

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672

5926 HOUSE LABOR & COMMERCE

88

REPRESENTATIVE
PETER GOLL



P O BOX V
JUNEAU, ALASKA 99811
(907) 465-4325

STATE OF ALASKA
HOUSE OF REPRESENTATIVES

M E M O R A N D U M

DATE: April 21, 1990
TO: House Labor and Commerce Committee
FROM: Rep. Peter Goll *Peter Goll*
SUBJECT: AIDEA bonding for Skagway

I am advised that a revised resolution has been approved by the city council of Skagway regarding support for AIDEA bonding for the private sector purchase of port facilities in that community.

I have received only comments of support from the community, and therefore offer my support for the proposal.

I will appreciate the committee's efforts to ensure that the best interests of the city with regard to control of its waterfront are protected.

Thank you.

to DAVE
RAY GILLESPIE

467-3375

HB 455

CITY OF SKAGWAY, ALASKA
RESOLUTION 90-7R

7/10 A RESOLUTION REQUESTING AMENDMENT AND PASSAGE BY THE ALASKAN LEGISLATURE OF HOUSE BILL 455 AND SENATE BILL 525.

Whereas, the City of Skagway and the Alaska Industrial Development and Export Authority (AIDEA) have negotiated a tidelands lease for the purpose of development of an ore terminal and multi-use port facility; and

Whereas, the City of Skagway approved this lease by Ordinance 90-3 on condition that the ordinance be ratified by a vote of the citizens of Skagway on April 17, 1990; and

Whereas, House Bill 455 contained a provision that would authorize AIDEA to issue bonds in the amount of \$40 million for purposes of port development in Skagway; and

Whereas, this provision for AIDEA participation in Skagway port development was subsequently removed from House Bill 455; and

Whereas, on April 6, 1990, Curragh Resources, the proposed principal user of the AIDEA port development project, made arrangements with Skagway Terminal Company to continue to use the existing ore transshipment facility in Skagway under a sublease agreement to be approved by the City of Skagway; and

Whereas, this agreement renders the port development project as proposed under Ordinance 90 - 3 unnecessary due to the loss of the principal facility user; and

Whereas, AIDEA participation in the agreement between Curragh Resources and Skagway Terminal Company is possible.

NOW THEREFORE BE IT RESOLVED THAT THE COMMON COUNCIL OF THE CITY OF SKAGWAY requests the immediate amendment and passage of House Bill 455 and Senate Bill 525 authorizing AIDEA to issue bonds for the financing of port improvements in Skagway, specifically to acquire and rehabilitate the existing ore terminal in Skagway; and

BE IT FURTHER RESOLVED that this authorization shall not apply to the port development plan as proposed by AIDEA involving construction of a new ore terminal on lands leased from the City, as proposed under City of Skagway Ordinance 90 - 3.

PASSED AND APPROVED THIS 12TH DAY OF APRIL, 1990.

Stan Selmer
Stan Selmer, Mayor

ATTEST:

Lorene S. Gordon
Lorene S. Gordon, City Clerk

DRAFT

Suggested Amendments to S.B. 825

HB 451

Section 1. The Alaska Industrial Development and Export Authority may issue bonds to finance the acquisition, design, and [construction] reconstruction of a public use [multi-purpose] ore terminal [and dock facility] in Skagway to be owned by the Authority. The principal amount of the bonds may not exceed [~~\$40,000,000~~] \$20,000,000. This section grants the legislative approval required under AS 44.88.090 and 44.88.172(c).

Section 4. Deleted

Section 5. Deleted

CITY OF SKAGWAY

GATEWAY TO THE GOLD RUSH OF '98"

P. O. BOX 415 SKAGWAY, ALASKA 99840

(PHONE) 907-983-2297

(FAX) 907-983-2151

April 13, 1990

Representative Peter Goll
P.O. Box V
Juneau, AK 99811

Dear Representative Goll;

In reference to the enclosed Resolution 90-7R, passed unanimously yesterday by the City Council, the Council requests your prompt assistance in the amendment and passage of HB 455 to provide for AIDEA participation in the acquisition and rehabilitation of the existing ore terminal in Skagway.

Skagway Terminal Company and Curragh Resources have agreed to a sublease of the existing terminal. The City Council will consider approval of the sublease in a special meeting tomorrow.

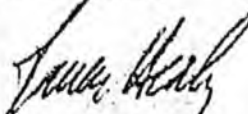
This sublease represents the loss of Curragh Resources as the principal user of the port development project involving a new terminal, as represented by the lease agreement negotiated between the City and AIDEA and subject to voter approval. In reference to the attached letter from AIDEA Executive Director Bert Wagnon, this project is no longer economically viable. Accordingly, the Council yesterday voted to draft a resolution to cancel the vote scheduled for April 17, 1990. This resolution will be before the Council at the special meeting tomorrow.

We urge your immediate attention to HB 455 to allow participation by AIDEA in the recent arrangements involving the existing ore terminal.

I intend to be in Juneau April 18 to testify on HB 455, if necessary, before the House Labor and Commerce and Finance committees.

Thank you for your consideration of this matter. Please contact me if you have any questions.

Sincerely,



Thomas Healy
City Manager

CITY OF SKAGWAY, ALASKA
RESOLUTION 90-7R

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ALASKAN LEGISLATURE OF HOUSE BILL 455 AND SENATE BILL
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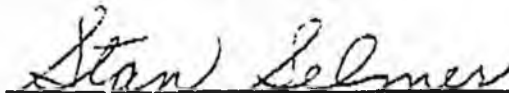
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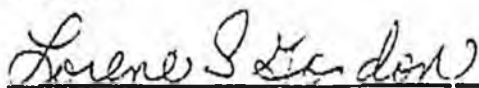
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PASSED AND APPROVED THIS 12TH DAY OF APRIL, 1990.



Stan Selmer, Mayor

ATTEST:



Lotene S. Gordon, City Clerk

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

480 WEST TUDOR • ANCHORAGE, ALASKA 99503-8890 • (907) 561-8950 • FAX (907) 561-8998

April 12, 1990

Mr. Tom Healy
City of Skagway
P.O. Box 415
Skagway, AK 99840

Dear Tom:

After discussions with the parties involved in the port project in Skagway, it's become apparent that an agreement has been reached for utilizing the existing ore terminal as opposed to constructing a new one. Authority involvement has been requested in acquiring and reconstructing the existing terminal which will be used by Curragh. As Curragh was to provide the financial strength and commitment for the new facility, I felt it important to convey this in writing as it means a totally new facility is no longer economically viable.

I understand the election is scheduled for April 17th and based upon the above, the question on the ballot is moot. The question of whether or not to proceed with the election is a matter of local concern. Should the City Counsel approve a resolution endorsing the Authority's pending legislation, please furnish it to me as soon as possible. Attached is a "draft" amendment to the legislation to reflect the changed circumstance.

Sincerely,

Bertram L. Wagnon
Executive Director

BLW:ec

Enclosure

DRAFT

Suggested Amendments to S.B. 525

Section 1. The Alaska Industrial Development and Export Authority may issue bonds to finance the acquisition, design, and [construction] reconstruction of a public use [multi-purpose] ore terminal [and dock facility] in Skagway to be owned by the Authority. The principal amount of the bonds may not exceed [\$40,000,000] \$20,000,000. This section grants the legislative approval required under AS 44.88.090 and 44.88.172(c).

Section 4. Deleted

Section 5. Deleted

1/15/90

HB455

Dear Peter Goll,

As our Representative on the House Standing Committee, I am sending you this letter on what is of great concern to me and at least 245 other eligible voters from Skagway.

Since the spring of 1989, a large majority of Skagwayans have been fighting City Hall to halt negotiations with AIDEA/ Curraugh on a new ore terminal/ multi-use dock facility. The majority simply does not want another ore terminal built on the other side of our harbor. We already have one ore terminal. I know how the people feel because I went out and talked with them. I'm the one who circulated the petition. I talked with everyone who signed it and listened to everyone's views. Only a minority of people did approve of a new ore terminal. The majority does not care about AIDEA/Curraugh's private nor monetary concerns. We care more about the quality of our town.

These people are upset and angry at City Hall's refusal to listen to them. Because of the overwhelming opposition to this, I am requesting that you at least table the outcome of AIDEA's bill to sell bonds of our water front till after April 17th when this issue goes to a vote of the people of Skagway.

I am hoping that you as an honest man will do what you can to help us. I realize that if this issue is time consuming during the session that it costs money. I also see that if a bill is passed then not approved by the people of Skagway that both time and money could be wasted. I am also concerned that perhaps our vote could mean nothing if they approved something we did not want. Could we then stop it? Or would it be too late? As long as you are aware of the situation I am confident that you will do what you can to make this right.

I am enclosing a copy of the petition and have checked them with the new voters list dated 9/15/89 and counted 245 eligible voters. I registered 26 that were not eligible last June. By April 10 more of them will be registered making the petitions count 255. There are also many people who called me after I turned the petition in asking to sign it. It was too late for that but they too will be at the polls in April.

I requestfully place our concerns and wishes in your hands.

Respectfully,

Alice V. Sorrell

Jan. 20, 1990

RE: Legislation AIDEA bonds on Skagway dock project

Dear Senator Don Bennett
and Senator John Blinkley;

I am sending copies of letters sent to Skagway's representatives Peter Goll and Dick Eliason as well as other informative material on the subject. It has come to my attention that this issue could come before you. As you are the chairmen of the finance committee I feel it's imperative that you know the majority of the people of Skagway are totally opposed to this proposed facility by AIDEA/ Curragh.

Please read the letters enclosed so I won't have to repeat myself. One fact not mentioned in those letters is; the number of voters at our last Oct. 2, 1989 election was 349. As you can see more than 2/3 are against another ore-dock.

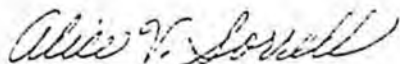
I'll never understand why 4 members of the City Council continue to pursue this against overwhelming opposition unless pockets are being lined or promises or threats are made. I realize this sounds somewhat harsh but things really look fishy.

I'm enclosing a copy of the petition too so you can see for yourselves how many signed it. Mildred Maroney, the voter registrar, can verify voters and numbers. (983-2303)

Please protect our future and our rights. If this would waste your time and money if it is passed unnecessarily, please table it if possible till after April 17, 1990 when this comes to a vote. If for some reason you can't then please put in a clause which states they cannot sell bonds unless it is okayed by a vote of the people of Skagway.

From past experience, I've learned that promises don't mean much unless you have them in writing. So please protect us by law or deed.

Respectfully,



Alice V. Sorrell
Box 208
Skagway, Alaska
99840
983-2617

Jan. 20, 1990

Dear Senator Eliason;

I apologize for not notifying you sooner on this great concern to the majority of the people in Skagway. I have written Peter Goll because he is on the finance committee of the House. AIDEA is now trying to pass legislation to sell bonds on Skagway's water-front. As our Senator, I feel you should be notified as well of our concerns. I am enclosing a letter I sent to Peter Goll as well as a copy of the petition presented to the City Council so you can see for yourself how the majority of the people of Skagway feel. I am also enclosing a copy of map of our port and two pages of the Skagway adopted Coastal Management Program. I have marked areas we feel would be violated if this port project takes place.

This is a matter of no little importance as the people are really upset over this issue! Common sense tells us it is outrageous and foolish to put another ore-terminal in the area of the Small Boat Harbor, Pullen Creek Park and Ferry Terminal when we already have one facility. We need the one we have fixed up, not build one elsewhere.

Because of too many secret meetings that took place previously, there are many bad feelings and distrust. Curragh and Yukon does not have a good track record as far as the people of Skagway are concerned. We are afraid that they will try to get what they want whether we want it or not, by going over our heads to higher authority. It has happened already when Tony Pennington came to Skagway and promised us trucking jobs if the road was opened year round. We were also promised that the road would stay open for 10 years whether the mine shut down or not. Neither Curragh, AIDEA, Yukon Alaska (also known as Bowhead/Lynden), or the Yukon government has shown any concern for us whatsoever. We do not want these people taking advantage of us by abusing our water-front. The majorities feelings in Skagway are very strong on this issue!

We are angry and despondent at our City Council for ignoring our wishes and requests. If this goes to a vote of the people, I feel that both time and money has and is being wasted, not to mention hard feelings and indignation. It really is frightening to see four of our City Council members abuse the power they were entrusted with. Meeting after meeting the people have asked them to stop. Even some who would like to see another ore-terminal

because they are afraid of losing their jobs, are upset that the Council voted to spend \$10,000.00 of the tax payers money to facilitate something which the majority does not want. I sincerely hope our State government is not as corrupt as our City government appears to be.

I respectfully ask for your help in this matter. The people of Skagway really do need some assurance that their vote will make a difference. Can you table the legislation pertaining to AIDEA's selling of bonds of our ore dock till after April 17th when it comes to a vote of the people? Or if not will you please protect us with a clause that will not allow them to sell these bonds if we vote against another ore-terminal/ multi-use dock? There is much concern.

Respectfully in your hands,

Alice V. Sorrell
Box 208
Skagway, Alaska
99840

983-2617

January 25, 1990

Governor Steve Cowper
Pouch A
Juneau, Ak. 99811

Dear Governor Cowper,

The majority of the people in Skagway have been deeply concerned and troubled about a proposed AIDEA ore dock. After reading the Yukon News that Tony Pennikett met with you to come up with strategy to convince us we want it, I was deeply troubled. Surely, you wouldn't allow the Canadian government or him to try and manipulate you against the wishes of the majority of the voters in Skagway, your fellow American's.

We know what we don't want. We do not want another ore dock placed on the scenic side of our harbor.

Knowing that you are introducing a bill in legislation pertaining to AIDEA selling bonds on the Skagway city water-front, I'm requesting that you can assure me in writing that if we, the people of Skagway, vote against the AIDEA dock project that AIDEA will not be able to sell bonds for this project. I, as well as many others, am concerned because of our battle against the City Council in spite of the Mayor's VEFO to send you a letter to go ahead with this legislation. This was also against public opinion at this meeting.

Upon reading the House Bill 123, I see that AIDEA only requires the consent of the municipality. Isn't that City Council? According to Skagway City statutes, this must go to a vote of the people April 17. But according to the bill, I don't see anything that assures us of any importance of the wishes of the people? (Perhaps, I haven't seen all of the Bill) Can the State over-rule City ordinances? Do we have your assurance that you will not allow this to happen?

Please reply!

I have compiled some information on what's been going on in Skagway pertaining to this dock issue. I know you want to be aware and informed of your peoples political concerns. As you do, I still believe in a government by the people, of the people, and for the people. We are not Canadians. Our wishes and needs should come first.

Respectfully,
A concerned citizen,

Alice V. Sarrell

Alice V. Sarrell
Box 208
Skagway, Ak. 99840
983-2617

CITY OF SKAGWAY
RESOLUTION 90- ~~A~~

A RESOLUTION ESTABLISHING A DATE FOR A SPECIAL ELECTION.

WHEREAS; Skagway City Code Chapter 16.02.090 requires voter approval of leases of tidelands for a term longer than 20 years or for a total value exceeding \$75,000 over the term of the lease and involving transshipment or storage of toxic or hazardous substances, and

WHEREAS; The City of Skagway and the Alaska Industrial Development and Export Authority are negotiating a lease which qualifies for voter approval under SCC 16.02.090, and

WHEREAS; A special election is required to ratify the lease, and

WHEREAS; Skagway City Code Chapter 2.16.020 requires the City Council to set the date of a special election by resolution.

NOW THEREFORE BE IT RESOLVED that the Skagway City Council hereby sets the date of April 17, 1990 as the date upon which a special election will be held in Skagway to allow voters to vote on the following question:

Proposition One

Shall an ordinance authorizing the City to lease tidelands to the Alaska Industrial Development and Export Authority for the purpose of *port development* be ratified?

~~YES~~ YES

~~NO~~ NO

BE IT FURTHER RESOLVED that a copy of this resolution be sent to the U.S. Department of Justice, Civil Rights Division/Voting Section for preclearance of the special election date.

