

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672
7660 SENATE RESOURCES

Table III-B-2

Outdoor Recreation Participation Levels By Area and Length of Residence

	Total	Area of Residence				Length of Residence				
		Ktn	Sax	North	South	<1 yr	1-3	4-10	10-15	15+
(Sample Size)	(300)	(189)	(6)*	(63)	(40)	(14)	(51)	(62)	(31)	(141)
Fishing	72%	68%	67%	75%	85%	71%	71%	73%	77%	70%
Hiking	60	57	17	63	75	71	55	65	68	57
Picnicking	51	48	67	54	63	36	45	53	58	53
Motor/Sail Boating	37	40	50	37	28	43	37	31	45	38
Walking	34	35	33	32	33	43	24	31	45	35
Driving for Pleasure	27	30	17	27	20	36	18	29	26	30
Tent Camping	26	24	--	29	35	14	26	39	29	29
Bicycling	25	26	17	16	38	25	29	35	21	22
Big Game Hunting	24	22	--	38	20	14	27	19	26	26
Baseball/Softball	19	20	17	16	23	14	24	21	32	14
Wildlife Viewing	18	22	--	13	10	36	12	13	26	19
Sledding	17	17	--	21	10	7	6	18	26	19
Cabin Camping	16	13	33	21	20	21	6	16	26	18
Backpack Camping	12	12	17	16	2	14	10	8	23	11
Ice-Skating	9	11	--	11	3	--	2	6	23	11
Shellfish Gathering	9	11	--	5	5	14	--	8	13	11
Kayaking, Canoeing, Rafting	8	3	--	6	8	--	4	6	6	11
Football/Soccer	8	7	--	8	10	7	2	13	10	7
Small Game Hunting	7	7	--	3	10	--	8	5	10	7
Cross-Country Skiing	5	5	--	2	8	--	6	6	3	4
Scuba Diving	4	5	--	2	5	--	4	10	--	4
Snowmobiling	2	3	--	3	--	--	--	--	--	5
Other	26	23	17	32	33	21	25	26	35	26

*Caution: Small sample size.

4. Participation Levels by Household Income

Though levels of participation in outdoor recreation activities tends to vary by household income, only a few patterns emerge. Households with very low incomes (less than \$20,000) tend to be less active than any other income group. The only two activities which show above average participation for this group are bicycling and playing baseball/softball – both low cost activities. On the other hand, those with higher incomes (\$50,000-\$100,000) have a higher than average participation level for the higher cost motor or sail boating opportunities. It comes as no surprise that those with the financial means would have a higher than average participation level in activities which have higher costs.

Table III-B-3

Outdoor Recreation Participation Levels By Household Income

	Total	Under \$20,000	\$20,000- \$35,000	\$35,000- \$50,000	\$50,000- \$75,000	\$75,000- \$100,000	Over \$100,000
(Sample Size)	(300)	(21)	(66)	(93)	(71)	(21)	(7)*
Fishing	72%	43%	71%	78%	68%	76%	100%
Hiking	60	52	59	60	61	67	86
Picnicking	51	43	53	55	54	43	57
Motor/Sail Boating	37	29	30	33	46	43	29
Walking	34	29	35	34	38	19	43
Driving for Pleasure	27	14	24	27	37	19	14
Tent Camping	26	14	21	33	23	33	14
Bicycling	25	29	26	25	24	19	43
Big Game Hunting	24	10	23	30	28	19	14
Baseball/Softball	19	24	15	25	10	24	57
Wildlife Viewing	18	10	15	16	23	14	14
Sledding	17	2	9	10	19	2	2
Cabin Camping	16	--	8	20	9	5	1
Backpack Camping	12	10	9	12	11	10	29
Ice-Skating	9	5	2	6	17	19	14
Shellfish Gathering	9	10	6	10	7	14	14
Kayaking, Canoeing, Rafting	8	10	8	10	3	5	14
Football/Soccer	8	5	8	6	8	14	--
Small Game Hunting	7	--	5	10	7	--	14
Cross-Country Skiing	5	--	5	4	3	10	29
Scuba-Diving	4	5	3	8	3	--	--
Snowmobiling	2	5	--	2	1	--	14
Other	26	19	26	27	24	48	14

*Caution: Small Sample Size

5. Participation Levels by Age

All age groups tend to be active in outdoor recreation, even the older residents. Activity participation levels for more strenuous activities tend to slow down with older residents (55 and over). Those over 65 are considerably less active than their younger counterparts. Fishing, picnicking and hiking/walking top the list as the activities participated in by most seniors, but these participation levels are well below average.

Interest in recreation activities and recreation habits are developed throughout one's life. Ketchikan residents appear to be fairly active throughout their lives participating in a variety of recreation activities. Those activities which are most easily accessible and readily available naturally have the highest participation levels, such as fishing, hiking and picnicking. Even a more strenuous activity, such as backpack camping involves most age groups.

Though Ketchikan appears to be an active community, there is also room for more participation in outdoor recreation activities by its residents. The analysis of the importance of facility development on the following pages provides much-needed information for the development of outdoor recreation facilities.

Table III-B-4

Outdoor Recreation Participation Levels By Age of Respondent

	Total	18-24	25-34	35-44	45-54	55-64	65+
(Sample Size)	(300)	(45)	(79)	(71)	(44)	(32)	(28)
Fishing	72%	69%	75%	72%	77%	75%	54%
Hiking	60	64	61	66	64	63	25
Picnicking	51	49	49	63	50	50	36
Motor/Sail Boating	37	40	47	32	36	41	18
Walking	34	40	35	30	39	28	29
Driving for Pleasure	27	36	30	23	23	31	21
Tent Camping	26	29	23	38	32	19	4
Bicycling	25	22	34	28	23	19	7
Big Game Hunting	24	27	30	27	20	13	18
Baseball/Softball	19	9	23	28	18	16	7
Wildlife Viewing	18	18	22	17	14	22	14
Sledding	17	16	20	17	16	16	11
Cabin Camping	16	16	13	27	16	19	--
Backpack Camping	12	11	10	18	16	3	4
Ice-Skating	9	9	8	11	9	13	7
Shellfish Gathering	9	9	8	10	7	13	7
Kayaking, Canoeing, Rafting	8	13	4	11	5	9	4
Football/Soccer	8	9	8	11	7	--	7
Small Game Hunting	7	2	11	10	2	3	4
Cross-Country Skiing	5	2	4	7	2	9	4
Scuba Diving	4	4	5	6	5	3	--
Snowmobiling	2	2	1	3	2	3	4
Other	26	22	29	31	30	28	7

C. Outdoor Recreation Development Preferences

1. Community Wide Preferences

Bicycle paths topped the list of types of outdoor recreation facilities most important for development. More than three-quarters of the respondents rated the importance a "4" or "5", rather significant, considering only 25% of households currently participate in bicycling. Picnic areas and hiking/walking trails tied for second as important for future development, followed by fishing opportunities and additional cabin camping. A clear majority rated each of these activities either a "4" or "5".

The demand for additional roaded recreation opportunities is indicated by the fact that just over half the population rated driving for pleasure and the development of RV or car camping areas as "4" or "5". Other outdoor recreation facilities of high interest were wildlife view opportunities, motor/sail boating opportunities and backpack camping areas.

Of lesser importance were hunting opportunities, cross-country ski areas, kayaking, canoeing and rafting opportunities and snowmobiling areas. While development of these activities is still very important to some, they don't appear to be the highest priorities of the community. This is not to say these activities should not be developed, but rather, in the planning and budgeting process for outdoor recreation development, these activities may not be the top priorities.

Another consideration in the prioritization of development of outdoor recreation facilities is the understanding that many recreation activities are supply driven. That is, if a facility or area is available for the activity, the interest in and participation levels of that activity are likely to be higher than for activities which have no supply. For example, cross country skiing is not an activity which involves high participation levels. The community interest in development of cross-country ski areas is not low, but it is not high either. If more cross-country ski areas were developed (i.e. areas for participation), participation in the sport and interest in future development is likely to be higher.

Table III-C-1

**Importance of Development of
Specific Outdoor Recreation Facilities
(5 Very Important – 1 Not Important)**

Facility/Activity	Overall Average Rating	% Rating 4 or 5*
Bicycling Paths	4.2	77%
Picnic Areas	3.8	61
Hiking/Walking Trails	3.8	65
Fishing Opportunities	3.7	62
Additional Cabin Camping	3.6	60
Wildlife Viewing Opportunities	3.5	55
Driving for Pleasure	3.4	51
Motor/Sail Boating Opportunities	3.3	45
RV or Car Camping Areas	3.3	52
Backpack Camping Areas	3.3	48
Hunting Opportunities	3.0	42
Cross-Country Ski Areas	3.0	39
Kayaking, Canoeing, Rafting Opportunities	2.9	32
Snowmobiling Areas	2.3	22
Other	4.7	94

* % of respondents who answered "4" or "5" on the 1 to 5 scale for development importance.

2. Preferred Transportation

Respondents preferred driving to most outdoor recreation facilities and activities. These included picnic areas, hiking/walking trails, wildlife viewing opportunities, driving for pleasure (of course!), RV or car camping areas, backpack camping areas, cross-country ski areas, kayaking, canoeing, rafting opportunities and snowmobiling areas. Access by boat was preferred for fishing opportunities, additional cabin camping, and hunting opportunities. Walking was listed by respondents as the primary "Other" access preference.

This analysis not only provides indications of access demands for outdoor recreation but can also aid in the prioritization of development of facilities. The fact that access by car is preferred for many of the listed activities doesn't mean other access alternatives should be ignored in development plans. For example, access to picnic areas and hiking/walking trails by car is preferred by most respondents (89% and 75% respectively). However, only one in five also would like to access these facilities by boat. While the initial priority might be developing picnic areas and hiking/walking trails on the road system, plans may also include some development accessible by boat.

Table III-C-2

**Preferred Transportation to Access
Outdoor Recreation Facilities
(Asked only of those rating 4 or 5;
multiple responses allowed)**

Facility/Activity	Preferred Transportation Access						
	Car	Boat	Car/ Hike	Boat/ Hike	Plane	Bike	Other
Bicycling Paths	13%	--	--	--	--	91%	4%
Picnic Areas	89	19	7	1	--	3	12
Hiking/Walking Trails	75	18	15	3	1	5	16
Fishing Opportunities	46	67	4	2	4	3	10
Additional Cabin Camping	30	53	17	16	27	--	8
Wildlife Viewing Opportunities	62	23	12	5	3	5	27
Driving for Pleasure	100	--	--	--	--	--	--
Motor/Sail Boating Opportunities	77	32	--	--	1	4	8
RV or Car Camping Areas	97	--	2	--	--	--	--
Backpack Camping Areas	37	14	41	8	6	4	26
Hunting Opportunities	34	38	24	14	13	1	19
Cross-Country Ski Areas	89	2	7	2	1	2	12
Kayaking, Canoeing, Rafting Opportunities	79	32	2	--	3	5	18
Snowmobiling Areas	96	--	--	--	--	--	5
Other	87	2	5	--	--	2	20

3. Current Participation and Development Preference Analysis

Table III-C-3 analyzes current participation levels of the listed outdoor recreation activities, compared with the rating for future development and preferred transportation access. This analysis provides insight into those activities which not only have currently high participation levels and demand, but also those which have low demand but a high level of interest for future development.

Bicycling is one such activity that has a current low level of participation (25%) but a very high importance level for development (77% rating development "4" or "5"). This suggests that more residents would participate in bicycling if bicycle paths were developed.

Other activities with lower levels of participation (less than 30%), such as driving for pleasure, RV/car camping, hunting, wildlife viewing, cabin camping, backpack camping and cross-country skiing all have moderate to high importance levels for future development (35% or more rating "4" or "5"). Again, this supports the notion that if more facilities were available for these activities, more participation would result.

In conclusion, though Ketchikan residents are active and take advantage of the natural outdoor recreation available, there is considerable demand for additional outdoor recreation facilities available by both car and boat.

Table III-C-3

Outdoor Recreation - Current Use and Importance of Facility Development

	Current Participation Levels	Importance of Future Development (4 or 5 Rating)	Preferred Transportation Access
Fishing	72%	62%	Boat (67%)
Hiking/Walking	60/34	65	Car (75%)
Picnicking	51	61	Car (89%)
Motor/Sail Boating	37	45	Car (77%)
Driving for Pleasure	27	51	Car (100%)
Car/RV/Tent Camping	26	54	Car (97%)
Bicycling	25	77	Bike (91%)
Big/Small Game Hunting	24/7	42	Boat (38%)
Wildlife Viewing	18	55	Car (62%)
Cabin Camping	16	60	Boat (53%)
Backpack Camping	12	48	Car/Hike (41%)
Kayak, Canoe, Rafting	8	32	Car (79%)
Cross-Country Skiing	5	39	Car (89%)
Snowmobiling	2	22	Car (96%)
Other	26	95	Car (87%)

4. Road Development Preferences

Considerable support exists among respondents for extending the road system to reach additional outdoor recreation opportunities. When asked this question eight out of ten respondents said yes.

