

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
6738 SENATE TRANSPORTATION

1/82

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES FY90 SUPPLEMENTAL REQUESTS (GOVERNOR AMENDED)

SUPPLEMENTAL TITLE	COMPONENT/REGION	GF	PROG REPT	TOTAL
DALTON HWY FUND SWITCH PR TO GF	DALTON HIGHWAY & AVIATION	3,500.0	(3,500.0)	0.0
DALTON FAC FUND SWITCH PR TO GF	DALTON FACILITIES	940.0	(940.0)	0.0
INTERIOR SNOW AND ICE	INTERIOR HIGHWAYS & AVIATION	250.0	0.0	250.0
DALTON SNOW AND ICE	DALTON HIGHWAY & AVIATION	250.0	0.0	250.0
WESTERN SNOW AND ICE	WESTERN HIGHWAYS & AVIATION	250.0	0.0	250.0
WESTERN AIRPORT MAINT. CONTRACTS	WESTERN HIGHWAYS & AVIATION	50.0	0.0	50.0
SOUTHCENTRAL SNOW AND ICE	SOUTHCENTRAL HIGHWAYS & AVIATION	308.0	0.0	308.0
CENTRAL SNOW AND ICE	CENTRAL HIGHWAYS & AVIATION	300.0	0.0	300.0
MARINE HIGHWAYS SERVICE INCREASE	AMHS VESSEL OPERATIONS AND OVERHAUL	1,000.0	2,250.0	3,250.0
	(OPERATIONS = \$2250.0, OVERHAUL = \$1000.0)			
	FY90 OPERATING SUPPLEMENTALS	6,848.0	(2,190.0)	4,658.0
FY89 OUTSTANDING BILLS	ALASKA MARINE HIGHWAY SYSTEM	0.0	238.3	238.3
MISCELLANEOUS CLAIMS FY85-FY88	ALL REGIONS	24.8	0.0	24.8
	PRIOR YEAR OPERATING SUPPLEMENTALS	24.8	238.3	263.1
JUNEAU SCHOOL REPAIRS TORA	SOUTHEAST REGION (CAPITAL)	136.0	0.0	136.0
SPRING CK PRISON CLAIM SETTLEMENT	CENTRAL REGION (CAPITAL)	2,325.0	0.0	2,325.0
	CAPITAL SUPPLEMENTALS	2,461.0	0.0	2,461.0
	TOTAL DOT&PF SUPPLEMENTALS	9,333.8	(1,951.7)	7,382.1

FEBRUARY 6, 1990

DOT/PF Supp. Requests FY 90

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
 DALTON HIGHWAY AND AVIATION FY90 SWITCH FUND SUPPLEMENTAL

AGENCY CONTACT/PHONE NUMBER:

DO4 LOWELL, 451-2295

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

Authorization is requested for a general fund supplemental to allow for a switch fund from program receipts to general funds in the FY90 Dalton Highway and Aviation Component. The amount that needs to be switched is \$3500.0.

In the FY90 operating budget, the legislature switched funding authorization from general funds to program receipts and included legislative intent regarding collection of these receipts. The intent stated that the Dalton Highway and Aviation and Dalton Facilities Components be partially funded with program receipts from a users' toll or a cost-recovery agreement with the North Slope oil producers. Since then, it has been determined that neither funding arrangement is acceptable at this time. Approval of this request, therefore, switches the program receipts back to general funds to allow for continued maintenance of the Dalton Highway in the absence of a method for collection of program receipts.

Without the switch fund or any method for collecting program receipts, building maintenance will be severely curtailed. The intended receipts of \$3500.0 are 59% of the FY90 funds for the Dalton Highway and Aviation Component.

We have also proposed switching back to a total general fund authorization on a FY91 C-5 increment request.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ	GOV'S REQ
100	Personal Service		
200	Travel		
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
TOTAL		0.0	
I-A Transfer (NON ADD)			
1007	Federal Receipts		
1003	General Fund Match		
1004	General Fund	3500.0	
1005	GF/Program Receipts	<3500.0>	
1007	I-A Receipts		

POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

<input type="checkbox"/> Enhance Existing Service Compared to FY90	<input type="checkbox"/> Formula Program
<input type="checkbox"/> New Service Compared to FY90	<input type="checkbox"/> New Facility Oper.
<input checked="" type="checkbox"/> Continuation of FY90 Service Level	

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C 5 INCREMENT/DECREMENT REQUEST

Agency Priority _____ of _____

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

AGENCY

INTERIOR DISTRICT

BRU MAINTENANCE AND OPERATIONS

COMPONENT DALTON HIGHWAY AND AVIATION

PROJECT

FY 91

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Revised Date:

FY90 Supplemental

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
DALTON FACILITIES FY90 SWITCH FUND SUPPLEMENTAL

AGENCY CONTACT/PHONE NUMBER:

DON LOWELL, 451-2295

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

Authorization is requested for a general fund supplemental to allow for a switch fund from program receipts to general funds in the FY90 Dalton Facilities Component. The amount that needs to be switched is \$940.0.

In the FY90 operating budget, the legislature switched funding authorization from general funds to program receipts and included legislative intent regarding collection of these receipts. The intent stated that the Dalton Highway and Aviation and Dalton Facilities Components be partially funded with program receipts from a users' toll or a cost-recovery agreement with the North Slope oil producers. Since then, it has been determined that neither funding arrangement is acceptable at this time. Approval of this request, therefore, switches the program receipts back to general funds to allow for continued maintenance of the Dalton Highway in the absence of a method for collection of program receipts.

Without the switch fund or any method for collecting program receipts, building maintenance will be severely curtailed. The intended receipts of \$940.0 are 75% of the FY90 funds for the Dalton Facilities Component.

We have also proposed switching back to a total general fund authorization in the FY91 budget submittal.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ	GOV'S REQ
100	Personal Service		
200	Travel		
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Land, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
TOTAL		0.0	
I-A Transfer (NOW ADD)			
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	940.0	
1005	GF/Program Receipts	<940.0>	
1007	I-A Receipts		

POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

<input type="checkbox"/>	Enhance Existing Service Compared to FY90	<input type="checkbox"/>	Formula Program
<input type="checkbox"/>	New Service Compared to FY90	<input type="checkbox"/>	New Facility Oper.
<input checked="" type="checkbox"/>	Continuation of FY90 Service Level		

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C 5 INCREMENT/DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

BRU INTERIOR DISTRICT MAINTENANCE AND OPERATIONS

COMPONENT DALTON FACILITIES

PROJECT

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Revised Date:

FY90 Supplemental

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
 INTERIOR DISTRICT HIGHWAYS & AVIATION FY90 SNOW AND ICE SUPPLEMENTAL

AGENCY CONTACT/PHONE NUMBER:

DON LOWELL, 451-2295

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

Weather data for the Interior District is determined from National Weather Service records at the Fairbanks International Airport. For the period October through December 1989, the Interior District so far has had an above average winter in terms of snowfall. There have been 10.1 inches more snow for this period than for the 30-year average for the same period. Wind and temperature have thus far had minimal negative impacts.

Weather data is summarized below:

	OCT	NOV	DEC	TOTAL
SNOW, Inches	19.7	18.1	11.1	48.9
30-Year Average	11.3	14.1	13.4	38.8
WIND, mph	6.2	4.0	4.6	
30-Year Average	5.4	3.8	3.1	
HEATING DEGREE DAYS	1195	2164	1875	5234
8-Year Average	1259	1860	1985	5104

Thus far we estimate the shortfall to be \$250.0. If the trend for increased snowfall continues we estimate the shortfall could be as high as \$350.0. The shortfall project is based on FY89. In FY89, the Interior District had exactly an average winter based on snowfall of 67.5 inches and received a supplemental appropriation of \$219.2. Not including deferred maintenance, which is addressed in another increment, we believe the Highway and Aviation Component was shortfunded \$219.2 before the winter season even began.

This increment will fund overtime, season recalls, wet rental equipment usage to State Equipment fleet, rental of contractor-supplied equipment, and purchase of gravel and sand.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ	GOV'S REQ
100	Personal Service	47.5	
200	Travel		
300	Contractual Services	180.0	
400	Supplies	22.5	
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	250.0	
	I-A Transfer (NON ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	250.0	
1005	GF/Program Receipts		
1007	I-A Receipts		

POSITION INFORMATION	PFT		
	PPF		
	Non Permanent		
	Staff Months		

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|--|---|
| <input type="checkbox"/> Enhance Existing Service Compared to FY90 | <input type="checkbox"/> Formula Program |
| <input type="checkbox"/> New Service Compared to FY90 | <input type="checkbox"/> New Facility Oper. |
| <input checked="" type="checkbox"/> Continuation of FY90 Service Level | |

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C 5 INCREMENT/DECREMENT REQUEST
 Agency Priority _____ of _____

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
 AGENCY
 INTERIOR DISTRICT
 BRU MAINTENANCE AND OPERATIONS
 COMPONENT HIGHWAYS AND AVIATION
 PROJECT

FY 91

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Revised Date:

FY90 Supplemental

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
 INTERIOR DISTRICT DALTON HIGHWAY & AVIATION FY90 SNOW AND ICE SUPPLEMENTAL

AGENCY CONTACT/PHONE NUMBER:

DON LOWELL, 451-2295

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

Weather data for the Interior District is determined from National Weather Service records at the Fairbanks International Airport. For the period October through December 1989, the Interior District so far has had an above average winter in terms of snowfall. There have been 10.1 inches more snow for this period than for the 30-year average for the same period. Wind and temperature thus far had minimal negative impacts.

Weather data is summarized below:

	OCT	NOV	DEC	TOTAL
SNOW, Inches	19.7	18.1	11.1	48.9
30-Year Average	11.3	14.1	13.4	38.8
WIND, mph	6.2	4.0	4.6	
30-Year Average	5.4	3.8	3.1	
HEATING DEGREE DAYS	1195	2164	1875	5234
8-Year Average	1259	1860	1985	5104

Thus far we estimate the shortfall to be \$250.0. If the trend for increased snowfall continues, we estimate the shortfall could be as high as \$350.0. The shortfall projection is based on FY89. In FY89, the Interior District had exactly an average winter based on snowfall of 67.5 inches and received a supplemental appropriation of \$223.5. Not including deferred maintenance, which is addressed in another increment, we believe Dalton Highway and Aviation Component was short-funded \$223.5 before the winter season even began.

Other severe weather conditions have impacted the Dalton area this year causing extensive repairs to be made.

On August 12, 1989, the Chandalar area, both north and south of Atigun Pass on the Dalton Highway, received a torrential rain storm. Approximately thirty miles of the Dalton Highway were damaged by swollen creeks that result from the storm. Culverts were washed out. Three major roadway dikes were broken and washed away. Roadway shoulders were eroded; and ditches and culverts were filled with mud

CODE	EXPENDITURE BY OBJECT	AGENCY REQ	GOV'S REQ
100	Personal Service	47.5	
200	Travel		
300	Contractual Services	180.0	
400	Supplies	22.5	
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
TOTAL		250.0	
I-A Transfer (NON ADD)			
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	250.0	
1005	GF/Program Receipts		
1007	I-A Receipts		

POSITION INFORMATION	PFI		
	PPT		
	Non Permanent		
	Staff Months		

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| <input type="checkbox"/> Enhance Existing Service Compared to FY90 | <input type="checkbox"/> Formula Program |
| <input type="checkbox"/> New Service Compared to FY90 | <input type="checkbox"/> New Facility Oper. |
| <input type="checkbox"/> Continuation of FY90 Service Level | |

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C 5 INCREMENT/DECREMENT REQUEST

Agency Priority _____ of _____

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

AGENCY _____

INTERIOR DISTRICT

BRU MAINTENANCE AND OPERATIONS

COMPONENT DALTON HIGHWAY AND AVIATION

PROJECT _____

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INTERIOR DISTRICT DALTON HIGHWAY & AVIATION FY90 SNOW AND ICE SUPPLEMENTAL

and debris. Department of Transportation and Public Facilities (DOT&PF) crews worked round the clock to preserve the roadway and drainage facilities and to restore traffic. Although the road was opened to traffic 24 hours after the storm, DOT&PF crews spent another 30 days repairing the road, dikes, and culverts. The cost to repair the road was \$253.8.

Also, during late August and early September of 1989, the Deadhorse runway began to show signs of thaw degradation after an uncommonly warm and extensive summer. The problem was most noticeable in the first 2000' of runway 06 where there were numerous longitudinal cracks and crosswise dips up to four inches deep. This created an extremely hazardous condition for aircraft take-offs and landings. Since there is only one runway at Deadhorse Airport, it was vital that the repairs be made immediately. Also, the winter season was quickly approaching. Major temporary repairs were made to the runway in just one week. This required an intense effort in terms of equipment and staff time. It included transporting a belly dump, rollers, an asphalt distributor truck, and 28 loads of cold mix asphalt 500 miles up the gravel road. The cost to repair the runway was \$122.9.

Reimbursement from the DOT&PF non-routine maintenance fund was requested for both of these repairs. Only \$75.0 was received. The remaining \$301.7 has been absorbed by the Dalton Highways and Aviation budget.

Without additional funding the normal summer maintenance programs will not be accomplished on the Dalton Highway.

C-5

ADDITIONAL
EXPLANATION
FORM

AGENCY	DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
BRU	INTERIOR DISTRICT MAINTENANCE AND OPERATIONS
COMPONENT	DALTON HIGHWAY AND AVIATION

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Revised Date:

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
 WESTERN DISTRICT HIGHWAYS & AVIATION SNOW AND ICE SUPPLEMENTAL

AGENCY CONTACT/PHONE NUMBER:

CHARLES M. COYLE, 443-3411

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

Weather data to date, October through December, 1989, shows the Western District is so far having an average winter. Snowfall in November was approximately twice the mean, but it came over a short period with the remainder of the month being relatively dry. Impact was minimal.

	OCT	NOV	DEC
SNOW, inches	4.8	22.2	8.4
Average	4.6	10.4	8.8
Wind, mph	11.1	10.1	10.6
Average	10.8	11.9	10.5
TEMPERATURE	30.1	9.7	12.5
Average	28.0	16.2	- 4.4

It is anticipated the Western District will have a shortfall of approximately \$250.0.

Snowfall data is based on National Weather Service's 1988 Local Climatological Data Annual Summary for Nome. The record mean snowfall of 55" is based on observations since 1947. Nome is largely representative of the Western District, with both heavier and lighter snowfall at various locations.

