

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 8672


9756 SENATE TRANSPORTATION

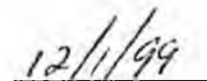


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Signature of Camera Operator

  
\_\_\_\_\_  
Date

1997-1998  
SENATE TRANSPORTATION COMMITTEE  
LIST OF FILES (PAGE 1)

MICROFICHE #

CONFIRMATIONS: BOARD OF MARINE PILOTS  
BERNIE SMITH, DAVID STEWART,  
BARBARA HUFF TUCKNESS

OVERSIGHT HEARING: MEDICAL TRANSPORT

OVERVIEW: DEPARTMENT OF TRANSPORTATION

OVERVIEW: PORT OF BELLINGHAM, WA.

SB 8

SB 10

SB 21

SB 27

SB 34

SB 42

SB 46

SB 56

SB 125

SB 127

SB 153

SB 156

SB 157

SB 171

SB 192

SB 211

1997-1998

SENATE TRANSPORTATION COMMITTEE

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SB 298

SB 304

SB 314

SB 352

SJR 12

SJR 25

HB 11

HB 12

HB 83

HB 222

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HB 290

HB 343

1997-1998

SENATE TRANSPORTATION COMMITTEE

LIST OF FILES (PAGE 3)

MICROFICHE #

HB 361

HB 373

HB 386

HB 482

HJR 27

HJR 33

HJR 63

HJR 67

CONFIRM:

BOARD

MARINE

PILOTS

# Alaska State Legislature



Session:  
State Capitol, Room 423  
Juneau, AK 99801-1182  
(907) 465-4921

Interim:  
716 W. 4th Avenue, Ste. 450  
Anchorage, AK 99501-2133  
(907) 258-8183

## SENATE TRANSPORTATION COMMITTEE

### REPORT ON CONFIRMATION OF APPOINTMENTS

March 6, 1997

The Honorable Mike Miller  
President of the Senate  
State Capitol  
Juneau, AK 99801-1182

Dear President Miller:

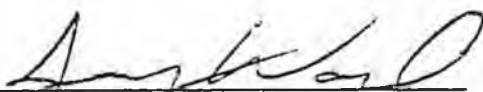
In accordance with AS 39.05.080, the Senate Transportation Committee reviewed the qualifications of the following and recommends the appointment be forwarded to a joint session for consideration:

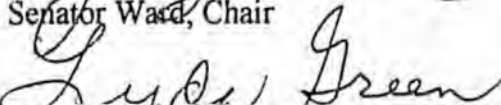
#### Alaska Board of Marine Pilots


Bernie Smith - Anchorage  
Barbara Huff Tuckness - Anchorage  
David Stewart - Anchorage

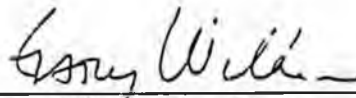
There were no stated objections to the named individuals. However, this does not reflect an intent by any of the members to vote for or against the appointment during any further sessions.

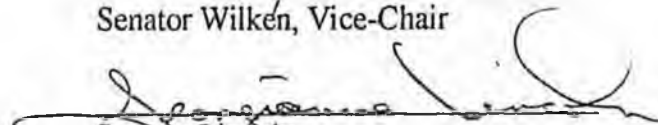
Respectfully,

  
\_\_\_\_\_  
Senator Wasc, Chair

  
\_\_\_\_\_  
Senator Green

  
\_\_\_\_\_  
Senator Halford

  
\_\_\_\_\_  
Senator Wilken, Vice-Chair

  
\_\_\_\_\_  
Senator Lincoln



OFFICIAL BUSINESS

Alaska State Legislature  
Senate  
Office of the Secretary

February 26, 1997

STATE CAPITOL  
JUNEAU, ALASKA 99801-1182  
(907) 465-3701  
FAX: 465-2832

**MEMORANDUM**

**TO:** Senator Ward, Chair  
Transportation Committee

**FROM:** Nancy Quinto *NQ*  
Secretary of the Senate

**SUBJECT:** Governor's Confirmations

Pursuant to AS 39.05.080, President Miller has referred the following names for legislative confirmation to your committee for a hearing, recommendation and report:

**Board of Marine Pilots**

Barbara Huff Tuckness - Anchorage  
Appointed: 02/20/97 Expires: 06/01/99

David Stewart - Anchorage  
Appointed: 02/20/97 Expires: 06/01/00

NQ/hv

Resumes attached



OFFICIAL BUSINESS

Alaska State Legislature  
Senate  
Office of the Secretary

February 13, 1997

STATE CAPITOL  
JUNEAU, ALASKA 99801-1182  
(907) 465-3701  
FAX: 465-2832

**MEMORANDUM**

**TO:** Senator Ward, Chair  
Transportation Committee

**FROM:** Nancy Quinto *NQ*  
Secretary of the Senate

**SUBJECT:** Governor's Confirmations

Pursuant to AS 39.05.080, President Miller has referred the following name for legislative confirmation to your committee for a hearing, recommendation and report:

**Board of Marine Pilots**

Bernie Smith - Anchorage

Appointed: 10/02/95 Reappointed: 01/02/97 Expires: 06/01/00

NQ/hv

Resume attached

STATE OF ALASKA  
Boards and Commissions

---

Membership Roster  
MARINE PILOTS (059)

Member	Appointed	Reappointed	Term Exp.
Vacant Public } BARBARA HUFF TUCKNESS			06/01/99
Robert M. Berto Agent Vice President Southeast Stevedoring Corporation P.O. Box 8080 Ketchikan, AK 99901	09/30/94		06/01/98
Jeffrey W. Bush Commissioner/Commerce and Economic Development/or designee Deputy Commissioner Dept. of Commerce & Economic Devel. P.O. Box 110800 Juneau, AK 99811-0800	03/08/95		
* Dan A. Hensley Public 211 H Street Anchorage, AK 99501 } DAVID STEWART	10/02/95	08/21/96	06/01/00
Michael J. O'Hara Pilot/Southwest P.O. Box 1443 Palmer, AK 99645	08/28/89	06/01/93	06/01/97
Bernie Smith Agent/Manager Manager Tesoro Alaska Petroleum Company P.O. Box 196272 Anchorage, AK 99519 } REAPPOINTMENT	10/02/95		06/01/96
Michael C. Spence Pilot/Southeast P.O. Box 7981 Ketchikan, AK 99901	10/02/95		06/01/99

\* HENSLEY REMOVED WHEN HE ACCEPTED A JUDGESHIP.

Board of Marine Pilots

**BERNIE SMITH**  
**MANAGER ALASKA GOVERNMENT AFFAIRS AND PROJECT MANAGEMENT**

**General.**

Over 20 years experience in project control, consisting of project cost and schedule control; performing audits of contractors' project cost and appraising effectiveness in meeting management cost and scheduled objectives; performing budget analysis; and assisting with contract negotiations. Over 8 years experience and involvement with spill response organizations: CISPRI/CIRO and Tesoro's Response Team (Deputy Incident Commander for Tesoro's Incident Command Team). Four years attendance on The Alaska Board of Marine Pilots. Chief negotiator with Southwest Alaska Pilots Association in tariff contracts for Cook Inlet. Tanker Representative on The Cook Inlet Association.