PASSED AND APPROVED THIS 4TH DAY OF JANUARY, 1990.

Stan Seimer, Mayor

ATTEST:

Drafted by: City Manager

Introduced by: _____

Lorene S. Gordon, City Clerk

*Resolution B
190 4
125 2*

SKAGWAY DOCK PROJECT

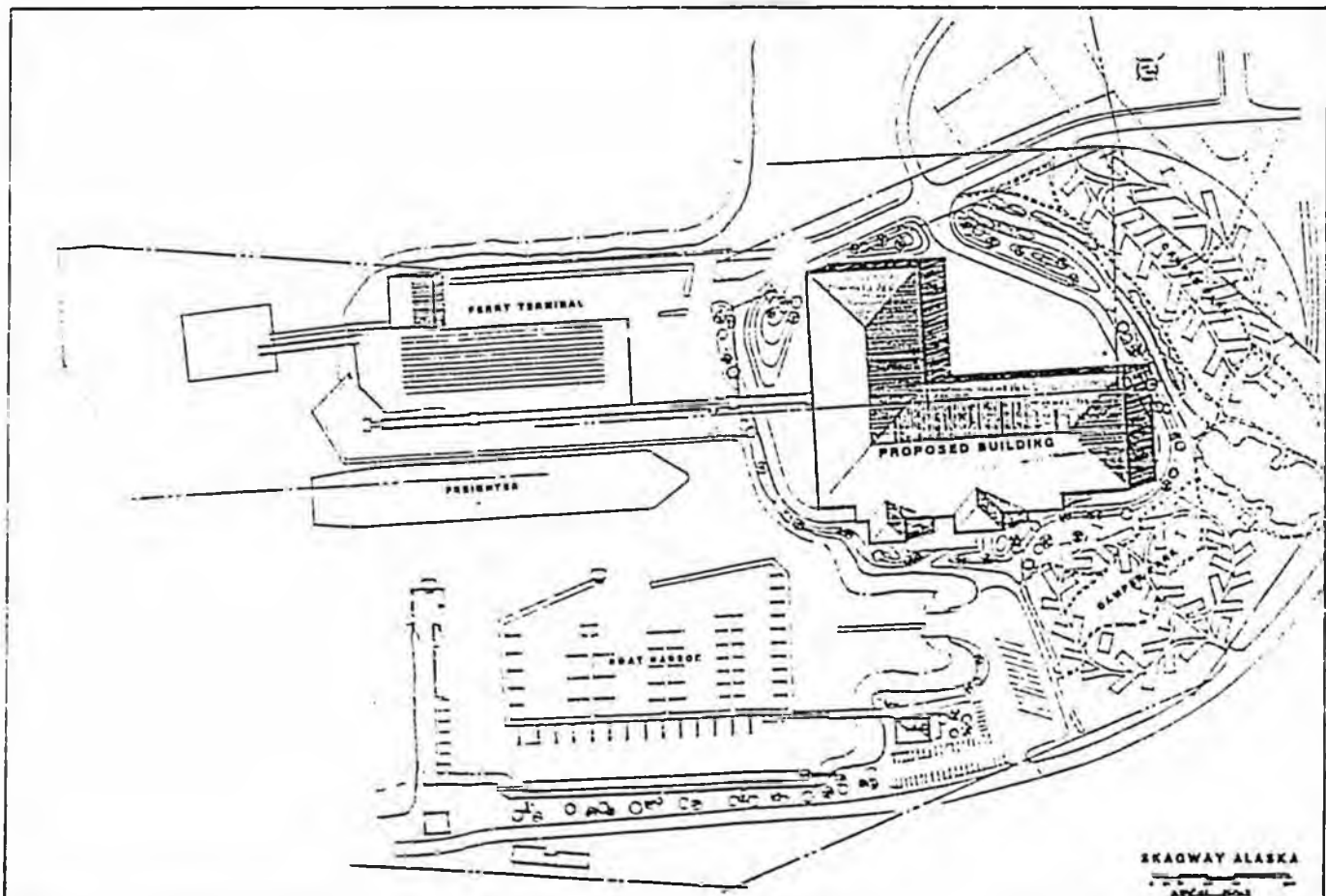
OWNERSHIP AND OPERATION

The Skagway dock and upland improvements will be owned by the Alaska Industrial Development and Export Authority (AIDEA). AIDEA is a public agency within the State of Alaska that was created to promote, develop and advance the general prosperity and economic welfare of Alaskans, and to relieve the problems of unemployment through resource and industrial development. This purpose as defined by the Legislature in 1967 places AIDEA as a major participant in the development of the proposed multi-use dock and ensures that it will be a public facility.

AIDEA will finance the project through the issuance and sale of tax-exempt port revenue bonds on the open market. The proceeds from the bond sale will provide funds for the construction of the dock facilities and other property associated with the use of the dock. Once the project is completed, revenues generated from user fees will be used to pay off the debt. The bonds will be backed by the revenues of the project and AIDEA will be liable for repayments. Neither the City of Skagway nor the State of Alaska will have any liability for bond payment.

There are various options regarding the operation and maintenance of the port that are currently being explored. AIDEA is flexible and is seeking the option that best meets the needs of the users and community.

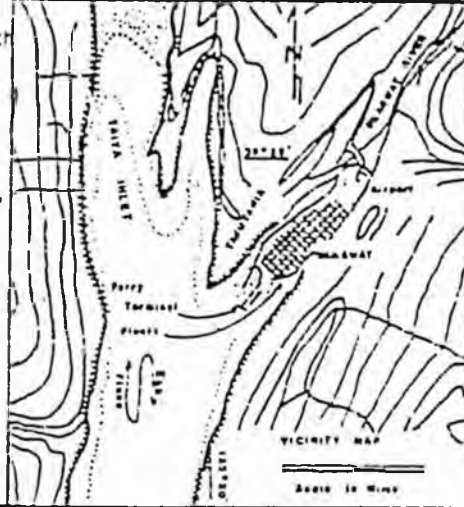
Project Site Plan



CITY'S *map* (to scale) of SMALL BOAT HARBOR

OPERATED BY CITY OF SKAGWAY
 HARBOR MASTER-Yes, 24 hrs. 7 days-check bulletin board approach
 DISTANCE FROM CITY CENTER-1/2 mile
 HARBOR CAPACITY-Approximately 165 vessels
 BERTHING ACCOMMODATIONS & FEES- \$6.00 per foot per year

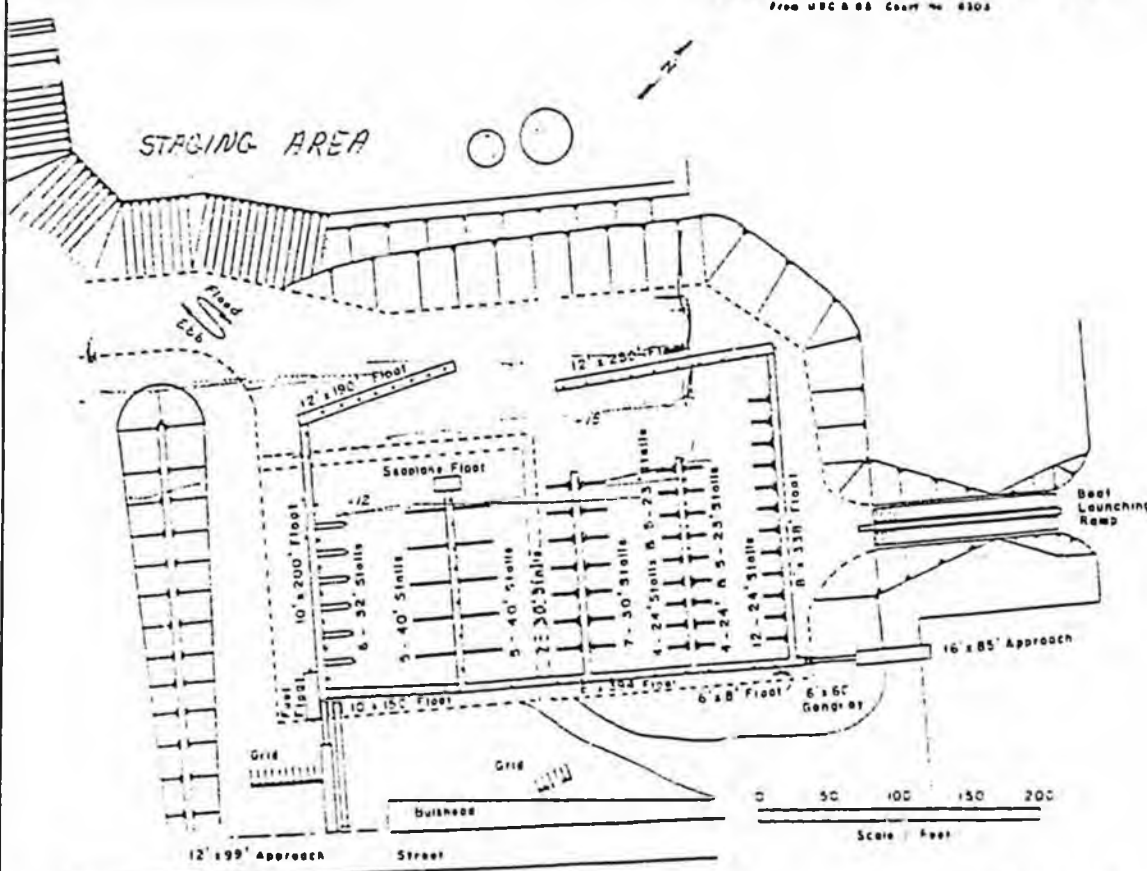
TRANSIENT MOORAGE-12 hr. free/ 25/day to 20", 5-/day to
 LIGHTING ON FLOAT-Yes 30', 50/day to 50', 10'
 POWER ON FLOAT-Yes, on 10'x275' Float day to 100'
 WATER ON FLOAT-Yes, potable/summer months only
 RESTROOM FACILITIES
 GRID FACILITIES-Yes
 MARINE WAYS AVAILABLE-No
 REPAIR FAC.-Machine shop (para. 41WPRR) in town
 GROCERY & OR RESTAURANT-in town
 FUEL AVAILABLE-Yes, at loading zone at Chevron Dock
 COMMUNICATION FAC.-Radio/phone/phone/teletype in town
 REMARKS-Seaplane float avail. in harbor, ferry service
 avail. to ports south.



OPERATED BY : DO
 HARBOR MASTER ...
 DISTANCE FROM CCM

BERTHING ACCOM...
 TRANSIENT MOORAGE
 LIGHTING ON FLOAT
 POWER ON FLOAT...
 POTABLE WATER ON
 GRID FACILITIES
 MARINE WAYS AVAIL
 REPAIR FACILITIES
 LODGING AVAILABE
 GROCERIES & OR RE
 FUEL AVAILABLE...
 COMMUNICATION FAC
 REMARKS.....Pr

From USC & BS Chart No. 8304



SKAGWAY BOAT HARBOR FACILITIES

SKANSOI
 REFUGE

August 14, 1989

Lorraine Marshall
SE Regional Office
Division of Governmental Coordinator
P.O. Box AW
Juneau, Alaska 99811

Dear Lorraine Marshall:

I am writing to you requesting help on a serious problem in our local government here.

From the beginning:

Curragh Resources, owned by Marvin Pelly, a Canadian owned mine out of Faro, ships ore (lead and zinc) by truck to Skagway, Alaska. The ore is stored in White Pass's ore terminal facility on our western shore line. White Pass has a lease of the land the ore terminal and dock are on from the City of Skagway. The length of this lease has approximately 25 years left. Curragh subleases the facilities from White Pass.

Curragh wants to borrow money from AIDEA to build another ore terminal and dock on our shore lines. I am sending a copy of AIDEA's proposal. I am also aware of our Coastal Management Program which protects our shore lines from unnecessary encroachment upon our recreation area. Which is the Small Boat Harbor and Pullen Creek Park. Also it states to use existing facilities when feasible. And, of course, it's feasible because they are using it now.

I presented the Skagway City Council with a petition with 281 signatures, 4 of which are not valid Skagway voters, but are people who are long time residents and Canadians married to Skagway citizens. I am also enclosing a statement from Mildred Meroney our voting registrar to verify how many people usually vote in our elections. The petition (if you need copies, I have them) I am also enclosing to let you know what the people didn't want (specifically another ore terminal or ore dock). I believe in the instincts of the public. I also believe in the Coastal Management Program.

I am also enclosing a copy of our last city council meeting. Unfortunately, the minutes are very scarce as to what actually took place.

The problem is the city council voted to appropriate \$10,000 of the tax payers money to pursue negotiations with AIDEA and to promote this facility. I have already been told by one council member that the city does not want another ore terminal, but they are trying to force White Pass into negotiations with them or Curragh. Also, another council member (letters enclosed to the council) stated at the meeting that he would lose too much business if Curragh moves to Haines which they have threatened to do if they don't get this new facility.

Actually, I don't feel that any threat or financial reason of their's should have any effect on changing the rules to suit them.

A large majority of the people are very upset and concerned about this.

In order to complete AIDEA's plan, the small boat harbor would have to be dredged (because the ore ships are much too large to fit in these shallow waters) and 40' retainer walls sunk on both sides below the shore line. This would disturb a lot of land for backfill. Also, these ships need tugs to get them in and out. And their bow thrusters couldn't help but disturb these waters.

The plans also include moving part of the RV Park to Pullen Creek Park. All of this is very disturbing.

Please, will you help with a letter of recommendation or verification of any kind which I could present to the council members or city manager to stop this before it is too late. \$10,000 is a lot of money to spend on something the people do not want. The Coastal Management Program appears in the city code to protect these shore lines as well as to encourage cooperation and use of facilities already existing.

Please help us.

Sincerely,

Alice V. Sorrell

PAGES 104-105

PUBLIC REVIEW DRAFT

SKAGWAY
DISTRICT COASTAL MANAGEMENT
PROGRAM

PREPARED BY
CITY OF SKAGWAY
DECEMBER 1988

1.9 Development shall be located, designed and operated so that plant and animal populations, their respective habitats and the local ecological balance are maintained, where feasible and prudent.

1.10 Development shall be located, designed and operated, to the extent feasible and prudent, so as to have minimal adverse impact upon valuable physical shore features and processes, including accretion shoreforms, beaches, and littoral drift.

1.11 Industrial, port and harbor development shall be located, designed and managed, to the extent feasible, so that other appropriate uses are neither subject to substantial or unnecessary adverse environmental impacts, nor deprived of reasonable, lawful use of navigable waters.

1.12 Water quality shall not be lowered below state standards on a long-term basis by development or any other activity, whether industrial, commercial or residential in nature.

INDUSTRIAL PORT AND HARBOR DEVELOPMENT

1.13 Ports, harbors and docks shall locate away from extensive tidflats and wetlands, and shall not obstruct fish passage along the coast or in anadromous waters.

1.14 Where conditions permit, piers, wharfs and floating docks shall be used in waters that have adequate flushing capabilities rather than areas requiring solid fill. In cases where solid fill has to be used, it shall be located to maximize circulation in the harbor.

1.15 Harbor, small boat harbor and marina designs must incorporate facilities for proper handling of sewage, refuse, fuel and waste oil. Discharge of untreated sewage from boats is prohibited.

1.16 Excavation, shoreline alteration and disturbance of anadromous streams, tidflats and wetlands shall be minimized in the construction and operation of port, harbor, dock and industrial facilities.

1.17 Ports, small boat harbors, marinas and docks shall be located, constructed and operated to minimize pollution.

1.18 Industrial and port development which is consistent with this program shall be protected from encroachment or interference by incompatible uses with less-critical site requirements, such as residential or commercial use. With the exception of the public use area which extends from the Small Boat Harbor to Pullen Creek Shoreline Park, the waterfront is and shall continue to be zoned and used for industrial purposes. Incompatible uses shall be prohibited except as a variance. Public access shall, however, be provided along the shoreline and the Skagway River to accommodate sight-seeing and sportfishing where appropriate.