In FY88, with snowfall at the annual mean of 55", the maintenance budget was overspent by approximately \$100.0 (unpaid State Equipment Fleet bills). FY88 did not see extreme winds or numerous storms. The snow was spread evenly throughout the winter. Breakup was early and mild. Still, the winter costs impacted the summer operation and planned rehabilitation projects (repaving the Bourbon Creek area on the Nome-Teller Highway) were put on hold.

During FY89, the Western District experienced one of its most severe winters with snowfall approaching 80". High winds were the rule with some 44 storms from December through April. The costs for the winter's maintenance effort exceeded previous years by over \$500.0. Without a substantial budget supplemental, the Western District would have been out of money by June 1. The supplemental of \$500.0 allowed road opening and little else. Breakup was late and violent with severe destruction to large

CODE	EXPENDITURE BY OBJECT	AGENCY REQ	GOV'S REQ
100	Personal Service	50.0	
200	Travel		
300	Contractual Services	125.0	
400	Supplies	75.0	
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
TOTAL		250.0	
I-A Transfer (NOW ADD)		25.0	
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	250.0	
1005	GF/Program Receipts		
1007	I-A Receipts		

POSITION INFORMATION	PF?	
	PPT	
	Non Permanent	
	Staff Months	9

- | | |
|---|---|
| <input checked="" type="checkbox"/> Enhance Existing Service Compared to FY90 | <input type="checkbox"/> Formula Program |
| <input type="checkbox"/> New Service Compared to FY90 | <input type="checkbox"/> New Facility Oper. |
| <input type="checkbox"/> Continuation of FY90 Service Level | |

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C 5	INCREMENT/DECREMENT REQUEST
Agency Priority _____ of _____	

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
 AGENCY
 WESTERN DISTRICT
 BRU MAINTENANCE AND OPERATIONS
 COMPONENT HIGHWAYS AND AVIATION
 PROJECT

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FY90 Supplemental

WESTERN DISTRICT HIGHWAYS & AVIATION SNOW AND ICE SUPPLEMENTAL

portions of the Western District's road system. Maintenance dollars available for FY90 are insufficient to fully repair damage, and many roads will not be resurfaced if emergency or supplemental funds are not received in FY90.

Winter is expensive and unpredictable. You cannot adequately program work from July through October as you never know what winter costs will be. It is incumbent upon managers to maintain a sufficient reserve to see them through winter. As a rule, this is possible but severely restricts meaningful summer work programs.

Especially stringent are the winter requirements on certificated airports, a major thrust of the Western District. Runways must be inspected for snow/ice and braking checked for air carriers, runways sanded, urea applied to remove ice, snow plowed, snow blown from berms at the edge of the runway, snow hauled off of airports as piles increase in height, etc. These requirements are continuous and must occur with as little as one inch of accumulation. Also, with the winds in Western Alaska, it doesn't need to snow continuously for it to be a constant problem. Ground blizzards and blowing snow have the same effect as snowfall from storms.

The supplemental will fund overtime, seasonal recalls and unfilled positions, wet rental equipment usage to State Equipment Fleet, rental of one of a kind equipment from contractors and the purchase of urea, calcium chloride, salt, sand, and replacement bristles for runway brooms.

Failure to fund the supplemental will mandate continued deferral of summer maintenance and resultant facility decline.

This approach to documenting the snow and ice shortfall is based on FY88. This was an average snowfall year, but we still overspent our budget by \$100.0, and we deferred an estimated \$160.0 of summer maintenance. This shows that in FY88 our winter maintenance was under funded by at least \$260.0. We, therefore, conclude that the current budget level is insufficient during a "normal" year by \$250.0 to \$300.0, and we request a supplemental of \$250.0.

C 5

ADDITIONAL
EXPLANATION
FORM

AGENCY	DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
BRU	WESTERN DISTRICT MAINTENANCE AND OPERATIONS
COMPONENT	HIGHWAYS AND AVIATION

F Y 9 1

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Revised Date:

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
 WESTERN DISTRICT HIGHWAYS & AVIATION - VILLAGE AIRPORT CONTRACT SUPPLEMENTAL

AGENCY CONTACT/PHONE NUMBER:

CHARLES M. COYLE, 443-3411

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Western District is responsible for airport maintenance of 26 village airports. These airports provide the sole link to a regional center like Nome, Kotzebue, and Unalakleet. Residents are entirely dependent upon the airport for food, mail, catalog goods and most of all, medical attention. There is no road system, and no ferry system. Without exception, these airports are expected to be maintained to strict standards seven days a week. This includes daily inspections, snow and ice removal, general grading, equipment service and minor repairs and the replacement of damaged runway light components. The airports are maintained through contracts with either the local municipality or an individual contractor. In most cases, the individuals with whom we contract are the only bidders. As airports have increased in size, with runway lights added, maintenance requirements becoming more rigid, and increased daily flights, the contractor is tied to the airport. He cannot fully take advantage of the subsistence lifestyle and must depend more and more on a cash income. As our contractors become aware of this, the contract price increases. The contract total for FY88 was \$326.0, for FY89 \$372.7, and for FY90 \$421.7. Though the Western District asked for increments previously, none were forthcoming. These contract increases have continually been funded by deferring maintenance on the highway system, with subsequent deterioration to these facilities. We simply cannot continue to pull this money from road maintenance dollars.

The increase was 14% between FY88 and FY89, and 13% between FY89 and FY90 with only 8 of the 26 contracts re-bid. This supplemental asks for \$46.8 to cover the unfunded increase in FY89 and \$48.9 to cover the unfunded increase in FY90.

Funding this supplemental will allow for increased summer highway maintenance through equipment rental contracts and purchase of supplies, calcium chloride, asphalt, culverts, etc. Failure to fund this supplemental will have a devastating effect on the Western District's highway program. Roads will continue their slide toward oblivion as additional maintenance is deferred.

Historical Data	Total Contract Bid \$	Unfunded Increase
FY88	\$ 325,990	\$
FY89	372,745	46,800
FY90	421,670	48,925
	TOTAL UNFUNDED INCREASE	\$95,725

Annual Expenditure = 95.7, Account Code 300 = 95.7

CODE	EXPENDITURE BY OBJECT	AGENCY REQ	GOV'S REQ
100	Personal Service		
200	Travel		
300	Contractual Services	95.7	50.0
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	95.7	50.0
	I-A Transfer (NON ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	95.7	50.0
1005	GF/Program Receipts		
1007	I-A Receipts		

POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

- | | |
|--|---|
| <input type="checkbox"/> Enhance Existing Service Compared to FY90 | <input type="checkbox"/> Formula Program |
| <input type="checkbox"/> New Service Compared to FY90 | <input type="checkbox"/> New Facility Oper. |
| <input checked="" type="checkbox"/> Continuation of FY90 Service Level | |

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C 5 INCREMENT/DECREMENT REQUEST

Agency Priority _____ of _____

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

AGENCY _____

WESTERN DISTRICT

BRU MAINTENANCE AND OPERATIONS

COMPONENT HIGHWAYS AND AVIATION

PROJECT _____

FY 91

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Revised Date:

FY90 Supplemental

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
 SOUTHCENTRAL DISTRICT HIGHWAYS & AVIATION ADDITIONAL REQUEST FOR SNOW & ICE REMOVAL

AGENCY CONTACT/PHONE NUMBER:

GEORGE LEVASSEUR, 835-4322

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

Heavy snow received in the Southcentral District over the past four years has had a very significant impact on our budget. There is a definite trend of heavier snowfall in many areas. In 1987, Valdez received the most snowfall since 1928. 1988 and 1989 were also above average. At Thompson Pass, over 60 feet fell in both years of 1987 and 1988. The heavy snows, coupled with the coastal climate have produced massive avalanches. The Valdez-Glennallen electric transmission line has been destroyed twice (1987 and 1989) by avalanches after functioning without incident for several years. Large coastal storms have pounded the Chugach mountains. Last winter we had recorded sustained gusts of 150 mph in two separate storms at Thompson Pass. In the Glennallen-Gakona area, 1989 had the most snow in 25 years.

In Valdez, snow storage has become a serious problem. Crews use loaders, blowers, and dozers to stack snow 50 feet or more in height. Because of the oil spill, four lots previously used for snow storage now have structures on them. Snow will now have to be hauled away from the main street, increasing our expenditures.

This trend of heavy snow continues for the 89-90 winter. Snowfall in the mountain passes is twice the average at Valdez, Thompson Pass, Gulkana, and Paxson. Snowfall in the Slana-Mentasta Pass area is three times the average.

Because of the warmer temperatures, sand usage is up in all camps. The sand stockpiles must be mixed with road salt (sodium chloride) to keep the piles from freezing. Crews have used additional ice blades and tire chains in their snow and ice removal efforts.

With the heavy snows, avalanche control programs are extremely important to reduce road closures to a minimum. The short supply of 105 mm recoilless ammunition is of grave concern, as we only have two to three years supply of ammunition left. By re-fusing 3000 rounds of army ammunition, we would be assured of a reliable supply Statewide for years to come (1000 rounds at \$0.66 for \$66.0 total).

Part of the equipment used to maintain the Valdez Airport came from the Division of Aviation when the Department of Transportation and Public Facilities was created. This equipment was non-rental. These two pieces of equipment are old and worn out. Replacement of the Oshkosh plow truck is \$160.0 and the loader-mounted rotary snowblower is \$100.0.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ	GOV'S REQ
100	Personal Service	20.1	
200	Travel		
300	Contractual Services	219.9	
400	Supplies	134.0	68.0
500	Equipment	268.0	0.0
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
TOTAL		634.0	308.0
I-A Transfer (NON ADD)		209.7	
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	634.0	308.0
1005	GF/Program Receipts		
1007	I-A Receipts		

POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months	4	

- | | |
|--|---|
| <input type="checkbox"/> Enhance Existing Service Compared to FY90 | <input type="checkbox"/> Formula Program |
| <input type="checkbox"/> New Service Compared to FY90 | <input type="checkbox"/> New Facility Oper. |
| <input checked="" type="checkbox"/> Continuation of FY90 Service Level | |

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C 5	INCREMENT/ DECREMENT REQUEST
Agency Priority _____ of _____	

DEPARTMENT OF TRANSPORTATION
 AND PUBLIC FACILITIES

AGENCY _____

SOUTHCENTRAL DISTRICT
 MAINTENANCE AND OPERATIONS

BRU _____

HIGHWAYS AND AVIATION

COMPONENT _____

PROJECT _____

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INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
 CENTRAL REGION M & O HIGHWAYS & AVIATION FY90 SUPPLEMENTAL

AGENCY CONTACT/PHONE NUMBER:

Richard Royal 266-1450

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

M & O Division's two programs are generally described as follows:

MAINTENANCE

The performance of those tasks that protect and preserve the State's equity investment in its highways, bridges, airports, harbors, buildings, and equipment fleet. Basic examples would be crack sealing, pothole patching, float replacement, roof repair, vehicle/equipment servicing.

OPERATIONS

Performing tasks, providing services, and paying fixed cost expenditures that allow the State's facilities to function on a daily basis. Some examples would be snow and ice control on highways, airports, parking lots, street sweeping and brush control, providing light, heat, and janitorial services for buildings, supplying fuel and repair parts for vehicles/equipment.

In Anchorage a total of 50.1 inches of snow has fallen between the first snowfall in October 1989 and January 5, 1990, requiring expenditures above the normal monthly operating cost for snow and ice control. The FY90 October-December snowfall (48.6") is 46% more than the 1969-1986 historic mean of 33.2" for the same months.

The following chart depicts the 20 year average snowfall, FY89 and FY88 snowfall for the Anchorage area. This information was obtained using publications prepared by the National Oceanic and Atmospheric Administration.

(chart on following page)

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	300.0	
200	Travel		
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
TOTAL		300.0	
I-A Transfer (NON-ADD)			
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	300.0	
1005	GF/Program Receipts		
1007	I-A Receipts		

POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

<input type="checkbox"/> Enhance Existing Service	
<input checked="" type="checkbox"/> Compared to FY 90	
<input type="checkbox"/> New Service Compared to FY 90	<input type="checkbox"/> Formula Program
<input checked="" type="checkbox"/> Continuation of FY 90 Service Level	<input type="checkbox"/> New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/DECREMENT REQUEST
 Agency Priority _____ of _____

AGENCY Department of Transportation
 & Public Facilities
 Central Region
 BRU Maintenance & Operations
 COMPONENT Highways & Aviation
 PROJECT _____

FY 91

Page 1 of 2
 Revised Date: _____

FY90 Supplemental (Highways & Aviation) continued

Anchorage snowfall (Inches)

MONTH	1969-1989			
	Mean	FY90	FY89	FY88
Oct.	8.5	20.4	8.6	-0-
Nov.	10.7	6.0	27.3	29.3
Dec.	14.0	22.2	29.8	26.3
Jan.	8.6	1.5*	0.1	4.7
Feb.	12.9		-0-	9.3
Mar.	9.0		2.3	8.5
Apr.	6.3		-0-	2.0
TOTAL	70.0"	50.1"*	78.1"	80.0"

*Thru Jan. 5, 1990

Based on the fact of above-average snowfall, a supplemental for the Highways & Aviation and Facilities component appropriations totaling \$360.0 is requested. We feel a supplemental would reduce the need to implement severe cost reduction measures to stay within the FY90 appropriation, while allowing for completion of yearly maintenance activities as well as operational requirements. This supplemental would be distributed as follows:

Highways & Aviation Component
 100.....\$300.0

Although the total supplemental is felt to be the most desirable we realize that there are alternatives. If we receive the full supplemental the Highway & Aviation component will recover unexpected expenditures in overtime and equipment utilized as a result of repeated snowfalls which have accumulated to above record levels within the region.

Receiving no supplemental (or some lesser amount than requested) will necessitate release of employees, severe restrictions on overtime, reduce operations of SEF equipment, reduce those basic maintenance functions to life/safety associated activities (road striping, selective brushing, regulatory sign replacement only, and minimal airport repairs) as well as reduce replacement of stock inventories. This is the least desirable alternative and would only serve to aggravate, extend, and compound deferred maintenance.

C5	ADDITIONAL EXPLANATION FORM
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AGENCY Department of Transportation & Public Facilities
Central Region
 BRU Maintenance & Operations
Highways & Aviation
 COMPONENT _____

FY 91

Page <u>2</u> of <u>2</u>
Revised Date: _____

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
 Spring Creek Prison Claim Settlement Supplemental

AGENCY CONTACT/PHONE NUMBER:

Roger Head 266-1481

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The department was project manager for the City of Seward on this project which was constructed by Samwhan America, Inc. Funding for the project was both city and state.

