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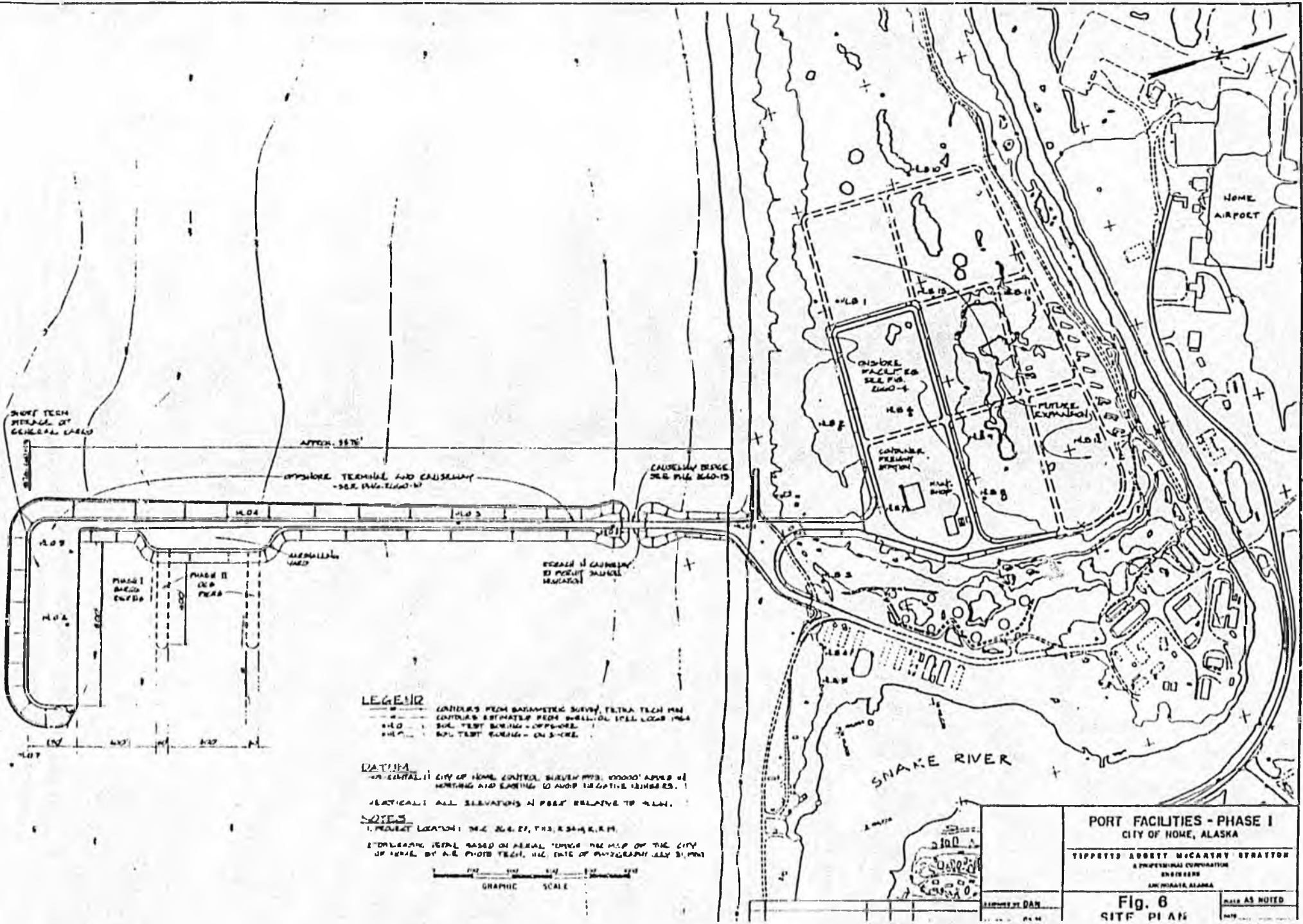
ST

HB 452 - HB 558

1905-1904

80 / 2

3210



SHORE TECH  
DETAILS OF  
GENERAL LAYOUT

APPROX. 3575'

OFFSHORE TERMINAL AND CAUSEWAY  
- SEE FIG. 260-10

CAUSEWAY BRIDGE  
SEE FIG. 260-10

HOME  
AIRPORT

SNAKE RIVER

**LEGEND**

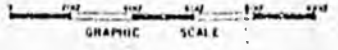
- CONTOURS FROM BATHYMETRIC SURVEY, TETRA TECH MIN
- CONTOURS ESTIMATED FROM SWELLING TIDE LOGS 1964
- SHIP TEST BURNING - OFFSHORE
- SHIP TEST BURNING - ON-SHORE

**DATUM**

SEA LEVEL: CITY OF NOME CONTROL SURVEY PINS 10000' ABOVE OF  
MONTANA AND EASTING TO AVOID NEGATIVE NUMBERS.

**NOTES**

1. PROJECT LOCATION: 1/4 SEC. 27, T33N, R34W, S14E.
2. DRAINAGE DETAIL BASED ON AERIAL PHOTOGRAPHY AND MAP OF THE CITY  
OF NOME, BY A.I.C. PHOTO TECH, INC. DATE OF PHOTOGRAPHY JULY 31, 1964.



**PORT FACILITIES - PHASE I  
CITY OF NOME, ALASKA**

TIPPETT ABBOTT MC CARTHY STRATTON  
& PROFESSIONAL CORPORATION  
ENGINEERS  
ANCHORAGE, ALASKA

**Fig. 6  
SITE PLAN**

SCALE AS NOTED  
DATE

DESIGNED BY DAN  
DATE

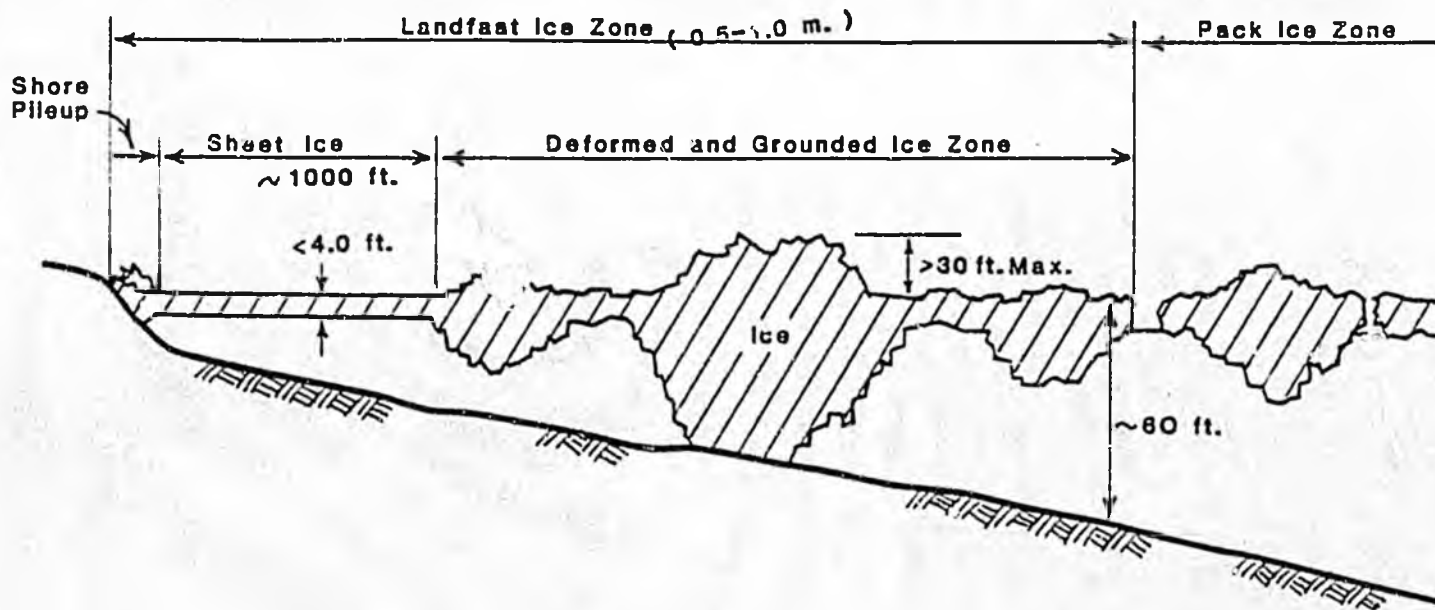


Fig. 7 Shorefast Ice Cover

**MATERIALS:**

The primary source of core material for the causeway and offshore terminal is expected to be one of a number of gold dredge tailing dumps located at 2-5 mile radii from the project site.

Rock armor for protection against wave and ice attack is expected to be obtained from the Cape Nome quarry, approximately 13 miles east of the project site as shown in Figure 8. Highway access to the quarry site is maintained in the summer months only.

**GROUND CONDITIONS:**

All onshore facilities are located in a permafrost area which must be protected by a gravel blanket. The permafrost is patchy towards the shoreline and the sand spit to the east of the causeway which has been worked for gold extraction exhibits very low bearing capacity.

**SITE INVESTIGATIONS:**

During a borehole program carried out in February 1982, 7 offshore and 13 onshore holes were drilled. Bedrock was encountered under the causeway location at depths varying from 40-60 feet below the seabed. Overlying materials sampled comprised glacial silts, tills and sands.

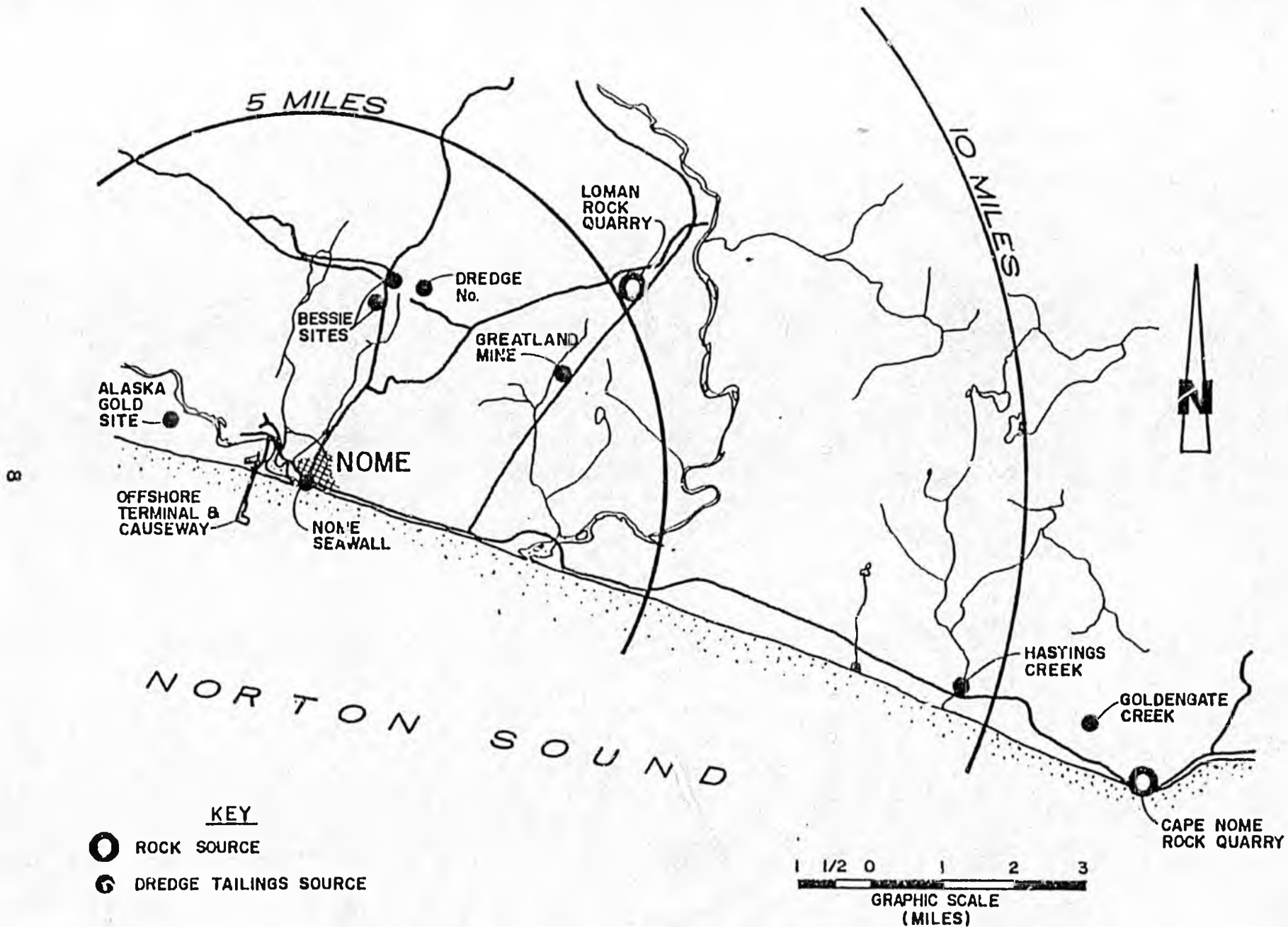


Fig. 8  
LOCATION MAP - SOIL AND ROCK BORROW SITES

Materials source investigations carried out in June 1982 were followed by a test blast at the Cape Nome quarry. The results of these and all other site investigations will be made available to contractors at bid time and may be reviewed by arrangement with TAMS.

**PERMIT STATUS:**

An application for a Corps of Engineers construction permit was submitted in August 1982. Prior to the application extensive discussions with interested state and federal agencies were carried out to resolve concerns and incorporate mitigation measures where necessary.

**MATERIALS QUANTITIES:**

A preliminary, abbreviated list of materials quantities for the Phase I construction contract is attached.

Further information on the project may be obtained from the following:

TAMS  
4791 Business Park Boulevard  
Anchorage, AK 99507  
Phone (907) 276-6565

After February 5, 1983 - (907) 562-2282







# TAMS

TIPPETTS-ABBETT-McCARTHY-STRATTON □ ENGINEERS  
A PROFESSIONAL CORPORATION

## ALASKA

LINE	DESCRIPTION	QUANTITY	UNIT
	UTILITIES - PHASE I		
39	Water Distribution		sum
	Furnish & install 7200 l.f. 8" $\phi$ , 1000 l.f. 4" $\phi$ , 8600 l.f. 2½" $\phi$ , 1000 l.f. 6" $\phi$ , and 1000 l.f. 2" $\phi$ Ins. PVC Pipe		
	FUEL DISTRIBUTION		
	<u>Alternate I</u>		
40	Diesel Fuel		sum
	Furnish & install 5800 l.f. 8" $\phi$ bl. steel pipe		
41	Jet Fuel		sum
	Furnish & install 5800 l.f. 8" $\phi$ bl. steel pipe		
42	AVGAS 100/130		sum
	Furnish & install 8000 l.f. 6" $\phi$ bl. steel pipe		
43	Unleaded Gasoline		sum
	Furnish & install 8100 l.f. 6" $\phi$ bl. steel pipe		
44	Regular Gasoline		sum
	Furnish & install 8000 l.f. 6" $\phi$ bl. steel pipe		
45	Corrosion Protection		sum
46	Utility Bridge		sum
	SUBTOTAL		
	<u>Alternate II</u>		
47	Diesel Fuel		sum
	Furnish & install 5800 l.f. 8" $\phi$ bl. steel pipe and 1 14,000 bbl tank		
48	Jet Fuel		sum
	Furnish & install 5800 l.f. 8" $\phi$ l. steel pipe and two (2) 8500 bbl tanks		



JOINT MEETING - KAWERAK/AVCP

NOME, ALASKA - JANUARY 22, 1983

RESOLUTION 83- 7

WHEREAS, the City of Bethel has requested funds for the construction of Sea wall in the City of Bethel; and

WHEREAS, the City of Nome has requested funds for the construction of a Deep Sea Port Facility in the City of Nome; and

WHEREAS, these facilities will benefit the villages and people of each Region;

NOW THEREFORE BE IT RESOLVED by the Joint Convention of AVCP and Kawerak, Inc.

that these facilities be funded as requested, by the Legislature, during this legislative session for construction this year.