1.19 The Industrial waterfront zone shall be managed to avoid or minimize conflict with the development or operation of the Small Boat Harbor or activities and developments proposed for the public use area. The area immediately surrounding the Small Boat Harbor shall, to the extent practicable, be reserved for marine-related and water-dependent uses.

1.20 The waterfront public use area shall be developed as a transitional buffer between the industrial waterfront and the Historic District.

1.21 The Port Authority and industrial users of the port and harbor shall minimize the negative aesthetic impact of their use and activities, shall enhance and maintain the positive visual aspects of their development, and provide opportunities for public viewing of such positive aspects whenever practical and safe.

1.22 This program's multiple-use objectives shall be implemented in the following manner:

a. Recreational use of undeveloped shorelines not needed for port or industry operations shall be encouraged for employees and /or the public, whenever possible, as long as such uses are safely compatible with operations;

b. Cooperative uses of piers, cargo handling, storage, parking and other necessary facilities among private or public entities shall be strongly encouraged or required whenever feasible.

c. Navigable waters shall be kept free of unnecessary hazardous or obstructing development; the historic open character of these waters is important to all harbor uses which are dependent on marine transportation. No one (1) use shall be allowed to effectively exclude other appropriate uses from significant portions of navigable waters.

1.23 Port and industrial facilities shall be located, to the extent feasible, where adequate land access and utility services are available or can be provided, and where required site development can be carried out and maintained without significant adverse impact on water quality, valuable shore features, or real property. The Port of Skagway shall, where feasible and prudent, be developed more intensely before committing new areas, to make full use of the available space and infrastructure, to maintain options for alternative uses of other sites, to forego potential public costs associated with developing a new site, and to prevent unnecessary degradation of coastal resources.

1.24 New development will be encouraged to provide physical or visual access to shorelines when such access does not cause interference with operations or hazards to life and property.

COMMERCIAL DEVELOPMENT

1.25 New shoreline business shall be encouraged to provide shoreline access for their customers and the general public whenever feasible and appropriate.

1.26 Commercial development shall not detract from the scenic qualities of the shoreline, shall be compatible in design with its surroundings, and shall not significantly block scenic vistas.

1.27 Commercial uses which meet one (1) of the following two (2) conditions will be given preference over other commercial uses in developing shoreline locations:

a. Uses for which shoreline location is a necessity, including but not limited to boat rentals and marine service stations;

b. Uses that promote physical or visual use of shorelines by the public.

1.28 Commercial development in the Long Bay area shall not be allowed unless no feasible alternative exists. In the event that a commercial project is considered for the area, the proposal shall be aired at a public meeting.

Battle lines drawn on Skagway waterfront

By Jeff Brady

During the gold rush, Skagway boasted four wharves. All were independently owned and vied for the Yukon freight business. But it didn't take long for three of those wharves to disappear, leaving White Pass to run the waterfront.

Basically, it's been that way for the past 90 years. Aside from the ferry terminal, and later the city barge float, White Pass has had it all. In 1968 the company built the ore terminal, and in this decade expanded both it and the old cargo wharf for more cruise ships.

But the days of four docks jutting out into the bay and competition between private industry on the waterfront may be returning. And this prospect is making corporate, city and Yukon officials jumpy.

White Pass recently announced its intention to build a \$3 million cruise ship dock west of the ferry terminal by 1990 to accommodate huge new 2,000-passenger vessels. The Yukon Government, in its fuel inquiry response and throne speeches is pushing for development of the Skagway waterfront to break White Pass' "bottleneck" monopoly. And Curragh Resources approached the city formally Jan. 5 with a proposal to lease 60 acres from the city and build a multi-use dock

and ore terminal east of the ferry terminal. White Pass' response to the Whitehorse media was that the Yukon government was fronting for the project.

Down here in Skagway, Curragh's proposal said it needed an answer in two weeks. It got one: not now. But as it turned out, some city officials had known about the plans for months.

City council was asked at its Oct. 6 meeting if Curragh had any plans to build a dock. City Manager Tom Healy said the company had a conceptual idea of a facility in the area of the small boat harbor and staging area, but he did not release the map Curragh had given him.

On Dec. 6, just after the lead contamination story broke, Curragh vice president Marvin Pelley was in the area and sent a letter to Mayor Bill Feero with copies to Healy and Vice-Mayor Ed Fairbanks. It outlined the company's intention to submit a lease proposal, but asked that the city advise the company of any other interest in the area. It also asked that the information in the letter "be kept strictly confidential until we determine whether our interest in new facilities is feasible."

Feero and Healy initially defended their decision to keep the letter confidential and out of city files. They said they will respect

a private business' request for confidentiality to protect business investment.

"Believe me, there was no special arrangement or special treatment in this case," Healy said.

Healy apologized for not telling other council members like Stan Selmer, who works for White Pass. Selmer was tipped off to the letter by simply noticing reference to it on the cover letter to the formal proposal submitted Jan. 5, which was made public immediately by city staff.

Healy said his attorney Liz Cuadra would "back me up" on the decision to keep the original letter confidential. But Cuadra said the letter should have been public record from day one. She said she had seen the map, but not the letter, and was never consulted about it.

"I think Tom honestly did what he thought was right," she said. But in the future private corporations, especially those in Canada that operate under different laws, "should be warned that municipal government in Alaska has to operate under the Alaska Open Records Act."

At Selmer's request, the city's response to Curragh Jan. 20 contained a paragraph about the open records act. "As a city

council member, I am not willing to keep that kind of information confidential," he said.

Fairbanks agreed and then lashed out at a KHNS report linking him to the controversial letter. Although a Curragh employee supposedly hand-delivered the letters to Feero, Healy and him, Fairbanks said he never saw it until it showed up in his council packet in January with the proposal.

"To the best of my knowledge, I never got that letter," he said.

Feero, Healy, and Fairbanks all said "who got what when" is not significant, since Curragh's plans were common knowledge. Fairbanks said former mayor Skip Elliott had discussed the plans with Curragh officials on visits to see his fiancée in Toronto. And Don Levine told KHNS he had the map, though he never discussed it at committee meetings on port issues.

Curragh's plan itself was not acceptable to the city. The potential 35-year lease violated the maximum 35 years allowed by city code, and though not included, the lease price would probably be high enough to require voter approval. Cuadra was surprised Curragh missed these details, since the city had sent the company the lease ordinance.

Feero and Healy said they were disappointed in the plan, which would take up too much land (obliterating the RV park and part of the small boat harbor).

"The real debate is making this a competitive port," Healy said.

"This proposal doesn't do it," Feero added. "It's a case of another company tying up the port."

In its response, the city opened the door for future discussions, but, so far, no response has been heard.

Numerous phone calls to Curragh officials for this story have not been returned.

THE

SKAGWAY NEWS



Volume XI, Number 12

February, 1989

60 cents



April, 1989

60 cents

Public dock talks begin

City officials met with Yukon Government Leader Tony Penikett, Alaska DOT Commissioner Mark Hickey and other state officials March 20 in Juneau to discuss building a public dock in Skagway that is financed through the Alaska Industrial Development and Export Authority.

City Manager Tom Healy and council members Ed Fairbanks, Stan Selmer and Don Levine attended. Also there, but not participating in the discussion, were consultant Reed Stoops of Curragh Resources and White Pass vice president Paul Taylor and attorney Bill Ruddy.

Healy said the major issues identified were: 1) the Yukon's need to "open up" the port of Skagway; 2) recognizing Skagway's strategic location and reaching its potential with a public dock; and 3) the availability of AIDEA financing. AIDEA would sell bonds to build the facility.

"The advantage of AIDEA participation is the city doesn't have to raise the money to finance the project," Healy said. "AIDEA would own the facility."

The city would provide unencumbered leases of the facility, manage marketing and set rates, Healy said. "AIDEA doesn't want to run the facility. It would remain in local control."

Healy said AIDEA is working on details for a possible arrangement, and another meeting will be held in late April in Whitehorse. He said the city council has to make "important decisions fairly soon" on the dock issue.

White Pass president Marvin Taylor said the city is not making it any easier to do business in the port. A new public dock would jeopardize the 1984 agreement which put public money into the ore dock in exchange for a guarantee from White Pass to provide four cruise ship berths, he said.

"A feasibility study will show (a city dock) won't support itself by splitting up the traffic in the harbor," Taylor added. "And we don't need another ore terminal on the other side of the harbor."

In January the city turned down an offer from Curragh to lease city land east of the ferry dock to build a new ore terminal and dock, but the council later voted to pursue its own facility. White Pass is planning its own dock west of the ferry terminal on land leased from the city. The city attorney is looking into the lease situation's effect on the status of the lease, Healy said.

THE

SKAGWAY NEWS

Vol. XII, Number 4

August 18, 1989

Council votes to begin AIDEA dock negotiations

By Gail Skuris

Despite considerable public opposition, the Skagway City Council has given City Manager Tom Healy the authority to begin lease agreement negotiations with Alaska Industrial Development and Export Authority (AIDEA) for the proposed new dock and ore terminal.

At the Aug. 3 AIDEA public informational meeting and the Aug. 8 city council meeting, Skagway residents protested plans to build a port facility financed by AIDEA with Curragh Resources as the primary tenant.

An informal petition with 281 signatures was presented at the council meeting by local resident Ginny Sorrel. It requested the council and administration to "take no action to plan, finance, construct, operate or otherwise facilitate or permit another ore dock in Skagway."

However, council members voted 5-1 to begin working on a formal proposal and appropriated \$10,000 for Healy to enlist legal, technical and informational assistance. For the proposed lease to be

placed on the Oct. 3 election ballot, the council must approve a resolution or ordinance by the Sept. 7 council meeting.

Councilman Stan Selmer, who voted against both motions, noted in a KHNS interview that city money is being spent on a project taxpayers were told would not cost them anything.

Residents vocalized concerns at both meetings about environmental, aesthetic and economic issues tied to building the new facility. AIDEA officials addressed questions about moving the small boat harbor, lead contamination, the RV and Pullen Creek parks and cruise ship berthing rights. Several people wanted to know why AIDEA would not assist the city in building its own dock — without another ore terminal.

"The city is not willing to assume future financial liability," explained AIDEA executive director Bert Wagnon. Healy said voters rejected a proposal for the

See AIDEA, p. 9

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AIDEA ██████████ from page 1

construction of a city-owned cruise ship dock in 1986.

Of the five potential economic sectors — mining, oil, tourism, general cargo and timber — only ore will generate enough revenue to make the new facility viable, Wagnon said. "Without Curragh, there isn't the money and the pledge of revenues to make it feasible." He estimated the total cost of the project to be about \$20 million.

Long-time resident Anna True is concerned about the impact of growth in Skagway and said the town already has "wall-to-wall people."

"Is this what we really want?" True asked. "Do we want more of this?"

"Really, what are we getting out of it?" gift shop owner Barbara Kalen said. "All we get is a dirty old ore terminal and the park torn up ..."

"We've been wanting — we've been begging — for economic development," local magistrate Lucile Tidwell said. Even if the AIDEA proposal is not the ideal plan, she noted, "we should be open to these opportunities."

The current use of the port is "wasteful," former city manager and councilor Gil Acker said. "It precludes maximizing the efficiency of the operation."

"The RV and Pullen parks could be considered secondary if economics demand it," Acker said.

White Pass president Marvin Taylor, in a surprise presentation at the AIDEA meeting, asked residents to "check the facts."

"Where is the under-capacity of this port? I'll tell you where it is — it's just a myth or a dupe," Taylor said. "It (the new dock) won't give Curragh a better deal."

Councilman Don Levine commented, "I don't know why they'd (Curragh) be talking to AIDEA if it's not a better deal."

"Curragh is using the city as a hammer on White Pass to renegotiate," merchant

Dennis Corrington said at the council meeting. "It's an interesting set of circumstances."

Curragh vice president Marvin Pelley, in a long-awaited appearance on the dock issue at City Hall, denied the allegation. "We are not using Skagway as a sucker," he said.

The existing ore terminal will last only 2-4 more years, Pelley said, and Curragh is not willing to put more money into restoring it.

"We don't want to use Haines as a bargaining tool," he said. However, he added, "If the (Skagway) citizens don't want us, I guess we'll have to go elsewhere."

Since Curragh reopened the Faro, Yukon mine in 1986, it has contracted with Yukon Alaska Transport for the truck haul to Skagway and with Bowhead Equipment for operating the present ore terminal. YAT and Bowhead are subsidiaries of Lynden, Inc. A usage agreement was negotiated with the companies which reportedly pays White Pass at least \$2 million a year. That agreement expires in three years, and Curragh and Lynden say the cost is too high.

"Haines is a fear, not a threat," said Lynden president Jim Janson. "I think we're flirting with a very dangerous situation here ... It's a golden opportunity to have the ore pay for that (new) facility."

Steve Hites, White Pass manager of passenger operations, cautioned the council, "Don't put all your eggs in one basket ... In a few years, you'll end up with two empty ore terminals."

Council members who voted to proceed with negotiations said it was a necessary first step to even begin working out lease agreement details with AIDEA.

At a work session on Aug. 15, council members and about a dozen residents discussed minimum lease standards to be forwarded to Wagnon. City attorney Liz

TERMINAL

from page 1

most of the RV park intact and provides additional camper spaces on the south side of Pullen Creek.

The petition presented to the city council contained 263 names of voters and local residents by early this week, said organizer Ginny Sorrel. It states that a "new ore dock placed in the vicinity of the small boat harbor, campground and ferry terminal will be detrimental to Skagway." The signers request the council and administration "take no action to plan, finance, construct, operate or otherwise facilitate or permit another ore dock in Skagway."

Sorrel said she acted on her own and took the petition door-to-door last week. She feels a new ore terminal would cover up the "clean section" of the Skagway waterfront.

"It would be right in front of Pullen Creek Park, and there's no way the wind will not put some lead back in there," she said.

The AIDEA newsletter said, "State-of-the-Art systems will protect the environment against the release of ore dust, including an enclosed ore truck unloading area and a contained equipment wash system which eliminates dust and ore particles from the vehicles prior to leaving the ore facility."

AIDEA would lease the land from the city and finance the project by selling tax-exempt port revenue bonds on the open market. Revenues from user fees would pay off the debt.

"The bonds will be backed by the revenues of the project and AIDEA will be liable for repayments," the newsletter said. "Neither the City of Skagway nor the State of Alaska will have any liability for bond payment."

Curragh Resources has been targeted as the primary tenant of the facility and has "indicated a willingness to accommodate secondary berthing rights to cruise lines during the tourist season."

Benefits to Skagway outlined in the newsletter include an environmentally safe facility, jobs in construction and port operation and direct revenues from the lease, depending on negotiations.

"A straight lease will provide a fixed income to the city having no risk involvement. A lease based on dock user fees could provide higher revenues but requires risk-taking by the city," the newsletter explained.

Sorrel said people who signed the petition against the project favored "quality versus quantity." She said a new ore dock would probably help the city financially, "but not the common man, and it would botch up the scenery for tourists."

But she said she does not oppose the city building another dock that is not tied to a long-term lease of city property. "Just don't move ore over it," she said. "I'm not against a city dock at all."

AIDEA takes a jab at existing port

facilities for being old and not under direct city control.

"A new dock facility at Skagway's strategic location will provide a competitive gateway for natural resource extraction from the Yukon Territories, thereby lowering the cost of product moving through the port," the newsletter said.

But if no land in Skagway is made available by the community, then "an alternate location in Haines is being researched."

The Planning Steering Committee will make a recommendation to the council regarding the project. At a meeting last month, members drew up some questions to forward to AIDEA regarding 1) location of the facility, 2) financing, 3) possible shortening of the small boat harbor breakwater, 4) disturbance of Pullen Creek, 5) AIDEA's charter and responsibilities, 6) how future fish processing or other small waterfront operations would be affected, and 7) who would pay for moving the RV park.

The committee members had hoped to have these questions answered in advance of AIDEA's formal presentation.

Petition boos new terminal

By Jeff Brady

Plans for a new ore terminal and dock in Skagway owned by the Alaska Industrial Development and Export Authority (AIDEA) were being presented to the Skagway City Council and Planning Steering Committee at press time Thursday afternoon.