**Occupation**

Manager Alaska Government Affairs and Project Management

**Education**

Bachelor of Science Degree in Engineering Technology, Texas A & M University, 1973

**Employment History**

1983 - Present: Tesoro Alaska Petroleum Company

1983-1986: Senior Field Engineer - Project Coordinator  
1986-1987: Maintenance Coordinator and Planner  
1987-1990: Mechanical Project Engineer  
1990-1993: Senior Engineer Environmental Services  
1993-Present: Mgr Alaska Government Affairs and Project Management

1979 - 1983: Litwin Engineering & Construction

Senior Field Cost and Scheduling Engineer - responsible for estimating, budgeting dollars and man hours, progress reports, forecasting percent complete and start-up of units.

1974 - 1979: Gene Nelson Incorporated - Industrial Painting and Fireproofing Contractor

Senior Estimator, Area and Project Manager

## **RESUME'**

### **BARBARA HUFF TUCKNESS**

*1912 Parkview*

*Anchorage, Alaska 99501*

*(907) 274-2251 Home*

*(907) 269-4236 Office*

### **EDUCATION**

- \* *High School Graduate - East Anchorage High School 1973*
- \* *Attended the University of Alaska/Anchorage Community College - Bachelor of Business Administration*
- \* *Certificate in Labor Relations (6 Units Completed)*
- \* *Enrolled in the George Meany School of Labor Relations*

### **SPECIAL TRAINING**

- \* *Advanced Arbitration Advocacy Institute*
- \* *Employee and Labor Relations Institute*
- \* *Health & Safety In The Work Place - BNA Workshop*
- \* *Collective Bargaining Workshop - American Arbitration Association*
- \* *Alaska Employee Benefits Institute*

### **EMPLOYMENT HISTORY**

- \* *Municipality of Anchorage - 1973 to December 1990*
- \* *President of the Anchorage Municipal Employees Association - 1983 to 1990*
- \* *Business Representative/Negotiator for Teamsters Local 959 - January 1991 - 1993*
- \* *Director of A.L.I.V.E. Teamsters Local 959 - 1993 - 1995*
- \* *Director, Government & Legislative Affairs for Teamsters Local 959 - 1995 - present*

# CORRECTION

THE FOLLOWING DOCUMENT(S)  
HAVE BEEN REFILMED TO  
ASSURE LEGIBILITY OR MAGINATION



Rev. 6/98

Central Microfilm Services  
Department of Education  
State of Alaska

Board of Marine Pilots

**BERNIE SMITH**  
**MANAGER ALASKA GOVERNMENT AFFAIRS AND PROJECT MANAGEMENT**

**General**

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1974 - 1979: Gene Nelson Incorporated - Industrial Painting and Fireproofing Contractor

Senior Estimator, Area and Project Manager

Bernie Smith  
Page 2

1973 - 1974: Prepad Incorporated - Refractory Lining Contractor  
Cost Engineer and Superintendent

### Organizations

President: Boys and Girls Club, Kenai Peninsula

Vice-President: Cook Inlet Spill Response Inc. (CISPRI) Board  
and Executive Committee

Member: Cook Inlet Association - Tanker  
Representative 1993-Present

Charter Funding Member: Cook Inlet Regional Citizens Advisory Council

Charter Member: Alaska Steamship Association

Member: Alaska Oil and Gas Board

Member: AOGA Legislation Committee

Member: Prince William Sound Risk Assessment Steering  
Committee

Member: Nikiski Fire Service Board 1989 to Present

Actively involved in various community organizations

## **RESUME'**

### **BARBARA HUFF TUCKNESS**

1912 Parkview  
Anchorage, Alaska 99501  
(907) 274-2251 Home  
(907) 269-4236 Office

#### **EDUCATION**

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- \* *Employee and Labor Relations Institute*
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- \* *Collective Bargaining Workshop - American Arbitration Association*
- \* *Alaska Employee Benefits Institute*

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- \* *Director of A.L.I.V.E. Teamsters Local 959 - 1993 - 1995*
- \* *Director, Government & Legislative Affairs for Teamsters Local 959 - 1995 - present*

### **COMMITTEE EXPERIENCE**

- \* *Municipality of Anchorage Labor Management Health & Safety Committee  
1982 - 1995*
- \* *Mayor's Productivity Task Force - 1986*
- \* *Safety Representative - Municipality of Anchorage - 1979 - 1981*
- \* *State Health Care Cost Containment Task Force - 1989 - 1990*
- \* *Co-Chair for the Coalition of Municipal Employee Unions - 1989 - 1992*
- \* *Spokesperson for the Master Labor Agreement Negotiations for the Municipality of Anchorage - 1990*
- \* *State of Alaska Labor Relations Agency Member - 1990 - 1991*

### **MEMBERSHIPS (Past & Present)**

- \* *Alaska Health Project - Former Board Member*
- \* *Anchorage Civic Ballet - Former Member*
- \* *Common Wealth North - Present Member*
- \* *Resource Development Council - Present Member*
- \* *Arctic Power - Present Member*

### **PERSONAL DATA**

*Born May 27, 1955, in Harlong, California*

*Two Children*

*Continuous Alaskan Resident (Anchorage) since July 1972*

**DAVID STEWART**

**Business Address:** 500 "L Street, Suite 401  
Anchorage, Alaska 99501  
(907) 258-4338

**PROFESSIONAL EXPERIENCE**

- 1991 to Present      **Partner - Gruenstein, Hickey & Stewart**  
Private practice of law in the state of Alaska. Emphasis on Litigation in Business and Commercial Litigation, Personal Injury, and White Collar Criminal matters. Special Counsel for the State of Alaska.
- 1984 to 1990      **District Court Judge - Anchorage**  
Deputy Presiding Judge for the District Court as well as pro tem assignments to the Superior Court in the Criminal, Administrative Appeal, and Family divisions and pro tem assignments to the Court of Appeals. Training Judge for the Third Judicial District.
- 1983 to 1984      **Assistant District Attorney - Anchorage**  
Responsible for prosecution of felony case load through trial as well as supervisor of the misdemeanor section of the office.
- 1981 to 1983      **Assistant District Attorney - Fairbanks**  
Responsible for prosecution of a felony case load from intake through trial as well as supervisor of the misdemeanor section of the office and coverage of village calendars.
- 1980 to 1981      **Assistant District Attorney - Nome**  
Responsible for prosecution of felony and misdemeanor case load as well as coverage of village calendars.
- 1978 to 1979      **Assistant Public Defender - Fairbanks**  
Responsible for the defense of felony, misdemeanor, and family court cases from initial appearance through appeal in Fairbanks and in outlying villages.
- 1977 to 1978      **Assistant District Attorney - Fairbanks**  
Responsible for prosecution of felony and misdemeanor cases from intake through appeal, and supervision of the district court attorneys.

**ASSOCIATIONS:** Alaska Academy of Trial Lawyers  
Association of Trial Lawyers of America  
Alaska Bar Association, Member, Law Examiners Committee

**EDUCATION**

Boston University School of Law  
Boston, MA J.D. 1974

Tufts University  
Medford, MA B.S.E.E. magna cum laude 1970

**INTERESTS**

Hockey, Skiing, Running, Golf, Literature.

