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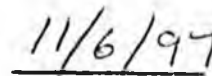


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ALASKA INDUSTRIAL DEVELOPMENT  
AND EXPORT AUTHORITY

480 WEST TUDOR • ANCHORAGE, ALASKA 99503-6690 • (907) 561-8050 • FAX (907) 561-8998

February 5, 1993

*Nina*

The Honorable Senator Johnny Ellis  
Alaska State Legislature  
State Capitol  
Juneau, AK 99811

Dear Senator Ellis:

I recently reviewed a copy of SB 16 that you introduced, "An Act relating to the financing authority of the Alaska Industrial Development and Export Authority and giving approval of the issuance of bonds for an Anchorage airport seafood facility; and providing for an effective date." and thought it appropriate to provide you with background material regarding the project.

Late in the 1992 regular session last year, legislation was introduced calling for the Authority's involvement in the Alaska Seafood Center Project (ASC). At that time the project sponsor represented that its financing plan and market contract commitments were nearing completion, and without the Authority's ability to participate in the cold storage component of the project, the project would not be able to maintain its schedule for a 1992 design and construction start.

Based on these representations and to not impact the developers progress, it was agreed that specific project legislative authorization would be requested as soon as possible and that the Authority would start its due diligence and feasibility analysis of the project at once.

The legislation was not acted upon, however, during the general session, and when the Legislature went into the Special Session on May 13, sufficient information had not been compiled by the project sponsor to in all likelihood satisfy the minimum requirement necessary for AIDEA participation during 1992.

For this reason, project authorization for the ASC was not included in HB 598. However, in support of the project, at their May 29, 1992 meeting, the Authority's Board of Directors authorized staff to spend up to \$50,000 to retain consultant services to review formalized agreements with the prospective financiers, supply contracts (customers) and to determine the overall financial feasibility of the ASC business plan (Resolution 92-7 is attached). To date, no funds have been expended. The project sponsor has indicated a major international bank has agreed to be the lead lender on the project subject to AIDEA's participation and market contracts.

It may further be of interest to you that in early discussions between AIDEA, the Department of Transportation and Public Facilities (DOT/PF) and ASC, DOT/PF indicated there were concerns expressed by the Alaska International Airport System (AIAS) and airlines serving the Anchorage airport that a seafood facility located on airport property would attract birds. AIAS and the airlines were concerned the birds

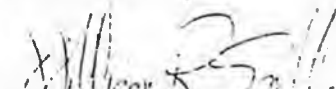
could potentially create a safety hazard. While the developer has indicated the facility will be a secondary processor and will do over 80% of its processing with frozen products which would minimize this problem, in recognition of the concern of the airlines and the AIAS, the developer has analyzed three additional sites that are adjacent to or near the airport. These sites were found to be sufficient to develop the facility on.

The Authority remains interested in the success of the project and has continued to work and support the ASC effort due to its value in creating jobs, the importance to the seafood industry throughout Alaska, and the potential role the project would have to diversify seafood exports through value-added secondary processing. ASC could be the first major secondary processor in Alaska and may create 450 direct full-time year-round jobs in addition to 750 indirect jobs in Anchorage. ASC's business plan indicates the project will support all primary processors in Alaska by purchasing its raw materials from them and making the projects 45 million pound cold storage facility available to them - a seafood infrastructure Alaska has discussed for a number of years.

A mid-February meeting has been scheduled between ASC and the Authority to review progress of the project. I would be happy to provide you with any information that is generated at the meeting and will keep you informed of issues related to the project's progress.

If you have questions or wish to discuss this project in greater detail, please do not hesitate to contact me.

Sincerely,



William R. (Riley) Snell  
Executive Director

attachment

WRS:KO

cc: Commissioner Paul Fuhs  
Kris Lethin  
Darrel Rexwinkle  
Mayor Tom Fink  
Howard Benedict

JOHNNY ELLIS  
SENATOR



STATE CAPITOL, ROOM 9  
JUNEAU, ALASKA 99801-1182  
(907) 465-3704

ALASKA STATE LEGISLATURE  
SENATE  
M E M O R A N D U M

TO: Senator Bert Sharp, Chairman  
Senate Transportation Committee

FROM: Senator Johnny Ellis *JE*

DATE: March 4, 1993

RE: Scheduling Senate Bill 16

MAR 3 1993

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I respectfully request that you schedule Senate Bill 16 for a hearing in the Senate Transportation Committee at your earliest possible convenience.

SB 16 would authorize revenue bonds to the Alaska Industrial Development and Export Authority in the amount of \$50 million for design and construction of the Alaska Seafood Center, to be located in Anchorage. This investment would leverage an additional \$110 million in private investment for a total project cost of \$160 million.

The Alaska Seafood Center would employ 450 people full time in addition to employing roughly 200 people during the construction phase of the project.

The facility would be the first of its kind in Alaska, with secondary fish processing facilities and cold storage capacities far beyond what is currently available anywhere in the state. Instead of storing product in freezer-vans in their warehouse yards and shipping them to cold storage facilities in Seattle, processors could store product for future sales locally. It's good for the processors, and good for the state's economy. Too many of our fisheries profits are diverted to other states and countries. It's time to turn that trend around by supporting local projects like the Alaska Seafood Center.

I urge your support of Senate Bill 16. Thank you for your consideration.

FISCAL NOTE

BILL NO. SB 16

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
 Title: An Act relating to the financing authority of AIDEA and  
the Alaska Seafood Center  
 Sponsor: Senator Ellis  
 Requestor: \_\_\_\_\_

Department Affected: Commerce and Economic Development  
 BRU: Alaska Industrial Development and Export Authority  
 Component: Alaska Industrial Development and Export Authority  
 COMPONENT SERIAL NO. 1234

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

Estimate of current year (FY 93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)  
 Revenue bonds will be sold to finance the project. It will have no fiscal impact on the General Fund or AIDEA.

Prepared by: William R. Snell, Executive Director  
 Division: Alaska Industrial Development and Export Authority

Phone: (907) 561-8050  
 Date: 3/15/93

Approved by Commissioner: Paul Fuhs  
 Agency: Commerce and Economic Development

Date: 3/16/93

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**SB 10: "An Act relating to the financing authority of the Alaska Industrial Development and Export Authority and giving approval of the issuance of bonds for an Anchorage airport seafood facility; and providing for an effective date."**


The bill as proposed provides authority for the Alaska Industrial Development and Export Authority (AIDEA) to issue up to \$50,000,000 in bonds to finance the acquisition, design, and construction of a facility for the offloading, processing, storage, and transloading of seafood to be located at or near the Anchorage International Airport. This portion of the Alaska Seafood Center's (ASC) secondary processing project would be owned by the Authority.

The Authority supports this project because of its value in creating jobs, the importance of the seafood industry throughout Alaska, and the potential role the project may have in diversifying seafood exports through value-added secondary processing and storage. The project developer has indicated the project may create 450 direct full-time jobs in addition to 750 indirect jobs. The developer's business plan also indicates the project will support all primary processors in Alaska by the direct purchase of raw material and through the project's 45 million pound public use cold storage facility.

Because of concerns expressed by the Department of Transportation and Public Facilities (DOT&PF) and airlines serving the Anchorage International Airport that a facility located at the airport may attract birds which may cause safety hazards and because the developer has analyzed three additional sites that would be sufficient for the project, the Authority recommends that language saying the facility located at the airport is removed.

In addition, because the project must prove to be feasible prior to AIDEA selling bonds to construct and own the specific portion of the project as indicated, we encourage additional language be added to the bill that would require the developer to obtain additional financing, obtain contracts with primary processors to supply the facility, and obtain market contracts for the sale of the products.

Staff at the Authority recommends full support of the bill with the revised language as indicated above.

  
\_\_\_\_\_  
Paul Fuhs, Commissioner

\_\_\_\_\_  
3/15/93  
Date

FISCAL NOTE

Revision Date: Department Affected: DOT&PF  
 Title: AIDEA Bonds: Anchorage Seafood Facility BRU: AIA  
 Sponsor: Ellis Component: AIA Administration  
 Requestor: Ellis Component Serial Number: 613

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE FUND SOURCE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS	0	0	0	0	0	0
1003 GF MATCH	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/PROGRAM RECEIPTS	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL FUNDING:	0	0	0	0	0	0

POSITIONS

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

Estimate of current year (FY93) impact: \$0

ANALYSIS: (Attach a separate page if necessary)

No Fiscal Impact

Prepared by: Gina Marie Lindsev

Phone: 266-2540

Division: Anchorage International Airport

Date: January 15, 1993

Approved by Commissioner: Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: January 15, 1993

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*Department of Transportation  
and Public Facilities*

# POSITION PAPER

BILL NO: SB 16

APPROVED:

*[Signature]* for FT

TITLE: AIDEA Bonds: Anchorage Seafood Facility DATE: January 15, 1993

The department has no objection to a bill granting AIDEA approval to issue bonds for a seafood facility but has serious concern with the possibility of locating such a facility on or near airport property. We recognize that such a facility could generate revenue through lease payments, but the department objects to a seafood center on airport property for the following reasons:

1. Seafood facilities tend to attract birds and could create a major safety hazard. A seafood center was proposed for Anchorage International several years ago and airlines serving the airport strenuously objected to such a facility in close proximity to aircraft operations.
2. There is a finite amount of developable or leasable airport land and as much as possible should be reserved for activities which must operate on the airport.

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

RESOLUTION NO. A92-7

A RESOLUTION OF THE ALASKA INDUSTRIAL  
DEVELOPMENT AND EXPORT AUTHORITY RELATING  
TO THE ALASKA SEAFOOD CENTER

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WHEREAS, the Alaska Industrial Development and Export Authority ("Authority") is committed to the consideration of qualified Development Projects which promote economic growth and development;

WHEREAS, the seafood industry is a critical component of the Alaska economy;

WHEREAS, there is a need to promote and develop shore-based facilities which enhance the value and marketability of Alaska seafood resources;

WHEREAS, the Alaska Seafood Center ("Center") has proposed the development of a seafood processing facility to be located in Anchorage, Alaska;

WHEREAS, the Facility under consideration will provide for the processing and enhancement of Alaska seafood product;

WHEREAS, the Facility will provide a critical economic benefit to the seafood industry in Alaska;

WHEREAS, the Center has discussed with the Authority the possibility of the Authority's financial participation in development of the Center;

WHEREAS, the Center intends to enter into negotiations with prospective financiers, suppliers and customers to formalize a Business Plan for the Center;

NOW, THEREFORE, BE IT RESOLVED:

1. The Authority is fully supportive of development of the Center.

2. Staff is directed, if requested, to work in coordination with the Center to assist in the formalization of those agreements with prospective financiers, suppliers, and customers as are necessary to formalize a Business Plan for the Center.

3. The Authority looks forward to an opportunity to review a request for participation in the financing of the Center once the Business Plan is formalized.

4. Staff is authorized to expend up to \$50,000 in assets of the Economic Development Account, A.S. 44.88.172, for expenses incurred under Item 2 of this Resolution.

DATED at Anchorage, Alaska, this 29th day of May 1992.

\_\_\_\_\_  
Chairman

(SEAL)  
ATTEST

\_\_\_\_\_  
Secretary



ALASKA INDUSTRIAL DEVELOPMENT  
AND EXPORT AUTHORITY

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480 WEST TUDOR • ANCHORAGE, ALASKA 99503-6690 • (907) 561-8050 • FAX (907) 561-8998

**PROJECT FACT SHEET: Alaska Seafood Center/Cold Storage**

**DATE:** November 25, 1992

**STATUS:** The Legislature failed to act on bonding authority for this project in 1992. The AIDEA Board approved an expenditure of up to \$50,000 to work with the Alaska Seafood Center to develop a business plan. The project may be brought before the Legislature in 1993.

**PROJECT BUDGET:** \$50 million

**SOURCE OF FUNDS:** Revenue bonds sold by AIDEA

**PURPOSE:** To expand the capabilities of the Alaska seafood industry to provide secondary processing, freight forwarding, and commercial cold storage services.

**PARTICIPANTS:** AIDEA will finance construction in Anchorage of a cold storage warehouse facility as part of the proposed Alaska Seafood Center. The facility will be an integral part of the state-of-the-art fish processing, cold storage, and distribution center planned by ASC.

**BACKGROUND:** The cold storage warehouse will allow ASC to perform secondary (value added) processing of bottomfish, surimi, and salmon; provide freight forwarding for salmon and other seafood products; and provide commercial cold storage services for seafood and non-seafood products. The secondary processing capabilities will create a local market for shore-based primary processors. Other Alaskan processors will be able to use the frozen storage and chill room capacities at cost-efficient rates. The facility will be located near the Anchorage International Airport, making it accessible to processors throughout the state.

**ECONOMIC EFFECTS:** ASC operations will provide about 450 new year-round jobs at the Anchorage facility and additional employment in related business sectors, including transportation.

**SOCIAL EFFECTS:** The facility should strengthen the entire seafood industry in Alaska by enhancing the cold storage, secondary processing, and freight forwarding capabilities available.

**SCOPE OF PROJECT:** The cold storage warehouse will have a storage capacity of 45 million pounds, capable of handling as much as 2 million pounds of product in one day. The warehouse will include an energy-efficient ammonia refrigeration system, a high-bay racked storage system with automatic closure entrances and air-curtain walls, chill rooms, blast freezers, ice makers, a standby electrical generation system, and electric-powered lift cranes, conventional forklifts, and similar handling equipment.