**Should the road system be extended so
Ketchikan residents can reach additional
outdoor recreation opportunities?**

Yes	80%
No	16
Maybe	3

Those who said yes were asked their preference regarding whether roads should lead to developed facilities, trailheads or both. Most felt the roads should lead to developed facilities or both.

Roads to developed facilities	49%
Roads to trailheads	17
Both	32

Demand for outdoor recreation accessible by road is further supported by the number of respondents desiring road access to facilities. Preferences for types of roaded access, such as roads to developed facilities, provide planners with the guidance for the overall planning and development of new outdoor recreation opportunities.

**Chapter IV: Special Analysis:
Proposed Land Exchange
Area Awareness**

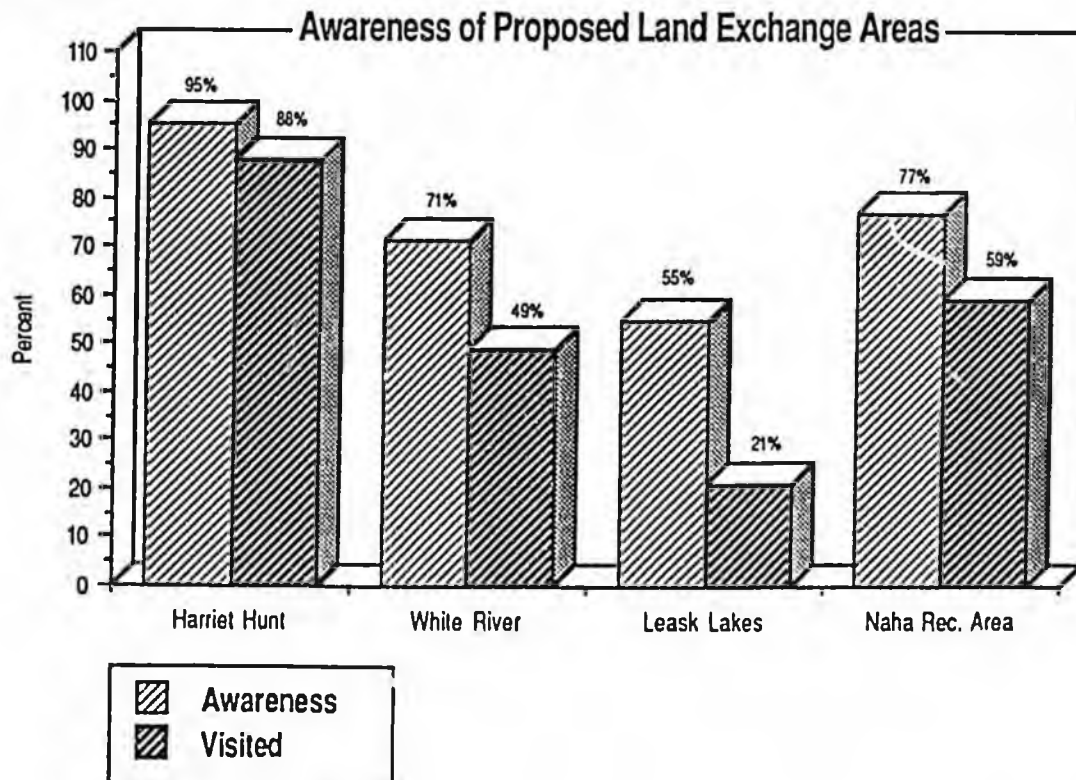
Chapter IV: Special Analysis: Proposed Land Exchange Area Awareness

Respondents were asked if they were aware of Harriet Hunt, White River, Leask Lakes, and Naha Recreation areas, areas which may be involved in the current Cape Fox land exchange proposal. The following analysis was conducted to assess whether those who are aware of these areas differed in values and outdoor recreation habits and preferences from survey respondents as a whole.

1. Awareness and Visitation of Proposed Land Exchange Areas

Nearly all respondents were aware of the Harriet Hunt area and nearly all have visited the area sometime during their residency in the Borough. Most had heard of the Naha Recreation Area and over half have visited this area. The White River Area is also well known, but only half of the respondents have visited there. Most likely this is a result of the current restricted access to the area due to private ownership. The Leask Lakes area is less known, but still more than half the respondents indicated they knew where it is located. One in five have visited the Leask Lakes area, a somewhat high number considering the area is only accessible by foot or plane and no developed facilities exist.

Graph IV-A-1



2. General Community Values

Respondents aware of proposed land exchange areas ranked general community values similarly to all respondents. In addition, the values tend to cluster into two groups with the natural resource and outdoor recreation values holding the highest importance ratings (values #1 through #4). The remaining values (#5 through #9) also form a grouping.

Very subtle variations exist among the awareness groups. In fact, these variations are so slight that there is virtually little or no difference from all survey respondents.

Table IV-A-1

**General Community Values of
Those Aware of Proposed Land Exchange Areas***

	Total	Harriet Hunt	White River	Leask Lakes	Naha Rec.
(Sample Size)	(300)	(284)	(213)	(165)	(232)
1. Preservation of fisheries for salt-water sportfishing.	4.3	4.3	4.4	4.4	4.4
2. Maintaining the wildlife resource in outdoor rec. areas.	4.3	4.3	4.3	4.3	4.2
3. Preservation of fisheries for fresh-water sportfishing.	4.2	4.1	4.2	4.1	4.2
4. Outdoor recreation available on the road system.	4.1	4.1	4.2	4.1	4.1
5. Continued timber harvest as a means of economic diversity.	3.5	3.5	3.6	3.4	3.5
6. Protection of a road corridor which links Ketchikan with the mainland.	3.5	3.5	3.4	3.4	3.5
7. Having recreational experiences with no roads or facilities except trails or cabins.	3.5	3.6	3.6	3.6	3.6
8. Having recreational experiences in solitude.	3.3	3.3	3.4	3.4	3.4
9. Protection of old growth forest on Revilla Island from timber harvest where possible.	3.3	3.3	3.2	3.2	3.2

* Represent respondents who are aware of proposed land exchange areas as indicated by the survey. The results do not represent any particular community group.

3. Land Exchange Values

As with the general community values, the values of opportunities through proposed land exchanges among these awareness groups is very similar to the overall averages with a few small exceptions.

Those who are aware of the Leask Lakes area rated the importance of further timber harvest through proposed land exchanges below the average of 3.4. This issue appears to be of less importance to those aware of Leask Lakes than the community as a whole. Interestingly, this group also rated preserving the land from any form of development as even less important than the overall average of 2.5.

Table IV-A-2

Value of Opportunities Through Proposed Land Exchanges*

	Total	Harriet Hunt	White River	Leask Lakes	Naha Rec.
(Sample Size)	(300)	(284)	(212)	(165)	(232)
1. Considering wildlife & fisheries habitat impacts.	4.2	4.3	4.3	4.3	4.2
2. Creating new outdoor recreation opportunities.	3.7	3.7	3.7	3.6	3.7
3. Extending the road system on Revilla Island.	3.7	3.7	3.7	3.7	3.7
4. Further timber harvest.	3.4	3.3	3.4	3.1	3.3
5. Additional industrial development.	3.1	3.1	3.1	3.0	3.0
6. Preserving the land from any form of development.	2.5	2.4	2.3	2.3	2.4

* Represents respondents who are aware of proposed land exchange areas as indicated by the survey. The results do not represent any particular community group

Generally, these awareness groups strongly support outdoor recreation development in and around areas which had been logged similar to the overall survey results. Slight variations occur among groups, yet a clear majority is voiced among all groups supporting outdoor recreation development in or near logged land.

Table IV-A-3

**Outdoor Recreation Development Support
of those aware of Proposed Land Exchange Areas*
(% of respondents supporting development)**

Would support development if:	Total	Harriet Hunt	White River	Leask Lakes	Naha Rec.
1. Road to recreation was through logged land but area not on logged land.	86%	87%	88%	84%	86%
2. Recreation area was located in or adjacent to an area which had been logged.	81	81	82	79	81
3. Logged land was visible from area	74	73	76	70	74

* Represents respondents who are aware of proposed land exchange areas as indicated by the survey. The results do not represent any particular community group

4. Current Participation and Development Preference Analysis

Table IV-A-4 on the opposite page reflects general outdoor recreation participation levels and importance of development for each outdoor recreation activity analyzed by those aware of each area. It is not a measure of which activities should be developed in each area, but a measure of overall activity and development preferences of those aware of these areas.

Respondents aware of the proposed land exchange areas tend to be slightly more active participants in outdoor recreation than respondents overall, making use of Ketchikan's opportunities for outdoor recreation. As with all respondents the top three activities for these groups are also fishing, hiking, and picnicking. Participation in remaining activities among these groups is the same or similar as all respondents to the survey.

Table IV-A-4

**Outdoor Recreation - Current Use and Importance of Facility Development
(Those Aware of Proposed Land Exchange Areas)***

	Total		Harriet Hunt		White River		Leask Lakes		Naha Rec.	
	Current Use	4 or 5 Rating	Current Use	4 or 5 Rating	Current Use	4 or 5 Rating	Current Use	4 or 5 Rating	Current Use	4 or 5 Rating
Fishing	72%	62%	73%	62%	74%	66%	79%	64%	78%	63%
Hiking/Walking	60/34	65	61/33	65	65/33	66	62/28	61	66/34	65
Picnicking	51	61	52	61	54	62	48	57	53	63
Motor/Sail Boating	37	45	38	45	40	48	40	47	41	47
Driving for Pleasure	27	51	28	52	29	50	25	45	27	51
Car/RV/Tent Camping	26	54	27	55	31	56	28	48	31	56
Bicycling	25	77	25	77	25	75	22	74	25	77
Big/Small Game Hunting	24/7	42	25/7	43	26/9	42	29/7	42	28/8	43
Wildlife Viewing	18	55	18	55	20	54	19	56	19	56
Cabin Camping	16	60	17	60	20	59	19	59	19	60
Backpack Camping	12	48	11	48	13	48	12	50	13	48
Kayak, Canoe, Raft	8	32	8	34	8	32	9	32	9	31
Cross-Country Skiing	5	39	5	41	5	41	7	39	5	42
Snowmobiling	2	22	2	21	3	21	3	16	3	22
Other	26	95	27	97	27	95	27	94	28	94

* Represents respondents who are aware of proposed land exchange areas as indicated by the survey. The results do not represent any particular community group.

Chapter V: Demographics

Chapter V: Demographics

Household Size

Average household size was 3.2 persons, higher than Alaska Department of Labor estimates.

Gender

Slightly more males than females are found in the Borough. The survey gender results match Alaska Department of Labor estimates for gender.

Age of Respondent

The average age of the Ketchikan respondent was 40.7 years. The survey results for age very closely match the age data available from the Alaska Department of Labor for percent of adults 18 years and over.

Age of All Household Members

The survey asked for the ages of all members in the household. Again, the survey results for age of all household members closely match the age data available from the Alaska Department of Labor for all Ketchikan Gateway Borough residents. According to both the survey and ADOL data, nearly three in ten Ketchikan residents are under 18 years old. Nearly four in ten are between the ages of 25 and 44 years old.

Area of Residence

Most residents of the Ketchikan Gateway Borough live in the city of Ketchikan itself. Those living north of town form the next largest population base, followed by those living south of town. Both the city of Saxman and Pennock Island have very small population bases. The survey was designed to capture representation by all areas of the Borough based upon population estimates provided by the Alaska Department of Labor.

Length of Residence

Average length of residence in the Ketchikan Gateway Borough is 12.5 years, indicating a more stable than transient population base. Nearly half of the residents surveyed have lived in the Borough more than 15 years.

Annual Household Income

The average annual household income was a rather high \$47,900. The bulk of the population earns between \$20,000 and \$75,000, however over one-third earn \$50,000 or more.