The council also received a petition with more than 260 signatures objecting to a new ore terminal.

In a newsletter to Skagway boxholders early this week, AIDEA outlined its role in the proposed project, which would cost an estimated \$15 million and be in operation by mid-1992.

The dock would be located on city tidelands on the east side of the ferry terminal and service an L-shaped ore terminal on the site of the present fenced staging area for the city's barge facility.

A conceptual drawing of the project in a January proposal from Curragh Resources showed an ore terminal built on top of the present city RV park. That proposal was turned down by the city council. The new plan from AIDEA leaves

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CONTINUED ON OTHER SIDE OF PAGE

face a jail term of up to six months or a fine of up to \$500.

The accident has led local parents to call for the government to ban the trucks from local roads during certain times of the day.

Community and Transportation minister Maurice Byblow said a government study into the crash should be completed today.

If the study recommends a

it slid to a stop between a car parked on the shoulder and the school bus.

Pope said one of the truck's ore pots was hung up on the last two seats of the school bus.

While the driver of the truck, school bus and car searched for injured children along the side of the road Pope entered the bus.

"When I got on that bus I didn't know what I was going to

that kind," said Pope. "When I say outcome I mean the road will be closed."

She said parents will press the government to legislate the ban if the truck company doesn't voluntarily stop the trucks before and after school.

Police are still investigating the accident.

Yukon-Alaska spokesperson Bud Hansen was unavailable for comment.

Penikett and Cowper devise plan to get support for Skagway dock

Premier Tony Penikett and Alaska Governor Steve Cowper met in Juneau Thursday to discuss strategy for getting Skagway

By David Croft
Yukon News Reporter

voters behind a proposed dock in that community.

But Skagway mayor Stan Selmer predicts that a municipal vote on the dock scheduled for April 17 will see people in his community overwhelmingly turn down the dock proposal.

An Alaskan state economic development agency, AIDEA, wants to build a new dock in Skagway.

The main customer for the dock would be Curragh Resources which wants to stop using the White Pass facilities for shipping the lead-zinc ore from Faro.

Curragh has said in the past that White Pass is charging too much for the use of its ore terminal and dock.

White Pass denies that.

The Yukon government has also been hoping to break the White Pass monopoly on Skagway's waterfront, believing that fuel and other goods could be brought into the Yukon more cheaply if there was competition in Skagway.

The only piece of land available for a new dock is city owned and local voters will get to say if the land can be used for the dock.

Selmer said in an interview Thursday he believes Skagway voters will turn down the dock by a margin of three to one.

He said a lot of people don't think the last piece of city land on the waterfront should be developed for industrial use.

People in Skagway don't believe that Curragh will stop using Skagway as the port for shipping its ore, said Selmer.

The only other place is Haines and that option would present its own problems including a strong environmental movement

in the town, said Selmer.

According to Alaska governor's deputy press secretary Terence O'Malley, Cowper and Penikett talked about ways to get people in Skagway to support the dock but he didn't have any details.

O'Malley said they also discussed issues surrounding natural gas pipelines in the north and the Alaska Highway commemoration in 1992 and that the two politicians "see eye to eye on many things."

A business group in Alaska is working to develop an all-Alaska natural gas pipeline that would see Prudhoe Bay natural gas piped south to the Valdez area and then lifted and shipped to Asia.

O'Malley said that project wouldn't necessarily doom the Alaska Highway pipeline which contradicts recent statements by other Alaskan officials who have said the huge cost of both projects means there's only enough gas for one.

And some people, either with a penchant for silence or ex-

By David Croft
Yukon News Reporter

treme devotion to their station, say they listen to CHON-FM on Saturdays even though the station isn't broadcasting.

The latest Bureau of Broadcast Measurement radio ratings for the Whitehorse area were released in early January.

They were gathered last fall and are based on responses from 490 Whitehorse households.

CBC says its overall share of the listening audience rose two per cent from last year to 52 per cent.

The domination isn't complete.

Whitehorse's only private radio station, CKRW, came out on top in the 25-34 age group with 40 per cent of the audience compared to 36 per cent for CBC.

In terms of occupations, CKRW also won out 48 per cent to 36, for those people working in the clerical, sales, technical and service fields.

In most other areas, however, CBC came first.

Not to say that it's the network for eggheads but 89 per cent of the respondents who completed university listen to CBC.

CKRW was tops with those people whose formal education ended with high school.

Overall CBC claimed 52 per cent of the audience, CKRW 34 per cent and CHON-FM nine per cent.

CBC was especially strong during the broadcast of locally-produced shows, rising four per cent from last year for a 67 share during the local morning show, a rise of three per cent to 47 for the noon show and up six per cent to 51 per cent for the afternoon show.

CBC's location manager in Whitehorse, Jim Boyles, said in an interview these ratings are more or less in line with those from last year.

He said until last year CKRW had an edge over CBC but that seems to have changed.

Boyles was particularly heartened by the high ratings for the local shows and said that they are a tribute to the talent and hard work of the staff at CBC Yukon.

He said he was told by headquarters in Ottawa that CBC Yukon is doing better in terms of audience share than any other CBC station in the country.

In the bizarre category, up to five per cent of the audience said they listen to CHON-FM on Saturdays when the station isn't broadcasting.

CHON staffer Bob Charlie said it's possible listeners are getting CHON and CKRW mixed up since both play country music at times.

CKRW manager Glen Darling had no comment about the ratings.

House of Representatives

While in Session:
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Pedro Bay, Alaska 99647
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Chair
Special Committee on Foreign Trade
Vice Chair
Resources Committee
Member
Health, Education &
Social Services Committee

Rep. George Jacko, Jr.

Memorandum

TO: Representative Dav Donley, Chairman
Labor and Commerce Committee

FROM: Representative *George* Jacko, Jr.

DATE: March 10, 1990

SUBJECT: Request Hearing for HB 455

I respectfully request a hearing to be scheduled in the Labor and Commerce Committee for House Bill 455, "An Act authorizing a Alaska Industrial Development and Export Authority to issue Bonds for the Skagway dock project and the Balyhoo dock project in Unalaska, to be owned by the authority; granting the authority exemptions from the state procurement code for certain contracts relating to the design and construction of the Skagway dock project; and providing for an effective date." Unalaska is in the middle of a booming bottom fishing industry, for which it is required to provide services. One of the main services is docks and related facilities. This is an important project to Unalaska and at a time when revenues have been falling from Alaska's non-renewable resources can we really afford not to support the development of renewable resource industries?

Thank you for your consideration on this matter.

GJ/eij

cc: Paul Fuhs, Mayor
City of Unalaska

- 33. The Broadway Market-National Cash Service Office
- 34. The Liquor
- 35. The Pantheon Saloon (H) (vacant)
- 36. The Sports Emporium (H)
- 37. The Photo Shop (H)
- 38. The Saloon (H)



CRE TERMINAL

INLET

STATE FERRY TERMINAL

SMALL BOAT HARBOR

TUNNEL

OPINION

Give us a dock

Now that the Skagway City Council has voted to go through the exercise of negotiating a lease of public lands with the Alaska Industrial Development and Export Authority, it's time for the council to tell AIDEA what they — and the people they represent — really want.

What Skagway citizens clearly don't want is another ore terminal. But by the looks of last week's vote, that very clear message hasn't sunk into the minds of those sitting around the council table. A petition with 280-plus signatures opposed to a second ore terminal is the closest thing to a mandate we've seen in our 12 years in Skagway — outside of an official election. There may be 550 registered voters on the rolls, but everyone knows that many on the list don't live here anymore, and a turnout of more than 400 is rare. The petition represents about 75 percent of the voters — you couldn't find a more scientific poll.

The AIDEA proposal probably should go to the voters for verification, but we are puzzled by the council's decision to appropriate \$10,000 for promoting a project that the town clearly does not want.

The money would be better spent exploring the avenue of a multi-purpose dock without the ore terminal and convincing AIDEA that the city means business about drawing users to an independent facility. Those users need to be identified and made to step forward. And if AIDEA still doesn't think it's a worthwhile project for their participation, then the city should try and float another bond issue before the voters.

During the last dock vote in 1986, about 61 percent of the voters turned down a \$2.45 million bond issue for a new cruise ship dock. But the organizer of the recent petition says most people who signed it are in favor of a multi-purpose dock without an ore terminal. It seems to us the city would be better off gambling on another bond issue rather than pursuing a new ore terminal. The city clearly is looking under the wrong shell in this dock game.

FINAL FOOTNOTE: We haven't mentioned Curragh and White Pass in this editorial. If those two parties can work out their differences, that would be great. We still think the city should have its own dock. But if those two companies can't come to a mutual agreement for moving ore through the present terminal site, then the city should put its foot down — just as it did when it mandated a 500 parts per million cleanup level. That portion of the city's waterfront was created for an ore terminal. If it is not going to remain one, then all parties should be kicked off, after they clean it up. WJB

WJB is W. Jeff Brady the editor of the Skagway News



Bowling for Breath

Dear Bowl For Breath supporters:
We would like to thank everyone for supporting our second annual Bowl For Breath fundraiser for Cystic Fibrosis, our nation's No. 1 genetic killer in children and young adults. Thanks for your generous support of \$4,092.08. The 30,000 young people who have this disease will be that much closer to making CF a thing of the past. Once again, we thank you.
Sincerely,
Steve, Meri & Beau Jaklitsch

P.S. Anyone who missed our Bowl For Breath and would like to help end this disease can send their tax-deductible donation to: Cystic Fibrosis Foundation, P.O. Box 96516, Washington, D.C. 20077-7218.

Response and ???

I would like to respond to your editorial opinion and ask a question or two myself.

In last month's issue you asked, "As the only private developer with control of most of the Skagway waterfront, why does White Pass cry 'unfair competition' whenever the City of Yukon Government expresses an interest in helping open up the Skagway waterfront to further development?"

I wonder just how one would feel if perhaps the City or Yukon Government would like to open up a hotel or grocery store, maybe even a gas station or curio shop, maybe even start a newspaper all in the ongoing effort to "further develop the town."

Also, in the last issue you asked, if White Pass can support all dock dealings with the City being made public, then why can't it publicly release all of its figures on the cost of transporting fuel through Skagway.

Again, I wonder if we could maybe see how much it costs Fairway Market to transport groceries to Skagway or maybe Skagway Hardware could tell us what their costs are. We could even ask all the curio shops what they pay for transportation costs, and last, maybe Skagway News could bare their bones and

show what it costs per issue to print a paper.

I don't believe government has any (especially the Yukon Government) moral or legal right to encourage or help any one company or private business get a leg up on the competition.

An example, when Curragh opened up the ore terminal with the Yukon and Alaska governments' help, it sealed the fate of the railroad and 150 jobs. It left us (Skagway citizens) with less than 20 jobs at less pay than 1982 railroad wages, more hazardous traveling on the Klondike Highway, and YAT is seeking an increase from 160,000 to 200,000-pound load permits.
John Mielke

No need for terminal

Regardless of the politics and jealousies involved, be they local, state, Canadian or corporate, even a cursory glance at the waterfront should convince anybody without an ax to grind or pocket to line that Skagway has no need of another ore terminal.

J.C. Westfall

LETTERS

September 1, 1989

Give White Pass credit

I'd like to share some of my thoughts with you on the proposed ore dock.

After seeing a petition with over 250 names on it, I have to believe that our council has failed in its duty to represent the electorate and instead represents a few citizens as well as some special interest groups.

I get a little tired of hearing about White Pass being a monopoly and it needs competition and that competition spurs growth and jobs.

When Curragh came in here, we were promised 25 jobs. They hired 50 Canadian truck drivers and we got six jobs.

Now the city gets involved in private business and wants to cram a new dock down our throats telling us that this is the answer to our economic problems.

How much more business can we get? The Yukon has a population base of 29,000. Can we compete with the Alaska Highway? What about the future of the metals market?

Think about where we'd be without White Pass. They have a \$1.7 million payroll compared to \$300,000 for Bowhead. Skagway has had the lowest unemployment rate in Alaska up until the railroad closed in 1982. Skagway existed mostly because it was a railroad town with the best wages around.

How many cruise ships would come here if the railroad wasn't running today? Let's give White Pass some credit; they have done a lot for Skagway and some of us appreciate them.

My last question is, what would this new state of the art facility do for our local longshoremen?

Larry A. Sullivan

City spending spree

The city has come a long way since early spring. From combining jobs and cutting salaries to removing salary caps and going on spending sprees.

Could it be the city won the Canadian lottery or maybe Curragh made its first lease payment on the new ore dock?

It appears that maybe city government has grown a bit big for its britches. In spite of public opposition to a new ore dock the council voted to continue with the process.

In sitting through the many meetings on the dock issue, I get the feeling that we the people are not intelligent enough to know what we want so the council needs to do it for us.

Often questions and comments from the public were answered with sarcastic and rude remarks by one council member in particular.

The way the new tourism director was hired is a slap in the face to other city employees. I was told early this spring that my (harbormaster) salary would be cut back during the winter and other jobs would be combined or scaled down to meet budget.

Now the council decides to remove the salary cap on the tourism director's job and hire the new one untried or tested at \$42,000 per year plus possibly some economic development contract work at more money but same hours.

I don't believe the new tourism director should start out at the highest salary ever. It's an insult to the last one. Everything is pretty well in place. It's not like he is starting from scratch.

I've always been happy with my salary which has been the same for four years, but if this is the way our city government chooses to operate, perhaps I could have a slice of the pie as well.

Report cards come out in October so perhaps we'll find out how intelligent we really are.

John Mielke

Give us 10 grand

The following letter to city council was submitted for publication:

What's so hard to understand about no? NO ORE TERMINAL! You have appropriated \$10,000 to ram this down our throats. We are forming a group of property-owning voters, just as much city as you, the representatives who refuse to represent the majority. We want you to either split the \$10,000 with us or grant us \$10,000 so we have funds to present our side equally as well.

Rather than spending 10 grand on another feasibility study, why not schedule some council work-study sessions in the harbor and map the traffic flow and usage of the present facilities yourselves? Block off a dummy area the size you need for an ore terminal and see how it affects the already congested areas. Count the number of people using the boat harbor, camper park, and ferry terminal (they buy groceries, gas, etc.) and figure out where to move your barge staging area.

You claim we need more jobs in town. Jobs go begging!! No housing!!! Not a new problem. Desperate people camped in the old water tower years ago. Everyone knows landlords get rich. Build some city-owned housing and become rich landlords. It's disgraceful for people to be forced to live in tents just to spend the summer here working. If you can't house people who can already find jobs, what point in providing more jobs?

And, bless your little hearts, though windmills have been used successfully all over the world for hundreds of years, our city can't provide us with a usable wind generator. What makes you think you can provide a usable (state-of-the-art, ha ha) ore terminal? That's a bit more complicated than a wind generator.

Learn to deal with White Pass, keep all the ore terminal junk where it already is and call this a company town. White Pass kept us alive for many years. How many jobs do they provide locally right now? Be honest, city representatives, who really has the higher barge rates, and who instigated the head tax, making it more expensive for ships to dock here? It's the city can't work with White Pass ... not White Pass refusing to cooperate with the city.

One very disgruntled camper,
Betsy Kalen Albecker

Opposes terminal

The following letter to the Skagway City Council was submitted for publication:

Please accept this letter as my opposition to another ore terminal in Skagway, and further please rescind

the \$10,000 appropriated for promoting the AIDEA ore dock proposal.

And as far as for the threat of moving the operations to Haines, Alaska, I say, as they say in the underwear commercial, "Go to Haines."

But maybe Haines doesn't want an ore terminal either — How do you know?

Alf Tore

Skagway Resident

Alaska voter #442277

LETTERS

Time to get together

It appears that the more we hear about the proposed second ore terminal, the more we aren't hearing. In fact, the more that one thinks about it, the more unanswered questions that occur.