Ivan M. Ivan

Ivan M. Ivan, President, AVCP

Caleb Pungowiyi

Caleb Pungowiyi, President, Kawerak

Willie Kasayulie

Willie Kasayulie, Chairman

Weaver Ivanoff

Weaver Ivanoff, Chairman

# Sitnasuak Native Corporation

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JAN 23 1983

Post Office Box 905 • Nome, Alaska 99762 • (907) 443-5296

February 18, 1983

Rep. John G. Fuller  
State Capitol  
Pouch V  
Juneau, Alaska 99811

Dear Rep. Fuller:

Enclosed is a copy of Sitnasuak Native Corporation Board of Directors Resolution No. 83-03 in support of the Nome port project, which was passed by a unanimous vote of the Directors at a January 26, 1983, Board meeting.

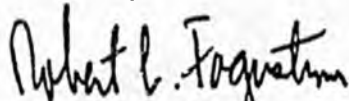
The port project will give the City of Nome and the region a vehicle to diversify our economic dependency on the federal and state budgets.

With the port we can begin to develop the mineral potential in the region as well as offshore oil, which will create employment for the people.

Your support for this project is needed.

If you have any questions, please feel free to contact me.

Sincerely,



Robert L. Fagerstrom  
President

Enclosure

SITNASUAK NATIVE CORPORATION

RESOLUTION NO. 83-03

WHEREAS, the Village Corporations Board of Directors from the Bering Straits Native Corporation region have endorsed the Nome Port Project at their meeting in Nome on January 19, 1983; and

WHEREAS, the IRA Councils of the twenty (20) villages in the Nome area have endorsed the Nome Port Project at their meeting in Nome on January 23, 1983; and

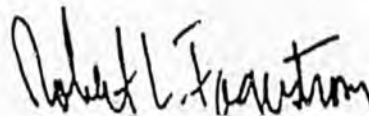
WHEREAS, the construction of the port in Nome greatly benefits the people of this region in lowering the freight costs throughout the region; and

WHEREAS, construction of the Nome Port Project greatly enhances the economic mineral potential of the Seward Peninsula whereby increasing the economic development of this area and providing jobs and a better standard of living for the people of this area;

NOW THEREFORE BE IT HEREBY RESOLVED by the Board of Directors of Sitnasuak Native Corporation that we support the Nome Port Project; and

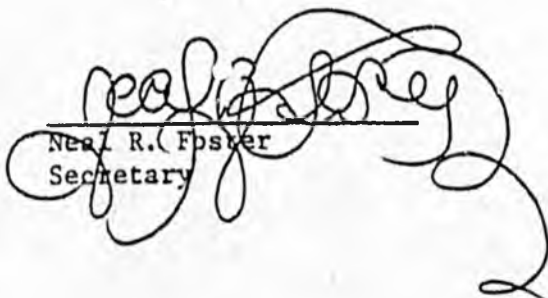
BE IT FURTHER RESOLVED that the State of Alaska support the port facility for the City of Nome and that the legislature appropriate funds for the capital project.

DATED this 26th day of January, 1983.



Robert L. Fagerstrom  
Board of Directors President  
Sitnasuak Native Corporation

ATTEST:



Neal R. Foster  
Secretary

## Port design to hold off shifting ice

For five months of the year, it's open water; give or take a few pieces of floating ice. But for seven months, it's one of the most awesome sights in Alaska — the frozen, moving Bering Sea.

Engineering innovations, made possible in part by research at universities in Iowa and Florida, are going into the design of a new medium-depth water port at Nome.

These features should give the facility the potential for year-round use, according to the design engineers, Tippetts-Abbett-McCarthy-Stratton (TAMS).

Sea ice has long been respected as a formidable foe for engineers trying to build something in or around it. The massive forces that a sheet of ice and the tide carrying it can develop are a primary concern of everybody concerned with offshore oil development in the arctic, or marine transportation in the spring and fall.

The port will consist of a 3,600-foot causeway extending from the shore, near the mouth of Nome's Snake River, leading to the offshore terminal.

The causeway has been designed with ice resistance in mind. Design studies were

conducted by the Institute of Hydraulics Research at the University of Iowa.

A model of the causeway was placed in a 60-by-20-foot tank, and sheets of ice were pushed up against it. It was discovered during the tests that ice would ride up over the causeway, despite special sloping sides.

Because of the problem of ice override, the design was changed so that one side of the causeway is higher than the other, allowing built-up ice to be bulldozed off.

"The cost savings of this system over an elaborate ice prevention scheme are substantial," said Michael Horton, TAMS project manager.

Ice isn't the only problem confronting the ports planners. Erosion of the material due to sea action is another primary concern.

Large boulders, some weighing up to 20 tons, will be placed on the slopes to act as breakwater barriers.

Boulders and gravel needed for the construction are available from a quarry and gold mining tailings in the Nome area.

*News-Miner 12/9/82*

Jan, 1989

CITY OF NOME  
PORT FACILITY PROJECT - PHASE I BARGE DOCK

PROJECT FINANCING AND TRANSPORTATION COST IMPACTS

SUMMARY OF QUESTIONS FREQUENTLY ASKED AND THEIR RESPONSES

### How are Cargoes Currently Delivered to Nome?

The City of Nome serves as a transportation and distribution center for the Norton Sound and Seward Peninsula region. Approximately 12,000 people live within the Nome service area, with a population of over 3,400 in Nome.

The existing port facility is located at the mouth of the Snake River within the Nome city limits. Due to shallow draft and limited width the existing port can only accommodate small barges and tugs. Ocean-going vessels currently anchor one-half to one mile from shore, and cargo is transferred to smaller, shallow draft barges (lightered) for delivery to the sheet pile revetments along the river that serve as a dock.

The lightering operation is an inefficient and costly means of offloading cargoes. Lighterage tariffs add an average of \$75.90 to the cost of each ton delivered, equivalent to approximately 25% of the total cost of shipping cargo from Seattle to Nome.

To eliminate the need for lightering and to provide the transportation infrastructure needed for long term economic growth in the region, the City of Nome and Alaska DOT/PF have prepared a design for a modern port. The first phase development of the facility will include a 3100 foot rubble mound causeway extending to a floating dock in about 20-25 feet of water, and an open onshore storage area for cargo handling.

### How Much Will Construction of the Port Cost?

The facility as currently planned is estimated to cost about \$19-20 million.

Statewide Oil Revenues Have Been Declining in the Last Few Years, and a State Grant for the Total Cost of Constructing the Port Appears Unlikely to Occur. Can a Portion of the Construction Cost be Financed Locally?

Some local construction money can be provided through financing based on port revenues. Port operations and maintenance are projected to cost the equivalent of \$35-40 per ton. If tariffs are set higher than that amount, the facility will generate additional revenues that could be used to pay back municipal revenue bonds or other types of construction financing.

How Much Could Be Locally Financed?

Potential revenues from port tariffs are limited. It would clearly not be in the best interests of the local residents to set tariffs at a level higher than the current lighterage costs. Consequently, the maximum revenues that could be derived would be based on a system of tariffs equivalent to an average of about \$75.90 per ton (the current lighterage rate). If that tariff level is adopted, up to about \$8 million could be financed by port revenues.

If \$8 Million Can Be Financed Locally, How Much Will the State Have to Provide?

Assuming a total project cost of \$20 million, the state will need to provide \$12 million in grant funds.

Will Transportation Costs Immediately Decrease After the Port is Built?

As initially planned two years ago, construction of the Nome port was to be funded entirely through a state grant. User charges (tariffs) for the port would then need only to recover all operating and maintenance costs, which as described above

are estimated to be on the order of \$35 to \$40 per ton or about half of current lighterage charges. Consequently a significant and immediate reduction in transportation costs was foreseen.

However, with the current emphasis on local participation in construction funding port tariffs may need to be set at a level comparable to current lighterage rates. Thus, there may be no initial cost savings to area residents.

With Potentially No Initial Cost Savings, How Can It Make Sense to Spend \$20 Million for a Port?

The project will provide major benefits to the community and region even without an initial reduction in transportation costs. Such benefits will include:

- Port tariffs will be relatively stable, as a large component of the revenues required will be for a fixed payment, long term debt. On the other hand, if lightering is continued then it is highly probable that the lightering costs will continue to escalate with the cost of living. Thus for each year that passes the port tariff will be increasingly less costly than lightering.
- Steady growth in population is forecast for the region. With the increasing population will come larger demands for cargo shipped to Nome. Thus, even with no other economic development in the region (an unlikely prospect) port revenues will increase and it may be possible to retire the debt early or reduce tariffs.
- The port will provide for more efficient, faster cargo offloading and loading, which will help keep costs down and encourage additional cargoes to be shipped through Nome as a regional center.

- After the construction debt is repaid (typically 20 years) port tariffs can be adjusted downward to reflect the decreased revenue requirements.
- Perhaps the most important reason for constructing the port is that it will serve as a major step in providing the transportation facilities needed for the long term economic growth of the region. The Seward Peninsula is one of the most highly mineralized areas in the country. Nome sits at the hub of a regional road network that extends near to many of the major identified ore deposits. With a port in Nome equipment and supplies can be brought in to explore and develop the deposits, and the expansion of the port to accommodate ore shipments can be readily implemented as development nears. The resulting direct and indirect employment will foster growth in the local and regional economies, and will provide benefits statewide.

COMMITTEE REPORT  
SENATE

FURTHER:

FINANCE

2/10/84

Date March 20, 1984

Mr. President

The Committee on TRANSPORTATION considered HB 452

special appropriation to the Department of Transportation and Public Facilities for Phase I of the Nome Port Facility, etid.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for \_\_\_\_\_  
 new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

\_\_\_\_\_

\_\_\_\_\_

J. Korman

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS

J. Korman <sup>11/6/84</sup>

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Perry Moss

Chairman

P. Ross

Chairman recommendation

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PORT  
OF  
NOME

**\*\*PLEASE NOTE\*\***

THE ORIGINAL FILE CONTAINS AN OVERSIZED DOCUMENT THAT IS UNSUITABLE FOR FILMING. PLEASE REFER TO THE ALASKA STATE ARCHIVES TO VIEW THE ORIGINAL.

## ***A partner in development***

Fairbanks' ties with Western Alaska—specifically, Nome—will become even more important if plans proceed to upgrade port facilities there.

Tuesday, Nome City Manager Ivan Widom treated the Fairbanks Chamber of Commerce to a look at plans for construction of a medium-draft port there.

Gov. Bill Sheffield's current capital budget for fiscal year 1984 includes \$12 million for the initial phase of construction of the port.

Supporters of the Nome port project believe it would stimulate economic development in the Seward Peninsula area. According to a press release from the city of Nome, half to two-thirds of the state's mineral reserves lie within 250 miles of Nome. Oil and gas development in the Norton Sound is another source of potential economic activity.

Nome has been isolated from the rest of Alaska for too long, as Fairbanksans know who have tried to make air connections.

Until Harold's Air Service began operating scheduled service to Nome under contract with Wien Air Alaska—and, since gave up the route at year's end, under its own certificate—air service was sporadic and unreliable.

"Those people have been short-changed in having to deal with Anchorage when their ties are with Fairbanks," Harold's Vice President Bill Fisher says in explaining his company's interest in providing air service to Nome and Kotzebue.

Harold's offers round-trip flights to Western Alaska five days a week, Monday through Friday. Planes leave Fairbanks at 7 a.m., arrive in Kotzebue at 8:30 a.m. Bering time, leave Kotzebue at 9 a.m., arrive in Nome at 10 a.m., leave Nome at 10:20 a.m. and arrive back in Fairbanks about 2 p.m. Alaska time.

Though jet service is available between Nome and Fairbanks, you have to fly to Anchorage first. Fisher said since Harold's began flying the Nome route under its own certificate in January, "We're getting more and more interest and more and more people. We intend to continue if we can, in the foreseeable future, decide it can be viable economically."

Will the construction of a modern port at Nome help strengthen that community's ties with Fairbanks? According to Widom, "With the services of a modern port, Nome should be in a position to become the region's center for economic development." Widom expects lower costs of doing business to help create jobs in industries such as petroleum development, mining and commercial fishing.

Phase one of the Nome port project will include construction of a 3,600-foot rubble mound causeway with a "fish breach"—a small bridge near the shoreline to allow passage for fish.

The port design includes berthing and loading facilities at the causeway's seaward end. Container and general cargo storage will be located onshore. The total project is estimated to cost \$40 million.

As Widom says, the project "holds a key for regional development with benefits reaching across the state."

We think Fairbanks will be the loser if we don't work hard to maintain and strengthen our ties with Nome. If this increased business activity turns to Anchorage for services and supplies, Fairbanks will lose a promising new partner in development.

## Nome manager pushing plan for \$40 million port

With the services of a proposed new \$40 million port, Nome should be in a position to become the region's center for economic development, Nome City Manager Ian Widom told the Fairbanks Chamber of Commerce Tuesday.

Widom said funding for the port's construction is one of the best investments lawmakers could make with a small portion of Alaska's oil revenues, considering the statewide benefits he said would flow from development of the region's resources.

Gov. Bill Sheffield's current capital budget recommendation for FY 1984 includes \$12 million for the initial phase of construction of a modern port at Nome. As a backup measure, Rep. Jack Fuller (D-Nome) has sponsored

a bill calling for \$12 million to be appropriated from the state's general fund to the Department of Transportation and Public Facilities. The measure is currently under consideration by the House Finance Committee.

If initial funding is approved, the project will go to bid late this summer.

Phase one of the Nome port project includes construction of a rubble mound causeway three-fifths of a mile out into Norton Sound. In later phases, berthing and loading facilities at the causeway's seaward end and container and general cargo storage on shore will be added. This total project, designed by the engineering firm Tippetts-Abbett-McCarthy-



**IAN WIDOM**  
*Good investment*

Stratton (TAMS) is estimated to cost \$40 million.

