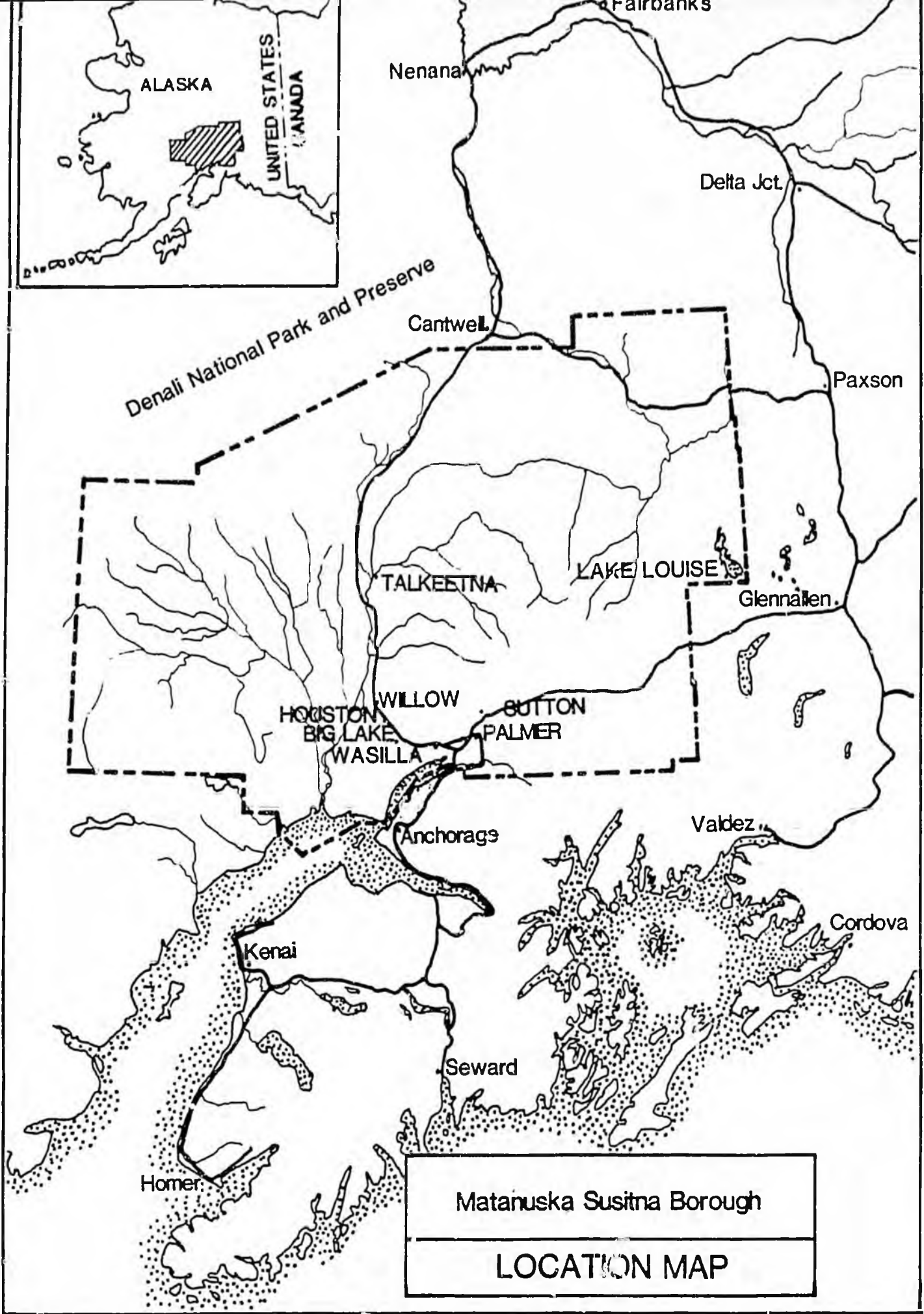
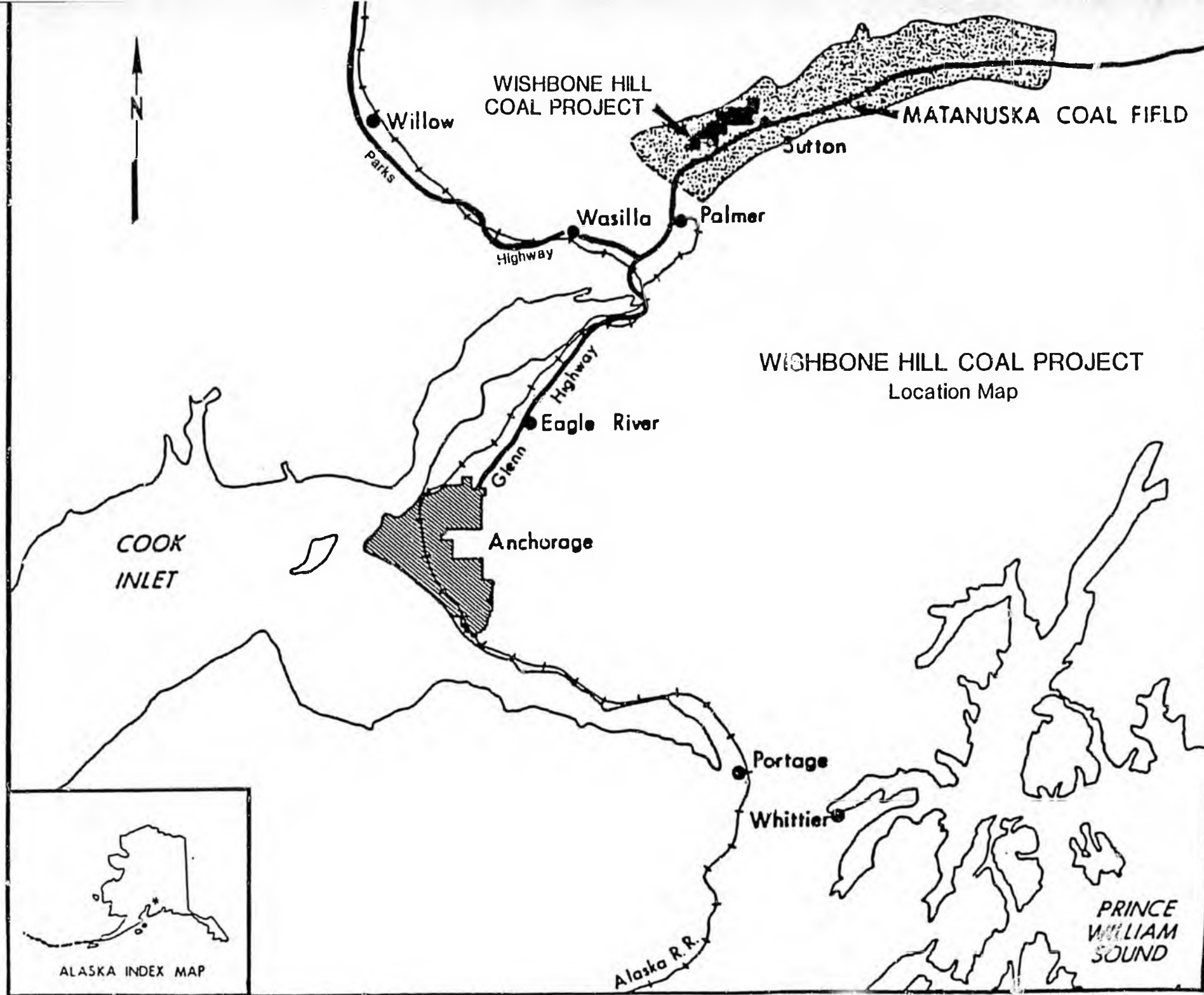


ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
6039 HOUSE RESOURCES

4/83





WISHBONE HILL
COAL PROJECT

MATANUSKA COAL FIELD

Willow

Sutton

Wasilla

Palmer

Highway

Highway

Eagle River

Glenn

Anchorage

WISHBONE HILL COAL PROJECT
Location Map

COOK
INLET

Portage

Whittier

PRINCE
WILLIAM
SOUND

Alaska R.R.

ALASKA INDEX MAP

PROJECT PROPOSAL

PROJECT TITLE:

Wishbone Hill Coal Development

PROJECT DESCRIPTION:

The Wishbone Hill Coal Development project is a private sector development in which the State of Alaska and the Matanuska-Susitna Borough governments are working with Idemitsu Kosan, Inc., an international corporation to develop a coal mine in the Wishbone Hill Coal Field within the Matanuska-Susitna Borough. Exploration efforts were initiated in 1983 and have progressed to final feasibility phase. Operations are scheduled to commence in mid-1991.

SUBMITTING ORGANIZATION:

Matanuska-Susitna Borough

FUNDING MIX/COST ESTIMATE:

State & Federal	\$ 8,500,000 - \$10,000,000	
Local	\$ 500,000	
Private Sector	\$ 3,000,000 - \$4,000,000	Exploration and Development (YTD Estimate)
	\$40,000,000 - \$50,000,000	Initial Capital
Other	-0-	

State and Federal funds will be used to upgrade approximately 13 miles of the Glenn Highway that is presently substandard and in need of repair.

EMPLOYMENT IMPACT:

Long Term: 180 full-time year round new jobs

Likelihood of Imported Labor: Very Minimal

OPERATING AND MAINTENANCE COSTS:

All operating, maintenance and reclamation costs will be borne by the private sector developer.

NARRATIVE:

The Wishbone Hill Coal project is a prime example of the type of project being sought by the State and Borough. Public sector capital investment and cooperation will generate a substantially larger private sector investment. Idemitsu Kosan, Inc. has already expended over \$3.5 million in the exploration, feasibility analysis and permitting phase of this project. This project will generate significant positive impacts in the service sectors of the economy, especially in the mining support, commodities, and transportation sectors of the economy. The Wishbone Hill Coal Project will not detract from other projects within the State because not only is the quality and quantity of the coal vastly different than other coal projects, the markets are also different.

In addition, the project will affect the national economy by providing an opportunity to improve the trade imbalance between the United States and Japan. Because this project is an export based project, new funds for capital and operating expenses will enter the Alaskan economy and will add to Alaska's exports. Export based industries also typically have larger employment and income multipliers than non-export based industries which will benefit the Alaskan economy.

Road: Japanese firms may share costs

Continued from page F-1

grade south of Moose Creek to allow normal traffic to pass the slower-moving coal trucks.

Cowper and his administration took some flak from Borough Assemblyman Steve Cypra last week, when the project failed to appear on the governor's capital budget.

That failure, Cypra said, was sending the wrong message to two Japanese firms, Mitsui Corp. and Idemitsu Kosan, that have proposed major development projects in the borough.

Dave Germer echoed Cypra's comments Tuesday. Germer is project manager for McKinley Mining Consultants, the firm hired by Idemitsu Kosan to help it prepare for development of the Wishbone Hill coal mine project.

"The absence of road improvement project funds in the governor's capital budget not only sent the wrong message to Idemitsu Kosan," Germer said, "it also sent the wrong message to Mitsui Corp. of Japan, and to Suneel Corp. of (South) Korea, and to the Pacific Rim in general.

"Maybe the governor has some other thoughts on how to get the project moving that he hasn't shared with us," Germer said.

In the meantime, Sens. Jay Kerttula, D-Palmer, and Szymanski said the coal mine, which Idemitsu Kosan hopes to bring on line in late 1991 or early 1992, would hire 180 full-time employees and have an annual payroll of \$10 million.

The two have also drafted and co-signed a Senate Concurrent

Resolution urging the governor's office, the Alaska Railroad Corp. and the departments of Transportation, Natural Resources and Environmental Conservation to do what they can to take the proposed coal mine from planning to fruition.

"Sen. Rick Uehling, who chairs the Senate's International Trade Committee will introduce the resolution, and Sen. Kerttula and I will co-sponsor it," Szymanski said. He said the resolution will be referred to the Senate Natural Resources Committee and will go to the floor of the Senate for approval from that committee.

Kerttula and Szymanski said the resolution is also supported in the state House by Reps. Ron Larson, D-Palmer, and Curt Menard, D-Wasilla. Larson is co-

chair of the House Finance Committee, and Menard is chair of the House Natural Resources Committee.

Snell said DOT is trying to make the project happen through its negotiations with Idemitsu Kosan.

"There is no reason to think that an acceptable agreement won't be reached with Idemitsu Kosan on the road improvement costs," Snell said. "If an agreement is reached, probably in March, the state is willing to put the \$1 million state matching funds into the capital budget for the necessary road improvements.

"I'm very optimistic that we'll be constructing those road improvements by 1990 and 1991 to meet Idemitsu Kosan's current development schedule," Snell said.

State funds earmarked for Wishbone Hill road

By BILL KELDER
Times Valley Bureau

1-15-89
PALMER — Even though it wasn't listed as a project on Gov. Steve Cowper's proposed capital budget, \$1 million of state money has been set aside for road improvements to facilitate development of a coal mine in the Wishbone Hill area of the Matanuska-Susitna Borough.

Sen. Mike Szymanski, D-Anchorage, said Tuesday the Department of Transportation and Public Facilities has budgeted \$1 million for the road improvement project.

"Commissioner (Mark) Hickey told me

improvements. Snell said the company is only being asked to pick up the cost of those items that solely affect the mine operation. Other costs, he said, would be picked up by the state and federal governments.

"So far, the negotiations are proceeding positively and have been very amiable," Snell said Tuesday from his Anchorage office. He said the state plans to put \$1 million into the capital budget as matching funds for the project once negotiations are complete.

Under the federal highway program, the federal government would pay for

CITY OF PALMER, ALASKA

RESOLUTION NO. 809

A RESOLUTION SUPPORTING THE MINING OF COAL FROM WISHBONE HILL FIELD.

WHEREAS, Idemitsu Kosan has expressed an interest in reopening the coal mining operations in the Wishbone Hill area, and

WHEREAS, 1991 is the target date to begin shipment of coal from the Wishbone Hill area, and

WHEREAS, the initial outlook is for coal to be mined for a twelve year period, and

WHEREAS, the coal mining operation will employ approximately 180 personnel upon reaching full operation, and

WHEREAS, the thrust is for economic development both on the local and state level of government, and

WHEREAS, the need for cooperation and assistance from the State of Alaska is needed to assure the 1991 coal delivery date, and

WHEREAS, the transportation of the coal will be over the road and by rail to Seward for shipment to Japan, and

WHEREAS, part of the transportation package requires that the Glenn Highway be upgraded from south Palmer to Moose Creek, and

WHEREAS, financial participation from the State of Alaska and Idemitsu Kosan is needed for this vital segment of the transportation element.

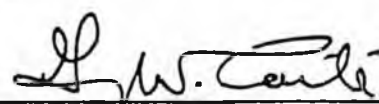
NOW, THEREFORE, BE IT RESOLVED that the City of Palmer urges the Alaska Railroad to establish reasonable rail transportation rates for the shipment of coal to Seward.

BE IT FURTHER RESOLVED that the State of Alaska participate in an equitable financing of the Glenn Highway upgrade which will be impacted by not only the increased coal hauling traffic but tourist traffic to Hatcher Pass as well.

BE IT FURTHER RESOLVED that the State of Alaska provide an expeditious review of the permitting process which will assist Idemitsu Kosan to meet the 1991 deadline for beginning operations.