The initial contractor claim for \$7,500,833 alleged revisions to the contract caused substantial increased costs. Prior to the completion of arbitration hearings, a settlement for \$2.8 million in favor of the contractor was reached. Of this amount \$483,750 has already been paid. The balance is due interest-free before September, 1990.

The department believes that this settlement is in the best interest of the state based on the magnitude of the initial claim and what we believe was a very real potential award by an arbitrator.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel		
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.	2,325.0	
800	Miscellaneous		
TOTAL		2,325.0	
1-A Transfer (NON-ADD)			
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	2,325.0	
1005	GF/Program Receipts		
1007	I-A Receipts		

POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

<input type="checkbox"/> Enhance Existing Service	<input type="checkbox"/> Formula Program New Facility Oper.
<input checked="" type="checkbox"/> Compared to FY 90	
<input type="checkbox"/> New Service Compared to FY 90	
<input type="checkbox"/> Continuation of FY 90	
<input checked="" type="checkbox"/> Service Level	

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/DECREMENT REQUEST
 Agency Priority _____ of _____

Department of Transportation and Public Facilities
 AGENCY _____
 BRU _____
 COMPONENT _____
 PROJECT Spring Creek Prison

FY 91

Page 1 of 1
 Revised Date: _____

Supplemental

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
 Juneau School District TORA Supplemental

AGENCY CONTACT/PHONE NUMBER:
 Jonathan W. Scribner 789-6261

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Department of Transportation and Public Facilities requests supplemental funds in the amount of \$136,000 to reimburse the City and Borough of Juneau for repairs completed on the Auke Bay School and other school facilities under a Transfer of Responsibility Agreement (TORA) initially approved by both parties in 1981. This project was closed in 1984 before the City had completed the project and requested final payment. This supplemental request would allow final payment to be made.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel		
300	Contractual Services	136.0	
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
TOTAL		136.0	
I-A Transfer (NON-ADD)			
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	136.0	
1005	GF/Program Receipts		
1007	I-A Receipts		

POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

<input type="checkbox"/> Enhance Existing Service	<input type="checkbox"/> Formula Program New Facility Oper.
<input checked="" type="checkbox"/> Compared to FY 90	
<input type="checkbox"/> New Service Compared to FY 90	
<input type="checkbox"/> Continuation of FY 90 Service Level	

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/DECREMENT REQUEST
 Agency Priority _____ of _____

AGENCY Department of Transportation and Public Facilities
 BRU _____
 COMPONENT _____
 PROJECT Juneau School Repairs

FY 91

Page _____ of _____
 Revised Date: _____

S B

428

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An Act relating to AMHS, its funding and its budget, establishing the AMHS fund . . . BRU: Finance
 Sponsor: Duncan Components: Finance
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

No additional appropriation for the Division of Finance is anticipated to be required. The only involvement of the Division of Finance is to establish the Alaska Marine Highway System Fund as an account in the General Fund. Required reporting and administration of the fund will be under the control of the Alaska Marine Highway System.

Prepared by: Keith Busch, Director *Keith Busch* Phone: 465-2240
 Division: Finance Date: 2/16/90
 Approved by Commissioner: Frank S. Baxter *Frank S. Baxter* Date: 2/16/90
 Agency: Department of Administration

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An Act relating to AMHS, its funding and its budget, establishing the AMHS fund . . . BRU: Finance
 Sponsor: Duncan Components: Finance
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

No additional appropriation for the Division of Finance is anticipated to be required. The only involvement of the Division of Finance is to establish the Alaska Marine Highway System Fund as an account in the General Fund. Required reporting and administration of the fund will be under the control of the Alaska Marine Highway System.

Prepared by: Keith Busch, Director *Keith Busch* Phone: 465-2240
 Division: Finance Date: 2/16/90
 Approved by Commissioner: Frank S. Baxter *Frank S. Baxter* Date: 2/16/90
 Agency: Department of Administration

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An Act relating to AMHS, its funding and its budget, establishing the AMHS fund. BRU: Finance
 Sponsor: Duncan Components: Finance
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

No additional appropriation for the Division of Finance is anticipated to be required. The only involvement of the Division of Finance is to establish the Alaska Marine Highway System Fund as an account in the General Fund. Required reporting and administration of the fund will be under the control of the Alaska Marine Highway System.

Prepared by: Keith Busch, Director *Keith Busch* Phone: 465-2240
 Division: Finance Date: 2/16/90
 Approved by Commissioner: Frank S. Baxter *Frank S. Baxter* Date: 2/16/90
 Agency: Department of Administration

Distribution (by preparer):

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

Changes in CS SB 428 (Trsp.)
 have no fiscal impact.
 This fiscal note is CM
 appropriate.

BILL ANALYSIS

- * 1 The total operating and capital needs of the Alaska Marine Highway System will not be changed by this bill. The actual amounts appropriated may change because of the more direct connection between the earnings and funding.
- * 2 Beginning July 1, 1990 the gross revenue of the Alaska Marine Highway System will be deposited in a special account in the General Fund, the Alaska Marine Highway Fund, instead of the unrestricted General Fund revenue account. We have not depicted this as an expenditure or a revenue reduction since the same level of funds are being collected and they are just being held for use during FY 92. This impact does not occur in any subsequent year and is needed as a one time action to establish a workable fund balance.
- * 3 The sources of funding used for the appropriations to the Alaska Marine Highway System will change for FY 92. The source will become the Alaska Marine Highway System Fund instead of the General Fund.

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: SB 428 (b)
PUBLISH DATE: 2/23/90

REQUEST: FISCAL NOTE

Revision Date:
Title: An Act relating to the Alaska Marine Highway System
Sponsor: Duncan
Requestor: Duncan

Agency Affected: DOT&PF
BRU: Alaska Marine Highway System
Components:

FEB 15 1990

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	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:

Prepared by: W. Keith Gerken
Division: Deputy Commissioner, Operations

Phone: 465-3900
Date: Feb. 14, 1990

Approved by Commissioner: Mark S. Hickey *Mark S. Hickey*
Agency: Department of Transportation and Public Facilities

Date: 2/14/90

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

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: CS SB 428 (Trsp) (b)
PUBLISH DATE: 2/23/90

REQUEST: FISCAL NOTE

Revision Date:
Title: An Act relating to the Alaska Marine Highway System
Sponsor: Duncan
Requestor: Duncan

Agency Affected: DOT&PF
BRU: Alaska Marine Highway System
Components:

FEB 15 1990

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	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:

Prepared by: W. Keith Gerken
Division: Deputy Commissioner, Operations

Phone: 465-3900
Date: Feb. 14, 1990

Approved by Commissioner: Mark S. Hickey *Mark S. Hickey*
Agency: Department of Transportation and Public Facilities

Date: 2/14/90

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

Changes in CS SB 428 (trsp)
have no fiscal impact.
This fiscal note is *cm*
appropriate.

BILL ANALYSIS

- * 1 The total operating and capital needs of the Alaska Marine Highway System will not be changed by this bill. The actual amounts appropriated may change because of the more direct connection between the earnings and funding.
- * 2 Beginning July 1, 1990 the gross revenue of the Alaska Marine Highway System will be deposited in a special account in the General Fund, the Alaska Marine Highway Fund, instead of the unrestricted General Fund revenue account. We have not depicted this as an expenditure or a revenue reduction since the same level of funds are being collected and they are just being held for use during FY 92. This impact does not occur in any subsequent year and is needed as a one time action to establish a workable fund balance.
- * 3 The sources of funding used for the appropriations to the Alaska Marine Highway System will change for FY 92. The source will become the Alaska Marine Highway System Fund instead of the General Fund.

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Revenue
 Title: Alaska Marine Highway System, BRU: Treasury
its funding, and budget
 Sponsor: Duncan Components: _____
 Requestor: Senate Transportation

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
<u>OPERATING</u>						
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
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
<u>TOTAL OPERATING</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>CAPITAL</u>						
	0	0	0	0	0	0
<u>REVENUE</u>						
	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
<u>TOTAL</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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 for analysis.

Fiscal year 1990 effect is zero.

Prepared By: Milt Barker MB
 Division: Treasury

Phone: 465-2350
 Date: February 15, 1990

Approved by Commissioner: _____
 Agency: Department of Revenue

Date: 2/15/90

Distribution (by preparer):

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

FEB 20 1990

STATE OF ALASKA
1990 LEGISLATIVE SESSION

Bill Version: SB 428
Publish Date: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Relating to the Alaska Marine Highway System
Sponsor: Duncan
Requestor: Senate Transportation

Agency Affected: Marine Highway System Fund
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
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
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	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	37110.7	38756.4	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	(37110.7)	(38756.4)	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	(37110.7)	(38756.4)	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
SEASONAL	0	0	0	0	0	0

ANALYSIS: FY 90 fiscal effect is zero. The figures reflect projected total ferry system revenues which would be deposited in the Alaska Marine Highway System Fund, and subsequently available for appropriation, as estimated by DOTPF/Marine Highway System.

Prepared By: Milt Barker MB
Division: Treasury

Phone: 465-2350
Date: February 15, 1990

Approved by Commissioner: [Signature]
Agency: Department of Revenue

Date: 2/15/90

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Revenue
 Title: Alaska Marine Highway System, BRU: Treasury
its funding, and budget
 Sponsor: Duncan Components: _____
 Requestor: Senate Transportation

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
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
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	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 for analysis.

Fiscal year 1990 effect is zero.

Prepared By: Milt Barker MB
 Division: Treasury
 Approved by Commissioner: _____
 Agency: Department of Revenue

Phone: 465-2350
 Date: February 15, 1990
 Date: 2/16/90

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Revenue
 Title: Alaska Marine Highway System, BRU: Treasury
its funding, and budget
 Sponsor: Duncan Components: _____
 Requestor: Senate Transportation

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
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
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	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 for analysis.

Fiscal year 1990 effect is zero.

Prepared By: Milt Barker MB Phone: 465-2350
 Division: Treasury Date: February 15, 1990
 Approved by Commissioner: [Signature] Date: 2/16/90
 Agency: Department of Revenue

Distribution (by preparer):

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

) Changes in CS SB 428 (trsp)
 have no fiscal impact.
 This fiscal note is CM
 appropriate.

FEB 20 1990
(Trsp)

STATE OF ALASKA
1990 LEGISLATIVE SESSION

Bill Version CS SB 428 (c)
Publish Date: 2/23/90

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Relating to the Alaska Marine Highway System
Sponsor: Duncan
Requestor: Senate Transportation

Agency Affected: Marine Highway System Fund
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
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
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	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	37110.7	38756.4	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	(37110.7)	(38756.4)	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	(37110.7)	(38756.4)	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: FY 90 fiscal effect is zero. The figures reflect projected total ferry system revenues which would be deposited in the Alaska Marine Highway System Fund, and subsequently available for appropriation, as estimated by DOTPF/Marine Highway System.

Prepared By: Milt Barker MB
Division: Treasury

Phone: 465-2350
Date: February 15, 1990

Approved by Commissioner: [Signature]
Agency: Department of Revenue

Date: 2/15/90

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

2/15/90

FEB 20 1990

STATE OF ALASKA
1990 LEGISLATIVE SESSION

Bill Version: SB 428 (c)
Publish Date: 2/23/90

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Relating to the Alaska Marine Highway System
Sponsor: Duncan
Requestor: Senate Transportation

Agency Affected: Marine Highway System Fund
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
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
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	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	37110.7	38756.4	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	(37110.7)	(38756.4)	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	(37110.7)	(38756.4)	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: F/ 90 fiscal effect is zero. The figures reflect projected total ferry system revenues which would be deposited in the Alaska Marine Highway System Fund, and subsequently available for appropriation, as estimated by DOTPF/Marine Highway System.

Prepared By: Milt Barker MB
Division: Treasury
Approved by Commissioner: [Signature]
Agency: Department of Revenue

Phone: 465-2350
Date: February 15, 1990
Date: 2/23/90
2/23/90

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

Original sponsor(s): SEN. DUNCAN, Jones

1 IN THE SENATE

BY THE TRANSPORTATION COMMITTEE

2 CS FOR SENATE BILL NO. 428 (Transportation)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska marine highway system,
7 its funding and its budget; establishing the Alaska
8 marine highway system fund; and providing for an
9 effective date."

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

11 * Section 1. AS 19.65 is amended by adding new sections to read:

12 ARTICLE 2. ALASKA MARINE HIGHWAY SYSTEM FUND AND BUDGET.

13 Sec. 19.65.050. LEGISLATIVE FINDINGS, PURPOSE, AND INTENT. (a)

14 The legislature finds that

15 (1) the Alaska marine highway system is an essential part
16 of the state transportation system, and that it warrants continued and
17 predictable state support;

18 (2) many communities' economies are dependent on a steady
19 and stable marine highway system service level;

20 (3) the state's tourism industry is greatly enhanced by a
21 dependable marine highway transportation network; and

22 (4) efficient and prudent management of the system will
23 benefit the state's economy and foster economic development.

24 (b) It is the purpose of AS 19.65.050 - 19.65.100 to

25 (1) enable the Alaska marine highway system to manage and
26 operate in a manner that will enhance performance and accountability
27 by allowing the system to account for and spend its generated revenue;

28 (2) provide the management tools necessary to efficiently
29 operate the Alaska marine highway system;

1 (3) within constitutional constraints, provide for a pre-
2 dictable funding base for system operations; and

3 (4) provide for predictability and stability in the service
4 level furnished to communities served by the system.

5 (c) It is the intent of AS 19.65.050 - 19.65.100 to

6 (1) encourage prudent administration through cost manage-
7 ment and accurate budgeting by managers of the Alaska marine highway
8 system;

9 (2) increase revenue from the operation of the system
10 consistent with the public interest, increase service consistent with
11 sound fiscal policy, and assist the prudent management and operation
12 of the system;

13 (3) achieve stability in the level of service communities
14 can anticipate through accurate planning and scheduling; and

15 (4) provide a system that anticipates a predictable funding
16 base of appropriations of at least \$31,000,000 each year from the
17 general fund, in addition to gross revenue.

18 Sec. 19.65.060. ALASKA MARINE HIGHWAY SYSTEM FUND. (a) There
19 is created, as a special account in the general fund, the Alaska
20 marine highway system fund, into which shall be deposited

21 (1) the gross revenue of the Alaska marine highway system;

22 (2) money that is appropriated to the Alaska marine highway
23 system fund by the legislature in an amount that is consistent from
24 year to year and is the amount necessary, after consideration of gross
25 revenue, to provide stable services to the public consistent with the
26 provisions of AS 19.65.050(b)(4), which appropriations are not one-
27 year appropriations and the balances of which do not lapse under
28 AS 37.25.010; and

29 (3) any other money that is appropriated to the Alaska

1 marine highway system fund by the legislature, which appropriations
2 are not one-year appropriations and the balances of which do not lapse
3 under AS 37.25.010.

