-2) and Facility Projects not meeting a minimal level of service (Table II-3).

Economic Development Requirements

Projects were identified for this category through the Phase II evaluation of regional economic development potentials. The primary criteria for inclusion on this list was a demonstrable potential for development that would warrant DOT/PF's attention at this time. See Table II-5 which was taken from the Phase II report and still includes projects listed in the On-going (Tables II-1 and II-2) and Facility Projects not meeting a minimal level of service (Table II-3).

Peninsula Clarion

THURSDAY, Feb. 16, 1984

Vol. 14, Issue 99

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Former chief Wisecarver dies in crash

Frank Wisecarver, the first fire chief for the city of Kenai, died Wednesday afternoon in a head-on collision on Funny River Road.

The collision also seriously injured a 19-year-old Soldotna man.

Wisecarver, 59, was the chief of the city's volunteer fire department in the mid-1960s and served as the first chief when the department converted to a paid force. He left the department in 1975.

The accident occurred at Mile 11 Funny River Road at about 1 p.m.

According to an Alaska State Troopers report, Elmer (Roy) Bird of Soldotna was driving his car toward Soldotna on Funny River Road when his car apparently crossed the center line as it was coming around a curve. It struck Wisecarver's truck head-on.

Wisecarver was pronounced dead on arrival at Central Peninsula General Hospital. An Emergency Services medic said Bird suffered rib cage injuries, broken bones and possible internal injuries. He was taken to the hospital, where he is recovering in intensive care.

Kenai Fire Department Capt. Don Morgan remembered Wisecarver as "probably the best thing to happen to the Kenai Fire Department. He was highly respected by the guys he worked with, and was a personal friend, too."

Dick
Mueller
Realty

100 TRADING BAY RD., SUITE 1
KENAI AK 99611
907-283-5888



January 19, 1984

Bill Sheffield
Governor of Alaska
Pouch A
Juneau, Alaska 99811

Re: Kenai River Bridge Access Feasibility Design Project No. X-14615

Dear Governor Sheffield:

I'm sure by the enclosed petitions that you've determined that many residents of Alaska including our visitors want the Kenai River Bridge access to Funny River Road.

There are several reasons that necessitate the bridge being built immediately. Please consider the following priorities:

1. Alleviation of the crucial environmental impact on the Lower Kenai River.
2. Allow feasible access for the emergency services of State Trooper assistance, fire and ambulance service.
3. Ending the necessity of driving a dusty or icy pothole ridden secondary highway system which presently has an average daily road count of 416 cars, established from a November 1981 road count.
4. Provide access for agricultural and further tourism development by cutting the time of travel to and from Anchorage by at least 2 hours.
5. Provide access for the development of the Nilnunga State Historic Park (42.47 acres) and the State Funny River Recreation area (218 acres) which also fronts the Kenai River.

The benefit list is endless in providing bridge access to this recreational paradise that boasts the Kenai River, Browns Lake, Killey River, Funny River, public horse trail and abundant wildlife. Please give your support.

Thank you for taking time out of your day to recognize a need of Alaskans.

Further petitions will be forthcoming.

Sincerely,

Patricia Ann Lazer,
Sales Associate
Specializing in Funny River
and Kenai River areas

cc; Paul Fischer
Don Gilman
Joe Hayes
Hugh Malone

PAL:rm
encl;

Alaska State Legislature

SENATOR
DON GILMAN

Juneau Ph.
(907) 485-4935
(907) 485-4529



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

DURING SESSION
POUCH V
JUNEAU, ALASKA 99811

State Senate

February 27, 1984

Memorandum

SB 389

To: Senator Pappy Moss
Chairman, Senate Transportation
Committee

From: Senator Don Gilman

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Salient features are as follow:

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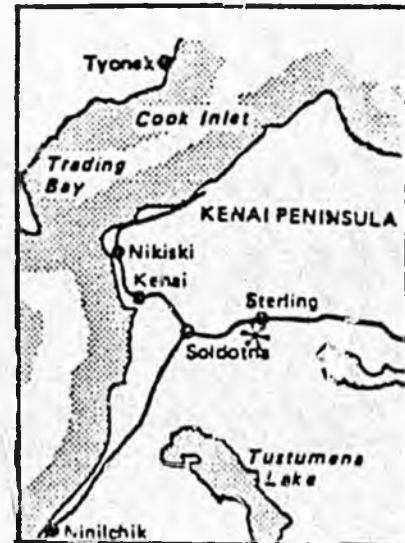
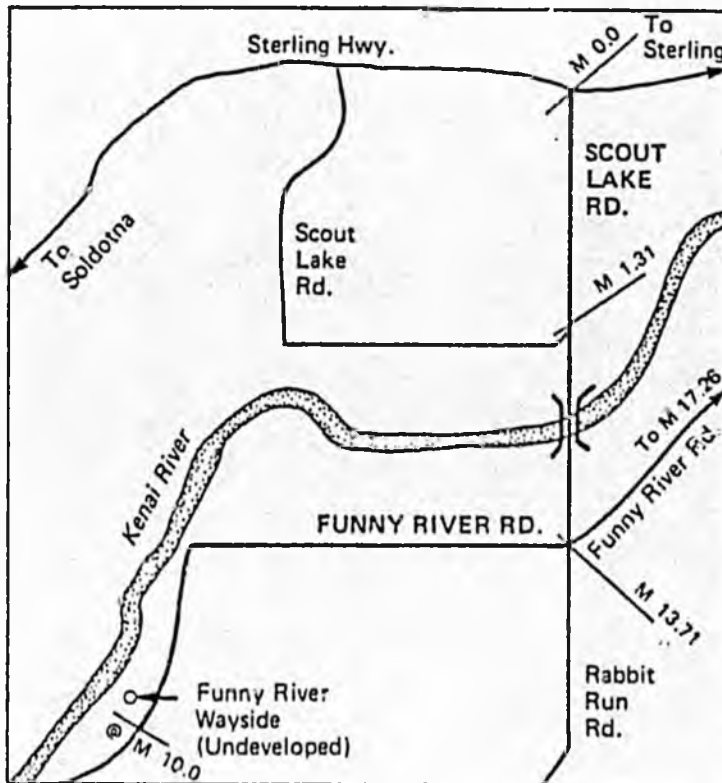
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Funny River: 1980 ADT = 225

Scout Lake: 1980 ADT = 200

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Funding for project requested in DOT/PF's Central Region, FY 83 CIP.

Next Step Prior to Construction: Final design and permits for Funny River Rd., Mile 10 to Mile 17.26 and parking area.

Factors Affecting Development: Need parking area maintenance agreement with DNR-Div. of Parks

Relation to Other KRTS Projects: None

Cost - 5.672

X-14615

SCOUT LAKE ROAD EXTENSION

STERLING HIGHWAY TO FUNNY RIVER RD. GRADING, DRAINAGE, PAVING, & BRIDGE

W/EGE

UNIT 2

DEPT. OF TRANSPORTATION
TERRITORY OF ALASKA

B.O.P. 5+00

BEGIN BRIDGE
STA. 94+12.00

END BRIDGE
STA. 99+04.42

E.O.P. 133+91.79



LEGEND

CONSTRUCT RESIDENTIAL DRIVEWAY APPROACH
RADIUS = 25' UNLESS SHOWN OTHERWISE

CONSTRUCT PUBLIC ROAD APPROACH
Δ = 90° UNLESS SHOWN OTHERWISE

CONSTRUCT PIPE CONDUIT - (SKEW INDICATED IF
OTHER THAN PARALLEL TO Q CONSTRUCTION)