Table V-1

Demographics

	Survey Results	Alaska Dept. of Labor Estimates
Average Household Size	3.2	2.7
Gender		
Male	52%	52%
Female	48%	48%
Age of Respondent		
18-24 years	15%	14%
25-34	26	28
35-44	24	25
45-54	15	15
55-64	11	10
65 and over	9	9
Age of all Household Members		
Under 18 years	30%	28%
18-24	13	10
25-34	18	20
35-44	16	18
45-54	11	11
55-64	6	7
65 and over	6	6
Area of Residence		
City of Ketchikan	63%	62%
North of town	21	21
South of town	13	12
City of Saxman	2	2
Pennock Island	1	1
Length of Residence		
Less than one year	5%	n/a
One to three years	17	n/a
Four to ten years	21	n/a
Ten to fifteen years	10	n/a
Over fifteen years	47	n/a
Annual Household Income		
Less than \$20,000	8%	n/a
\$20,000-\$35,000	24	n/a
\$35,000-\$50,000	33	n/a
\$50,000-\$75,000	25	n/a
\$75,000-\$100,000	8	n/a
Over \$100,000	3	n/a

Appendix

Mail Survey Results

It is estimated that more than 99% of all Ketchikan Gateway Borough residents are represented by the telephone survey. However, less than one percent of Borough residents live outside of the telephone service area. These households would not have an opportunity to be surveyed through a telephone survey. In order to insure representation from this population, the telephone questionnaire was adapted into a mail questionnaire and sent to all residents who owned property outside the telephone service area.

A total of 35 surveys were mailed, 15 were received and 2 were returned as undeliverable. Of the 15 received, 8 were determined to be ineligible, either because the respondent was not a year-round resident of the Borough or the respondent indicated they had telephone service to the place they resided year-round. They would, therefore, have an opportunity to be sampled in the telephone survey. The remaining 7 responses were tallied and the results presented here.

These results are not combined with the telephone results since the two methods of information gathering are different. The telephone survey was completely random, and generally representative of the population as a whole. Mail surveys, on the other hand, tend to elicit low response rates (in this case 20% usable returns) and responses from those most interested in the issues, rather than the population as a whole. The results, therefore, carry an inherent bias. However, it is important to understand the values and opinions of those who live in the more rural areas.

Summary of Mail Survey Results

Because the sample size is very small, results are shown by total number of responses rather than by averages or percentages. Not every respondent answered every question. Therefore, some questions reflect responses from all seven respondents and some questions reflect fewer responses.

General Values

In general, this group of respondents feels very strongly one way or the other with regard to the general values. Fisheries and wildlife resources are very important to all respondents, timber harvest is not. The results are split on the protection of a road corridor, as well as on outdoor recreation values.

Value	Not important			Very Important	
	1	2	3	4	5
1. Having recreational experiences in an area which has no roads or recreation facilities other than trails or cabins.	3				4
2. Having a recreational experience in solitude, encountering very few or no other persons.	1				6
3. Outdoor recreation opportunities available on the road system.	3		2		2
4. Protection of the old growth forests on Revilla Island from timber harvest, where possible.			1		6
5. Maintaining the wildlife resource in potential outdoor recreation areas.					7
6. Preservation of the fisheries resource for fresh-water sport fishing.					6
7. Preservation of the fisheries resource for salt-water sport fishing.					6
8. Protection of a road corridor which links Ketchikan with the mainland.	3				3
9. Continued timber harvest on Revilla Island as a means of economic diversity.	5	1			

Land Exchange Values

Again, this group feels very strongly one way or the other on issues regarding proposed land exchanges. Most value consideration of wildlife impacts and preserving the land from any development highly. Values seen as not important are road system development, outdoor recreation opportunities, timber harvest or additional industrial development.

Value	Not important			Very Important	
	1	2	3	4	5
1. Consideration of wildlife and fisheries impacts.	1				5
2. Extending the road system on Revilla Island.	4	2			
3. Creating new outdoor recreation opportunities.	4		2		
4. Further timber harvest.	6				
5. Additional industrial development.	5	1			1
6. Preserving the land from any form of development.				1	6

These respondents generally did not support development of an outdoor recreation area in or around logged lands. Five respondents indicated they would not support the development of an area for outdoor recreation if the road to the area was through logged land, but the area itself was not on logged. Six indicated they would not support the area if it was located in or adjacent to logged land or if logged land was visible from the area.

Outdoor Recreation

Satisfaction and Participation Levels

Outdoor recreation satisfaction levels for these respondents was mixed, yet outdoor recreation participation levels were high. Most outdoor recreation activities are currently accessed by boat, which is not surprising since these respondents do not live on the road system.

	Number of Respondents
Not at all satisfied	2
Somewhat dissatisfied	0
Satisfied	1
Somewhat satisfied	0
Very satisfied	3
Not sure	1

Activity	Number of Respondents	Boat	Transportation used		
			Car	Walk	Bike
Picnicking	5	5			
Hiking	4	4	1		
Walking	5	4	2	1	
Motor/Sail boating	6	5			
Kayak, Canoe, Raft	3	3			
Fishing	5	5			
Shellfish Gathering	5	5			
Cabin camping	4	4			
Tent camping	4	4			
Backpack camping	3	3			
Big game hunting	3	3	1	1	
Small game hunting	3	2			
Scuba diving	1	1			
Cross-country skiing	0				
Snowmobiling	0				
Ice-Skating	2	1	1		
Sledding	1	1			
Bicycling	2				2
Wildlife viewing	4	4	1		

Outdoor Recreation Development Preferences

Not all respondents answered the questions regarding outdoor recreation development preferences. Of those who did, boating opportunities and backpack camping areas were the highest rated, following by wildlife viewing, fishing, hiking and hunting. Most wanted to access opportunities by boat or walking, again reflecting the non-road orientation of this group.

Outdoor Recreation Development Preferences

	Not important			Very Important	
	1	2	3	4	5
Motor/sail boating					3
Kayak, Canoe, Raft	1				3
Backpack Camping	1				3
Hiking/walking trails	1	1			2
Wildlife viewing	1			2	2
Fishing	1		1		2
Hunting	1				2
Picnic areas	2		2		1
Cabin camping	1		1		1
Cross-country skiing	1		1		1
Bicycle paths			1		1
Car/RV camping	1	1			
Snowmobiling	2				
Driving for pleasure	1				

Road Development Preferences

When asked whether the present road system in the Borough should be extended to reach additional outdoor recreation opportunities, five of the total said no, one said yes and one said maybe. Road development preferences included three for roads to trailheads, one for roads to both trailheads and developed facilities, one who didn't know and two who indicated they didn't prefer any of the alternatives.

Only one respondent indicated an additional reason to extend the road system and that was to drive to Canada and the Lower 48 on vacation.

Preferred methods for funding road construction were as follows:

	Number of Responses
Public Funding	2
Timber sales	0
Combination of timber sales and public funding	0
No preference	2
Don't Know	2
No road development at all	2

In response to when the road system should be expanded, most did not want the system ever expanded.

	Number of Responses
Immediately	0
During the next year	0
During the next 1 to 3 years	0
During the next 3 to 5 years	1
During the next 5-10 years	1
Never	4

Awareness of Proposed Land Exchange Areas

High awareness levels existed of all four areas involved in the proposed land exchange under discussion. Most of the respondents had been to Harriet Hunt Lake, the White River area and Naha. Least visited was Leask Lakes.

Area	Number of Responses
Harriet Hunt Lake	
Aware of	7
Visited	5
White River	
Aware of	7
Visited	5
Leask Lakes	
Aware of	7
Visited	2
Naha Recreation Area	
Aware of	7
Visited	6

Demographics

Household Size

One person	3
Two people	1
Three people	1
Four people	2

Age of Respondent

18-24	0
25-34	1
35-44	1
45-54	2
55-64	0
65 +	3

Age of all in Household

Under 18	3
18-24	2
25-34	1
35-44	4
45-54	2
55-64	1
65+	3

Area of Residence

North of town	5
South of town	2

Length of Residence

One to three years	1
More than fifteen years	6

Income

Less than \$20,000	3
\$20,000-\$35,000	1
\$35,000-\$50,000	2

READ: Now I'd like to ask you a few additional questions regarding land exchange issues. Please indicate WHETHER or NOT you would SUPPORT the development of an area for outdoor recreation if:

18. The road to the recreation area was through logged land, but the area itself was not logged land.

- | | | |
|---|---------------------|---------|
| 1 | Would SUPPORT | Refused |
| 2 | Would NOT SUPPORT | |
| 3 | Don't Know/Not Sure | |

19. The recreation area was located in or adjacent to an area which had been logged.

- | | | |
|---|---------------------|---------|
| 1 | Would SUPPORT | Refused |
| 2 | Would NOT SUPPORT | |
| 3 | Don't Know/Not Sure | |

20. Logged land was visible from the area.

- | | | |
|---|---------------------|---------|
| 1 | Would SUPPORT | Refused |
| 2 | Would NOT SUPPORT | |
| 3 | Don't Know/Not Sure | |

SECTION C - OUTDOOR RECREATION INTEREST/PARTICIPATION

21. How satisfied are you with current outdoor recreation activities in the Ketchikan Borough? Would you say Very Satisfied? Somewhat Satisfied? Satisfied? Somewhat Dissatisfied? Not at all Satisfied?

ROTATE

- | | | |
|---|-----------------------|---------|
| 1 | Not at all Satisfied | Refused |
| 2 | Somewhat Dissatisfied | |
| 3 | Satisfied | |
| 4 | Somewhat Satisfied | |
| 5 | Very Satisfied | |
| 6 | Don't Know/Not Sure | |

22. During the past twelve months, what outdoor recreation activities in the Ketchikan Gateway Borough have you or anyone in your household participated in? (MULTIPLE RESPONSES OK). INTERVIEWER PROBE - ASK ANYTHING ELSE? ANYTHING ELSE?)

23. When going _____ what type of transportation do you use to get to your final destination?

(INSERT CODE AFTER CIRCLED RESPONSE).

- | | | |
|------------------------|------------|-----------------------|
| 01 By Car | 03 By Boat | 05 By Car, then Hike |
| 02 By Plane | 04 By Bike | 06 By Boat, then Hike |
| 07 By Plane, then hike | 08 Other | 99 DK/refused |

- | | | |
|--|-------|----|
| 01 Picnicking | _____ | 01 |
| 02 Hiking | _____ | 02 |
| 03 Walking for pleasure | _____ | 03 |
| 04 Motor or Sail boating | _____ | 04 |
| 05 Kayaking, Canoeing, Rafting | _____ | 05 |
| 06 Fishing (salmon, halibut, etc.) | _____ | 06 |
| 07 Shellfish gathering (clamming, abalone) | _____ | 07 |
| 08 Forest service cabin camping | _____ | 08 |
| 09 Tent camping | _____ | 09 |
| 10 Backpack camping | _____ | 10 |
| 11 Big game hunting (moose, deer, bear) | _____ | 11 |
| 12 Small game hunting (grouse, ducks, geese) | _____ | 12 |
| 13 Scuba-diving | _____ | 13 |
| 14 Cross-country skiing | _____ | 14 |
| 15 Snowmobiling | _____ | 15 |
| 16 Ice-Skating | _____ | 16 |
| 17 Sledding | _____ | 17 |
| 18 Bicycling | _____ | 18 |
| 19 Playing baseball or softball | _____ | 19 |
| 20 Playing football or soccer | _____ | 20 |
| 21 Wildlife viewing | _____ | 21 |
| 22 Driving for Pleasure | _____ | 22 |
| 23 Other (specify) _____ | _____ | 23 |
| 24 Other (specify) _____ | _____ | 24 |
| 25 Other (specify) _____ | _____ | 25 |

DK/Refused

24. On a scale of one to five, with one as NOT IMPORTANT and five as VERY IMPORTANT, please rate the importance of development of the following outdoor recreation facilities: (PROMPT. IF 4 OR 5 RESPONSE, ASK 25 IMMEDIATELY. ASK 25 ONLY IF 4 OR 5 RESPONSE).

01	Picnic areas	1	2	3	4	5		
								<u>01</u>
02	Hiking or walking trails	1	2	3	4	5		
								<u>02</u>
03	Motor or Sail boating opportunities	1	2	3	4	5		
								<u>03</u>
04	Kayaking, Canoeing, Rafting opportunities	1	2	3	4	5		
								<u>04</u>
05	Fishing (salmon, halibut, etc.)	1	2	3	4	5		
								<u>05</u>
06	Additional cabin camping	1	2	3	4	5		
								<u>06</u>
07	Car or RV camping areas	1	2	3	4	5		
								<u>07</u>
08	Backpack camping areas	1	2	3	4	5		
								<u>08</u>
09	Hunting	1	2	3	4	5		
								<u>09</u>
10	Cross-country ski areas	1	2	3	4	5		
								<u>10</u>
11	Snowmobiling areas	1	2	3	4	5		
								<u>11</u>
12	Bicycle Paths	1	2	3	4	5		
								<u>12</u>
13	Wildlife viewing opportunities	1	2	3	4	5		
								<u>13</u>
14	Driving for Pleasure	1	2	3	4	5		
								<u>14</u>
15	Anything else? (specify) _____	1	2	3	4	5		
								<u>15</u>
16	Anything else? (specify) _____	1	2	3	4	5		
								<u>16</u>
17	Anything else? (specify) _____	1	2	3	4	5		
								<u>17</u>

DK/Refused

25. And how would you like to reach reach _____?
(INSERT CODE AFTER CIRCLED RESPONSE).

01 By Car 03 By Boat 05 By Car, then
02 By Plane 04 By Bike 06 By Boat, then
07 By Plane, then hike 08 Other DK

26. Should the road system be extended so Ketchikan residents can reach additional outdoor recreation opportunities?

- 1 Yes
- 2 No
- 3 Maybe
- DK/Refused

27. If roads were extended to reach additional outdoor recreation opportunities, which would you prefer:

(INTERVIEWER - ROTATE ANSWERS 1 AND 2)

- 1 Roads to trailheads where you would hike to facilities such as primitive campgrounds or cabins
- OR
- 2 Roads to developed facilities such as picnic areas, campgrounds, fishing areas, beaches, etc.
- 3 Both DK/Refused

SECTION D - PREFERRED ROAD ALTERNATIVES

READ: I'm now going to ask you a few questions regarding road development in the Ketchikan Gateway Borough..