4 (b) Nothing in this chapter exempts money deposited into the
5 Alaska marine highway system fund from the requirements of AS 37.07
6 (Executive Budget Act) or dedicates that money for a specific purpose.

7 Sec. 19.65.070. REVENUE ACCOUNTING. (a) The Alaska marine
8 highway system shall account for and remit to the Department of Reve-
9 nue in accordance with AS 37.10.050 all gross revenue generated from
10 the operation of the Alaska marine highway system during each annual
11 operating cycle. The money shall then be deposited in the Alaska
12 marine highway system fund.

13 (b) The Alaska marine highway system shall submit a written
14 report to the legislature, no later than the 10th day of each regular
15 legislative session, regarding the previous annual operating cycle.
16 The report must identify

17 (1) gross revenue generated during the previous annual
18 operating cycle;

19 (2) gross revenue generated during the current annual
20 operating cycle and an estimate of gross revenue for the remainder of
21 the current annual operating cycle;

22 (3) projections of the gross revenue to be generated during
23 the next annual operating cycle; and

24 (4) the difference between previous gross revenue estimates
25 prepared under this section and the revenues actually generated.

26 Sec. 19.65.080. ANNUAL APPROPRIATION. (a) Commencing with
27 appropriations for the fiscal year that begins July 1, 1991, on an
28 annual basis and under AS 37.07 (Executive Budget Act), the legis-
29 lature may appropriate amounts from the Alaska marine highway system

1 fund to the Alaska marine highway system.

2 (b) The Department of Transportation and Public Facilities may
3 request the legislature to appropriate money from the Alaska marine
4 highway system fund to the marine highway system for capital improve-
5 ments, if

6 (1) the appropriation under (a) of this section has been
7 made;

8 (2) the amount in the fund, without regard to the appro-
9 priation under (a) of this section, exceeds the total of gross revenue
10 deposited in the fund and the general fund appropriations under
11 AS 19.65.060(a)(2) by 10 percent; and

12 (3) the amount requested for appropriation under this
13 subsection does not exceed 50 percent of the balance remaining after
14 the appropriation for annual management and operations is made under
15 (a) of this section.

16 (c) The unexpended and unobligated balance of money appropriated
17 from the Alaska marine highway system fund lapses into the Alaska
18 marine highway system fund at the end of the fiscal year for which it
19 was appropriated.

20 Sec. 19.65.100. DEFINITIONS. In AS 19.65.050 - 19.65.100,

21 (1) "annual operating cycle" means the annual state fiscal
22 year beginning on July 1 and ending at midnight on the following June
23 30;

24 (2) "gross revenue" means all money, except money refunded
25 to ticket holders and others for unused services, that is generated
26 from the operation of the Alaska marine highway system, including that
27 derived from vessel operations and uses of Alaska marine highway
28 system facilities.

29 * Sec. 2. This Act takes effect July 1, 1990.

Alaska State Legislature

FEB 09 1990



SENATOR JIM DUNCAN

P. O. Box V JUNEAU, ALASKA 99811-3100

(907) 465-4766

COMMITTEES:
FINANCE
VICE CHAIR —
HEALTH EDUCATION
& SOCIAL SERVICES
BUDGET & AUDIT
BANKING &
ECONOMIC
DEVELOPMENT

TO: Senator Lloyd Jones
Chair
Transportation Committee

FROM: Senator ~~Jim~~ Duncan

REGARDS: Hearing for Senate Bill 428

DATE: February 8, 1990

I would appreciate the earliest possible hearing for Senate Bill 428 which establishes the Alaska Marine Highway System Fund.

This bill is identical to House Bill 439 introduced January 24 at the request of the Governor. It is imperative this bill be acted upon this session by the entire Legislature. It is my hope concurrent action by the House and Senate will ensure timely consideration of this measure.

I have attached a packet of information provided by the Administration on HB 439. It includes a copy of the Governor's transmittal letter to the House of Representatives which outlines the proposed legislation in detail. The intent is to allow the system to use the revenues it generates so it can provide service in a consistent and enhanced fashion.

I appreciate your consideration of this request.

Attachment:

JIM,

BILL CUMMINGS FROM DEPARTMENT OF LAW CALLED TO SAY JIM AYERS AND HIM CAME UP WITH LANGUAGE FOR SENATE BILL 428 TO ADDRESS SENATOR COGHILL'S CONCERNS AT YESTERDAY'S HEARING. THEY ARE AS FOLLOWS:

PAGE 2, LINES 6 AND 7....STRIKE CURRENT LANGUAGE AND REPLACE WITH...

ENCOURAGE PRUDENT ADMINISTRATION THROUGH COST MANAGEMENT AND ACCURATE BUDGETING BY MANAGERS OF THE ALASKA MARINE HIGHWAY SYSTEM. *LINES 6-8 IN CS*

PAGE 2, LINES 12 AND 13.... ADDS UNDERLINED LANGUAGE....

ACHIEVES STABILITY IN THE LEVEL OF SERVICE COMMUNITIES CAN ANTICIPATE THROUGH ACCURATE PLANNING AND SCHEDULING; AND
LINES 13&14 IN CS

BILL ASKED IF WE WANT TO WORK THESE CHANGES THROUGH A SPONSOR SUBSTITUTE OR A COMMITTEE SUBSTITUTE.

PETE

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 2/1/90

FURTHER: Finance

Date of 5-Day Notice: 2-15-90
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-23-90

Transportation Committee considered SB 428

"An Act relating to the Alaska marine highway system, its funding and its budget; establishing the Alaska marine highway system fund; and providing for an effective date."

and recommended:

- replace with _____ cs SB 428 (Trsp) same title new title
- attached amendment(s)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

fiscal note(s) SB + CS
Rev. - Marine Hwy

zero fiscal note(s) SB + CS
Rev, Admin, DOTPF

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Handwritten signatures]

[Handwritten signature: Lloyd Jones (Do Pass)]
Chair: Signature and Recommendation

STATE OF ALASKA
THE LEGISLATURE

POUCH STATE CAPITOL
UNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 15, 1990

SUBJECT: Review of proposed Governor's bill relating to the funding of the Alaska Marine Highway System (Work Order No. 6-1904)

TO: Senator Lloyd Jones

FROM: George Utermohle *GU*
Legislative Counsel

This memorandum is in response to the request of Charlie Miller, of your staff, for a review of potential constitutional problems posed by a proposed Governor's bill relating to funding of the Alaska Marine Highway System.

For the most part, the bill does not suggest any constitutional problems. However two provisions of Sec. 19.65.-060(a) do deserve some discussion. Sec. 19.65.060(a) reads:

- (a) There is created, as a special account in the general fund, the Alaska marine highway system fund, into which shall be deposited
- (1) the gross revenue of the Alaska marine highway system
 - (2) money that is appropriated to the Alaska marine highway system fund by the legislature in an amount that is consistent from year to year and is the amount necessary, after consideration of gross revenue, to provide the services to the public consistent with the provisions of AS 19.65.050, which appropriations are not one-year appropriations and the balance of which does not lapse under AS 37.25.010; and
 - (3) any other money that is appropriated to the Alaska marine highway system fund by the legislature, which appropriations are not one-year appropriations and the balances of which do not lapse under AS 37.25.-010.

ONE: Paragraph (a)(1) of this subsection requires that the gross revenue of the Alaska Marine Highway System be depos-

Legal Services - Fed. Hwy Funding

ited into the Alaska marine highway system fund. This requirement would potentially violate the Alaska Constitution prohibition against dedicated funds (Article IX, sec. 7), but for the fact that the revenue deposited into the fund must be appropriated out of the fund by the legislature before it can be used. Though the language of Sec. 19.65.-060(b) is useful in that it states that the bill does not dedicate money for a specific purpose, the significant language is contained in Sec. 19.65.080 which states that "the legislature may appropriate amounts from the Alaska marine highway system fund to the Alaska marine highway system." (Emphasis added.) The use of the permissive term "may" allows the legislature to appropriate the revenue for marine highway expenditures, but it does not require the legislature to do so; the legislature may appropriate the revenue for any public purpose. Thus the bill does not create a dedicated fund.

Under the dedicated funds clause of the Alaska Constitution, a dedicated fund exists when the proceeds of any tax or license may be expended only for a specific purpose. The proceeds of a tax or license has been construed by the Alaska Supreme Court to include virtually any state revenue. (Alex v. State, 646 P.2d 203 (Alaska 1982)) The revenue of the Alaska Marine Highway System is among those state revenues subject to the prohibition against dedicated funds. None of the exceptions to the prohibition against dedicated funds (revenue dedicated to the permanent fund, dedicated funds existing at statehood, or dedicated funds required by federal law) apply to revenue of the Alaska Marine Highway System. A dedicated fund does not exist when the funds are placed into the general fund or otherwise available for appropriation by the legislature for any public purpose.

TWO: Paragraph (a)(2) of this subsection is an ambiguous provision requiring that money appropriated to the fund be placed into the fund. The other language of this paragraph relating to the amount to be appropriated to the fund is either one: precatory language suggesting that the legislature should appropriate enough money to the fund to provide the desired degree of ferry service; or two: mandatory language requiring the legislature to appropriate enough money to make up for any shortcoming of marine highway system revenue necessary to provide the desired degree of ferry service. If the latter is intended then the language is an invalid attempt to bind future legislatures to appropriate money for ferry service.

Senator Lloyd Jones
Page 3
January 15, 1990

The primary problem with this paragraph is that it attempts to say too many things. The paragraph should be rewritten. Each issue addressed in the paragraph should be treated separately, so that the intent is clear.

If I may be of further assistance, please advise.

GU:lmb
L9/050

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 24, 1990

The Honorable Sam Cotten
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the Alaska marine highway system. The bill addresses concerns that all Alaskans share regarding the importance of the ferry system in the state's commerce, the efficient use of the system's resources, and the ability of the system to provide stable or enhanced service to the public.

The Alaska marine highway system has been an administrative unit of the Department of Transportation and Public Facilities since the department's creation in 1977. Before 1977, the marine highway system was a division of the Department of Public Works. However, throughout the system's more than 25 years of life, there have not been specific statutory provisions that set out the expectations that the legislative and executive branches of government, as well as the public, have for the system nor that set out clear goals for the system. One purpose of the attached bill is to address these concerns.

In proposed AS 19.65.050(a) are legislative findings that the marine highway system is a vital link in the state's economic well being, requiring consistent levels of funding and prudent management. The purpose of the bill is set out in proposed AS 19.65.050(b). Under this bill, managers and employees of the system will be provided an incentive and mechanism to manage the system efficiently by allowing it to effectively use its operating revenue, although that revenue is, under other sections of the bill, subject to annual appropriation, and the bill does not violate the Alaska Constitution's art. IX, sec. 7, prohibition of "dedicated funds." Furthermore, the legislature recognizes the need for consistent levels of funding, within constitutional limits, to allow predictable levels of service. The legislative intent for the marine highway system operations is set out in proposed AS 19.65.050(c).

Governor's Transmittal

The system's managers are expected to accurately plan, schedule, and budget for the operations of the ferry system. The specific goals stated for the system, among others, are to increase revenue consistent with the public interest and to stabilize levels of service to the communities the system serves.

Proposed AS 19.65.060 creates the Alaska marine highway system fund as a special account in the general fund. The new "fund" is to be the repository of all operating revenue that the system generates, consistent annual general fund appropriations for operations, and whatever additional appropriations the legislature might make to the fund. All money in this fund is subject to annual appropriation. It is not a dedicated fund.

Proposed AS 19.65.070 requires depositing all Alaska marine highway system revenue into the Alaska marine highway system fund. The system managers are also required (1) to report to the legislature all revenue generated during the previous fiscal year, (2) to report the revenue actually generated during the current fiscal year and estimate the revenue that will be generated during the remainder of the current fiscal year, (3) to estimate revenue to be generated during the succeeding fiscal year, and (4) to state the amount of the difference between previous revenue projections and revenue actually generated.

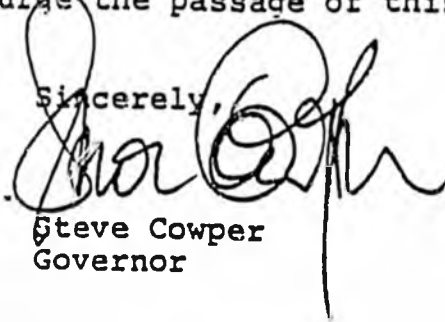
In proposed AS 19.65.080, an annual appropriation mechanism is created for the marine highway system. Under this section, commencing in fiscal year 1992, it is anticipated that the legislature will appropriate money from the Alaska marine highway system fund for the system's annual operations. Furthermore, the bill acknowledges that the legislature has the discretion to appropriate additional money to the system fund (i.e., the special account in the general fund) from the general fund.

This legislation represents a sharp departure from the past. Previously, there has been no articulated role for the marine highway system, and no expression either of commitment by the legislature to maintain service at an adequate level, nor of the need to hold the system's management accountable for decisions that result in what the public perceives as a decline in the level of service.

With this bill, I intend to provide Alaskans with transportation benefits by creating a mechanism that establishes a predictable funding base and allows or encourages management to generate cost savings and increase revenue performance from the operation of the system, with the Alaskan users of the system receiving the direct benefit from those actions. By developing a business

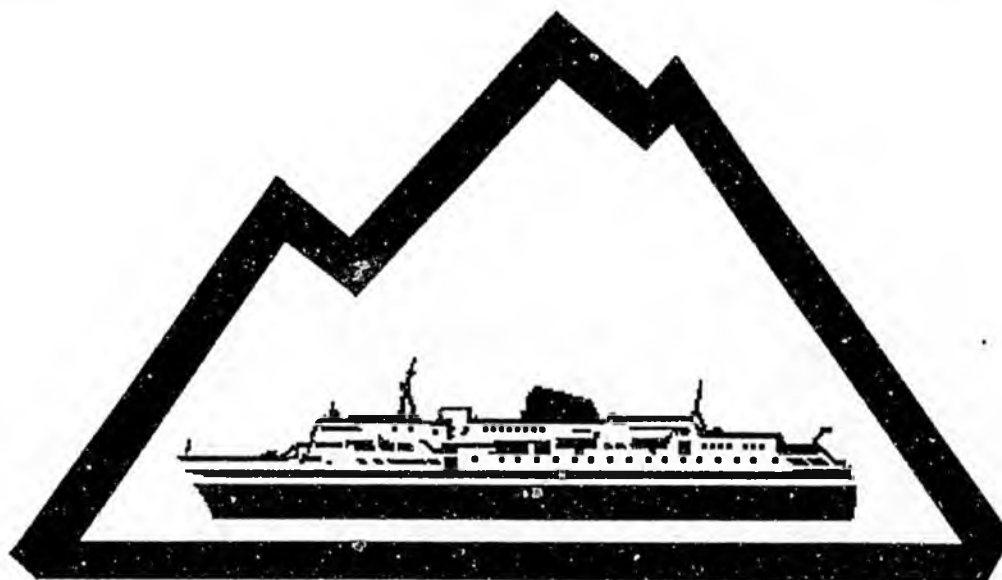
approach, and establishing accountability in a way that is constitutionally valid, we provide management, employees, and users with necessary tools to respond to immediate and long-term challenges facing the Alaska marine highway system. I believe that the ultimate result of the passage of this bill will be a consistent level of funding from the general fund, and consistent and improved levels of service to the public. I therefore urge the passage of this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Cowper", written over the word "Sincerely,".