**ADMITTED TO THE BAR** Massachusetts 1974, Alaska 1976, U.S. District  
Court (Alaska) 1977, 9th Circuit Court of  
Appeals 1993.

**OVERSIGHT  
HEARING:  
MEDICAL  
TRANSPORT**



April 16, 1998

**Representative John Cowdery  
State of Alaska  
House of Representatives  
Juneau, Alaska  
Fax: 465-2069**

**Dear Representative Cowdery,**

**I would like to request a legislative oversight hearing regarding the First Health Company administration of Medicaid health travel on rural airlines.**

**Sincerely yours,**

A handwritten signature in cursive script, appearing to read "William L. Johnson".

**William L. Johnson, Chairman**

Hageland Aviation Services, Inc.  
Box 220610  
Anchorage, Ak 99522-0610

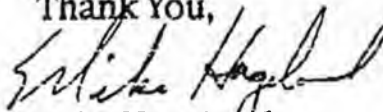
16 April 98

Mr. John Cowdery  
Alaska Legislature

Dear Mr Cowdery

We respectfully request A Legislative Oversight hearing on First Health Medicaid Travel procedures.

Thank You,



Mike Hageland  
Secy/ Treas

## Yute Air – First Health Services

Situation: Yute Air, a small Alaskan air taxi operator, has \$60,000 in outstanding invoices with the State's contractor, First Health Services. Darrell Nagel was contacted and indicated that he would look into the situation and respond with a fax by Monday, March 2. They fail to pay 20% of all claims. They pay about \$7,000 out of \$10,000 per week. This is the aggregate unpaid receipts for the last 18 months. The information on the ourstanding claims has been submitted by multiple times (3 and 4 in most cases). The following is pertinent information regarding the concerning the persons involved.

### Background Information on First Heath Services Inc.

Headquarters Location: Richmond, Virginia

President and CEO: Teresa DiMarco  
804-965-7400

Project Manager: Darrell Nagel  
907-561-5650

Contract Administrator for State Of Alaska: Jeff Hubbard  
907-561-2171 or 273-3209

Yute Air Contact: Will Johnson  
907-243-1011

Accounting Dept. Sally  
907-243-1011

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## COMPANY CAPSULE



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## First Health Group Corp.

[COMPANY CAPSULE](#) [COMPANY PROFILE](#) [FINANCIALS](#) [NEWS](#)

3200 Highland Ave.  
Downers Grove, IL 60515

Phone: 630-241-7900  
Fax: 630-719-0076

### KEY NUMBERS

Nasdaq: FHCC

#### Quote

[StockMaster Stock Chart](#)

Fiscal Year-End: December

1996 Sales (\$ mil.): \$247.8  
1-Yr. Sales Growth: 15.6%

1996 Net Inc. (\$ mil.): \$79.0  
1-Yr. Net Inc. Growth: 18.8%

1996 Employees: 1,500  
1-Yr. Employee Growth: (1.6%)

First Health Group, formerly HealthCare COMPARE, is a provider of medical cost-management services in the US. The company's AFFORDABLE Medical Networks manages payor-based preferred provider organization networks, including hospitals, physicians, and outpatient care providers in 49 states. Its medical review programs aid the delivery of medically necessary care and identify cost-effective treatment alternatives to its clients. Its OUCH (Occupational-Urgent Care Health) systems offer computer-assisted bill reviews and audits, fee schedule reviews, and claims pricing services.

**Top Competitors:** [Aetna](#) | [Blue Cross](#) | [United HealthCare](#)

### KEY PEOPLE

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**Chairman Emeritus:**  
Robert J. Becker

**Chairman:**  
Thomas J. Pritzker

**President and CEO:**  
James C. Smith

**EVP Risk Products:**  
Edward L. Wristen

**EVP Managed Care Sales:**  
Patrick G. Dills

### ~ HOOVER'S IN-DEPTH COMPANY PROFILE

Hoover's In-Depth Company Profile of First Health Group includes company strategy, history, more competitors, products and detailed financials. (For subscribers only. See [samples](#). Find out how to [subscribe](#).)

### NEWS

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For a complete list of officers, including ages and salaries, see [Hoover's Company Profile](#) of First Health Group. (For subscribers only. See [samples](#). Find out how to [subscribe](#).)

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[SEC Form 10-K](#) (Real-time)

[All SEC Filings](#) (Real-time)

[SEC Form 10-K](#) (24-hours delayed)

[All SEC Filings](#) (24-hours delayed)

[Earnings Estimates](#)

CFO: Joseph E. Whitters

**For Job Seekers:**

HR Contact: Nancy Zambon

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### First Health Group Corp.

Nasdaq: FHCC Fiscal Year-End: December

[Data Definitions](#)

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#### INCOME STATEMENT

All dollar amounts in millions except per share amounts.

	Dec 97 (Prelim.)	Dec 96	Dec 95
Revenue	389.0	247.8	214.3
Cost of Goods Sold	--	84.6	74.5
Gross Profit	--	163.2	139.8
Gross Profit Margin	--	65.9 %	65.2 %
SG&A Expense	--	48.4	36.7
Operating Income	--	114.8	103.1
Operating Margin	--	46.3 %	48.1 %
Net Income	7.1	79.0	66.5
Net Profit Margin	1.8 %	31.9 %	31.0 %
Primary EPS (\$)	0.22	2.24	1.89

#### BALANCE SHEET (\$mil.)

	Dec 97 (Prelim.)	Dec 96	Dec 95
Cash	--	77.4	74.6
Net Receivables	--	24.5	22.3
Inventories	--	0.0	0.0
Total Current Assets	--	188.5	173.9
Total Assets	--	353.3	297.2
Short-Term Debt	--	0.0	0.0
Total Current Liabilities	--	28.1	16.8
Long-Term Debt	--	0.0	0.0

Total Liabilities	--	30.2	16.8
Common Stock Equity	--	323.2	280.3
Shares Outstanding (mil.)	31.9	33.7	34.6

**THE NEW ANALYST CENTER** **FREE PREVIEW** **Charles Schwab**

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Financial Information provided by Media General Financial Services, Inc., Richmond, Virginia



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 Austin, Texas

## OVERSIGHT HEARING ON MEDICAID TRANSPORT ON RURAL AIRLINES

Earlier this year the legislature was contacted by small Alaskan air carriers. The carriers asked for aid in seeking payment for transportation services rendered to the state's medical assistance program, a division of the Department of Health and Social Services. The state's contractor, First Health Group Corporation (Illinois), and the DHSS contract administrator were contacted. Both the administration and First Health were helpful in looking into the problem and expressed their desire to set things right.

Three months later, the legislature was contacted again; transportation payments were still suffering excessive delay. At this point, further investigation seemed in order.

In conversations with the Administration, it became clear that system-wide snares impede efficient payment of transportation claims. All parties have been open and willing to discuss the problem, yet action seems to be lacking.