Widom said an estimated one-half to two-thirds of the state's mineral reserves lie within 250 miles of Nome. Along with anticipated oil and gas development in Norton Sound, he said the untapped mineral wealth of the Seward Peninsula will provide a broad base for economic development when a transportation link is established.

## Nome port seen a boon to state

By MARGARET NELSON  
*Staff Writer*

A modern port at Nome could mean total economic benefits in 1990 of more than \$115 million statewide, says an economist studying the feasibility of such a port.

A new port could stimulate petroleum, mining and commercial fishing in the area, says Jay Lyman, economist for Tippetts-Abbett-McCarthy-Stratton Engineers, who performed an economic analysis for the city of Nome.

High transportation costs and the lack of adequate facilities have hindered development of Alaska's northwest region. A port at Nome could eliminate these hurdles, according to Nome City Manager Ivan Widom. The port could eventually pave the way for economic activity benefitting the entire state, he said.

Phase one of the Nome port project includes construction of a rubble mound causeway three-fifths of a mile out into Norton Sound. In later phases, berthing and loading facilities at the causeway's seaward end and container and general cargo storage on shore will be added.

The total project, designed by TAMS, is estimated to cost \$40 million.

Gov. Bill Sheffield's current capital budget recommendation for FY '84 includes \$12 million for the initial phase of construction for the port.

A similar measure filed by Rep. Jack Fuller, D-Nome, calls for \$12 million to be appropriated from the state's general fund to the Department of Transportation and Public Facilities. The measure is under consideration by the House Finance Committee. If initial funding is approved, the project will go to bid late this summer.

First, a medium draft port could do away with the need for costly loading and unloading. The cost of shipping goods from sea barges to coastal vessels today is about 25 percent of the freight cost from Seattle, according to TAMS. With state funds to build the port, the average cost for cargo passing through Nome will be about \$9.50 per ton, a net savings over the current cost of about \$67 per ton of cargo.

"The lower cost of doing business will stimulate development of our area's vast natural resources," said Widom, "creating new jobs in industries such as petroleum development, mining and commercial fishing."



**NEW NOME LOOK**—The city of Nome is proposing construction of a modern port near the mouth of the Snake River to serve the northwest region of Alaska.

As for petroleum, the port will serve as a shipping center for materials and equipment needed in offshore development and will be designed to offer storage areas and a base for oil rig supply boats, TAMS economists said. If minimum estimates of oil and gas are discovered, direct and indirect employer levels for offshore development are estimated to be as high as 1,376 persons for 1990.

Northwest Alaska is one of the most highly mineralized areas in the United States. A port at Nome will serve as the transportation hub for commercial mining and operations, offering an export point for processed ores and concentrates and a staging area for incoming construction materials.

## Nome port paves way for economic development

Historically, high transportation costs and the lack of adequate facilities have hindered development of Alaska's northwest region. A modern port at Nome will help eliminate these hurdles and pave the way for economic activity benefitting the entire state.

First, a medium draft port will do away with the need for costly lighterage. The cost of transshipping goods from sea barges to coastal vessels to lay is about 25 per cent of the freight cost from Seattle. With state funds to build the port, the average cost for cargo passing through Nome will be about \$9.50 per ton, a net savings over the current cost of about \$67 per ton of cargo.

Lower shipping costs will save about \$4.5 million to over \$13 million annually. These estimates are based on an economic analysis of the port project prepared for the City of Nome by TAMS Engineers.

"The lower cost of doing business will stimulate development of our area's vast natural resources," said Nome City



Many northwest Alaskan villages receive needed supplies from the outside world via Nome. Large shipments from Seattle, Portland, Anchorage and other ports are broken down at Nome and shipped on to the villages by boat, barge or airplane.

Manager Ivan Widom, "creating new jobs in industries such as petroleum development, mining and commercial fishing."

### PETROLEUM

Currently the petroleum industry is assessing the potential for oil and gas development in Norton Sound. The Interior Department recently announced that a deep test well drilled last summer yielded "significant shows" of natural gas.

Although the development

potential offshore is not yet known, any level of exploration, development and production will bring more activity to the Nome port because of its nearby location.

The port will serve as a transshipment center for materials and equipment needed in offshore development and will be designed to offer storage areas and a base for oil rig supply boats. If minimum estimates of recoverable oil and gas are discovered, direct and indirect employment levels of offshore development are estimated to be 575 for 1985 and as high as

1,376 for 1990, according to TAMS economist Jay Lyman. The direct income from this activity will be between \$21 million and \$50 million, he estimates.

### MINING

Northwest Alaska is one of the most highly mineralized areas in the U.S., with reserves considered essential to this country's industries and defense, according to the Alaska Miners Association.

A port at Nome will serve as the transportation hub for commercial mining operations, of-

fering an export point for processed ores and concentrates and a staging area for incoming construction materials, equipment, fuel and supplies needed in the mining camps, said Ron Sheardown, president of Greatland Exploration, a mining firm with holdings on the Seward Peninsula.

Several small to medium size placer gold mines in the region are expected to generate about 75 new jobs through the next two decades, TAMS economist Lyman said. By the mid 1990s, at least some of the large hard rock mines are expected to be developed, bringing an additional 200 jobs to the area, he predicted. When full scale mining operations are underway, a total of about 400 new full time jobs will be created.

Lyman's studies indicate that as the port at Nome makes commercial mining more economically feasible, incomes generated by the industry in this region could reach \$14 million statewide by the turn of the century.

### COMMERCIAL FISHING

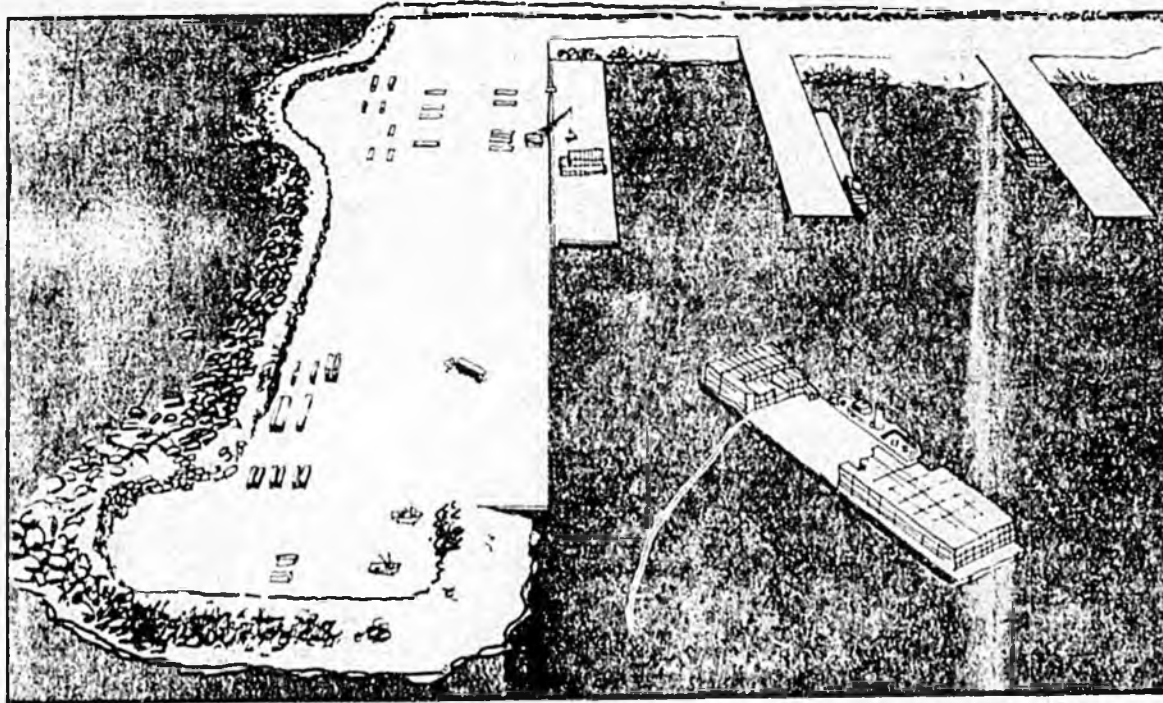
A modern port at Nome will enhance opportunities for commercial fish processing and transshipment. Lyman predicts there is a good chance the Nome port will see one or more salmon tenders that will purchase salmon throughout Norton Sound and deliver them to Nome, either for air shipment in the round or for local processing. The TAMS study assumes that about one-third of the Sound's salmon harvest would be tendered into Nome and about one-third of the fro-

zen product produced from all species barged out in vans from the port.

Development of this regional fishery could bring an additional \$150,000 in wages annually to the region, Lyman estimates, primarily in seasonal employment for local residents.

Considering both the savings in transportation costs and the incomes generated by new industrial activity, the proposed Nome port will mean total statewide economic benefits in 1990 of more than \$115 million, according to the TAMS analysis. With these figures in mind, using state dollars to build a modern port at Nome makes economic sense for the entire state of Alaska, Widom concluded.

Anchorage Daily News  
December 5, 1982



Plans for the Nome port expansion call for an extended causeway, expanded storage area and offshore terminal.

## Expanded Nome port called vital to region

By ANN CONY  
Daily News business reporter

**C**ome late summer, the city of Nome hopes to be putting out to bid the construction of an ambitious port project that proponents say will help spur development of some of northwest Alaska's rich natural resources.

But first the city will be asking the state legislature to appropriate \$28.5 million for the new port.

"We feel there's a pretty good chance of getting enough money to at least get the project started," Ivan Widom, Nome city manager, said Friday, pegging "enough money" at \$20 million to \$25 million.

Nome, no doubt, will be competing for state funding with a host of other planned capital projects.

But, according to a Department of Transportation (DOT) official in Fairbanks, the Nome port is DOT's top priority among half a dozen or so marine developments proposed

for the northern half of the state. And it is difficult to find people who oppose the port at Nome.

The state already has invested roughly \$7 million in economic analyses and design work for the port, which would include a 3,600-foot causeway, an offshore terminal and 60 acres of onshore container and general cargo storage.

Port proponents say the project holds something for everyone — local and regional residents, businesses and industry — in that if their annual shipping costs could fall by as much as \$13 million.

The port, proponents say, will help make economically feasible the development of large-scale mining operations to extract some of the abundant deposits of tin, copper, tungsten, uranium, gold and other minerals found on the Seward Peninsula and in the western Brooks Range. The new port would simultaneously allow bulk

See Page E-4, NORTHWEST



# CITY OF NOME

P.O. BOX 281 - NOME, ALASKA 99762  
TELEPHONE (907) 443-5242

FROM: Ivan Widom *I W*  
City Manager

SUBJECT: Nome Port Project Update

DATE: June 1, 1983

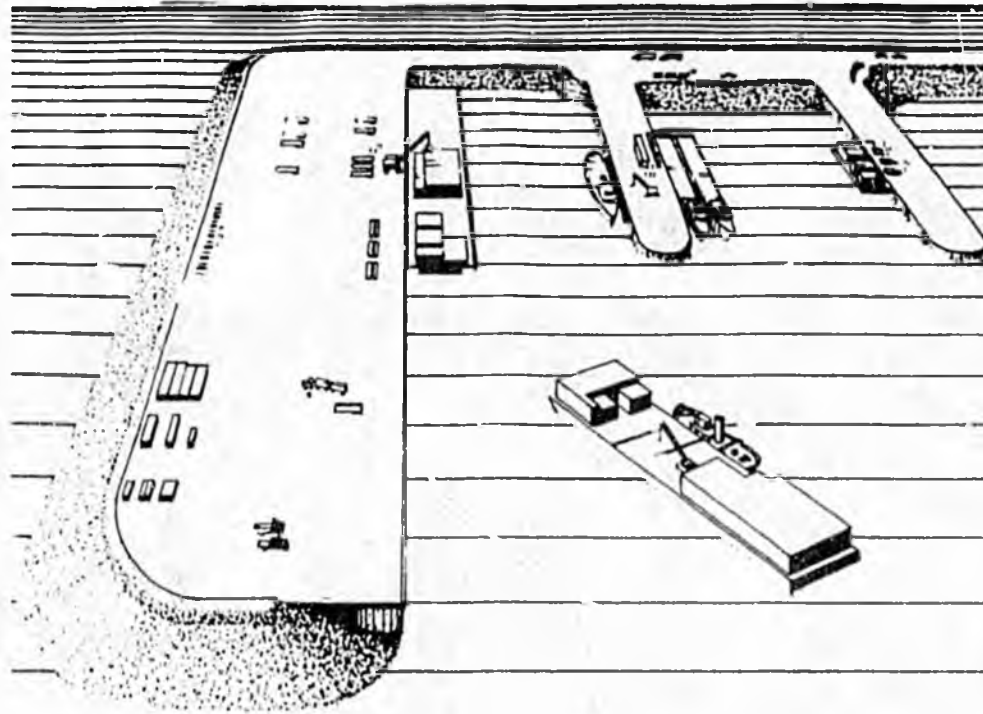
This information on the Nome port is being distributed to key state government decision-makers, community leaders and executives in industries which will be most affected by our project. The intention, as the state legislature and Governor Sheffield enter the final phases of the capital budget process for FY 84, is to give everyone the most complete, accurate and up-to-date information available on this very significant project.

The governor's capital budget recommendation includes \$12 million for the initial phase of constructing a modern, medium-draft port facility at Nome. Governor Sheffield has said that "the potential for oil and gas exploration in Norton Sound and hardrock mineral development on the Seward Peninsula put the Nome port high on the list of our capital budget priorities. In addition, the port will help reduce the cost of living for residents of Northwest Alaska."

HB 203, filed in mid-February by Representative Jack Fuller (D-Nome), also calls for a \$12 million first phase appropriation for Nome's port. This bill has passed both the transportation and finance committees.

The port project is crucial for the city of Nome, and it holds a key for regional development, with benefits that will reach statewide for many years to come. I hope you will take the time to review this material, because we've "done our homework" and I think you will find that building a port at Nome is one of the best investments Alaska could make with a small portion of our oil revenues. Please contact me for any further information you may need. Thank you.

IW:k



PROPOSED PORT OF NOME, ALASKA

Proposed port would cut cost of shipping to Nome and create new jobs in northwest Alaska

# Nome shipping port plan promises revenue, jobs

by Carl Giddard  
Times Writer

**N**ome city officials have unveiled plans for a \$38.5 million port that would, they say, lessen the cost of shipping freight from Seattle to northwest Alaska by 25 percent, add millions to the economy and generate hundreds of new jobs.

According to Nome City Manager Ivan Widom, a state construction appropriation for the port would be "one of the best investments we could possibly make with a small portion of Alaska's oil revenues.

"The lower cost of doing business will stimulate development of our area's vast natural resources, creating new jobs in industries such as petroleum development, mining and commercial fishing," he said.