We read and hear that Curragh wants a new ore terminal, but it "isn't talking to White Pass" about renegotiating the present lease. Why? We hear that Curragh pays "x" million per year in rents, plus an additional "y" million on maintenance. Understandably, the current EPA, DEC and ETC regulations weren't in effect when the initial lease was signed, but isn't this negotiable?

Both Curragh and White Pass are "big boys," both are multi-million dollar companies, and both are in business to make a profit. Obviously, if a new ore dock is built, White Pass loses a renter, and any normal landlord doesn't want to lose its only renter. So why aren't they negotiating?

We hear that if the City doesn't approve the new ore dock concept, then Curragh will go to Haines. Sounds familiar — I believe we heard this argument in 1968?

Curragh claims that it isn't using the Haines threat to secure the Skagway approval of a new ore terminal — but by stating it, it seems to me that this is just what the intent is. It almost sounds as though Curragh is saying, if you don't play the game my way, we'll pick up the marbles (even if they are made of lead) and leave. Personally, I really don't appreciate this attitude, if it is true, and my reaction would be — go ahead.

Is it feasible to upgrade the existing ore terminal to meet new environmental standards?

We read in one paper that the new Anvil "Gum" and "Vangorda" deposits will be played out in 1999. Are there other proven deposits under exploration?

What if — the world mineral market falls again like it did in 1982? Where do we stand with a second ore terminal?

What if — White Pass gets the ore haul again by low bid? Will they use their own facility or the new one?

If there is a second ore terminal, then what happens to the old one? Will it be torn down, remodeled to another use, or just sit like a white elephant?

We hear that White Pass pays only \$29,000 per year on the tidelands lease. But for some reason, we don't hear that White Pass paid for the development of the harbor, built the ore dock and terminal facility, the loading system, plus a fleet of trucks and trailers, new locomotives and flat cars, a container system, plus upgraded the railroad to Whitehorse — all of which obviously was a large investment. In contrast: Curragh purchased new style ore containers and trailers and contributed approximately \$1.4 million for an additional one-inch lift on the Klondike Highway between Skagway and the border.

We hear that Curragh isn't talking to Haines — but we also have heard that Curragh is talking about sharing a terminal with the Windy-Craggy operation in Haines????

We hear that White Pass has a monopoly in the port, but doesn't the City have a barge facility, which was designed to offer a competitive alternative? I don't believe that it is operating at capacity yet.

Looking at the multi-usage dock in the boxholder flyer, I don't see much evidence of the multi-usage concept — it appears that the ore terminal dominates the whole scheme. If the ore terminal is located in the former staging area, then where is the City staging area supposed to be situated? Or maybe we don't need it??

What are all the proposed usages of the new "multi-purpose" wharf — and how viable are they?

I believe that we need responsible people and businesses to live in Skagway, to help build the community to its full potential. Maturity is talking together, sharing ideas and concepts, and developing the best approach for all the community.

Let's hear Curragh and White Pass getting together and talking. Let's forget about personalities if this is the problem. Let's do something for the community instead of creating more strife. We seem to have an over-abundance of that already.

C.E. Mulvihill

AIDEA dock election set for April, city endorses legislation for bonds

Digested from KENS REPORTS

Skagway voters will finally get to make a decision on the proposed AIDEA dock and ore terminal facility in a special election on April 17.

The city council voted 4-2 to approve the election at its Jan. 4 meeting. The proposition will ask, 'Shall an ordinance authorizing the City to lease tidelands to the Alaska Industrial Development and Export Authority for the purpose of port development, specifically an ore terminal/multi-use dock facility, be ratified?'

The original wording of the measure mentioned only port development — not the ore terminal and multi-use dock. City Manager Tom Healy said a general question was "adequate at this point ... I think everyone in town is familiar with the AIDEA proposal and the city intends to get out more information by election time."

But several residents at the meeting complained that the original wording was poor, inaccurate, misleading, ambiguous and deliberately vague. "We'd like the issue stated clearly, honestly and openly," said Joanne Beierly.

Fourteen residents spoke out against the AIDEA dock, and four were for it, but most were in favor of seeing the issue placed on the ballot.

After voting unanimously to amend the wording, the council then rejected an amendment offered by John Mielke to "appropriate no more money for legal expenses pertaining to this issue until after the election." Only Mielke and Boyd Worley voted for the second amendment, and they later voted against the resolution placing the measure on the ballot.

"The biggest thing is the continued spending of money (which) for all intents and purposes is throwing it away," Mielke said, citing an earlier petition with more than 200 signatures that called for a halt to the AIDEA project.

AIDEA from page 1

The tab for legal expenses on the proposed lease of city tidelands between the ferry terminal and small boat harbor has already exceeded its original cap of \$7,000 by more than \$2,000. The council scratched \$5,000 for additional legal fees for port issues. The extra money was attached to the first reading of a budget amendment ordinance that would cover tourism budget expenses over the past two years, increase other legal expenses, increase the school contribution and fund a weather radio. The port legal fees and school contribution were separated following public input.

"The council decided not to make a decision as it relates to additional funding for AIDEA," said Mayor Stan Selmer. "...We've said, no, we don't want to spend any more money, but maybe we will in the future."

Councilman Casey McBride said additional legal fees are needed to "protect the city's interest ... Whatever we put before the voters, I feel, should have a review by our legal counsel just to protect everybody."

McBride said he supports the AIDEA project to protect the ore haul and a multi-use dock for a more competitive port. "A multi-use dock will open up the waterfront," he said. "We have heard there are shippers that essentially refuse to ship

through White Pass, and that is a problem."

Worley said his vote reflects the majority of people who "do not want another ore facility."

A resolution offered by Mielke which would have asked the governor to take no action on proposed legislation for bonding the AIDEA project failed by another 4-2 vote. The council then unanimously endorsed a letter to the governor supporting the legislation for up to \$40 million in bonds and calling for an exemption from the competitive bid process for AIDEA to allow the primary user to design the facility.

The letter (see page 2) addressed several concerns the city has about the lease and how the city was credited with supporting the legislation before being informed about it.

At the Dec. 4 council meeting, Selmer said he received a call from a governor's aide who tried to confirm city support for AIDEA's exemption, but Selmer told the state official the city knew nothing about it and he could not support something that the council had not seen. The mayor stopped the project until the council had time to review the legislation.

A final draft of the proposed lease will be negotiated in Skagway later this month.

REC'D AUG 31 1989

August 31, 1989

Mayor Feero and City
Council Members
City Manager

Please accept this letter as my opposition to another ore terminal in Skagway - and further please rescind the \$10,000.00 appropriated for promoting the AIDEA ore dock proposal.

And as for the threat of moving the operations to Haines, Alaska, I say, as they say in the underwear commercial, "Go to Haines."

But maybe Haines doesn't want an ore terminal either - How do you know?



Alf Nore
Skagway Resident and
Alaska Voter #442277

cc: Skagway News

REC'D DEC 27 1989

Dec. 18. 1989

Dear City Council member :

I do realize you have a lot of headaches, frustrations, study and reflection that goes with your job. I also see that I am totally perplexed as to why and how you can continue to disregard the peoples wishes concerning the AIDEA dock proposal. You were given a copy of 291 signatures totally opposing this issue. These people also stated they were against promoting or facilitating another one dock. Why then do you persist in your "dog-headedness" to pursue this with \$10,000.00 of these same peoples monies? Do you really think that just because you were elected by these people that now you know more than those people who elected you?

Some of you got my vote because you said you would represent the majority even if it was not what you personally wanted. I believed in you and I voted for you because of this. Now I see you in the midst of a tug-of-war between the majority of the people versus the AIDEA dock proposal. You have the **POWER** of your office to stop all this: to stop the waste of money, energy, time and narc-feelings that pursuing this entails. I'm asking as one of the majority to please stop this. Help us now.

Sincerely;

Alice V. Sorrell

Alice V. Sorrell
"a voice of the people"

Communication, legislation

The following letter from the city to Gov. Cowper on Jan. 4 was submitted for publication:

Dear Gov. Cowper:

The City of Skagway wishes to comment on your introduction of legislation authorizing the Alaska Industrial Development and Export Authority (AIDEA) to issue bonds for the development of multi-purpose dock facilities in Skagway.

The City was not made aware of this specific legislation. This is a simple matter of lack of communication between AIDEA and the City, but it becomes a more complex matter when local officials are not kept informed.

The City emphasizes the need for State agencies and authorities to communicate with local governments when actions affecting local communities are taken at the State level. This is particularly important when documents such as your transmittal letter speak on behalf of the City. Also, AIDEA needs to improve communication with Skagway so the City Council and citizens of Skagway are aware of project development matters.

The lack of communication led to some confusion in Skagway since the provision in the legislation to allow a limited exemption to the State procurement code for architectural, engineering and land surveying contracts for the Skagway dock project had not been discussed in any prior negotiating sessions with AIDEA. Upon receipt of the draft transmittal letter and legislation, however, and after discussion with AIDEA officials, the City concurs with the letter's statement that such an exemption is in the best interest of the City and the State.

The City will complete tidelands negotiations with AIDEA within six to eight weeks. City code requires that voters approve the proposed lease. Since any special election requires 60 days federal notice and 30 days local posted notice, a special election to vote on the lease will occur on April 17.

The present lease negotiations between the City and AIDEA involve topics which are mentioned in your transmittal letter and the draft legislation, as follows:

The City requires that AIDEA maintain their primary responsibilities under the lease; that is, any exemptions granted to state statutes must not remove AIDEA's responsibilities or liabilities as lessee. Any agreements between AIDEA and users or operators must incorporate City/AIDEA lease terms in order to ensure adequate protection of the City.

The City and AIDEA negotiations have kept open the question of who will actually operate the facility. It is of great importance to the City that this project fulfill the multiple-user, public port concept. (Refer to a 3/3/69 letter to you from Mayor William Feero). In order to avoid a situation where the primary user of the facility (Carragh Resources) could become an exclusive user of the facility, the City questions a draft lease provision allowing AIDEA to grant exclusive rights to a single operator for the operation of the leased premises.

Section 4 of the draft legislation allows AIDEA "to delegate the responsibility for contracting for architectural, engineering and land surveying services to the operator of the Skagway dock facility." (emphasis added). Since it is not yet determined who will operate the facility, the City suggests that the word "operator" in Sec. 4 be replaced with "primary user" in order to make the legislation consistent with your transmittal letter.

The City requires local oversight of the facility design. AIDEA is agreeable to this and encourages Skagway's participation in all design phases.

Environmental issues surrounding this project are of major importance to the City. To be acceptable, this facility must operate in an exceptionally clean environmental manner. Professionals with extensive and proven knowledge of bulk ore transshipment and pollution control equipment should perform the design. In this regard, again, the City supports the legislation's procurement code exemption provision.

Finally, the City supports introduction of this legislation to the Second Session of the Sixteenth Legislature, provided that consideration is given to the concerns mentioned above.

Please contact myself or City Manager Thomas Healy if you have any questions or if we can be of any assistance.

Sincerely,
Stan Selmer
Mayor

THE SKAGWAY NEWS

THIS WAS DONE OVER THE MAYOR'S VETO

HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE

P.O. BOX Y, JUNEAU 99811

(907) 465-3892



March 16, 1990

RE: HB 455

A petition signed by 284 citizens of Skagway in opposition to a new ore dock is on file in the Committee office.

August 18, 1989

To Whom It May Concern:-

This letter is to verify the average number of individuals that voted in Skagway elections during the past ten years is 303. The least being 128 voters and the highest 435.

Mildred E. Meroney,
Election Chairman
Skagway Precinct

1

CITIZENS FOR A RATIONAL SKAGWAY

TO THE COUNCIL OF THE CITY OF SKAGWAY

We the undersigned, all residents and eligible to vote in the City of Skagway are of the opinion that a new ore dock placed in the vicinity of the small boat harbor, campground and ferry terminal will be detrimental to Skagway.

We, therefore, request that the City Council and administrators take no action to plan, finance, construct, operate or otherwise facilitate or permit another ore dock in Skagway, Alaska.

NAME	ADDRESS	DOB	STATE
1 John Brodersen	Box 229 Skg	6-25-26	Alaska
2 John Brodersen	Box 229	"	"
3 Paul Knapp	Box 401	"	"
4 John Brodersen	Box 233	"	Alaska
5 E. A. Phillips	Box 352		Skagway Alaska
6 Charlotte Cable	Box 413		Skagway AK
17 Edward E. Money	Box 384		Skagway AK
18 Ed. A. Money	Box 384		SKAGWAY AK
19 Lena Jacobson	Box 282		Skagway AK
20 Kristen Jaquet	Box 282		Skagway AK
11 Wanda Warner	Box 411		Skagway AK
12 Thomas (Mason)	Box 315		Skagway ALASKA
NO 13 John C. Mason	Box 253		SKAGWAY, ALASKA
14 Floyd Mattson	Box 232		SKAGWAY AK
15 John Flynn	Box 23		Skagway AK
16 John Flynn	Box 347		" "
17 John Flynn	Box 400		Skagway, Alaska 99840
18 Delores Walley	Box 144		Skagway, Ak 99840
19 Landa Cunn	Box 264		Skagway, Ak. 99840
20 Super Laundry	Box 423		Skagway, Ak. 99840.
21 Amy Wilson	Box 344		Skagway, AK
22 John Flynn	Box 535		SKAGWAY AK 99840
23 Mary A. Gibson	Box 218		Skagway AK 99840
24 Jerry A. Money	Box 205		SKAGWAY ALASKA 99840
25 Delora S. Money	Box 205		" " "
OK 26 Cheryl Dulke	Box 306		Skagway
27 Delores Fairbanks	Box 354		Skagway
28 Wayne Ames	Box 65		Skagway AK.
29 Don Malley	Box 144		SKAGWAY, AK.
30 Charles L. Burnham	Box 265		Skagway, Alaska

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NAME	ADDRESS	DOB	STATE
31 Jung M. Noack	BOX 308	4/27/91	Alaska
32 John C. Westfall	Box 133	12-12-53	ALASKA
33 Daniel Lamont	Box 280	5/29/66	Alaska
34 Peter Bakpot	Box 186	9/11/61	Skagway, AK
35 Aaron M. Kharchuk	Box 350	12/22/67	SKAGWAY, AK
36 Elizabeth L. Albrecht	Box 274		Skagway, Ak.
37 Barbara D. Kuhn	Box 317		Skagway, ak.
38 Nola J. Cole	Box 197		SKAGWAY
39 [Signature]	Box 250		Skagway Ak.
40 Robin Lofton	Box 96		Skagway, Ak.
41 [Signature]	Box 480		Skagway, Ak.
42 [Signature]	Box 480		Skagway, Ak.
43 Jay M. Sullivan	Box 471		Skagway Alaska
44 Stacie Sullivan	Box 484		Skagway Alaska
45 Don Noack	Box 308		SKAGWAY ALASKA
46 Vernie Wendell Vogel	Box 35		Skagway Ak.
47 Dennis Duxley	Box 423		Skagway Ak
48 Dennis J. Sherman	Box 364		SKAGWAY AK.
49 Stephanie Wally	Box 296	3/25/67	Skagway AK
50 [Signature]	Box 398		Skagway AK.
51 [Signature]	Box 398		
52 Charlotte SBR	Box 244		Skagway AK
53 M. Matthews	Box 404		Skagway AK
54 Chad Lewis	Box 284		Skagway AK
55 Dince Spurrice	Box 284		Skagway, Ak
56 Dennis R. Smith	Box 284		SKAGWAY AK
57 Fred Haskin	Box 323		Skagway, AK,
58 Ada Haskin	Box 323		Skagway AK.
59 Charlotte Jewell	Box 535		Skagway Ak.
60 James M. Wiley	Box 296	9/19/68	Skagway, AK.