Alaska statute 37.05.285 requires the state to pay its bills within 30 days. Perhaps the statute applies to this situation, perhaps not. Either way, Alaska's networks of small transportation carriers are unduly burdened by slow payment practices.

We are here today to put on record the difficulties that small air carriers have experienced, to identify system-wide obstacles to efficient payment, and to see what steps may be taken to correct the problem.

# Alaska State Legislature



Session:  
State Capitol, Room 423  
Juneau, AK 99801-1182  
(907) 465-4921

Interim:  
716 W. 4th Avenue, Ste. 450  
Anchorage, AK 99501-2133  
(907) 258-8183

## SENATE TRANSPORTATION COMMITTEE

April 30, 1998

Mr. James C. Smith  
President and CEO  
First Health Group Corporation  
3200 Highland Avenue  
Downers Grove, IL 60515

Dear Mr. Smith:

On Tuesday, April 28, 1998, the Alaska State Senate Committee on Transportation held a public hearing on the subject of the Alaska Division of Medical Assistance compliance with statutes that require payment of bills within thirty days. First Health Corporation is the contractor identified as being responsible for making payments on behalf of the Division.

Testimony from Yute Air and Hageland Aviation indicated that as much as \$50,000 in unreconciled billings exist that are beyond 120 days. These air carriers provide emergency and routine medical transport for citizens throughout vast areas of rural Alaska. They are very small operators with very high operating costs typical in the Alaskan bush. These carriers provide the only mode and means of transportation between the villages and the towns in their service areas, which are the size of Texas. Their accounts receivable from your company represent their entire annual profit margin.

Legislative inquiries were made 90 days ago into this issue. Representative Cowdery's office was told that the problem exists because of federal procedural requirements. The Division of Medical Assistance hasn't identified that a problem exists, according to their testimony. Yet the carriers still are not being paid timely for the services they provide. The problem is one of long standing. Nothing has been resolved since the first legislative inquiry.

The Division of Medical Assistance testified that the problem is not a shortage of funds. One legislator questioned whether First Health's practice of rejecting invoices (claims) accrues financial benefit to the company at the expense of the vendor. The committee voted to notify the Chief Executive of First Health Corporation that this problem exists, and, request that you resolve the systemic problems that cause a high rate of rejected billings, and, resolve the particular problems imposed on Yute and Hageland. If your

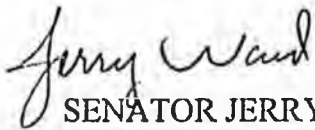
Page 2

company cannot resolve the problems we would interpret that as inability to meet the contractual requirements.

The Committee's position is that AS 37.05.285 is applicable to you as the contractor for the Division of Medical Assistance. Interest payments due to vendors because of late payments may become your company's obligation.

The Committee is confident that First Health Group Corporation is able to manage this problem satisfactorily without our revisiting the issue. We look forward to hearing from you. If the State of Alaska is deficient in some way that causes this problem, please advise us. We hope you will understand the need to work swiftly on behalf of the small air carriers that are put at risk due to chronic late payments. Thank you for your assistance.

Sincerely,



SENATOR JERRY WARD, Chairman  
Senate Transportation Committee

cc: Senate Transportation Committee Members  
Sen. Gary Wilken, Chairman, Senate HESS Committee  
Rep. Bill Williams, Chairman, House Transportation Committee  
Rep. Con Bunde, Chairman, House HESS Committee  
Rep. John Cowdery  
Commissioner Karen Perdue  
Commissioner Joe Perkins  
William Johnson, Yute Air  
Mike Hageland, Hageland Aviation Services, Inc.

igned former paragraphs (2) and (3) as present paragraphs (1) and (2), respectively, and, in present paragraph (1), substituted "December 16" for "October 16," inserted "prepared in accordance with generally accepted accounting principles and audited by the legislative auditor in accordance with generally accepted audit standards," and made a minor stylistic change.

**Editor's notes.** — Section 35(b), ch. 126, SLA 1994 provides that the "legislative audit requirement of AS 37.05.210(1), as amended by sec. 14 of this Act, applies to reports relating to state fiscal year 1995 and thereafter."

#### NOTES TO DECISIONS

Stated in *M-K Eng'g Co. v. Alaska Power Auth.*, 662 F. Supp. 303 (D. Alaska 1986).

### Article 3. Payment for State Purchases.

#### Section

285. Payment for state purchases

*Sec. 37.05.220. Purchasing agent. [Repealed, § 67 ch 106 SLA 1986. For current provisions see AS 36.30.]*

*Sec. 37.05.225. [Renumbered as AS 36.30.180.]*

*Secs. 37.05.230 — 37.05.280. Competitive bids; contracts; leases. [Repealed, § 67 ch 106 SLA 1986. For current provisions, see AS 36.30.]*

**Sec. 37.05.285. Payment for state purchases.** (a) Payment for purchases of goods or services provided a state agency shall be made by a required payment date that is

(1) the date on which payment is due under the terms of a contract; or

(2) 30 days after receipt of a proper billing for the amount of the payment due, if a date on which payment is due is not established by contract and if the billing contains or is accompanied by documents required by the contract or purchase order.

(b) If a seller offers a discount from the amount otherwise due for property or services in exchange for payment within a specified period of time, the state agency may make payment in an amount equal to the discounted price only if payment is made within the specified period of time.

(c) If payment for goods or services purchased by the state is not made on or before a required payment date under (a) of this section, the state shall pay interest on the unpaid balance from the required payment date at the rate of 1.5 percent a month, unless an agreement exists between the seller and the state that establishes a lower rate of interest or precludes the charging of interest. If the interest-bearing period of time is either (1) a fraction of a month or (2) one or more full months plus a fraction of a month, the state agency shall pay the same amount of interest for the fraction of a month as it would pay for a full month.

(d) This section does not apply

(1) if the cost of the goods or services purchased exceeds \$500,000;

(2) to payment for specific goods or services in dispute after a seller of goods or services receives notice from the state official responsible for authorizing payment for goods and services that the amount of the invoice or quality of specific goods or services is in dispute and stating the reasons for the dispute; the state agency shall pay for the specific goods or services in dispute within 30 days after resolution of the dispute; or

(3) to a contract covered by AS 36.90.200 — 36.90.290.

(e) Interest paid under (c) of this section shall be charged to the budget of the state agency that purchased the goods or services.

(f) In this section

August 5, 1997

Mr. Chuck Fagerstrom  
Norton Sound Health Corporation,  
Nome, AK

Dear Mr. Fagerstrom,

Thank you for your interest in patient and staff transportation for your hospital. I appreciate the chance to give you a quote and describe some of our services which might be helpful to the Hospital.

We have FAA approved stretcher installations for the Fairchild Metro III aircraft we operate from Anchorage to the rural transportation hubs across Western Alaska. These are available to use as approved berths for transportation of stretcher patients who cannot sit up in a regular passenger seat. On our regularly scheduled passenger flights, we can offer dramatic savings for routine transport of stretcher patients, estimated to be less than a half or third of other methods available. We can also offer dedicated charters on a regular or on demand basis.