28. Are there reasons to expand the road system in Ketchikan, besides providing a link to the mainland, additional outdoor recreation opportunities or industrial development?

- 1 Yes
- 2 No (SKIP TC #30)
- 3 Don't Know/Not Sure (SKIP TO #30)
Refused

29. If so, what are they?

30. If state or federal dollars are not available for road construction, which method of road construction funding do you prefer: using a public source of money, such as taxes or bonds OR selling an amount of timber to cover construction costs. Selling timber to fund road construction means that potentially more timber would be harvested than what is on the proposed road corridor itself.

Which method do you prefer for funding road construction? (PROMPT IF NECESSARY).

- 1 Public funding (taxes or bonds)
- 2 Timber sales
- 3 Combination of public funding and timber sales
- 4 No preference
DK/Refused

31. When would you like to see the road system expanded? (PROMPT IF NECESSARY)

- 1 Immediately
- 2 During the next year
- 3 During the next 1 to 3 years
- 4 During the next 3 to 5 years
- 5 During the next 5 to 10 years
- 6 Never
- 7 Other (specify) _____
DK/refused

SECTION E - AWARENESS OF HARRIET HUNT, WHITE RIVER, LEASK LAKES, NAHA RECREATION AREA

READ: I would now like to ask you a few questions regarding areas on Revilla Island.

32. Do you know where HARRIET HUNT LAKE is located?

- 1 Yes
- 2 No (SKIP TO # 34)
- 99 DK/Refused (SKIP TO #34)

33. Have you ever been to HARRIET HUNT LAKE?

- 1 Yes
- 2 No
- 99 DK/Refused

34. Do you know where the WHITE RIVER area is located?

- 1 Yes
- 2 No (SKIP TO #36)
- 99 DK/Refused (SKIP TO #36)

35. Have you ever been to the WHITE RIVER area?

- 1 Yes
- 2 No
- 99 DK/Refused

36. Do you know where the LEASK LAKES area is located?

- 1 Yes
- 2 No (SKIP TO #38)
- 99 DK/Refused (SKIP TO #38)

37. Have you ever been to LEASK LAKES?

- 1 Yes
- 2 No
- 99 DK/Refused

38. Do you know where the NAHA RECREATION area is located?

- 1 Yes
- 2 No (SKIP TO SECTION F)
- 99 DK/Refused (SKIP TO SECTION F)

39. Have you ever been to the NAHA RECREATION area?

- 1 Yes
- 2 No
- DK/Refused

SECTION F - DEMOGRAPHICS

READ: And now I have just a few final questions for you.

40. How many people lived in your household during the past 12 months?

- 1 One
- 2 Two
- 3 Three
- 4 Four
- 5 Five
- 6 Six or more
- DK/Refused

41. And what are their ages and gender, beginning with you?
(FILL IN AGE, CIRCLE GENDER)

	Age	Gender	
		male	female
1 Respondent	_____	1	2
2 Person #1	_____	1	2
3 Person #2	_____	1	2
4 Person #3	_____	1	2
5 Person #4	_____	1	2
6 Person #5	_____	1	2
7 Person #6	_____	1	2
8 Person #7	_____	1	2
9 Person #8	_____	1	2
DK/Refused			

42. What is your area of residence within the Ketchikan Gateway Borough?

- 1 City of Ketchikan
- 2 City of Saxman
- 3 North of town
- 4 South of town
- 5 Pennock Island
- 6 Other
- 99 DK/Refused

43. How long have you lived in the Ketchikan Gateway Borough?

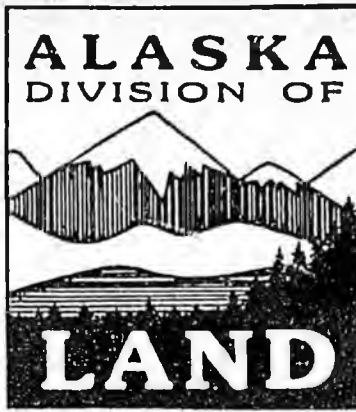
- 1 Less than one year
- 2 One to three years
- 3 Four to ten years
- 4 Ten to fifteen years
- 5 More than fifteen years
- 99 DK/Refused

44. And for the last question, please stop me when I come to the category which includes total annual household income for 1989 before taxes:

- 1 Less than \$20,000
- 2 \$20-\$35,000
- 3 \$35-\$50,000
- 4 \$50-\$75,000
- 5 \$75-\$100,000
- 6 \$100-\$150,000
- 7 Over \$150,000
- DK/Refused

READ: That is all the questions we have for you today. Thank you very much for your time and assistance with this survey.

Just in case my supervisor needs to verify any of my information, could I please have your first name only.



ALASKA'S LAND

ALASKA ♦ DEPARTMENT ♦ OF ♦ NATURAL ♦ RESOURCES

Focus On....CAPE FOX LAND EXCHANGE: A Summary of the Exchange to Date

The Department of Natural Resources proposes to exchange the surface estate of three parcels (approximately 2,445 acres) of state uplands in the vicinity of Leask Lake for a similar estate on five parcels (approximately 4,366 acres) of Cape Fox Corporation (CFC) lands in the White River valley, and adjacent to Lake Harriet Hunt and Talbot Lake. All lands are 10-12 miles north of Ketchikan.

A mineral closing order will be imposed on the state land to avoid establishment of additional third party rights.

The proposed exchange allows a maximum of 1,500 acres of timber (42.6 million board feet) to be logged in the vicinity of Leask Lake on land traded to CFC. This land is currently used for dispersed recreation, and hunting. The CFC lands to be acquired include commercial timber land and previously harvested timber land suitable for road accessible recreation, hunting, and fishing.

Inside...

Director's Message	2
Murtha Welbourn Named Chief	2
DNR Nominated	2
1991 Employee Awards	2
The Toolbox	3
Employee Profile	4

A primary objective of the exchange is to provide greater opportunities for "roaded" access in the Ketchikan area. CFC will upgrade the existing White River Road and will construct a spur off the White River Road to access the Leask Lake area. Both will meet "public access standards" (25 mph). This will add 13.1 miles to the main road system (a 30% increase) and will access a variety of areas with high recreation potential.

The Ketchikan Gateway Borough and the Ketchikan Assembly support the exchange.

Seventy-nine percent (79%) of the critical deer winter range within the state land proposed for exchange has been deliberately preserved and will not be logged. Habitat was identified by a study commissioned by CFC.

Although substantial buffers have been retained along all major stream courses and cutting has been designed to protect deer winter habitat and travel corridors, some impact on deer populations and interior forest species is expected. However, the impact is expected to be offset to some extent by other exchange benefits, including acquisition of CFC lands that may

otherwise be logged. Impact on deer is more likely to occur during medium to severe winters.

The exchange appraisal is extremely complex. Present projections indicate, after certain adjustments, that CFC and state properties will both be valued at eight million dollars. Timber is the overriding value. Appraisal clarifications and adjustments may result from the public review process.

DNR will hold hearings and workshops in Southeast Alaska during February and March, and will keep the record open into March. Comments will be considered, and if the decision is still to proceed, DNR will finalize the exchange agreement and report of exchange for submission to the legislature, hopefully by the end of March.

The commissioner's execution of the exchange is the final administrative action.

For further information, contact Andy Pekovich, Division of Land Southeast Region Office, 400 Willoughby Avenue, Fourth Floor, Juneau, AK 99801 (phone 465-3400).

Martha Welbourn Named Chief of Land and Resources Section

On February 10, Director Ron Swanson made the following announcement:

"After long and careful deliberation, I am pleased to announce the selection of Martha Welbourn as the new Chief of the Land and Resources Section.

Filling this position was one of the most difficult decisions I have

ever had to make. There were many good applicants; I wish I were in a position to hire them all.

Marty started with the department in 1980 as a graduate intern while working for her Ph.D. in resource policy and planning. She has moved up through the department in several positions with various levels of responsibility. She is

well known and respected throughout the department and by the public as one of our best long-range thinkers and planners - one who can clearly see the forest through the trees. These skills are something that this division and the department need as we chart our way into the future.

I know you will all support Marty in this new role."

DIRECTOR'S MESSAGE *from Ron Swanson*

In the last two newsletters I described our two objectives under our Asset Acquisition Goal. In this newsletter I will describe our second goal: Asset Identification and Allocation.

The Alaska Constitution mandates that state-owned land and resources be managed for "maximum use consistent with the public interest." The sheer size of the state's landholdings (105 million acres of uplands and 60 million acres of tidelands, shorelands, and submerged lands), the present knowledge regarding their resources and revenue opportunities, and access problems owing to remoteness and mixed land ownership make fulfillment of this mandate very complex.

This objective analyzes what is known about the state's inventory of resources and compares possible combinations of uses, yielding the array that produces the greatest benefits (both economic and non-economic) for Alaskans. It gives the Alaskan public, as co-owners and shareholders, a voice in that decision. The project results in site-specific guidelines for putting the land to use by resource developers, land purchasers, and the general public.

The majority of this work is accomplished by the Area Plan and Management Plan units within the Land and Resources Section, with staff in Fairbanks, Anchorage, and Juneau. Our three regional offices also participate with site specific work for key projects. In working to evaluate and allocate our natural resources, we work very closely with other divisions and state and federal agencies who have expertise in certain areas, such as forestry, recreation, mining, oil and gas, agriculture, fish and wildlife, environmental protection, and transportation. Side benefits of this objective are collection of valuable resource data and mapping that we can use for other purposes, such as municipal entitlements or fire protection.

Presently, we are working on land use plans which will result in resource allocation decisions for state land around Juneau, Yakataga, the Kenai Peninsula, Central Southeast, Turnagain Arm, and Caribou Hills (on the Kenai Peninsula).

In summary, this objective evaluates state-owned land and natural resources, and allocates them for maximum use consistent with the public interest.



Right-of-way Association Nominates DNR as "Employer of the Year"

The Department of Natural Resources was nominated "Employer of the Year" by the Fairbanks Arctic Trails Chapter of the International Right-of-way Association. Although Department of Transportation won the award, Chapter President Chris Guinn commended DNR for being nominated. This is the first year that chapter members have selected an employer to receive an award for its support of the International Right-of-way Association.

1991 DIVISION EMPLOYEE AWARD WINNERS

Director Ron Swanson announced the following winners of the 1991 division employee awards:

"Recognizing the accomplishments of division staff and others is one of the most pleasurable aspects of being director. We have excellent and dedicated employees with whom I am very proud to associate. The following winners were picked by our awards committee, composed of one person from each section and regional office. Award nominations were submitted by

(continued on Page 3)

Employee Awards (continued)

recipients' peers. Please join me in congratulating and recognizing the 1991 winners."

EMPLOYEE OF THE YEAR

Rob Walkinslaw, Land and Resources (Anchorage). Rob is recognized for persistence in his nine years of state employment in defining excellent service to the public through responsible land management policies. Rob, as a natural resource officer, has contributed to the state and the public by developing policies for managing shorelands in federal conservation units. He has strengthened the tie between planning policies and implementation with the section and the Southcentral Region Office. Over the years, Rob has implemented innovative aspects of the planning process. Rob is currently developing a new format for fish and wildlife guidelines for the Kenai Area Plan. His work will contribute to improved understanding between the Division of Land and the Department of Fish and Game's Division of Habitat, resulting in improved service to the public.

GOOD NEIGHBOR

Good Neighbor awards are given to an agency, group, or person who provided beneficial service or contribution to the division. Four were awarded:

Matt Robus, ADF&G (Juneau) for an outstanding job representing fish and wildlife interests on state land, for years of fair, skillful, and friendly participation in DNR land use plans, and for working with DNR to resolve land management problems.

Lana Shea, ADF&G (Juneau) for consistently contributing to DNR land use planning teams and staff with excellent products, viable proposals, and creative solutions to problems in a friendly and professional manner.