Publication of this Resolution shall be by posting a copy hereof on the City Hall bulletin board for a period of ten (10) days following its passage and approval.

Passed and approved by the City Council of the City of Palmer, Alaska, this 24th day of January, 1989.



GEORGE W. CARTE, MAYOR

DAVID L. SOULAK, CITY CLERK

MATANUSKA-SUSITNA BOROUGH

ASSEMBLY RESOLUTION SERIAL NUMBER 89-019AM

"A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH URGING THAT THE ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES DEVELOP AN EQUITABLE POLICY FOR FUNDING ROAD AND HIGHWAY PROJECTS IN WHICH THE STATE HAS A PRIMARY ECONOMIC DEVELOPMENT INTEREST."

WHEREAS, the Alaska Department of Transportation and Public Facilities administers Federal and State highway funding programs for the State; and

WHEREAS, adequate transportation infrastructure is a basic requirement in order to attract economic development projects and new investment; and

WHEREAS, Alaska does not have an adequate transportation infrastructure, particularly in the Matanuska-Susitna Borough; and

WHEREAS, the Matanuska-Susitna Borough and State of Alaska have attracted two very important economic development projects: the Hatcher Pass Ski Resort and Wishbone Hill Coal Mine; and

WHEREAS, the State roads providing access to these projects, Willow Fishhook (milepost 7 to milepost 14) and the Glenn Highway (milepost 35 to milepost 56) are substandard and have been substandard for many years; and

WHEREAS, the Willow Fishhook and Glenn Highway serve as major transportation corridors for the general public as well as regional and out-of-state tourists; and

WHEREAS, Alaska Department of Transportation and Public Facilities has proposed that the private sector firms developing the Hatcher Pass Ski Resort and the Wishbone Hill Coal Mine pay for a significant portion of the upgrades of these publicly used roadways; and

WHEREAS, it is inconsistent and poor business practice for the State of Alaska to aggressively seek foreign and out-of-state investors and then to expect these investors to fund a significant portion of the upgrade costs for substandard roads that are used by the general public; and

WHEREAS, the Alaska Department of Transportation and Public Facilities has proposed that the funds for the upgrades come from the previously approved upgrade of the Glenn Highway between Eklutna and Parks Highway; and

WHEREAS, other municipalities within the State have had accelerated road programs which have delayed road projects in the Matanuska-Susitna Borough and other areas of the State.

NOW, THEREFORE, BE IT RESOLVED: that the Assembly of the Matanuska-Susitna Borough believes improving publicly used substandard roads and developing an adequate transportation infrastructure is a fundamental role of the State and the Alaska Department of Transportation and Public Facilities; and

BE IT FURTHER RESOLVED: that the Assembly of the Matanuska-Susitna Borough believes that private sector firms should be charged for reasonable costs associated with their projects and not to bear significant a financial burden for upgrading roads that are already substandard; and

BE IT FURTHER RESOLVED: that the State of Alaska should have a consistent marketing approach that does not penalize new Alaskan investors by forcing them to significantly fund upgrades of substandard roads that are used by the general public; and

BE IT FURTHER RESOLVED: that the Assembly of the Matanuska-Susitna Borough believes that if private sector firms are being charged for significant portions of the projects then these private sector firms should be given the opportunity to design and manage the construction of the projects; and

BE IT FURTHER RESOLVED: that the Assembly of the Matanuska-Susitna Borough urges the State of Alaska to develop an accelerated road program for the Borough's economic development projects, especially the Hatcher Pass Ski Resort and the Wishbone Hill Coal Mine.

UNANIMOUSLY PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 17 day of January, 1989.

Linda Dahl
Linda Dahl
Borough Clerk

Dorothy A. Jones
Dorothy A. Jones
Mayor
Matanuska-Susitna Borough

WISHBONE HILL PROJECT

Wishbone Hill is a surface coal development project located in south central Alaska, approximately 45 miles northeast of Anchorage. The project consists of eight state coal leases that are 100 percent owned by Idemitsu Alaska, Inc., a subsidiary of Idemitsu Kosan Co., Ltd. Idemitsu Kosan is the largest independent oil company in Japan and is actively involved in coal development and mining activities world wide. They currently use coal in their oil refineries as well as supply coal, gas and oil to many of the Japanese power utilities.

Exploration and development work on the proposed Wishbone Hill surface coal mining project has been in progress since 1983. To date, approximately 150 exploration and development holes have been completed on the project area. Through this work, a surface mineable reserve of high quality bituminous coal sufficient for a 12 to 14 year mine life has been defined. The most recent feasibility study, completed in 1988, indicates that this coal can potentially compete internationally on a cost and quality basis.

The Wishbone Hill Project is one of the closest Free World sources of bituminous coal to the nations of the Pacific Rim. Compared to other Alaskan and international coals, substantial transportation advantages exist for the Wishbone Hill coal because of Alaska's proximity to the Pacific Rim, the project's easy access to the Alaskan rail and a new coal loadout terminal at the nearby port of Seward. Idemitsu Kosan is currently finalizing arrangements with Japanese power utilities which are scheduled to have new power generating units coming on-line in 1990 and 1991. Therefore, it is imperative that the Wishbone Hill Project be fully permitted and into production by 1991 to accommodate this market opportunity.

State wide, a great deal of support has been displayed for the project; however, a potential area of concern focuses on the coal truck transportation requirements. In order to mitigate this concern and facilitate the timely development of the project, the mine developers feel that a 12-mile section of the Glenn Highway should be upgraded even though it is not technically necessary for the proposed coal hauling activities. Recognizing that the Wishbone Hill coal must compete in a highly competitive international market, it is imperative that capital project costs be held to a minimum. To effectively create a viable project that will benefit both the private and public sectors, the mine developer cannot bear the full financial burden for upgrading a substandard public highway. Therefore, a mix of Federal, State and private funding will be necessary to complete the required upgrade work.

To date, project expenditures have exceeded 4.0 million dollars. This money has been used to define an economic coal reserve base and initiate permitting and detailed engineering activities. The current project schedule anticipates that all of the necessary permits and approvals will be secured by mid-1990 to accommodate a 1991 start-up. The mine, as currently envisioned, would produce approximately one million metric tons of clean coal per year. Employment at full production would consist of 180 full time jobs with an annual payroll of approximately ten million dollars per year.

MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 88-199

A RESOLUTION OF THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH
SUPPORTING THE MINING OF COAL FROM THE WISHBONE HILL
FIELD.

WHEREAS, Idemitsu Kosan Corporation of Japan proposes to develop and export coal from the Wishbone Hill Field in the Buffalo Mine to Eska area of the Matanuska-Susitna Borough; and

WHEREAS, the Borough is generally supportive of the mining industry; and

WHEREAS, this endeavor would broaden and diversify the Borough economy in a basic sector creating an estimated 180 basic jobs and an even larger number of jobs in the secondary sector; and

WHEREAS, the Borough currently suffers one of the highest unemployment rates in the State; and

WHEREAS, coal mining is a traditional industry in the Borough and qualified people are available locally to fill most, if not all, positions that would be needed to conduct this mining enterprise;

NOW THEREFORE, BE IT RESOLVED, that the Assembly of the Matanuska-Susitna Borough strongly supports the efforts of Idemitsu Kosan Corporation to develop the Wishbone Hill Coal Field; and

BE IT FURTHER RESOLVED, that the Borough urges Idemitsu Kosan Corporation to hire Borough residents in so far as practicable to conduct its operations.

PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 4th day of October, 1988.

Dorothy A. Jones
Dorothy A. Jones, Mayor

ATTEST;

Janne P. Schackel for
Linda A. Dahl, Borough Clerk
Linda Dahl

STEVE COWPER, GOVERNOR

RECEIVED JAN 30 1989

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

REGIONAL DIRECTOR, CENTRAL REGION

P.O. BOX 196900
ANCHORAGE, ALASKA 99519-6900
(TELEX 25-185) (907) 266-1440

January 25, 1989

Re: Wishbone Hill Coal
Development/Glenn
Highway Improvement

The Honorable Curt Menard
Alaska State House
P.O. Box V
Juneau, Alaska 99811

Dear Representative Menard:

Governor Cowper asked that I respond to your December 29, 1988 letter regarding the Department's involvement in the Wishbone Hill Coal Development /Glenn Highway Improvements project.

The State is very receptive to the proposal put forth by Idemitsu Kosan Co. Ltd. and McKinley Mining Consultants. A second meeting was held January 12 between Idemitsu Kosan Co., Ltd., McKinley Mining Consultants, Alaska Industrial Development and Export Authority and the Department to discuss improvements needed on the Glenn Highway for mine development.

The Department and the Federal Highway Administration will be meeting this month to identify and conduct a field survey of the Glenn Highway Improvements associated with the mine development. Our estimates are between \$9 and \$10 million for the needed improvements. If a decision is made to proceed with the development of the Glenn Highway improvements on a schedule corresponding to the beginning of the coal haul operation in mid to late 1991, the highway improvements construction phase funding should be programmed in FFY '90 or FFY '91.

Other projects which may need to be delayed to accommodate this funding change will need to be identified before funding requests are made to the legislature. The next meeting with the mine developers is scheduled for the middle of February when a conceptual agreement on financing and scheduling road improvements will be worked out.

By that time, we expect to know what aspects of the Glenn Highway improvements associated with the proposed coal haul activity the FHWA will be willing to participate in financing. Following that meeting and finalizing a cost sharing agreement with the mine developer, CIP budget adjustments will be proposed. We anticipate forwarding our funding proposal for inclusion in the Governors budget early in March.

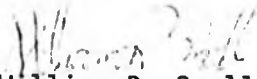
The Honorable Curt Menard

-2-

January 25, 1989

At the present time, the proposed coal mine development appears to be viable and proceeding in a positive manner. I hope this information will alleviate any concerns you may have had reading newspaper reports last month.

Sincerely,


William R. Snell
Regional Director
Central Region

cc: Katy McHugh, Legislative Liaison, Commissioners Office
Mark Mayo, Legislative Liaison, Central Region
Mark S. Hicky, Commissioner

MEH/kkk

H C R

11

HOUSE COMMITTEE REPORT

(9)

Date Referred: February 3, 1989

FURTHER REFERRALS: FINANCE

Date of Committee Action: 4-19-89

The RESOURCES Committee recommends that:

HOUSE CONCURRENT RESOLUTION NO. 11

[LAND TRADE: SELDOVIA NATIVE ASSN & STATE]

Supporting a land trade between the Seldovia Native Association and the state.

[] be replaced with _____ [] the same title
[] a new title

[] have attached amendment(s)

- do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

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

APPROVES PREVIOUS:

- [] fiscal note(s) published:

- [] zero fiscal notes(s) published:

SIGNING DO PASS:

[Signature]

Chiff Danden

George Jankoff

Mike Savane

Richard Dorey 2

Mike Duff

SIGNING OTHER THAN DO PASS:
(Do Not Pass, No Recommendation, Amend)

Wf unrec no rec

Best Sharp No Rec

[Signature]
Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Land Trade: Seldovia Native Assn
& State
 Sponsor: Rep. Navarre, Swackhammer
 Requestor: House Resources Committee

Agency Affected: DNR
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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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)

Prepared by: House Resources Committee *Curt Menard* 465-4944
 Division: Representative Curt Menard, Chairman Date: 4/19/89

Approved by Commissioner: _____ Date: _____
 Agency: _____

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

Seldovia Land Exchange - Brief Summary

April 19, 1989

Rep. Mike Navarre

History:

Kachemak Bay State Park was established by the legislature in 1970. In 1971, the U.S. Congress passed the Alaska Native Claims Settlement Act (ANCSA), entitling Alaska Natives to receive land as settlement of aboriginal land claims. In some cases, lands selected by regional and village corporations were lands under selection by the state under the statehood act, or lands already transferred to state ownership.

Seldovia Native Association (SNA) selected some 29,000 acres of land within Kachemak Bay State Park as part of its settlement under ANCSA, including coastal areas of high public use. These lands then became private inholdings within the boundary of the park.

There have been negotiations relating to an exchange for nearly a decade. In 1979, in an attempt to resolve land disputes arising from ANCSA selections within the park, a Memorandum of Understanding was executed. Among other things, the memorandum committed the state and SNA to exchange SNA's inholdings within the park for state land of equal value.

To date, there have been four equal value exchange attempts. Two small exchanges have been successful, two larger exchanges were not. Through the smaller exchanges, the state has acquired 4,538 acres of SNA land (3,578 acres at Tutka Bay, 960 acres near China Poot Bay) in trade for 2,648 acres of state land elsewhere. The total value of lands exchanged to date are approximately \$4.2 million. Problems that led to the failure of the two larger exchanges include a diminishing pool of available state land of sufficient interest to SNA, removal of parcels from the land pool due to other competing public interests, and an inability by both parties to reach an accord on the appraisal process needed to establish a value-for-value trade.

Seldovia Native Association still holds nearly 24,000 acres within the park, including the lands surrounding China Poot Bay. Due to their accessibility, these lands offer outstanding recreational and scenic opportunities, and are some of the most heavily used lands in the park.

Current situation:

In May of 1987, Seldovia Native Association sold timber cutting rights on some 12,000 acres of its lands within the park, along with the timber cutting rights on some other nearby SNA lands, to Timber Trading Company

(TTC), a subsidiary of Koncor Timber Company. TTC has a contract which allows them to cut timber for a for a 12 year period (from May 30, 1987 until April 30, 1999).

News of the timber sale generated a great deal of concern among park users and environmental groups, both in the immediate Homer area, and statewide. The desire to preserve the integrity of Kachemak Bay State Park has renewed interest in the land exchange. DNR has compiled a pool of lands and timber available for exchange, and DNR and SNA are back at the negotiating table.

Public meetings on the exchange pool of lands have been conducted by DNR in Homer, Soldotna, and Anchorage, and at those meetings there was widespread support for the exchange, with virtually no objection by those in attendance to any of the lands being offered to SNA.

Since the pool of land being offered consists of parcels in different areas of the state, DNR has comprehensive public meetings planned for each of those areas this fall.

This week, SNA and DNR are meeting to discuss the preliminary exchange agreement. If an accord is reached, the agreement should be finalized and signed by sometime next week.

HCR 11 provides to the parties involved in the land exchange a symbol of legislative support, and allows them to proceed in the negotiating process with an assurance that the legislature has an active interest in seeing the exchange completed.

Since the value of the exchange exceeds \$5 million, the final agreement and exchange must be reviewed and approved by the legislature. The anticipated timeframe for the exchange should place it before the legislature for review next session.

SAVE KACHEMAK BAY STATE PARK



An Update from *Kachemak Bay Citizens Coalition* January 1989

Box 15242 FCB Homer, Alaska 99603 907/235-8214
1421 N Street, Anchorage, Alaska 99501 907/276-5677

A Brief History:

Kachemak Bay State Park was established in 1970. A year later, Seldovia Natives filed claims on approximately 23,000 acres in the very heart of the park. A federal court awarded the park inholdings to Seldovia Native Association (SNA). In 1979, in return for Barabara Creek lands, SNA agreed to participate in a land exchange with the state of Alaska. Due to negotiation deadlocks, the trade process stalled.

Why Now? Why Again?