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NAME	ADDRESS	DOB	STATE
61	Arthur J. ...	PO Box 436 Skagway	AK
62	David ...	Box 331 Skagway	5-3-50 AK
63	William H. ...	Box 178 Skagway	AK
64	Janet O'Daniel	Box 237 Skagway	AK
65	Oliver V. ...	Box 208 Skagway	AK
66	Erica ...	Box 161 Skagway	AK
67	Nicole ...	Box 39 Skagway	AK
68	Dennis ...	Box 241 Skagway	AK
69	M. Paul Taylor	Skagway	AK
70	David ...	Box 208 Skagway	AK
71	Ron ...	Box 484 Skagway	AK
72	Wayne ...	Box 15	"
73	Fred ...	Box 118 SKAGWAY	
74	Mark ...	Box 373 Skagway	AK
75	GLENN SULLIVAN	SKAGWAY	AK
76	Dil ...	Box 306 SKAGWAY	AK
77	J.M. ...	Box 206 SKAGWAY	AK
78	Brian ...	Box 97 SKAGWAY	AK
79	Eric ...	Box 236	"
80	Mike ...	Box 494 CITY	
81	Wm ...	Box 492 CITY	
82	Neil ...	Box 352 CITY	"
83	John ...	Box 493 CITY	
84	Robert ...	Box 208 Skagway	(local)
85	Bill ...	Box 132 SKAGWAY	AK
86	Colter ...	Box 364 Skagway	AK 6-13-54
87	Sandra ...	Box 308 Skagway	
88	Al ...	Box 226 Skagway	6-14-57
89	Robert ...	Box 226 Skagway	6-14-57
90	Bob ...	Box 30 Skagway	AK 10-27-56

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NAME	ADDRESS	DOB	STATE
91 Wayne L. Jolley	22ND MAIN	SKAGWAY	Alaska
92 Iradell D. Papuzzi	Mi. 3 Dyea Rd.	Skagway,	Alaska
93 Robert Lee Papuzzi	" " "	Skagway,	Alaska
94 Fred Jolley	22ND MAIN	Skagway,	Alaska
95 Wayne Behmer	22ND & MAIN	Skagway,	Alaska
96 Christine Moe	6th & Main	Skagway,	AK
97 J. Moe	6th & Main	Skagway,	AK
98 Mark Jolley	22nd + main	Skagway,	AK
99 Deane Jolley	22 / main	Skagway,	AK
100 Pat Jolley	22nd / main	Skagway,	AK
101 Brad J. Thoe	7th & ST.	Skagway,	AK
102 Malcolm Moe	13 + State	Skagway,	AK
103 Mary L. Moe	13 + State	Skagway,	AK
104 Donna True	10 & Broadway	" "	" "
105 Robert W. Moe	10th Broadway	Skagway,	AK
106 Margaret J. Moe	15th State	Skagway,	AK
107 Jim Moe	15th + STATE	SKAGWAY	AK
108 Deborah Whitehead	21st AK	Skagway-	AK
109 Donna F. Whitehead	Box 431	SKG. AK	
I am not opposed to another ore dock just using the small boat harbor etc.			
110 Larry C. Sullivan	Box 471	3 Mi Dyea	
111 Ken Russ	Box 125	" " "	
112 Anna L. Kirk	3MI DYE RD	SKAGWAY	
113 Molly J. Jolley	Box 8	Skagway,	AK
114 Lisa Rostron	Box 73	Skagway,	AK
115 Eric Williams	Box 18	Skagway,	AK
116 Laurie Sullivan	Box 441	Skagway,	AK
117 Mary Thoe	Box 521	Skagway,	AK
118 Don Thoe	Box 524	Skagway,	AK

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NAME	ADDRESS	DOB	STATE
119 Dr. Jakkal	Box 48 Skagway	3/20/53	AK
120 Marlene Looe	Box 178 Skagway	12/15/56	AK
121 R. Trommel	Box 523 Skagway	3/5/1950	AK
122 Evelyn Bayton	Box 163 Skagway		AK
123 Daniel F. Crum	Box 264 Skagway	8/31/45	AK
124 Shannon C. Ames	Box 65 Skagway		AK 10-3-58
125 Bonnie Stevens	Box 84 Skagway		AK
126 John J. Storer	Box 84 Skagway		AK
127 Ross Mton	Box 96 Skagway		AK
128 Lyrene Ruff	Box 295 Skagway		AK
129 Dan Burnham	Box 244 Skagway		AK
130 Madeline Morse	Box 321 Skagway		AK
131 Vivian Meyer	Box 113 Skagway		AK
132 Donald Maruff	Box 267 Skagway		AK
133 Davonne Brenz	Box 152 Skagway		AK
134 Hail	G/D Skagway		AK
135 Ted Clomple	Box 223 Skagway		AK
136 Edward D. Britton	Box 173 Skagway		AK
137 Shanon K. Britton	Box 173 Skagway		AK
138 Elda Noyes	Box 207 Skagway		AK
139 [unclear]	Box 493 Skagway		AK
141 [unclear]	Box 103 Skagway		AK
142 [unclear]	Box - 753 Skagway		AK
143 [unclear]	Box - 453 Skagway		AK
144 Edith Lee	Box - 235 Skagway		AK
145 M. Lee	" 235 Skagway		Alaska
146 [unclear]	Box 295 Skagway		Alaska
147 Nick McCarter	Box 262 Skagway		AK
148 [unclear]	Box 52 Skagway		AK
149 [unclear]	Box 33 Skagway		AK

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NAME	ADDRESS	DOB	STATE
150 Beverly J. Perry	1st + Main		Skagway, Alaska
151 St. John	2ND STATE		SKAGWAY AK
152 Ray E. Van	2nd state		Skagway, AK
153 Patricia Moore	18th main		SKAG TOWN
154 Jay Knapp	18th main		SKAGWAY AK
155 Marla Knapp	18th main		Skagway AK
156 Marla Knapp	1st main		Skagway, AK
157 Andrew Burch	1st main		Skagway, AK
158 James Burch	1st + Main		Skagway AK
159 J. D. True	10th + Broadway		Skagway
160 Paul Kirk	DYLA ROAD		Skagway, AK
161 Leslie A. Wilkinson	PYEA ROAD		Skagway AK
162 Catherine A. Stuchler	PO Box 165		Skagway, Alaska 99840
163 Robert MacNeill	P.O. Box 254		Skagway, AK. 99840
164 Walter J. Holden	PO Box 101		Skagway Alaska
165 Tom W. Silva	P.O. Box 90	08/04/64	Skagway Alaska 99840
166 Lisa Calvert	PO Box 14		SKAGWAY AK
167 Patrick Young	PO Box 14		SKAGWAY AK
168 Michael Adams	PO Box 245		SKAGWAY AK
169 Tim J. Cadden	P.O. Box 218		Skagway, AK
170 Al Birch	PO Box 503		Skagway, AK 99840
171 Ursula C. Bannister	PO 503		Skagway AK 99840
172 Robert B. Mahle	PO 65		Skagway AK 99840
173 Robert B. Mahle	Box 150		Skagway AK
174 Larry Johnson	P.O. 157	6/16/41	AK 99840
175 John J. Moore	Box 105		" "
176 Beep Nadors	Box 452		Skagway Alaska
177 Penny J. Sullivan	Box 352		Skagway, AK
178 Jerry Williams	Box 115		" "
179 Allen Reed	11th + STATE		AK

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NAME	ADDRESS	DOB	STATE
180	Norma Selmer Box 337, Skagway	1-27-48	Alaska
181	Ellis L. Hutchcraft Box 326 Skagway	11/20/1913	Calif
182	Eric Small Box 26 Skagway	10/4/66	Alaska
183	Carlin Donald Box 478 Skagway	8/16/51	AK
184	C.W. CLARK Box 135	77	1)
185	Jane McDonald "	236	" "
186	Graham Hackett Box 433	"	" "
187	Jim McDonald Bx 236	"	" "
188	Prue Mitchell Rachel, etc. Box 275	"	" "
189	Becky Kelly P.O. Box 249	"	7-2-61 "
190	Jim Arnold P.O. Box 340	"	9-2-60 "
191	Don Corwin Box 88	7-5-53	Alaska
192	Judy Selmer Div. Box 463 Skagway	Oct 6, 1948	Alaska
193	John M Jackson Box 132		
194	Richard Selmer Box 463		
195	Eric Small Box 82 Skagway AK.		
196	Karen Ingram Box 413 Skagway		
197	Mr. P. Nelson Box 43 Skagway		
198	Nancy S. Berland Box 9	9-22-48	Skagway AK
199	Evangelina Taylor Box 436 Skagway AK.		
200	Gregory S. Paul Box 499 Skagway AK.		
201	Charles W. Alderson Div. 371 Skagway AK - city dock yard		
202	Clay Alderson Box 391 Skagway, AK	10/11/39	"
203	Elizabeth Herpst Box 186 Skagway AK 99840		
204	Joseph E. Herpst Box 186 SKAGWAY Alaska 99840		
205	V. M. Burfield Box 454 Skagway, Alaska		
206	Jayla A. Hester Box 400 Skagway AK 99840		
207	Ernest S. Selmer P.O. Box 138 SKAGWAY, AK 99840		
208	Bob Miller Box 238 SKAGWAY AK 99840		
209	Bruce W. Cole Box 57 SKAGWAY AK 99840		

(A)

CITIZENS FOR A RATIONAL SKAGWAY

TO THE COUNCIL OF THE CITY OF SKAGWAY

We the undersigned, all residents and eligible to vote in the City of Skagway are of the opinion that a new ore dock placed in the vicinity of the small boat harbor, campground and ferry terminal will be detrimental to Skagway.

We, therefore, request that the City Council and administrators take no action to plan, finance, construct, operate or otherwise facilitate or permit another ore dock in Skagway, Alaska.

NAME ADDRESS DOB STATE

211 Karlene Nooner Box 304 2/3/39 AK

212 Ross Longley Box 357 7/20/27 AK

213 Manuel G. ... 18 12/24/85 AK

214 Susan Friedrichs Box 272

plus (I am opposed, to double the ore shipments into Skagway - to increase the health risk to our children)

215 Suzanne Smith Box 150 AK

also (I'm opposed to the ^{proposed} major user (Curragh) being allowed to continue an economic advantage without being held responsible for complete cleanup of present contamination, which is a health risk to residents)

216 Richard Friedrichs Box 272

plus (Lead Ore is a ~~major~~ pollutant into our eco-system - I am totally opposed to even more of it into that system)

217 Emily M. Olson - if contamination not cleaned up now - how can double lead improve our health; also where will our small boat harbor go? We want to keep our small boat harbor.

218 Thana C. Gentry Box 453 10-21-48 Alaska

219 Jennifer Reed - go to Haines! contrast SKAGWAY AK

220 Barbara Turner P.O. Box 257 10-10-44 Skagway AK

221 William B. ... P.O. Box 53, Skagway AK 99840

222 Jim L. Barry P.O. Box 453 SKAGWAY, AK 99840

223 Victoria ... Skagway AK 99840

224 Duncan ... Box 383 Skagway Alaska

225 Laddie Hubbell, Box 383 Skagway, Alaska 99840

226 Helen P. Goding, Box 418 Skagway, Alaska 99840 27 Sept '18

CITIZENS FOR A RATIONAL SKAGWAY

TO THE COUNCIL OF THE CITY OF SKAGWAY

We the undersigned, all residents and eligible to vote in the City of Skagway are of the opinion that a new ore dock placed in the vicinity of the small boat harbor, campground and ferry terminal will be detrimental to Skagway.

We, therefore, request that the City Council and administrators take no action to plan, finance, construct, operate or otherwise facilitate or permit another ore dock in Skagway, Alaska.

NAME	ADDRESS	DOB	STATE
227	William Bodley Box 418	2/5/19	AK
228	Gladys Moran Box 34	6/2/48	Skagway
229	Standa Self Box 378	11/28/28	Skagway, Ak.
230	Bryce Self Box 378	2/23/24	Skagway, Ak.
231	Ann Fingle	7/25/	" "
232	Gus Fingle	7/25	" "
233	Robin Gould Box 55	7/25/89	Skagway, AK
234	Peter T Johnson Box 104		AK
235	John B. Wadsworth ^{Skagway} Box 335	12/18/46	AK
236	Mal A. Wadsworth ^{Skagway} Box 301	5/13/57	AK
237	Gary Hanson Box 197	4/11/51	AK.
238	John D. D. Box 237	4-17-52	AK
239	^{HARDWARE} Box 94	4-12-50	AK
240	Witchell Snyder Box 2	8/16/55	AK
241	Benbara Elliott ^{Box 104}	3-27-28	Skagway, Ak.
242	Ethel Macmillan Box 252	10-30-40	Skagway, Ak.
243	Lisa Mac Millan Box 254	12-23-70	Skagway, Ak.
	Ray M Gordon Box 261	?	Skagway
	Grace A. Swetnam PO Box 6	8-18-69	AK SKAG.
	Alan Carl ^{PO BOX 111}	9-25-60	AK. SKAGWAY
	Scott A. O. Box 336 Skagway AK	I'm not against another ore dock, but feel that the location of where this one is proposed to go is not acceptable.	
245	Stanley Box 464		Skagway AK
249	John Duliski Box 134		Skagway, Ak.
250	Larry D. Linnard Box 351		Skagway, Ak.
251	Wendell G. Linnard Box 23		Skagway, Ak. 99840
252	Margaret Brown Box 243		Skagway, Ak. 99840
253	Box 99		
254	Emily L. Meyer Box 341		Skagway, Ak 99840

CITIZENS FOR A RATIONAL SKAGWAY

TO THE COUNCIL OF THE CITY OF SKAGWAY

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We, therefore, request that the City Council and administrators take no action to plan, finance, construct, operate or otherwise facilitate or permit another ore dock in Skagway, Alaska.

NAME	ADDRESS	DOB	STATE
255	Luke Whitehead	Po Box 431	4-1-67 AK
256	Murphy J. Whitehead	- Box 431	- 5-27-70 - AK
257	Stathia Inhofe	Box 301	10/22/51
258	Jack Inhofe	Box 301	5/3/44
259	Chris Auer	Box 301	8-19-51
260	Ray Meyer	POB 371	Skagway AK 99840
261	Ebna Kalwick	Box 316	Skagway Ak. 99840
262	Wanda Samole	Box 126	Skagway AK 99840
263	Muri B Jaklitsch	Box 48	Skagway
264	John Everson	Po Box 141	Skagway, AK 99840
265	Tamie J. Bennett	P.O. BOX 27	SKAGWAY
266	Jeanne Smith	Po box 73	Skagway AK 99840
267	Mich Kulich	Box 51	Skagway AK
268	Norma Chapman	P.O. Box 141	SKAGWAY, AK 99840
269	Judy Knorr	Box 277	Skagway AK 99840 ^{State}
270	Gula R. Mae	Box 494	Skagway, AK. 99840
271	Edna Nelson	Box 137	SKAGWAY AK 99840
272	Burdell R Knapp	Box 401	SKAGWAY AK
273	Christine J. Vaughan	Box 511	Skagway AK
274	Teresa A. Smith	Box 313	Skagway AK.
275	Marian R Foster	Box 436	Skagway, AK.
276	Richard D. Buntoby	Box 476	Skagway, AK
277	Marshall S. Hill	Box 476	Skagway, AK
278	W. J. Hill	Box 391	Skagway, AK.
279	R. A. Stephens	Box 266	Skagway, AK. 99840
280	Lee A. Hart	Box 499	Skagway, AK 99840.
281	Frances M. Rose	Box 363	Skagway, AK 99840
282	William E. Stevens	Box 399	Skagway, AK 99840
283			
284			

HB

493

HOUSE COMMITTEE REPORT

(7)

Date Referred: February 9, 1990

FURTHER REFERRALS:

FINANCE

Date of Committee Action: _____

The LABOR & COMMERCE Committee considered:

HB 493

HOUSE BILL NO. 493

MILITIA REEMPLOYMENT RIGHTS

"An Act relating to reemployment rights for members of the state's organized militia."