~~CONFIDENTIAL~~

# ALASKA SEAFOOD CENTER

Executive Summary

April 3, 1992

DONALDSON, LUFKIN & JENRETTE  
SECURITIES CORPORATION

## EXECUTIVE SUMMARY

### Introduction

The Alaska Seafood Center, Inc., a privately-owned company ("ASC" or "the Company"), proposes to develop, build, own and operate a state-of-the-art fish processing, cold storage and distribution center ("the Facility") to be located in Anchorage, Alaska. ASC is being developed at a time of profound change in the seafood industry in Alaska and the eating habits of Americans, i.e., a rapid reduction in the consumption of red meat and an escalation in the demand for seafood. ASC believes that the combination of these circumstances has created a significant opportunity for ASC and for Alaska.

ASC's operations will be based on producing high quality, value added seafood products. ASC will create approximately 450 new year round jobs at the Facility itself and support many other jobs in Anchorage in indirectly related businesses. For example, a great number of jobs will be created in the State transportation system (airline, railroad and trucking) to serve ASC. ASC will also provide economical cold storage and transportation services to smaller fish processors in the State, giving them faster and more profitable access to their customers. The Company's business segments will be:

- Secondary processing of bottomfish based on Alaskan raw material of blocks and fillets from pollock and cod (frozen products).
- Secondary processing of surimi based on Alaskan raw material of surimi blocks, a fish paste primarily made from minced Alaskan pollock (frozen products).
- Secondary Processing of salmon based on Alaskan wildlife salmon (frozen products).
- Primary processing of salmon (chilled products).
- Freight forwarding of salmon and other native fish owned by ASC and others (chilled products).
- Commercial cold storage services for seafood and non-seafood products.

Secondary processing consists of adding value to primary processed raw materials such as fish blocks and individual quick frozen fillets (IQFs). The finished product consists of a portion controlled piece of fish and added coatings, sauces or toppings in order to prepare it for consumption.

When fully on-line, the Facility will have the capacity per day to process (raw material) approximately 210,000 pounds ("lbs") of bottomfish products, 13,000 lbs of surimi products and 180,000 lbs of salmon (during the salmon season). Upon completion, it will have a cold storage capacity of approximately 45 million lbs of seafood and non-seafood products and a chill room capacity for receiving and shipping of chilled fish of approximately 2.2 million lbs. The fish resources of the Bering Sea and the Gulf of Alaska will provide the raw materials for the Company's seafood processing business segments. In 1991, Alaskan waters within the Alaskan Exclusive Economic Zone ("EEZ") produced 4.4 billion lbs of bottomfish which included cod and pollock, the most important species for ASC's production. The salmon harvest was a 60-year record of 725 million lbs.

U.S. fisheries harvest all bottomfish coming from the EEZ. The primary processing (heading, gutting, filleting and in certain cases mincing) and freezing into IQF fillets and fish blocks is done on shore based primary processing plants and on board catcher/processing ships, within hours after the catch so as to avoid spoilage. The resulting products (fish blocks and IQF fillets) are shipped by refrigerated cargo ships to Japan, Korea, Europe and the contiguous 48 states (the "Lower 48") for secondary processing.

ASC offers the opportunity for Alaska to have secondary (value added) processing take place within the State, resulting in a substantial number of year round jobs for Alaskans. ASC will be a major customer of shore based primary processors, buying substantial quantities of product from them, which will eliminate their transportation disadvantage.

ASC offers other Alaskan processors the opportunity to store frozen seafood and offers other food businesses the opportunity to store non-seafood products on a commercial basis. Commercial fisheries can take advantage of ASC's location to store their products in Anchorage and reduce their transportation and storage costs. ASC will provide greater flexibility to other food businesses and distributors by providing them the ability to store larger quantities in Anchorage instead of the Lower 48.

ASC offers freight forwarding of chilled fish products to other Alaskan processors. ASC's logistic capabilities and chill room capacity located close to the airport are essential for air transportation of chilled fish in a regularly scheduled and therefore cost efficient manner.

#### The Facility

ASC has located several sites on which it has negotiated an acceptable price. They are zoned for processing, storage, wholesaling and distribution operations. All have sewer, water and utility services up to or near the property line which are considered by ASC to be satisfactory for the contemplated uses. Before notice to proceed is given to the contractor, a complete geotechnical study will be done. There are various permits and approvals that are required to be obtained prior to the start of construction and operation of the Facility. ASC is confident that the Facility will receive all these necessary permits on a "fast track basis" based on assurances from the city.

The sites have been selected because of their access to all forms of transportation. They are two to seven minutes from the Anchorage International Airport and about 15 minutes from the Port of Anchorage. All have direct rail access by rail from a spur off the main line to the property boundary via a dedicated easement.

ASC has entered into a \$62,736,000 lump sum turnkey fixed price contract with National Projects, Inc., a subsidiary of Morrison-Knudsen Corporation, ("National") for the design and construction of the Facility. The cost of processing equipment is not included in the contract price. ASC will procure all processing equipment directly from the vendors. Allowances, rather than fixed prices, are included for landscaping, stonework, permits, signs and installation of the first processing line. The contract calls for a construction schedule of 20 months with liquidated damages in the amounts of \$29,000 per day for late completion subject to a cap of \$1,500,000. The contract also provides National with a \$14,500 per day early completion bonus.

The Facility will consist of approximately 245,000 square feet. The first floor will be used for processing, freezing and storage of fresh and frozen fish and other foods. The second floor will be used for sanitary facilities, an employee lunchroom, administrative offices, and a guest lunchroom. The Facility will include a paved parking area and the dock areas will be paved as well, to accommodate refrigerated vans and other trucks. In addition, the truck staging area will provide space for refrigerated vans. The fish processing, processing support and office areas, dock facilities and cold storage building will be constructed with concrete and steel. In the cold storage area, the structure will be approximately 63 feet high, while the racks used to store product will be approximately 50 feet high. The energy building will house the refrigeration equipment, battery charger and heating equipment as well as the maintenance department.

The Facility will use state-of-the-art equipment designed to include the latest proven technological developments. The heart of the ASC seafood processing system will be two secondary bottomfish processing lines, one for battered and breaded products (sometimes called "B&B"), and one line for prepared foods. There will also be a line for the secondary processing of surimi and a line for secondary processing of fish blocks into portions and headed and gutted salmon into steaks. The Facility will have a single line for primary salmon processing (i.e., heading, gutting and filleting). Such salmon then will be either flown out fresh as chilled fillets or glazed and blast frozen in preparation for cold storage as frozen fillets and headed and gutted salmon for later steaking.

ASC's state-of-the-art equipment will make it possible to process chilled and frozen products in a cost efficient manner. Strict hygiene and quality control standards, which meet or exceed U.S. inspection criteria, will ensure that the finished products can meet customers' demands for the highest quality.

### Employment

When fully on line, ASC's operations will provide approximately 450 new year round jobs to Alaskans who will be employed directly at the Facility. In addition, numerous other existing and newly created jobs will be supported in the businesses that serve and service the Facility. For example, many jobs will be created in the transportation sector (airline, railroad and trucking). Also, the wages paid to the employees at ASC and the related service businesses will benefit the local economy according to the economic multiplier for the community.

While Anchorage can provide a well educated labor force, ASC will need to train new staff at many different levels of the organization. For this reason, and because ASC needs to start up new functions in the areas of technical operations, processing, sales/marketing, logistics and administration, a start up schedule for the operation has been carefully worked out. ASC's production and service activities will be ramped up over several years and the employees will be hired in accordance with this schedule.

### Location

The Facility's location in Anchorage will place it close to the bottomfish harvesting grounds and at the center of the four major Alaskan salmon fishing areas. Anchorage is a beautiful modern city, the largest in Alaska, with a year-round moderate climate and a population of approximately 225,000 people. The Anchorage location will provide a competent and stable labor force and a readily available supply of workers, many already experienced in seafood processing.

Transportation of frozen raw materials to the Facility and of frozen finished products to the market will be by surface transportation.

To get the chilled fish products to the U.S. market and abroad ASC will take advantage of Anchorage International Airport, which is the biggest air cargo center in the U.S. The airport provides access to all destinations served by the eleven international and ten domestic airline companies operating there. Major air cargo carriers such as Japan Airlines and Korea Airlines have facilities at the airport and United Parcel Service and Federal Express have recently completed major international cargo and package terminals as well.

### Raw Materials

ASC, with its location in Anchorage, Alaska, will have access to one of the world's most important fisheries. The Alaska Seafood Center will process three of the top four fish species in the U.S., based on landed seafood tonnage - Alaska Pollock #1, Salmon #3, and Cod #4. In 1990, Alaska handled 5.4 billion pounds of landed fish, five times as much as the state with the second highest tonnage, Louisiana (which is predominantly shrimp). Based on the dollar amount of seafood products, Alaska handled five times as much fish as the second highest state, Massachusetts. Alaska is a reliable and well-managed source of high quality fish. Access to high quality raw materials is a worldwide problem for the seafood industry. In the northern hemisphere there are only three major areas (the North Sea in Europe, the Grand Banks of New England and Nova Scotia, and Alaska) that have the shallow cold water which can support commercial levels of bottomfishing. The processing industries of the North Sea and the Grand Banks lack adequate raw materials because the fish stock has been greatly overfished. Alaskan fisheries, however, are not overfished and are extremely well managed by Federal and State authorities. ASC will have direct access to the world's largest fishery of high quality wild salmon, unlike other processors which may use farmed salmon, which is often of lower quality and is often chemically treated.

ASC has entered into contracts with three suppliers which either procure or otherwise control seafood products in adequate quantities and qualities to more than meet its requirements. ASC also has received expressions of interest from other seafood product suppliers.

### Demand for Seafood Products

As the U.S. population ages and becomes more health conscious, Americans are turning to fish, among other items, as an essential part of a healthy low cholesterol and low fat diet. Consumer expenditures for fish in 1990 totalled \$26.7 billion, of which one-third was sold in stores (primarily supermarkets) and two-thirds were sold through the food service sector, including restaurants. The demand for seafood in the U.S. has been steadily increasing over the last ten years based on an increased consumption per capita and a growing U.S. population.

The National Fisheries Institute indicates that if the 20 pound per capita goal for the year 2000 is met (1990 consumption was 15.5 pounds per capita), U.S. consumers will eat over 5.3 billion pounds of seafood. Comparing this to the 3.9 billion pounds consumed in 1990, an additional 1.4 billion pounds of edible weight of seafood must enter the market by the year 2000. 75 percent of this growth can be attributed to the increase in per capita consumption. Although domestic fish consumption has grown at a rapid rate, Americans still eat approximately one-tenth as much fish as the Japanese and one-fourth as much as the Europeans. ASC believes that this also supports the estimated growth of domestic consumption in the coming years.

The countries in the Far East, i.e. Japan, Taiwan and Korea represent strong markets for seafood products. Because of the lack of raw material, European countries such as France, Italy and Spain also represent markets with sharply increasing demands for frozen and especially chilled seafood products.

### The Market

ASC has successfully developed a market niche for selling its products through extensive studies of the market and competitors and by working with several large buyers of seafood products. ASC's concept for doing business with its customers will be:

- ASC will work with a few large customers on a long term contractual basis.
- ASC will not develop its own brand name but instead will be a reliable supplier of customized private label seafood products based on consistent quality and availability.
- ASC will provide its customers with a one-stop shopping program based on a full range of value added table ready seafood products made from Alaskan raw materials.
- ASC will provide research and development services by working with the customers to develop their private label program of customized products.

In this way ASC will meet the customers needs; for fewer, larger, more reliable, flexible, quality oriented suppliers that will work with them in a one-stop shopping program to develop and maintain their private label products.

ASC will sell its processed seafood products to wholesale grocery and food service distributors, retail supermarket chains, institutional food service establishments, seafood and family style restaurant chains and fast food chains. ASC will market its fresh and frozen seafood products in the United States and abroad through a direct sales organization, brokers and distributors.

ASC contemplates that the Facility will offer services such as cold storage and freight forwarding of chilled fish on a commercial basis.

### Cold Storage

ASC believes that there will be a demand for commercial cold storage services because no large-scale, centralized cold storage facilities exist in Alaska. At present, salmon cold storage is handled primarily by staging refrigerated vans around local processing plants during the salmon season and then bringing the salmon directly to Japan by tramper or taking it through Anchorage for further shipment to Seattle by barge for longer term storage. This approach is costly and inefficient and lowers product quality. Local commercial fishermen can take advantage of ASC's Anchorage based facility to reduce transportation costs and increase product quality. Alaska imports the majority of its foodstuffs from the Lower 48 by barge, which takes from five to seven days to reach Anchorage from Seattle. There is little cold storage in the State and none that could service the overall demand in Anchorage for any extended period of time. The State and Anchorage can take advantage of the greater flexibility by storing imported foodstuffs in Anchorage, i.e., closer to the end users.

### Freight Forwarding

ASC will provide freight forwarding services for chilled fish products owned by ASC and others. The facility will be located close to Anchorage International Airport and will have the necessary chill room capacity and size of operation to work with the airlines on a regularly scheduled and therefore cost efficient basis.