SNA and the Department of Natural Resources (DNR), with the encouragement of the Kachemak Bay Citizens Coalition (KBCC), began negotiating the trade again in September 1988. Timber Trading Company, a subsidiary of Koncor Forest Products, is also involved in the trade, as Koncor purchased timber rights on SNA lands both inside and outside the park. Koncor's desire to clearcut SNA timber holdings in 1989 adds further impetus, and complexity, to the trade.

Where the Trade Stands Between DNR and SNA:

Restoring state ownership of Native inholdings to Kachemak Bay State Park necessitates legislative approvals in both the 1989 and 1990 sessions.

1989: Legislators would vote on the following:

- 1) A general resolution supporting the land trade.
- 2) A pro-bill approving transfer of \$250,000 in cash and/or land sale contracts to SNA, in return for an equal value amount of SNA land in the park, regardless of the outcome of further negotiations.
- 3) A separate supplemental appropriations bill for fiscal year 1989, granting at least \$50,000 to the state and SNA, to conduct immediate land appraisals.

1990: The final land exchange package would include the following elements:

- 1) Transfer of 23,000 acres, SNA state park inholdings, to state ownership.
- 2) Transfer of various state lands (which have passed public review) to SNA ownership.
- 3) Any remaining value due SNA would be paid by a combination of state land sale contracts and bid credit credits. SNA could use credit credits in state and gas sales as well as future state land sales.

Where the Trade Stands Between DNR and Koncor:

Koncor requires a total buyout of its SNA timber holdings in order to participate in the land trade.

1. On SNA holdings within state park boundaries, DNR is negotiating for acquisition of timber rights.
2. On SNA holdings outside state park boundaries—in Jakolof Bay (critical habitat zone), plus Rocky River and Windy River drainages—the state cannot acquire Koncor's timber. Kachemak Heritage Land Trust is negotiating with Koncor for timber rights in these areas, and with SNA regarding future use of these lands.
3. Timber on approximately 400 acres in Peterson Bay, Halibut Cove, and the island peninsula between Peterson and China Poot Bays are also held by Koncor. This area is the "scenic centerpiece" of the state park, and is widely used for marine recreation and general tourism. Alternatives ranging from state acquisition of this area to land trust options are currently being explored.

Kachemak Heritage Land Trust - Box 2400 - Homer, Alaska 99603

needs members and other sponsors so that it can facilitate the land trade by acquiring timber rights from Koncor outside park boundaries. Future projects for this non-profit corporation will include acquiring land and easements for fish and wildlife habitat, public recreation and trails, and cultural and historical lands and properties.

ANNUAL MEMBERSHIP CATEGORIES

I've chosen the membership level indicated below:

- _____ Student/Senior Citizen (over 65)/Limited Income: \$15
- _____ Regular: \$25
- _____ Family/Non-profit organizations: \$50
- _____ Supporting (business or individual): \$100
- _____ *Contributing (business or individual): \$250
- _____ *Patron (business or individual): \$500

LIFE MEMBERSHIP CATEGORIES

- _____ *Heritage Patron (business or individual): \$1000 or more

CHARTER MEMBERSHIP DRIVE (January 19-June 21, 1989)

All members who contribute \$250 or more will be permanently recognized as founding members of the Kachemak Heritage Land Trust. Installment payments may be arranged.

- I have enclosed my check.
- Please bill me.

Name:
Address:
Phone:

HOW YOU CAN HELP:

1. Write Governor Cowper (P.O. Box A, Juneau, Alaska 99811) and DNR Commissioner Lennie Boston-Gorsuch (P.O. Box M, Juneau, Alaska 99811). Write your legislators at P.O. Box V, Juneau, Alaska 99811: Senators—Paul Fischer, Arliss Sturgulewski, Tim Kelly, Rick Uehling, Mike Szymanski, Jan Faiks, Pat Pourchot, Patrick Rodey, Bettye Fahrenkamp, and Drue Pearce. Representatives—Mike Navarre, C. E. Swackhammer, Curt Menard, Cliff Davidson, Red Boucher, Ramona Barnes, Kay Brown, Virginia Collins, Sam Cotten, Dave Donley, Johnny Ellis, Walt Furnace, Max Gruenberg, Alyce Hanley, Terry Martin, Steve Rieger, and Loren Loman. Ask them to support the 1989 land trade resolution, the bill requesting \$250,000 for continuing negotiations, plus the bill for conducting land appraisals.

2. Kachemak Heritage Land Trust, Box 2400, Homer, Alaska 99603 welcomes members and financial support for purchasing Koncor's timber outside park boundaries so that the land trade can be completed. Readers are reminded that some of Kachemak Bay's most important areas scheduled for clearcutting are just outside the Park.

3. Volunteer time in your local coalition. If your area lacks a coalition, volunteer to help form a group in your community, or to post and distribute materials, petitions, etc. Spreading public awareness and support for the land trade is the coalition's main function, and we need your help!

4. THANKS to all who have donated funds to KBCC! We welcome continued financial support for printing newsletters and sending negotiators to meetings, so that this process can continue to a final conclusion in 1990.



Kachemak Bay Citizens Coalition

Box 15242 FCB
Homer, Alaska 99603



H C R

13

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

H C R

13

HOUSE COMMITTEE REPORT

(9)

Date Referred: February 8, 1989

FURTHER REFERRALS: FINANCE

Date of Committee Action: 3-8-89

The RESOURCES Committee considered:

HCR 13

HOUSE CONCURRENT RESOLUTION NO. 13

[KENAI PENINSULA HYDROGEOLOGICAL SURVEYS]

Relating to hydrogeological surveys on the Kenai Peninsula.

RECOMMENDS:

- [] replacing with _____ ['] the same title
- [] the 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):

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

APPROVES PREVIOUS:

- [] fiscal note(s) published:
- _____
- [] zero fiscal notes(s) published:
- _____

SIGNING DO PASS:

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)

 chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: 3/9/89
Title: Kenai Hydrology

Agency Affected: Natural Resources
BRU: Geological Management

Sponsor: Rep. Navarre and co-sponsors
Requestor: House Resources Committee

Components: Geological Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		130.0	50.0	50.0	55.0	55.0
TRAVEL		10.0	5.0	5.0	5.0	5.0
CONTRACTUAL		40.0	30.0	30.0	25.0	25.0
SUPPLIES		5.0	3.0	3.0	3.0	3.0
EQUIPMENT		15.0	12.0	12.0	12.0	12.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		200.0	100.0	100.0	100.0	100.0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		200.0	100.0	100.0	100.0	100.0
FEDERAL FUNDS		30.0	30.0	30.0	25.0	25.0
OTHER						
TOTAL		230.0	130.0	130.0	125.0	125.0

POSITIONS:

FULL-TIME		2.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

This funding will support a comprehensive investigation of the ground water and aquifers of the North Kenai, Sterling and Kenai areas. It will provide local residents, governments and industries with analyses and interpretations necessary to maintain high quality groundwater in the area. A report will be completed at year's end, and ground water monitoring will be maintained.

Prepared by: Thomas Smith, Deputy Director Phone: 474-7147
Division: 8665 Date: 3/7/89

Approved by Commissioner: *Lemuel Gorse* Date: 3-10-89
Agency: Natural Resources

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

Alaska State Legislature



Representative Mike Navarre

Date: March 7, 1989

MEMORANDUM

TO: All members, House Resources Committee

FROM: Rep. Mike Navarre

SCR 15 SUBJECT: HCR 13, Relating to Hydrogeological Surveys on the Kenai Peninsula

The central Kenai Peninsula is almost completely dependent on groundwater for residential, commercial and industrial uses. In some instances, groundwater sources have been found to be contaminated by various hazardous substances.

The Department of Environmental Conservation has made real progress over the past year, identifying and beginning clean up of hazardous waste problems on the Kenai Peninsula. Many residents of the central peninsula are still quite concerned about groundwater contamination. This concern has generated a petition with over 200 signatures, requesting a comprehensive groundwater assessment of the Nikiski industrial complex and surrounding areas, including the communities of Kenai, Soldotna, and Sterling.

In response, I introduced a companion measure to SCR 15, introduced by Senator Mike Bogomanski, calling for the Geologic and Geophysical Surveys division of the Department of Natural Resources to conduct a hydrogeologic study of the central Kenai Peninsula.

The division has formed a work plan for the hydrogeological study, which includes:

- reviewing existing groundwater data;
- collecting information on current water quality from existing monitoring wells;
- mapping underground water flow to determine water flow patterns;
- mapping underground water deposits; and monitoring changes in ground water usage, levels and quality over a period of time.

A baseline study like this makes good sense from a resource management perspective.

Other pertinent back-up information is attached. I respectfully urge the committee's favorable consideration of this legislation.

St 1-2020

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF GEOLOGICAL & GEOPHYSICAL SURVEYS

STEVE COWPER, GOVERNOR

3700 AIRPORT WAY (DNR Building)
FAIRBANKS, ALASKA 99709-4609
PHONE (907) 451-2760-474-7147

* P.O. BOX 772116
EAGLE RIVER, ALASKA 99577-2116
PHONE (907) 696-0970

3601 C STREET, SUITE 1236
P.O. BOX 107005
ANCHORAGE, ALASKA 99510-7005
PHONE (907) 762-2356

RECEIVED

FEB 21 1989

400 WILLOUGHBY AVENUE, 3RD FLOOR
JUNEAU, ALASKA 99801
PHONE (907) 465-2520

February 17, 1989

The Honorable Mike Navarre
Alaska House of Representatives
P.O. BOX V
Juneau, AK 99811

Dear Mr. Navarre:

As you have requested, enclosed is our suggested work plan for a central Kenai Peninsula ground-water study. Should you have any questions or suggestions to improve the plan, please do not hesitate to contact us.

Sincerely,

William E. Long

William E. Long
Chief, Water Resources Section

WEL/jlw

Enclosure

cc w/enclosures:
Robert Forbes
Jim Munter
Carol Wilson

*T/P
Stack up for
Hydro study.
ML*

Administrative Report 89-1
Central Kenai Peninsula Ground-Water Study
Suggested Work

By
J.A. Munter ¹

Alaska Division of Geological and Geophysical Surveys

February 1989

THIS REPORT HAS NOT BEEN REVIEWED FOR
TECHNICAL CONTENT (EXCEPT AS NOTED IN
TEXT) OR FOR CONFORMITY TO THE
EDITORIAL STANDARDS OF DGGS.

3700 Airport Way
Fairbanks, Alaska 99709

¹ ADGGS, P.O. Box 772116, Eagle River, Alaska 99577

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INTRODUCTION

The central Kenai Peninsula area of Alaska is almost completely dependent on ground-water for residential, commercial and industrial water supplies. This area includes the communities of Sterling, Soldotna, Kenai, and Nikiski (fig. 1). At least ten instances of ground-water contamination have been ^{geographic spread} discovered in this area in recent years (Alaska Department of Environmental Conservation, 1988) causing widespread concern over the long-term potability of ground water. These concerns are expressed in a locally-circulated petition containing 213 signatures and in a resolution passed by the Kenai Peninsula Borough assembly (see Appendix). Both documents also express a request for hydrogeological work in the central Kenai Peninsula area to better define ground-water flow systems and risks to local wells. This report briefly reviews several ground-water issues in the area and outlines a comprehensive plan for determining ground-water conditions and movement in order to protect water supplies and facilitate the beneficial use of ground water.

DISCUSSION OF PROBLEMS

The most recent areawide study of the central Kenai Peninsula was conducted by Anderson and Jones (1972). They reported that area wells "are too few and too widely spaced to permit accurate mapping" of the water table or artesian potentiometric surface. These surfaces are useful for determining directions of ground-water flow. An inherent feature of the central Kenai Peninsula is that large areas are developed with lots ranging in size from one to five acres. Each developed lot typically has its own well. With large numbers of wells, the probabilities of any randomly-located contamination event having an effect on some private well is increased.

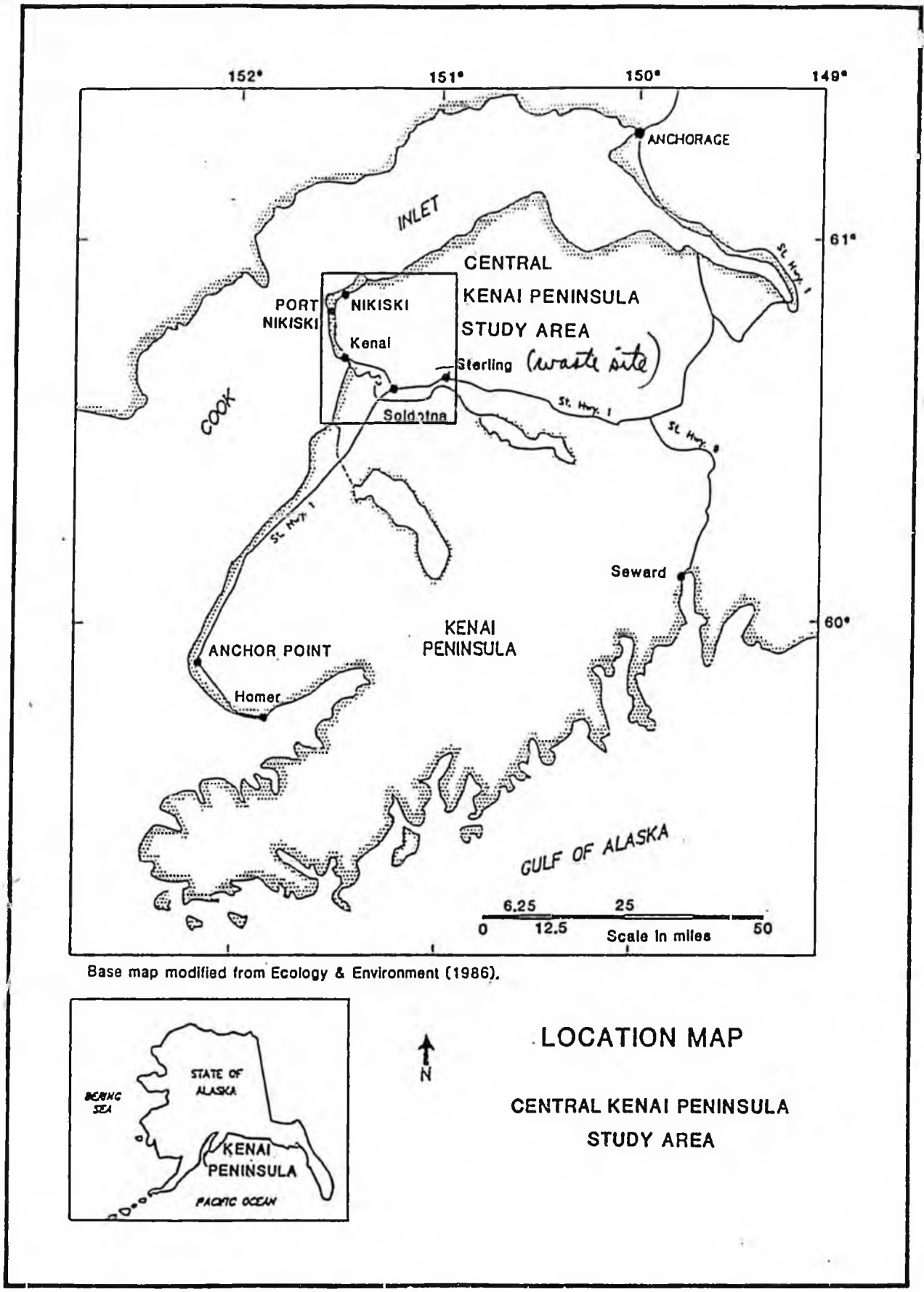


Figure 1. Location of central Kenai Peninsula study area.