Widom claims that "lightering" — using small boats to ferry cargo ashore from large vessels anchored offshore — adds about

\$9.50 per ton to the cost of shipping freight from the lower 48 to the Seward Peninsula city. Annual savings would range from \$4.5 million to \$13 million, depending on tonnage, he said.

The port design, prepared by the Tippetts-Abbett-McCarthy-Stratton engineering firm of Anchorage, calls for a 3,800-foot causeway into Norton Sound with berthing and loading facilities at the seaward end and a 10-acre onshore storage area.

Warehouses for container freight and maintenance equipment would be built on that site which could be expanded to 50 acres as traffic increases.

The rubble-constructed causeway could be extended an additional 1,000 to 1,500 feet to provide berths for deeper draft vessels such as bulk ore carriers, according to design specifications.

Nome is the onshore base for a current offshore petroleum exploration operation, the drilling

of a Norton Sound test well by Arco Alaska in a cooperative effort with 18 other companies that have an interest in the area.

That interest is high because, according to Interior Department estimates, about 480 million barrels of oil and 2.01 trillion cubic feet of natural gas are trapped in the Norton Sound seabed.

Esther Wunnick who manages the federal offshore leasing program, said Nome probably will continue to function as the support base for subsequent Norton Basin operations. Her office, the Minerals Management Service, has scheduled three lease sales there during the next four years.

"There's also a possibility that companies drilling the Navarin Basin might choose to operate from Nome," she said.

The MMS intends to lease that Bering Sea acreage in two sales, slated for 1984 and 1986.

An economist for the port

See Port, page D-2



NOTE REGARDING THE FOLLOWING FRAME(S) ON MICROFILM:  
COMPLETE DOCUMENT IS AVAILABLE IN ORIGINAL FILES.  
TITLE PAGE ONLY HAS BEEN FILMED.



PORT OF NOME, ALASKA  
ECONOMIC DEVELOPMENT ANALYSIS

**TAMS**

TIPPETTS-ABBETT-McCARTHY-STRATTON □ ENGINEERS  
A PROFESSIONAL CORPORATION

**ALASKA**



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## FEATURES

**12 TECHNOLOGICAL ADVANCES IN OFFSHORE DRILLING STRUCTURES:** Two American firms, Global Marine Development Inc. (page 14), and Brian Watt Associates (page 25), and one Canadian firm, Swan Wooster Engineering Co. Ltd. (page 20), are designing innovative mobile and reusable drilling structures for Alaska's Beaufort Sea. Despite their high cost — from \$60 million to \$200 million — these steel and concrete rigs may be less expensive than gravel islands in the deeper and more remote areas of Harrison Bay.

**32 USING STATE-OF-THE-ART DESIGN, TAMS engineers have devised a port plan for the City of Nome that will withstand the severe ice and wave conditions of Norton Sound. When complete, it will be the largest American port that far north and one of the first of its kind in the world.**

**35 A NEW PUBLIC CARGO DOCK** has been completed for the City of Unalaska in the Aleutian Chain. It can fender ships to 19,000 dwt and in the future will be fitted with a 40-ton capacity gantry crane. A major design consideration was to reduce onsite labor costs, which averaged \$1 per minute per man.

## DEPARTMENTS

At Press Time 4  
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## COVER



MARCH 1983 VOLUME 24, NUMBER 3

*The Unalaska Dock, designed by Tryck, Nyman & Hayes (TNH) and built by Jensen & Reynolds, nears completion (looking at the sound end). Article on page 35. Photo courtesy TNH.*

# Port of Nome: An Engineering Challenge

Using state of the art design, engineers at Tippetts-Abbett-McCarthy-Stratton (TAMS) have devised a port facility plan for the City of Nome that will withstand the severe ice and wave conditions of Norton Sound. When complete, it will be the largest American port this far north and one of the first of its kind in the world.

The proposed medium-draft port features a 3,600-ft. rubble mound cause-

way leading to an offshore terminal. Short-term storage and marshalling areas will be available at the seaward end, with about 60 acres onshore for container and general cargo storage. Additional piers and service areas can be added as needed for offshore oil company activities year-round. The causeway can also be extended another 1,000 to 1,500 ft. to provide berths for bulk ore carriers.

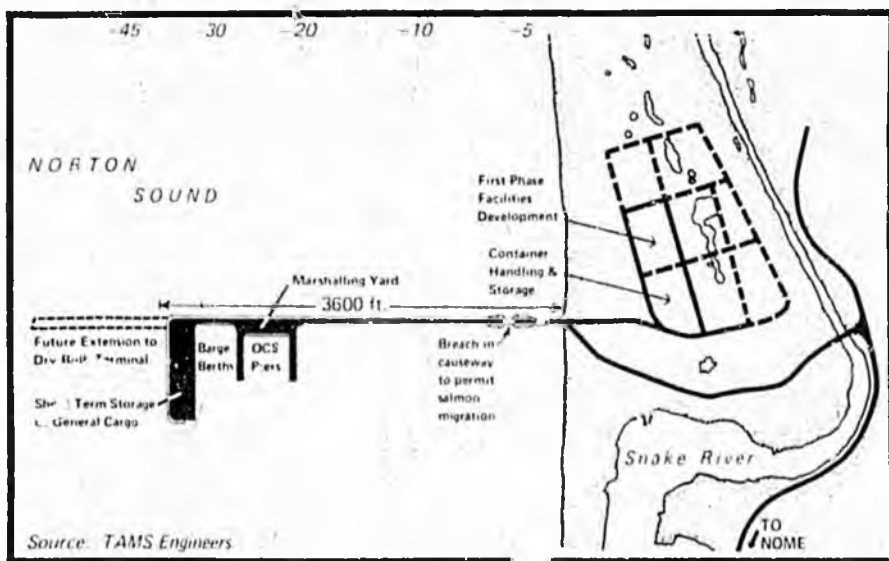
With potential year-round use in mind, along with the need to keep maintenance and construction costs at a minimum, engineers have designed an ice-resistant causeway that will also withstand the strong erosive forces of high winds and waves during the late summer and autumn storms. This was accomplished after an extensive program of ice engineering and physical ice modeling conducted by the Institute of Hydraulics Research of the University of Iowa. The tests use a model of the proposed Nome causeway placed in a 60-ft. by 20-ft. tank with urea ice.

TAMS project manager Michael Horton explained that a number of papers previously published on the subject suggest sharp differences in slope, benches or vertical walls in a revetment would cause the ice to rubble, preventing it from moving up over the causeway. The Iowa model results tended to disprove these theories, he said.

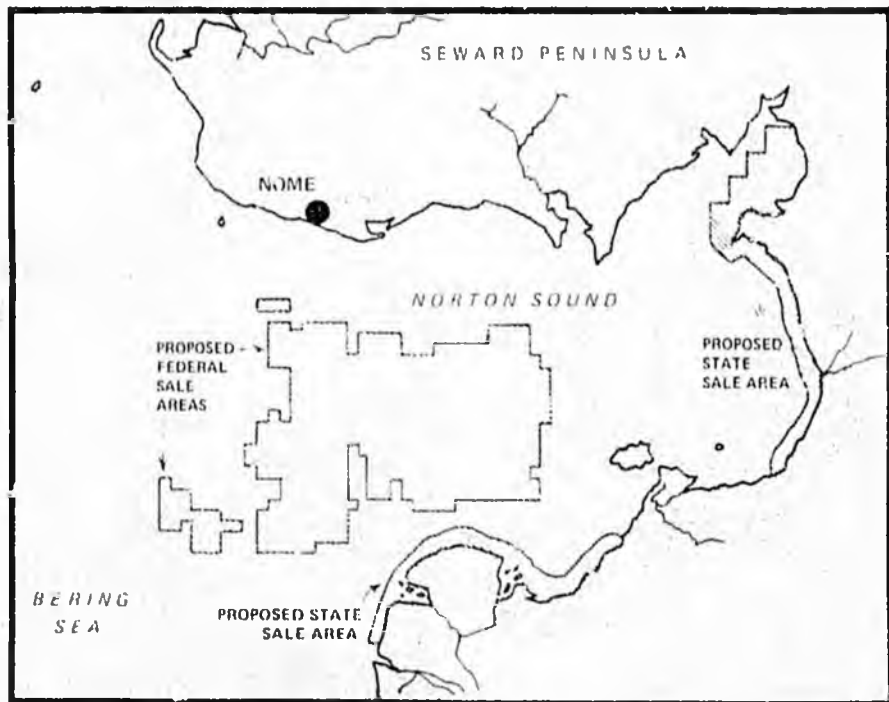
"In nature, any open-faced slope will fill with snow and ice due to normal precipitation, providing a much reduced frictional coefficient for the ice/rock interface," Horton explained. "Secondly, ice movements are not steady and frequently a ridge will build up at the toe of the structure, with subsequent ride-up tending to fill in any artificial slope changes. The net result was that slope modifications would probably work for a first event, but override could easily occur later."

Ice breaker shapes set away from the causeway were also tested with the Iowa model. Although these break up the ice sheet, spacing is critical. This, added to the cost of placing and maintaining the ice breakers, led TAMS designers to change their approach.

"The philosophy is now management rather than prevention," Horton said. "The tests have shown that minimal dislodgement of armor in excess of 12 tons may be expected from movement of the ice, so it is designed to accommodate ice override as an occasional event." The east face of the causeway will have a lower crest to enable ice rubble to be bulldozed off the structure, thus providing additional resistance to subsequent movements of the ice sheet. "The cost



PRELIMINARY LAYOUT OF PROPOSED FACILITY



OFFSHORE OIL AND GAS RESOURCE AREAS

savings of this system over an elaborate ice prevention scheme is substantial," Horton said.

The Nome causeway will also be subject to strong waves and high winds. To help prevent erosion, the causeway's core of gold dredge tailings will be overlaid with three layers of gravel armor.

The most probable source of larger rock for the causeway is at Cape Nome, about 13 miles east of the project. The quarry will be conveyed to the Bering Straits Native Corp. from the Bureau of Land Management in the very near future, Horton said. The Native corporation has gone on record as supporting the Nome port project.

Interest in rock from the Cape Nome area has also been expressed by firms from as far away as the North Slope.

The dock wall for the 300-ft. by 250-ft. offshore terminal area will be built from circular concrete caissons measuring 33 ft. by 30 ft. The caissons may be cast in Nome, Horton said, or they may be poured in the Lower 48 and barged to the construction site where they will be sunk into place at the seaward end of the causeway. The circular caissons are expected to stand up better than the traditional box-shaped forms under the direct stress of the ice, Horton said. The circular shape also requires less concrete to do the same work as a rectangular caisson, thus minimizing costs. The advantage of using concrete instead of steel sheeting for the dock face is its longer life — more than 50 years — and its reduced maintenance requirements.

Another feature of the causeway design is the inclusion of a fish breach, a small bridge near the shoreline to permit salmon and other species of fish to migrate freely. The 100-ft. bridge section in the causeway was requested by the Department of Fish and Game and was carefully chosen to be beyond the littoral beach profile, balanced with a shallow water depth required for the salmon fry.

"As one of the very few major waterfront developments in cold regions, the Port of Nome is likely to attract considerable attention," Horton said. "The data to be derived from its behavior under ice attack will provide significant information for the development of structures in this hostile environment."

The City of Nome is asking the Alaska Legislature to appropriate \$38.5 million for construction of the medium draft facility. The state Department of Transportation and Public Facilities has tagged it the number one priority for marine construction in northern Alaska.

With this port facility eliminating the need to lighter goods from ocean-going vessels the resulting lower shipping costs could contribute to development of the area's natural resources such as offshore oil and gas, strategic minerals and fisheries.

The U.S. Department of Interior estimates there are probably about 480 million barrels of oil and 2.01 trillion cu. ft. of natural gas in Norton Sound. The Nome port is expected to serve as a service base for oil and gas exploration, and could become the marine center for service production islands or platforms.

The area to be served by the port also

contains some of the state's richest mineral deposits. Ron Sheardown, president of Greatland Exploration, estimated that one-half to two-thirds of the state's mineral reserves lie within 250 miles of Nome. A recent study by the Alaska Miners Association predicts that mines in the northwest region of the state will be exporting 1.6 million tons of ore annually by 1990. Mining operations in the region will be importing about 325,000 tons of equipment and fuel each year. There is a strong likelihood these tonnages will increase by the year 2000, according to the study (AC&O, September 1982).



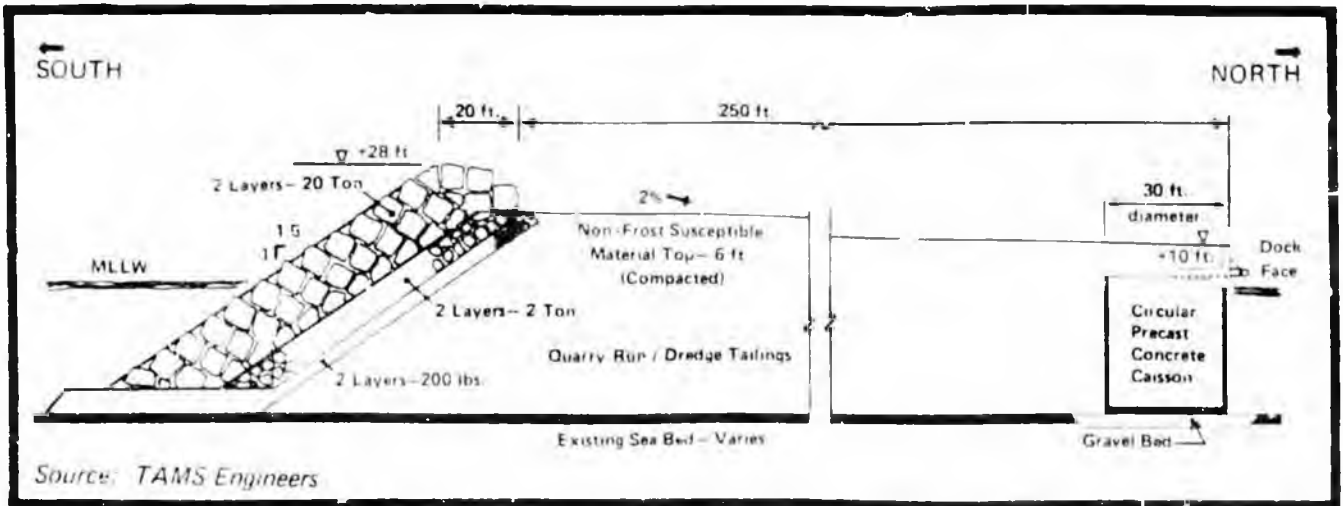
# Delivered Yesterday

No more waiting for the ice to thaw, the tundra to freeze, and the rules and regs to be approved. Alaska Helicopters can deliver entire oil rigs to the project site, completed, and ready to be set in place. Projects formerly stalled by formalities can now be done yesterday.