REMOVE AND DISPOSE OF CULVERT PIPE

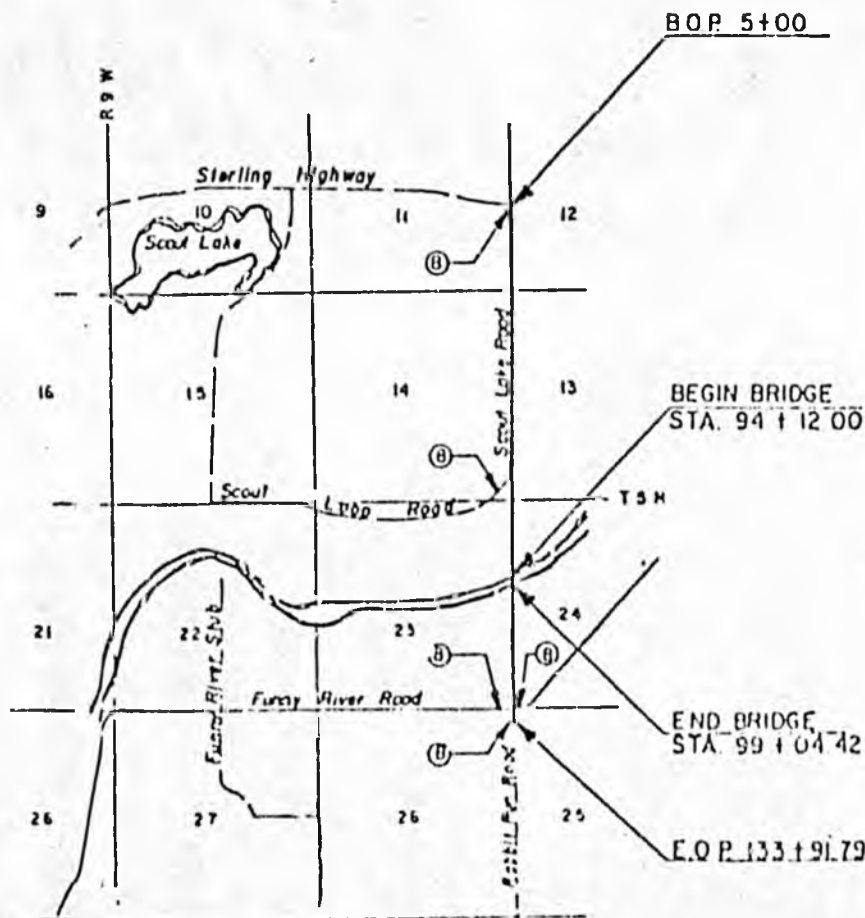
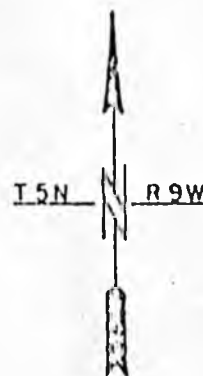
INSTALL GUARDRAIL