Steve Cowper
Governor

File
SB 428



ALASKA MARINE HIGHWAY SYSTEM

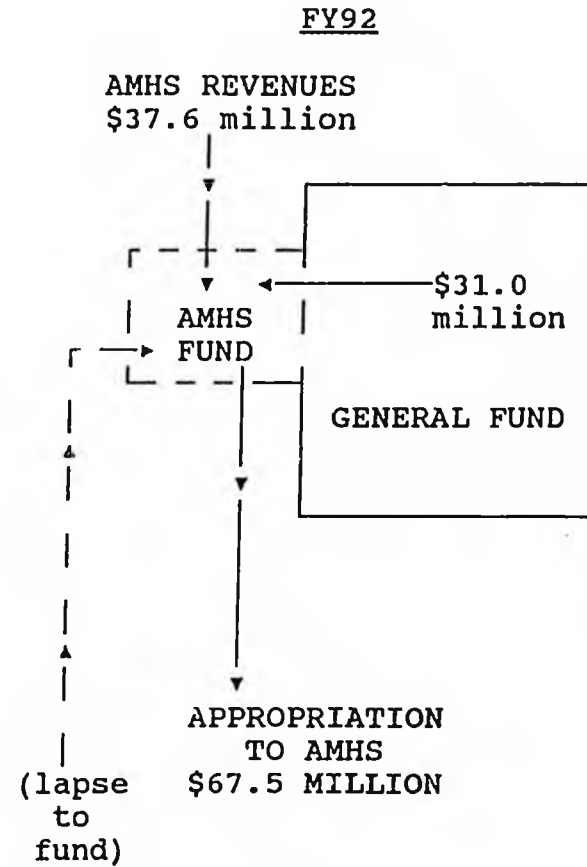
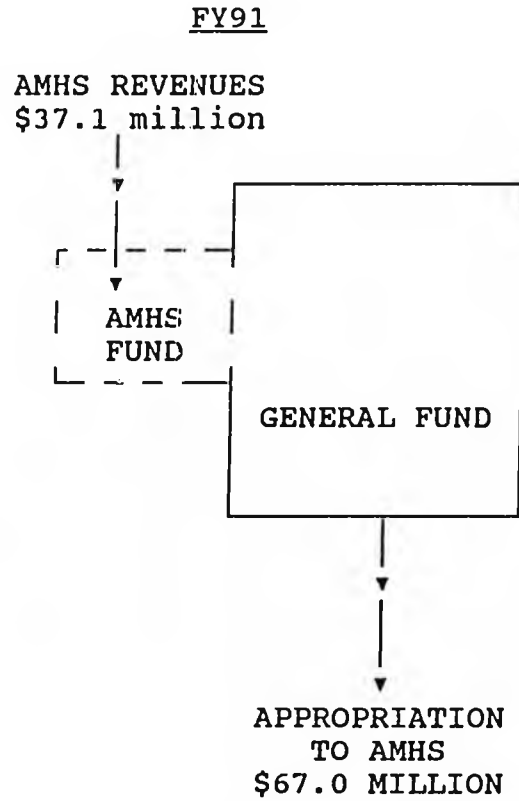
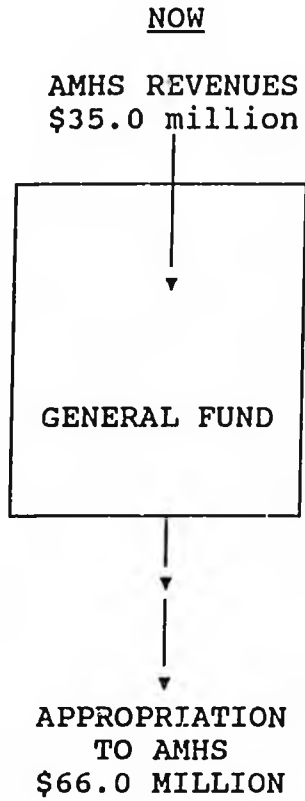
HOUSE BILL 439

SENATE BILL 428

DOT/PF - AMHS

DRAFT EXAMPLE

HOUSE BILL 439



DRAFT EXAMPLE

HOUSE BILL 439
SENATE BILL 428

AMHS FUND

Sec. 19.65.080(b)

AVAILABLE FOR AMHS OVERHAUL OR OTHER SHIP NEEDS

RESERVED FOR EMERGENCIES/SUPPLEMENTAL APPROPRIATIONS

100% OPERATING
LEVEL

DRAFT EXAMPLE

ALASKA MARINE HIGHWAY SYSTEM FINANCIAL MODEL

House Bill 439 - Senate Bill 428

Marine Highway Fund

(\$000s)	FY 89 YR 1	FY 90 YR 2	FY 91 YR 3	FY 92 YR 4	FY 93 YR 5	FY 94 YR 6	FY 95 YR 7	FY 96 YR 8	FY 97 YR 9	FY 98 YR 10	FY 99 YR 11	FY 00 YR 12	FY 01 YR 13	FY 02 YR 14	FY 03 YR 15	FY 04 YR 16	FY 05 YR 17	FY 06 YR 18	FY 07 YR 19	FY 08 YR 20	Total
Revenues¹																					
Passenger Vehicles				13,426	13,829	14,244	14,671	15,111	15,564	16,031	16,512	17,008	17,518	18,043	18,585	19,142	19,717	20,308	20,917	21,545	331,277
Vans				12,634	13,013	13,403	13,805	14,220	14,646	15,086	15,538	16,004	16,484	16,979	17,488	18,013	18,553	19,110	19,683	20,274	311,733
Steward's				2,327	2,397	2,468	2,543	2,619	2,697	2,778	2,862	2,947	3,036	3,127	3,221	3,317	3,417	3,519	3,625	3,734	57,411
				7,923	8,160	8,405	8,657	8,917	9,185	9,460	9,744	10,036	10,337	10,648	10,967	11,296	11,633	11,984	12,343	12,714	193,483
Total Revenues	35,252	35,252	35,252	36,310	37,399	38,521	39,676	40,867	42,093	43,356	44,656	45,996	47,376	48,797	50,261	51,769	53,322	54,921	56,569	58,266	899,910
CF Funding Base	64,843	65,213	65,538	31,000	31,000	31,000	31,000	31,242	31,648	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	723,484
CIP Funds ²	1,263	1,269	1,276	1,282	1,288	1,295	1,301	1,308	1,314	1,321	1,328	1,334	1,341	1,348	1,354	1,361	1,368	1,375	1,382	1,389	21,483
AMHS Op Fund				0	0	62	2,332	1,265	0	0	0	0	0	0	0	0	0	0	0	0	3,659
Total Op Bdg't Funding	66,106	66,482	66,814	68,592	69,687	70,878	74,310	74,681	75,055	75,676	76,984	78,330	79,717	81,145	82,615	84,130	85,690	87,296	88,931	90,655	1,543,793
Direct Expenses																					
Taku	8,035	8,075	8,116	8,156	8,197	8,238	8,279	8,320	8,362	8,404	8,446	8,488	8,531	8,573	8,616	8,659	8,702	8,746	8,790	8,834	168,567
Malaspina	9,713	9,782	9,831	9,880	9,929	9,979	10,029	10,079	10,129	10,180	10,231	10,282	10,333	10,385	10,437	10,489	10,542	10,594	10,647	10,700	204,190
Matanuska	10,298	10,349	10,401	10,453	10,506	10,558	10,611	10,664	10,717	10,771	10,825	10,879	10,933	10,988	11,043	11,098	11,153	11,209	11,265	11,322	216,043
Chilkat	359	6	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	371
Columbia	6,618	6,671	6,705	6,738	6,772	6,806	6,840	6,874	6,908	6,943	6,977	7,012	7,047	7,083	7,118	7,154	7,189	7,225	7,262	7,298	139,259
Leconte	5,858	5,887	5,917	5,946	5,976	6,006	6,036	6,066	6,096	6,127	6,158	6,188	6,219	6,250	6,282	6,313	6,345	6,376	6,408	6,440	122,896
Aurora	5,379	5,806	5,835	5,864	5,893	5,923	5,953	5,982	6,012	6,042	6,072	6,103	6,133	6,164	6,195	6,226	6,257	6,288	6,320	6,351	120,799
Tustumena	5,698	5,726	5,755	5,783	5,812	5,841	5,871	5,900	5,929	5,959	5,989	6,019	6,049	6,079	6,110	6,140	6,171	6,202	6,233	6,264	119,529
Bartlett	3,656	3,674	3,692	3,711	3,729	3,748	3,767	3,785	3,804	3,823	3,842	3,862	3,881	3,900	3,920	3,939	3,959	3,979	3,999	4,019	76,689
New Vessel #1	0	0	0	0	0	3,062	3,078	3,093	3,109	3,124	3,140	3,156	3,171	3,187	3,203	3,219	3,235	3,251	3,268	3,284	47,581
New Vessel #2	0	0	0	0	0	0	3,078	3,093	3,109	3,124	3,140	3,156	3,171	3,187	3,203	3,219	3,235	3,251	3,268	3,284	44,518
Total Direct Exps	55,653	55,976	56,256	56,532	56,814	60,161	63,539	63,857	64,176	64,497	64,820	65,144	65,470	65,797	66,126	66,457	66,789	67,123	67,458	67,796	1,260,441
Indirect Expenses																					
Marine Ops, Indirect	3,981	4,001	4,021	4,041	4,061	4,082	4,102	4,122	4,143	4,164	4,185	4,206	4,227	4,248	4,269	4,290	4,312	4,333	4,355	4,377	83,518
Marine Administration	2,352	2,364	2,376	2,387	2,399	2,411	2,423	2,436	2,448	2,460	2,472	2,485	2,497	2,510	2,522	2,535	2,547	2,560	2,573	2,586	49,343
Marine Facilities CIP ²	1,263	1,269	1,276	1,282	1,288	1,295	1,301	1,308	1,314	1,321	1,328	1,334	1,341	1,348	1,354	1,361	1,368	1,375	1,382	1,389	26,497
Cust Serv/MFE Amgmt	2,857	2,871	2,886	2,900	2,915	2,929	2,944	2,959	2,973	2,988	3,003	3,018	3,033	3,048	3,064	3,079	3,094	3,110	3,125	3,141	59,937
Total Indirect Exps	10,453	10,505	10,558	10,611	10,664	10,717	10,771	10,824	10,879	10,933	10,988	11,043	11,098	11,153	11,209	11,265	11,321	11,378	11,435	11,492	219,295
Total Operating Exps	66,106	66,482	66,814	67,142	67,478	70,878	74,310	74,681	75,055	75,430	75,807	76,186	76,567	76,950	77,335	77,722	78,110	78,501	78,893	79,288	1,479,735
To AMHS Op Fund > (Funding Less Exps)	0	0	0	1,449	2,209	0	0	0	0	246	1,176	2,144	3,149	4,194	5,280	6,408	7,580	8,796	10,058	11,367	64,058
Capital Expenditures																					
New or Replcm't Vssls	0	0	898	8,975	898	8,975	3,000	0	49,000 ⁴	0	0	0	0	3,000	0	49,000	0	0	0	0	123,745
Repwr, Refrb, Mod ³	5,132	8,754	6,153	4,028	2,550	14,100	9,034	4,697	29,969 ⁵	4,730	5,311	6,366	3,618	4,083	1,441	7,483	3,197	6,617	32,517	9,242	169,024
Shore Facilities	1,050	4,387	7,748	8,990	11,775	4,733	6,870	3,805	4,815	11,856	1,657	2,105	7,350	0	304	2,500	0	100	0	0	80,045
Other CIP and SIP	600	1,000	1,050	1,050	1,050	1,280	1,310	2,050	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	33,390
Debt service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
To Cap Reserve Fund >	0	0	8,000	8,000	9,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	2,545	0	2,112	1,266	235	94,158
Total Cap Expendt	6,782	14,140	23,849	31,043	24,273	37,088	28,214	18,552	85,764	26,586	16,968	18,471	20,968	17,083	6,290	60,983	7,309	9,983	34,753	11,242	500,361
Capital Funding Source																					
Federal Funding	5,651	10,722	11,246	18,191	11,526	23,251	15,392	7,122	28,346	12,886	5,761	5,635	5,881	3,254	1,391	7,955	2,547	4,951	24,934	7,087	213,729
Cap Reserve Fund	0	0	0	0	0	0	0	0	48,000	0	0	0	0	0	0	48,000	0	0	0	0	96,000
Liquidtn of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GF Capital Requirements	1,132	3,419	12,603	12,852	12,746	13,836	12,823	11,430	9,438	13,700	11,207	12,836	15,087	13,830	4,899	5,029	4,761	5,032	9,818	4,155	190,632
Net Cash Flow (Outflow)	(30,723)	(33,379)	(42,889)	(42,403)	(41,537)	(44,898)	(46,155)	(43,937)	(41,086)	(44,453)	(41,030)	(41,692)	(42,938)	(40,635)	(30,619)	(29,620)	(28,182)	(27,236)	(30,761)	(23,788)	(747,961)
Beginning Fund Balance	0	0	0	0	1,449	3,659	3,597	1,265	0	0	247	1,423	3,567	6,716	10,911	10,736	11,776	13,468	15,529	17,822	102,164
Contribution	0	0	0	1,449	2,209	0	0	0	0	246	1,176	2,144	3,149	4,194	5,280	6,408	7,580	8,796	10,058	11,367	64,058
To Cap Reserve Fund >	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,455	5,368	5,048	6,734	7,765	8,511	40,121
Ending Fund Balance	0	0	1,449	3,659	3,597	1,265	0	247	1,423	3,567	6,716	10,911	10,736	11,776	13,468	15,529	17,822	20,278	22,442	24,421	122,424
Cap Res Fund Balance	0	0	8,000	16,000	24,000	32,000	40,000	48,000	0	8,000	16,000	24,000	32,000	40,000	48,000	5,368	13,368	21,368	29,368	38,279	443,730

1 Revenue changes are based on combined traffic and fare avg. annual increase of 3%; revenues for FY89-91 not shown since AMHS fund revenue provisions begin in FY92.