### Ownership and Management of ASC

All of the outstanding stock of ASC is currently owned by members of the family of Howard M. Benedict, President and Chief Executive Officer of ASC. Howard M. Benedict is President of The Benedict Companies formed in New Haven, Connecticut in 1947, and a principal of various other corporate and partnership interests of the Benedict family. For 35 years, he has been actively engaged in commercial real estate development. Over the past several years, Mr. Benedict expanded into other diversified business interests. As an outgrowth of his real estate activities in Anchorage, he became interested in broadening his economic base in Alaska and in 1986 began work which led to the development of ASC. Keld Andersen, an experienced Danish seafood executive, has been appointed Chief Operating Officer and Managing Director of ASC.

Experienced Management. From 1985 to 1989, Mr. Keld Andersen, Chief Operating Officer and Managing Director of ASC, was the general manager of a large modern seafood processing plant, Royal Greenland, in Aalborg, Denmark, which produces ready-made fish dishes, smoked salmon and Greenland turbot, shrimp in brine and other advanced seafood products. During the Royal Greenland plant's development stage, Mr. Andersen was in charge of all feasibility studies, preliminary engineering and construction. After completion of the Royal Greenland plant, Mr. Andersen was in charge of the entire processing plant and was also involved in the marketing and distribution of finished products. During the years 1975-85, Mr. Anderson was Technical Director for one of Denmark's largest primary seafood processors, Skagerak Fiskeexport A/S, and General Manager for a large commercial cold storage operation.

### Financing

Based on construction cost estimates provided by ASC, the total Facility cost is projected to be \$146.4 million. The construction takeout and term financing structure is assumed to be a combination of strategic limited partnership equity and term debt.

ASC is seeking strategic partners and/or investors to invest up to \$50 million equity in the Company. The strategic partners would provide, in addition to the capital investment, significant marketing and distribution expertise for the fish products produced by the Facility.

The debt financing which will be solicited from commercial banks, insurance companies and institutional investors will be arranged after the equity investment has been committed. The Construction Loan will be for 100% of the Facility cost and, at completion will be replaced by the equity investment with the remaining term debt amortized over seven years.

### Sources and Uses of Funds

The following table shows the estimated cost of the Facility and the sources of permanent financing (\$ in thousands).

#### Sources:

Senior Debt	\$ 68,432
Tax Exempt Debt	40,000
Equity	<u>50,000</u>
Total Sources of Funds	<u>\$158,432</u>

#### Uses:

Turnkey Fixed Price Construction Contract	\$ 62,736
Allowance for ASC-Designated Equipment	27,132
Construction Contingency <sup>(1)</sup>	5,989
Land	6,432
Construction Management	2,780
Start-Up Expenses	<u>11,886</u>
Insurance	525
Placement, Legal, Engineering, Accounting and Miscellaneous Fees and Third-Party Reimbursables	8,775
Development Fee	2,000
Lender Fees	3,254
Escalation	7,199
Capitalized Interest	<u>1,724</u>
Total Construction Financing	<u>146,432</u>
Working Capital Reserve	5,000
Debt Service Reserve	<u>7,000</u>
Total Term Financing	<u>158,432</u>
Total Uses of Funds	<u>\$158,432</u>

---

(1) Includes a 5% building contingency and a 10% equipment contingency.



# UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 112  
 Juneau, Alaska 99801  
 907/586-2820  
 Fax: 907/463-2545

## Seafood Industry Contributions to State Revenues - Anticipated FY94

<u>Type of Revenue</u>	<u>Revenue Source</u>	<u>Gross Revenues (millions)</u>
<b>Direct Contributions to General Fund:</b>	Raw Fish Tax	40.3
	CFEC Licensing Revenues	6.0
	ADF&G Crew Member Licenses	2.0
	Commercial Fishing Revolving Loan Fund	5.0
	Confiscated and Test Fish Sales	2.0
	Processors' corporate income taxes	.1
<b>Total Direct Contributions to General Fund:</b>		<b>\$ 55.4</b>
<b>Additional Contributions to the General Fund:</b>	Corporate Income Taxes from other business	Not Broken Out
	Marine Fuel Tax	Significant portion of the \$10.1 million collected
<b>Other Funds Generated by Industry:</b>	Salmon Enhancement Tax (These are passed through to the aquaculture associations to run hatcheries that produce salmon for all users)	6.1
	Seafood Marketing Assessment (These are passed through to ASMI to market seafood)	3.0
	Federal Contributions to management and research	10-12
	Taxes paid by processors to local municipalities and boroughs	No totals, but in millions

**SOURCE:** Alaska Department of Fish and Game, Alaska Department of Revenue, Alaska Department of Labor, CFEC, and ASMI

### MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Longline Fisherman's Association • Alaska Trollers Association • Area K Seiners Association  
 Bering Sea Fishermen's Association • Bristol Bay Driftnetters Association • Concerned Area "M" Fishermen  
 Cook Inlet Aquaculture Association • Cordova District Fishermen United • Kenai Peninsula Fishermen's Association  
 North Pacific Fisheries Association • Northern Southeast Regional Aquaculture Association • Peninsula Marketing Association  
 Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Seafood Producers Cooperative  
 Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association  
 United Cook Inlet Drift Association • Western Alaska Cooperative Marketing Association

(Over)

## Examples of Lost Revenues To the Fishermen, State, and the Seafood Industry

1. Prince William Sound - Have funding available for the best stock assessment tools, to gain the maximum sustained yield in the herring and salmon fisheries. 1972-1988 Fish Tax lost over 1.510 million.

Copper River Counter - Needs two sonar counters that are state of the art to maximum sustained yield. There is a nine-day lag time to the existing sonar counter resulting loss of revenues in fishing time.

2. Area M - Needs herring survey in Dutch Harbor. No full-time area biologist.
3. Cook Inlet - Development of mainstream Susitna sonar counting - a detailed program to evaluate hydroacoustic techniques for counting all salmon species in the Susitna River. Over 24 lakes produce sockeye salmon in the drainage, yet we do not know what escapement objective each lake should have.

4. Southeast Alaska

Horse clams. Lots of regional potential. Indications of a market. No money to support in present budgets, cost unknown.

Seacucumbers - 1992 quota 2.4 million. 1.2 million # Value x vessel/million. Management cost - 50,000 estimated. Need stock assessment of additional and existing areas.

Fishery - SE Red King Crab. No current stock assessment. Result - no fishery. Potential - lost revenues to fishermen of 1.2 million.

5. Kodiak - Lost funding for two weirs on sockeye systems last year. With these weirs gone, result knowledge of the system is lost. Direct loss to fishermen of 20,000 - 30,000 red salmon. These are red salmon over and above escapement goals.

These are only a few examples of lost revenues to the fishermen, state, and the seafood industry. There is untold millions more. I have examples of many others. Contact me if you are interested in more information or have questions.

For additional information or answers to questions, please contact:  
United Fishermen of Alaska, 211 Fourth Street, Suite 112, Juneau, Alaska 99801  
(Phone: 586-2820; FAX: 463-25 )

March 15, 1993

**SB**

**82**

# Alaska State Legislature

STEVE FRANK

119 N. Cushman, Rm. 213  
Fairbanks, Alaska 99701  
(907) 452-3421



Senate

While in Juneau  
P.O. Box V  
Juneau, Alaska 99811  
(907) 465-3709  
Capitol Rm. 417

## MEMORANDUM

TO: Senator Bert Sharp, Chairman  
Senate Transportation Committee

FROM: Senator Steve Frank

DATE: February 15, 1996

SUBJECT: **SB 82 - Opening the Dalton Highway**

---

SB 82 would open the James Dalton Highway (North Slope Haul Road) for public travel all the way to Prudhoe Bay.

The Dalton Highway is maintained by the Department of Transportation and Public Facilities (DOT/PF) with state general fund dollars. Currently, access past Disaster Creek is limited to those with a "commercial purpose." The Dalton is the only public road in Alaska closed to public travel. Once opened to the public, federal highway monies can be expected to upgrade the road.

Thank you for your consideration.

*New fiscal notes  
from DPS, DOT, FIG  
and DEC still to come.*

*2/15*



*Department of Transportation  
and Public Facilities*

# POSITION PAPER

BILL NO: SB 82

APPROVED:

A handwritten signature in black ink, appearing to read "H. J. ...".

TITLE: Opening the Dalton Highway

DATE: February 16, 1993

The Department of Transportation and Public Facilities (DOT&PF) supports opening the entire Dalton Highway to public use. The existing policy of allowing only commercial, industrial, and residential use is expensive to administer, inhibits capital improvement of the facility, limits growth of Alaska's tourist industry, and has not been effective at preventing renegade public traffic from travelling the route. Opening the road to public use would save DOT&PF money by eliminating the need to process requests and issue permits. It would also allow DOT&PF to move forward with much needed improvements by making Federal Aid Highway Program funding available to the northern half of the route. Federal funding is currently not available to the northern half of the highway specifically because it is closed to public use.

The inability to use federal funding for improvements on the route has made it necessary to devote General Fund and operating monies to needed improvements. This has detracted from the state's ability to perform routine maintenance work. Resources that should have been devoted to such work as grading and plowing have had to be diverted to the most critical resurfacing, settlement and drainage repair needs. Bridges which are in need of repair and strengthening had to be deleted from a previous Federal Aid project. Those bridges currently limit the gross weight of truck traffic serving Prudhoe Bay.

The lack of Federal Aid improvement funding on the northern half of the route, coupled with the need to spread an inadequate maintenance budget thinly across a long list of needed improvement and maintenance, has led to a progressive deterioration of much of the 416-mile route. Approximately 50 miles of the closed section of the route were recently rehabilitated with General Fund money. Prospects for similar funding for needed rehabilitation work on another 157 miles are not encouraging. Without opening the route to public traffic, making it eligible for

BILL NO: SB 82

TITLE: Opening the Dalton Highway

DATE: February 12, 1993

Federal Aid funding, there is no apparent means to accomplish the needed rehab work. The northern half of the route would continue to deteriorate to where service would become less reliable, equipment wear would increase, and eventual highway repair would become prohibitively expensive and difficult. The ability to dedicate Federal Aid funding to the entire route would help efforts to bring the route up to an adequate and efficient level of service. It would also allow maintenance funding to be spent on maintaining the everyday drivability of the route.

Additional traffic resulting from opening the Dalton Highway to public use is not expected to add significantly to the amount of maintenance needed. This is because additional traffic would be light, as evidenced by public use of the portion of the highway that is now open, and because the additional traffic would likely consist of standard passenger vehicles which cause comparatively little wear on the road.

The Bureau of Land Management (BLM) has planned for, and is developing, traveler facilities along the route. In responding to existing needs (including traffic that ignores the existing road closure), BLM has made traveler oriented improvements as far north as Galbraith Lake, approximately 67 miles into the closed section. Their planning efforts recognize the recreational potential of the route and are geared to providing services as recreational growth occurs. The tourism that would be drawn to the Dalton Highway would visit other areas of the state as well, and would profit the tourist industry statewide.

**DEPARTMENT OF FISH AND GAME  
POSITION PAPER**

**Bill No:** CSSB 82 (TRA)

**Sponsor:** Senator Frank

**Division:** Wildlife Conservation

**Bill Title:** An Act relating to the Dalton Highway.

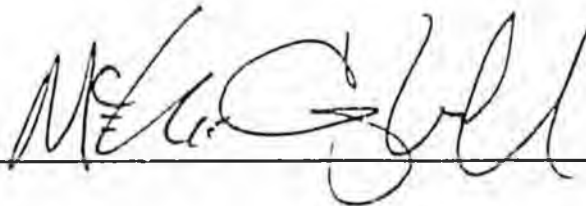
**Department Position:** Support

Background/Legislative Intent: Except for commercial use, the Dalton Highway is nominally closed to traffic at Disaster Creek. The closure is not strictly enforced. This bill would open the highway to unrestricted public use, allowing access to individuals who may be presently inhibited by the "legal" closure.

Analysis of Bill/Program Effects: There is no check station at Disaster Creek to determine whether travelers have commercial use permits, and there is little enforcement of existing permit requirements. Many people ignore the closure. For all practical purposes, the Dalton Highway is already open, and the department and board manage wildlife species along the highway as though it were open to public use.

Most wildlife species near the highway are abundant and can withstand increased harvest. Most hunters using the highway target the Central and Western Arctic Caribou Herds and hunt in August/September. The Division of Wildlife Conservation has maintained a hunter check station on the highway during those two months to monitor harvest of caribou and other species. We intend to continue operating that check station.

Deputy  
Commissioner's Signature



Date 4/19/93

RECEIVED  
APR 21 1993

Ans'd.....