Our flights are operated under FAA part 121 rules which are the same rules that the large passenger jets are operated under. The aircraft has an excellent safety record, especially in Alaska. It is equipped with collision avoidance equipment, ground proximity warning, GPS, weather radar, known icing capability and is approved for most Alaska instrument approaches including GPS and full ILS.

The Metro III aircraft offers a powerful combination of utility and economy for Alaska missions, which cannot be matched by any other aircraft. It can be operated to Nome and other airports (as a charter) with runways of approximately 5000 ft. long, gravel or paved, preferably with instrument approaches and lighting for increased poor weather and night capability.

The Metro III has one of the best pressurization systems of any aircraft available. It will normally maintain cabin altitudes of approximately 2000 ft at most cruising altitudes, and can even maintain sea level pressure if necessary by cruising at slightly lower altitudes. This is valuable for a number of patient situations such as head injuries, or when using inflatable equipment, and makes flying much more comfortable for regular passengers, including those with sinus problems, and small children.

For the long winter period approaching, our scheduled flights are planned for the convenient "mid-day" time period when only early morning or late evening flights are otherwise available. We can position a stretcher and pedestal base in Nome, and with relatively short notice, and sufficient unsold seating capacity, we can remove seats and install the stretcher base at the rear of the aircraft on the right side. Extra stretchers, which are specially designed to lock into the pedestal base installation in the aircraft, are available and could be stored at the hospital in Nome. An additional base can be positioned at the Anchorage airport and stretchers stored at the new Alaska Native Medical Center.

The rear installation of the stretcher and base offers a number of advantages for patient transport on scheduled flights. The aircraft is especially quiet at the rear. The patient and staff are somewhat isolated from the rest of the scheduled passengers for improved privacy. Three seats, which can be used for hospital staff or patient family members are adjacent to the stretcher. Loading of the patient is easily done before the loading of the rest of the scheduled passengers, through a large cargo door at the rear of the aircraft. The door is relatively close to the ground, and is accessed without going up a high airstair, or with the need to tip the stretcher on its side to go through a narrow opening. No passengers pass down the aisle next to the patient, and when the patient arrives, the unloading process can start while the regular passengers are deplaning.

While our flight times are approximately ½ hour longer than jet service, the overall trip is usually shorter. The flights are not scheduled to "wrap" through Kotzebue; they go direct to and from Anchorage. Due to the smaller size of the aircraft and its limited capability for long international flights, hijacking is not a factor and FAA security screening delays are eliminated. Ambulance gate access at the Olson Air terminal in Nome and the lower level of Anchorage International Airport at gate A-12, is very simple and fast.

Our goal is to simply offer economical, safe and fast transportation for stretcher or sit up patients and passengers with approved berths. We are not at this time offering formal "Lifeguard", or "Medivac" flights, with electrical, vacuum, and oxygen connections (other than standard passenger oxygen). Any attendants or portable equipment necessary for patient support would need to be provided by your organization.

We would be excited to discuss with you a formal, dedicated "Medivac" service, as a joint venture, utilizing your staff for economy, and positioning a dedicated, modified aircraft in Nome. We can also discuss other aircraft models which may offer even greater economy than the Metro III.

Our charge for installing the stretcher is eight-one way passenger fares. This represents the removal of the four passenger seats for the stretcher, and the use of the three seats adjacent to the stretcher which can be used for hospital staff and passengers, or medical equipment (properly stowed for takeoff and landing). The remaining seat charge is to cover mechanics time to install and remove the stretcher base at each end of the trip, and to return the unit as freight back to its origin.

Using the Nome "open house" special price of \$400 RT (\$200 OW), the total cost of the transport to or from Anchorage on a scheduled flight would be \$1600, not counting hospital staff transportation back to the point of origin. With a bulk ticket rate of \$360 RT (\$180 OW), the amount for the transportation is \$1440, a major savings for non-critical patient transport. For critical situations, or excessive delays, we should discuss procedures and costs associated with making other accommodations for our confirmed scheduled passengers if necessary.

Another possibility to consider is dedicated charters to and from Anchorage, based on the availability of pilots and aircraft. The aircraft would be primarily available at night, and the limiting factor would be flight and duty time limits for the crew. We could discuss standby costs or a minimum frequency to have a crew always available at night.

The dedicated charters could have up to three stretchers installed on the right side of the aircraft, with seating for up to nine passengers or attendants on the left side.

The cost for a dedicated hospital charter with stretchers installed would be \$6200. Regularly scheduled trips of at least 3/week could be significantly discounted, depending upon the time of day and what seating/stretcher configuration desired.

As we discussed, I would like to offer a free demonstration of what our equipment and service can offer you. I can also have the stretcher installed for your inspection and a demonstration of the loading and unloading of a patient, at any time while the aircraft is on the ground during a regularly scheduled flight to Nome. Presently that time is between 12:55 PM and 1:25 PM.

Again, thank you for your interest, and I hope you will allow me to demonstrate the utility and savings to your organization that we can offer. Please feel free to contact me or Mr. JR Beans at Olson Air if you have any questions or requests.

Sincerely yours,

William L. Johnson,  
Chairman

OVERVIEW:

DEPT. OF  
TRANSPORTA-  
TION

# STATE OF ALASKA

**DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES  
OFFICE OF THE COMMISSIONER**

**TONY KNOWLES, GOVERNOR**  
3132 CHANNEL DRIVE  
JUNEAU, ALASKA 99801-7898

TEXT: (907) 465-3652  
FAX: (907) 586-8365  
PHONE: (907) 465-3900

February 21, 1997

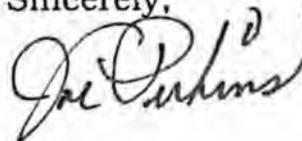
The Honorable Jerry Ward, Chair  
Senate Transportation Committee  
Alaska State Legislature  
State Capitol, Room 423  
Juneau, Alaska 99802-1182

Dear Senator Ward:

This letter transmits our responses to questions raised in the February 11 hearing before the Senate Transportation Committee that required additional research.

Please contact me if you have further questions.