Since 1972 substantial growth has occurred in the central Kenai Peninsula area and hundreds of water-supply wells have been drilled. Except for the Nikiski and Sterling areas, no significant effort has been made to collect the logs from these wells and evaluate their utility for mapping ground-water flow systems. In some areas, such mapping may be feasible and may contribute substantially towards resolving contamination or water supply problems.

Concerns for ground-water quality at Sterling stem from past practices of disposing of liquid wastes in ponds at the Sterling Special Waste Site (Munter, 1988). Hydrogeologic investigations in the area have been limited to on-site evaluations. No clearly defined contaminant plume has been found, possibly because of the extreme heterogeneity of the glacial, alluvial, and lacustrine deposits in the area and the absence of a clear definition of regional flow paths. Existing wells may not be properly located to detect such a plume. The occurrence of numerous residential wells throughout a wide swath of probable down gradient directions from the Sterling Special Waste Site lends particular importance to the issue of whether or not a significant plume actually exists and the direction that it may be travelling.

Nikiski (including the Port Nikiski area) is one of Alaska's leading industrial centers. Past leaks have resulted in areas where fuel products are floating on the water table, and major industrial water-supply wells tapping the upper confined aquifer described by Nelson (1981) have been contaminated by benzene (Bill Ashton, DEC, oral commun., 1989). Other contamination has been documented in nearby mixed commercial and residential areas (J. Hayden, DEC, oral commun., 1989). In addition, lake levels have been drawn down by industrial pumping in the area (Nelson, 1981; Howland and Freethey, 1978).

Unocal Corporation has requested a temporary water-use permit from the Department of Natural Resources to test pump three wells near Cabin Lake at a total combined rate of up to 2200 gallons per minute for three days (C. Rewolinski, Unocal Corp., written commun., 1989). Should historic industrial pumping patterns be significantly changed, resulting changes in the ground-water flow system could affect lake levels, water levels in private wells, and contaminant migration patterns in the area. Evaluation of these possibilities may be an important aspect of future permitting activities.

PROPOSED WORK

The comprehensive hydrogeological study of the central Kenai Peninsula area described below consists of five conceptual components (Table 1).

Table 1. Conceptual components of the central Kenai Peninsula hydrogeological study.

- I. Area-wide well log and water quality data acquisition and storage
- II. Sterling area hydrogeological evaluation (see Munter, 1988)
- III. Nikiski area hydrogeological evaluation
- IV. Area-wide ground-water flow system mapping
- V. Site-specific analysis and technical advisory

These conceptual components provide a logical means by which hydrogeological work in the central Kenai Peninsula area may be pursued. The first two components are largely self explanatory, and the third component will be reviewed in some detail in a subsequent section. The fourth component should be viewed as a practical task only for selected areas. The identification of these areas is dependent on the results of the first component and locations of contamination events, neither of which are

completely known at this time. The fifth component is dependent on site-specific issues, such as industrial well siting, water rights, and waste disposal permitting and facility clean-up planning. Although industry and regulatory agencies have substantial capabilities for conducting and reviewing pertinent investigations, the volume of work or the complexity of issues surrounding some of these sites may create a need for supplemental technical review or analysis.

NIKISKI AREA HYDROGEOLOGICAL EVALUATION

The water resources of the Nikiski area have been the subject of several investigations (Dames and Moore, 1975; Howland and Freethey, 1978; and Nelson, 1981). These studies have resulted in hydrogeologic cross sections, water-table maps, and conceptual and computer models of ground-water flow systems. Although water table and confined aquifers and confining units have been described in general terms, they have never been mapped in detail. Preparation of subsurface geologic maps showing the distribution of different lithologic units is proposed as Phase I of the Nikiski area hydrogeological evaluation (Table 2).

Phase II of the evaluation consists first of identifying time periods that are representative of relatively steady-state pumping conditions. Maps would be prepared showing the water-table surface of the unconfined aquifer and potentiometric surfaces of confined aquifers, if possible, for those periods. If sufficient data are not available for this task, then additional data collection would be conducted. The collection of additional water-level, well log, and water use data (Phase III) would be done to improve the accuracy of maps described above. Water-quality data collected by industry or state or

Table 2. Phases of the Nikiski area hydrogeological evaluation

- I. Reconnaissance-level Subsurface Geologic Mapping
 - A. Unconfined aquifer
 - B. Upper confining unit
 - C. Upper confined aquifer
 - D. Lower confined aquifer

- II. Reconnaissance-level Flow System Mapping
 - A. Identification of representative time periods
 - B. Water-level contour maps for each aquifer for each representative time period for which sufficient data exist.

- III. Acquisition and Storage of Additional Data
 - A. Well-log data
 - B. Water-level data
 - C. Water quality data (including developing a cooperative database with USGS)
 - D. Water-use data

- VI. Identification of Major Actual or Potential Flowpaths and Preparation of Report

local agencies would be entered into a permanent database in cooperation with the U.S. Geological Survey in order to provide long-term trends of contaminant levels or concentrations of natural dissolved constituents.

The subsurface geologic, water table, and potentiometric surface maps would be combined with information obtained from site investigations of contaminated ground water to identify major actual or potential contaminant flow paths (Phase IV). This information would be presented in one or more reports containing detailed maps of the area under investigation.

REFERENCES CITED

- Alaska Department of Environmental Conservation, 1988, Alaska's groundwater quality protection strategy, draft: Prepared by Alaska Department of Environmental Conservation, Juneau, Alaska.
- Anderson, G.S., and Jones, S.H., 1972, Water resources of the Kenai-Soldotna area, Alaska: U.S. Geological Survey Open-File Report, 81 p.

Dames and Moore, 1976, Report, ground water investigation, interrelationships between aquifers and surface water regimes, North Kenai area, Alaska: Prepared for Collier Carbon and Chemical Corporation, Los Angeles, CA, 92. p.

Ecology and Environment, Inc., 1986, Sterling Special Waste Site field investigation, Sterling, Alaska, TDD R10-8506-02, TDD F10-8612-02: Prepared for U.S. Environmental Protection Agency, Seattle, WA 59 p.

Howland, M.D., and Freethey, G.W., 1978, Selected hydrologic data related to the water table aquifer of the North Kenai area, Alaska: Alaska Division of Geological and Geophysical Surveys, Fairbanks, AK, 1 sheet.

Munter, J.A., 1988, Sterling area hydrogeological evaluation, project proposal: Alaska Division of Geological and Geophysical Surveys, Administrative Report 88-1, 5 p.

Nelson, G.L., 1981, Hydrology and the effects of industrial pumping in the Nikiski area, Alaska: U.S. Geological Survey Water-Resources Investigations 81-685, 22 p.

APPENDIX

Lennie Boston-Gorsuch
Commissioner
Dept. Of Natural Resources
400 Willoughby Ave.
Juneau, Ak. 99801

Dear Commissioner:

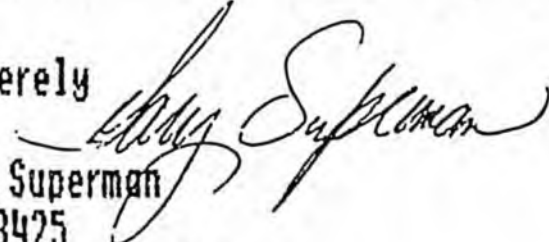
Enclosed is a petition that has been circulated recently. Some of us here on the North Kenai realize that contamination of groundwater is a widespread problem, not only in our area but in many parts of the country. Perhaps the idea that we were somehow immune to this was fostered by the sheer pristine and primal beauty that we enjoy here. However, times are changing. People are beginning to concern themselves with the important things that we have too long taken for granted. I think the positive response to this petition in the forms of comments such as "It's about time.", "We've got to do something soon.", and many simple earnest thank yous testify to this important change in attitude.

Some of us have seen far too many conflicting "facts about the groundwater" tossed about simply to justify permit applications and requests for variances by the industry. What really is happening with and to our groundwater?

The North Kenai Industrial Complex is the major refining sector of the state. Consequently, our community is not the typical residential area and should not be treated or examined as such. The state has accomodated the energy sector for 20 years, at certain times unchecked and loosely regulated environmentally.

Negative episodes involving the groundwater here are becoming ever more frequent. We believe the time has come for a comprehensive study here, if not for our safety and long term health factors, then certainly for everyones knowledge and above all, peace of mind.

Sincerely


Gary Superman
Box 8425
Nikiski, Ak. 99635

JAN - 6 1988

cc;

Gov. Steve Cowper
William A. Mullen
Robert Forbes
Peg Tileston
Bill Ashton
Bill Lamoreuax
Sen. Mike Syzmanski
Sen. Jay Kertulla
Rep. Jim Zawacki

PUBLIC AWARENESS COMMITTEE FOR ENVIRONMENT
Box 3722, Soldotna, Ak. 99669

This summer we have seen a large number of plans and applications for permits concerning:

- 1.) Waste site openings and closures
- 2.) Wastewater discharge renewals
- 3.) Particulate emissions into the air

In addition, the number of identifiable illegal dumpings may be on the rise. Production rates at some of the industrial facilities are at the upper end of their capacity. Due to these mounting demands on our local groundwater resources and in the absence of any significant, cohesive data on that resource which may or may not be severely impacted by the activities aforementioned, we the undersigned hereby petition the Alaska State Dept. of Geophysical Surveys and the Water Resource Board undertake steps to initiate a comprehensive hydrology assessment of the North Kenai Industrial Complex and surrounding affected areas.

(213 signatures with addresses)

Introduced by: Brown
Date: Jan. 17, 1989
Action: Adopted
Vote: Unanimous

KENAI PENINSULA BOROUGH

RESOLUTION 89-10

REQUESTING THE STATE TO FUND AND CONDUCT HYDROGEOLOGIC SURVEYS IN THE CENTRAL PENINSULA AREA OF THE KENAI PENINSULA BOROUGH

WHEREAS, the communities in and around the cities of Kenai and Soldotna comprise an area of extensive oil and gas and chemical/industrial activity; and

WHEREAS, these activities can create problems with contamination of water supplies through lack of knowledge of movements of underground water; and

WHEREAS, in April, 1988, a hydrogeologic evaluation was proposed for the area around Sterling, Alaska by the Department of Natural Resources, Division of Geological & Geophysical Surveys, to provide information about the ground water movement; and

WHEREAS, such information would be highly useful in locating facilities to handle future waste from the area activities and in alleviating problems of contamination that have occurred or may occur in the area; and

WHEREAS, the activities generating the wastes and their attendant problems in the central Kenai Peninsula area are of significant financial benefit to the entire state; and

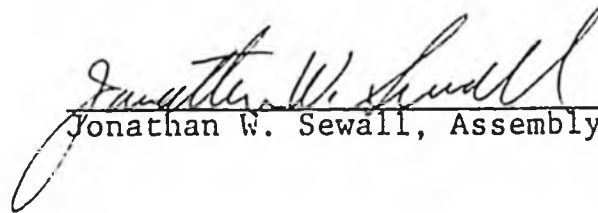
WHEREAS, hydrogeologic surveys should be performed for all areas in the central Kenai Peninsula and not just the Sterling area;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

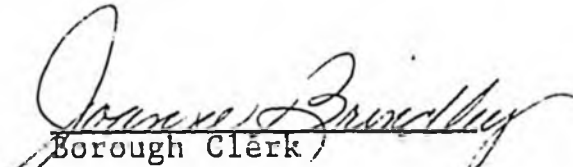
Section 1. That the Alaska legislature is requested to provide funding for hydrogeologic surveys of the central Kenai Peninsula areas to determine ground water geology and movement so that the benefits of oil and gas production to the state from that area can continue and be directed using information vital to the protection of the water supplies and resources of the Kenai Peninsula, its residents and visitors.

Section 2. That the clerk shall send copies of this resolution to Governor Cowper; Dennis Kelso, Commissioner of DEC; Lennie Boston-Gorsuch, Commissioner of DNR; Senators Fischer, Szymanski, Binkley, and Kerttula and Representatives Cato, Navarre, Swackhammer, Wallis and Zawacki.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON
THIS 17th DAY OF January, 1989.


Jonathan W. Sewall, Assembly President

ATTEST:


Borough Clerk

MEMORANDUM
Department of Natural Resources

State of Alaska
Commissioner's Office

TO: Commissioner Dennis Kelso
Department of Environmental
Conservation

DATE: February 6, 1989

David Ramseur
Office of the Governor

FILE NO:

TELEPHONE NO: 465-2400

RECEIVED

FEB 9 1989

Denby Lloyd
Office of the Governor



FROM: Rod Swope
Deputy Commissioner

SUBJECT: Groundwater
Contamination

Attached is a memo from our Land and Water staff in Anchorage. At issue is the possible contamination, from Unocal, of domestic groundwater in the Kenai area.

Given the sensitivity and importance of this issue in the Kenai area, the attached information is provided for your information.

Please contact Gary Gustafson at 762-2252 if you desire more information.

Attachment

*Back up for
hydro study
MN*

MEMORANDUM State of Alaska

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF LAND AND WATER
SOUTHCENTRAL REGION

TO: Gary Gustafson
Director

DATE: February 2, 1989

FILE NO.:

THRU: *v. Gilbert*
Veronica Gilbert
Regional Manager

TELEPHONE NO.: 762-2253

THRU: Richard A. Thompson *RAT*
Chief, Retained Lands

SUBJECT: Unocal's TWP

FROM: Gary J. Prokosch *GP*
Water Resource Manager

On January 27, 1989 Unocal Chemical Division, of North Kenai, requested that the SCRO, Water Section, process an application for a Temporary Water Use Permit (TWP). Unocal requested authorization to pump three (3) wells located in the vicinity of Cabin Lake at 2,200 gallons per minute for a period of three days in order to determine the individual and combined pumping capacity of these wells.

Recently Unocal discovered trace benzene contamination in one of its main production wells, well #6. Unocal is concerned that it will be required to shut down or curtail the use of water from this well which may leave it short of production water for its operation. For this reason, Unocal needs to know the pumping capacities of these Cabin Lake wells.

In order for SCRO to issue the TWP, a single agency (ADNR) Coastal Management Program consistency review needs to be made. To achieve this in a reasonable time period permission to conduct an expedited review was required. The expedited review was agreed to by the Director, DLWM, under the authority of 6 AAC 50.090.

Due to past controversies over groundwater in the North Kenai area in both water quality and quantity and the slight possibility that this test may affect the water levels in some domestic wells and Cabin Lake levels as well as the very slight possibility of moving contamination from well #6 in the direction of Cabin Lake SCRO determined that public notice would be given before a TWP could be issued. In addition to the Public Notice, the SCRO Water Section plans to hold an informational meeting on the topic in Nikishki on February 10, 1989. Unocal, DGGs, ADEC will also attend the meeting to address questions and concerns of the public. The legal notice (public notice) will be published on February 6, 1989 and the display ad inviting the public to the meeting will be published on February 8, 1989 in the Peninsula Clarion. All comments to the proposed pump test are due by February 16, 1989.