2 These are CIP funds in the operating budget.

3 Some refurb projects have been deleted from FY91-97 on the assumption that a vessel replacement project may occur in FY97.

4 If this project is for a replacement vessel rather than a new vessel, no additional operating funds will be required.

5 FY97 "Repwr, Refurb, Mod" number accumulates some projects from FY90-96 which could not be done in those years due to lack of funding.

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: SB 428
PUBLISH DATE: 2/01/90

REQUEST: **FISCAL NOTE**

Revision Date:
Title: An Act relating to the Alaska Marine Highway System
Sponsor: Duncan
Requestor: Duncan

Agency Affected: DOT&PF
BRU: Alaska Marine Highway System
Components:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	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:

Prepared by: W. Keith Gerken
Division: Deputy Commissioner, Operations

Phone: 465-3900
Date: Feb. 14, 1990

Approved by Commissioner: Mark S. Hickey *Mark S. Hickey*
Agency: Department of Transportation and Public Facilities

Date: 2/14/90

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

DOT/PF Fiscal Note

BILL ANALYSIS

- * 1 The total operating and capital needs of the Alaska Marine Highway System will not be changed by this bill. The actual amounts appropriated may change because of the more direct connection between the earnings and funding.
- * 2 Beginning July 1, 1990 the gross revenue of the Alaska Marine Highway System will be deposited in a special account in the General Fund, the Alaska Marine Highway Fund, instead of the unrestricted General Fund revenue account. We have not depicted this as an expenditure or a revenue reduction since the same level of funds are being collected and they are just being held for use during FY 92. This impact does not occur in any subsequent year and is needed as a one time action to establish a workable fund balance.
- * 3 The sources of funding used for the appropriations to the Alaska Marine Highway System will change for FY 92. The source will become the Alaska Marine Highway System Fund instead of the General Fund.

S B

479

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 2/12/90

FURTHER: Finance

Date of 5-Day Notice: 2-22-90
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-1-90

Transportation Committee considered SB 479

"An Act making an appropriation to the Department of Transportation and Public Facilities for construction of the Copper River Highway to pioneer road standards; and providing for an effective date."

and recommended:

- replace with _____ CS _____ same title
- attached amendment(s) new title
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

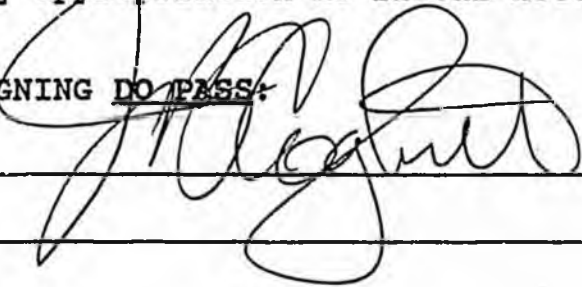
fiscal note(s) _____

zero fiscal note(s) _____

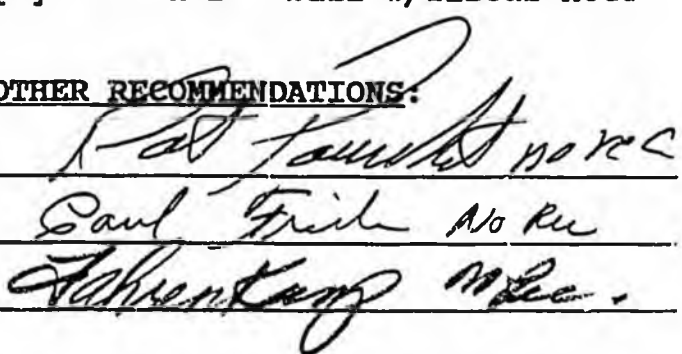
appropriation-no fiscal note

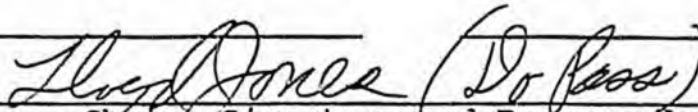
Governor's bill w/fiscal note

SIGNING DO/PASS:



OTHER RECOMMENDATIONS:





Chair: Signature and Recommendation

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: SB 479
PUBLISH DATE: 2/12/90

REQUEST: FISCAL NOTE

Revision Date:
Title: An Act making an appropriation to the DOT/PF for construction of the Copper River Highway to pioneer road standards.
Sponsor: Kelly
Requestor: Kelly

Agency Affected: DOT&PF
BRU: Northern Region

Components:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	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	1,186.1	1,186.1	1,186.1
CAPITAL	2,060.0	11,230.0	11,230.0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	2,060.0	11,230.0	11,230.0	1,186.1	1,186.1	1,186.1
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	2,060.0	11,230.0	11,230.0	1,186.1	1,186.1	1,186.1

POSITIONS:

FULL-TIME	0	0	0	10	10	10
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: See attached.

NOTE: Maintenance costs are estimated in 1990 dollars.

Prepared by: W. Keith Gerken
Division: Deputy Commissioner, Operations

Phone: 465-3900
Date: March 1, 1990

Approved by Commissioner: Mark S. Hickey
Agency: Department of Transportation and Public Facilities

Date: 3/1/90

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

Figure 2-2
 Construction Phase Cost Estimate*
 Copper River Highway**

ITEM	LOW	ANTICIPATED	HIGH
PreConstruction Costs			
Survey and Design Engineering	1.08	1.28	1.54
Right-of-Way	.25	.50	.75
Environmental Assessment/Permits	.10	.28	.50
Subtotal Preconstruction	1.43	2.06	2.79

Construction Type/Length			
Minor--47.9 Miles	\$ 3.35	\$ 3.94	\$ 4.48
Major--12.9 Miles	2.03	2.56	2.69
Major With Sidehill--17.4 Miles	3.30	3.34	4.29
Bridges and Drainage	3.36	4.30	5.25
Excess Rock (for embankment)	.20	.40	.48
Subtotal Road Construction	\$12.04	\$14.38	\$17.09
Other Construction Phase Costs			
Construction Engineering	1.32	1.59	1.88
Contingency	1.32	1.59	1.88
Maintenance Camps/Equipment	3.90	4.90	5.90
PROJECT TOTALS	\$20.01	\$24.52	\$29.54
Construction Cost Per Mile	\$.15	\$.18	\$.22
Total Cost Per Mile	\$.26	\$.31	\$.38

Note: *Other Capital Costs and Figure 2-2 Costs were developed by R&M Engineering, Inc.
 **Numbers are expressed in millions of dollars and are slightly rounded.

Figure 2-3 shows a dollar and percentage comparison between the low, mid and high cost estimates for PN&D, DOT&PF and R&M. The differences in these estimates generally reflect how different engineers view the project. The estimates are similar but differ in key areas such as bridges, right-of-way, engineering, permitting, etc.

Figure 2-3
Comparison of Copper River Highway Cost Estimates*
PN&D, DOT&PF, R&M**

FIRM	LOW	ANTICIPATED	HIGH
Dollar Comparison			
R&M	\$20.01	\$24.52	\$29.54
PN&D**	12.15	-	15.12
DOT&PF	21.28	24.98	31.99
Percentage Comparison			
DOT&PF versus R&M	+06%	+02%	+08%
DOT&PF versus PN&D	+43%	NA	+53%
PN&D versus R&M	-39%	NA	-49%

Notes: *Numbers are expressed in millions of dollars and are slightly rounded.
 **The PN&D and DOT&PF estimates do not include right-of-way or maintenance capital costs. In addition, the PN&D estimate does not include permitting.

Maintenance and Operations Costs: These costs are dealt with by the DOT&PF in depth. The R&M cost estimate is presented as a result of our comparison of known highway maintenance costs from DOT&PF, U.S. Forest Service and private facilities, following evaluation of the DOT&PF maintenance cost estimates for the proposed Copper River Highway, as shown in the "Compendium Report."

The elements of the maintenance and operations cost are roadway maintenance costs, camp

operations and maintenance costs, working capital reserve and toll collection costs, including toll booth maintenance and operations. Costs for roadway maintenance and camps are anticipated at approximately \$16,500 per mile of roadway on an annualized basis or approximately \$1.39 million per year. This figure takes into account roadway design, climate and wage rates. The figure does not take into account additional maintenance and operations costs for year around opening of the highway from the Million Dollar Bridge to Cordova, although equipment and facilities recommended for the new Million Dollar Bridge maintenance station would be available for use in maintaining portions of the roadway between the Cordova Airport and the Million Dollar Bridge. The road from Cordova to mile 13 is now maintained year around, but from mile 13 to mile 49 (at the Million Dollar Bridge), the maintenance is only seasonal. Additional funding would be required for year-round maintenance of this section.

The capital costs shown above include maintenance camp construction and equipment purchase.

The operation of toll booths is estimated at \$200,000 annually. This figure takes into account the equivalent of approximately 1,100 annual-equivalent shifts per booth (including holidays and overtime), as well as heating and building maintenance.

Figure 2-4 shows the range of estimates for each of these cost elements.

Figure 2-4
Copper River Highway Maintenance and Operations
Cost Estimates

ITEM	LOW	ANTICIPATED	HIGH
Roadway Maintenance (78.2 Miles)	\$ 508,300	\$ 821,100	\$1,094,800
Camp Operations	175,000	265,000	350,000
Equipment Reserve	100,000	100,000	100,000
Toll Booth Operations	175,000	200,000	225,000
Total Annual Costs	\$ 958,300	\$1,386,100	\$1,769,800
Cost Per Mile	\$ 12,254	\$ 17,725	\$ 22,632

Driving Experience: The eighteen foot, crushed gravel roadbed's driving surface exceeds the concept of a local service/access roadway, but will not meet secondary road standards adopted by the American Association of State Highway and Transportation Officials (AASHTO). The road would be similar to the McCarthy Road except it would be approximately 4 to 6 feet wider and have a far smoother driving surface.

Standard vehicle models such as sedans, campers, light trucks and heavy trucks will experience little or no difficulty on this facility, providing the vehicles are in good mechanical order at the outset and have serviceable tires.

In following the railroad alignment, there are no grade difficulties encountered. Stopping sight distances will in many cases limit the speed of specific roadway segments to thirty-five miles-per-hour. The greater majority of the roadway will have a design speed of fifty-five miles-per-hour. The average driving speed will be forty-to-fifty miles-per hour.

Snow accumulations will require some temporary winter closures and minor delays, although, with the maintenance budget recommended above, these closures and delays will be minimal.

The addition of scenic pullouts and signage to the design (assumed in the construction cost estimate) will enhance the trip experience.

Project Scheduling: A key factor in scheduling this project will be adherence to the existing railroad alignment. If during the location/design phase of the project it is recommended that the road go outside the DOT&PF owned railroad alignment, then significant right-of-way and permitting problems may arise.

A recent airport project in Juneau provides a good example of the kinds of potential delays to be encountered when approved wetlands projects are subjected to changes. In the Juneau case the project was a taxiway extension. The Juneau International Airport is located in wetlands. The project had previously received a U.S. Army Corps of Engineers permit for construction, but the permit was allowed to expire. Four years of continuous work was required at a major cost to re-obtain the permit.

The Copper River Highway will require a U.S. Army Corps of Engineers permit under Section 404 of the Clean Water Act (wetlands), a Title 16 Permit from the Alaska Department of Fish and Game for any salmon stream crossings and a Section 401 permit from the Alaska Department of Environmental Conservation. If the existing DOT&PF owned railroad alignment for the Copper River Highway is deviated from substantially, then significant delays in obtaining these permits, including potential legal disputes, can be expected. If the prescribed DOT&PF railroad alignment is adhered to, then these permits can be expected within between twelve and twenty-four months of application.

The remaining elements of project scheduling include funding, surveys and design, right-of-way, construction and maintenance camp construction.

Preconstruction funding could be made available almost immediately, depending on the length of time it takes the State Legislature to pass State funding legislation. Obtaining construction funding is expected to require between six and twenty-four months, depending on whether bonds, State or Federal funds are employed. Preconstruction activities are expected to require between twelve and twenty-four months to complete. Following this, construction is expected to take eighteen months to complete.

Figure 2-5 below shows the alternative project schedules, including the anticipated schedule.

Figure 2-5
Copper River Highway Project Schedule
Months to Complete

ITEM	EARLY	ANTICIPATED	LONG
Preconstruction (Surveys, Design, Permitting, Environmental and Right-of-Way)	12	18	24
Construction (Highway and Maintenance Camps)	18	18	18
Totals	30	36	42

Introduced: 2/12/90
Referred: Transportation and Finance

6-2193A

Funding Information: General Fund \$24,500,000
Other Funds -0-
\$24,500,000

BY SEN. KELLY, Faiks, Coghill

1 IN THE SENATE

2

SENATE BILL NO. 479

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

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

7

Transportation and Public Facilities for construction

8

of the Copper River Highway to pioneer road stan-

9

dards; and providing for an effective date."

10

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

11

* Section 1. The sum of \$24,500,000 is appropriated from the general

12

fund to the Department of Transportation and Public Facilities for con-

13

struction of the Copper River Highway to pioneer road standards.

14

* Sec. 2. The appropriation made by this Act is for a capital project

15

and is subject to AS 37.25.020.

16

* Sec. 3. This Act takes effect July 1, 1990.

Ms. Chairman - members of the Committee

3-01-90

My name is Gail Phillips, Aide to Senator Kelly, who is the sponsor of SB479.

Since 1941, when construction of the Copper River Highway first began, sentiments have been strong for the completion of this road. Over the years numerous surveys, polls and studies have been done as to the best routes, type of construction, impact on residents, etc. All of this information is included in the DOT's Final Compendium Report on the Highway which you have in your packets.

It is the Senator's understanding that a majority of Cordova residents support finishing the road. Also, there is strong, wide-spread support from all over the State for the completion of this road project. In the Compendium you will notice support from Fairbanks, Seward, Valdez, Anchorage, the Prince William Sound area, numerous Chambers of Commerce, the Alaska Municipal League, the Alaska Visitor's Association and the Legislature for this road. According to a very recent pole conducted by Hellenthal & Associates, 69.5% of the people polled in the Valdez, Kenai, Matsu, Anchorage, Fairbanks, Glenallen and Cordova areas support this project.