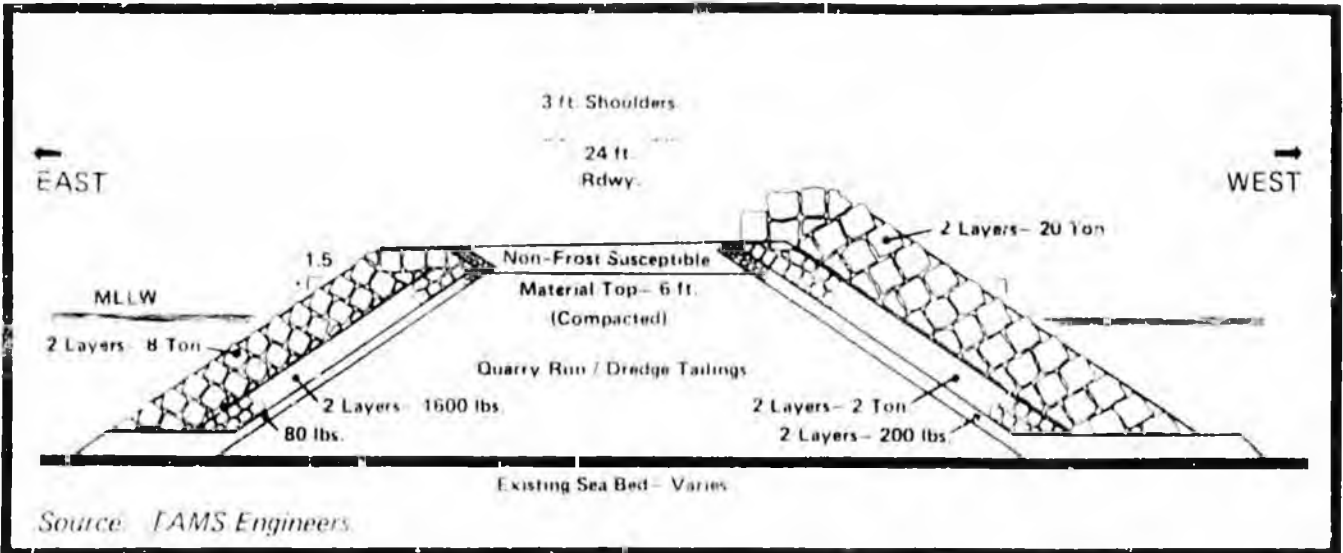
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*Kevin Ward*



OFFSHORE TERMINAL - SECTION



TYPICAL CAUSEWAY CROSS-SECTION

Construction of the Nome port will be a major step in the development of these mineral reserves, Horton said. Serving as the hub of an areawide transportation network, the port could become the export point for processed ores and concentrates, and facilitate the import of fuel and equipment needs for mining operations. With its capability to be extended another 1,000 to 1,500 ft., the port's causeway could ultimately offer docking facilities for the deeper draft bulk ore carriers.

Development of these two industries, and the enhanced opportunities for commercial fishing operations, would create up to 1,400 jobs. It would mean direct, indirect and induced incomes of more than \$100 million statewide in 1990, according to an economic analysis by TAMS engineers. TAMS has submitted preliminary studies and final design work to Nome city officials. If the Legislature approves the requested \$38.5 million construction grant this session, the port project could go to bid during late summer, 1983, according to



(From left) Nome City Manager Ivan Widom, TAMS Project Manager Mike Horton and Jonathan Widdis, assistant planning manager, Division of Planning and Programming, Interior Region, the Alaska Department of Transportation and Public Facilities, study a model of the proposed medium draft port facility.

Nome City Manager Ivan Widom

"Considering the vast statewide benefits which will flow from the development of our region's resources," Widom said, "Nome's port is one of the best in-

vestments we could possibly make with a small portion of Alaska's oil revenues. This is exactly the kind of infrastructure we should be building now to secure our state's future." □



## NEWS RELEASE

FOR IMMEDIATE RELEASE, PLEASE

June 1, 1983

CONTACT: Jack Lloyd (907) 274-9011

### SUPPORT FOR NOME PORT PROJECT GROWING THROUGHOUT STATE

(Nome, Alaska) The proposal to build a modern, medium-draft port at Nome enjoys a broad base of support throughout Alaska.

Governor Sheffield's capital budget recommendation for FY1984 includes \$12 million for the initial phase of Nome port construction. HB 203, filed in the Alaska State House during February by Representative Jack Fuller (D-Nome), also calls for a \$12 million appropriation to begin port construction. The bill has passed both the Transportation and Finance Committees.

Senator Frank Ferguson, (D-Kotzebue), is counted among the port's strong backers. "I support the port because it will help to rejuvenate the Bering Straits Native Corporation," Ferguson says.

The Bering Straits Native Corporation and all 20 of its village corporations passed a resolution in support of the project. The native corporation's president, Charlie Johnson, says a modern port at Nome will go a long way toward providing a sound economic base for the

(more)

Support for Nome Port  
add 1

Bering Straits region. "The native corporation needs a modern port facility at Nome to make development of its extensive mineral holdings economically feasible," he says.

Another indication of support for the project was a joint resolution passed by the Association of Village Council Presidents and Kawerak, urging construction of both the Nome port and a sea wall at Bethel.

The Nome port project is the State Department of Transportation and Public Facilities' number one funding priority among all proposed marine projects in the northern half of Alaska.

According to recent surveys, Nome residents list upgraded port facilities as one of the most needed civic improvements in their town. More than 80 percent of the residents polled said they support the project.

Business people in Nome, through the endorsement of the city's Chamber of Commerce, wholeheartedly support the plan.

An estimated one-half to two-thirds of the state's mineral reserves lie within 250 miles of Nome. Along with anticipated oil and gas development in Norton Sound, the untapped mineral wealth of the Seward Peninsula will provide a broad base for economic development when a transportation link is established.

Ron Sheardown, president of Greatland Exploration, believes the proposed Nome port will provide that link. "A port at Nome will help stimulate the development of those mineral resources," he says. As a businessman with mineral holdings on the Seward

(more)

Support for Nome Port  
add 2

Peninsula, Sheardown says the port must be constructed before mineral development can occur.

The state, with citizen approval in two separate statewide bond votes, has already appropriated money for feasibility studies, design and preliminary construction work on the project. Nome city manager Ivan Widom says the project will be ready to go to bid in late summer, 1983. "We have a viable project with important statewide benefits and broad-based support," he says. "I think these factors bring our project closer to reality than any other."



## NEWS RELEASE

FOR IMMEDIATE RELEASE, PLEASE

June 1, 1983

CONTACT: Jack Lloyd (907) 274-9011

### NOME PORT FACT SHEET

#### Nome Port Costs

Approximately \$7 million appropriated by the State for studies, design and preliminary construction

Governor Sheffield's capital budget recommendation for FY 84 includes \$12 million for the first phase of construction

HB 203, calling for a \$12 million appropriation for phase one construction, has been passed by both the Finance and Transportation Committees of the State House

Later construction phases, adding berthing and loading facilities and container and general cargo storage, bring the project's total estimated cost to \$40 million

Self-supporting from the first year of operation (1985)

Operation and maintenance - \$1,036,000

Revenues from port fees - \$1,644,400 (based on fee structure comparable to other Alaskan ports)

Net revenues - \$608,400

#### Statewide Economic Benefits

Employment from resource development spurred by port:  
about 1,400 jobs in 1990

Offshore petroleum activities - 1,375 jobs in 1990

Full scale mining by the year 2000 - 400 jobs

Fish processing and handling - 10 seasonal jobs

## Nome Port Fact Sheet

add 1

Estimated income generated by increased employment ranges from \$41.4 million in 1985 to a high of \$101.5 million in 1990

Offshore petroleum activity - \$49.5 million in 1990

Mining - over \$1 million in 1990, as high as \$14.4 million by 2000

Fisheries - about \$150,000 annually

Reduced transportation costs will lower cost of living

Lighterage eliminated - approximately 25 percent of shipping cost to Nome

Annual transportation cost savings - \$4.5 million to \$13 million annually

### National Benefits

Opens development of mineral resources needed for national defense and industry, reducing reliance on foreign sources

### Causeway Design

Rubble mound, sloped to resist wave and ice attack

Extensive ice research conducted at University of Iowa

Wave modelling done at the University of Florida

Extends 3,600 feet into water 30 feet deep

Breach near shore for migration of salmon and other fish species

Seaward end includes 800-foot long storage area

Barge berths 400 ft. wide

Piers can be added as needed for offshore oil company activities

Capable of later extension up to 1,500 ft. for dry bulk terminal

### Onshore Facilities

Initial development on 10 acres, with 50 additional acres for expansion

Two main buildings -

Maintenance facility for forklifts, tractors, etc.

Container freight building 80 ft. by 100 ft.

HB

5/2

COMMITTEE REPORT  
SENATE

FURTHER: FINANCE

5/8/84

Date May 10, 1984

To a time certain; namely: 5/11/84

Mr. President

The Committee on TRANSPORTATION considered CSHB 512(FIN)

establishing the Alaska Railroad Corporation to manage and operate the Alaska Railroad; efd.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for \_\_\_\_\_
- new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*Butler Chabrenkamp*

\_\_\_\_\_

\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS

*Al Salmon* NO RE COMMENT

AMENDMENT 1

decided on

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*Paopy M...*  
Chairman

*...*  
Chairman recommendation

MSG 04-00050718 PRTY 1 06/04/01 13:04:44 ORIG: LA17 IN= 0003 OUT= 0049  
FROM: MARCIE, AND INFO TO: POH, JUNEAU INFO  
TARGET: LINK SUBJ: P O H

---

TO: ALL MEMBERS OF THE LEGISLATURE

FROM: BEBBY CRAIG  
7200 TIMOTHY CIRCLE  
ANCHORAGE 99502  
H 248-6064 W 265-2651

RE: SCSCSHB 512 ARR

PLEASE APPROVE THE HB 512 FINANCE BILL. TOO MUCH MONEY AND TIME HAS BEEN SPENT TO LET THIS BILL DIE.

EOM

*Sarah*

FR: RICHARD R. REEDY  
PO BOX 56942  
NORTH POLE, 99705

RE: HB 512 RAILROAD BILL

MSG: I WOULD LIKE THIS BILL PASSED BECAUSE I AM A CONDUCTOR ON THE AK. RAILROAD. IT IS VITAL FOR TOURISM REASONS, AND WE HAUL ALOT OF COAL FOR PEOPLE IN FAIRBANKS. WITHOUT THE AK. RAILROAD WE WOULD BE CUT WITHOUT COAL, ONE LINK OF TRANSPORTATION, AND WE ALSO HAUL FOOD. IT IS A NECESSITY FOR THE STATE OF ALASKA.

*Alvin*

-----EOM

FROM: MARGARET RAY  
808 WEST 57TH AVENUE  
ANCHORAGE 99502  
H 561-0720

RE: HB 512 ARR

WE WOULD LIKE FOR YOU TO CONCUR BEFORE ADJOURNMENT TODAY. OTHERWISE IT WILL COST THE TAXPAYERS A WHOLE LOT MORE MONEY IF THE SPECIAL SESSION HAS TO BE CALLED.

EOM

*Alvin*

MSG 84-00050303 PRTY 1 06/04/84 12:35:06 ORIG: LA18 IN= 0004 OUT= 0037  
FROM: PAT/MCH LIO TO: JUNEAU LIO  
TARGET: LJKH SUBJ: POM

TO: ALL LEGISLATORS

FROM: WILLIAM PHELPS; 7401 BRANCHE DRIVE; ANCHORAGE, AK 99502  
PHONE: 349-1373(H); 265-2470(W)

SUBJECT: HB 512

MESSAGE: I SUPPORT SCS CS HB 512(FIN).

*(Part)*  
Dear Mr Phelps  
Thank you for your support of the railroad  
operating bill. As Chairman of the Senate Transportation  
Committee it has been my pleasure and duty to  
do everything I could to get legislation in place  
that would allow us to have a railroad  
that would benefit all Alaska.  
Best regards  
P.

FR: GORDON DEVALL  
YARD MASTER, AK. RAILROAD  
BOX 1329  
FBX, 99701

RE: HB512 RAILROAD BILL

MSG: I BELIEVE IT IS VERY URGENT TO CONCUR ON THIS BILL, AS TOO MUCH TIME,  
AND MONEY HAVE BEEN INVOLVED, NOT TO ACCEPT IT.

-----EOM

*Same as above.*

FR: STUART BELLANT  
1755 BEAVER ROAD  
FBX, 99701  
479-0797

*Same as above.*

RE: HB512 RAILROAD BILL

MSG: PASS THIS BILL. LETS GET THIS RAILROAD. DON'T LET IT DIE.

-----EOM

FROM: EVERETT HINTON; RIFFLE STREET, WASILLA; P.O. BOX 267; WASILLA,  
AK 99587  
PHONE: 376-3767(H); 265-2470(W)

SUBJECT: SCS CS HB 512(FIN)

MESSAGE: I URGE YOU TO SUPPORT THIS BILL AS IS.

*Same as above.*

TO: ALL SENATORS  
ALL REPRESENTATIVES

FR: PATRICK MCFADDEN  
693 MCFADDEN LAKE  
FBX, 99701  
479-6437

RE: HB512 RAILROAD BILL

MSG: PLEASE SUPPORT HB512. TOO MUCH TIME AND EFFORT HAS GONE INTO THIS BILL.  
WITHOUT IT, WE WOULD BE IN LIMBO. I AM A RAILROAD EMPLOYEE.

-----EOM

TO: ALL REPRESENTATIVES  
ALL SENATORS

FR: ELMER MATLOCK  
138 GOLD RUSH ESTATES  
FBX, 99701  
479-4527

RE: HB512

MSG: I AM IN FAVOR OF HB512 BECAUSE OF THE WORK PUT INTO THIS BILL, AND  
BECAUSE OF THE CONSEQUENCES IF NOT PASSED.

-----EOM

TO: ALL SENATORS  
ALL REPRESENTATIVES

FR: CAROLINE GRISS  
PO BOX 82755  
FBX, 99708

RE: HB 512 RAILROAD BILL

MSG: I URGE THE PASSING OF HB512.

-----EOM

MSC 84-90050323 PRTY 1 06/04/84 13:07:18 ORIG: LF00 IN= 0003 OUT= 0052  
FROM: TRACIE/FBX TO: JUN INFO  
TARGET: LJKK SUBJ: POM

---

TO: ALL SENATORS  
ALL REPRESENTATIVES

FR: GARY ROTHING  
PO BOX 10055  
FBX, 99710  
452-4818

*Sam*

RE: HB512 RAILROAD BILL

MSG: I WANT YOU TO PASS HB512. WE NEED OUR JOBS.

-----EOM

TO: ALL SENATORS  
ALL REPRESENTATIVES

FR: STEVE PERKINS  
2681, LOT 3  
FBX, 99701  
488-0372

*Sam*

RE: HB512 RAILROAD BILL

MSG: I AM CONCERNED ABOUT MY JOB, AND I WANT YOU TO PASS THIS BILL.