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
- [] have attached amendment(s) [] a new title
- [] do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- [] fiscal impact _____
- [] zero fiscal note _____
- [] zero with analysis _____

- [] fiscal note(s) _____
- [] zero fiscal note(s) _____
- [] zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

	Do Not Pass	No Rec	Amend
_____		✓	
_____			✓

David Douley

Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: February 12, 1990
Title: An Act relating to employment rights for the organized militia.
Sponsor: Rep. Kubina
Requestor: _____

Agency Affected: DMVA
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

This bill will have no fiscal impact on DMVA

Prepared by: Jeff Morrison, Director Phone: 465-4600

Division: Administrative & Support Services, DMVA Date: 2/12/90

Approved by Commissioner: for Jeff Morrison
MG John Schaeffer Date: 2/12/90

Agency: Department of Military & Veterans Affairs

Distribution (by preparer):

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

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: An Act relating to
re-employment rights for members*
 Sponsor: Kubina, Larsen, et. al.
 Requestor: _____

Agency Affected: Department of Administration
 BRU: Division of Personnel
 Components: _____

*of the states organized militia.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

This bill will not have a fiscal impact on the Division of Personnel.

Prepared by: David K. F. Otto *DKFO*
 Division: Personnel
 Approved by Commissioner: Frank S. Baxter *Frank Baxter*
 Agency: Department of Administration

Phone: 465-4430
 Date: 2/15/90

Date: 2/20/90

Distribution (by preparer) :
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: HB 493
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
 Title: "An Act relating to reemployment rights for members ... organized militia." BRU: Labor Standards & Safety
 Sponsor: Kubina, Larson, Finkelstein Components: Wage & Hour
 Requestor: House Labor & Commerce

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Note: There is no fiscal impact in FY 90.

Prepared by: Tom Stuart, Director *Stuart* Phone: 465-2712
 Division: Labor Standards & Safety Date: 2/14/90
 Approved by Commissioner: Jim Sampson *Jim Sampson* Date: 2/14/90
 Agency: Department of Labor

Distribution (by preparer) :

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

Alaska State Legislature



While in Session
P O Box V
State Capitol
Juneau, Alaska 99811
465-4859

P O Box 2463
Valdez, Alaska 99686
835-2695

Representative Eugene Kubina

MEMORANDUM

TO: HOUSE LABOR & COMMERCE COMMITTEE MEMBERS
FROM: REPRESENTATIVE GENE KUBINA *Gene*
RE: HB 493
DATE: February 22, 1990

HB 493 "An Act relating to reemployment rights for members of the state's organized militia."

The proposed legislation would allow reemployment rights to members of the organized militia who are called to State Active Duty by the Governor. The organized militia consists of the Alaska National Guard, the Alaska Naval Militia, and the Alaska State Militia (Alaska State Defense Force).

Reemployment rights for National Guard and Naval Militia members who are called to federal service or who are training for the military jobs are protected by federal legislation.

— DISTRICT SIX —

• Chenega Bay • Chitina • Cooper Landing • Cordova • Hope • Moose Pass • Seward • Tatitlek • Valdez • Whittier •



DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

POSITION PAPER

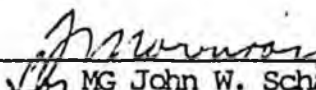
HB 493

Summary of Bill: The proposed legislation would allow reemployment rights to members of the organized militia who are called to State Active Duty by the Governor. The organized militia consists of the Alaska National Guard, the Alaska Naval Militia, and the Alaska State Militia (also known as the Alaska State Defense Force). State Active Duty is used by the Governor to activate the militia for State purposes such as state-declared disasters (i.e., not declared by the President) or civil disturbances, and is authorized by A.S. 26.05.070. Reemployment rights for National Guard and Naval Militia members who are called to federal service or who are training for their military jobs are protected by federal legislation. Under provisions of the bill, the Department of Labor will enforce the reemployment rights by appropriate regulations for all but state employees. The Department of Administration will enforce the reemployment rights for state employees.

Impact of Bill on Department of Military and Veterans Affairs: There will be no administrative impact on DMVA as a result of passage of this bill. However, we expect that the members of the organized militia will be very appreciative of the fact that their civilian jobs will be secure for them in the event that they are called to state active duty.

Departmental Position on Bill: The department strongly supports this bill.

Approved: _____


for MG John W. Schaeffer

Date: 2/10/90

HB

499

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: relating to municipally owned
refuse transfer sites
 Sponsor: Rep. Boyer
 Requestor: Labor & Commerce

Agency Affected: Commerce & Economic Dev.
 BRU: APUC
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary) Enactment of HB 499 operates to deregulate a very small component of the refuse industry involving transfer sites owned and operated by municipalities. While some APUC participation in the determination of what constitutes a "transfer site" can be anticipated, existing resources should be adequate to absorb this work load. The APUC offers a zero fiscal note for this bill.

Prepared by: T.S. Moninski II, Executive Director Phone: 276-6222
 Division: Alaska Public Utilities Commission Date: 2/26/90

Approved by Commissioner: Larry Merculieff Date: 2/27/90
 Agency: Department of Commerce & Economic Development

Distribution (by preparer):

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

HB499

G
FYI

MEMORANDUM

March 5, 1990

TO: Peter Sokolov, Chairman
FROM: Ray Wipperman, CPIO
SUBJECT: Fairbanks North Star Borough

This is in response to your request for information concerning regulatory activities involving Ralph Bartlett d/b/a Interior Services (Interior) and the Fairbanks North Star Borough (FNSB). To the best of my knowledge the Commission has not failed to respond to any complaint or motion filed by the FNSB. This has been confirmed in a telephone conversation with Mark Andrews, Assistant Borough Attorney. Nonetheless, the following is a brief chronology of events regarding Interior:

In early summer of 1987 FNSB informed Staff that it had a critical problem with Interior which created a hazard to the public health. Staff assisted FNSB in seeking and obtaining temporary authority to operate as a garbage and refuse for a period of 90 days, effective July 23, 1987. Docket U-87-54. At this time Interior was considered to be exempt from the Commission's full regulatory jurisdiction under AS 42.05.711(i) in that the utility reported revenues of less than \$200,000 annually. The Commission's action allowed FNSB to directly take whatever steps it deemed necessary to alleviate the problem since the Commission's jurisdiction was doubtful.

During this period the FNSB provided Staff with information which documented that Interior received over \$200,000 in annual revenues. On July 30, 1987, Commission Staff filed a formal complain with the Commission regarding Interior's failure to file a tariff, and failure to provide cost justification for the rates it was charging. Staff sought to make Interior's rates interim and refundable and to show cause why civil sanctions should not be imposed. The Commission opened Docket U-87-64.

The FNSB also filed a complaint regarding the reasonableness and propriety of the rates charged by Drake Sanitation, Inc., and Interior. The Commission opened Docket U-87-66 to consider FNSB's complaint regarding Interior on August 27, 1987.

On September 23, 1987, FNSB, requested and received an extension of the temporary authority because it was concerned that the Commission's activity in U-87-64 might jeopardize the viability of Interior and create another health emergency. On December 28, 1987, FNSB withdrew its request for an extension. It stated that it was negotiating a contractual agreement with Interior which would clearly define the responsibilities of both entities and that the contract would be filed with the Commission in the future for its approval. On these assertions of FNSB, the Commis-

9. 'sion closed the docket. The contract was never finalized.

During the pendency of these proceedings Interior filed a request to implement a tipping fee and a late charge Docket U-88-17 and for a permanent rate increase in Docket U-88-39. These proceedings were adjudicated, the substantive issue in U-87-64 and U-87-66 resolved and the Dockets closed on September 19, 1989. While the FNSB did not prevail on a refund it had sought, it did express its satisfaction with the Commission's determination of Interior's rate base.

Now pending before the Commission in Docket U-90-07, is FNSB's application for a certificate of public convenience and necessity to furnish refuse collection and disposal service within the Borough, including areas certificated to Interior and part of the certificated service area of the City of Fairbanks.

STATE OF ALASKA

ALASKA PUBLIC UTILITIES COMMISSION DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

STEVE COWPER, GOVERNOR

420 "L" STREET
SUITE 100
ANCHORAGE, ALASKA 99501
(907) 276 6222

G
FYF
Island
tell to
comm

March 13, 1990

Representative Dave Donley, Chair
House Labor and Commerce Committee
Alaska State Legislature
House of Representatives
P.O. Box V
Juneau, Alaska 99811

Dear Representative Donley:

This is in response to your Committee's request to clarify the Commission's role in dealing with the overfilled solid waste transfer sites in the Fairbanks area. The Committee also requested that the Commission respond to the Fairbanks North Star Borough's (FNSB) testimony that the Commission did not react to FNSB's request for a show cause hearing as to why the certificate of Interior Services (Interior) should not be revoked.

Enclosed is a memorandum from the Commission's Consumer Protection Information officer outlining the Commission's activities regarding Interior. In summary, until 1987 Interior consistently reported annual revenues of less than \$200,000 which exempted them from rate and quality of service regulations. Upon FNSB's complaint, it became evident that the reported revenues were understated. Consequently, the Commission opened an investigation into the rates Interior charges and the quality of service it provides.

To the best of the Commission's knowledge, it has not failed to respond to any complaint or motion of the FNSB. I surmise that with the recent turnover of personnel at the FNSB, misunderstandings have arisen as to the Borough's past participation in Commission proceedings regarding Interior. To the Commission's knowledge, there never was a formal request for a show cause hearing. This was confirmed by Mark Andrews, Assistant Borough Attorney. Ms. Anderson, who testified at the Committee's hearing alluding that the FNSB requested the APUC to hold a show cause hearing, later told me that she misunderstood what a show cause hearing was.

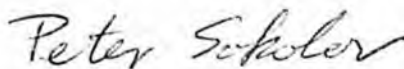
Representative Dave Donley
March 13, 1990
Page 2 of 2

In response to Representative Collins' concerns that the APUC does not have regulations on solid waste collection, I would like to inform the Committee that health and sanitation aspects of solid waste collection are addressed in the regulations of the Department of Environmental Conservation. For example, 18 AAC 60.025(b) provides:

A person who spills solid waste during collection or transport shall promptly pick up the waste and clean the affected area.

If you or the Committee's staff have additional questions, please call me at 263-2102.

Sincerely,



Peter Sokolov
Chairman

Enclosure

STEVE COWPER, GOVERNOR

ALASKA PUBLIC UTILITIES COMMISSION
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

420 "L" STREET
SUITE 100
ANCHORAGE, ALASKA 99501
(907) 276-6222

Facsimile No: [907] 276-0160

FACSIMILE COVER SHEET

Date: 3/14/90 Time: 10:20 am

Docket Number: _____ [submit cover sheet to C. Thompson]

Transmittal Telephone Number: []

DELIVER TO: LINDA WILD / Guy Bell
COMPANY: DC&ED
FROM: TED MONINSKI
BY [if applicable]: APUC

COMMENTS:

Here is the letter to Dowley re
REFUSE REGULATION PER OUR CONVERSATION.

TOTAL PAGES: 5 [Transmittal cover sheet + document(s)] 

Transmittal problems? Please call [907] 276-6222

HOUSE COMMITTEE REPORT

Donley

(7)

Date Referred: February 9, 1990

FURTHER REFERRALS:

Date of Committee Action: 3/6/90

The LABOR & COMMERCE Committee considered:

HB 499

HOUSE BILL NO. 499

MUNICIPAL WASTE COLLECTION

"An Act relating to waste collection."

RECOMMENDATIONS:

- be replaced with CSHB499 (L+C) the same title
- have attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS: (Date/Dept)

- fiscal impact _____
- zero fiscal note C+ED
- zero with analysis _____

- fiscal note(s) _____
- zero fiscal note(s) _____
- zero fn/analysis _____

SIGNING DO PASS:

SIGNING: (Check approp. column)

Do Not
Pass
No Rec
Amend

<u>David Donley</u> Donley	<u>Steven A. Laman</u> Laman			X
<u>Mark Boyer</u> Boyer				
<u>E. C. Boucher</u> Boucher				
<u>W. Greenberg</u> Greenberg				

David Donley
Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Relating to municipally owned refuse transfer sites
 Sponsor: Representative Boyer
 Requestor: Labor & Commerce

Agency Affected: Commerce & Economic Dev.
 BRU: APUC

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
----------------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
----------------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary) No fiscal impact for FY 90.

Prepared by: T.S. Moninski II, Executive Director
 Division: Alaska Public Utilities Commission

Phone: 276-6222
 Date: 3/7/90

Approved by Commissioner: Larry Mercurieff *SM*
 Agency: Department of Commerce & Economic Development

Date: 3/7/90

Distribution (by preparer):

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

6-2144E
Cramer
2/26/90

Original sponsor(s): REP. BOYER, Swackhammer, Koponen, M.Davis, Sharp

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 499 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to waste collection and disposal."

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

8 * Section 1. AS 29.35.050(b) is amended to read:

9 (b) The governing body of a municipality may not prohibit a
0 person holding a valid certificate from the Alaska Public Utilities
1 Commission from continuing to collect and dispose of garbage, refuse,
2 trash, waste material, or provide other related services in an area in
3 the municipality if the certificate authorizes the collection and
4 disposal of [GARBAGE, REFUSE, TRASH, OR OTHER] waste material and
5 providing of other services in the area, and the certificate was
6 originally issued before the municipality provided similar services.
7 Except as provided in (d) of this section, a [A] municipality may not
8 provide for a garbage, refuse, trash, or other waste material collec-
9 tion and disposal service in an area to the extent it lies in an area
10 granted to a garbage, refuse, trash, or other waste material carrier
11 by a certificate issued by the Alaska Public Utilities Commission to
12 the carrier until it has purchased the certificate, equipment and
13 facilities of the carrier, or that portion of the certificate that
14 would be affected, at fair market value. A municipality may exercise
15 the right of eminent domain to acquire the certificate, equipment, and
16 facilities of the carrier, or that portion of the certificate that
17 would be affected.

18 * Sec. 2. AS 29.35.050 is amended by adding a new subsection to read:

19 (d) A municipality may establish an intermediate transfer site

1 for the collection and disposal of waste material without purchasing
2 the certificate, equipment, or facilities of a waste material carrier
3 certificated by the Alaska Public Utilities Commission. The municipi-
4 pality may, without compensating a certificated waste carrier operat-
5 ing in the area, provide for or contract with a certificated or non-
6 certificated entity to provide for the collection and disposal of
7 waste material

8 (1) left at the intermediate transfer site; or

9 (2) generated by the municipal government.

10 * Sec. 3. AS 42.05.711(d) is amended to read:

11 (d) The commission, on a finding that no legitimate public
12 interest will be served, may exempt a utility from all or any portion
13 of this chapter. However, the commission may not exempt a refuse
14 utility from AS 42.05.221 - 42.05.281.

15 * Sec. 4. AS 42.05.711 is amended by adding a new subsection to read:

16 (m) The collection and disposal, under AS 29.35.050(d), by a
17 municipality of waste material deposited at an intermediate transfer
18 site and of waste material generated by the municipal government is
19 exempt from this chapter.
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A M E N D M E N T

OFFERED IN THE HOUSE

BY REP. DONLEY

TO: CSHB 499()

Page 1, line 6:

Delete "waste collection and disposal"

Insert "collection and disposal of waste at an intermediate transfer site established by a municipality and to collection and disposal of waste material generated by a municipality itself; and prohibiting the Alaska Public Utilities Commission from exempting refuse utilities from certification requirements"

ALASKA REFUSE UTILITIES ASSOCIATION

Suggested amendments to H.B. 499:

1. Page 2, line 9--delete the following:

"(2) generated by the municipal government, [OR BY THE MUNICIPAL SCHOOL DISTRICT.]"

2. Page 2, line 19--delete the following:

"site and of waste material generated by the municipality, [OR BY THE MUNICIPAL SCHOOL DISTRICT IS EXEMPT FROM THIS CHAPTER.]"

3. Page 2, line 21--add the following:

"Sec. 5. AS 42.05.____ is amended by adding a new section to read:

The legislature finds that authorizing competing public utilities for the collection and disposal of garbage, refuse, trash, and other waste materials may be injurious to the progress of waste recovery and recycling of materials and is a policy matter reserved for the legislature. The Alaska Public Utilities Commission is instructed to not issue competing certificates for the collection and disposal of garbage, refuse, trash, or other waste materials until the legislature finds that competition in this service is in the public interest."