## MILEAGE FOR ELLIOTT &amp; DALTON HIGHWAYS

LOCATION	FROM FAIRBANKS	FROM MP 0 DALTON	FROM YUKON RIVER	BETWEEN POINTS
TOX	11.5	73.5	130.7	
LIVENGOOD	80.8	4.2	61.4	69.3
0 MILE TAPS	85.0	0.0	57.2	4.2
PUMP STATION 6	140.0	55.0	2.2	55.0
YUKON RIVER	142.2	57.2	0.0	2.2
5 MILE AIRPORT	146.4	61.4	4.2	4.2
7 MILE CAMP	148.0	63.0	5.8	1.6
FINGER MOUNTAIN	185.3	100.3	43.1	37.3
OLD MAN	194.5	109.5	52.3	9.2
BEAVER SLIDE	196.4	111.4	54.2	1.9
ARCTIC CIRCLE	202.0	116.0	60.0	5.8
GOBBLERS KNOW	220.1	135.1	77.9	17.9
PUMP STATION 6	225.4	140.4	83.2	5.3
JIM RIVER MAINTENANCE	226.4	141.4	84.2	1.0
KOYUKUK	245.0	160.0	102.8	18.6
COLDFOOT	264.3	179.3	122.1	19.3
WISEMAN TURNOFF	278.2	193.2	136.0	13.9
ETRICH	300.4	215.4	158.2	22.2
HANDALAR	333.0	248.0	190.8	32.6
ATIGUN SUMMIT	337.6	252.6	195.4	4.6
ATIGUN CAMP	342.5	257.5	200.3	4.9
PUMP STATION 4	361.9	276.9	219.7	19.4
GALBRAITH TURNOFF	367.9	282.9	225.7	6.0
TOOLIK	377.7	292.7	235.5	9.8
MS 117-1	384.0	299.0	241.8	6.3
SAG RIVER MAINTENANCE	399.6	314.6	257.4	15.6
PUMP STATION 3	406.0	321.0	263.8	6.4
ICE CUT	419.8	334.8	277.6	13.8
HAPPY VALLEY	429.8	344.4	287.6	10.0
PUMP STATION 2	455.4	370.4	313.2	25.6
FRANKLIN BLUFFS	474.7	389.7	332.5	19.3
END OF DALTON HIGHWAY	511.9	426.9	369.7	37.2
DEADHORSE AIRPORT	515.9	430.9	373.7	4.0



U.S. Department of the Interior  
Bureau of Land Management

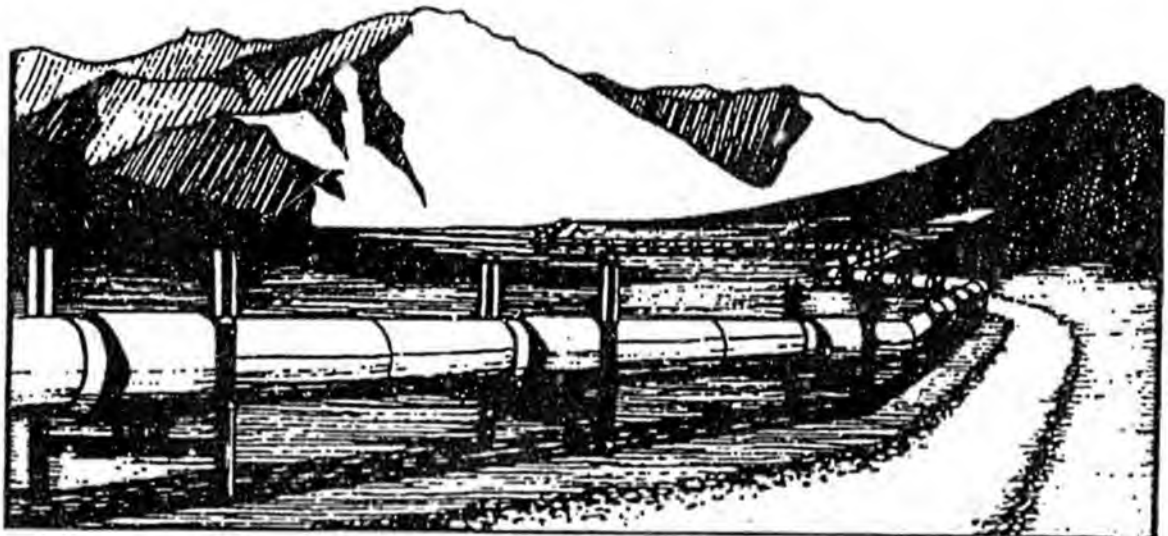


Arctic District  
Fairbanks, Alaska

November 1991

# Dalton Highway Recreation Area Management Plan

## Summary



576 22 1991

### **The Bureau Mission**

The Bureau of Land Management is responsible for the stewardship of our public lands. It is committed to manage, protect, and improve these lands in a manner to serve the needs of the American people for all times.

Management is based on the principles of multiple use and sustained yield of our nation's resources within a framework of environmental responsibility and scientific technology.

These resources include recreation, range, timber, minerals, watershed, fish and wildlife, wilderness, air, scenic, scientific and cultural values.

# Dalton Highway Recreation Area Management Plan

## Summary

prepared by:

The Bureau of Land Management  
Arctic District  
1150 University Avenue  
Fairbanks, Alaska 99709-3844  
Telephone: (907) 474-2202

November 1991

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# Dalton Highway Recreation Area Management Plan

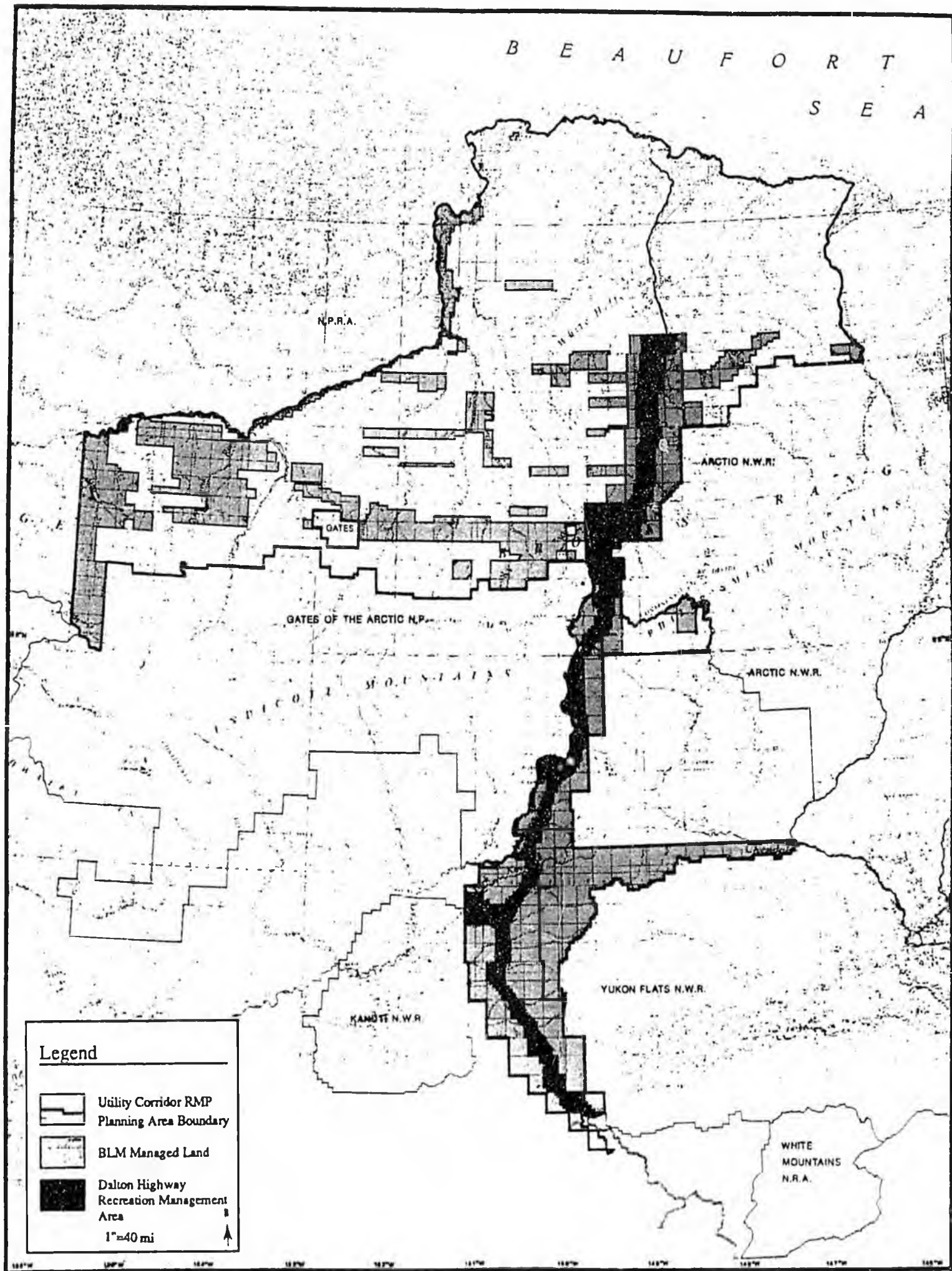
## Background

The Dalton Highway Recreation Area Management Plan is a direct descendant of the Utility Corridor Resource Management Plan (RMP), completed in January 1991. The Utility Corridor RMP, a *general* land use plan, recognized a need for more detailed and specific planning for recreation along the Dalton Highway. To facilitate this recreation-specific planning, or *activity planning*, the RMP established five recreation management areas, one of which is the Dalton Highway Recreation Management Area (see page 3). The RMP placed a very high priority on completion of a recreation activity management plan for this area.







*\* Note: The Utility Corridor RMP addressed many issues, including recreation, mineral development and state selection of lands. The RMP planning area included not only the Utility Corridor, but many other lands north of the Yukon River, including the Central Arctic Management Area and the Venetie Block. The total RMP planning area included 6.1 million acres of BLM-managed land.*

B E A U F O R T  
S E A



**Legend**

-  Utility Corridor RMP Planning Area Boundary
-  BLM Managed Land
-  Dalton Highway Recreation Management Area
-  1"=40 mi

# Dalton Highway Recreation Management Area

## Recreation Planning Area

The Dalton Highway Recreation Area Management Plan (RAMP) addresses approximately 1.1 million acres of public land within the Utility Corridor. It does not cover all Utility Corridor lands—only those corridor lands closest to existing roads, including the Dalton Highway, the Bettles winter road, the Tramway Bar (mining) road and the Wiseman-Nolan-Hammond roads.

## A Need to Plan

Since 1981, much of this area has been accessible to anyone with a car or motorhome. While recreational activity along the Dalton Highway is still relatively light, it is significant and it is increasing. Although there is little data on visitor use, BLM recreation planners in the corridor area estimate that approximately 11,000 visitors arrive by privately owned vehicle and approximately 5,400 visitors travel through as part of commercial tour groups between June and September each year. These figures are expected to triple in the next 10 years if the road north of Disaster Creek (mile 211 Dalton Highway) is opened to public travel.

Existing tourist facilities are few and far between along the Dalton Highway. To accommodate current and future recreational demands, ensure visitor safety, manage the resources and protect the integrity of the energy transportation corridor, BLM needs to identify not only appropriate management objectives, policies and actions, but future staffing and funding requirements.



## Management Objectives





Using BLM's Recreation Opportunity Spectrum classifications, the Dalton Highway Recreation Management Area has been divided into four management zones, each with a different management objective or strategy. The zones are defined on page 9.




- Arctic Coastal Plain Overlook
- Sagwon Bluffs Overlook
- Happy Valley MRS\*
- Ice Cut Interpretive Site
- Slope Mountain Overlook
- Toolik Lake Overlook
- Galbraith Lake MRS\*
- Atigun Valley Overlook
- Spike Camp Creek Wayside
- Chandalar Shelf Overlook
- Upper Dietrich River Wayside
- Nutirwik Creek Trailhead
- Arctic Loon Ponds Overlook
- Disster Creek Wayside/RV Overflow
- Bettles River Trailhead
- Sukakpak Mountain Wayside/Interpretive Site
- Gold Creek Trail Trailhead, Corral
- Bob Marshall Overlook/Interpretive Site
- Coldfoot Node MRS\*
- Rosie Creek Corral
- Cathedral Lake Overlook
- Tramway Bar Recreation Site
- Chapman Lake Interpretive Site
- Casper Lake Trailhead
- South Fork Koyukuk River Recreation Site
- Grayling Lake Recreation Site
- Prospect Creek/Jim River MRS\*
- Solstice Point Wayside
- Little Nasty Creek RV Overflow
- Bonanza Creek Corral, Trailhead
- Arctic Circle MRS\*
- Old Man RV Overflow
- Olsons Lake Overlook
- Finger Mountain Wayside/Overlook
- Whimbrel Hill RV Overflow
- Yukon Flats Overlook
- Sand Hill Interpretive Site
- Ray River Access
- Yukon Crossing MRS\*

**Recreation Area Management Plan  
Facilities**

**Legend**

-  Dalton Highway Recreation Management Area
-  Utility Corridor Boundary
-  State Selection Area: sites located here will be developed only with the concurrence of the state.
-  Multiple Recreation Site

  
Map Location

Scale in Miles  
0 5 10

## Recreation Opportunity Spectrum Classifications

*Rural:* This classification includes the four areas identified by the Utility Corridor RMP as development nodes. The nodes are located at Yukon Crossing, Coldfoot, Chandalar Shelf and Happy Valley. A high degree of recreational development will be allowed in these areas. Development will include visitor centers, campgrounds, dump stations and commercial operations providing lodging, RV hookups, food, auto repair, etc.

*Roaded Modified:* These areas are characterized by a significant modification of the landscape and include former construction camps, existing pump stations and areas of extensive mining activity. In some of these areas, recreation activity and new development is considered inappropriate. In others, such as within the *roaded modified* area near Prospect Creek, a campground is proposed. Large-scale recreational development, such as campgrounds, will be limited to as *roaded modified* and *rural areas*.

*Roaded Natural:* This area generally includes lands within a half-mile either side of the Dalton Highway, the Bettles winter road, the Tramway Bar (mining) road and the Wiseman-Nolan-Hammond roads. The area's boundaries vary from the half-mile standard where necessary according to terrain and resultant viewshed. Within this zone, limited recreational facilities will be provided, including overlooks, waysides, small picnic areas and horse corrals. BLM will strive to maintain a generally natural environment while protecting the corridor's primary function of being a transportation corridor for energy materials.