Sincerely,



Joseph L. Perkins, P.E.  
Commissioner

**Enclosures**

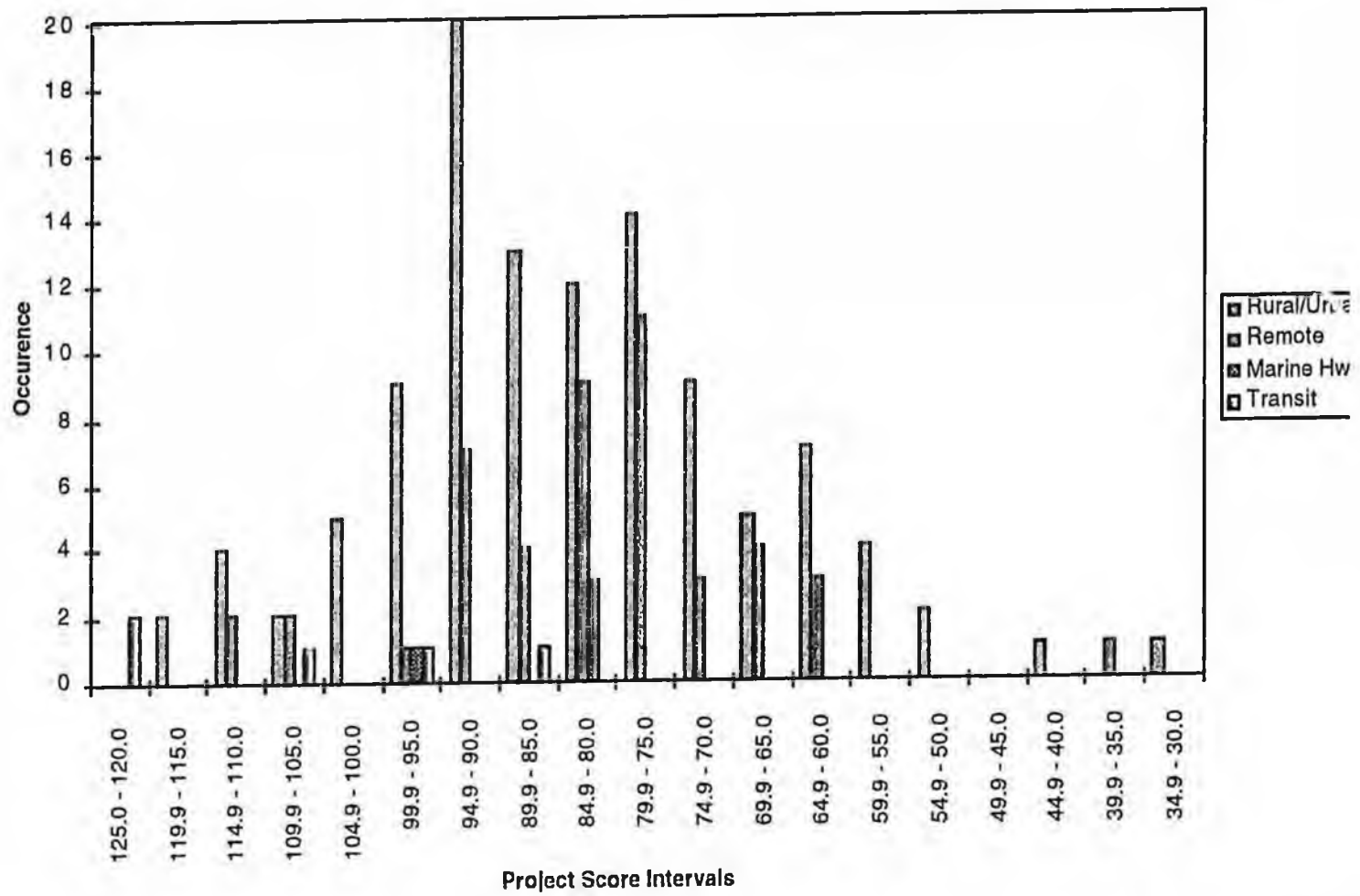
cc: Senate Transportation Committee Members  
Regional and AMHS Directors  
Tom Brigham, Director, Statewide Planning, DOT&PF  
Nancy Slagle, Director, Administrative Services, DOT&PF

**Responses to  
Senate Transportation Committee Questions  
Raised February 11, 1997  
By  
Alaska Department of Transportation and Public Facilities**

Legislator	Question	Response
Lincoln	Chenega Bay Airport: Why does Chenega Bay have such a huge airport they didn't want? Why does the airport not have lights?	Chenega Bay actively supported the airport's construction in 1991 and requested a 5,000 foot strip at that time. A 3,000 foot strip was constructed (community airport standard length), and lighting was not provided because of the extreme mountainous terrain near the airport. Presently 41 community-class airports are unlighted in Alaska, including the community of Seldovia with more than 3 times the population of Chenega Bay. Chenega Bay is a community of 94 people that also receives service by the AMHS on a whistle stop basis. Chenega Bay's desire for lighting is known and a project has been developed. It awaits adequate funding and resolution of the safety issues.
	Project nominations for STIP. How was this advertised?	Publication was made in major regional newspapers. Direct mailing of the nomination package and instructions was made to every governmental unit, including village councils, in the state as well as many other interested parties. We also advertised the process over our Internet site.
	Rural ranking system--how was it put in place?	The rural ranking system was prepared to give rural projects equal footing in the selection process. Analysis from the 1996-1998 selection process identified improvements to this desired equity which have been adopted. Our analysis of rural versus urban projects demonstrates that they competed on near equal terms in the last go round (see Attachment A).
	Provide a description of how the ranking process works.	See Attachment B.

	What are we doing about dust control--at hub locations in particular?	Dust control is a high scoring factor in the selection process for rural roads and streets. It will take many years to address this widespread problem in Alaska.
	Edgerton Highway. Project reduced from \$7.1 to \$2 million. What is the population along highway; what are the traffic counts on highway?	A map of highway with population of communities and traffic counts is attached (Attachment C). The project budget was reduced because Commissioner Perkins inspected the road. Project should be focused on the parts of the highway with frost heaves and other surface problems. A substantial part of the road is not in need of resurfacing.
Wilken	Constituent warns that Central Region projects are experiencing delay and money should be shifted to various shelf projects so there will be an adequate level of construction on the street.	The department actively monitors project schedules and delayed projects are replaced by the next high ranking project in system. The pending FFY 97-98 STIP Amendment has taken delays into consideration. The department has an excellent track record of using every available federal dollar and a few from other states when they run behind. We don't intend to retire this record.
Ward	What happens when a ferry is surplus?	AMHS is actively evaluating this question. They will issue a report on their findings when the evaluation is complete.
	Do we have a long term plan for the airports to keep planes coming in winter? Re: EVA decision to pull in winter at AIA.	EVA's decision is based on seasonal load factors between Taiwan and New York. This is beyond our influence. However, the airport has in general a broad marketing program as demonstrated by the Pioneer Incentive Program.

## Distribution Pattern of Top-Ranked Projects For 1996-1998 STIP



Attachment A

## Attachment B

### How Projects Are Selected for the STIP

Projects for the National Highway System (NHS) were considered by an internal department process and did not compete with other needs. Projects for the TRAAK and CTP programs followed a public nomination process that involved many different project sponsors.

Requests for projects in all other categories under the new transportation initiative were solicited on a widespread basis. Boroughs, cities, villages, Native organizations and other local governments, private parties, state and federal agencies as well as others interested in transportation development were all requested to make project nominations. The department also submitted projects for consideration. The result of this nomination process produced a list of more than 2,000 potential surface transportation projects for consideration.

The department selected projects for Alaska's National Highway System based upon existing conditions, traffic levels and project development considerations. Projects were not ranked in the fashion used for other categories. Project selection of the most critical projects was undertaken by department staff with the goal of upgrading the NHS in a 14-year period. The result of this first approach is a *Final Alaska National Highways Plan*. It identifies the proposed sequence and timing of projects that bring Alaska's major highways and ferry system to modern standards.