Senator Kelly feels it is time for the State to get off the dime and start building roads. It's been at least 15 years since the last major road was constructed in this State - and that was the haul road to Prudhoe. There is strong support for opening up new areas of our State for recreation purposes, resource and economic development opportunities and general access. We cannot expect to diversify our economy unless we have access to other resource areas in our State. He feels that the Copper River Road project is one of the top candidates that can best serve this goal.

There is a ~~You will note the attached~~ fiscal note for this bill.

Mr. Chairman, I would like to defer to the representatives from the R.O.A.D.S. and Highway Users of Alaska for ~~more~~ *further* ~~technical detail~~ on this project. They have put in numerous hours in preparing their presentation.

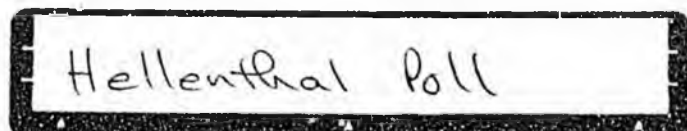
elaboration

AREAS OF ALASKA AMONG ALL ADULTS
BY
POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

COLUMN PERCENTS
OCTOBER 20TH THROUGH OCTOBER 28TH, 1989
SAMPLE SIZE = 524; MARGIN OF ERROR = + OR - 4.28%

	AREAS OF ALASKA:					TOTAL
	Valdez- Kenai- MatSu	Anchor- age	Fair- banks Area	Cordova + or - 8.0%	Glenn- Allen Area	COL %
	13.5%	7.6%	13.6%		9.6%	
REGISTERED TO VOTE:						
Yes.....	84.9%	81.1%	75.0%	80.5%	90.4%	80.8%
No.....	15.1%	18.9%	25.0%	19.5%	9.6%	19.2%
PARTY AFFILIATION:						
Democrat.....	18.7%	29.5%	21.2%	29.0%	16.5%	25.6%
Republican.....	28.3%	27.1%	25.7%	16.1%	31.8%	27.0%
Libertarian.....	2.0%	2.7%	4.1%	1.1%		2.8%
Independent.....	51.0%	40.7%	49.1%	53.8%	51.7%	44.5%
TEND TO VOTE:						
Totally Republican.....	17.5%	13.7%	8.8%	11.1%	18.4%	13.5%
More Republicans than Democrat.....	7.6%	25.5%	19.4%	19.1%	27.4%	20.7%
More Democrats than Republicans.....	6.9%	15.2%	24.9%	20.0%	6.8%	15.4%
Totally Democratic.....	13.3%	11.8%	2.5%	10.8%	10.9%	10.3%
Independent/the Person.....	54.7%	33.7%	44.5%	39.0%	36.5%	40.0%
VOTED IN 1986 GUBERNATORIAL ELECTION?						
Yes.....	73.4%	62.6%	54.6%	64.5%	71.1%	63.3%
No.....	26.6%	37.4%	45.4%	35.5%	28.9%	36.7%
VOTED IN 1988 STATE ELECTION?						
Yes.....	72.6%	70.7%	56.2%	66.1%	73.4%	68.3%
No.....	27.4%	29.3%	43.8%	33.9%	26.6%	31.7%
STATE ELECTION VOTING BEHAVIOR:						
1986 Only.....	6.6%	2.0%	1.5%	5.8%	6.5%	2.9%
1988 Only.....	5.8%	10.0%	3.2%	7.3%	8.8%	7.8%
Both 1986 and 1988.....	66.8%	60.7%	53.1%	58.7%	64.6%	60.5%
Neither.....	20.9%	27.4%	42.2%	28.1%	20.1%	28.8%
TOTAL ROW PERCENT.....	20.1%	59.6%	19.0%	.6%	.7%	100.0%

HELLENTHAL & ASSOCIATES, INC.



AREAS OF ALASKA AMONG ALL ADULTS
BY
POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

COLUMN PERCENTS
OCTOBER 20TH THROUGH OCTOBER 28TH, 1989
SAMPLE SIZE = 524; MARGIN OF ERROR = + OR - 4.28%

	AREAS OF ALASKA:					TOTAL
						COL %
	Valdez- Kenai- MatSu + or - 13.5%	Anchor- age + or - 7.6%	Fair- banks Area + or - 13.6%	Cordova + or - 8.0%	Glenn- allen Area + or - 9.6%	
STATE BUILDING NEW HIGHWAYS:						
Favor.....	72.7%	79.7%	78.0%	72.9%	75.5%	77.9%
Oppose.....	27.3%	17.3%	18.0%	19.2%	17.2%	19.4%
Don't Know/Undecided.....		3.0%	4.0%	7.8%	7.4%	2.6%
STATE BUILDING HIGHWAY TO WHITTIER:						
Favor.....	47.9%	56.4%	48.4%	61.7%	58.4%	53.2%
Oppose.....	35.0%	37.4%	26.6%	23.2%	23.2%	34.7%
Don't Know/Undecided.....	17.1%	6.1%	25.0%	15.1%	18.4%	12.1%
RECREATIONAL DEVELOPMENT OF PRINCE WILLIAM SOUND:						
Favor.....	84.9%	82.8%	71.0%	73.3%	80.0%	80.9%
Oppose.....	13.6%	14.6%	21.7%	20.5%	15.7%	15.8%
Don't Know/Undecided.....	1.5%	2.6%	7.3%	6.2%	4.3%	3.3%
STATE COMPLETING THE COPPER RIVER HIGHWAY:						
Favor.....	64.5%	71.5%	68.4%	55.2%	81.2%	69.5%
Oppose.....	21.0%	20.1%	22.9%	41.6%	15.7%	20.9%
Don't Know/Undecided.....	14.4%	8.5%	8.7%	3.2%	3.1%	9.7%
ALASKAN RESIDENCY:						
1983 to 1989.....	15.4%	23.1%	26.9%	21.5%	13.8%	22.2%
1976 to 1982.....	21.5%	23.5%	17.4%	24.9%	24.8%	22.0%
1967 to 1975.....	31.4%	27.7%	32.2%	23.2%	22.5%	29.3%
Before 1967.....	31.7%	25.6%	23.4%	30.4%	38.9%	26.5%
AGE OF RESPONDENT:						
18-24.....	1.5%	11.3%	12.0%	3.3%	4.8%	9.4%
25-29.....	10.2%	14.8%	17.1%	9.3%	6.0%	14.2%
30-34.....	17.2%	17.3%	13.0%	21.7%	13.1%	16.5%
35-39.....	24.0%	18.2%	24.8%	17.8%	22.6%	20.6%
40-49.....	13.1%	20.1%	25.3%	20.2%	25.1%	19.7%
50 Plus.....	34.0%	18.3%	7.8%	27.8%	26.4%	19.6%
TOTAL ROW PERCENT.....	20.1%	59.6%	19.0%	.6%	.7%	100.0%

AREAS OF ALASKA AMONG ALL ADULTS
BY
POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

COLUMN PERCENTS
OCTOBER 20TH THROUGH OCTOBER 28TH, 1989
SAMPLE SIZE = 524; MARGIN OF ERROR = + OR - 4.28%

	AREAS OF ALASKA:					TOTAL
						COL %
	Valdez- Kenai- MatSu + or - 13.5%	Anchor- age + or - 7.6%	Fair- banks Area + or - 13.6%	Cordova + or - 8.0%	Glenn- allen Area + or - 9.6%	
STATE BUILDING NEW HIGHWAYS:						
Favor.....	72.7%	82.2%	81.3%	79.2%	81.5%	80.0%
Oppose.....	27.3%	17.8%	18.7%	20.8%	18.5%	20.0%
STATE BUILDING HIGHWAY TO WHITTIER:						
Favor.....	57.8%	60.1%	64.5%	72.7%	71.6%	60.5%
Oppose.....	42.2%	39.9%	35.5%	27.3%	28.4%	39.5%
RECREATIONAL DEVELOPMENT OF PRINCE WILLIAM SOUND:						
Favor.....	86.2%	85.0%	76.6%	78.1%	83.6%	83.7%
Oppose.....	13.8%	15.0%	23.4%	21.9%	16.4%	16.3%
STATE COMPLETING THE COPPER RIVER HIGHWAY:						
Favor.....	75.4%	78.1%	74.9%	57.0%	83.8%	76.9%
Oppose.....	24.6%	21.9%	25.1%	43.0%	16.2%	23.1%
ALASKAN RESIDENCY:						
1983 to 1989.....	15.4%	23.1%	26.9%	21.5%	13.8%	22.2%
1976 to 1982.....	21.5%	23.5%	17.4%	24.9%	24.8%	22.0%
1967 to 1975.....	31.4%	27.7%	32.2%	23.2%	22.5%	29.3%
Before 1967.....	31.7%	25.6%	23.4%	30.4%	38.9%	26.5%
AGE OF RESPONDENT:						
18-24.....	1.5%	11.3%	12.0%	3.3%	4.8%	9.4%
25-29.....	10.2%	14.8%	17.1%	9.3%	6.0%	14.2%
30-34.....	17.2%	17.3%	13.0%	21.7%	13.1%	16.5%
35-39.....	24.0%	18.2%	24.8%	17.8%	22.6%	20.6%
40-49.....	13.1%	20.1%	25.3%	20.2%	25.1%	19.7%
50 Plus.....	34.0%	18.3%	7.8%	27.8%	28.4%	19.6%
TOTAL ROW PERCENT.....	20.1%	59.6%	19.0%	.6%	.7%	100.0%

AREAS OF ALASKA AMONG ALL ADULTS
 BY
 POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

COLUMN PERCENTS
 OCTOBER 20TH THROUGH OCTOBER 28TH, 1989
 SAMPLE SIZE = 524; MARGIN OF ERROR = + OR - 4.28%

	AREAS OF ALASKA:					TOTAL
						COL %
	Valdez-	Anchor-	Fair-	Cordova-	Glenn-	
	Kenai-	age	banks	+ or -	Allen	
	MatSu	+ or -	Area	8.0%	Area	
	+ or -	7.6%	+ or -		+ or -	
	13.5%		13.6%		9.6%	
NUMBER OF CHILDREN:						
None.....	39.7%	56.0%	45.0%	49.0%	51.1%	50.6%
One.....	29.4%	15.7%	24.5%	16.5%	12.4%	20.1%
Two.....	15.8%	19.2%	18.7%	23.2%	24.7%	18.5%
Three or More.....	15.1%	9.1%	11.8%	11.2%	11.8%	10.8%
MARITAL STATUS:						
Married.....	79.2%	63.3%	55.8%	67.8%	71.2%	65.1%
Separated.....	1.5%	.5%		2.7%		.6%
Divorced.....	9.3%	10.8%	21.8%	7.4%	6.0%	12.5%
Widowed.....	3.0%	4.1%	2.5%	6.4%	5.6%	3.6%
Live with Other Adult.....	1.5%	14.0%	13.5%	8.7%	7.6%	11.3%
Live Alone.....	5.6%	7.4%	6.5%	7.0%	9.6%	6.9%
GENDER OF RESPONDENT:						
Male.....	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Female.....	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
MARITAL STATUS BY GENDER:						
Married Males.....	39.6%	31.6%	27.9%	33.9%	35.6%	32.6%
Married Females.....	39.6%	31.6%	27.9%	33.9%	35.6%	32.6%
Single Males.....	10.4%	18.4%	22.1%	16.1%	14.4%	17.4%
Single Females.....	10.4%	18.4%	22.1%	16.1%	14.4%	17.4%
FAMILY STATUS:						
Young Single.....	1.5%	14.8%	9.7%	8.5%	5.6%	11.1%
Adult Single.....	8.5%	12.1%	14.4%	14.9%	15.6%	11.8%
Single Parent.....	10.7%	9.8%	20.2%	8.8%	7.6%	17.0%
Young Couple.....		7.4%	7.2%	3.3%	3.0%	5.8%
Mature Couple.....	29.7%	21.7%	13.8%	22.3%	26.8%	21.8%
Young Family.....	20.7%	15.8%	10.7%	18.2%	11.3%	15.8%
Mature Family.....	28.8%	18.4%	24.1%	24.0%	30.1%	21.7%
TOTAL ROW PERCENT.....	20.1%	59.6%	19.0%	.6%	.7%	100.0%

COMPLETING THE COPPER RIVER HIGHWAY AMONG ALL ADULTS
 BY
 POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

ROW PERCENTS
 OCTOBER 20TH THROUGH OCTOBER 28TH, 1989
 SAMPLE SIZE = 524; MARGIN OF ERROR = + OR - 4.28%

	STATE COMPLETING THE COPPER RIVER HIGHWAY:			TOTAL COL %
	Favor	Oppose	Unde- cided	
AREAS OF ALASKA:				
Valdez-Kenai-MatSu.....	64.2%	21.6%	14.1%	20.7%
Anchorage.....	71.5%	20.1%	8.5%	59.6%
Fairbanks Area.....	68.9%	22.6%	8.5%	19.7%
AREAS OF ALASKA:				
Valdez-Kenai-MatSu.....	64.5%	21.0%	14.4%	20.1%
Anchorage.....	71.5%	20.1%	8.5%	59.6%
Fairbanks Area.....	68.4%	22.9%	8.7%	19.0%
Cordova.....	55.2%	41.6%	3.2%	.6%
Glennallen Area.....	81.2%	15.7%	3.1%	.7%
TOTAL ROW PERCENT.....	69.5%	20.9%	9.7%	100.0%

COMPLETING THE COPPER RIVER HIGHWAY AMONG ALL ADULTS
 BY
 POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

ROW PERCENTS
 OCTOBER 20TH THROUGH OCTOBER 28TH, 1989
 SAMPLE SIZE = 524; MARGIN OF ERROR = + OR - 4.28%

	STATE COMPLETING THE COPPER RIVER HIGHWAY:			TOTAL COL %
	Favor	Oppose	Unde- cided	
REGISTERED TO VOTE:				
Yes.....	68.8%	21.0%	10.2%	80.8%
No.....	72.2%	20.4%	7.4%	19.2%
PARTY AFFILIATION:				
Democrat.....	66.1%	22.3%	11.6%	25.6%
Republican.....	70.2%	21.4%	8.4%	27.0%
Libertarian.....	57.8%	42.2%		2.8%
Independent.....	71.7%	18.5%	9.9%	44.5%
INTEND TO VOTE:				
Totally Republican.....	61.9%	27.0%	11.1%	13.5%
More Republicans than Democrat.....	78.4%	17.7%	3.9%	20.7%
More Democrats than Republicans.....	61.9%	32.3%	5.8%	15.4%
Totally Democratic.....	69.4%	15.2%	15.4%	10.3%
Independent/the Person.....	70.3%	17.6%	12.1%	40.0%
VOTED IN 1986 GUBERNATORIAL ELECTION?				
Yes.....	68.9%	21.2%	9.9%	63.3%
No.....	70.4%	20.4%	9.2%	36.7%
VOTED IN 1988 STATE ELECTION?				
Yes.....	69.2%	21.5%	9.3%	68.3%
No.....	70.0%	19.6%	10.4%	31.7%
STATE ELECTION VOTING BEHAVIOR:				
1988 Only.....	58.8%	26.1%	15.1%	2.9%
1988 Only.....	67.6%	26.0%	6.4%	7.8%
Both 1986 and 1988.....	69.4%	20.9%	9.7%	60.5%
Neither.....	71.1%	18.9%	10.0%	28.8%
TOTAL ROW PERCENT.....	69.5%	20.9%	9.7%	100.0%