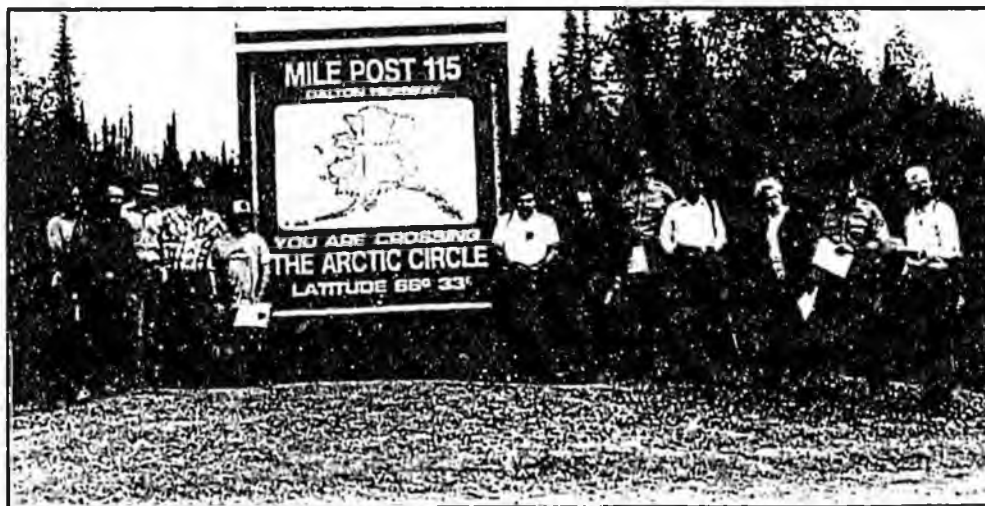
*Semi-Primitive Motorized:* These lands are generally more than a half-mile from improved roads and are characterized by an essentially unmodified environment. Facility development will be limited to marking and occasional clearing (or other minor improvement) of existing trails, and possible rehabilitation of existing cabins that are in trespass on public lands.

## Proposed Facilities and Construction Schedule

Several factors were considered in developing an implementation schedule for facility construction. Among the considerations were: the issue(s) to be addressed by the proposal (safety was considered a high priority), current and projected user demand, project cost, available staffing and site location. Another factor that would be considered prior to construction would be the status of the Dalton Highway for public travel. Construction of certain facilities will not occur if the northern part of the road remains closed. Construction of facilities north of Toolik Lake, on lands to be opened to state selection under the Utility Corridor RMP, will occur only if the state concurs and appropriate agreements are reached. Lands that will be opened to state selection at Coldfoot will not include lands identified by the BLM as necessary for facility development.

BLM's Arctic District has proposed the following facility construction schedule for the Dalton Highway Recreation Management Area, however, implementation could be affected by any of several factors discussed above.

*Note: Facility construction and implementation of all aspects of the proposed plan are dependent on adequate funding. If such funding is not available, implementation schedules will be adjusted accordingly.*



# Construction Phase 1

## Phase 1 Construction (first 3 years):

### Yukon Crossing:

- Temporary Visitor Contact Station \*
- Dump station
- RV Overflow \*

### Yukon Flats Overlook

### Whimbrel Hill RV Overflow \*

### Finger Mountain:

- Wayside
- Interpretive Site

### Old Man Camp RV Overflow \*

### Arctic Circle:

- Wayside/Interpretive Site \*
- Campground
- RV Overflow \*

### Little Nasty Creek RV Overflow \*

### Solstice Point Wayside/Interpretive Site \*

### Prospect Creek/Jim River RV Overflow \*

### South Fork Koyukuk Recreation Site (sanitation and litter only) \*

### Cathedral Lake Overlook

### Rosie Creek Corral

### Coldfoot:

- Marion Creek Campground
- Dump Station \*
- Administrative Site
- Trailhead
- RV Overflow \*

### Sukakpak Mountain Wayside/Interpretive Site \*

### Disaster Creek RV Overflow \*

### Upper Dietrich River Wayside

### Spike Camp Creek Wayside

### Atigun Valley Overlook

### Galbraith Lake:

- Visitor Contact Station
- Wayside \*
- RV Overflow \*

### Toolik Lake Overlook

### Happy Valley RV Overflow \*\*

\* Denotes projects to be completed for Rendezvous '92, the year-long celebration of the 50th anniversary of the completion of the Alaska Highway in 1942.

\*\* Denotes sites on land available for state selection (no development without state concurrence)

## Construction Phases 2 and 3

### Phase 2 Construction (years 4 - 6):

#### Yukon Crossing:

- Permanent Visitor Center
- Campground
- River Parking
- Administrative Site

#### Ray River Access

#### Bonanza Creek:

- Trailhead and Corral
- Cabin

#### Prospect Creek Campground

#### Grayling Lake Recreation Site

#### South Fork Koyukuk Recreation Site

#### Chapman Lake Interpretive Site

#### Tramway Bar Recreation Site

#### Coldfoot:

- Visitor Center
- River Access

#### Bob Marshall Interpretive Site

#### Gold Creek Trailhead

#### Disaster Creek Wayside

#### Arctic Loon Ponds Overlook

#### Chandalar Shelf Overlook

#### Galbraith Lake Campground

#### Slope Mountain Overlook\*\*

#### Happy Valley:\*\*

- Administrative Site\*\*
- Wayside\*\*

### Phase 3 Construction (years 7 - 10):

#### Sand Hill Interpretive Site

#### Olsons Lake Interpretive Site

#### Casper Lake Trailhead

#### Bettles River Trailhead

#### Nutirwik Creek Trailhead

#### Galbraith Lake:

- Corral
- Trailhead

#### Ice Cut Interpretive Site\*\*

#### Sagwon Bluffs Overlook\*\*

#### Arctic Coastal Plain Overlook\*\*

## Project Planning

All facility development will require a project plan. Project planning involves a site-specific analysis and evaluation of the proposed development. This will result in a last refinement of the proposal, including a final determination of use areas, facilities and services required. It is during project planning that design parameters will be established, site limitations and project-specific mitigation identified, and an environmental assessment completed. State, borough, other federal agency, and industry involvement is critical at this stage. Through various agreements with each of these parties, BLM hopes to establish appropriate contact points and procedures to facilitate this phase of planning.

Project planning is followed by project survey, design and construction.

# Facility Development

Site Name or Location	Mile post	Primary Issues <sup>1</sup> Addressed	Type of Development	R/T <sup>2</sup>	Primary Activities <sup>3</sup> Possible	Phase <sup>4</sup>
Yukon Crossing Node (includes 60 Mile site)	56 to 60	All	visitor contact station, dump station, campground, river access, administrative site, RV overflow area	R/T	camping, fishing, boating, hiking, picnicking, hunting, interpretive sightseeing	1 & 2
Ray River	70	RO	river access	-	floatboating, fishing, hiking, hunting	2
Sand Hill	73	I	interpretive site	-	interpretive sightseeing	3
Yukon Flats	86	I	overlook	-	interpretive sightseeing	1
Whimbrel Hill	94	RP	RV overflow	-	overflow camping	1
Finger Mountain	98	H&S, I	wayside, overlook	R/T	interpretive sightseeing, hiking	1
Olsons Lake	103	I	overlook	T	interpretive sightseeing, hiking	3
Old Man Camp	107	RP	RV overflow	-	overflow camping	1
Arctic Circle	115	All	campground, wayside, RV overflow, interpretive site	R/T	camping, hiking, interpretive sightseeing, picnicking	1
Bonanza Creek	124	RP, RO	corral, trailhead, cabin	R/T	hunting, hiking, fishing, floatboating, camping	2
Little Nasty Creek	129	RP	RV overflow	-	overflow camping	1
Solstice Point	132	H&S, I	wayside	R/T	interpretive sightseeing, off-road vehicles	1
Prospect Creek/ Jim River	135	RP, RO	campground, RV overflow	R/T	camping, fishing, hunting, hiking, floatboating, interpretive sightseeing, picnicking	1 & 2
Grayling Lake	150	RO	lake access, dock	T	floatplane access, picnicking	2
South Fork Koyukuk River	156	RP	recreation site	R/T	fishing, hunting, hiking, floatboating, recreational mining	1 & 2
Casper Lake	158	RO	trailhead, cabin	T	fishing, hiking, hunting	3
Chapman lake	161	RP, I	interpretive site	T	fishing, hiking, picnicking	2
Tramway Bar	161	RO	river access, recreation site	T	floatboating, fishing, hunting, picnicking	2
Cathedral Lake	165	I	overlook	-	interpretive sightseeing	1
Rosie Creek	173	RP	corral	T	horseback riding, hunting	1
Bob Marshall	187	I	overlook	T	interpretive sightseeing	2
Coldfoot Node (includes Marion Creek)	175 to 180	All	visitor contact facility, administrative site, campground, river access, trailhead, RV overflow, dump station	R/T	camping, interpretive sightseeing, floatboating, fishing, hiking, hunting, picnicking, dog mushing	1 & 2

Site Name or Location	Mile post	Primary Issues <sup>1</sup> Addressed	Type of Development	R/T <sup>2</sup>	Primary Activities <sup>3</sup> Possible	Phase <sup>4</sup>
Gold Creek Trail	197	RP, RO	trailhead, corral	T	off-road vehicles, hiking, horseback riding, hunting, recreational mining	2
Sukakpak Mountain	204	H&S, I	wayside, interpretive site	R/T	interpretive sightseeing	1
Bettles River	207	RO	trailhead, river access	-	fishing, hiking, hunting, floatboating, recreational mining	3
Disaster Creek	211	RP	wayside, RV overflow	R/T	rest area, turnaround	1 & 2
Arctic Loons Ponds	215	I	overlook	T	interpretive sightseeing	2
Nutirwik Creek	227	RO	trailhead	T	hiking	3
Upper Dietrich River	235	H&S	wayside	R/T	rest area	1
Chandalar Shelf	237	I	overlook	-	interpretive sightseeing	2
Spike Camp Creek	250	H&S	wayside	R/T	interpretive sightseeing, rest area	1
Atigun Valley	261	I	overlook	-	interpretive sightseeing	1
Galbraith Lake	275	All	campground, wayside, corral, trailhead, RV overflow	R/T	camping, hiking, interpretive sightseeing, picnicking	1 & 2
Toolik Lake	286	I	overlook	-	interpretive sightseeing	1
<i>Slope Mountain</i>	301	I	overlook	T	interpretive sightseeing	2
<i>Ice Cut</i>	325	I	interpretive site	-	interpretive sightseeing	3
<i>Happy Valley Node</i>	334	H&S, RP	wayside, RV overflow, administrative site	R/T	rest area, overflow camping	1 & 2
<i>Sagwon Bluffs</i>	344	I	overlook	-	interpretive sightseeing	3
<i>Coastal Plain</i>	354	I	overlook	T	interpretive sightseeing	3

NOTE: Sites indicated in italics are on lands to be available to state selection; further planning and development will not proceed without state concurrence.

<sup>1</sup> Issues:

H&S: Visitor Health, Safety and Basic Services

RP: Resource Protection

RO: Developed Recreation Opportunity

I: Information and Interpretation

<sup>2</sup> R/T: Indicates presence of restrooms (R) and/or trash (T) receptacles

<sup>3</sup> Primary activities best suited for this area. (At present, snowmachining opportunities are restricted by State law, thus it is not listed. Snowmachining will be an opportunity at many locations if restrictions are lifted.)

<sup>4</sup> Phase indicates when construction is to begin (assuming funding is available). At sites where many facilities are proposed with different development schedules, more than one phase may be indicated. Phases indicated are:

1: First phase construction, to begin in first 3 years;

2: Second phase construction, to begin in years 4 through 6;

3: Third phase construction, to begin in year 7 or later.

**TANANA CHIEFS CONFERENCE, INC.**

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FAIRBANKS, ALASKA 99701-4897  
PHONE (907) 452-8251 FAX (907) 451-8938

February 22, 1993

Mr. Edward Kussy  
Deputy Chief Counsel  
Office of Chief Counsel  
Federal Highway Administration  
400 Seventh St.  
Washington, D.C. 20590

Re: North Slope Haul Road (Dalton Highway)

Dear Mr. Kussy:

The Alaska State Legislature is currently considering legislation to open the Dalton Highway (North Slope Haul Road) to the general public. The road runs from the Yukon River to the North Slope and is currently partially closed to the general public. It is open principally for industrial and commercial traffic in support of the North Slope oil development. The opening of the road is a controversial matter, and administrative attempts to open the road to the general public has been the subject of ongoing litigation against the State. Tanana Chiefs Conference (the regional Native non-profit corporation for Interior Alaska) is a party to that litigation and is opposed to the opening of the road to the general public without restrictions. The federal government is not a party to any litigation on the issue at this time, however, the controversy gives rise to several questions, which we hope you may be able to clarify.

The highway is seriously under-maintained, and some proponents of the opening have argued that opening the road to the general public will make available federal highway construction funding for reconstruction efforts. While we understand that as a general matter, FHWA funding may only be used on public highways, we believe that the Dalton Highway is exempt from this requirement under 16 USC §3172(a). We are therefore requesting a clarification on this issue. Specifically, can Federal highway construction funds be used on the Dalton Highway if it remains partially closed to general public use?