Cheryl Toenies, Golden Valley Electric Association (Fairbanks) for her enthusiastic, patient, efficient, and thorough adjudication of public utility right-of-way decisions, which

saved many hours of DNR staff time and allowed Golden Valley Electric Association to experience "the other side of the right-of-way."

Golden Valley Electric Association (Fairbanks), who in a time of voluminous backlogs and understaffing, and in an attempt to provide electrical power to its customers in an efficient and timely manner, assigned a staff member to adjudicate each of its pending public utility right-of-way applications and to prepare draft regional manager decisions.

SUPERIOR ACCOMPLISHMENT

Superior accomplishment awards are given for superior job performance and exceptional service to the division. Division recipients are awarded based on consistent long- or short-term valuable service. Three were awarded:

Barbara Gardner, Southcentral Region Office (Anchorage). Barbara completed a very complex commissioner's decision, served as the only homestead adjudicator for four months, and wrote an excellent waiver decision. She also helps manage the database, and gets necessary answers for her managers.

David Pott, Northern Region Office (Fairbanks). David has been a surveyor for 10 years. He regularly assists in field inspections which are not a required job duty. He is extremely helpful to his co-workers and quietly accomplishes a tremendous workload.

Robert Palmer, Southeast Region Office (Juneau). Bob was nominated as "most efficient adjudicator in SERO." Upon receipt of BLM's extensive U.S. Survey microfilmed records/field notes, Bob singlehandedly transcribed the data by hand and entered it on dBase. Bob willingly assists and exhibits much initiative.

INNOVATIVE

Innovative/Problem Solving awards are given for innovative and problem solving contributions that increase operational efficiency. One was awarded:

Ted Dents, Southeast Region Office (Juneau) for setting up computers and designing a variety of computer programs that have streamlined procedures for SERO and other regional offices. Ted also has been responsible for an aerial photography file system and mapping index.

THE TOOLBOX

Land and Resources Section's Statewide and Regional Survey Units

If you are involved in creation, defense, alteration, or location of a boundary, you probably are already aware of the survey units' primary function. However, the survey units also offer many other survey-related products.

For example, if you need a legal description of a difficult-to-describe parcel, a habitat area, or a permit area, we are the experts to come to. Or, perhaps you need to know if a description can be legally conveyed. We can create maps for you or help you with accuracy determinations of existing maps. Maybe you're unlucky enough to find yourself in a boundary dispute, or maybe you just need some assistance interpreting some aerial photography. Whatever the case, you'll find the survey staff willing to listen and help to whatever degree budget will allow.

Operational funds exist to provide minimal support for many ongoing projects. Some of the larger projects are land disposals, coastal mapping, oil and gas leasing, and providing platting authority in the Unorganized Borough. If your project does not have survey support funds, we can take your project under a reciprocal service agreement.

The Land and Resources Section's Statewide and Regional Survey units are located in the Frontier Building, 3601 C Street, Suite 1116, Anchorage, AK 99503. Our phone number is 762-2425.

- Norm Johnson
Cadastral Surveyor

EMPLOYEE PROFILE

Rob Walkinshaw, our 1991 employee of the year, has been with the Division of Land for nine years. He is a Natural Resource Officer II in the Land and Resources Section. Here is what Rob says about himself:

I spent the first 17 years of my life in Seattle, Washington. I did a lot of fishing and wandering around the Puget Sound area, avoiding school. High school, I just didn't get.

After graduation, instead of going to college, I got on a plane to Kenya, East Africa. I found myself at Vokoli Girls Secondary School, standing in front of 70 Kenyan girls with this sinking feeling in my gut, wondering what I'd gone and done this time. I taught school there for a year, then hitchhiked through West Africa and across the Sahara, and returned to the states to begin college.

Getting a degree took some time. I went to four different schools. I finished with a degree in

environmental studies and political science from the University of California at Santa Cruz. While in college, my real interest was outside the classroom, working and doing internships. I worked for a U.S. Congressman, was a teacher's assistant to a 5th grade class, wrote off-road vehicle policy for the U.S. Forest Service, lugged a compass and tripod to the top of 50 or 60 Olmec and Mayan ruins in Central America helping a professor do research, and got a grant with a friend to write a book about the Chitina Valley and Wrangell Mountains. The grant first brought me to Alaska.

In 1980, I moved to Fairbanks. I did a variety of odd jobs, including research on the subsistence fishery on the Tanana River, and research

on alcoholism in Bethel. In 1981, I was hired by DNR to work on the Tanana Basin Area Plan.

I moved to Anchorage in 1985, and here I am today. I like my life here. In the Land and Resources Section I have worked on a variety of different land use plans. I am the coordinator of DNR's comments on National Park, Refuge, and Forest Service plans.

Over the years, in my free time I have taken art classes, and this past year was a volunteer producing features at KSKA radio. I also learned to skate, and am now playing on two novice hockey teams. My favorite summer activities are fishing and car camping.

Alaska's Land

Department of Natural Resources
Division of Land
P.O. Box 107005
Anchorage, Alaska 99510-7005

Alaska's Land is a bimonthly publication of the Alaska Department of Natural Resources' Division of Land. Editor: Alice Hliff; Graphics: Pat Peterson.



HON LLOYD JONES
ALASKA STATE SENATOR
PO BOX V
JUNEAU AK 99811

Printed on recycled paper





Alaska Environmental Lobby, Inc.

P.O. Box 22151 Juneau, Alaska 99802

907-463-3366

February 28, 1992

MAR 2 1992

Senator Jay Kerttula
P. O. Box V
Juneau, Alaska 99801

Dear Senator Kerttula,

The Alaska Environmental Lobby would like to alert you to a pending land exchange between the State of Alaska and the Cape Fox Corporation (CFC) which would result in the loss of valuable timber, wildlife habitat and recreational resources to the people of Alaska. The proposed exchange is described in a Report on Proposed Land Exchange recently released by the Department of Natural Resources.

DNR proposes to exchange 2400 acres of old growth forest for 4300 acres of CFC land which has been extensively clearcut. Both properties are north of Ketchikan. CFC will clearcut 1500 acres of the land it receives from the state. DNR maintains that the Ketchikan residents would benefit from recreational access to the area provided by upgraded logging roads.

The Cape Fox Corporation has been proposing this land exchange since 1977. Until this past year, ~~DNR has rejected the proposal~~ as not being in the public interest. Nothing has changed; the public still loses by this trade. *

The Alaska Environmental Lobby opposes this land exchange on the following grounds:

1) It is not in the public interest to exchange land with high quality, high value old growth forest for land that has been clear cut. Any gain in recreational values by the greater access provided by upgraded logging roads is more than offset by the diminished recreational values caused by clearcuts and by the destruction of wildlife habitat.

2) DNR's evaluation of this exchange is seriously flawed, for example:

- * DNR has accepted an appraisal which assumes that the "highest and best use" of the land is to log the timber; there has been no consideration of park, habitat, or other non-economic values.
- * 39% of the state lands were appraised at only 10% of fair market value. *
- * The State of Alaska is paying CFC to upgrade the logging roads, by subtracting the cost of the upgrade from the value of the state lands.
- * DNR has relied on a deer study done by Cape Fox and slighted a projection by the Alaska Department of Fish and Game that there will be a 68% decline in the deer population as a result of logging the state land.

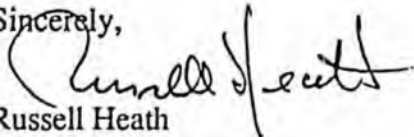
* The value of the state land was reduced by questionable accounting procedures; for example, all state timber was discounted 12% over a two year period, while only some of the CFC timber was discounted and then for a period less than a year.

3) This exchange will set a precedent for future private/state land trades and must be considered carefully. However the Department of Natural Resources is pursuing possibly illegal practices to force the public and the legislature into making a rapid decision on this issue. Alaska statute requires that a comprehensible explanation of the appraisal process be provided to the public thirty days before any public hearings. The current appraisal has been rejected as incomprehensible to the public by DNR itself, yet public hearings are scheduled for early March.

4) Finally, Alaska's timber resources must be managed as a renewable resource. If private corporations are able to exchange lands that can no longer provide revenue, for valuable state land, then no corporation will have the incentive to manage their resources for the long term. Alaska's corporations must be encouraged to follow prudent business practices.

AEL would like to reiterate that careful consideration must be made of the precedents that will be established if this exchange proceeds. These precedents include the assumptions under which state land is appraised; the type of goods or services the state receives in compensation; who and how the public interest is determined and the public process used to facilitate such exchanges.

Sincerely,



Russell Heath
Volunteer Lobbyist



Alaska State Legislat

SENATE

Committee on Finance

Senator Jay Kerttula
Senator Pat Pourchot
Senator Jim Duncan
Senator Al Adams
Senator Lyman Hoffman
Senator Dick Shultz
Senator Rick Uehling

3 March 1992

Harold C. Heinze, Commissioner
Department of Natural Resources
Mail Stop 1000

Dear Commissioner Heinze:

Enclosed is a letter from Russell Heath of the Alaska Environmental Lobby, Inc., regarding a pending land exchange between the State of Alaska and the Cape Fox Corporation.

< Please respond to the questions and concerns posed by Russell Heath. >

I would appreciate your attention to this matter.

Sincerely,

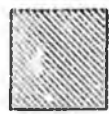

Jay Kerttula
State Senator

JK/jhf
Encl.

cc: Walter J. Hickel, Governor
Russell Heath

RECEIVED
MAR 03 1992
COMMISSIONER'S OFFICE
BUREAU

Legend



Cutting Unit 19



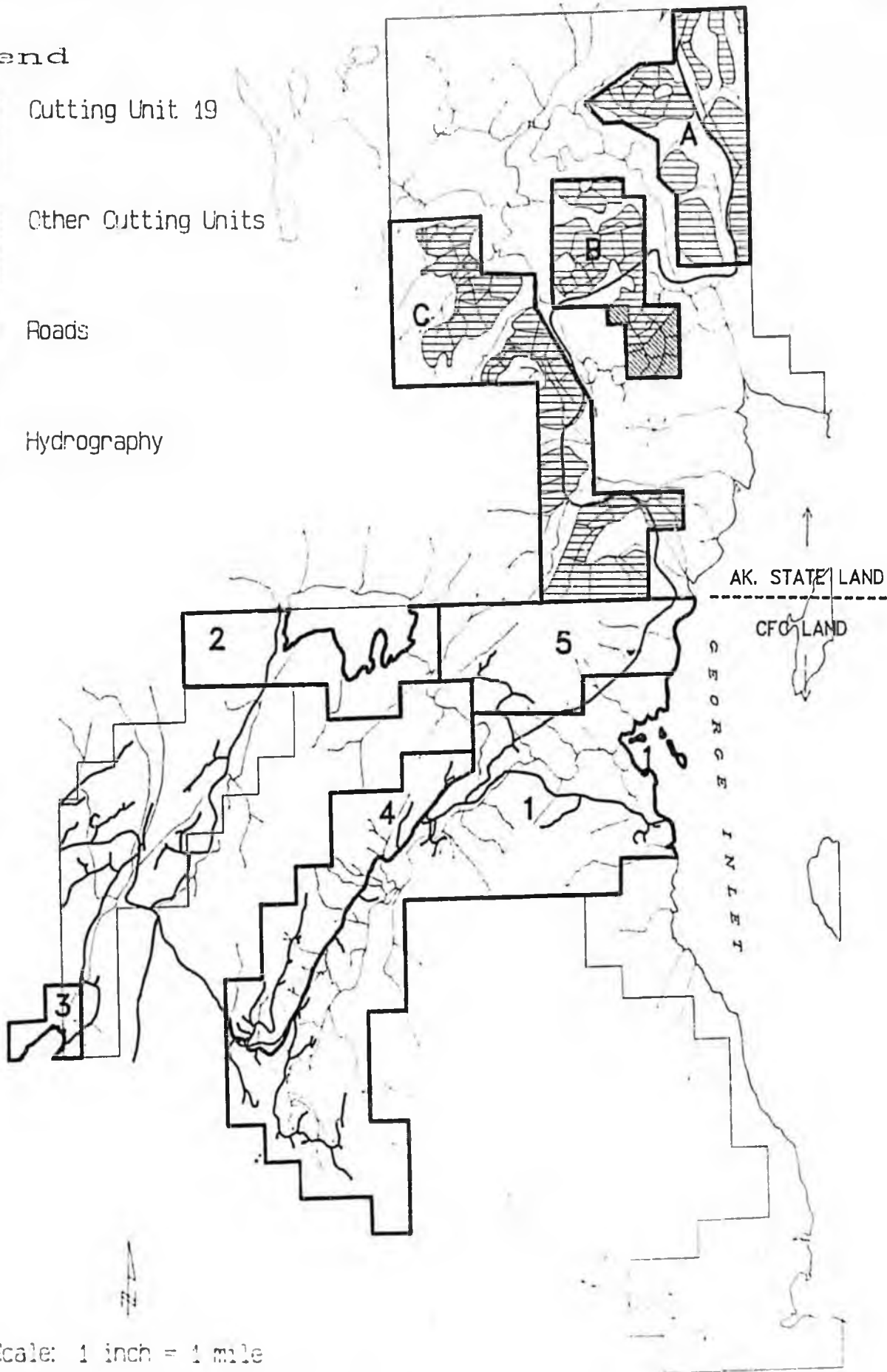
Other Cutting Units



Roads



Hydrography



Scale: 1 inch = 1 mile

Proposed Land Exchange Areas

S B

4 6 6

WALTER J. HICKEL
GOVERNOR



464

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 10, 1992

The Honorable Richard I. Eliason
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Eliason:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill to create the Exxon Valdez Oil Spill Restoration Endowment and to provide for the financing of oil spill restoration projects.