COMPLETING THE COPPER RIVER HIGHWAY AMONG ALL ADULTS
BY
POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

ROW PERCENTS

OCTOBER 20TH THROUGH OCTOBER 28TH, 1989

SAMPLE SIZE = 524; MARGIN OF ERROR = ± OR - 4.28%

	STATE COMPLETING THE COPPER RIVER HIGHWAY:			TOTAL COL %
	Favor	Oppose	Unde- cided	
STATE BUILDING NEW HIGHWAYS:				
Favor.....	78.1%	15.1%	6.8%	77.9%
Oppose.....	37.4%	48.7%	18.0%	19.4%
Don't Know/Undecided.....	49.9%	2.1%	48.0%	2.6%
STATE BUILDING HIGHWAY TO WHITTIER:				
Favor.....	85.6%	11.0%	3.4%	53.2%
Oppose.....	49.5%	38.3%	12.2%	34.7%
Don't Know/Undecided.....	55.6%	14.3%	30.1%	12.1%
RECREATIONAL DEVELOPMENT OF PRINCE WILLIAM SOUND:				
Favor.....	72.3%	17.1%	10.7%	80.9%
Oppose.....	53.3%	44.8%	1.9%	15.8%
Don't Know/Undecided.....	77.1%	.3%	22.5%	3.3%
ALASKAN RESIDENCY:				
1983 to 1989.....	75.8%	16.1%	8.1%	22.2%
1976 to 1982.....	68.6%	16.9%	14.6%	22.0%
1967 to 1975.....	66.3%	25.2%	8.6%	29.3%
Before 1967.....	68.4%	23.5%	8.1%	26.5%
AGE OF RESPONDENT:				
18-24.....	69.0%	22.5%	8.5%	9.4%
25-29.....	80.2%	10.7%	9.2%	14.2%
30-34.....	69.9%	21.2%	8.9%	16.5%
35-39.....	57.9%	28.8%	13.3%	20.6%
40-49.....	82.4%	11.2%	6.4%	19.7%
50 Plus.....	60.6%	28.8%	10.7%	19.6%
TOTAL ROW PERCENT.....	69.5%	20.9%	9.7%	100.0%

COMPLETING THE COPPER RIVER HIGHWAY AMONG ALL ADULTS
BY
POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

ROW PERCENTS
OCTOBER 20TH THROUGH OCTOBER 28TH, 1989
SAMPLE SIZE = 524; MARGIN OF ERROR = + OR - 4.28%

	STATE COMPLETING THE COPPER RIVER HIGHWAY:			TOTAL COL %
	Favor	Oppose	Unde- cided	
NUMBER OF CHILDREN:				
None.....	67.8%	21.6%	10.6%	50.6%
One.....	64.6%	20.5%	14.9%	20.1%
Two.....	70.3%	24.9%	4.8%	18.5%
Three or More.....	84.6%	11.7%	3.7%	10.8%
MARITAL STATUS:				
Married.....	70.7%	21.4%	7.9%	85.1%
Separated.....	52.8%		47.2%	.6%
Divorced.....	61.3%	24.2%	14.5%	12.5%
Widowed.....	57.0%	34.7%	8.3%	3.6%
Live Other Adult.....	83.0%	3.0%	14.1%	11.3%
Live Alone.....	58.3%	34.3%	7.3%	6.9%
GENDER OF RESPONDENT:				
Male.....	69.5%	21.1%	9.4%	50.0%
Female.....	69.4%	20.7%	9.9%	50.0%
MARITAL STATUS BY GENDER:				
Married Males.....	73.5%	20.0%	6.5%	32.6%
Married Females.....	67.8%	22.8%	9.4%	32.6%
Single Males.....	61.9%	23.2%	14.9%	17.4%
Single Females.....	72.5%	16.7%	10.8%	17.4%
FAMILY STATUS:				
Young Single.....	71.9%	10.0%	18.0%	11.1%
Adult Single.....	59.4%	35.7%	4.9%	11.8%
Single Parent.....	70.5%	13.6%	15.9%	12.0%
Young Couple.....	74.9%	25.1%		5.8%
Mature Couple.....	68.4%	18.8%	12.8%	21.8%
Young Family.....	70.3%	25.4%	4.3%	15.8%
Mature Family.....	72.1%	20.0%	7.8%	21.7%
TOTAL ROW PERCENT.....	69.5%	20.9%	9.7%	100.0%

THE COPPER RIVER ROAD/HIGHWAY

Where we have been ---- Where we are going

1. Between 1959 and 1973, the state converted the first 69 miles of the Copper River highway from Cordova from railroad to roadway.
2. In 1972 environmental groups began legal actions against further construction of the road. A settlement was reached in 1975. In this agreement, the State agreed not to resume work on the highway until Congress passed legislation resolving lands being considered for inclusion in the National Conservation System, this did not occur until December 1980. The State also agreed to complete a supplement to a draft 1973 environmental impact statement and conduct a regional transportation study. This was completed by the end of 1981.

(b) Letter dated December 18, 1987 from Lynn Harnisch addressed the legal suit filed and outlined the steps undertaken to resolve the concerns expressed by the Sierra Club.

There are currently no legal suits or known encumbrances which would prohibit construction of the Copper River Highway

The State continued working with FHWA and secured authorization for construction of the Copper River Highway north of the million dollar bridge. A total of \$20 million in ER funds was reserved for construction of the Copper River Highway, including the million dollar bridge.

3. August, 1982 an advisory vote on completing the Copper River Highway was taken in Cordova. The result was a "no" vote. Based on this result, the Cordova City Council officially notified Governor Hammond in August, 1982, and Governor Sheffield in January, 1983 of the City's opposition to the highway's completion.
4. Letter dated March 2, 1983 from Deputy Commissioner John Bates was sent to Barry Moorehead, FHWA, informing FHWA of the department's decision not to proceed with construction of the Copper River Highway project. A follow up letter reiterating the same information was sent by Commissioner Daniel Casey to FHWA on March 23, 1983.

Copper River Road - History

5. Letter dated April 1, 1983 from Mr. Barry Moorehead, Division Director, FHWA confirms receipt of the above letters and informs the state the following steps have been taken:
\$338,462 of FY 1983 ER funds that remain unobligated for project ER-40(1) have been released. The letter also informed the department of release of \$20 million in reserve FY 1984 ER funds.
6. December, 1984 Cordova City Council officially notified Governor Bill Sheffield that the city was again in favor of completing the highway through Chitna. Support has been continuous since this time.
7. 1986 legislature authorized \$300,000 in federal aid for a new location report for the highway. Because the original location work was outdated, the department and FHWA determined that it would be more cost effective to do a new location report based on new public input, federal regulations and land status. DOT is currently working on an updated reconnaissance study which has been requested by FHWA. This should be completed before the end of the 1988 legislative session.
8. In October, 1987 State DOT officials met in Cordova with individuals, the Cordova Chamber of Commerce and Cordova City Council to informally discuss the DOTs&PF current activities on the highway and to obtain input. At these meetings the department was requested to develop costs and a plan to complete the highway through Chitna as a pioneer access road. Preliminary cost estimates of approximately \$10 million would be required to provide a pioneer access road.



Alaska R.O.A.D. Association

P.O. Box 535, Cordova, Alaska 99574-0535
(907) 424-5755

November 2, 1989

Honorable Bobby Van Brocklin, Mayor
Cordova City Council
Nancy Gross, City Manager

Dear Mayor Van Brocklin:

The Alaska ROAD Association participated in a state-wide public opinion poll conducted during the month of October to assess how Alaskans felt about road building and the development of tourism in Prince William Sound. The poll was conducted by Hellenthal and Associates of Anchorage, a well respected public opinion research firm.

We would like to take this opportunity to share the results of that poll with you. Below are the questions that were asked and the results for both the Greater Cordova (including Eyak Precinct) area, and the State of Alaska.

Do you favor or oppose the State of Alaska continuing to build new highways?

Cordova area:	78.2% YES	21.8% NO
State-wide:	79.9% YES	20.1% NO

Do you favor or oppose the State of Alaska building a highway to Whittier?

Cordova area:	70.7% YES	29.3% NO
State-wide:	59.6% YES	40.4% NO

Do you favor or oppose the State of Alaska encouraging recreational and tourism development of Prince William Sound?

Cordova area:	78.1% YES	21.9% NO
State-wide:	83.6% YES	16.4% NO

Do you favor or oppose the State of Alaska completing the final 32 miles of the Copper River Highway from Glennallen to Cordova?

Cordova area:	57.0% YES	43.0% NO
State-wide:	77.0% YES	23.0% NO

I look forward to an opportunity to discuss this survey and its results with you. I may be reached at 424-7189.

Sincerely,

Scott Novak, President

MAR 27 1990

March 23, 1990

Chairman Lloyd Jones
Senate Transportation

Senator Jones,

I urge you to vote NO on any and all bills that come before you to support or fund a Copper River Highway.

The cost of building this road has been grossly understated! The state will have a financial albatross around its neck for the rest of our lives; a drain on the taxpayer and an embarrassment for the legislature.

Sincerely,

Ricky Stone
Box 83
Cordova

MAR 26 1990

March 21, 1990

Senate Transportation Committee
Senator Lloyd Jones
P.O. Box V
Juneau, Ak 99811

Dear Senator Jones,

I am writing to you to reconsider subjecting the State of Alaska to the cost of completion of the Copper River Hwy. Why spend astronomical amounts of money on a project that isn't feasible? The conditions of our present roads are deplorable. They aren't being maintained to provide safe travel now! I feel that to encourage the development of Prince William Sound for tourism, our State Ferry System can be enhanced. I have traveled on the ferry through Prince William Sound, and if the service was expanded, there would be more revenues for the state coffers, and tourism would flourish. From the sounds of it, oil revenues will be decreasing in the near future and you need to stop spending! America needs to curb their insatiable appetite for consuming fossil fuels, and building more roads will only encourage the continued consumption. Cordova is a quaint commercial fishing village. Until the Exxon Valdez Oil Spill, Cordova was an unknown. We were perfectly happy then, and hope to someday return to the pre-spill life we all enjoyed. I felt that I had to write and share my own personal views with you on the push to build the Copper River Highway. We don't need it and it would cost too much money to build, maintain, and protect the unspoiled habitat the road would traverse. Stop spending! **Don't support SB479.** If you must spend State monies, spend them on ventures of renewable resources for the State of Alaska. Take the dollars proposed for the road and renew some of the oil spoiled salmon producing streams in Prince William Sound or along Kodiak or in Cook Inlet.

Sincerely,

Barbara E. Webber
Barbara E. Webber
P.O. Box 934
Cordova, Alaska 99574

MAR 27 1990

05009 NL TDA CORDOVA ALASKA 50 03-26 1600 AST

PMS

SENATOR LLOYD JONES

PO BOX U

JUNEAU AK 99811

CORDOVA HAS BEEN MY HOME FOR 10 OF THE 20 YEARS I'VE LIVED IN ALASKA.
I DO NOT SUPPORT A ROAD HERE. CONSTRUCTION AND MAINTENANCE WOULD BE
OUTRAGEOUSLY EXPENSIVE AND A FLAGRANT WASTE CONSIDERING THERE ALREADY
IS A "ROAD" CONNECTING US WITH THE REST OF ALASKA VIA THE MARINE
HIGHWAY.

PAM STRICKLAND

PO BOX 1768

CORDOVA AK 99574

MAR 28 1980

3/26/90

Senator Lloyd Jones,

I've been coming
to Alaska since 1963, I've
lived in Alaska year round
since 1980, I have fished all
this time out of Cordova.

The reason I have fished
at here is because there has
been no Road-Copper River
Highway.

I think with a road
in Cordova it will change
this fishing community and
all the reasons I have lived
here for the last 27 years

Vote No on the Copper River
Highway surely
Bob Sullivan

SENATOR LLOYD JONES

PO BOX V

JUNEAU AK 99811

MAR 01 1990

PLEASE SUPPORT THE FUNDING FOR THE COPPER RIVER HIGHWAY.

GEORGE TEXTER

PO BOX 664

CORDOVA AK 99574

†

EXECUTIVE JNU

REFILE MGM AHG

TOD FEB 28 90

†

EXECUTIVE JNU

REFILE MGM AHG

04015 POM TDA CORDOVA AK 10 02-28 1710P AST

PMS

SENATOR LLOYD JONES

PO BOX U

JUNEAU AK 99811

PLEASE SUPPORT THE FUNDING FOR THE COPPER RIVER HIGHWAY.

PATSY B. FISHER

PO BOX 321

CORDOVA AK 99574

†

EXECUTIVE JNU

REFILE MGM AHG

TOD FEB 28 90

†

EXECUTIVE JNU

IPM AFUD AHG

05008 POM TDR CORDOVA ALASKA 15 02-28 1430 AST

PMS

SENATOR LLOYD JONES

PO BOX V

JUNEAU AK 99811

PLEASE SUPPORT THE FUNDING FOR THE COPPER RIVER HIGHWAY.

SHARON AND RICHARD MC CALVY

PO BOX 2313

CORDOVA AK 99574

†

EXECUTIVE JNU

IPM AFUD AHG

TOD FEB 28 90

†

EXECUTIVE JNU

REFILE MGM AHG

05009 POM TDA CORDOVA ALASKA 15 02-28 1430 AST

SEN LLOYD JONES

JUNEAU AK

PLEASE SUPPORT FUNDING FOR COPPER RIVER HIGHWAY.

TRAVIS AND ANITA YARBROUGH

PO BOX 804

CORDOVA AK 99574

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EXECUTIVE JNU

REFILE MGM AHG

TOD FEB 28 90

†

EXECUTIVE JNU

IPM AFUD AHG

05013 POM TDA CORDOVA ALASKA 15 02-28 1720 AST

PMS