There are two sub-issues relating to the obligation of the Governor and the Secretary of Transportation to enter into an agreement relating to the number of vehicles and seasonality of use of the road under this section. The statute clearly uses mandatory language respecting this agreement. We understand that this has not been executed, however, we believe that this could be done easily. It could be that the absence of this agreement is the reason why federal funds have not be used on the haul road. If this is the case, we would appreciate clarification on this matter. On the other hand, given that this section of ANILCA uses mandatory language respecting this agreement and regulation, there is a question whether the state may unilaterally open the haul road without a federal-state agreement respecting the number of vehicles and seasonality of use of the road under this section. Considering this language, may the State unilaterally open the road to public use in the absence of such an agreement between the Governor and the Secretary?

It also appears that 16 USC §3172(b) relieves the State of Alaska from any obligation to repay funds to the Federal Highway Administration because of its failure to comply with federal statutes relating to standards of maintenance and public use. The statute seems to suggest that the State's obligation to repay these funds is released only so long as the road remains closed in accordance with the provisions of 16 USC §3172(a). If the road is open to the general

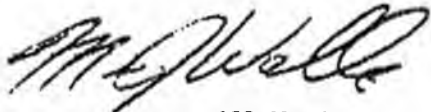
public, would the state be liable to the FHWA for prior federal construction expenditures?

Finally, we believe the Dalton Highway is classified as a secondary highway. There is no dispute that the roadbed has seriously deteriorated and that the road does not comply with federal highway standards. Consequently, it is very questionable as to whether the State has fulfilled its obligations to maintain the road to these federal standards. We understand that these standards have been waived by §3172, and that if the road is opened to the public, this waiver would no longer apply. If the State had an obligation to maintain the road in compliance with these standards, we believe that it would require virtual reconstruction of the road. Our final question is, if the road is open to the general public, would the state be obligated to maintain the road according to federal standards?

Thank you for your consideration of these matters. We hope to hear from you soon.

Sincerely,

TANANA CHIEFS CONFERENCE, INC.



Michael J. Walleri  
General Counsel

cc: Congressman G Miller  
Sen. G. Lincoln  
Rep. E. McLean  
Rep. I. Nikolai

Draft 12/10/92

**AGREEMENT RESPECTING THE MANAGEMENT OF THE DALTON  
HIGHWAY AND THE TRANS-ALASKA UTILITY CORRIDOR**

Pursuant to §§ 1201 and 809 of the Alaska National Interest Lands Conservation Act the US Dept. of the Interior, Bureau of Land Management, the State of Alaska, the North Slope Borough, the Tanana Chiefs Conference, Inc, and the Northern Alaska Environmental Center, hereby enter into this agreement in settlement of certain litigation respecting the management of Dalton Highway and the Trans Alaska Utility Corridor.

**Introduction**

WHEREAS, the North Slope Borough and the Tanana Chiefs Conference, Inc. have obtained an injunction against the State of Alaska to challenge certain changes in State administrative regulations and management policies which would open the Dalton Highway to non-commercial/non-industrial traffic north of the Yukon River, the matter having been appealed by the State and currently pending before the State Supreme Court, and

WHEREAS, the parties to that litigation seek to settle their claims by providing mitigation for impacts upon subsistence and provide for governmental service impact assistance to local governments,

WHEREAS, Efforts to mitigate the impacts on subsistence and demand for governmental services in the vicinity of the Dalton Highway require coordination between the Bureau of Land Management, which manages the land within the Trans Alaska Utility Corridor, and the State of Alaska

WHEREAS, the Northern Alaska Environmental Center has brought suit against the Bureau of Land Management challenging the RMP and RAMP

adopted by the BLM for the Trans-Alaska Utility Corridor, and

WHEREAS, the State and the BLM are desirous of protection of subsistence resources in the area and to promote economic development which will benefit the residents of the area,

WHEREAS, the parties mutually agree that the identification of mutual goals commonly and coordination of planning between the relevant agencies will avoid conflicts in management of the Dalton Highway and the Trans Alaska Utility Corridor

WHEREAS, the BLM RMP and RAMP for calls for the establishment of cooperative agreements under §1201 of ANILCA for the coordination and cooperation between resource management agencies, adjacent landowners and resources users,

NOW THEREFORE THE PARTIES NAMED ABOVE, IN MUTUAL CONSIDERATION FOR THE PROMISES STATED HEREIN, HEREBY AGREE AS FOLLOWS:

## I. OPENING OF DALTON HIGHWAY

(a) The State may open the Dalton Highway to non-industrial, non-commercial traffic at all times, except as follows:

- 1) that the portion of the Dalton Highway north of the Yukon River, will be closed to non-industrial and noncommercial traffic at any time in which a GMU or portion of a GMU transected by the Highway is open for the harvest of moose, caribou, or bear;
- 2) that the portion of the Dalton Highway north of the Yukon River will be closed to non-industrial and noncommercial traffic for any fiscal year that the State or the Federal government fails to fund the operations and

capital budget items necessary to comply with Sections II and III of this agreement.

(b) The State and the BLM shall prohibit use of the Dalton Highway by any individual or group of individuals, for aiding or facilitating the transportation of such individual into or out of the GMU's transected by the Dalton Highway for the harvest of moose, bear or caribou, or for the purpose of trapping, or for the purpose of removing any wild game or game parts from such GMU's. The State and the BLM shall make best efforts to adopt the prohibitions of this subsection in regulations of the Alaska Department of Fish & Game or Alaska Department of Transportation, and the regulations of the United States Department of the Interior.

(c) Closures under subsection (a) and prohibitions under subsection (b) of this agreement shall not restrict access or the use of the Dalton Highway by hunters otherwise qualified to harvest moose, caribou or bear for subsistence uses or for such other harvest of moose, caribou or bear by bow and arrow, as may be otherwise provided for by applicable regulation. For the purposes of this subsection, access for non-industrial or noncommercial traffic for permitted uses may only be accommodated by the establishment of a permit system.

## II STATE MANDATED SERVICES.

(a) With respect to the Dalton Highway and the GMU's transected by the Dalton Highway, the State shall

(1) operate and maintain search and rescue and emergency medical services for the Dalton Highway, and shall assume all costs associated with such program,

(2) reconstruct that portion of the Dalton Highway necessary to return the road surface, base and shoulders, to original design construction specifications.

(3) maintain a minimum of two state troopers for patrol of the Dalton Highway north of the Yukon River,

(4) maintain a minimum of two fish and wildlife enforcement officers for patrol of the Utility Corridor,

(5) cooperate in the review and study required under Sec. III(c) of this agreement, which shall include, but not be limited to providing all available data on fish and game populations and subsistence use in the study area at no cost to the BLM or other cooperating agencies.

### III. BLM MANDATED SERVICES.

(a) The BLM shall maintain the following personal and support services, within the Trans-Alaska Utility Corridor:

- (1) three BLM Rangers, two of whom must be stationed at the visitor center to be constructed at the Dalton Highway Crossing of the Yukon River,
- (2) one paramedic, whose services are to be coordinated with the

The rangers under this section shall have the authority to enforce the terms of this agreement respecting access and use of the Dalton Highway, and state and federal hunting and fishing regulations in the Utility Corridor and adjacent federal lands, as well as State and federal regulations which currently exist or may be adopted to implement compliance with this agreement.

(b) The BLM shall construct operate and maintain a visitor center serving the Utility Corridor to be located on the Dalton Highway in the vicinity of the Dalton Highway Crossing of the Yukon River. The visitor center shall include a gate, which shall be supervised by BLM, across the Dalton Highway to control access in accordance with this agreement. The visitor center shall also contain space available to tour concessionaires, which shall include, but not be limited to, Dinyee Corporation. Concessionaire operations of the visitor center shall be operated in accordance with Section IV of this agreement. The Construction of the Yukon River Crossing visitor center shall have a priority over the construction of other BLM support facilities.

(c) The BLM, or other appropriate Interior Department agency, shall undertake, within one year, to conduct a review of the fish and wildlife resources of the Utility Corridor to determine the optimum healthy population levels of bear, caribou, and moose within the Utility Corridor and adjacent federal lands within the GMU's transected by the Utility Corridor. The review will also include a baseline study of subsistence use of such resources which shall assess the customary and traditional level of subsistence harvest of such resources by the rural residents having a customary and traditional subsistence use of such resources. This study shall be completed by January 1, 1996. In conducting baseline study of subsistence use, the BLM will seek to develop a cooperative agreement under Section 809 of ANILCA with Tanana Chiefs Conference and the North Slope Borough.

#### **IV. LOCAL ENTERPRISE DEVELOPMENT OPPORTUNITY PROGRAM.**

(a) There shall be established a local economic development task force composed of one person appointed by each of the following: the Commissioner of the Alaska Department of Community and Regional Affairs, the Mayor of the North Slope Borough, the Yukon Tanana Sub-regional Board of Tanana Chiefs Conference, Inc., and the Alaska State Director of BLM. The task force shall meet on at least a quarterly basis and identify local enterprise opportunities arising out of the management of the Dalton Highway and the Utility Corridor, including but not limited to concessions, licences, and maintenance or construction contracts. The task force shall also seek to identify businesses owned and operated by residents of communities within the Utility Corridor, the North Slope Borough and the communities of Allakaket, Alatna, Hughs, Huslia, Tanana, Rampart, Minto, Evansville, and Stevens Village, including but not limited to the the ANCSA corporations of the two regions, to participate in such local enterprise opportunities. The costs for the operations of the Taskforce shall be born by the State and the BLM in equal shares.

(b) There shall be established a local development opportunity program by the Alaska Department of Community and Regional Affairs. The program will assign staff to assist the local economic development task force organized pursuant to this section, and to

assist local enterprises in participating in local enterprise opportunities identified by the taskforce, which shall include such assistance as the development of business plans, contract proposals and finance packaging.

## V. LAND USE ADVISOR COMMITTEE

(a) There shall be established a land use advisor committee composed of one person appointed by each of the following: the Commissioner of the Alaska Department of Community and Regional Affairs, the Mayor of the North Slope Borough, the Yukon Tanana Sub-regional Board of Tanana Chiefs Conference, Inc., the Northern Alaska Environmental Center, and the Alaska State Director of BLM, The task force shall meet on at least a quarterly basis. The State and BLM shall advise and give notice of planned development activity for the Dalton Highway and the Utility Corridor at such meetings prior to submission of any budget requests to fund such activity or the application for required permits or licences, or proposal of regulation whichever is prior in time, provided that hunting and fishing regulations establishing seasons and bag limits shall not be subject to these provisions. Upon the request of any advisor committee member and the identification of concerns by such advisor that the proposed activity is inconsistent with the principles stated in sub-section (b) of this section, such development shall be referred to mediation as provided in this section, and such development activities shall abate pending resolution of the mediation process.

(b) Proposed activities within the Utility Corridor and the Dalton Highway shall be evaluated based upon the following principles:

(1) The primary purpose of the Utility Corridor is to facilitate transportation in support of industrial development of the North Slope oil and gas fields.

(2) The wild renewable resources of the Corridor and adjacent federal lands shall be managed in a manner consistent with the provisions of Title VIII of ANILCA, which provide for the maintenance of healthy fish and wildlife populations and priority in use for rural subsistence residents having a customary and traditional use of the subject populations.

(3) The environmental integrity of the corridor shall be maintained for the purpose of protecting healthy populations of fish and wildlife, scenic opportunities and recreational values. Mitigation of environmental impacts shall be contingent upon data, and shall employ the highest operationally intensive and least capital intensive responses. Prior to such responses, the proposing agency shall first monitor and collect data respecting anticipated impacts and develop alternative responses for agency consideration.

(4) Recreational development alternatives shall be selected to maximize highest multiplier economic effect within the local economies of the area and to mitigate the cumulative environmental impacts in the area in a manner consistent with paragraph (3) of this subsection.

(5) Trails and trailhead development within the corridor which provide access to lands not within the corridor and managed by agencies other than the BLM shall be consistent with land management plans for such management units.

(c) Upon referral to mediation, the committee shall request the services of the US Department of Justice Community Mediation Services, or other mediator identified by the Committee. The advisor having such concerns shall submit written statements of concern respecting the proposed activity. Other advisors may submit responses. Upon submission of these statements the mediator shall undertake mediation efforts to resolve the respective articulated concerns. The parties may undertake litigation in a court of competent jurisdiction respecting a proposed activity only in the event an impasse is declared by the mediator.

## VI. RAMP MODIFICATION AND/OR REVIEW.

(a) The following proposed projects identified in the Utility Corridor RAMP shall be deleted from such plan:

- \* Ray River Access
- \* Finger Mountain

- \* Bonanza Creek
- \* Prospect/ Jim River
- \* Gold Creek,
- \* Bettles River Parking, and
- \* all proposed corrals.

(b) The following proposed projects identified in the Utility Corridor RAMP shall not be subject to further review under section V of this agreement:

- \* Yukon Crossing
- \* Arctic Circle
- \* Bob Marshall Overlook
- \* Coldfoot, except for Boat Ramp development.

(c) All remaining proposed projects identified in the Utility Corridor RAMP shall be subject to further review under section V of this agreement.

## **VII. STATE INDEMNITY OF LOCAL GOVERNMENTS AND SERVICE PROVIDERS**

The State shall indemnify, hold harmless and otherwise reimburse local governments and service providers in the area for any costs, claims or liabilities incurred in providing or failure to provide emergency, medical, search and rescue services to the public.

## **IX. ENFORCEMENT.**

Any party may seek to enforce the terms of this agreement in a court of competent jurisdiction, provided that with respect to matters addressed Sec. V, such parties shall exhaust the mediation process.