The bill establishes the Exxon Valdez Oil Spill Endowment as a special trust fund and public enterprise of the state. (See proposed AS 46.05.010.) The endowment would be managed and administered by the state attorney general, the commissioner of natural resources, the commissioner of environmental conservation, and the commissioner of fish and game. (See proposed AS 46.05.020.)

The endowment would consist of money appropriated by the legislature for the benefit of resources injured as a result of the Exxon Valdez Oil Spill. The legislature is authorized to appropriate amounts equal to restitution paid to the state as a result of the approved criminal plea agreement between the United States and Exxon Shipping Company and Exxon Corporation. (United States of America v. Exxon Corporation and Exxon Shipping Company, United States District Court, District of Alaska, case No. A90-015 CR). (See proposed AS 46.05.040.) The bill requires that the endowment be invested by the Department of Revenue, but makes the net income available for distribution to finance restoration projects.

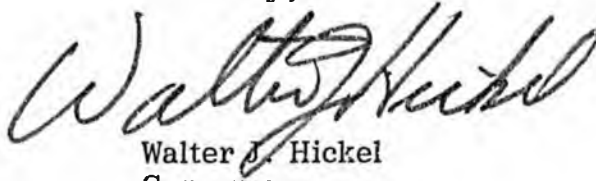
Finally, the bill authorizes the state trustee advisors to pledge income of the endowment to finance restoration projects and pledges the state to not impair the contract rights of holders of contractual obligations for restoration projects funded by the endowment. (See proposed AS 46.05.060.) This section of the bill should allow the state trustees to pledge income for large restoration projects such as the purchase of inholdings and timber rights within Katchemak Bay State Park.

The Honorable Richard I. Eliason
April 10, 1992
Page 2

By allowing the net income generated from investment of the trust corpus to be available to restore the resources injured as a result of the Exxon Valdez oil spill while protecting the corpus of the trust, I believe that the endowment provides the appropriate balance between the restoration needs that we perceive today and those that will only become apparent in the future.

I urge your support for this important legislation.

Sincerely,

A handwritten signature in cursive script, reading "Walter J. Hickel".

Walter J. Hickel
Governor

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. SB 466

Revision Date: 4/23/92

Department Affected: Revenue

Title: An act creating the Exxon Valdez Oil Spill Restoration Endowment; providing for the financing of oil spill...

BRU: Operations

Component: Treasury Management

Sponsor: Governor Hickel

Requestor: _____

Component Serial No.

0	1	2	1
---	---	---	---

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	5.0	5.0	5.0	5.0	5.0	5.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	5.0	5.0	5.0	5.0	5.0	5.0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND/Unrestricted						
FEDERAL FUNDS						
OTHER	5.0	5.0	5.0	5.0	5.0	5.0
TOTAL	5.0	5.0	5.0	5.0	5.0	5.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: The 5.0 expenditure in total operating costs is the basic contractual costs for a trust managed by the Treasury Division. Contractual costs would consist of internal investment management, accounting and custodial services. Future cost increases are dependent on the asset growth of the trust fund from contributions and market gains.

Prepared by: Brian C. Andrews, Deputy Commissioner

Phone: 465-2300

Division: Treasury

Date: April 23, 1992

Approved by Commissioner: _____

Agency: Revenue

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

DATE: April 24, 1992

TO: Senator Jones, Chairman
Senate Resources

FROM Angela Wickham
Cook Inlet Seiners Association

The Cook Inlet Seiners Association (CISA) strongly encourages Senate Resources to reject Senate Bill 466/67 and companion bills 579/80 in the House. CISA, along with many organizations and individuals, has worked diligently towards a collective effort in creating a comprehensive legislative package aimed at restoration and enhancement efforts of oil impacted areas due to the Exxon Valdez spill. The language and intent of HB 411 embodies these efforts.

CISA is very concerned with the recent introduction of the Administration's "endowment bills." Not only are they completely void of responses to the impacted areas, Prince William Sound, Kodiak, and Cook Inlet, they do little in ensuring the expedition of funds. This late - hour attempt does little more than convolute other efforts that have garnered wide spread support, such as HB 411, SB 379.

Additionally, CISA requests that any discussion of these bills receives the courtesy of a teleconference hearing. The people of Alaska, your constituents have a right to be part of these discussions.

Thank you for the opportunity to comment. If you have any questions concerning HB 411 and its components, please do not hesitate to contact our office.



Southeast Alaska Conservation Council

SEACC 419 Sixth Street, Suite 328 Juneau, Alaska 99801 (907) 586-6942

Southeast Alaska Conservation Council Testimony on SB 466 and SB 467

Senate Resources Committee -- April 24, 1992

Good afternoon, my name is Theresa Svancara and I am representing SEACC, the Southeast Alaska Conservation Council. We have over 1,000 members across Southeast Alaska from Ketchikan to Yakutat.

SEACC opposes Senate Bill 466, Governor Hickel's bill to create an endowment with the \$50 million Exxon Valdez oil spill criminal penalty. This bill, by locking up the \$50 million and allowing only the interest to be spent on restoration projects, blatantly defies the intent of the settlement.

The plea agreement is very clear that the criminal money is to be made available IMMEDIATELY for restoration. Mr. DeMonaco, the federal attorney, states in the plea agreement, "The plea agreement provides an immediate infusion of money needed to continue the work of restoring the Prince William Sound and the Gulf of Alaska, while the Consent Decree provides money over the long term to insure that the restoration work can continue over time to heal the damages caused by the Exxon Valdez oil spill."

So it is clear the Governor's bill does not meet the intention of the settlement and we urge you to vote against SB 466.

We also oppose SB 467, the Governor's bill to appropriate money from the Exxon Valdez endowment for the Kachemak Bay buyback. While we support the buyback this bill fails to consider the needed restoration in the remainder of the oil spill impacted area.

I urge you to vote against both SB 466 and SB 467. I encourage you to support HB 411 which responds to the immediate need of restoration and incorporates what the people in the spill affected area want.

CHARLES A. De MONACO
Assistant Chief
Environmental Crimes Section
Environment and Natural Resources
Division
U.S. Department of Justice
P.O. Box 23985
Washington, D.C. 20026-3985
(202) 272-9879

Attorney for the United States of America

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

UNITED STATES OF AMERICA)	
)	No. A90-015 CR.
Plaintiff,)	
)	
v.)	
)	
EXXON CORPORATION)	<u>PLEA AGREEMENT</u>
)	
and)	
)	
EXXON SHIPPING COMPANY,)	
)	
<u>Defendants.</u>)	

I. INTRODUCTION

This document contains the complete plea agreement between the United States of America, plaintiff in the above-captioned action, and the defendants, EXXON SHIPPING COMPANY ("EXXON SHIPPING") and EXXON CORPORATION ("EXXON").

A. The defendant, EXXON SHIPPING, is charged in Counts One, Two and Three of an indictment filed in the District of Alaska with violations of the Clean Water Act, Title 33, United States Code, Sections 1311(a) and 1319(c)(1)(A); the Refuse Act, Title 33, United States Code, Sections 407 and 411; and

the Migratory Bird Treaty Act, Title 16, United States Code, Sections 703 and 707(a).

B. The defendant, EXXON, is charged in Count Three of an indictment filed in the District of Alaska with a violation of the Migratory Bird Treaty Act, Title 16, United States Code, Sections 703 and 707(a).

C. The defendant, EXXON SHIPPING, agrees to enter a plea of guilty to the Counts in paragraph IA.

D. The defendant EXXON agrees to enter a plea of guilty to the Count in paragraph IB, subject to the factual basis for the plea being that it was oil owned by EXXON, and transported under contract with EXXON SHIPPING, that killed migratory birds, for which EXXON had no permit.

II. DEFENDANTS' AGREEMENT AND UNDERSTANDING

The defendant, EXXON SHIPPING, is represented by James F. Neal, Esq., James F. Sanders, Esq., and Robert C. Bundy, Esq. The defendant EXXON, is represented by Patrick Lynch, Esq., Edward J. Lynch, Esq., and John F. Clough, III, Esq. The defendants acknowledge that their attorneys have explained all of the elements of each offense charged against them.

A. If EXXON SHIPPING pled not guilty, the United States would have to prove beyond a reasonable doubt each and every one of the following charges to the unanimous satisfaction of a jury:

1. That on or about March 24, 1989, in the District of Alaska, and elsewhere, the defendant, EXXON SHIPPING, did

negligently cause the discharge of pollutants, namely more than ten million gallons of crude oil, from a point source, namely the tank vessel "EXXON VALDEZ," into Prince William Sound, a navigable water of the United States, without a permit, all of which is in violation of and contrary to Title 33, United States Code, Sections 1311(a) and 1319(c)(1)(A).

2. That on or about March 24, 1989, in the District of Alaska, and elsewhere, the defendant EXXON SHIPPING unlawfully did throw, discharge and deposit, and did cause, suffer, and procure to be thrown, discharged and deposited, refuse matter, namely more than ten million gallons of crude oil, from a ship, namely the "EXXON VALDEZ," into Prince William Sound, a navigable water of the United States, without a permit, all in violation of and contrary to Title 33, United States Code, Sections 407 and 411.

3. That on or about March 24, 1989, in the District of Alaska, and elsewhere, the defendant, EXXON SHIPPING, without being permitted to do so by regulation as required by law, did kill migratory birds in violation of Title 16, United States Code, Sections 703 and 707(a) and Title 50, Code of Federal Regulations, Section 21.11.

B. If EXXON pled not guilty, the United States would have to prove the following charge to the unanimous satisfaction of a jury beyond a reasonable doubt:

That on or about March 24, 1989, in the District of Alaska, the defendant EXXON, without being permitted to do so

by regulation as required by law, did kill migratory birds in violation of Title 16, United States Code, Sections 703 and 707(a) and Title 50, Code of Federal Regulations, Section 21.11.

C. Legal Basis for the Fines

The defendants, EXXON SHIPPING and EXXON, agree, solely for the purpose of this plea agreement and for no other purpose, that there is a legal basis with respect to the offenses charged in the indictment for the Court to impose the fines agreed to in paragraph IIIC.

D. Consequences of the Plea

1. EXXON SHIPPING understands that by pleading guilty to the Counts under paragraph IC, it is admitting the essential elements of the charges in those Counts.

2. EXXON understands that by pleading guilty to the Count under paragraph ID, it is admitting the essential elements of the charge in that Count on the factual basis set forth in paragraph ID.

3. Each defendant understands that by pleading guilty, it gives up the following rights:

- a. The right to be tried by jury;
- b. The right to challenge and object to the composition or procedures of the grand jury; and
- c. The right to confront and cross-examine witnesses.

E. Upon acceptance of the pleas and imposition of sentence by the Court, the United States will immediately move

to dismiss Counts 4 and 5 as to EXXON SHIPPING and Counts 1, 2, 4, and 5 as to EXXON.

III. AGREEMENT OF THE PARTIES REGARDING IMPOSITION OF SENTENCE

A. The United States agrees not to seek additional criminal charges or any civil or administrative penalties, except as provided in paragraph IIIB below, against the defendant EXXON, or any of its present or former officers, directors or employees, or any of its wholly-owned subsidiaries, their present or former officers, directors or employees, for any violation of federal law arising out of the grounding of the "EXXON VALDEZ," the resulting oil spill, the containment or cleanup of that spill, or its or their conduct in connection with the preparation or submission of oil spill contingency plans or related documents to the federal or state government.

B. The parties agree that nothing in this plea agreement limits the right of any agency of the United States, other than the Department of Justice, to seek and take civil or administrative action against EXXON SHIPPING, EXXON, or any other EXXON subsidiaries, or their employees, including any such action relating to suspension or debarment or listing, but not including the civil or administrative penalties referred to in paragraph IIIA.