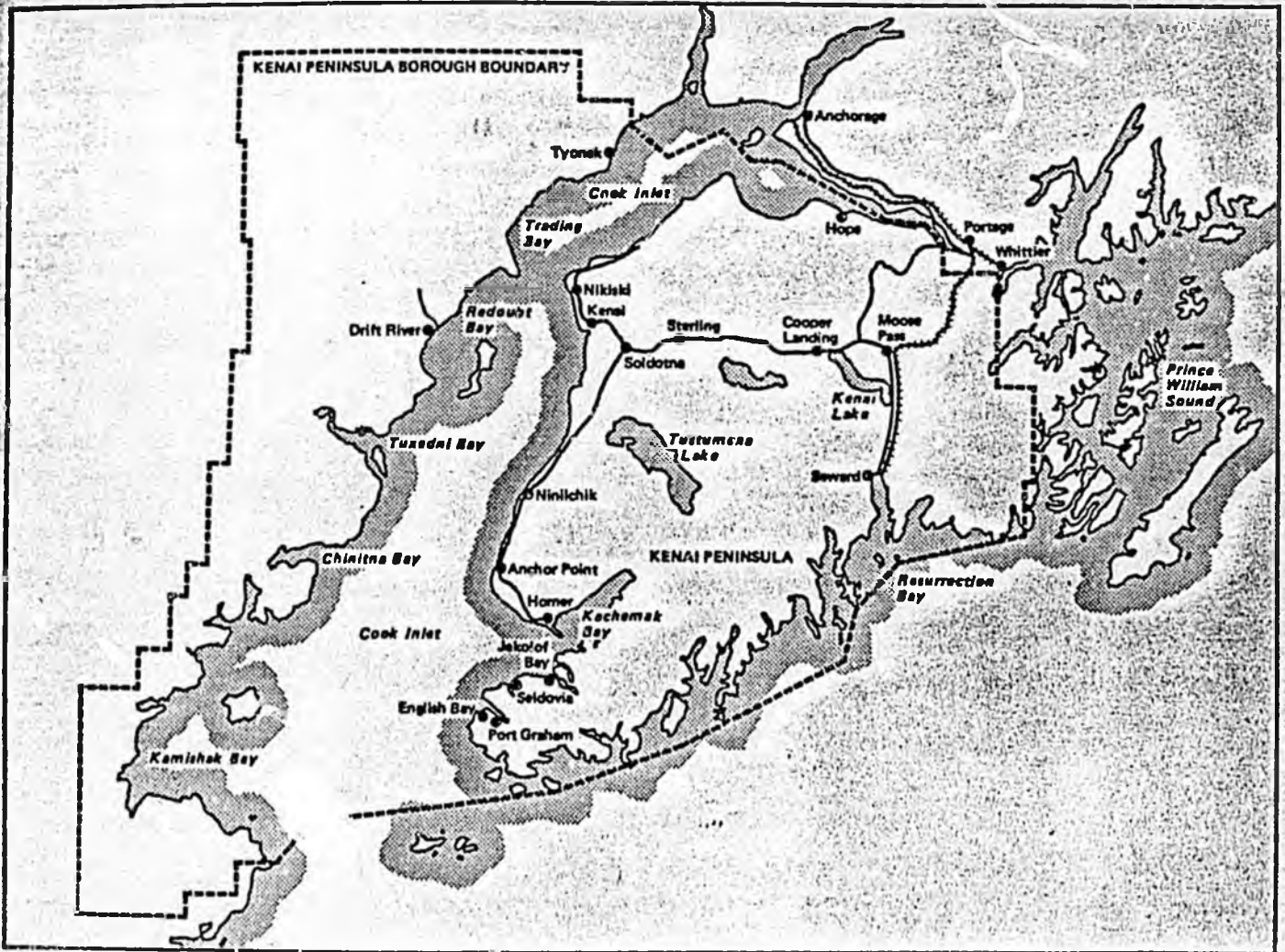
REMOVE STRUCTURE

TRAFFIC SIGN (NUMBER REFERS TO POST NUMBER
LISTED IN SIGN SCHEDULE)

PERMANENT ADVANCE CONSTRUCTION SIGN IN ACCORDANCE
WITH STANDARD DRAWINGS C-1004 AND C-1104

ADJUST SURVEY MEASUREMENT/CASE TO GRADE





Source: Woodward-Clyde Consultants

KENAI REGIONAL TRANSPORTATION STUDY (KRTS) PROJECT

Prepared for
Alaska Department of Transportation and Public Facilities

October 1982

Woodward-Clyde Consultants/Wince-Corthell and Associates

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2. Anchor Point		x	x		
3. Bean Creek		x	x		
4. Bear Creek (Kachemak City)			x		x
5. Bix Eddie		x	x		
6. Cannery			x		
7. Ciechanski			x		
8. Clam Gulch				x	x
9. Cohne Loop			x		
10. Diamond Ridge (Skyling Dr.)/Olson Mc.		x	x		
11. East End - Phases I, II, III, & IV	x	x	x		x
12. East Hill	x		x		x
13. Feuding Lane/Kenai Keys		x	x		
14. Funny River/Bridge/Scout Lake	x		x	x	
15. Halbouty		x	x		
16. Homesite Loop		x	x		
17. Kenai Alternate			x		
18. Kenai Spur			x		
19. Kingsley/Oil Well	x	x	x	x	
20. Lake St./Pioneer Ave.			x		x
21. Lamplight/Holt		x	x		
22. Lou Morgan/Scout Lake	x		x	x	
23. Lovell Point			x		x
24. Mackaya Lakes		x	x		
25. Mevers/Strawberry		x	x		
26. Nash Rd./Seward Hwy. Intersection			x		
27. Ninilchik/Beach		x	x	x	x
28. North Anchor River		x	x		x
29. North Kenai Highway Phases I, II, & III	x		x	x	
30. Olson/Tunnel/Main			x		
31. Resurrection River		x	x	x	
32. Seldovia Airport Rd.-Main St.			x		x
33. Seldovia/Jakolof Bay-Seldovia/Anderson			x		
34. Seward Highway	x		x		x
35. Soldotna Frontage					x
36. Sports Lake		x	x		
37. Sterling Highway	x		x		x
38. Tustumena Lake	x			x	
39. West Hill	x		x		x
<u>Air</u>					
40. English Bay Airport	x		x		
41. Homer Airport	x		x		x
42. Kenai Airport		x	x		x
43. Port Graham Airport			x		
44. Seldovia Airport			x		x
45. Seward Airport			x		x
46. Soldotna Airport			x		x
<u>Marine</u>					
47. English Bay Shuttle Ferry Ramp			x		
48. Homer Ferry Terminal and Passenger Bldg.	x		x	x	x
49. Homer Fish Dock	x	x	x		
50. Homer Small Boat Harbor	x	x	x	x	
51. Homer Ocean Dock			x		
52. Kachemak Park Shuttle Ferry Ramp				x	
53. Kasilof harbor			x	x	
54. Kenai Small Boat Harbor		x	x		
55. Ninilchik Harbor			x	x	x
56. Port Graham Harbor/Ferry Dock	x	x	x	x	
57. Seldovia Ferry Terminal and Passenger Bldg.	x		x	x	x
58. Seward Ferry Terminal			x	x	x
59. Seward Small Boat Harbor			x	x	
60. Shuttle Ferry Vessel	x	x	x	x	
61. Tustumena Replacement	x		x		x
<u>Rail</u>					
62. Fourth of July R.R. Spur			x		

*Projects are listed alphabetically and not order of priority