-----EOM

FR: TINA MATTIELLI  
PO BOX 74884  
FBX, 99701  
452-2027

*Sam*

RE: HB512 RAILROAD BILL

MSG: I URGE THE PASSING OF HB512.

-----EOM

MSG 84-00050122 PRTY 1 06/02/84 09:35:49 ORIG: LA17 IN= 0001 OUT= 0002  
FROM: MARCIE, ANC INFO TO: POM, JUNEAU INFO  
TARGET: LJHK SUBJ: P O M

TO: SENATORS BENNETT, ELIASON, HALFORD, KELLY, MOSS, PETTYJOHN, RAY,  
AND STURGULEWSKI

FROM: BOB LOHR  
4824 EAST 20TH AVENUE  
ANCHORAGE 99508  
H 337-6933

RE: HB 684 SPECIAL APPROPRIATION/ALASKA POWER AUTHORITY

PLEASE MAINTAIN YOUR 'NO' VOTE ON HB 684. CONTINUING APPROPRIATIONS ARE UNCONSTITUTIONAL AND WILL VERY LIKELY BE DECLARED SO BY THE COURTS. THE FOUR DAM POOL INDEBTEDNESS SHOULD BE DEALT WITH CLEANLY, NOT AS PART OF A PACKAGE DEAL. FUNDS FOR SUSITNA AND BRADLEY SHOULD BE APPROPRIATED AS NEEDED.

EOM

Card

Dear Bob

Thanks for your POM  
Reference HB 654. This bill failed 10-10.  
on reconsideration announcement I was  
added. After this announcement (see pg 3475 Senate  
Journal) it passed 15-0 with my vote. I would  
note that the announcement skewed the problem  
you stated that would create a constitutional question  
Please stay in touch Bob. Sincerely Pam

# Alaska State Legislature

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



STATE CAPITOL  
FOUCH 'V'  
JUNEAU, ALASKA  
99811  
(907) 465-4797  
(907) 465-4921

## Senate Committee on Transportation

Comparison of Major Differences  
between  
Senate CS for CS for House Bill No. 512 (Finance) am  
and  
CS for House Bill No. 512 (Finance)  
as passed by the House on May 7, 1984

Senate Transportation Committee  
Staff Analysis  
May 31, 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.

In addition, there is a new finding in the Senate Bill which restricted the railroad from using a direct appropriation for a service which would unfairly compete with private industry. There is no similar provision in the House version.

### Sec. 42.40.020 Board of Directors.

The House Bill has a nine member board whereas the Senate has a seven member board. 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. The removal by law as provided for in the House Bill is constitutionally suspect.

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.

Under the House Bill, the corporation is to use the accounting procedures of the United States Interstate Commerce Commission for Class 1 railroads, whereas in the Senate Bill, the accounting procedures standards are the same as for any comparable railroad.

Sec. 42.40.250 General Powers

The power for the security force under the House version is a much narrower version than under the Senate version. Under the House version the corporation's security force is authorized to protect property owned, managed or transported by the corporation and persons using the railroad transportation services, whereas under the Senate version, the security force is authorized to enforce municipal ordinances, state law, and corporation rules with respect to violations that occur on the property owned or managed or transported by the corporation.

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. 42.40.270 Audits

Under the audit section, the House version requires that the auditors use the standards of the United States Interstate Commerce Commission for Class 1 railroads while the Senate version requires the standards of a comparable railroad. In addition the Senate Bill requires that the auditors determine whether an appropriation was strictly calculated in accordance with the United States Interstate Commerce Commission standards for determining rail services continuing subsidies. The House Bill contains no similar provision.

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 35 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. Also under the House version there are two separate plans, under the Senate version, both plans are to be presented in one report.

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.

Sec. 42.40.940 Sale of the Railroad.

The sale provisions are different in the two bills. Under the House version, the governor is authorized to require negotiations for the sale of the railroad, under the Senate version, the governor has the authority to go out and sell the railroad with legislative concurrence. The requirements for corporation action to sell the railroad are also different between the two bills. Under the House version there is included a requirement to solicit proposals within two years for acquisition or management of the railroad by the private sector and then report back within one year for the governor's approval and legislative ratification of a responsive proposal. If a proposal is disapproved or there is no responsive proposal, the board is required to repeat this process every two years, while the Senate version requires documentation every five years of at least three corporation initiated offers to sell the corporation to private enterprise.

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

### Constitutional Amendment

The House version still has references to the constitutional amendment even though the amendment has failed, and the Senate Bill has deleted any reference to the constitutional amendment.

### 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).

# Alaska State Legislature

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



STATE CAPITOL  
FOUCH V  
JUNEAU, ALASKA  
99811  
(907) 465-4797  
(907) 465-4921

## Senate Committee on Transportation

SENATE TRANSPORTATION COMMITTEE  
Staff Analysis  
Senate CS for CS for House Bill No. 512 (Finance)

May 23, 1984

\*Section 1 This is a statement of legislative findings and purpose. In (a) the Legislature finds that the Alaska Railroad is an essential part of the state transportation network that may cease to be an option without state action. It also states that the railroad is necessary for long-term economic growth of the state and an essential part of the state transportation network. In (b) the purpose of the Act is stated to be the creation of an entity to operate and manage the railroad pending the transfer of the railroad to the private sector. That it will be responsible for the management of the financial and legal obligations of the railroad, will constitute a common carrier under the Interstate Commerce Commission, will have the ability to issue tax exempt obligations, carry out its responsibilities on a self-sustaining basis, and so that the best transportation can be provided supported by state investment when necessary, the railroad may be operated prudently, and borrowing by the corporation does not endanger the state's own borrowing capacity. It is also charged with protecting the railroad utility corridor.

\*Section 2  
Section 42.40.010

The Alaska Railroad is established as a public corporation within the Department of Commerce and Economic Development. However, Section 3 would remove the corporation from the Department of Commerce and Economic Development if the Constitutional Amendment passes.

Section 42.40.020

The corporation is run by a board with seven members including the commissioners of the Departments of Transportation and Commerce. In addition, there are five public members who may not be state employees. One of the public members must have 10 years experience and one shall have been an executive official of a U.S. railroad. Except for the two public members just mentioned, all public members must be registered

Alaskan voters. With the exception of the commissioners, the board shall be confirmed by the majority of the members of each house of the legislature in joint session.

Section 42.40.030 All members required to be confirmed by the Legislature serve for staggered five year terms. Section 9 sets up how the first board of directors will serve which results in staggered terms for members that follow. All board members serve at the pleasure of the governor.

However, see Section 4 and Section 5 which amend 42.40.030 if the Constitutional Amendment passes. Under these amendments a board member could be removed only for cause.

Section 42.40.040 A vacancy on the board is filled by the governor and the appointment must be confirmed by the legislature. Despite a vacancy the board may exercise its power if it has a quorum of members.

Section 42.40.050 An appointed member of the board received \$400 for each day he is engaged in the performance of duties as a board members and partial day provisions may be established by the board. In addition, he is entitled to per diem and travel expenses.

Sec. 42.40.060 The board is to elect a chairman and vice-chairman from its membership and appoint a secretary.

Section 42.40.100 - The board is to manage the corporation according to the guidelines provided in this section. This corporation is to be generally self-sustaining, subject to the ICC consistent with the Transfer Act and provide safe, efficient and economical transportation. The board must apply to the legislature for appropriations if a service is provided which is not self-sustaining. In addition, the board is responsible for reviewing all land disposals so that future expansions of the railroad are not restricted.

Section 42.40.110 The board appoints the Chief Executive Officer of the corporation and fixes his compensation. The Chief Executive Officer of the corporation appoints other executive officers. The salaries of the executive officers appointed by the Chief Executive Officer are subject to board approval.

Section 42.40.120 By rule the board delegates duties necessary for the management of daily affairs of the corporation to the Chief Executive Officer. Within 60 days after it is established, the board must delegate certain specified activities of the corporation. Some activities are delegated but require specific board approval for final action. Specific board approval is required for projects with an estimated completion cost of \$500,000 or more or an estimated completion time of more than one year.

Section 42.40.150 Meetings of the board are public with the exception of executive sessions. The board provides by rule how notice of the

meetings shall be given. The board is required to keep minutes of the meetings.

Section 42.40.160 A quorum is established as four and an affirmative action by the board also requires five votes. The board may confer and vote by teleconferencing but may not vote by proxy.

Section 42.40.170 Executive sessions are limited to matters listed. No action may be taken at an executive session and discussion must be limited to the topic of the motion or an auxiliary subject.

Section 42.40.180 The board is to adopt rules to carry out the purposes of this chapter. It is required to give public notice 15 days before it adopts, amends, or repeals a rule. Public notice consists of publishing in at least three newspapers of statewide circulation and to persons requesting notice. Every interested party must be given one hour to testify and all relevant matter must be considered.

But see Section 6 which repeals the rule making procedure if the Constitutional Amendment passes. In its place, the new section would give all powers to adopt a rule making procedure to the board.

Section 42.40.190 The board is required to set up a process for adopting emergency rules. Emergency rules are to be limited to situations where they are necessary for the orderly operation of the corporation's facilities or programs. The requirements of 42.40.130 need not be followed but within 10 days public notice is to be given of the action. Rules adopted under this section remain in effect for no more than 120 days unless the procedures of 42.40.180 are followed.

Section 42.40.200 Sets up a procedure for challenging a rule adopted under 42.40.180(a) and 42.40.190(a) but restricts the ability to declare a rule invalid for procedural deficiency.

Section 42.40.205 Daily operation, and other management functions, are not subject to the rule making process.

Section 42.40.210 The board may, by resolution, adopt the existing rules without following the rule making procedure of 42.40.180.

Section 42.40.220 Records of the corporation are open to public inspection except the corporation may withhold certain matters from disclosure by rule if they are of a nonpublic, privileged, or proprietary nature.

Sec 42.40.230 A board member or executive officer may not participate in a decision of the corporation if he, or an immediate family member, has an interest unless their interest is remote. Interest and remote are defined and a procedure is set out for situations where the application of the section is not clear. In addition, the board shall adopt rules to further define conflict of interest and ethical rules 120 days after its first meeting.

Section 42.40.250 In addition to other powers authorized by law, the corporation may exercise certain specified general powers listed in this

section. The corporation does not have the power of eminent domain nor may it sell land.

Section 42.40.260 A report describing the operation and financial condition of the corporation during the preceding fiscal year of the railroad shall be distributed to the governor and the legislature within 90 days after the fiscal year ends. An analysis of at least three corporation initiated attempts to sell the railroad to private enterprise must be included every five years.

Section 42.40.270 The board must have the records of the corporation audited annually. Corporation records will be made available to an auditor appointed by the governor or to the legislative audit division. In addition, the board is required to have an annual performance audit conducted by a recognized railroad management expert.

Section 42.40.280. Requires a written report to the governor and the Legislature before a major change in service. In addition, a written report is also required for an appropriation if it is required for a service which is not self-sustaining.

Section 42.40.285 The corporation may not convey an entire interest in land, issue bonds, extend railroad lines or lease land over 35 years without approval by law.

Section 42.40.290 The board must adopt a long-range program and capital improvement plan. The plan covers a five year period and must be updated annually. Copies of the updated plan are to be provided to the governor and the legislature by December 1 of each year.

Section 42.40.300 The corporation may not issue stock, pay dividends, make private distributions of assets, make loans to board members or employees or engage in business for private benefit.

Section 42.40.310 The corporation may defend and indemnify a current or former employee, agent, or board member against costs incurred in connection with a civil or criminal action if the person acted in good faith on behalf of the corporation and within the scope of his official duties or powers. The corporation may purchase insurance to protect its employees, agents, and board members for actions arising out of the performance or failure of performances of duties for or employment with the corporation.

Section 42.40.350 Land acquired by the corporation is under the control of the corporation. Railroad rights-of-way or easements are railroad utility corridors. Land other than right-of-way or easements is rail land. Future railroad utility corridors must be at least 100 feet wide on both sides of the center line of the extended main or branch line, or may be less if adjoining land does not belong to the corporation. Portions of the utility corridor may be leased or rented for other transportation services if the use does not restrict other parallel uses of the utility corridor. The corporation may lease rail land for fair market value.

Section 42.40.360 The board may nominate federal land for state selection for a railroad purpose. The Commissioner of Natural Resources would acquire the land through the federal land selection process.

In addition, the board may request any state land from the Department of Natural Resources. Upon receipt of the written request the Commissioner of the Department of Natural Resources must reserve the land in the railroad's name for 180 days.

Section 42.40.370 When the railroad requests state land under the preceding section the Commissioner has 90 days to reply in writing whether or no the request has been denied, denied in part or if the request has been granted. A conveyance under this section may be for less than fair market value and, absence a reservation to the contrary, vest full ownership of surface and subsurface rights. The land may be reconveyed back to the state if it is no longer necessary for the corporation's purposes.

Section 42.40.380 The corporation is authorized to relocate rail facilities to state land when an emergency exists. The Chief Executive Officer makes the determination that it is necessary to relocate for safe and adequate rail operations. After the relocation the corporation is required to notify the Department of Natural Resources.

Section 42.40.390 The board may develop rules governing land used by a third party. The rules are to protect the common health, safety, and welfare of the public and may not be limited by leases, contracts or other transaction.

Section 42.40.400 The corporation may vacate land acquired for railroad purposes by filing in the appropriate recording district.

Section 42.40.410 The corporation may acquire interests in federal land on its own behalf.

Section 42.40.420 The corporation may authorized municipal use of rail land. It may also authorize a walkway or trail on the utility corridor so long as parallel uses are not restricted. Before authorizing the use of either rail land or the utility corridor, the municipality must sign a hold harmless agreement and indemnify the corporation for any judgment against it for use related to the municipal use. When the corporation determines the use is inconsistent with expansion or replacement of railroad facilities the municipal use must be stopped.

Section 42.40.430 The corporation may acquire surplus property from either the federal government or the state.

Section 42.40.435 The corporation may exchange land.

Section 42.40.440 The corporation must comply with state law regarding the application of pesticides or herbicides.

Section 42.40.450 No land of the railroad may be claimed under adverse possession.

Section 42.40.500 A liability incurred by the corporation may be satisfied only from the assets of the corporation and no creditor has a right of action against the state.

Section 42.40.510 The corporation must obtain a fidelity bond for its board members and officers responsible for finances.

Section 42.40.520 The corporation is required to keep in force all manners of insurance to protect its assets, services, and employees from any potential liability. It may, however, provide for certain self-insurance retentions.

Section 42.40.530 Revenue generated by or appropriated to the corporation shall be retained and used for railroad purposes by the corporation.

Section 42.40.540 With the concurrence of the governor, the corporation may request an appropriation from the legislature to assist it in carrying out its general powers.

Section 42.49.600 - 42.49.700 Contains standard bonding provisions.

Section 42.40.705 Assets of the corporation may not be used for political purposes except matters directly concerning the operation of the corporation.