C. The parties agree, following the entry of pleas by EXXON SHIPPING and EXXON, and the acceptance by the Court thereof, that the defendants shall be sentenced in accordance with the provisions of Rule 11(e)(1)(C), Fed. R. Crim. P., and

that under that procedure the appropriate disposition at the time of sentence is the imposition of fines which total \$150 million, as follows:

1. With respect to EXXON SHIPPING, the fine shall be \$125 million.

2. With respect to EXXON, the fine shall be \$25 million.

3. With respect to EXXON SHIPPING, \$105 million shall be remitted, and with respect to EXXON, \$20 million shall be remitted. The remission of these amounts is appropriate in view of the following facts:

(a) The defendants recognized their responsibilities with respect to the grounding of the "EXXON VALDEZ" and the resulting oil spill;

(b) The defendants have expended in excess of \$2.1 billion in response to and clean up of the oil spill in Prince William Sound and its environs;

(c) The defendants have paid in excess of \$300 million to claimants allegedly injured by the oil spill; and

(d) The defendants cooperated in the federal criminal investigation of the grounding of the "EXXON VALDEZ" and the resulting oil spill.

(e) The defendants had earlier adopted and have updated environmental policies, toxic substances policies and safety policies. These policies are attached as Appendix A;

(f) The defendants support the environmental codes of conduct adopted by the American Petroleum Institute and the Chemical Manufacturing Association. These codes are attached as Appendix B;

(g) The defendants' environmental expenditures averaged more than \$1 billion per year during the 1980s, and defendant will spend \$1.6 billion in 1991 on capital projects to enhance environmental and safety performance, all apart from the expenditures relating to the oil spill;

(h) The defendants have committed to contribute \$50 million to fund, with contributions from other companies, improvement of the oil industry response capability to deal with large-scale oil spills;

(i) The defendant Exxon's division for U.S. oil and gas operations has created a New Environmental and Safety Department to review and coordinate the management of environmental and safety concerns;

(j) The defendant Exxon Shipping has established a New Environmental Affairs Group and hired as Consultants two former Coast Guard captains with oil spill experience;

(k) The defendants have taken action to prevent recurrence of the offense including actions to improve vessel operating safety, personnel training and oil spill response capability. \$40 million has been spent on these activities since the oil spill.

(1) The defendant are currently spending \$160 million annually on environmental and safety research which is 25 percent of Exxon's total research expenditure.

D. The parties agree that the fines described in paragraph IIIC represent the full extent of the criminal sanctions to be imposed upon the defendants pursuant to this agreement, and are in full satisfaction of the criminal charges referred to in the indictment and all criminal charges or claims for civil or administrative penalties referred to in Paragraph IIIA. The payment of \$20 million by EXXON SHIPPING and \$5 million by EXXON shall fully discharge the criminal sanctions to be imposed pursuant to this agreement.

E. The parties agree that \$7 million of Exxon Shipping's fine and all of Exxon's \$5 million fine be imposed for violation of the Migratory Bird Treaty Act. By operations of law, Title 16, United States Code, Section 4406(b), this fine is to be deposited into the North American Wetlands Conservation Fund to be used solely by the U.S. Department of the Interior to carry out approved wetlands conservation projects in the United States, Canada and Mexico.

IV. RESTITUTIONARY PAYMENTS

A. The defendants, EXXON SHIPPING and EXXON, agree to make payments to the State of Alaska and the United States which total \$100 million, \$50 million of which shall be paid to the State of Alaska and \$50 million of which shall be paid to the United States, within 30 days of the acceptance of this

plea agreement by the Court. All monies paid by EXXON SHIPPING and EXXON under this paragraph IVA are remedial and compensatory payments. Such monies are to be used by the State of Alaska and the United States exclusively for restoration projects, within the State of Alaska, relating to the "EXXON VALDEZ" oil spill. Restoration includes restoration, replacement and enhancement of affected resources, acquisition of equivalent resources and services, and long-term environmental monitoring and research programs directed to the prevention, containment, cleanup and amelioration of oil spills.

B. The parties agree that the administration of the monies to be paid under paragraph IVA shall be under the control of each recipient and that upon payment, such monies and any interest which accrues thereon shall be available for the purposes described in paragraph IVA without objection, challenge, or judicial or administrative review.

C. The defendants, EXXON SHIPPING and EXXON, agree, solely for the purpose of this plea agreement and for no other purpose, that there is a legal basis for the Court to impose the payments agreed to in paragraph IV as damages recoverable for compensatory and remedial purposes.

D. The parties agree that all payments made under paragraph IVA are exclusively remedial, compensatory, and non-punitive and are separate and distinct from the fines described in paragraph IIIC and from any other criminal, civil, or administrative penalties that could have been imposed upon the

defendants.

V. GENERAL PROVISIONS

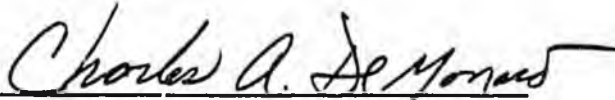
A. EXXON guarantees payment of the fine imposed on EXXON SHIPPING under this plea agreement. In the event that defendant EXXON SHIPPING fails to make timely payment of the fine, EXXON shall, within thirty (30) days of the date of demand, make payment in EXXON SHIPPING's stead.

B. The defendants, EXXON SHIPPING and EXXON, understand that the Court has discretion to accept or reject this plea agreement, and that if the Court rejects the plea agreement or does not dismiss the charges referred to in paragraph IIE, each defendant will be permitted to withdraw its plea of guilty.


C. The parties agree, subject to the decision of the Court, that there is in the record information sufficient to enable the meaningful exercise of sentencing authority, pursuant to Rule 32(c) F.R. Cr. P., and agree that waiver of a presentence investigation and report would be appropriate.

The above-stated terms and conditions comprise the entire plea agreement between the United States of America, defendant EXXON SHIPPING and defendant EXXON, and there are no other terms or conditions, express or implied.

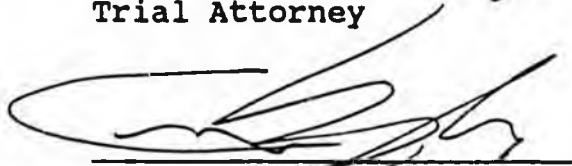
FOR THE UNITED STATES
OF AMERICA:




CHARLES A De MONACO
Assistant Chief
Environmental Crimes Section
Environment and Natural
Resources Division
U.S. Department of Justice




MARK B. HARMON
Trial Attorney



ERIC W. NAGLE
Trial Attorney

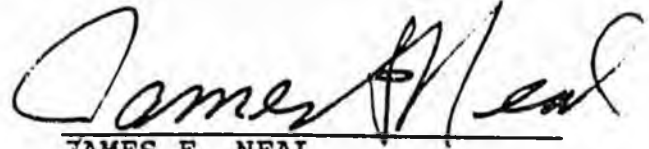


MARK R. DAVIS
Special Assistant U.S.
Attorney



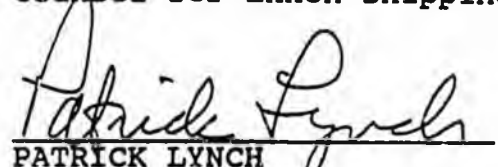
GREGORY F. LINSIN
Trial Attorney

FOR THE DEFENDANTS:




JAMES F. NEAL
Counsel for Exxon Shipping

ROBERT C. BUNDY
Counsel for Exxon Shipping



PATRICK LYNCH
Counsel for Exxon
Corporation



EDWARD J. LYNCH
Counsel for Exxon
Corporation

JOHN F. CLOUGH, III
Counsel for Exxon
Corporation

DATED THIS 26th day of September, 1991



CORDOVA DISTRICT FISHERMEN UNITED

P.O. Box 939

Cordova, Alaska 99574

Phone (907) 424-3447 Fax (907) 424-3430

Testimony: SB 466/SB 467
Senate Resources Committee
April 24, 1992

CDFU respects the Administration's intent to establish an endowment fund with the State's criminal settlement monies from Exxon, however, CDFU cannot support SB 466 and SB 467 for the following reasons:

- 1) The U.S. Department of Justice argued for approval of the criminal plea based on immediate funding needs for resource restoration. It seems clear from the court proceedings that the State's \$50 million settlement was intended to be made available for essential resource restoration projects and related activities. Locking the settlement money up in an endowment fund does not satisfy this federal intent and does nothing to address the critical restoration needs of damaged resources in spill-impacted areas.
- 2) The earnings from the proposed endowment outlined in SB 466 will be minimal and SB 467 will allow only one-half of the interest earned to be expended on restoration projects for 1993. When you compare the extent of spill-related resource damage to the projected interest earnings from the proposed endowment, the best that we can expect will be a nickel and dime approach to restoration. The recently released Restoration Plan prepared by the Exxon Valdez Oil Spill Trustee Council includes reports that describe extensive and ongoing damage to marine mammals, seabirds and fish as a result of the Exxon oil spill. The SB 466/467 endowment proposal doesn't even begin to address these restoration needs.
- 3) CDFU is very skeptical about the efficacy of administering the endowment fund through a group of state trustee advisors. We have seen how unresponsive and ineffective the joint state and federal trustee council has been in administering the civil settlement funds, and we have little confidence that a similar trustee council would be any more efficient.
- 4) There is no provision for public review and comment on proposed expenditures from the endowment fund. Requiring the trustee advisors to provide an annual proposal for the expenditure of income to the legislature is not enough.

Finally, CDFU strongly supports HB 411 and SB 379 which propose to appropriate the criminal settlement monies to acquire critical habitat areas and equivalent resources, and fund a variety of resource restoration and enhancement projects. This approach will use the settlement as it was intended, whereas SB 466 and 467 will only create a bureaucratic roadblock to restoration efforts.

S B

4 6 7

WALTER J. HICKEL
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

470

April 10, 1992

The Honorable Richard I. Eliason
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Eliason:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill to make certain contingent appropriations to facilitate restoration projects related to the Exxon Valdez oil spill.

Section 1 of the proposed Act appropriates \$50,000,000 from money received for restitution as a result of the criminal plea agreement relating to that spill, plus interest accrued on that sum while held in the state treasury, to the Exxon Valdez Oil Spill Restoration Endowment. The endowment would be created through companion legislation that I am also requesting be introduced today.

Section 2 of the proposed Act appropriates one-half of the interest earnings of the trust to the Department of Natural Resources for the purchase of certain inholdings and rights within Kachemak Bay State Park. The appropriation will allow the state to better preserve and protect one of our most important state parks within the area affected by the Exxon Valdez Oil Spill, thereby promoting the restoration and replacement of resources adversely impacted by that spill.

These appropriations are made contingent on the enactment of law to create the Exxon Valdez Oil Spill Restoration Endowment.

I urge your support of this important legislation.

Sincerely,

A handwritten signature in cursive script that reads "Walter J. Hickel".

Walter J. Hickel
Governor

A M E N D M E N T

OFFERED IN THE SENATE

TO: SB 467

Page 1, line 2:

Delete "a contingent appropriation"

Insert "contingent appropriations"

Page 1, line 4, following "State Park":

Insert "and to finance certain fisheries restoration projects
in Upper Cook Inlet and Kodiak Island"

Page 2, between lines 1 and 2:

Insert new bill sections to read:

"* Sec. 3. A sum not to exceed \$2,309,495 is appropriated from the interest earnings of the Exxon Valdez Oil Spill Restoration Endowment to the Department of Fish and Game for the development of commercial sockeye salmon fisheries in Upper Cook Inlet to replace damaged Kenai River sockeye salmon stocks.

* Sec. 4. A sum not to exceed \$190,685 is appropriated from the interest earnings of the Exxon Valdez Oil Spill Restoration Endowment to the Department of Fish and Game for the development of a commercial sockeye salmon fishery at Kodiak Island to replace damaged Red Lake stocks."

Renumber the following bill sections accordingly.

Page 2, line 4:

Delete "secs. 1 and 2"

Insert "secs. 1 - 4"

Governor's proposed
amendments

S B

4 6 9

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 4/13/92

FURTHER: Judiciary
Finance

Date of 5-Day Notice: April 16, 1992
(in accordance with Uniform Rule 23)

DATE TURNED
INTO OFFICE: May 1, 1992

Resources Committee considered SB 469

"An Act amending provisions of ch. 66, SLA 1991, that relate to reconstitution of the corpus of the mental health trust, the management of trust assets, and to the manner of enforcement of the obligation to compensate the trust; and providing for an effective date."

and recommends:

replace with _____ CS SB 469 (Res) same title
 attaches amendment(s) new title
 technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

Governor's bill with fiscal notes:

zero fiscal notes _____

fiscal notes DNR April 22, 92

DO PASS:

OTHER RECOMMENDATIONS:

Richard H. Ford NO REC
A. Frank NO REC
Robert... " "

Howard Jones (No Rec)
Chair: Signature and Recommendation



Alaska State Legislature

SENATOR JIM DUNCAN

COMMITTEES:
VICE CHAIR –
FINANCE
VICE CHAIR –
STATE AFFAIRS
RULES
BUDGET & AUDIT
ETHICS REFORM

MEMORANDUM

Date: April 13, 1992

To: Senator Lloyd Jones, Chair
Senate Resources Committee

From: Senator Jim Duncan

Subject: SB 469, amending provisions of ch. 66/1991, that relate to reconstitution of the corpus of the mental health trust, the management of trust assets, and to the manner of enforcement of the obligation to compensate the trust.