## **X. SETTLEMENT OF LITIGATION.**

This agreement shall become effective upon execution of this document by all the named parties indicated above. Within thirty days of the execution, the parties to this agreement shall dismiss all pending litigation. Notwithstanding such dismissals, the State agrees to pay the award of attorney fees to plaintiffs in the case of North

Slope Borough, et al. v Turpin, et al., Case No. \_\_\_\_\_  
(Ak. Superior Court).

TESTIMONY  
OF  
MICHAEL J. WALLERI

General Counsel  
TANANA CHIEFS CONFERENCE

before the  
Senate Transportation Committee  
Alaska State Legislature

regarding

S. B. 82  
OPENING OF THE DALTON HIGHWAY

Feb. 23, 1993

The removal of use restrictions on the Dalton Highway is a controversial issue that has plagued the Alaskan political scene since the construction of the road and the pipeline. Tanana Chiefs Conference has always opposed unrestricted use of the road because of the likely negative impacts upon subsistence uses and resources in the area. Generally, TCC's policy is to protect subsistence uses and resources in the area, and to assure that economic development in the area benefits the local communities. TCC is more concerned about the impacts of general access into the Corridor, than the mere fact of access. This legislation fails to address the impact issues.

Our biggest problem has been with illegal hunting in the corridor. While it is illegal to hunt in the corridor, hunting occurs on a regular basis because the road is open now during hunting season and there is no law enforcement in the area. The lack of state law enforcement in the area has seriously depleted game populations in the area. TCC would like to see some controlled tourism development in the area, however, unregulated access into the area will destroy the subsistence economy in the area. The easiest and most effective way to control illegal hunting is to control access on the Dalton Highway. With proper controls- which are not in place at the current time- access for other uses can occur. In the absence of such controls, TCC must oppose any further lessening of restrictions.

The wider policy considerations of the issue include concerns about national defense issues, protection of wilderness values, conflicts with commercial and industrial users, safety, maintenance, liability issues and the cost/benefit of general public use of a road which does not serve a community and is primarily serves the oil fields of the North Slope. Additionally, the lands in the Utility Corridor south of the Brooks Range are owned and managed by the BLM, and are inextricably tied to the BLM management plans for the Trans-Alaska Utility Corridor.

In 1991, the Administration sought to remove use restrictions by a change in the State regulations. TCC and the North Slope Borough, brought suit and obtained an injunction under state law to prevent the opening. The Court held that the administration had violated the Administrative Procedure Act by failing to properly produce the required administrative fiscal notes. Additionally, the

Court held that the road could not be opened unless the legislature changed the Dalton Highway Act. The matter continues in litigation.

In anticipation of these efforts by the State, the BLM adopted land use plans for the Corridor. In particular, the BLM adopted a Recreation Area Management Plan (RAMP) for the corridor, which it felt was consistent with the State Administration's efforts to open the highway to the general public. Last minute efforts in the last Congress sought to withdraw those plans, and it is uncertain whether a similar concern might arise in the current Congress and new Federal Administration. Currently, environmental organizations and TCC are preparing litigation to challenge those plans, as an alternative to possible federal legislation.

Given this complex and conflicting milieu, the Hickel Administration, through the offices of Commissioner Blatchford, has undertaken discussions toward a comprehensive settlement of the controversies surrounding the haul road and the management of the utility corridor with the TCC, the North Slope Borough, BLM, and some environmental groups. These are the first discussions between these various interests which sought to settle the matter, and the parties produced a draft memorandum of agreement, which could pave the way to a rational management regime for the area. If successful, these discussions would produce a consensus agreement between these traditionally hostile interests. Unfortunately, passage of SB 82, in its present form, will only re-spark the conflict which has raged in Juneau and Washington DC over the last decade. However, one problem which the parties have encountered in our efforts to come up with a comprehensive settlement is that such an agreement would require changes in state legislation. In this context, SB 82 suggests a vehicle to accomplish the needed changes.

TCC would like to continue with these discussions and would propose drafting a bill substitute, which would either authorize the governor to enter into a memorandum of agreement with the BLM (and possibly the Secretary of Transportation) and other interested parties to implement this agreement, or to redraft the legislation to incorporate the proposed management provisions contained in the agreement into the statute.

## THE DRAFT AGREEMENT

The draft proposed agreement is attached. It is important to understand that this agreement is a draft for discussion purposes only, and no party has endorsed the draft in its current form. It merely seeks to incorporate certain concepts discussed by the parties to date. In its current form, the agreement would:

- \*open the road to the general public, except during hunting season or for hunting uses.
- \* obligate the state to maintain a minimum level of services on the road, including highway maintenance, search and rescue, EMT, trooper and fish and wildlife enforcement services.
- \* provide BLM financial support for some of these services.
- \* establish a local enterprise development program
- \* establish a coordinated land use planning process and dispute resolution process.
- \*indemnify and hold harmless the local governments in the area for any failure to provide emergency services to the area.

In addition to settling the underlying controversies in the area, the proposed settlement would provide federal assistance to support needed services in the area. Additionally, it would establish an economic enterprise program to assure local involvement, and a long term planning process with articulated standards to resolve future conflicts in the area.

## PROBLEMS WITH SB 81

In the absence of a long-term comprehensive settlement to the proposed legislation does not address several policy and legal issues raised by the federal in the area. In particular, the legislation fails to address the unique treatment of the Dalton Highway under Federal law, new federal highway planning standards and processes, and the relationship between the highway management and management of adjacent federal lands.

1) Opening The Haul Road Will Not Increase Federal Funds To Alaska And May Create A Claim By The Federal Government To Recover Past Federal Highway Funds Used to Build the Road.

Proponents of this bill argue that opening the road to the general public will make additional federal highway funding available to the State to upgrade the Dalton Highway. There are several problems with this argument. The two most important facts about this argument are that:

- 1) Alaska currently receives its full allocation of federal highway funding, and adding additional roads would not increase the funding available to the State, and
- 2) it totally ignores the provisions of ANILCA relating to the North Slope Haul Road. 16 USC §3172 (attached) which makes the road eligible for federal funding notwithstanding the fact that the road is closed to the public.

Most importantly, as you all know, Alaska participates in the federal aid highway program, and receives an allocation of federal assistance under the this program. Each state receives a maximum allocation for federal assistance, and Alaska currently receives its maximum allocation. As a result, the addition of new roads will not make new federal money available to Alaska.

It is equally important to note that federal funds were used in the construction of portions of the Dalton Highway. While it is true that federal highway funds are normally only available for public highways, ANILCA provides an exemption for the haul road which allowed and continues to allow the use of federal funds despite the fact that part of the road is limited to commercial and industrial traffic only. 16 USC §3172 (see attachments). This totally refutes the claims of the proponents of this legislation.

Unfortunately, however, this provision of ANILCA could actually trigger an obligation of the state to repay prior federal funds used to construct the road because of the state's past record of deferred maintenance. There are few people who would argue with the observation that the State has failed to fully maintain the road in compliance with federal standards relating to secondary roads. The .

provisions of § 3172 provide a blanket exemption to all federal requirements, including the maintenance obligations of the State under the federal statutes.

Normally, the failure of a State to maintain a road in accordance with federal standards and meet other federal regulations, would give rise to an obligation to repay the federal share of the project. The ANILCA exemption expires if the use restrictions are removed. Consequently, the State's exemption from its obligation to repay funds to the FHWA would also expire, and the State may be required to pay back construction funds. The alternative would be for the State to totally reconstruct the road to comply with its maintenance obligations.

Additionally, ANILCA requires the State and the FHWA to enter into an agreement respecting the number of vehicles and seasonality of use of the road. This has not been done, and raises real questions about the ability of the state to unilaterally open the road without federal concurrence.

These issues have raised serious questions which this Committee should seek to resolve before preceding with this bill. If we have learned anything from the subsistence debate, it is that the federal government will enforce the provisions of ANILCA. TCC has raised these issues to the FHWA (see attached letter to Kussy). Specifically we have made inquiry on the following matters:

- 1) May Federal highway construction funds be used on the Dalton Highway if it remains partially closed to general public use?
- 2) May the State unilaterally open the road to public use in the absence of such an agreement between the Governor and the Secretary?
- 3) If the road is open to the general public, would the state be liable to the FHWA for prior federal construction expenditures?
- 4) If the road is open to the general public, would the state be obligated to maintain the road according to federal standards?

We believe that these questions should be resolved before the restrictions upon the road are lifted. At a minimum, the resolution of these issues are necessary in order to properly prepare a fiscal note for this legislation.

2) Legislative Removal Of Restrictions On The Dalton Highway May Violate New Federal Planning Requirements.

For some time the federal government has required a statewide planning process in order for a State to qualify for federal highway aid. In 1991, Congress adopted the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). ISTEA now requires a more elaborate statewide planning process which is set out in 23 USC §135. In particular, the new planning requirements require consideration of a number of matters, which are at issue with regard to the management of the Dalton. These include new requirements to consider

- \* the overall social , economic, energy and environmental effects of transportation decisions,
- \* the effect of transportation decisions on land use and land development,
- \* efficiency of transportation facilities,
- \* concerns of tribal governments
- \* strategies to improve rural economic growth.

Additionally, the new planning requirements require a hearing and coordination process, which would be short circuited by the proposed legislation. Interestingly, the Hickel Administration has been several criticized for failing, in the past, to consider local concerns in setting highway policy. In this case, however, Governor Hickel has undertaken an effort to consider these matters, and to consult with the local areas in managing the Dalton Highway. Enactment of this bill would moot that effort, and raise a serious question as to the State's compliance with the ISTEA planning process in the Utility Corridor.

3) Lack Of Coordination With The BLM RMP and RAMP Development Will Frustrate Tourist Industry Development In The Corridor.

The primary benefit of expanded access to the Dalton is the economic benefit of tourism in the area. TCC supports tourism development, and some of the villages in the area are actively promoting tourism. For example, the Hickel Administration, Stevens Village and the BLM are working on the development of a visitor center at the Yukon Crossing. This project is part of the discussions currently underway. But arbitrary unregulated access on the Dalton could destroy the cooperative efforts to date. Unregulated use of the highway will require TCC to seek changes in the BLM RMP and RAMP, including a fundamental challenge to the plans. Our efforts in this regard will seek to restrict access in the area under BLM management to compensate for the unregulated access under State law. In effect, if limited regulations to protect subsistence hunting apply with regard to the use of the road, BLM land use management can be more relaxed. Frankly, it is easier to control illegal hunting by regulating use of the road than by increasing federal restrictions and enforcement activity in the area.

#### CONCLUSION

We would very much like to conclude our discussions with the State and BLM respecting settlement of the current litigation and other outstanding controversies. This legislation could, with substantial modification, could provide a vehicle to facilitate that effort. We would urge the committee to amend the bill to either authorize the governor to enter into a memorandum of agreement with the BLM (and possibly the Secretary of Transportation) and other interested parties to implement this agreement, or to redraft the legislation to incorporate management provisions similar to those proposed in the draft agreement.

# Alaska State Legislature

SENATOR  
**BERT SHARP**  
CHAIRMAN



## FAIRBANKS

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(907) 452-7885/7888

## SESSION ADDRESS

STATE CAPITOL, ROOM 514  
JUNEAU, ALASKA 99801-1182  
(907) 465-3004/4021

## Senate Transportation Committee

### MEMORANDUM

TO : Commissioner Edgar Blatchford  
Department of Community and Regional Affairs

FROM: Senator Bert Sharp *BMS*

DATE: February 25, 1993

RE : SB 82 Dalton Highway

We have been considering SB 82 relating to the Dalton Highway in the Transportation Committee. I am transmitting to you this backup file of information provided to committee per your request.

We would like to request a status update on discussions or negotiations regarding this issue that may be pertinent to this bill, and its consideration by the legislature. Perhaps a better question might be, would SB 82 impact any current negotiations that you may be involved with, concerning the Dalton Highway?

The committee would appreciate your comments on this issue. Thank you for your consideration.

# STATE OF ALASKA

## DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

P.O. BOX 25526  
JUNEAU, ALASKA 99802-5526  
PHONE: (907) 465-4100

February 26, 1993

FEB 26 1993

The Honorable Bert Sharp  
Chairman, Senate Transportation  
Committee  
State Capitol, Room 514  
Juneau, AK 99801-1182

Dear Senator Sharp:

Members of the Senate Transportation Committee requested information on the potential impact of opening the Dalton Highway north of Disaster Creek to the public. Opening this portion of the Dalton Highway to the public will increase use of the Dalton Highway corridor and areas accessible from the road by non-local residents and nonresidents for hunting, fishing, and possibly trapping. Increased competition with local residents for fish and wildlife resources might lead to more restrictive regulations being promulgated by the Federal Subsistence Board for lands under its jurisdiction. Closure of federal public lands currently open to non-subsistence uses near or readily accessible from the Dalton Highway corridor could result. We could only speculate as to how or if the state boards would respond if harvest pressures subsequently increased in areas under their jurisdiction.

We see no immediate nor long-term need to alter hunting seasons or bag limits on game species in areas adjacent to the Dalton Highway if the road is opened to the public. The areas near the road are already managed as a road accessible area because many hunters ignore the road closure. Most hunters using areas near to the road target caribou in the Central Arctic herd. This herd numbers about 22,000; annual harvest is 450 to 480 caribou. Bow hunters take about a hundred each year in the five-mile road corridor. The harvest of the Central Arctic herd could more than double before restrictions would be necessary.