For the CTP and TRAAK programs the application of evaluation standards and criteria involved one of five different types of surface transportation facilities (i.e., Transit, Rural and Urban Streets and Roads, Alaska Marine Highway System, Remote Roads and TRAAK) resulted in a numeric score for every project. Each project was scored with one of the five sets of standards and criteria:

#### Community Transportation and Economic Development Program (CTP):

- Rural and Urban Streets and Roads Criteria
- Remote Roads and Trails Criteria
- Transit Projects Criteria

- Alaska Marine Highway System Criteria

Trails and Recreational Access for Alaska (TRAAK):

- TRAAK Criteria

Future editions of the STIP will also benefit by expanded public involvement. The recently appointed 13-member TRAAK citizens advisory board announced by Governor Knowles in February 1996 will provide a sounding board for public and agency comment statewide.

Scoring involves two steps. First the entire list of projects is scored by the appropriate departmental region or the Marine Highway System. The top-ranked projects from this step are then forwarded to the Project Evaluation Board (PEB); composed of 6 senior members of the department including:

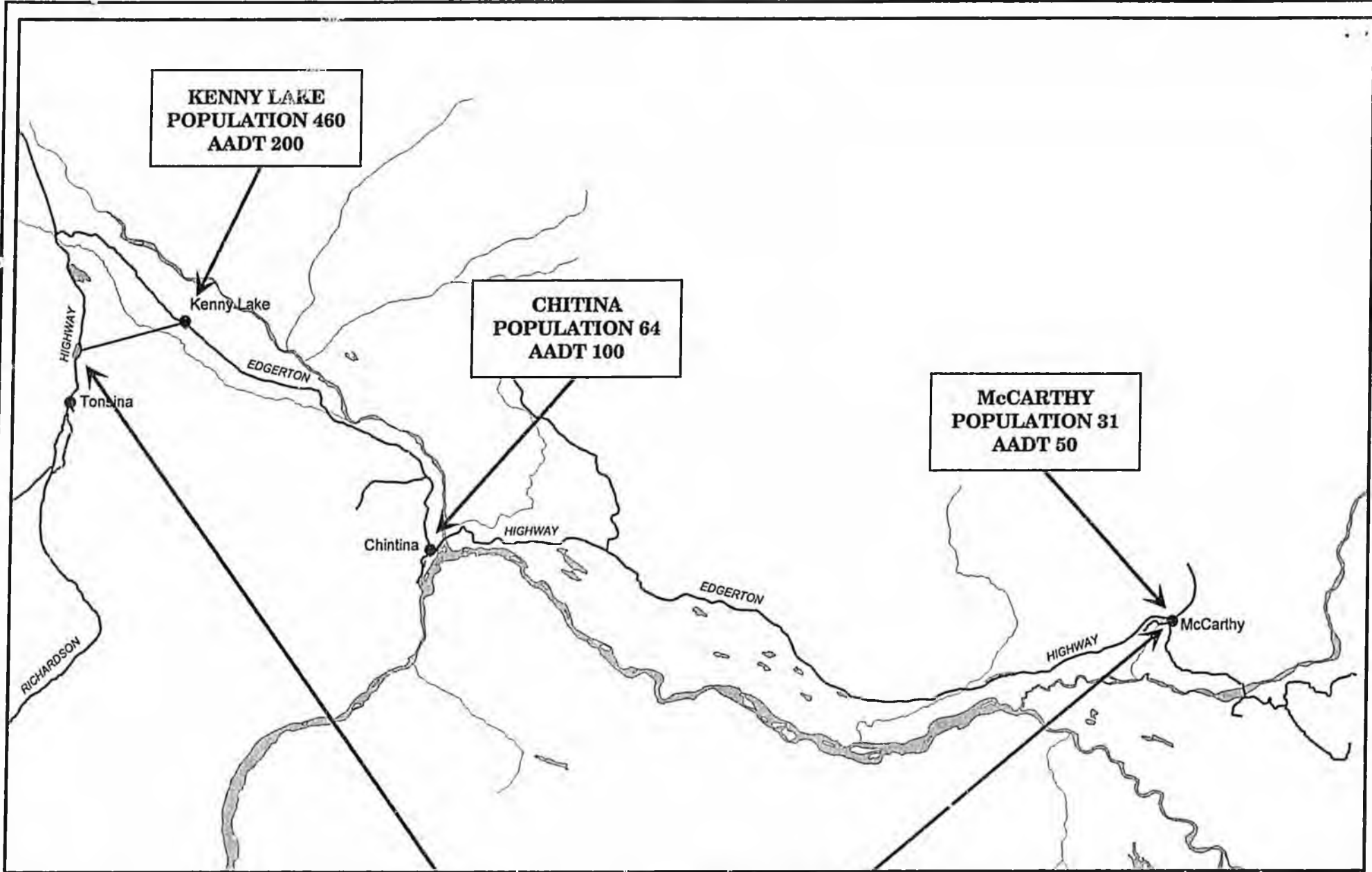
- Deputy Commissioner
- Statewide Planning Director
- Alaska Marine Highway System Director
- Regional Directors (3)

Each member of the PEB ranks the statewide list of projects; the resulting scores are then averaged to determine how projects compare to other projects. The result is a numerically ranked list of projects from highest score to lowest. These constitute Priority 1 and 2 projects. Priority 3 and 4 projects are scored at the regional level only and are those that do not score well enough to be sent to the PEB. Projects slated for construction in 1996 are considered on-going and were not scored.

The list of Priority 1 projects is then used to assemble the STIP. Generally, the highest scoring projects are included in the earliest years of the STIP. While this general rule guides the development of the STIP, other programming criteria also influence the STIP, including the following:

- Higher scoring projects are favored;

- Projects in progress for construction in 1996 are favored;
- Complex projects involving difficult right-of-way or environmental considerations are assigned a longer time frame;
- Utilize sub-allocation funding categories such as CMAQ or safety funds; and,
- Coordinate with associated projects and other funding sources.



**KENNY LAKE  
POPULATION 460  
AADT 200**

**CHITINA  
POPULATION 64  
AADT 100**

**McCARTHY  
POPULATION 31  
AADT 50**

**EDGERTON HIGHWAY  
1991-1996 ACCIDENT HISTORY  
4 FATAL  
5 MAJOR INJURY  
12 MINOR INJURY  
19 PROPERTY DAMAGE**

# Privatizing state holdings

## Taylor bill would require legislative OK

By JEANINE POHL SMITH

THE JUNEAU EMPIRE

A Wrangell senator's worry that the state may quickly decide to dispose of a state ferry has prompted a bill requiring legislative approval before the state sells facilities or equipment worth more than \$1 million.

Republican Sen. Robin Taylor said he introduced the bill Monday over concern that a decision on the future of the ferry Malaspina could be made within the month. Taylor said he's worried the state has already decided to sell the ship to Goldbelt Inc., a claim state officials deny.

The Alaska Marine Highway System is building a new ferry in Mississippi, and the fate of the Malaspina, which is in need of

expensive safety upgrades and ongoing maintenance, is uncertain.

Keeping the Malaspina in service will require additional state funds. Taylor supports the funding, but isn't sure enough of his fellow majority lawmakers agree. He said a measure on selling the ship "would be a pretty close vote."

Boyd Brownfield, deputy commissioner of the state Department of Transportation, said the agency was "nowhere near" a decision to sell the aging ferry.