Based on concerns raised about the viability of the Ch. 66/91 Mental Health Trust Lands Settlement, I requested that the Senate Finance Committee introduce SB 469 to resolve the Mental Health Trust Lands dispute. I urge you to schedule a hearing on SB 469 as soon as possible so the concerns of the resource development industries, landowners, and others can be brought before the Resources Committee. The alternate settlement proposal in SB 469 will rectify the serious flaws in Ch. 66 which will continue to tie up the original mental health land as well as the "hypothecated" land for many years to come. Key provisions of the proposal are:

1. Sets an annual 6 percent payment of unrestricted General Funds into the Mental Health Trust Income Account as compensation for the lands not returnable to the trust. The precedent for this was established in Ch. 210/90, Section 2. These funds will be deposited in the Mental Health Trust Income Account in AS 37.14.036. This approach eliminates the complicated Ch. 66 hypothecation and exchange scenario which has drawn at least an additional 6.7 million acres of state lands into the mental health lands litigation. It also eliminates the stairstepping out of general fund revenues to support mental health programs contained in Ch. 66.
2. Includes all the provisions in Ch. 66/91 that established the Trust Authority and the means of administering the trust, including all the amendments to affected Boards.
3. Transfers all unencumbered acres of original mental health lands into the corpus of the trust, including those with encumbrances such

as oil and gas leases, coal leases, or other leases, timber contracts, mining claims, material sales, and rights of way. Around 500,000 acres have been identified as returnable.

4. All proceeds from the land returned to the trust go into the corpus account and any earnings on the corpus principle are transferred to the Mental Health Trust Income Account. Title to Legislatively Designated Areas which were originally mental health land will be held by the state, but these LDA's will be pledged as security for the 6 percent annual payment. The Supreme Court is charged with determining the appropriate action upon default of payment. The LDA's are collateral only for the 6 percent annual payment.
5. Requires the Alaska Mental Health Trust Authority to contract with the Department of Natural Resources to manage the land assets of the trust unless the Authority determines that the best interests of the trust beneficiaries would be served by other arrangements. This provision will allow continuity of management of the returned lands and give the affected industries a higher comfort level with the Mental Health Trust Authority's ownership of the land.

I believe this proposal will resolve the Mental Health Lands dispute equitably without perpetuating the existing problems with Mental Health land titles and the additional "hypothecated" land problems added by Ch. 66.

Attachments

LANDS HYPOTHECATED to the MENTAL HEALTH TRUST

May 1991
(as refined April 3, 1992)

Index #	Area	Acres	Page No.
1	SUBDIVISION LOTS: Data list of 3/5/92)	45,695.82	1
2	LARGE TRACTS SUMMARY:	2,491,070.05	459
3	MAT-SU TIMBER(SFG): Note: A portion of the Mat-Su Timber Area overlays the SUAP Settlement Lands.	494,228.92(net)	473
4	AREA PLAN SETTLEMENT SUMMARY: TANANA BASIN - OTHER NORTHERN AREAS - PRINCE of WALES - OTHER SOUTHEAST AREAS - COPPER BASIN - SUSITNA USE AREA PLAN - (gross 472,267)	18,176.77(gross) 16,538.00(gross) 772.00(gross) 4,004.00(gross) 38,439.07(gross) <u>84,112.00(net)</u>	490
	SUBTOTAL FOR AREA PLANS: Gross and Net Amounts refer to Area Plans only.	162,041.84	
5	MINERAL AREAS SUMMARY: Chandalar Block Large Tract overlays Chandalar Mineral Area	997,701.95	503
6	OTHER PARCEL SUMMARY:	8.654.43	509
7	STATE LEASES: (Data List of 3/5/92)	<u>18.307.03</u>	511
	LAND INTEREST TOTAL:	4,217,700.04	
8	COLLATERAL of LAST RESORT: Cook Inlet Area Oil and Gas Interests	2,491,039.47	Attach.
	GRAND TOTAL:	6,708,739.51	

Hypothecated Lands
MHT

FY 82/93 Mental Health Trust Income Account

Carry Forward Balance From FY 91 82.3
 (Per ch 86 SLA 81, balance to MH capital projects account
 effective upon settlement agreement)

Fiscal Year 1992

Revenues 132.0

Based on Spring 1992 ADOR Forecast - Mid Case of
 16.41/bbl; 1.787 MM bbls/day

Expenditures 140.5

Operating:

- FY 82 Operating Budget 122.4
- Indirect Cost Recovery 2.0
- K-12 Education 7.2
- Capital Budget 7.4
- New Legislation 1.3
- Supplemental 0.2

(Reflects Governor's requests in HB 470)

FY 92 Revenues v. Expenditures -8.5

MHTIA Balance to Carry Forward 73.8

Fiscal Year 1993

Revenues 116.4

Based on Spring 1992 ADOR Forecast - Mid Case of
 15.88/bbl; 1.718 MM bbls/day

Expenditures 145.2

Operating Budget 134.7

(Per Governor's proposed budget - HB 405)

Capital Budget 10.5

(Per Governor's proposed budget - HB 481/RS 480)

FY 83 Revenues v. Expenditures -28.8

MHTIA Balance at Year End 45.0

FY 92-93 MHT
Income Account

ALTERNATIVE SETTLEMENT OPTION

Mental Health Trust Litigation

March 20, 1992

INTRODUCTION: The following proposed alternative settlement option to the mental health trust litigation is based on combining substantial portions of two existing pieces of legislation (Chapter 210, SLA 1990, and Chapter 66, SLA 1991).

The proposal makes the percentage of unrestricted general revenue funding mechanism of Chapter 210 (presently six percent) significantly more attractive by (1) adding to it the program provisions and appropriation procedures adopted in Chapter 66, (2) returning original mental health lands which have not been transferred out of state ownership or placed in legislatively designated areas, and (3) providing for a cash corpus account.

A. Mental Health Program Provisions.

The settlement alternative is based on the format of Chapter 66, retaining desirable provisions relating to mental health programs and trust responsibilities.

B. Lands, and related cash corpus account.

1. Replace all unencumbered lands of original trust, plus all or a portion of original trust lands which have coal leases, oil and gas leases, timber sales, land leases, Interagency Land Management Agreements, material sales, and mining claims, for a possible total of up to 496,900 acres, as currently provided in Chapter 66.

The lands would be managed similar to the University of Alaska Land Trust, including the establishment of a cash corpus account. Income generated from land management activities would go into the cash corpus account for further investment. Income from the investments would go into the trust income account, providing additional security for supplemental funding of mental health programs if unrestricted general revenues decline in the future as anticipated.

2. Upon approval of the settlement, all original trust lands owned by third parties, including municipalities, would be immediately and permanently released.

C. Funding.

1. Provisions of Chapter 66 would be retained relating to the appropriation process and role of the Trust Authority, including provisions contained in AS -

37.14.003 and 37.14.005 regarding the relationship between the Authority and the Governor, and the Authority and the Legislature.

2. Six percent of unrestricted state revenues would continue to be allocated to the mental health trust income account per existing law (Chapter 210), as compensation for original mental health lands which cannot be returned to the trust.

After the necessary expenses of the state's mental health program have been funded, the legislature could authorize transfer of the unobligated and unappropriated fiscal year-end balance in the mental health trust income account to the state general fund per existing law (Chapter 210).

C. Trust Management.

As in Chapter 66, a Trust Authority appointed by the Governor would manage the land and cash corpus account.

D. Security.

All original mental health lands located within legislatively designated areas (approximately 317,000 acres) would be held by the state as security to insure that the annual payments would be made to the mental health trust income account in accordance with the settlement agreement. The land would remain in state ownership and continue to be managed consistent with its legislatively designated purposes, similar to the agreement in Chapter 210.

If there is difficulty identifying the parties necessary to finalize an alternative settlement agreement, or difficulty reaching an agreement on the final details of the alternative settlement, a formal mediation process facilitated by an independent neutral mediator should be employed.

**Mental Health Land Trust Settlement
ALTERNATIVE PROPOSAL**



The attached alternative mental health land trust settlement proposal has broad based support. It is far simpler than the proposal adopted by the legislature last session (Chapter 66) and is less likely to be challenged. It will be far less costly to implement, does not require land valuations or land exchanges, has a better chance of providing necessary mental health funding, and eliminates or diffuses the public interest concerns that have been raised. Most importantly, it is based on existing legislation so the necessary components are already in place. New funding would not be required.

Once approved by the court, the alternative would provide immediate injunctive relief for all original trust lands owned by third parties, including municipalities. Presently, those lands, plus over 4 million acres on the hypothecated list, are destined to be tied up for years until the legal issues raised by Chapter 66 are resolved.

Advantages of the alternative:

- More likely to build a consensus leading to a speedier final resolution.
- All elements of the alternative, including funding provisions, have already been agreed to in previously adopted legislation.
- Cost of implementation will be greatly reduced . . . no land appraisals, no surveying, no development of lengthy and complex "comparability characteristics" for each piece of exchange property.
- Since new public lands would no longer be involved, eliminates or diffuses the basis for the public interest intervenors' lawsuit and years of costly litigation.
- Eliminates anticipated future lawsuits on land exchanges since land exchanges will not be necessary.
- Frees up 4.2 million acres of valuable state mineral and resource land being held hostage to cover land exchanges and 12 yearly payments required by Chapter 66.
- Upon judicial approval, would immediately and permanently release title to all original trust lands owned by third parties, including municipalities.
- Provides for continuing appropriations to fund mental health programs, per existing legislation.
- Legislature retains control over mental health program appropriations.
- Any excess money will be returned to the state general fund.

Russell

By HAL BERNTON
Daily News business reporter

The Hickel administration's attempt to end a bitter lawsuit over 1 million acres of state mental health land threatens — at least in the short term — to boomerang.

State officials say they hope a proposed settlement would quickly remove a legal cloud that has hampered — at times stymied — resource development on 1 million acres of state land.

But a proposed settlement has expanded that cloud to include much of the 4 million acres of gold, coal, timber and other resource-rich state land now pledged by the Hickel administration as security for the deal.

The settlement is expected to be finalized within a few weeks. But the cloud over the 4 million acres likely will linger as the deal wends its way through courts and state officials complete a complex series of land transfers.

"It could take years for the land to be totally released as security," said Jeff Jesse, an attorney for mental health litigants.

Attorney General Charlie Cole said the administration never wanted to pledge the extra 4 million acres, but it "was necessary to get it (the proposed settlement) done."

The settlement is designed to resolve a fiercely contested lawsuit filed 10 years ago by mental health groups. They contend the state wrongly did away with a 1-million-acre trust that was supposed to help fund mental health programs.

On Friday, the Alaska Mental Health Association endorsed the settlement, which would re-create the 1-million-acre trust and have a five-person board manage the land to raise money for state mental health programs.

Million-acre deal ties up millions more

Efforts to free up resources in land trust may boomerang

"It's a good deal for everyone," said Jim Parsons, chairman of the mental health association's trust committee.

But not everyone thinks so, and that could keep the lawsuit going — and keep the 4 million acres tied up — for years.

Only three of the four attorneys representing mental health groups back the plan, and it also faces opposition from environmental and public interest groups that don't like to see public land go into a profit-oriented trust.

The 4 million acres is intended as collateral while the state re-creates the trust.

"The state had made a lot of promises to the beneficiaries of this trust and hasn't kept a single one of them," Jesse said. "You can bet we weren't willing to go forward without this security."

Under the proposed settlement, the Hickel administration must not hurt the value of the 4 million acres, according to Tom Koester, an attorney representing the state.

That means the state probably shouldn't go forward with new logging, mining or other resource proj-

ects that extract value from the land, Koester said.

The 4 million acres include the gold-rich Chandalar District in northern Alaska, mineral-rich land near Talkeetna and the Susitna River Valley forests.

Already, the state Department of Natural Resources — to comply with the deal — has canceled timber sales through June on several hundred acres in the Susitna valley.

"We're supposed to do everything possible not to devalue the property," said Dave Wallingford, the agency's Southcentral forester. "But it kind of leaves us with no place to go."

Some Matanuska-Susitna Borough loggers are frustrated.

"We just started really going good here, and then this came along and shut off our timber sales," said Russell Frantich, who operates a small mill that provides

Please see Page C-8, TRUST