/unocal.twp

Central Kenai Peninsula Hydrogeological Study Cost Estimates
 (thousands \$) source: DNR

FY '90:

G.F.	
Personal services (2.5 positions)	130.0
travel	10.0
contractual	40.0
supplies	5.0
equipment	15.0
sub-total	200.0
other funding (Federal USGS)	30.0
total	230.0

FY '91 -'92 (each year):

G.F.	
Personal services (1 position)	50.0
travel	5.0
contractual	30.0
supplies	3.0
equipment	12.0
sub-total	100.0
other funding:	30.0
total	130.0

FY '93-'94 (each year):

G.F.	
Personal services (1 position)	55.0
travel	5.0
contractual	25.0
supplies	3.0
equipment	12.0
sub-total	100.0
other funding:	25.0
total	125.0

H C R

27

Date of Committee Action: 4-1-07
The RESOURCES Committee considered:

HCR 27

HOUSE CONCURRENT RESOLUTION NO. 27

[RUSSIAN ORTHODOX CHURCHES IN ALASKA]

Relating to the state's Russian Orthodox churches.

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:

Cliff Davis

Sam Brown

George Jett

Bill Hudson

Ben Sharp

Richard J. Jones

SIGNING:
(Check approp. column)

	Do Not Pass	No Rec	Amend

Cliff Davis

Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: 4/4/89

Agency Affected: Office of the Governor

Title: Relating to the state's Russian Orthodox churches

BRU: _____

Sponsor: Jacko, Hoffman, Foster, Leman, C. Davis

Comments: _____

Requestor: House Resources Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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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)

Prepared by: House Resources Committee
 Division: Representative Cliff Davidson, Chairman

Phone: 465-2487
 Date: 4/4/89

Approved by Commissioner: _____
 Agency: _____

Date: _____

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

A PROPOSAL FOR THE INVENTORY AND DOCUMENTATION
OF
THE CHURCH OF THE HOLY ASCENSION, UNALASKA
AND
HABS PHOTO DOCUMENTATION OF NATIONAL REGISTER CHURCHES

Two Soviet architects will be coming to Alaska in 1989 to assist in the documentztion of the landmark churches at St. Paul and St. George as part of an international cultural exchange. With additional funding we hope to expand the scope of this international effort and broaden the cooperative effort of the Icon Preservation Task Force to include the State of Alaska and the federal government.

The work will be accomplished under the supervision of the Icon Preservation Task Force, working with the Alaska Association for Historic Preservation (a nonprofit 501c(3) corporation). The work undertaken with the State funds will be done in cooperation with the National Park Service and the Alaska Dioceses of the Orthodox Church.

SCOPE OF WORK: 1. Prior to October 1, 1989 a team, consisting of a curator, an architect, an historian, members of the church, and an objects photographer are to visit and complete a computer inventory of The Church of the Holy Ascension at Unalaska. The inventory will document, for scholarly purposes, the contents of the church and will serve as a document which establishes priority in the preservation and restoration of the building and the icons and religious artifacts within. A total appropriation of \$21,450 is sought to cover personnel, travel and supplies.

2. A two year photo documentation project of the 37 Russian Orthodox Churches in Alaska will be undertaken. The professional, large format photographs will be used for scholarly purposes, as a permanent record to be keep in the HABS collection of the Library of Congress and for exhibit in Alaska. Funds are needed to cover contracting expenses with an icon expert, transportation, and per idem for the HABS photographer, IPTF liaison, and for supplies. \$15,762 is needed for the first year which will focus on 19 of the 37 churches.

3. The total funds requested for Phase 1 and 11 are #37,212.

BUDGET PROPOSAL

SCOPE OF WORK - ITEM #1 - INVENTORY AND DOCUMENT ART AND ARCHITECTURE
 CHURCH OF THE HOLY ASCENSION
 UNALASKA, ALASKA

a.	Curator - National Park Service	
	5 days in field.....	*
	5 days processing inventory.....	*
b.	Supervisory Priest (translator of Russian and Old Church Slavonic records)	
	1 ea X \$120 X 8 days.....	960
	Per Diem @ \$80 X 8 days.....	640
c.	IPTF Historian (Coordinate, assist with field inventory and edit report)	
	1 ea X \$120 X 25 days.....	3,000
	Per Diem @ \$80 X 8 days.....	640
d.	Museum Photographer (photograph every accessioned object, approximately 450)	
	1 ea X \$300 X 8 days.....	2,400
	Per Diem @ \$80 X 8 days.....	640
e.	Architect Intern	
	15 days in field	
	45 days preparing HABS drawings.....	8,400
f.	Transportation	
	5 ea @ \$754 (round trip).....	3,770
g.	Supplies	
	film and processing.....	500
	report preparation/printing.....	500

ITEM # 1 - TOTAL COST....\$21,450

(BUDGET continued)

SCOPE OF WORK - ITEM #2 - HISTORIC AMERICAN BUILDING SURVEYS ON 19 CHURCHES
THROUGHOUT ALASKA

a.	HABS photographer	
	30 days in field	
	15 days in lab.....	*
	Per Diem 30 days @ \$80.....	\$ 2,400
b.	Icon Expert	
	1 ea X \$200 X 45 days.....	*
	Per Diem 30 days X \$80.....	*
c.	IPTF Liaison	
	30 days in field.....	*
	Per Diem 30 days X \$80.....	2,400
d.	Transportation for 3 as listed above	
	Juneau (Cordova-Tatitlek, Sitka) @ \$366 ea.....	1,098
	Hoonah, Angoon @ \$100 ea.....	300
	Kodiak @ \$254 ea.....	792
	Kodiak-Old Harbor, Akhiok @ \$140 ea.....	420
	Kodiak-Ousinkie, Port Lions @ \$70 ea.....	210
	Kodiak-Karluk @ \$130 ea.....	390
	Kodiak-Spruce Island (boat charter).....	200
	Seldovia @ \$183 ea.....	546
	Unalaska @ \$754 ea.....	2,264
	Pribilofs-St. Paul, St. George @ \$866 ea.....	2,598
	Russian Mission @ \$428 ea.....	1,184
	South Naknek @ \$320 ea.....	960

ITEM #2 -	COST	\$15,762
ITEM #1 -	COST	<u>21,450</u>

TOTAL AMOUNT THIS PROPOSAL	<u>\$37,212**</u>
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*Funded by National Park Service and private donations

**Plus percentage retained by Office of History
and Archeology for grants administration.

REPORT
ON ICON PRESERVATION PROJECT

This report will respond to work elements A, B, and C in the Scope of Services Agreement between the Alaska Association for Historic Preservation and Barbara Sweetland Smith, to conclude May 31, 1988.

A. During three days in February, I met with Father Joseph Kreta and Fr. Paul Mercurief in Kodiak to review information about each of the Orthodox churches in Alaska, with a view to establishing priorities for an inventory and preservation program. We agreed that the churches which are National Register (36) should have first priority. Several other churches were identified in two categories: 1) those which are old, but not on the National Register and might be expected to have old furnishings, and 2) those new churches which have been the repository for furnishing of abandoned churches. A list of the churches, arranged by category, is attached.

MarkAir provided transportation to Kodiak for this consultation, and I housed as a guest of St. Herman's Seminary.

B. There are 48 churches which merit inclusion in the inventory. As will be discussed under Budget, the cost of such a massive project will be upwards of \$500,000. A more modest objective can be achieved with a smaller outlay of funds by concentrating on: 1) the National Historic Landmark churches, 2) those which are en route to Juneau, and 3) those in the Kodiak area. The National Park Service is interested in assisting with the funding for the NHL properties. As these include three remote sites, this would be a major assist to the program, particularly in the travel budget. A list of the churches proposed for the next phase of the project are listed below:

National Historic Landmark Churches, not yet inventoried:

(in order of priority)

Church of the Holy Ascension - Unalaska

St. Paul Church - St. Paul Island (Pribilofs)

St. George Church - St. George Island (Pribilofs)

St. Michael Cathedral - Sitka

National Register Churches

Church of St. Nicholas - Juneau

Ascension of Our Lord Chapel - Karluk

Church of St. Nicholas - Seldovia

Elevation of the Cross Church - South Naknek

New Churches with furnishings from old churches

St. Michael Church - Marshall

Nativity of the Theotokos Chapel - Port Lions

This selection of churches provides representative geographic features and styles. It also focuses on several churches which are in the vicinity of other churches.

In view of the cost of travel as a factor in the project budget, it would be well to attempt to cover as many churches as possible during one trip. Two churches, in particular, allow access to several others. They are:

Juneau: En route to Juneau it is possible to visit Cordova, Tatitlek, and Sitka. From Juneau, there is also local feeder service to Hoonah and Angoon.

Kodiak: On Kodiak Island are eight churches among the 48 priority-structures. In addition to the high-priority church at Karluk, there are also churches at Akhiok, Kodiak, Old Harbor, Ouzinkie, Port Lions, and Spruce Island.

The inclusion of the additional 9 churches, which reflect the different categories outlined above, would bring to 19 the churches which could be covered in a first phase. It is also possible that a trip to Marshall on the Yukon River could also include Russian Mission or other churches in the Yukon-Kuskokwim Delta.

Among the churches which should have high priority for the inventory, those which could be targeted for a television documentary are:

*Kenai - Church of the Holy Assumption

*St. George - Church of St. George

St. Paul - Church of St. Paul

Unalaska - Church of the Holy Ascension

Sitka - St Michael Cathedral

Juneau - St. Nicholas Church

Karluk - Ascension of Our Lord Chapel

Port Lions - Nativity of the Theotokos Chapel

Seldovia - Church of St. Nicholas

Marshall, Russian Mission, or Kwethluk (depending on travel funds)

Those which are starred already have a good representation in slides and photographs.

The selection for the television documentary is based on accessibility, geographic representation, variety of styles, and both old and new churches (with old furnishings).

2. Development of an inventory format will be discussed under section C.

3. Budget. The cost of an inventory for all 48 churches will be in excess of \$500,000. An inventory of the 20 churches noted above would cost approximately \$259,281 (Average cost = \$13,647 per church). This is detailed in attachment B. It is based on the assumption that four people would conduct the inventory, including an historian (who would work with the liaison priest to identify each item), a museum photographer, an intern architect to prepare drawings for some of the churches, and a conservator who would provide an assessment of condition. This is an ideal team, but might be reduced, leaving the curator to make a preliminary assessment.

4. The inventories will generate several types of data. Among these will be field worksheets, computer disks, photograph negatives, proof sheets and prints, copies of historic photographs and documents, such as earlier inventories, tape recordings, and the final inventory report. A copy of the final report and one set of photograph negatives should be sent to the diocesan archives in Kodiak. A copy of the final inventory and a set of proof sheets of photographs should be sent to the church which was the subject of the inventory. All other documents, including a set of all photographs and the final inventory, should be maintained in the files of the Icon Preservation Task Force in a locked file temporarily housed at Alaska Pacific University. This will be considered a working file until the first phase of the project, described above, is completed. At that time, the file should be deposited in an archives, probably in Anchorage, if that is the office of the Task Force. The Archives of the University of Alaska, Anchorage, is interested in housing the collection.

C. The inventory of the Church of the Holy Assumption has been completed. This church was selected as the Task Force's pilot because of its accessibility to Anchorage, the extensive documentation already completed, and the church's status as a National Historic Landmark. During two three-day sessions, an inventory team surveyed all of the furnishings, photographed them, made a list of all old liturgical books, and translated an 1898 inventory (from Russian). The team members consisted of:

Barbara Sweetland Smith, Project Director
Rev. Paul Mercurief, Diocesan representative
Patrick MacKnight, National Park Service curatorial staff
Barry McWayne, Photography Curator, University of Alaska museum
Jerri Clark, conservator
Rev. Macarius Targonsky, rector of the church

The services of MacKnight and McWayne were covered by their respective public organizations, and Ms. Clark was a volunteer. Services were also donated by:

ERA Aviation
MarkAir
Southcentral Air

These airlines all provided free travel for inventory participants.

The enthusiastic assistance of the rector of the church, Father Macarius Targonsky was an invaluable assist to the inventory team. In addition to his help in identifying items, he also translated onto tape the contents of an historic inventory, which was helped to date a number of the items.

Attachment 3 is a copy of the inventory narrative and the accessions photographs (taken by Mr. MacKnight), as well as proof sheets from the professional photographs taken by Mr. McWayne. There are, in addition, color slides, which have not been included here, but are available for viewing.

The format which has been used for the inventory is one developed by the U.S. National Park Service for curating its properties. With some modifications, we have found this program ideally suited to our needs. Its flexibility is admirable, as the program will allow reporting out on the basis of any one of the fields. A sample of the field worksheet and the data entry forms are enclosed. A copy of an actual page from the field is also enclosed as evidence of the suitability of the format. This computer program operates on IBM-compatible computers. Pat MacKnight will prepare a guide to the program for our use and a translation table, as well as a glossary.

Regarding the inventory, one item of special interest emerged. The 1898 inventory revealed that three icons of similar style were painted by an Alaskan iconographer, one "Petukhov" identified only as a Sitka resident. Reference to the church metrical records (vital statistics) has provided us with a full name and inclusive dates for this iconographer. He is Grigori Grigorievich Petukhov, born in Unalaska in 1827, and died in Sitka in 1853, only thirty years of age. These dates provide evidence that these three icons were doubtless in the original church, built in 1849. These icons are numbered in the inventory.

D. A meeting with Eric Wallace had been delayed by his schedule and a desire to have the full Kenai report, including slides, to show him. This will take place in June.

A statement for services will be forthcoming after that meeting.



United States Department of the Interior
NATIONAL PARK SERVICE



IN REPLY REFER TO:

H34 (ARO-RCR)

ALASKA REGIONAL OFFICE
2526 Gambell Street, Room 107
Anchorage, Alaska 99503-2892

APR - 3 1989

Representative George Jacko, Jr.
Alaska State Legislature
PO Box V
Juneau, Alaska 99811

Dear Representative Jacko:

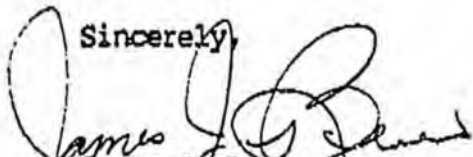
The National Park Service is committed to the preservation and interpretation of Alaska's Russian heritage as a part of its mandate to protect and tell the story of American history.

That commitment was first evidenced in a series of studies in the early 1960s that led to designation of several Russian-era sites such as Kodiak's Erskine House as National Historic Landmarks. The concern was then reflected in grants from the National Preservation Fund that assisted in rehabilitation or reconstruction of some of those properties including St. Nicholas at Juneau, Old St. Nicholas at Eklutna, and St. Michael's Cathedral in Sitka. The most recent evidence of this concern was the October 18, 1988, dedication of the restored Russian Bishop's House in Sitka National Historical Park. The dedication marked completion of a multi-million dollar, multi-year preservation effort by the National Park Service.

Our current efforts to support preservation of Alaska's Russian heritage include a major initiative to document, through measured drawings and photographs, the State's rich architectural legacy of Russian Orthodox Churches. The majority of these churches are listed on the National Register of Historic Places and several have the elevated status of National Historical Landmarks. Scattered throughout the State, often in remote locations and in deteriorating condition, these churches contain an irreplaceable treasure of icons and historic objects unique to the heritage of all Alaskans. These resources are of national, perhaps international, significance and importance.