Section 42.40.710 Employees of the railroad are employees of the corporation and not of the state. Laws relating to public employees do not apply.

Section 42.40.720 The provisions of the Public Employee Relations Act do not apply. However, non-executive officials may organize and engage in collective bargaining.

Section 42.40.730 There is created a railroad labor relations agency made up of three members appointed by the governor. The agency shall perform the functions described in AS 23.40.090 - 23.40.190 which are the functions currently carried out by the state personnel board for all state employees and are listed in this bill as 42.40.740 - 42.40.840.

Section 42.40.850 Employees are permitted to strike for a limited time and may be enjoined by a court of law at the request of the corporation. After being enjoined the dispute is automatically sent to binding arbitration. The arbitrator is the same person as was the original mediator chosen under 42.40.840.

Section 42.40.860 The corporation may seek the advice of the Department of Administration on labor contract terms and may invite the Department of Administration to sit in on labor negotiations.

Section 42.40.870 With written permission the corporation may withhold employee union dues.

Section 42.40.885 The corporation may not coerce employees to refrain from or perform activities beyond those required or prohibited as part of their employment.

Section 42.40.890 Definitions for Article 8.

Section 42.40.900 Claims involving activities of the railroad shall be brought against the corporation and not against the state. The corporation board members and employees have the same immunities from liability for claims against the corporation as do other state officers. Claims against the corporation must first go through an administrative appeal process to the Department of Administration before going to court action.

Section 42.40.905 The corporation is required to give advance notice of any legal action.

Section 42.40.910 The property of the corporation and its assets are exempt from taxes and special assessments of the state or a political subdivision of the state. Bonds and notes issued by the corporation are exempt from taxation except for inheritance, transfer, and estate taxes.

Section 42.40.920 The corporation is exempt from the jurisdiction of the Alaska Transportation Commission. In addition, it is exempt from the following statutes:

The statutes are:

AS 19 - Title 19 is the statute which sets out the duties of state agencies in regard to highways and ferries and related activities.

AS 23.40 - Chapter 40 deals with the relationship between state entities and labor organizations. But see Article 8 of this legislation for Personnel and Labor Relations provisions.

AS 30.15 - Chapter 15 is concerned with state participation in port facilities and development.

AS 35 - Title 35 sets out the duties and powers of DOT&PF with regard to public facilities.

AS 37.05 - Chapter 05 is the Fiscal Procedures Act. For provisions in this legislation which replace similar provisions in the Fiscal Procedures Act see Section 1, 3(A) and (F); 42.40.100(1) and (8); 42.40.120(b)(4), (C)(11); 42.40.260; 42.40.270.

AS 37.07 - Chapter 07 contains the Executive Budget Act. For similar provisions in this legislation see 42.40.260; and 42.40.270 and 42.40.280.

AS 37.10.010 - 37.10.060 - Give the Department of Administration duties related to Public Funds.

AS 37.10.085 prohibits financial aid to corporations by state or

political subdivisions.

AS 37.20 sets out a method for the state to receive federal property. Sec. 42.40.360; 42.40.420 and 42.40.440 for comparable provisions.

AS 37.25 is the miscellaneous provisions of the public finance title.

AS 38 - Title 38 is the Public Lands statute. For similar provisions see 42.40.350; 42.40.360; 42.40.370; 42.40.380; 42.40.390; 42.40.400; 42.40.410; 42.40.420 and 42.40.430.

AS 39 - Title 39 is the public officer and employees statute. See sections 112.40.020; 42.40.030; 42.40.040; (see also Sections 3,4,5, and 6); 42.40.050; 42.40.060 and Article 8 of this Act.

AS 44.62.040 - 44.62.320 - is the Administrative Procedures Act. But see 42.40.150; 42.40.160; 42.40.170; 42.40.180; (see also Section 8); 42.40.200; 42.40.210; 42.40.220 for similar provisions contained in this Act.

Section 42.40.930 If provisions of this Act conflict with the provisions of other law, the provisions of this Act prevail. Where possible, provisions of the Act shall be construed so that they do not conflict with the Alaska Railroad Transfer Act of 1972.

Section 42.40.935 The corporation has two years to develop a plan for conforming with the state's safety statute and appropriate building codes.

Section 42.40.940 The governor, with legislative approval, may force sale of the railroad.

Section 42.40.950 The assets of the corporation revert to the state if it ceases to exist.

Section 42.40.980 Definitions of the chapter are provided.

Section 42.40.990 The short title of this chapter is the Alaska Railroad Corporation Act.

\*Section 3 Amends 42.40.010 by removing the corporation from the Department of Commerce and Economic Development if the Constitutional Amendment passes.

\*Section 4 Amends 42.40.030 if the Constitutional Amendment passes by removing the ability of the governor to remove board members at his pleasure.

\*Section 5 Amends 42.40.030 if the Constitutional Amendment passes by adding a new section which would state specific reasons for which a governor may remove board members.

\*Section 6 Repeals 42.40.180 if the Constitutional Amendment passes by adding a new section. The new section gives the board discretion in adopting a rule making process.

\*Section 7 Technical amendment required by constitutional amendment.

\*Section 8 The corporation must prepare a report on the long-term operations of the railroad that is due January 1, 1988. The report shall include recommendations on the transfer of railroad operations to the private sector and a report on the vibration problem in Anchorage.

\*Section 9 Members of the first board of directors serve terms that differ in length and will result in staggered terms for members that follow.

\*Section 10 Existing collective bargaining agreements are to be adopted by the corporation and remain in effect for two years. Within 180 days of the first meeting the board and the unions shall establish a procedure for renegotiating the existing collective bargaining agreements.

\*Section 11 Repeals 42 40.190 and 42.40.200 if the Constitutional Amendment passes.

\*Section 12 The effective date of Section 3-7 and 11 is the effective date of the Constitutional Amendment should it pass.

\*Section 13 Sections 1,2, and 8-10 take effect immediately.

H B

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STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: 1/4/84

REQUEST  
Bill/Resolution No.: N/A  
Title: Local Service Roads & Trails  
Sponsor: DOT&PF  
Requestor: Commissioner's Office  
Date of Request:

FISCAL DETAIL  
Agency Affected: DOT&PF  
Program Category Affected: Design & Construction  
BRU, Program or Subprogram(s) Affected: Capital Program

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
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-	-0-	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

N/A

ANALYSIS: Attach a separate page for analysis

Prepared By: John J. Simpson  
Division: Standards & Technical Services Div. Phone: 789-6261  
Date: 1/4/84

Approved by Commissioner: [Signature]  
Agency: DOT&PF Date: 1/11/84

Distribution (by Agency preparing fiscal note):

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

12/1/83

## ANALYSIS

The proposed bill is strictly a housekeeping measure and has no fiscal impact on either the operating or capital budget. No additional positions are required.

The proposed bill revises A.S. 19.30 in two areas:

- 1) AS 19.30.127 and AS 19.30.131(a) are reworded to make allocation district boundaries coincide with DOT&PF's regional boundaries. This simplifies the allocation process of LSR&T monies.
- 2) AS 19.30.161 is reworded to require LSR&T projects constructed on a Federal-aid secondary route to be approved by the Commissioner of DOT&PF. This language change is needed to assure that Federal requirements for roadway width, design standards and right-of-way are met.

COMMITTEE REPORT

HOUSE

COMMUNITY & REGIONAL AFFAIRS

(9)

FURTHER:

2/1/84

Date:

2/1/84

The Committee on TRANSPORTATION has had HB 558

"An Act relating to local service roads and trails; and providing for an effective date."

under consideration and recommends:

do pass  do not pass

do pass with attached amendments(s)

replace with CS for HB 558 (TSP)  same title  new title and recommends \_\_\_\_\_

AND attaches a "Letter of Intent"  New Fiscal Note

reports it back without recommendation

Zero Fiscal Note Attached

referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS

MEMBERS HAVING OTHER RECOMMENDATIONS:

Mike Beard  
Adelheid Abramian  
Mike Dorman  
M.W. Miller  
Mike Zumbardi  
V.B. Stewart  
Bette Pate

One of the kind of note  
"No Fiscal NO RE"

Bette Pate

CHAIRMAN

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: 1/4/84

REQUEST

Bill/Resolution No.: N/A  
Title: Local Service Roads & Trails  
Sponsor: DOT&PF  
Requestor: Commissioner's Office  
Date of Request:

FISCAL DETAIL

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BRU, Program or Subprogram(s) Affected: Capital Program

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700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

N/A

ANALYSIS: Attach a separate page for analysis

Prepared By: John J. Simpson Phone: 789-6261  
Division: Standards & Technical Services Div. Date: 1/4/84  
Approved by Commissioner: Date: 1/11/84  
Agency: DOT&PF

Distribution (by Agency preparing fiscal note):

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

12/1/83

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- 2) AS 19.30.161 is reworded to require LSR&T projects constructed on a Federal-aid secondary route to be approved by the Commissioner of DOT&PF. This language change is needed to assure that Federal requirements for roadway width, design standards and right-of-way are met.

# STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES  
STANDARDS AND TECHNICAL SERVICES DIVISION

BILL SHEFFIELD, GOVERNOR

P.O. Box 3-1000  
Juneau, Alaska 99802

PHONE: (907) 789-0841

FEB 28 1984

February 27, 1984

Re: Local Service Roads  
and Trails Program

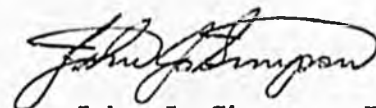
File No: 2519

House Transportation Committee  
Pouch V  
Juneau, Alaska 99811

Dear Sir:

The attached document gives a brief summary of the Local Service Roads and Trails (LSR&T) Program.

Sincerely,



John J. Simpson, Director  
Standards and Technical  
Services Division

JJS:CDK:ct

Attachment

cc: Dan Malick, Acting Deputy Commissioner, Statewide Programs

# MEMORANDUM

State of Alaska  
Department of Transportation & Public Facilities

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

DATE: February 10, 1984

FILE NO: 2519

TELEPHONE NO: 789-0841

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

SUBJECT: LSR&T Program

This program is designed to accomplish the most with the least amount of State dollars under the rules and regulations of the Alaska State Statutes, 19.30.111 - 19.30.251.

## FUNDING

First Allocation	1971	\$ 6 Million
	1972	4 Million
	1974	8 Million
	1976	7 Million
	1978	15.8 Million
	1980	10 Million
Last Allocation	1983	7 Million
Total Allocation		\$60.8 Million

## Projects (Dollars)

Completed or under agreement	\$54.5 Million
Reimbursements remaining	6 Million

Under the present allocation, Local Governments throughout the State share 57% of each LSR&T Bond issue. The unorganized boroughs share in the remaining 43%. Annual expenditures average to this percentage.

## ANNUAL PROGRAM (Typical)

1. 150 Active Projects  
50 Road Projects Completed  
50 Miles of Road Completed  
2000 Miles of Winter Trail Staking  
Several Miles of Boardwalk  
Foot Trails and Bike Paths

2. Expenditures For Typical \$6.0 Million Annual Program

Roads \$4.5 Million (75%)  
Includes \$1.1 million (25%) for subdivision streets and roads.

Trail Staking	\$100,000	(2%)
Boardwalks	600,000	(10%)
Foot Trails	200,000	(3%)
Bike Paths	100,000	(2%)
Shelter Cabins	50,000	(1%)
State Maintenance Routes	250,000	(4%)
Engineering and Administration	200,000	(3%)

3. Administrative support is \$200,000 or 3%

PROGRAM PHASE OUT

During the period of time the program was in a phase-out status (1/2/82 to 7/25/83) no planning for future LSR&T projects was accomplished. As a result, it has taken some time to accelerate the program. A Statewide five-year program has now been prepared, and by the end of calendar year 1984, the program should be up to its former capability once again.

MANAGEMENT

LSR&T Managers and Project Engineers are tailored after the early Alaska bush pilots. Quite often, they have to operate by the seat of their pants, which is why this program is successful.

LSR&T PROGRAM 1977-1981

1. 250 road projects completed.  
Average Length one mile.  
Average cost \$100,000.00
2. Expenditures \$25 Million.
- 3.\* \$19.0 million for road projects, includes five million for subdivision roads.
4. \$750,000 for project administration charged to projects.

\*It is difficult to define subdivision roads or streets, i.e. access roads to new subdivisions can be considered an intergal part of the subdivision network or in some communities, it may be the only transportation corridor available. For this report, subdivision roads are those roads or streets within subdivisions, designated as such, by the local entity.

5. One million dollars for program support (\$200,000 per year).
6. Administered several special legislative appropriated projects; totalling in excess of a million annually.

#### COST COMPARISON

The cost of a project constructed under contract ranges between 25% and 200% more than a comparable project constructed with local equipment rental when available or LSR&T equipment and local hire, depending on size and location. Much of this is due to our policy of paying the prevailing community wage.

#### PRESENT PROGRAM

See Attached.

#### SUMMARY

Over 95% of all Alaskan communities have had at least one LSR&T project since the program set out to "Get the people out of the mud" in 1971.

There are many reasons why the program is successful, least of which is the maximization of State dollars. The LSR&T Program offers more to a rural community than just a finished product; it offers a learning experience. Traditionally, LSR&T has been able to offer additional benefits to the community as the program is tailored to their needs.

The LSR&T program spends a considerable amount of time administering projects funded through special Legislative appropriations and grants. In administering these projects for the Department, the program guarantees the credibility of the State in its commitment to meet the transportation needs of the bush communities.

Attachment

cc: Loren Rasmussen, Chief, DC&M Standards

CDK:ct

PROJECTS FUNDED

CENTRAL REGION June 30, 1982 to January 31, 1984

Unorganized Boroughs <sup>(1)</sup>	33 Projects	\$2,483,730
Bristol Bay Borough	1 Project	54,753
Municipality of Anchorage	7 Projects	1,006,596
Matanuska-Susitna Borough	1 Project	211,600
Kenai Peninsula Borough	4 Projects	337,636
Kodiak Island Borough	1 Project	18,262
City of Kenai	3 Projects	84,288
Unalaska <sup>(2)</sup>	1 Project	25,443
TOTAL REGION	<u>18 Projects</u>	<u>\$1,738,578</u>

(1) Includes 12 projects funded with \$810,000 from 1983 allocation.

(2) Funded from 1983 allocation.

PROJECTS FUNDED

NORTHERN REGION June 30, 1982 to January 31, 1984

Unorganized Borough II	6 Projects	\$678,425
Unorganized Borough IV (N)	7 Projects	510,850
Unorganized Borough V (N)	2 Projects	56,520
Total Unorganized Boroughs	<u>15 Projects</u>	<u>\$1,245,795</u> (1)
CITY OF FAIRBANKS	(2) Projects	\$178,305
CITY OF NORTH POLE	(1) Project	11,243
Total Local Governments	<u>3 Projects</u>	<u>\$189,548</u> (2)
TOTAL REGION	18 Projects	<u>\$1,435,343</u>

(1) Includes 13 projects funded with \$1,175,000 from 1983 allocation.