Most hunters using the Dalton Highway hunt caribou in the Western Arctic herd. This herd numbers about 480,000; annual harvest is only 10,000. An increase in harvest would be beneficial to the long-term health of the herd. Few hunters use the Dalton Highway to access the Porcupine caribou herd because it usually migrates to Canada or eastern interior Alaska by August.

February 26, 1993

Residents of the Dalton Highway area have experienced increasing competition in recent years, in part because the permit requirement for travel north of Disaster Creek has not been strictly enforced. More hunters have used the road as an affordable (compared to air charters) jumping off point to access airstrips, river crossings, and transporters' bases north of the Yukon River and especially north of Coldfoot. This practice would continue and potentially generate additional conflict between local residents and nonlocal/nonresident hunters, fishers, and trappers.

The fall 1992 hunting season confirms that the public will travel from long distances to use the Dalton Highway Corridor--if the regulations offer sufficient incentive. Hunters drove from as far away as Haines to hunt under the federal subsistence regulations in the corridor. The conflicts and problems experienced last fall have been well-documented and are primarily a result of actions taken by the Federal Subsistence Board.

Increasing public use will require or encourage development of new and expansion of existing facilities to serve highway travelers. Further information is needed to measure what impacts such development might have on resource habitat and subsistence harvest areas used by local residents.

Finally, some residents and communities in northern Alaska are concerned that facilitating public use of the Dalton Highway will promote plans to construct new roads and make currently remote areas even more accessible. They envision this as leading to even more conflicts with local subsistence activities.

Sincerely,



Ron Somerville  
Deputy Commissioner

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO: SB 82

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety

Title: "An Act relating to the Dalton Highway." BRU: Alaska State Troopers and Fish & Wildlife Protection

Component: Detachments (AST) and Enforcement (SI) (FWP)

Sponsor: Senator Frank

Requestor: Senate Transportation Committee COMPONENT SERIAL NO. 799 and 490

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	315.3	315.3	315.3	315.3	315.3	315.3
TRAVEL	34.0	16.0	16.0	16.0	16.0	16.0
CONTRACTUAL	117.7	117.7	117.7	117.7	117.7	117.7
SUPPLIES	28.3	28.3	28.3	28.3	28.3	28.3
EQUIPMENT	291.4	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>786.7</b>	<b>477.3</b>	<b>477.3</b>	<b>477.3</b>	<b>477.3</b>	<b>477.3</b>

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE:	0.0					
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**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	786.7	477.3	477.3	477.3	477.3	477.3
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>786.7</b>	<b>477.3</b>	<b>477.3</b>	<b>477.3</b>	<b>477.3</b>	<b>477.3</b>

**POSITIONS:**

FULL-TIME	4	4	4	4	4	4
PART-TIME	1	1	1	1	1	1
TEMPORARY						

Estimate of current year (FY 93) impact: \$ 786.7

ANALYSIS: (Attach a separate page if necessary.)

See attached analysis.

Prepared By: Francis C. Allan Phone: 269-5691

Division: Alaska State Troopers Date: 02/12/93

Approved by Commissioner:  Date: 2/16/93

Agency: Richard I. Burton, Dept. of Public Safety

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The legislation effectively opens the Dalton Highway throughout the entire year for public travel. A full range of law enforcement services must be provided to assure the safety of the public and enforcement of fish and game laws.

Increased activity is projected for both Alaska State Trooper (AST) enforcement patrol unit and Fish and Wildlife Protection (FWP) enforcement units. AST will be assigned to cover the area to provide for accident response, highway patrol, criminal investigation, and most importantly search and rescue services. FWP is projecting an increase in fish and game violations which will require additional enforcement. The majority of enforcement will require off-highway activity.

Four additional State Trooper positions (3 AST and 1 FWP) will be needed to provide adequate enforcement. One AST Trooper will be assigned to Seven Mile (where housing is available at virtually no increased cost) and two others which will rotate from Fairbanks to pipeline camps to provide coverage of the road system. Communications is anticipated to rely on the Alyeska security system. Non-personal services costs include seventy-five flying hours for the Fairbanks based AST helicopter, vehicles and operating costs.

The FWP Trooper will occupy the Coldfoot housing unit that was slated for closure in the FY94 budget (thus incurring only minimal housing costs). Additionally, a seasonal (five months) Fish and Wildlife Enforcement Officer will be stationed in Coldfoot (using transit living accommodations in the existing hangar). Other costs include a vehicle purchase and operating costs plus seventy-five additional hours of helicopter time to reach remote sites.

Summarized on the following page are the personal services and related operating costs for each location for the first year only:

Department of Public Safety  
 Fiscal Note Analysis  
 SB 82, Dalton Highway  
 Page 3

	AST Trooper <u>1x7Mile</u>	AST Trooper <u>2xRoving</u>	FWP Trooper <u>1xColdfoot</u>	FWP FWEO <u>1xColdfoot</u>	Total
Pers. Serv.	\$68.6	\$137.2	\$84.5	\$25.0	\$ 315.3
Travel	11.0	12.0	11.0	-	34.0
Contractual	21.9	43.8	52.0	-	117.7
Supplies	2.5	5.0	20.8	-	28.3
Equipment	27.7	55.4	208.3	-	291.4
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$131.6	\$253.3	\$376.6	\$25.0	\$ 786.7

Personal Services

Four full-time trooper positions and one seasonal FWE0.

Travel

Required per mandatory training needs. Transfer costs for the Troopers to be stationed at Seven Mile and Coldfoot are included in the first year only.

Contractual

Expenses related to utilities, vehicle and aircraft operation and maintenance, personnel training, and personnel support costs.

Supplies

Office supplies and miscellaneous enforcement needs, personnel uniforms, consumable vehicle accessories.

Equipment

Four heavy duty 4 X 4 vehicles with necessary communications, one single engine aircraft with wheels & skis (FWP use and Search & Rescue missions), one snow machine & one ATV and trailer, minimal office furniture, and standard trooper firearms. Equipment is needed in the first year only.

Position Title AST State Trooper		Number of Positions 2	Range/Step 76/A	Bargaining Unit PSEA
Time Status PFT	Staff Months 24.0	Location Fairbanks	Election District 29-34	
Type of Expenditure		Justification		
1	2	3	Two fully trained and experienced law enforcement officers are needed to provide accident response, patrol, investigation, and search and rescue along the Dalton Highway. These Trooper positions must have 4 X 4 vehicles (class 152) in order to be able to travel the rough road during winter conditions. 4.0 is included for training costs for the new Troopers to fill these positions. All other costs are average Trooper costs and are based upon experience.	
Salary*	95,130			
Benefits*	42,080			
Premium Pay (Included in Above)				
Other				
Total Personal Services		137.2		
Travel		12.0		
Contractual		43.8		
Commodities		4.9		
Equipment		55.4		
Other				
Total Cost		253.3		
Funding Source For Total Cost				
Federal Receipts	1002			
G.F. Mutch	1003			
General Fund	1004	253.3		
Program Receipts/GF	1005			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS calculations.				

REQUEST FOR  
NEW POSITION

AGENCY Department of Public Safety

BRU Alaska State Troopers

COMPONENT Detachments

FY 94

Page 4 of 6

Revised Date

Position Title FWP State Trooper			Number of Positions 1	Range/Step 73/A	Bargaining Unit PSEA
Time Status PFT	Staff Months 12.0		Location Coldfoot	Election District 36	
Type of Expenditure			Justification		
Amount			<p>A fully trained and experienced law enforcement officer is needed to provide accident response, patrol, investigation, and search and rescue along the Dalton Highway. This Trooper position must have a 4 X 4 vehicle (class 056) in order to be able to travel the rough road during winter conditions. All other costs are average Trooper cost and are based upon experience. Other items of equipment needed by this FWP Troopers are a snow machine and a four-wheel all-terrain vehicle to allow for off-road patrol to enforce game regulations.</p> <p>One single-engine aircraft and its operation of approximately 300 hours is included with this position. The aircraft will be used for highway patrol, off-highway enforcement of game laws, search and rescue missions, and emergency evacuations.</p>		
1	2	3			
Salary*	59,428				
Benefits*	25,075				
Premium Pay (Included in Above)					
Other					
Total Personal Services		84.5			
Travel		11.0			
Contractual		52.0			
Commodities		20.8			
Equipment		208.3			
Other					
Total Cost		376.6			
Funding Source For Total Cost					
Federal Receipts	1002				
G F. Match	1003				
General Fund	1004	376.6			
Program Receipts/GF	1005				
I-A Receipts	1007				
CIP Receipts	1061				
Other					
* Personal Services Salary and Benefits Costs are from PACS calculations.					

REQUEST FOR  
NEW POSITION

AGENCY Department of Public Safety

BRU Fish & Wildlife Protection

COMPONENT Enforcement & ISU

FY 94

Page 5 of 6

Revised Date

(1792) POSITION.NEW

Position Title AST State Trooper		Number of Positions 1	Range/Step 76/A	Bargaining Unit PSEA	
Time Status PFT	Staff Months 12.0	Location Seven Mile	Election District 36		
Type of Expenditure		Justification			
Amount		<p>A fully trained and experienced law enforcement officer is needed to provide accident response, patrol, investigation, and search and rescue along the Dalton Highway. This Trooper position must have a 4 X 4 vehicle (class 158) in order to be able to travel the rough road during winter conditions. All other costs are average Trooper cost and are based upon experience.</p>			
1	2				3
Salary*	47,565				
Benefits*	21,040				
Premium PLY (Included in Above)					
Other					
Total Personal Services					68.6
Travel					11.0
Contractual					21.9
Commodities					2.5
Equipment					27.7
Other					
Total Cost					131.7
Funding Source For Total Cost					
Federal Receipts	1002				
G.F. Match	1003				
General Fund	1004	131.7			
Program Receipts/GF	1005				
I-A Receipts	1007				
CIP Receipts	1061				
Other					
* Personal Services Salary and Benefits Costs are from PACS calculations.					

REQUEST FOR  
NEW POSITION

AGENCY Department of Public Safety

BRU Alaska State Troopers

COMPONENT Detachments

FY 94

Page 6 of 6

Revised Date

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. SB 82

Revision Date: \_\_\_\_\_

Department Affected: Fish and Game

Title: An Act relating to the Dalton Highway

BRU: Wildlife Conservation

Sponsor: Senator Frank

Component: Wildlife Conservation

Requestor: Senate Transportation

COMPONENT SERIAL NO. 0473

**EXPENDITURES/REVENUES:**

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	10.6	10.9	11.2	11.5	11.8	12.1
TRAVEL	2.5	2.5	2.5	2.5	2.5	2.5
CONTRACTUAL						
SUPPLIES	3.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>16.1</b>	<b>16.4</b>	<b>16.7</b>	<b>17.0</b>	<b>17.3</b>	<b>17.6</b>

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	16.1	16.4	16.7	17.0	17.3	17.6
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>16.1</b>	<b>16.4</b>	<b>16.7</b>	<b>17.0</b>	<b>17.3</b>	<b>17.6</b>

**POSITIONS:**

FULL-TIME						
PART-TIME	1	1	1	1	1	1
TEMPORARY						

Estimate of current year (FY93) impact: \$ 0

**ANALYSIS:** (Attach a separate page if necessary.)

Fish and Wildlife Tech III will be hired for 3 months to monitor hunting activities and help enforce regulations relating to off-road vehicles.

Prepared By: Wayne L. Regelin

Phone: 465-4190

Division: Wildlife Conservation

Date: 2/11/93

Approved by Commissioner: *[Signature]*

Agency: Department of Fish and Game

Date: 2/12/93

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**FISCAL NOTE**

Revision Date:  
Title: Opening the Dalton Highway

Department Affected: DOT&PF  
BRU: Northern M&O

Sponsor: Frank  
Requestor:

Component: Interior M&O  
Component Serial Number: 586

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
<b>TOTAL OPERATING:</b>	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
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**FUNDING: (Thousands of Dollars)**

1002 FEDERAL RECEIPTS	0	0	0	0	0	0
1003 GF MATCH	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/PROGRAM RECEIPTS	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
<b>TOTAL FUNDING:</b>	0	0	0	0	0	0

**POSITIONS**

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

Estimate of current year (FY93) impact: \$0

**ANALYSIS: (Attach a separate page if necessary)**

Prepared by: Norm Piispanen

Phone: 451-2381

Division: Northern Region Planning

Date: February 11, 1993

Approved by Commissioner:   
Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: February 11, 1993

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Luckhaupt  
2/10/93

CS FOR SENATE BILL NO. 82(TRA)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE TRANSPORTATION COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATORS FRANK, Sharp, Miller, Pearce, Phillips

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the Dalton Highway."

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

3 \* Section 1. AS 19.40.110 is amended to read:

4 Sec. 19.40.110. PUBLIC USE OF [A PORTION OF] THE HIGHWAY. The  
5 department shall maintain the [SECTION OF THE] highway [BETWEEN THE  
6 YUKON RIVER AND DIETRICH CAMP] and shall keep [THAT SECTION OF] the  
7 highway open to use by the public [BETWEEN JUNE 1 AND SEPTEMBER 1 EACH  
8 YEAR].

9 \* Sec. 2. AS 19.40.290(2) is amended to read:

10 (2) "highway" means the ~~SECONDARY~~ highway from the Yukon  
11 River to a terminus near the Arctic Ocean.