The National Park Service would like to use this opportunity to offer support for House Concurrent Resolution 27, and for your efforts in support of this resolution. We look forward to working with the Department of Natural Resources, Office of History and Archeology and the Icon Preservation Task Force to further the understanding and preservation of these valued resources. Inventory and documentation will be an important first step in accomplishing this goal.

Sincerely,



James J. Berens
ACTING Regional Director

ICON NEWS

Published by the Icon Preservation Task Force
c/o Alaska Pacific University
Anchorage, AK 99508

Editor: Robert D. Craig
Newsletter #1, January 1988



FROM THE EDITOR

Welcome to the first issue of *Icon News*, a publication of the Icon Preservation Task Force, a group of community members interested in the preservation of Alaska's rich historical legacies - the icons and architecture of the Russian Orthodox Church in Alaska.

Icon News will appear occasionally as needed by the Task Force. Should you wish to remain on our mailing list for a complimentary copy of the newsletters, you must complete the attached form and return to the address above.

This new year brings new hope and an optimistic attitude toward the development of the Icon Preservation Task Force and the accomplishment of our goals of recording and preserving the significant artistic, architectural, and written resources of the Russian heritage in Alaska.

For the past year and a half, we have been working to get organized. Our efforts have been slow at times, but as we have come to realize in the preparation of this newsletter, significant progress has been made!

It has always been the opinion of many of our members that once the goals of our Task Force are made known, the project will begin to sell itself. Our record over the past year and a half seems to validate that opinion.

Many of you have offered assistance in past months. Your cards and letters expressing interest and support are greatly appreciated. As we organize and develop, you will be taken up on those offers.

We hope that you are as excited about this project as we are and hope that we may become friends in the

coming months and years as we proceed with the inventory, documentation, and preservation of some of Alaska's most significant and pristine heritage resources.

The breadth and size of this project will require an extensive amount of labor and expertise, and we hope to continue with you in this challenging and worthwhile project.

We encourage your donations to the cause either financially (tax deductible) or donation of time. Please feel free to write with any suggestions you have to help further our work.

My personal appreciation is extended to Barbara Sweetland Smith and Steven M. Peterson who have spearheaded the work of the task force thus far and who have supplied most of the information for this newsletter.

HISTORICAL BACKGROUND

Alaska's first encounter with the West was Vitus Bering's landfall in 1741 at Kayak Island. He claimed the land for Russia, and for the next 126 years, the Russians introduced education, literacy, administration, religion, architecture, and art into the new world.

This remarkable legacy is today nowhere more visible than in the Orthodox churches that dot the Alaskan hinterland from Sitka to Marshall on the Yukon River and from Juneau to Atka in the Aleutian Islands. Within these churches, remain the treasures brought and sent for by homesick, devout *promyshlenniki* (fur trappers), some given in thanksgiving for having been saved from shipwreck, others in honor of a tsar's birth, still others to adorn new places of worship.

The architecture, sacred utensils and books, and icons of the Orthodox church in Alaska are among the least known or understood of the major cultural resources of the United States. The value of this cultural resource is perhaps best expressed in the report, "The History of the Russian Orthodox Churches in Alaska," prepared by the Legislative Reference Service of the Library of Congress in 1970:

"The history of the Russian Orthodox Church in Alaska constitutes one of the most impressive and rewarding areas of investigation in the whole field of American studies. Unfortunately, no major work has yet been done in the kind of detail needed; however, there exists a great deal of material for future scholarly examination..." (cont page 2)

MEETING

February 15

7:30

APU Campus

Board Room
3rd Floor, University Hall

Everyone invited.

This exceptional material culture is scattered throughout Alaska in more than eighty parish churches and chapels. Thirty-seven of these churches are National Historic Sites, and six are National Historic Landmarks. In only a few cases, however, has the artistic legacy of the Russians been inventoried or documented although nearly every church contains several objects of exceptional antiquity or artistic merit. Some of the objects date from the mid-seventeenth century. The churches themselves are an enduring reflection of Russia's cultural contribution to America. When viewed with the art and artifacts, they are a rich national architectural resource. But a resource at risk!

BISHOP'S LETTER

"I am writing to express my full support for the program of the Icon Preservation Task Force. For many years, our office has been concerned about the fate of historic churches and icons. The resources of our diocese and of the rural parishes do not allow us to undertake the kind of preservation work that is needed to conserve these treasures. We have done what we can as funds permitted, but time and the harshness of the Alaskan climate move faster than we can.

In the last few years, the Orthodox diocese has worked cooperatively with federal, state, university, and local communities to preserve the historic documents of Russia's cultural impact on Alaska, a project which moved forward with a special appropriation from the Alaska Legislature, the Alaska State Library, and the Library of Congress. Now all Americans have available on microfilm the historic records of the Alaska mission. When St. Michael's cathedral burned in 1966, it was a Sitka citizen committee which organized the reconstruction project. Many other concerned Alaskans contributed thousands of dollars and hours of time to that effort, which was rewarded by reconsecration of

Come to our Annual Meeting.

Our annual meeting will be held on Monday, February 15, 7:30 p.m., APU Campus, 3rd floor, University Hall Board Room. An up-dated report will be given, a slide presentation by Barbara Smith, and then a discussion of our plans for the future. An Executive Steering Committee will be formed to broaden our network in the Alaskan community and to develop the scope of the program outlined in this newsletter. Call 561-1266 for directions.

Please come! Get involved in this exciting program to preserve our Russian-Alaska Heritage.

St. Innocent's great cathedral in 1976. Not only was the cathedral rebuilt with citizen guidance, but all of the icons had been rescued and preserved, thanks to the loving care of Sitka's population.

The concept of the current project, including an inventory of the historic treasures and then a phased approach to preservation including workshops in the villages, is very well conceived.

We understand that the intention is to retain all of the icons in the churches where they now reside. If they are removed, it will only be for necessary restoration, and/or brief display in an educational program.

It is my pleasure to be associated with this dedicated group of Alaskans who have taken on such a big task, which we all know will take many years. Please be assured that my blessings are with your efforts.

Gregory, Bishop of Sitka and all Alaska, Orthodox Church in America.

ICON TASK FORCE

The Icon Preservation Task Force is a secular group organized in the spring of 1986 to launch a major effort aimed at preserving and, where ne-

cessary, restoring the remarkable legacy of Russian culture in Alaska—a heritage resource significant to the people of Alaska and to the nation as a whole.

As time passes, these irreplaceable treasures are becoming increasingly vulnerable to deterioration, vandalism, and destruction. The Icon Preservation Task Force has been established to undertake a program to insure the preservation of this resource. The effort to preserve these treasures has proved beyond the resources of any single community or the Orthodox Church in Alaska.

The Task Force, made up of individuals just like you and me, functions under the auspices of the Alaska Association for Historic Preservation, a private statewide nonprofit corporation founded in 1981. With the full support of the Orthodox church officials in Alaska, the Task Force has resolved to undertake a long-range program to insure the preservation of the cultural resource by:

- creating public awareness and educational opportunities for the people of Alaska;
- sponsoring an inventory and documentation program to record the objects and historic structures within Alaska, both to serve as a useful historical and cultural reference;
- in a cooperative effort, assisting the Orthodox Church, the owners of the art objects, in the restoration,

preservation, and maintenance of the art objects, icons, and selected structures.

These goals will take many years to accomplish, but the time to begin is now. If you are interested in becoming active or supportive of our efforts, we welcome your membership and support of the Icon Preservation Task Force. (See membership application on back page.)

PILOT INVENTORY

The Task Force has signed an agreement with the Alaska Association for Historic Preservation (AAHP) to undertake a pilot inventory (February to April) of a single church's icons. The project will also result in a program design, a tentative budget for inventories of targeted churches, an inventory format, and identification of a suitable repository for materials generated by the icon project.

Father Paul Merculief, a well-known church scholar, will meet with Barbara Sweetland Smith of the Task Force and the Very Rev. Joseph Kreta, Chancellor of the Alaska Diocese of the Russian Orthodox Church in America. They will review the photographs taken by Kreta and Merculief on assignment for the state of Alaska between 1973 and 1975 of all the Orthodox sites in the state, an original project designed to produce nominations of Orthodox churches to the National Register of Historic Places. Thirty-seven nominations did result from their efforts.

From this review of churches, it will be possible to identify those sites which merit the attention of the project, for the icons they possess and the historic value of the structure itself.

This initial project cost is \$3,120, which is greatly facilitated by a generous gift of air travel by MarkAir. Other financial support comes from the National Trust for Historic Preservation and the Alaska Association for Historic Preservation.

ORIGINAL MEMBERS OF THE TASK FORCE

The first meeting of the Icon Preservation Task Force a year ago resulted in the following membership roster:

- Joan Antonson and Judy Blitner of the Alaska State Office of History & Archeology,
- Professor Lydia Black (UAF),
- John Blaine (Visual Arts Center, Anchorage),
- Bishop Gregory (Orthodox Church),
- Rev. Joseph P. Kreta (Chancellor of the Diocese of Sitka and Alaska, Kodiak),
- Gary Holthaus (Alaska Humanities Forum),
- Darcy Lockhart (Anchorage),
- Kate Lidfors (National Historic Landmarks Program, National Park Service),
- Janet McCabe (Executive Director, Alaska Association for Historic Preservation),
- Rev. Paul Merulief (Tyonek),
- Steven M. Peterson (Anchorage),
- Barbara Sweetland Smith (Anchorage), and
- Betzi Woodman (Anchorage).

DONATIONS

During 1987, several businesses, organizations, and individuals donated funds to the Icon Preservation project. We gratefully acknowledge the assistance of the following:

- The Alaska Association for Historic Preservation,
- National Trust for Historic Preservation,
- Shell Western,
- Chevron U.S.A.,
- MarkAir,
- Byron Birdsall,
- Frank Norris.

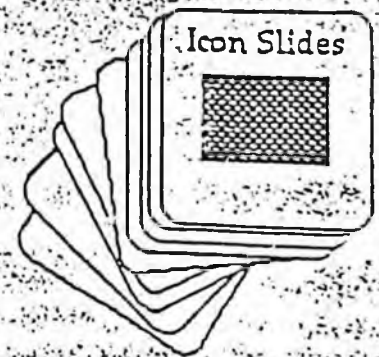
As you well know, donations are vital and provide critical funds, but they also show evidence of community support to the funding agencies to

which we will be appealing. The project is large and will ultimately involve many thousands of dollars. Checks should be made out to the Icon Preservation Task Force and mailed to the address on the front of the newsletter. The Task Force is a project of the Alaska Association for Historic Preservation and as such is a 501 (c)3 organization. Donations are therefore tax deductible.

KAKM PLANS DOCUMENTARY

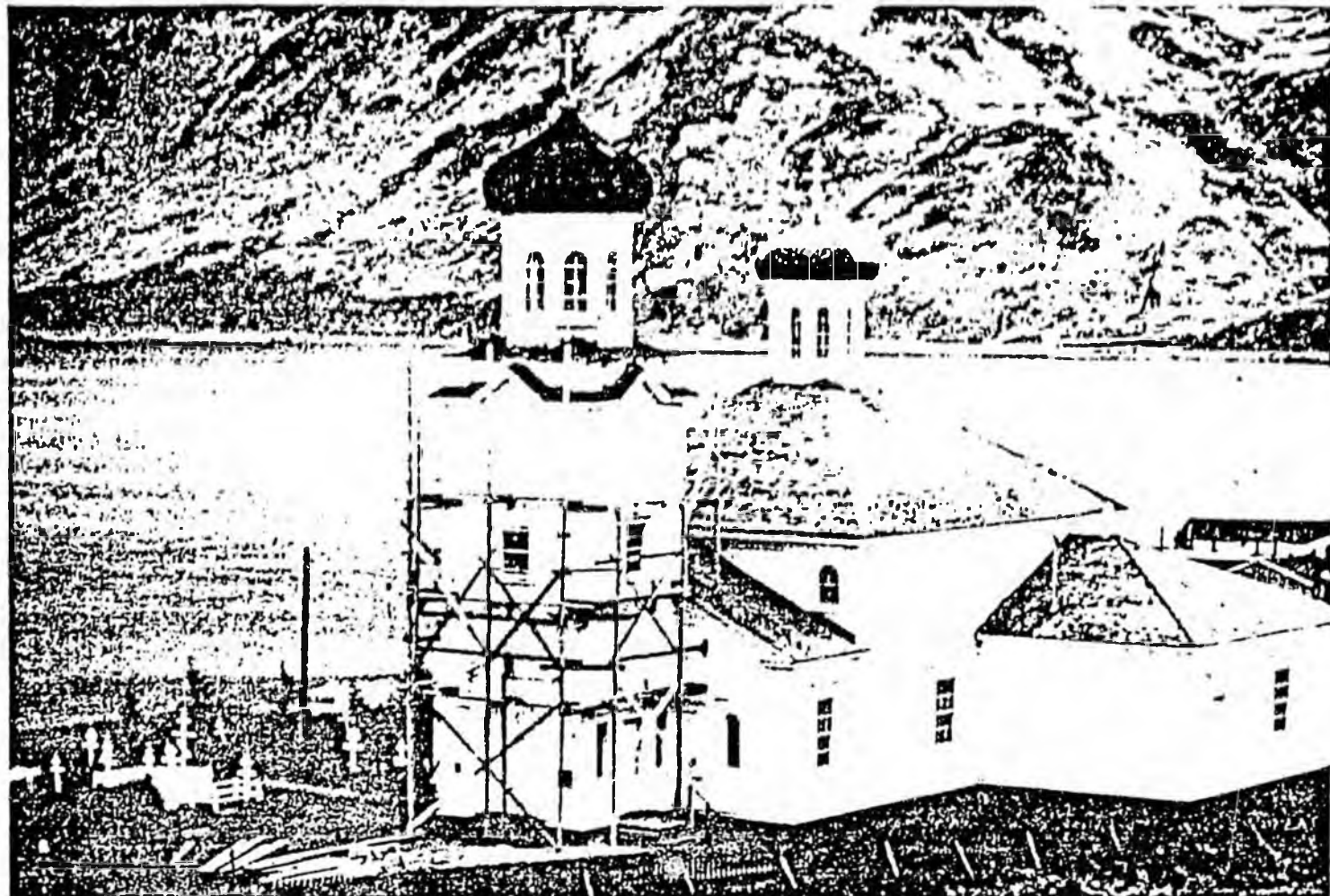
KAKM has expressed an interest in developing a television special focusing on Alaska's religious art and culture of the Orthodox Church. General manager Elmo Sackett writes, "We're very excited about this project particularly because it fits so well to the commitment this station has made for a long time in the world of artists and artwork in our state." The Task Force will work closely with KAKM's artistic director, Eric Wallace, on this project.

SLIDE SHOW AVAILABLE



Barbara Sweetland Smith has compiled a 35 mm slide presentation regarding icon resources in Alaska and the goals of the Task Force. She made a stimulating presentation before the Alaska Association for Historic Preservation (AAHP) at its annual meeting in December. The slide presentation is available for other groups. Contact the Task Force at the address above to schedule a program for your group.