(2) Includes 2 projects funded with \$164,500 from 1983 allocation.

93% of these projects were funded with 1983 allocation.

PROJECTS FUNDED

SOUTHEAST REGION June 30, 1982 to January 31, 1984

Unorganized Borough III	13 Projects	\$465,000 <sup>(1)</sup>
CITY OF HAINES	1 Project	\$ 34,000
CITY AND BOROUGH OF SITKA	3 Projects	251,000
CITY OF WRANGELL	1 Project	80,000
CITY OF PETERSBURG	1 Project	20,000
CITY AND BOROUGH OF JUNEAU	2 Projects	361,000
CITY OF KETCHIKAN	3 Projects	80,000
Total Local Government	<u>11 Projects</u>	<u>\$826,000</u> <sup>(2)</sup>
TOTAL REGION	24 Projects	\$1,291,000

(1) Includes 8 projects funded with \$144,000 from 1983 allocation.

(2) Includes 6 projects funded with \$291,000 from 1983 allocation.

## LOCAL SERVICE ROADS AND TRAILS PROGRAM

### Primary Functions:

The Local Service Roads and Trails (LSR&T) program was established by the State Legislature in 1971 to provide for special needs to "bush" communities, rural communities and communities both within and outside of organized boroughs.

Local Service Roads and Trails was designed to aid communities in accomplishing projects that do not have the financial means nor the technical expertise to achieve alone. These projects were to be in the nature of roads, trails, bridges and boardwalks specifically. Special exceptions are considered and granted if justification is sufficient.

The LSR&T Program is wholly State funded. Wherever costs are not prohibitive, generally within organized boroughs, projects are awarded by bid contract. In the remote areas where, because of location and size of the project bid contracts cost are prohibitive, LSR&T maintains its own small fleets of equipment or rents equipment, if available, and directs the operation of the projects.

The scope of LSR&T is basically three-fold. This is particularly true for "bush" projects. It provides:

1. Needed projects to communities that have not the capabilities of accomplishing alone.
2. A source of training for construction work by employing local residents as laborers and equipment operators.
3. Provides supplemental income to communities that are single-income or subsistence oriented.

### Project Limitation:

Local Service projects are confined to roads which are not part of the primary federal-aid system and are not the responsibility of corporate units or private individuals but are dedicated to public use. These projects cover wide ranging road needs. They include State recreation routes, connections between outlying villages and airports, villages and canneries, villages and port facilities, short routes needed to better integrate subdivision roads and State highways, and improvements to existing roads.

## PLANNING

### Five Year Program

The allocation districts are the boundaries of the Highway Department established in 1970. The larger of the five districts being the Western District, engulfing nearly half of the land mass of Alaska, is administered by the Central and Northern Regions. This split jurisdiction is strictly an economic measure.

Whenever organized boroughs whose boundaries partially overlap allocation districts, the administrative responsibility lies with the primary region.

A construction program utilizing LSR&T construction equipment, State employees, village labor, and equipment rental when available, is the primary mode of operation in the unorganized boroughs of the Central, and Northern Regions. Programming the projects in the unorganized boroughs depends on requests from local governing bodies (both submitted and solicited), available road building materials, right-of-way access, and coordination of other projects in the area.

The State equipment fleet and maintenance personnel are utilized when local equipment is not available or when a contract for the work is not feasible.

The Local Service Roads and Trails Program is a vital link in the State road network. It is the only State program established for solving local transportation needs. During a typical construction season, several miles of new road, new and reconstructed boardwalk, year around foot trails, winter trail staking, foot bridges, paved bike paths and vehicle bridges are constructed with LSR&T funds.

These and other special projects are completed each year in answer to what the LSR&T is all about, "Get the people out of the mud". This program does a lot for all the people of Alaska and is presently performing a service the people of Alaska could not do without.

### Summary

#### I. Definition

##### A. Purpose

- a. To get people out of the mud
- b. Flexibility of Program
- c. To aid communities with no revenue
- d. Economy of operation

##### B. Type of Projects

- a. Local Service Roads
- b. Year around foot trails
- c. Winter trail staking
- d. Bicycle paths
- e. Erosion control
- f. Foot bridges
- g. Boardwalks

## II. Allocation

- A. F.Y. Year Legislation (6 million proposed)
- B. Five Year Duration
- C. 50-50 Factor, Area - Population
- D. Operating Budget - Program Support
  - a. Bridge Design - Headquarters
  - b. Road Design and Advertising - Region
  - c. R/W Certification - Region
  - d. Construction Review - Region
  - e. Administration Headquarters and Region

## III. Administration

- A. Allocation District - Regional Control
- B. Organized Boroughs and Home Rule Cities
  - a. Construction contract by Local Government
  - b. Local Government Labor and Equipment
- C. Unorganized Boroughs
  - a. Construction Contract by Local Government or State
  - b. Village or City Labor and Equipment
  - c. State Equipment and Village Labor
  - d. State Equipment and State Employees
  - e. State Equipment and Village State Employees

## IV. Five Year Program

- A. Project Selection
  - a. Organized Boroughs, First Class Cities and Home Rule Cities
    - 1. Select their own projects
    - 2. Able to change program at will
  - b. Unorganized Boroughs
    - 1. Cities and Villages select their own projects.
    - 2. Region sets priorities within funds available.
    - 3. Regions may subfill projects with funds available on non-federal routes.

## APPLICANT GUIDELINES

### Nature and Purpose of Program:

To provide State assistance in the development of roads and trails on routes that are not eligible for federal-aid matching funds.

### Who May Apply:

Each organized borough, first class city, and home rule city is eligible for a direct allocation, based on their population and area. All other areas are considered unorganized boroughs and are eligible for projects administered by the Department, subject to priority scheduling within the respective allocation districts.

### Authorizing Legislation:

AS 19.30.111-251

### Administrative Agency:

Department of Transportation and Public Facilities, State of Alaska.

### Type of Assistance:

Financial and Engineering.

### How Program is Financed:

100% State. Organized boroughs and home rule cities may supplement their allocation with local funding in any amount. Unorganized borough areas will be encouraged to provide local participation whenever possible. Federal and State grants can be used in conjunction with LSR&T funds.

### How to Apply:

Each organized borough, first class city and home rule city may receive their allocation by submitting a five-year project program for the construction of such roads to their Regional DOT&PF Deputy Commissioner by October 1 of each year, indicating the priorities for construction on the program. When a project is approved, a project agreement will be drafted, and development of the project may proceed. No payment can be made for work done prior to execution of the project agreement.

Unorganized borough communities should provide input data for road needs in their areas to their Regional DOT&PF Deputy Commissioner, who will compile a five-year program and establish priorities for the unorganized borough projects within his jurisdiction. When a project is approved, the Department will proceed with development of the project.

# MEMORANDUM

State of Alaska  
Department of Transportation & Public Facilities

TO: Susan Fleishhauer  
Special Assistant to the Commissioner

DATE: March 5, 1984

FILE NO: 2519

FROM: John J. Simpson, *JJS* Director  
Standards and Technical Services

TELEPHONE NO: 789-6247

SUBJECT: Legislative Request  
LSR&T Program

The attached response to the legislative request dated 2/7/84, received 3/2/84, reflects the Department's stand.

JJS/CDK/lta

cc: House Transportation Committee

QUESTIONS POSED IN COMMITTEE 2/7/8  
FOR DOTPF

1. Need clarification from DOTPF on why the Governor reduced the funding from last year.
2. Are there any funds left over from the \$7 million appropriated SL'83, Chapter 94?
3. What are the characteristics of the expenditures for those projects, and funding amounts?

# MEMORANDUM

## State of Alaska Department of Transportation & Public Facilities

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

DATE: March 5, 1984

FILE NO:

TELEPHONE NO: 789-6247

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

SUBJECT: House Transportation  
Inquiry

In response to questions posed in committee 2/7/84:

Question 1. Need clarification from DOT&PF on why the Governor reduced the funding from last year.

Response: The Governor reduced the funding at the request of DOT&PF. Since the SLA 1983 Allocation was not considered as a "one-time-shot-in-the-arm", the DOT&PF recommended the reduced amount and inclusion of annual funding for LSR&T in all future Capital Improvement Program.

Question 2. Are there any funds left over from the \$7 million appropriated SLA '83, Chapter 94?

Response: The attached funding status reflects \$4.3 million remaining to be obligated.

During the period of time the program was in phase-out status (1/2/82 to 7/25/83) no planning for future LSR&T projects was accomplished. As a result, it has taken some time to accelerate the program. A Statewide five-year program has now been prepared, and by the end of calendar year 1984, the program should be up to its former capability once again with the remaining funds used.

Question 3. What are the characteristics of the expenditures for these projects, and funding amounts?

Response: The following reflects the character and funding amounts for these projects: *(7m?)*

<u>Collocation Code</u>	<u>Project</u>	<u>Name</u>	<u>Funding</u>
24811560	G00001	Local Govt I	70,000.00
	G17005	RR Lease Area Paving-Whittier?	100,000.00
Collocation Totals:			170,000.00
24811561	G10114	XOT-Equipment?	250,000.00
	G10154	Newhalen Subdivision Rds	50,000.00
	G10155	New Stuyahok City Streets	100,000.00
	G10156	Shageluk Road Reconstruction	70,000.00
	G10157	Manokotak City Streets	100,000.00
	G10160	Old Kasigluk Boardwalks	40,000.00

<u>Collocation Code</u>	<u>Project</u>	<u>Name</u>	<u>Funding</u>
	G10161	Kongiganak Boardwalks	65,000.00
	G10162	Kwigillingok Boardwalk & Footbridges	70,000.00
	G10163	Mekoryuk Boardwalks	45,000.00
	G10164	Nunapitchuk Boardwalks	27,000.00
Collocation Totals:			817,000.00
24812632	G22106	City of Fairbanks'D"St. Shannon Park	153,235.00
	G27020	Tofty Rd	8,184.00
	G27023	Interior-Healy-Otto 1k Area	12,000.00
	G27026	River Road - Eagle	25,000.00
	G27034	Birch Creek Street Improvement	125,000.00
	G27035	Tok Area Access Road	100,000.00
Collocation Totals:			423,419.00
24812633	G00041	Western Div -Reconnaissance ?	10,000.00
	G20207	Mukluk Creek Bridge	50,000.00
	G47058	Winter Trail Staking	100,000.00
	G47059	Western LSR&T Equipment - ?	115,000.00
Collocation Totals:			275,000.00
24813430	G00031	Reconnaissance ?	10,000.00
	G31106	Riverside Drive - Juneau	155,946.00
	G31205	Katlian Lincoln J Davis Pave - Sitka	76,934.00
	G31307	Chilkat Lake Road - Haines Borough	24,022.00
	G31308	Six-Year Program - Haines T righ-?	10,105.00
	G32201	Petersburg-8th Gauffin & Unon	18,991.00
	G37048	Tenakee J Street Stairway	6,000.00
	G37050	Kupreanof Trail	6,500.00
	G37051	Kake Cemetery Access Road	3,665.00
	G37055	Elfin Cove Trails	35,000.00
	G37056	South Bay Access Road - Thorne Bay	25,000.00
	G37057	Angoon Housing Access	30,000.00
Collocation Totals:			402,163.00

# MEMORANDUM

# State of Alaska

Department of Transportation & Public Facilities

TO: Loren Rasmussen  
Chief, D C & M Standards

DATE: March 5, 1984

FILE NO: 2519

TELEPHONE NO: 789-6237

FROM: Charles Karella  
State LSR&T Engineer  
Standards and Technical Services



SUBJECT: Chapter 94 SLA 1983  
LSR&T Funding Status

	<u>Collocation</u>	<u>Amount</u>	<u>Authorized for Projects</u>	<u>2/29/84 Balance</u>
Region I Central				
Allocation District 1	24-81-1-560	\$2,287,418	170,000	2,117,418
Allocation District 4 (South)	24-81-1-561	1,145,543	860,000	285,543
Allocation District 5 (South)	24-81-1-562	60,914	-0-	60,914
	Region Total	\$3,493,875	1,030,000	2,463,875
Region II Northern				
Allocation District 2	24-81-2-632	\$1,652,336	414,246	1,238,090
Allocation District 4 (North)	24-81-2-633	887,593	275,000	612,593
Allocation District 5 (North)	24-81-2-634	256,032	56,520	199,512
	Region Total	\$2,795,961	745,766	2,050,195
Region III Southeastern	24-81-3-430	\$ 710,164	427,163	283,001
	Region Total	\$ 710,164	427,163	283,001
	Statewide Total	\$7,000,000	2,202,929	4,797,071

Attachment

CK/lta

COMMITTEE SUBSTITUTE FOR HOUSE BILL 558 (TRANSPORTATION)

- Section 1. creates allocation districts by simply saying that they are identical to DOT's operating regions.
- provides mechanism to address the problem of local governments which lie within 2 allocation districts; includes the local government within allocation district in which largest portion of the local government's land is located.
- Section 2. deletes reference .IVE allocations.
- Section 3. deletes first class cities from direct allocation. The need for this change is to provide first-class with adequate funds to construct local service roads. Presently, the law treats allocation of funds to first-class cities the same as home rule cities. Present allocations for most first class cities are not adequate to construct local service road project. This change in the law allows funding of projects for first class cities through their respective borough or unorganized borough on a priority basis.
- Section 4. deletes first class cities from direct allocation.
- Section 5. allows the use of program money on the federal-aid secondary highway system.
- Section 6. adds language to include second class cities to conform with the definition of municipality in AS 29.78.010(8). Necessary to enable political subdivision of the State to construct and maintain a project under the provisions of this act.
- adds language to the definition of local service roads to include an average daily traffic count of 400 vehicles in order to give alleviate the problem of LSR&T funds to be used on major urban roads.

HB 558  
Staff  
File in bills  
passed out of  
committee - top  
drawer

January 18, 1984

DRAFT

Under the authority of art. III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the local roads and trails program. The bill makes minor amendments to existing statutes.

Section 1 repeals and reenacts AS 19.30.127. The current language establishes five allocation districts. The proposed language creates allocation districts by simply saying that they are identical to the Department of Transportation and Public Facilities' operating regions. When the local service roads and trails program was enacted in 1971 there were five highway districts within the Department of Highways. The allocation districts established in the statute coincided with those highway districts. Those allocation districts bear little relationship to the manner in which the State's highway program is administered today. There are currently three regional offices with headquarters in Anchorage, Fairbanks, and Juneau, respectively. This amendment will allow the program to be administered in a way that is consistent with the Department of Transportation and Public Facilities' current administrative structure. The amendment will enable the allocation districts to match any future changes in geographic organization of the Department.

Additionally, Section 1 of the bill provides a mechanism to address the problem of local governments which lie within two allocation districts. Subsection (b) of AS 19.30.127 will provide that the boundary between the allocation districts is to be adjusted to include the local government within the allocation district in which the largest portion of the local government's land is located.