4. Page 2, line __, add the following:

"Sec. 6. Sections 1, 2 and 4 of this act take effect on January 1, 1994 . Except that this act takes affect immediately for all municipalities that have adopted a cap on their property taxes."



Fairbanks North Star Borough

Silver Anniversary

February 27, 1990

Members of the House and Senate
Alaska State Legislature
P. O. Box V
Juneau, AK 99811

RE: HB 499 and SB 298 - Waste Collection Deregulation

Dear Legislators:

I would like to speak in favor of HB 499 and SB 298.

First, I want to make it clear that the Fairbanks North Star Borough is not interested in operating a waste collection department. We want to contract with the private sector for that service. What we do want is competition and the ability to manage our contractors. Given the regulation by APUC of the collection of solid waste, the Borough cannot continue to operate that service. APUC regulates only fees, not the delivery of service.

Under the present system, the haulers are given a certificate (monopoly) for a given area, and no one else may haul solid waste in that area. We were contracting with those haulers to service our dumpster system. That contract allowed us to dictate performance standards. One hauler discovered that if he refused to sign the contract, we still could not do business with anyone else, so he couldn't be held to any performance standards. Repeated complaints to APUC regarding lack of service, filth at dumpster sites, and failure to perform netted no result.

I have been Mayor for four plus years, and have tried to operate under the present rules. Believe me, it works fine with the good haulers. It does not work at all with the bad. When irate citizens complain about dirty dumpsters they do not go to the state, they come to me. When I tell them I have no control over the hauler since the state certifies them but doesn't regulate their quality of service, it sounds like a lame excuse, and the citizens are not satisfied. Neither am I.

Without legislation that returns the management ability to the Borough, the present system is unworkable. All we are now is a bill collector for the hauler. If the state continues to regulate the hauling thorough exclusive certificates which precludes local management of contracts, I am ready to get out of the way and let the state do it all.

Finally, I would like to remind you that last year the Fairbanks North Star Borough began pushing for full deregulation, and the present legislation before you is a drastic compromise from that position. I support this legislation which protects the haulers' property rights, while returning the management ability to the local service provider.

Sincerely,

Juanita Helms
Juanita Helms
Borough Mayor

By: Chris Birch
Introduced: 03/30/89
Adopted: 03/30/89

RESOLUTION NO. 89-035

A RESOLUTION SUPPORTING DEREGULATION OF
GARBAGE AND SOLID WASTE

WHEREAS, under current Alaska law the Alaska Public Utilities Commission regulates the operation of garbage and solid waste disposal through its certification process, and

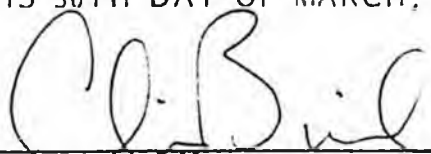
WHEREAS, the certification process results in needless expenditure of municipal funds in the procurement of garbage and solid waste collection and disposal, and

WHEREAS, if the collection and disposal of garbage and solid waste were deregulated municipalities could procure these services for the taxpayers of Alaska at a much lower cost than is currently the case, and

WHEREAS, it has been the experience in other industries that have been deregulated that costs immediately go down as market competition influences the industry that has been deregulated.

NOW, THEREFORE, BE IT RESOLVED that the Assembly of the Fairbanks North Star Borough urges the Alaska legislature to deregulate the collection and disposal of garbage and solid waste.

PASSED AND APPROVED THIS 30TH DAY OF MARCH, 1989.



Presiding Officer

ATTEST:



Clerk of the Assembly



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA 99669
PHONE (907) 262-4441

DON GILMAN
MAYOR

TESTIMONY ON HB 499 REFUSE HAULING DEREGULATION

The Kenai Peninsula Borough supports HB 499 and the issue of deregulation of the refuse hauling industry in general. This bill represents a compromise between municipalities and the refuse haulers. HB 499, as introduced, would provide for the deregulation of municipal transfer sites, thereby allowing municipalities to haul or contract for the hauling of waste left at an intermediate disposal site.

The Kenai Peninsula Borough has sought deregulation of hauling of municipal transfer sites since the 1970's when the borough asserted that after refuse was placed in these transfer sites, it became the property of the borough and did not fall under the jurisdiction of the hauler's permit, thus allowing the borough to haul, or contract for hauling, the refuse to the landfill. The court rejected that position and determined that hauling of transfer boxes was within the scope of an existing hauler's permit and was a service already provided by that hauler. Because of provisions in Title 29 of the Alaska Statutes, a municipality cannot initiate its own hauling if the area is already served by a certified hauler, unless the municipality "buys out" that carrier.

Through a commission decision, the rate structure for hauling in the central Kenai Peninsula area is exempt from the normal PUC rate filing procedure, but obtaining a permit is still subject to PUC determination of public convenience and necessity. These circumstances cause the creation of a monopoly in many communities, that is not subject to regulation of rate. This prevents the borough from entering into a contract with competitive bids which would ensure the lowest possible cost to the taxpayers.

In 1989, the certificated hauler in the borough requested a 25% rate increase in the two areas that still have regulated rates. The APUC denied the 25% increase but granted rate increases of 17.45% in the

east peninsula area and 15.8% in the southern peninsula area. While the central peninsula area is not regulated, the hauler set those rates to reflect the 17.45% increase awarded for the east peninsula area. In reaction to these rate increases, and in an effort to contain the costs of the solid waste budget, the borough made a decision to remove five transfer sites which resulted in reduction of service to the public. Given this situation of a state agency determining the cost of doing business for a municipality, the ability of a local government to control its costs is lost.

Due to pending EPA regulations requiring strict environmental controls on solid waste disposal, the borough is now strongly considering the concept of a central disposal site, which would require waste generated in Seward, Kenai and Nikiski to be hauled to a site in Soldotna. With this increase in hauling, it is imperative that the borough be able to control the costs in this portion of the solid waste budget by being allowed to enter into a competitive bid situation, resulting in a contractual relationship with the hauler. Because only one hauler is now permitted to provide this service to the borough, this method of controlling costs is not available.

The Kenai Peninsula Borough appreciates your consideration of this legislation and urges you to pass HB 499 from committee.

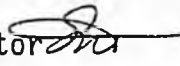
Alaska MUNICIPAL League

TELEPHONE
(907) 586-1325
FAX 463-5480

217 SECOND STREET, SUITE 200
JUNEAU, ALASKA 99801

February 27, 1990

TO: Representative Dave Donley, Chairman
Members of the House Labor and Commerce Committee

FROM: Scott A. Burgess, Executive Director 

SUBJECT: HB 499 - Relating to waste collection

The Alaska Municipal League supports HB 499 to the extent that it moves in the direction of deregulating solid waste services.

The Alaska Municipal League's 1990 Policy Statement states on page 38:

Deregulation of Solid Waste: The League supports statutory changes to eliminate APUC regulation of solid waste collection and disposal.

I understand from representatives of several of our member municipalities that have been working on this issue that HB 499 represents a compromise to complete deregulation acceptable to representatives of private haulers and those municipalities with current and specific problems. If complete deregulation is not possible through this or other legislation this year, then AML supports HB 499 as introduced as a compromise, recognizing that all compromises are not completely acceptable to all parties.

The collection and disposal of solid waste is a traditional municipal service and Title 29 grants the authority for this function to municipalities. However, Title 29 (AS 29.35.050 (b) also restricts a municipality from providing this service if a private provider holds a certificate. A municipality wishing to enter the solid waste collection and disposal business can purchase the certificate or acquire it under its powers of eminent domain. HB 499 makes an exception to current law for the collection and disposal of waste material left at a transfer site or generated by the municipal government or by a school district.

Solid waste is a growing environmental concern replete with increasing federal and state regulation and increasing potential costs to municipalities and private operators. A municipality must have adequate control over solid waste collection and disposal in order to meet its, in many cases mandated, responsibility to protect the public health and welfare, specifically, protecting the health of its citizens and the environment and to keep costs at the lowest possible level.

Again, AML supports the complete deregulation of solid waste collection and disposal but also supports HB 499 as introduced as an acceptable compromise to deal now with specific problems in several of our member municipalities. Thank you.

sab3:hb499

ALASKA PUBLIC UTILITIES COMMISSION

COMMENTS ON HB 499¹

February 26, 1990

The Commission reiterates its position in support of deregulation of the refuse industry and believes that local governments can adequately oversee this aspect of public health and sanitation.

Nonetheless, the Commission will offer the following notes on HB 499:

*Section 1, amendment to AS 29.35.050(b) - It is not clear to the Commission why the words "GARBAGE, REFUSE, TRASH, OR OTHER" are deleted on line 14 but not the three other times they appear within the same subsection.

*Section 2, amendment to AS 29.35.050 - The Commission believes that this section would have an impact on the existing market structure of the current industry. Undoubtedly the utilities and the local governments will argue about the merits of this proposed section. The Commission will be glad to provide an independent assessment of these arguments.

¹Commissioner Daniel Patrick O'Tierney was out of State and did not participate in the public meeting in which the Commission discussed this legislation.

Alaska Public Utilities Commission
Comments on HB 499
February 26, 1990
Page 2 of 2

*Section 3, amendment to AS 42.05.711(d) - The Commission opposes this amendment because it limits the flexibility of the exemption and hence, the Commission. To the Commission's knowledge, no refuse utility has ever been exempted from AS 42.05.221 - 281. Further, the Commission questions, as a matter of policy, why such a requirement should be placed only on the refuse industry.

*Section 4, amendment to AS 42.05.711 - To the extent that a regulated entity could contract with a municipal government, that portion of its business would be deregulated. Consequently, there would be a cost allocation issue between the regulated and nonregulated activities of the regulated entity, including the potential for cross-subsidization. There are further policy implications in allowing a municipality to service school districts. This would deprive some regulated entities of considerable revenues and thus impact the rates other customers pay.



*Draft L+C
Resolution*

Alaska State Legislature

House of Representatives
COMMITTEE ON STATE AFFAIRS

March 23, 1989

TO: Rep. Dave Donley
Chairman, Committee on Labor and Commerce

FM: Rep. H.A. "Red" Boucher
Rep. Loren Leman
Rep. Ann Spohnholz

RE: Subcommittee on Solid Waste Utilities

The Subcommittee on Solid Waste Utilities has met to consider two questions.

- I. Should solid waste utilities be deregulated by the APUC.
- II. Should the Committee introduce legislation regulating recovery and recycling of solid waste.

Regarding Question I, the subcommittee has reviewed the past and current record on the issue of deregulating refuse utilities. Appendix One to this memorandum contains the legislative history of bills introduced in the eleventh legislature. There is no bill in the current legislature concerning deregulation of refuse utilities.

In addition, the subcommittee members met with representatives of the refuse industry, and also with Susan Knowles of the APUC, to ascertain their views on this issue.

The subcommittee has concluded that current statute requires the APUC to regulate refuse utilities (A.S. 42.05.720(F)). The fact that the legislature has considered and declined to change the statute affirms the prescribed public policy for APUC to follow.

The subcommittee is disconcerted by information from the refuse utilities that the APUC is de facto deregulating refuse utilities by encouraging applicants to apply for "certificates of public convenience

and necessity" in areas where existing refuse utilities are operating. This practice is not in conformance with the statute and should be changed in favor of stricter regulation.

The subcommittee's conclusion in favor of strict regulation is based on traditional economic theory of regulation that holds that the public interest is best served by allowing economies of scale to accumulate for capital and operational cost recovery. In exchange for the preferred monopolistic position enjoyed by most utilities, they are regulated in order to prevent public abuse in the form of excessive profits and substandard or discriminatory service. The practice of regulation saves the public from inconstancy that is the by-product of competitive markets. Regulation of utilities is especially applicable in thin markets, like most Alaskan communities, that need reliable service from fundamental utilities.

In addition, the subcommittee is persuaded that regulation of refuse utilities is necessary to protect public health and the environment. The commonplace occurrence of hazardous waste and toxic substances in our communities requires, in the opinion of this subcommittee, a measure of control and planning that can be achieved only by regulation. Issues regarding waste products and disposal methods are of increasing urgency in communities throughout the country. These issues deserve to be scrutinized more rather than less in order to preserve public health and the aesthetic values cherished in most Alaskan communities.

For the aforementioned reasons the subcommittee recommends that a letter of legislative intent be attached to HB 72 (APUC sunset bill) that reaffirms APUC's statutory mandate to regulate refuse utilities until the legislature chooses to change the statute. Suggested language follows:

The legislature finds that the APUC's practice of regulation of refuse utilities as required under A.S. 42.05.720 is inconsistent with that statute. It is the intent of the legislature that APUC should strictly regulate refuse utilities consistent with A.S. 42.05. 720.

Regarding the second question, i. e., should the Committee sponsor legislation requiring regulation of solid waste recovery and/or recycling. The subcommittee is of the opinion that the merits of the proposed legislation, Appendix Two, cannot be satisfactorily determined without public hearings. Consequently, the subcommittee supports introduction of the legislation so that public process will be available to determine its viability.



Representative H.A. "Red" Boucher

Chairman House Committee on State Affairs • Special Committee on Telecommunications

March 29, 1989

Dave Donley
Representative
P.O. Box V
Juneau, Alaska 99811

Dear Dave,

In the process of researching the workload of APUC, I found out that there is no record of "aging" for the dockets under consideration. In other words, the Commission doesn't make available to the public, the length of time each case has been under consideration.

I suggest that intent language would be appropriate in the sunset bill as follows:

"The Commission shall publish in their annual report the filing date for each matter pending before them for action."

Sincerely,

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

H.A. "Red" Boucher
Representative



Representative H.A. "Red" Boucher

Chairman House Committee on State Affairs • Special Committee on Telecommunications

MEMORANDUM

April 4, 1989

TO: Rep. Dave Donley

FM Rep. Red Boucher
Chairman, Subcommittee on Solid Waste Utilities

RE: Comments on Minority Report of March 30, 1989

This is a critique of the three points raised in the Minority Report that purport to rebutt the Majority Report of March 23, 1989.

The first point deals with whether or not A.S. 42.05.720 (4)(F) is intended to include solid waste utilities within the APUC's regulatory scheme. The minority report suggests that the APUC should be left to its own determination of legislative intent despite the clear language in the statute:

"utility includes every corporation...that owns, operates, manages or controls any plant or system for (F) furnishing collection and disposal service for garbage, refuse, trash or other waste material;

Despite this unambiguous citation (which should be read in conjunction with AS 42.05.221(a)) the minority report would have us believe that regulation of waste utilities is somehow a new twist of interpretation. The objective situation testifies that waste utilities have been regulated since the statute went into effect... regulation is the status quo. To contend that deregulation is the intent of the statute when deregulation is the result of having no statute at all is ridiculous.

As to whether or not a legal opinion should be sought as to the intent of the statute, the legislature is its own and the ultimate arbiter of legislative intent. Also, the language and facts are too clear to ask for a legal opinion when there is no purpose other than fishing for obtuse angles for debate.

The second point of rebuttal in the minority report involves whether or not prospective competitors in a deregulated market are concerned about economies of scale. The minority misses the point. It is not whether prospective competitors are concerned about economies of scale; the point is that the advantages of scale are good for the public because the public pays less for a utility service that is a compulsory cost to citizens about which they do not have a choice to spend or not to spend. Our society deems it prudent not to have competition and redundant investment in utility services where costs are mandated to the public. That is the rationale for regulation.

The third point in the minority report is that public health and environment are not the concerns of APUC. The reality of the situation is that protection of public health, safety and environment costs money and requires investment in expensive trucks, incinerators and a related equipment. Utilities are deserving of a return on their investment which must be part of their rate base and tariff structure approved by the APUC. Public and environmental health are an integral part of the "Standards of Service and Facilities" requirements of the APUC statute (A.S. 42.05.291). To suggest that inspections by OSHA, Health and Social Services or DEC are a substitute for regulatory, economic incentives that have worked in the U.S. for more than a hundred years is a misreading of regulatory powers.