Landmark at Risk



Although maintenance work is done on a continuing basis, severe weathering conditions and structural problems threaten the long-term preservation of this magnificent church. Photo: CCC Architects

Landmark Condition

Although the church building is regularly painted and maintained, the cost of undertaking extensive, essential repairs to the foundation, cupola, and roof have been prohibitive for its parishioners. The property's location on the edge of an inlet means that the weathering process is unceasing. At this point, there is a serious structural problem at the bell tower dome and the central nave dome. Intrinsic to the Orthodox faith and fundamental to their services are the iconostasis, religious artifacts, and art objects within the church. These treasures remain in poor condition: uncatalogued, with little protection, and kept in an uncontrolled environment without curatorial care. Major funding will be required to meet the preservation needs of this significant structure for continued public appreciation.

Recommended Work/Costs

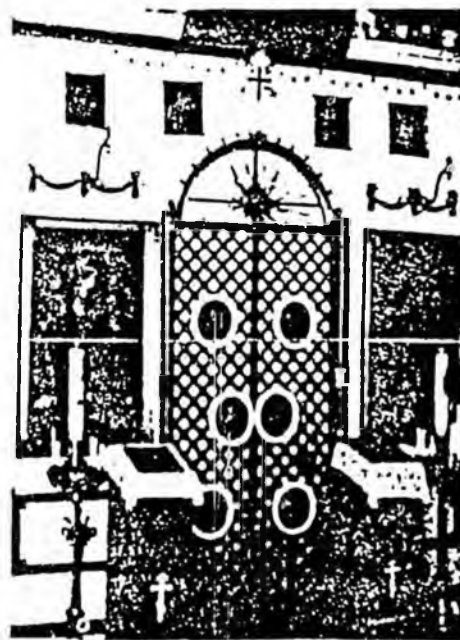
Data has been taken from a National Park Service-funded report, "National Historic Landmark Condition Assessment Report: Holy Ascension Orthodox Church, Unalaska, Alaska" by CCC Architects, Anchorage, Alaska. Work recommended for the church exterior totals almost \$423,000. Of that amount, \$198,000 will be needed to cover the costs of work considered critical to the longevity of the church, including partial replacement of foundation piers, major work on the bell tower, and replacement of deteriorated wood in the onion domes and decking. Another \$130,000 will be needed to correct serious exterior problems, such as providing proper ventilation for the foundation and replacing rotted wood "skirting" at the perim-

eter of the foundation. Finally minor problems, consisting mostly of replacing siding that has deteriorated under multiple layers of paint, then repainting with original colors, could be corrected for about \$95,000.

Total interior work is estimated at \$328,000. Of that amount, an estimated \$273,000 is for work deemed critical, including inventorying, cataloging, and cleaning the church icons based on a conservation plan; and replacing rotted flooring. Other interior work rated serious and minor would cost about \$55,000, and includes repairs to rotted horizontal ceiling members in both the central nave and bell tower due to long-term moisture penetration, and replacement of some floor joists. Finally, door trim and frames need repairing, and the entire interior should be repainted to match the original colors.

Incorporating a fire detection system in the church interior, and upgrading heating and electrical systems, are other needs deemed to be critical both to the longevity of the structure and its contents. Providing a fire protection system with auto dialers to the fire department will cost about \$15,600. Installation of an HVAC system to provide proper temperature and humidity control is estimated at \$108,000. An additional \$6,800 will be required to provide a fuel tank appropriate for the proposed HVAC system. The old electrical system will be inadequate when the climate control system is installed; a new panel box, wiring and service to meet code will be required and this is estimated at about \$22,500. Finally, cleaning and polishing the church chandeliers will cost about \$2,500.

The architects' detailed assessment is available from National Park Service offices (see HOW YOU CAN HELP, over).



The chapel's significant art work is in urgent need of conservation. Photo: CCC Architects

HOLY ASCENSION ORTHODOX CHURCH

Unalaska, Alaska

Its earliest portions dating from 1826, Holy Ascension Orthodox Church is significant as the oldest church in Alaska that features a cruciform plan with three altars. (The three one-story wings and the three-story front tower were added in 1894.) Of particular importance is the interior, with its rich collection of icons—religious objects executed in the Russian Orthodox style that convey the craftsmanship and artistry of the Aleut people.

Although the imposing white wood frame

church almost seems out of place on the shore of a small Aleutian village, its presence is easily explained by historians. After the sale of Alaska to the United States, Unalaska and Sitka became vital economic and religious centers; the church diocese shared administrative responsibilities and each city had its cathedral. This picturesque Church is a visual reminder of the important role of both Russian contact and the Orthodox religion, not only among the Aleuts, but in North America

as well. In 1970, the Secretary of the Interior designated Holy Ascension Orthodox Church a National Historic Landmark for its exceptional value to our Nation's history.

Unfortunately, at this date, the long-term preservation of the Church is being jeopardized because of serious building deterioration. Also at risk is what may represent the largest collection of Russian Orthodox art in Alaska.

LANDMARKS AT RISK HOW YOU CAN HELP

Over 150 deteriorating and endangered National Historic Landmarks across the country need your help now.

You can assist these National Historic Landmarks through donations of money, building materials, or professional services.

The National Historic Landmark Fund, administered by the National Park Foundation in conjunction with the National Park Service, makes possible **TAX DEDUCTIBLE MATERIAL AND CASH DONATIONS** by individuals, organizations, or companies.

Donations may be used to support threatened Landmarks in general or a Landmark of the donor's choice. Donors may select a Landmark to assist based on its associations with specific historic themes, events or individuals; its architectural style; its building type; or its construction material. Landmarks in need of various services or building products which correspond to a donor's business can also be selected.

The National Park Foundation and the National Park Service give priority to those Landmarks in which critical needs have been identified through professional evaluation and planning.

If you want to donate to the National Historic Landmark Fund, or would like additional

information on how you can help Landmarks at Risk, please call or write:

Landmarks at Risk

National Park Service
Preservation Assistance Division
P.O. Box 37127
Washington, DC 20013-7127
(202) 343-9581 or

The National Park Foundation
P.O. Box 57473
Washington, DC 20037
(202) 785-4500

For information on how you may help Holy Ascension Orthodox Church in Unalaska, Alaska, contact the following offices and organizations:

National Park Service

Alaska Regional Office Cultural Resource
Division
2525 Gambell St.
Anchorage, AK 99503
(907) 271-2638

State Historic Preservation Office

Alaska Division of Parks and Outdoor
Recreation
History and Archeology
P.O. Box 7001
Anchorage, AK 99510
(907) 762-4141

Local/State Preservation Groups

Alaska Association for Historic Preservation
524 West Fourth Avenue, Suite 203
Anchorage, AK 99510
(907) 274-2311

Owner Contact

Rev. Ismail Gromoff
P.O. Box 40
Unalaska, AK
(907) 581-1353

BARBARA S. SMITH

Alaska Historical Resources

6781 ROUND TREE DRIVE
ANCHORAGE, ALASKA 99507-14
(907) 844-0810
376-2410

April 3, 1989

Representative George Jacko, Jr.
House of Representatives
P. O. Box V
Juneau, AK 99811

Dear Representative Jacko:

I am writing to support passage of House Concurrent Resolution No. 27. For several years, I have been involved with a citizen group, the Icon Preservation Task Force, which has begun the daunting task of documenting the cultural heritage of the Russians in Alaska. Students of Russian America are aware that it is the Russian Orthodox churches which reflect most clearly that unique heritage of Alaska, found nowhere else in the United States. The church structures themselves as well as the artistic and cultural legacy within them are superb examples of Russian construction and artistry. The U. S. government has recognized the exceptional value of many of Alaska's Orthodox church structures by naming no less than 36 to the National Register of Historic Places. Unfortunately, there has not been the same attention to the cultural and artistic objects within the churches. The Icon Preservation Task Force came into existence to meet this need. We have begun, entirely through donated funds and services, an inventory of 48 significant collections scattered throughout every region of Alaska. In the Spring of 1988 we conducted a full-scale inventory of the Church of the Holy Assumption in Kenai. This pilot project allowed us to develop a realistic budget for additional such inventories. It is the intent of HCR 24, as I understand it, to apply this information to additional inventories.

To date, the work of the Icon Preservation Task Force has been accomplished through private donations, most in small amounts, and contributed services. It is entirely appropriate for the State of Alaska to join as a partner in this effort at long-term historic documentation and preservation. The state has a concern for the preservation of its cultural heritage, as reflected in the work of the Office of History and Archeology of the State Division of Parks. The state legislature also has provided funds in the past for renovation of historic buildings, some of them churches. I sincerely hope that this commendable concern will continue by adoption of HCR No. 24. The focus of this resolution on the Unalaska church is important, as this church is not only a National Historic Landmark, but has been designated an "endangered structure" by the National Park Service. This building served the function of a cathedral for the Aleutian Islands for many decades and contains a remarkable collection of Russian cultural objects. An inventory of this collection is a necessary first step toward restoration and preservation. The same is true of the other churches slated for documentation by the Icon Preservation Task Force and included in HCR No. 24. An inventory is required before conservation can begin.

I commend you and the other sponsors of HCR No. 27 for your dedication to historic preservation of this unique Alaskan resource. No other state in the United States has such a rich Russian heritage from the 18th and 19th centuries. With the help of the Alaska Legislature we can work together to see that this heritage resource is preserved for future generations.

Sincerely,

A handwritten signature in cursive script that reads "Barbara S. Smith". The signature is written in dark ink and is positioned below the word "Sincerely,".

Barbara Sweetland Smith

H C R

31

HOUSE COMMITTEE REPORT

(9)

Date Referred: April 18, 1989

FURTHER REFERRALS: FINANCE

Date of Committee Action: 5-1-89

The RESOURCES Committee considered:

HCR 31

HOUSE CONCURRENT RESOLUTION NO. 31

[RESEARCH OIL/GAS PRICE INCREASES IN STATE]

Relating to the recent increases in gasoline and oil prices in the state.

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 Revenue
[] zero fiscal note _____
[] zero with analysis LAW

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

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not
Pass
No Rec
Amend

	Do Not Pass	No Rec	Amend

Cliff Davidson

Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Relating to the recent increase
in gas and oil prices in the state
Sponsor: Hudson et al.
Requestor: Resources and Finance

Agency Affected: Revenue
BRU: Income & Excise Audit
Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	25.0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	25.0	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: See Attached:

Prepared By: Steven E. Kettel *Steven E. Kettel* Phone: (907) 465-2320
Division: Income and Excise Audit *Kopp* Date: May 1, 1989

Approved by Commissioner: Hugh Malone *Hugh Malone* Date: May 1, 1989
Agency: Department of Revenue

Distribution (by preparer):

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

HCR 21
Resolution Analysis
Prepare by:
Steven E. Kettel
Income and Excise Audit Division
May 1, 1989

The resolution requires Department of Revenue to evaluate the recent increase in the price of gas and heating oil and determine whether and to what extent the rise is due to the Valdez oil spill.

Department of Revenue does not have statistics concerning the prices of these petroleum products in the state. We recommend that a private consultant familiar with the petroleum commodities market be hired to evaluate recent price increases. Though we have no idea, on short notice, what fees may be charged, we estimate the cost to be less than \$25.00.

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Law
 Title: "Relating to the recent increases in gasoline and oil prices in the state." BRU: Legal Services
 Sponsor: Repr. Hudson Components: Operations
 Requestor: House Resources

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Please see the attached analysis.

Richard I. Pegues

Prepared by: Richard I. Pegues, Director Phone: 465-3672
 Division: Administrative Services Date: May 1, 1989

Approved by Commissioner: Douglas B. Bailly, Attorney General Date: May 1, 1989
 Agency: Department of Law

Distribution (by preparer):

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HCR 31

House Concurrent Resolution 31 requests the Governor to direct the Department of Law to research whether the consumers of the state are entitled to compensation from the oil companies for the increases in the price of gasoline and oil, which have occurred since the March 24, 1989 oil spill, and what method could be used to obtain and distribute that compensation.

The department can research these questions as part of its overall response to the oil spill at no additional cost, provided that the department's request for a special appropriation for oil spill litigation matters is approved.

H C R

32

HOUSE COMMITTEE REPORT

(9)

Date Referred: April 19, 1989

FURTHER REFERRALS:

Date of Committee Action: 5-3-89

The RESOURCES Committee considered:

HCR 32

HOUSE CONCURRENT RESOLUTION NO. 32

[NAMING A MOUNTAIN AFTER BRUCE MCGHAN]

Requesting the State Geographic Board to name a mountain on the Kenai Peninsula after Bruce McGhan.

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:

[Signature]
Richard Dosey
Mike Savane
[Signature]
Scott [Signature]
Bill Hudson
Mike [Signature]

SIGNING:

(Check approp. column)

	Do Not Pass	No Rec	Amend
<u>[Signature]</u>		<input checked="" type="checkbox"/>	

[Signature]
Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: _____
 Title: Naming a Mountain after Bruce McGhan BRU: _____
 Sponsor: Rep. Menard & Donley Components: _____
 Requestor: House Resources Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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)

Prepared by: House Resources Committee Phone: 465-4944
 Division: Representative Curt Menard, Chairman Date: 5/3/89
 Approved by Commissioner: [Signature] Date: _____
 Agency: _____

Distribution (by preparer):

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

BRUCE ALLEN MCGHAN

By: Debra McGhan

On November 26, 1986 Bruce McGhan was killed in an industrial accident while upgrading a septic system in the Wasilla area. Bruce is gone, but his memory will live on in the hearts of those who knew and loved him; and in the many landmarks of work he left behind to the state of Alaska, his home.

The family and friends of Bruce now call on Alaska to help leave a landmark for him; a memorial for Bruce. Born and raised in Alaska, Bruce explored much of the state. In his travels he discovered Crescent Lake on the Kenai Peninsula. When Bruce and his wife Debra needed a change from the fast pace of city life, they hiked to Crescent Lake. Here, in this special place, they spent many hours sharing their love and enjoying the beauty of Alaska's backcountry.

Located approximately three miles north of Kenai Lake in the Kenai Peninsula Borough, Crescent Lake is bordered by several mountains. One mountain, which lies on the north shore of Kenai Lake and the south shore of Crescent Lake, is currently unnamed. We would like to have this mountain named Mt. McGhan in memory of Bruce Allen McGhan and his love for the state of Alaska.

Bruce was born on August 14, 1953 in Anchorage Alaska. He was the oldest of four children born to Terry Smith and Marilyn Cox McGhan.

His father, Terry McGhan, owned an Anchorage based construction company which specialized in water and sewer excavation. His company installed the first public water and sewer systems used in Spenard. He was a bush pilot and son of pioneer Alaska parents who operated one of the early airlines between Alaska and Seattle. Terry's father, Clifford D. "MAC" McGhan drove one of the first cars over the Alcan Highway after it opened in the 1940's.

In 1961 Bruce's parents divorced and Bruce, along with his sister and brothers: Mike, Colleen, and Pat, remained in Anchorage living with their mother. Terry continued to work in Alaska in the construction field for many years. He owned and operated Mentasta Lodge on the Tok Cutoff from 1966 to 1969. In 1973 he left the state and currently owns a construction company in Warrenton, Oregon.

Marilyn, Bruce's mother, began working for Business Service Bureau in 1961 as a receptionist and executive secretary. In 1967 she was offered an executive position with a newly formed company, Labor Trust Services, as administrator for many large health, welfare, and pension trust funds. She is now a corporate owner of Labor Trust Services in Anchorage.

As the oldest child many responsibilities fell to Bruce and he took this position seriously. He realized at an early age that the only way to get ahead was hard work; and Bruce was determined to thrive. He kept his brother's, who were both rapidly growing taller than himself, in line with brute strength. There was a constant challenge among the brothers but they each respected one another recognizing the individual talents that

emerged as they grew.

At eight years old Bruce became the youngest paper boy hired by the Anchorage Daily News. Conscientious and hard working, he succeeded in establishing one of the largest paper routes in the Spenard area, winning dozens of awards for his efforts. He kept up with the deliveries for many years, getting up at 4:00 a.m. seven days a week.

When Bruce was 12 his father bought Mentasta Lodge on the Tok Cutoff. For three summers the kids worked in the lodge making beds, cutting wood, stocking shelves, and even building an aircraft runway. Bruce learned to run his first piece of heavy equipment on that runway. It took all summer because when the dozer broke down he had to repair it; this was quite a task for a 13 year old who didn't know much about fixing dozer's. But with a bock, some tools, and a sense of challenge, Bruce fixed the dozer and finished the runway a week before summer ended.

The McGhan family faced many hard years as Marilyn struggled to raise four children alone in Anchorage. It was a challenge keeping food on the table, and extra money was unheard of. In spite of the odds Bruce saved enough money to buy a brand new Datsun pickup by his seventeenth birthday.

Once Bruce had wheels and could drive he began to thirst for more; he wanted to fly. Along with his school work he took on two jobs (appliance repair and gas station attendant) to earn the money needed for flying lessons. He soloed after just eight hours of formal instruction. At 18 he earned his private pilot license and began saving for an airplane.

In 1971, during his senior year of high school, Bruce landed a job with A.A.A. Rental company as a yard hand. Within a week, Bob Holt the owner, discovered Bruce had a knack for mechanic work and running equipment. He was promoted, given a raise, and put to delivering loaders, backhoes, and dozers around Anchorage, Girdwood, and the Mat-Su Valley. He became known as "the kid who could get anything unstuck." Occasionally arriving to pick up a piece of equipment buried in the mud, he would jump down from his truck, a huge grin lighting his boyish face, and proceed to do what seemed impossible; get a multi ton piece of equipment out of the mud and onto dry ground. But somehow he always succeeded.

Bruce continued his education with engineering and math courses at Mount Hood Community College in Portland, Oregon. But he missed Alaska, and after a short time, returned home.

In November 1973 Bruce married a former classmate, Debra McDaniel, the daughter of Alaskan artist Scott McDaniel, and settled down to raise a family.

Taking his new wife, Bruce moved to Seward and worked in the lumber mill for several months. In the spring of 1974 he was accepted into the operating engineers union so the couple returned to Anchorage. 1975 brought more changes with the start of McGhan Construction company, owned by Bruce's uncle, Tim McGhan. Bruce went to work for Tim's company as the foreman and operator. And for the next five years he worked with Tim, helping to build a strong, successful business.

In 1976, shortly before the birth of their first child, Bruce made the decision to move his family to the Mat-Su valley.

He spent the winter designing house plans, then began construction of his first home in Wasilla during the summer of 1977. He continued to work for Tim, commuting into Anchorage daily, and working on the house at night, and days off. He finished the construction in June 1978.

By 1980 the drive to Anchorage became too hard, and after buying his first airplane, Bruce went to work for a remote bush company; Jansen Construction. He flew to Illiamna and worked on the construction of several village schools around the lake.

When the schools were finished Bruce went to work for the State of Alaska, Department of Parks under the supervision of Jim Hoag. Headquartered in Willow, he worked as part of a 4 member maintenance and building crew in the state campgrounds throughout the Mat-Su Valley. Accompanied by his family, he spent the summer of 1982 traveling around south central Alaska making repairs, and building new, better devices to be used in the campgrounds. (He aided in the design and building of the currently used bear proof garbage cans.)

In the fall of 1982 Bruce bought his first backhoe and started his own construction company, B.A.M. Construction. For the next five years Bruce worked hard to build up his business. He earned the reputation of being hard working, honest, and dependable. He built seven homes in the Wasilla and Big Lake area, each one with pride and quality construction. He installed hundred's of water and sewer systems, did landscaping, home improvements, and additions; all of which were done with the same high standards Bruce lived by.

The work Bruce did around the state over the years stretches from Fairbanks to Valdez, Kenai to Palmer, Illiamna to Girdwood, and all around South Central Alaska. Bruce took great pride in his home state and that pride went into every job, and every landmark he left behind.

Now, as the one year anniversary of Bruce's death approaches, his family and friends have joined together to make a request to the state of Alaska; that the mountain near Crescent Lake be officially named Mt McGhan as a memorial for this most deserving man.

Bruce was cremated and his remains have been spread on the slopes of this mountain in the place he loved so much. What better monument could be dedicated to this true Alaskan?

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

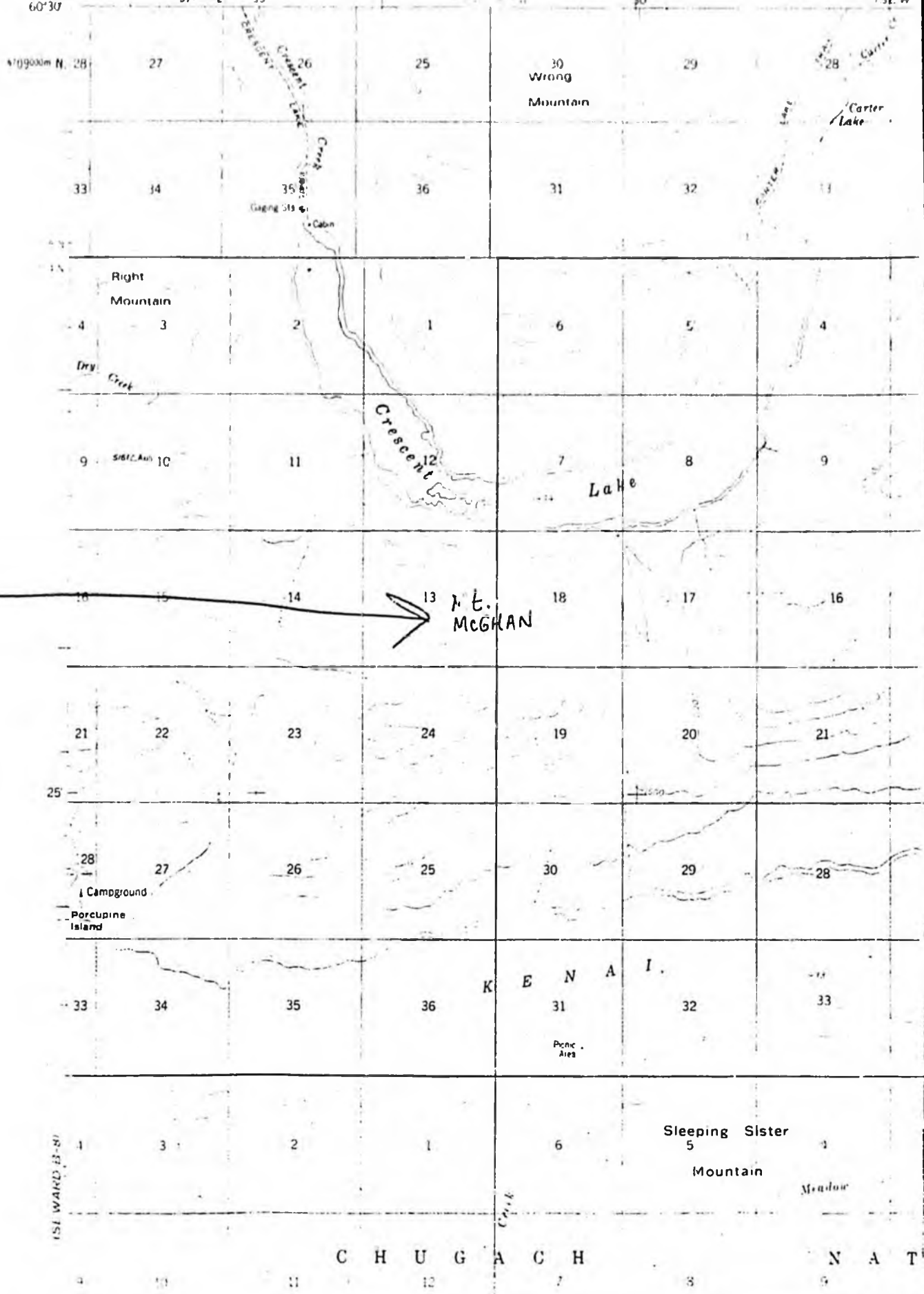
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POSED
FEATURE



M.E.
MCGHAN

C H U G A C H

N A T



Debra McGhan

He wasn't a politician

State rejects widow's plea to name mountain

By SUSAN MORGAN HOWK

Frontiersman staff

Mount McGhan.

Wasilla resident Debra McGhan had hoped by now that a mountain near Cooper Landing would bear that name in honor of her late husband. This month, however, she says she was told that Bruce McGhan just wasn't important enough to the state of Alaska to warrant naming a mountain after him.

Soon after Bruce, a life-long Alaskan, was killed in a construction accident Nov. 26, 1986, Debra realized she wanted a permanent reminder of her husband of 13 years.

Someone suggested naming a star for him, but she decided on one of the unnamed mountains on the Kenai Peninsula instead. "A star just seemed too far away," she says. "I wanted something more tangible."

Debra began plowing through all the required paperwork and regulations the state told her she needed.

She collected signatures on peti-

tions, talked about her dream with politicians in the Kenai Peninsula Borough and traveled with her two young children to meetings in the area. She never doubted that her husband was worthy of a mountain.

"Bruce lived and breathed Alaska. This was home," she says. "I just always saw him go out of his way to help the state as a private citizen."

Bruce and Debra married shortly after both graduated from Diamond High School in 1972. Bruce owned his own construction business in Wasilla. He was killed when the walls of a sewer ditch collapsed on him.

Debra says her husband was an adventurer and recalls the time they spent camping and hiking on "their mountain" fondly. "Just to be in the heart of that beautiful country was great," she says. "It was our favorite place."

After collecting 1,200 signatures of support, Debra's application to name Mount McGhan was finally approved by the Kenai

Borough last June.

She then packaged up all the information and supporting data and mailed it to the Commissioner of Regional Affairs in Juneau for final approval. A phone call from someone in the office in August told her the application looked "really good" and said approval would probably be just a formality.

On Feb. 9, however, she was told the state had refused her request.

"They said they didn't feel that Bruce had given the state of Alaska a substantial enough contribution," Debra says. "I said, 'What exactly are you looking for' and she said, 'Well, like somebody who held a political office or something.'"

Debra said Bruce made more than his share of contributions to Alaska. He designed a bear-proof trashcan still in use in state parks and took pride in installing sewer systems that wouldn't pollute the environment.

"His whole thing was, 'I'm going to be here forever and my

children are going to be here forever,' so he wanted to take care of the state," she says. "But they didn't think that was enough."

She admits to feeling bitter. "Do they think that somebody who puts on a white shirt and lobbies in Juneau makes more of a contribution than Bruce did?" she asks. "This is what Alaska is all about, we're the people who live here and work here."

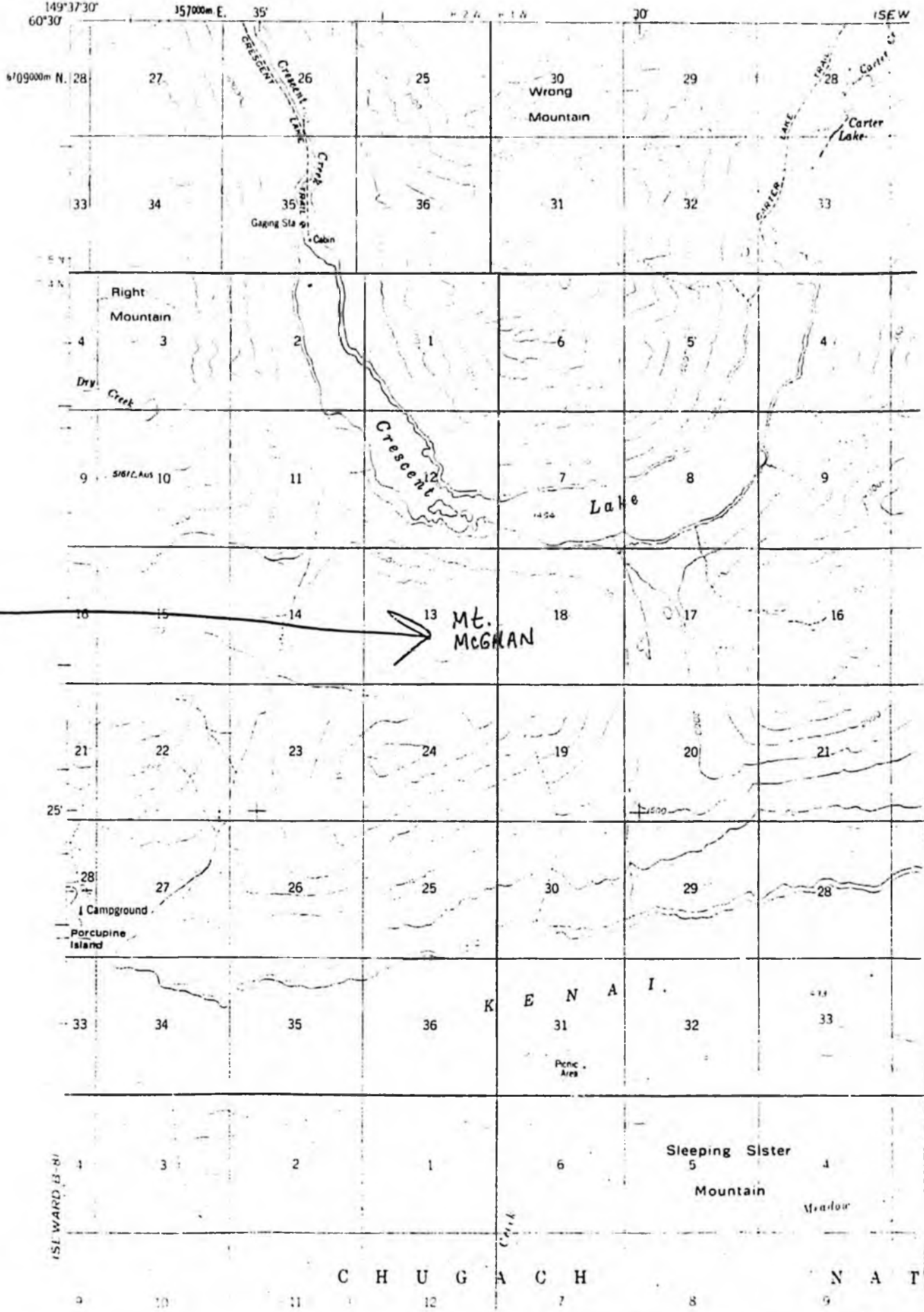
Now, Debra says, she's beginning the appeal process. Juneau will need more supportive information and reasons to consider naming Mount McGhan.

Meanwhile, a bronze plaque, installed by Debra, marks the 4,730-foot-high mountain that her husband loved. After his death, Debra scattered his ashes over the peak and says she and the children can feel his presence when they visit.

"It's like when you get there, he's really there," Debra says. "It's so quiet, it's like being in the middle of a picture. It's like heaven and it feels like he's really happy there."

(SEWARD C-8)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



POSED
FEATURE

Mt. MCGOWAN

CHUGACH NATIONAL