"It appears like Sen. Taylor is way out in front on the wrong path," he said.

Gary Hayden, head of the Alaska Marine Highway System, said his office is looking at options to keep the ferry operating, sell it

Please see Ferry, Page 8

Juneau Empire  
FEB, 11th 97

## Ferry sale

Continued from Page 1  
or do something else because as of October new international safety requirements prevent the ship from traveling to Prince Rupert. A final decision will depend in large part on how much money the Legislature is willing to give the ferry system, Hayden said.

Taylor claims a "deal" is in the works to sell the Malaspina to Goldbelt, Juneau's urban Native corporation, which has been expanding its tourism investments.

Corporation president and chief executive officer Joe Beedle confirmed Goldbelt is interested in the ferry, but only under certain con-

ditions. While Beedle has spoken with state transportation officials "on a continual basis," nothing is certain.

"Yes, we're interested in the Malaspina, but the Malaspina can be as much a liability as it can be an asset," Beedle said, citing potential asbestos clean-up costs, the configuration of the ship, and the need to keep labor costs down.

It would only work as a day boat on Lynn Canal between Juneau, Haines and Skagway if it ran out of Echo Cove, where Goldbelt owns land and is interested in building a dock, he said.

Goldbelt recently hired former

state ferry operations manager George Reifenstein to run its marine division and former ferry system director Greg Dronkert works as a consultant for the corporation, Beedle said.

Juneau Sen. Jim Duncan said he didn't see any specific problems with Taylor's bill, but added that he is not as worried as Taylor is that the Malaspina is about to be sold.

"I have reason to believe that the (Knowles) administration is doing everything possible to keep the Malaspina on long into next year, possibly as a day boat," Duncan said.

Such a decision should be made soon, he said, because of the need to secure funding for its operation.

# EXCLUSIVE LANDSCAPING & PAVING, INC.

General Contractor  
Contractors License 22789  
Business License 193232

*Phil Anderson*

P.O. Box 58136  
Fairbanks, Alaska 99711-0136

Office 488-8833  
Fax 488-8988

1570 Richardson Highway  
North Pole, Alaska 99705-5943

RECEIVED

FEB 03 1997

January 30, 1997

Senator Gary Wilken  
State Capitol  
Juneau, Alaska 99801-1182

Re: Department of Transportation and Public Facilities (DOTPF)  
Northern Region Transportation Program

Dear Gary:

Exclusive Landscaping & Paving, Inc. is an Interior Alaska based general contractor who is partially dependent on a health highway and airfield construction program in the Northern Region. We have had the opportunity to review the DOTPF's 1997 scheduled project construction listing and we see another bleak transportation construction program in Interior Alaska this season.

> NEED COPY

When you ask Northern Region DOTPF personnel where the money and projects went, you are told the work went to Anchorage. Looking at Anchorage you do not see the projects being advertised or constructed. Central Region DOTPF will tell you that they are having problems getting the projects through the design phase. The problem that has developed is that very few projects are being constructed through the DOTPF organization. This has a crippling effect on the Construction Industry, Construction Support Industries, and the Workers who support their families through the industry.

> I.E.  
> I.E.

Northern Region DOTPF has a long history in being able to get projects through design and out for construction efficiently. Northern Region is also known to effectively manage the projects through the construction phase. We are aware of several projects that are on the shelf and could be advertised with little lead time. Some of these projects are as follows:

\* (handwritten mark)

Alaska Hwy. 1386 North	>\$5 million
Denali Hwy. MP 21-42	>\$5 million
Circle City Airport Apron	\$1 - \$2 million
New Rich. Hwy. Exit Ramp	<\$1 million
Parks Hwy. MP 262 North	>\$5 million
Steese Hwy. MP 22-35	\$2 - \$5 million

All of these projects would not only enhance the interior Construction Industry but would benefit our Tourism Industry through improved access to the Interior. We urge you to contact

DOTPF Transportation Program  
January 30, 1997  
Page Two

Transportation Commissioner Joe Perkins and request these projects be added immediately to the 1997 Transportation Program.

> O.K...  
PLAN

A couple of years ago the DOTPF changed it's method of dividing up the construction project pie. The Department supposedly adopted a method based on a ranking system of priority need. We fully supported the ranking system when it was proposed. The system was designed to spend construction dollars in the Alaskan areas of greatest need and not necessarily in the areas with the greatest political clout. The proposed system would benefit all Alaskans because all areas would equally share in the construction dollars for needed projects. Unfortunately it appears we have a Governor who is using the highway moneys to pay back the constituents who elected him and this is wrong.

COPY

I.E.

Many States administer their Highway Program through a Commissioned Board. This Board is made up of three to five appointed members. The Governor may only replace one or two members each stay in office and this protects the bipartisan nature. The Commissioner of Highways works for the Board and not for the Governor. This type of Commission would provide consistency in the DOTPF by adding a stable administration in the Department and nullify the change in direction every time we elect a new Governor. We ask you to discuss this concept with your colleagues for possible adoption. We need a better system to stabilize the DOTPF and the Construction Industry.

WE SHOULD EXPLORE THIS CONCEPT.

Thank you for your time and support of the Construction Industry in Interior Alaska.

Sincerely:  
Exclusive Landscaping & Paving, Inc.

Philip W. Anderson  
Secretary/Treasure

I HAVE TALKED W/ HEARY SPRINGER AND HE IS BRINGING DRAFT OF A PROPOSAL.  
6/25

TO: SEN. GEORGIA LINCOLN

FM: PETE A. KOMPLOFF  
ADMINISTRATOR  
CHENECA BAY IRA COUNCIL

RE: CHENECA AIRPORT LIGHTING.

SEN,

Just recently we had another emergency in Chenece which could have resulted in death. However, a Doctor was flown in by Helicopter. This was 5 hours after a call for assistance was made. We still strongly urge the support for Airport lighting at Chenece Bay. THANK YOU FOR YOUR SUPPORT.

As you know from previous emergencies we lost an unborn child because of the delay to a hospital. This was a 11 hr wait. where, if we had lighting at the Airport this would be eliminated.

Again thank you for your support.

Pete Komploff  
ADMINISTRATOR  
Chenece Bay IRA Council  
Box 8079  
Chenece Bay, AK 99574  
FAX 573-5120

Ph. (907) 573-5132

## M E M O R A N D U M

DATE: Friday, November 22, 1996

TO: All Aircraft's that use  
The Chenega Airport

FROM: PETE KOMPKOFF,  
CHENEGA BAY IRA COUNCIL  
Administrator

RE: Airport Lighting

CC: Gene Kubina's office "Fax 465-3799  
Georgianna Lincoln's office Fax 465-2652

I am compiling information regarding the number of flights your company has or will make to the Chenega Airport Also for all aircraft owners that frequent Prince William That would recommend The Chenega Airport as an Emergency Strip in the event Portage Pass is closed and That plane is needing fuel. Chenega has 100 octane fuel available in tank storage for those who do not know.

In the past the Chenega Clinic has had Medical Emergencies that resulted in near death situations, because of the time involved to get a Coast Guard Helicopter here. To Avoid the delay for the future emergencies Airport Lighting is required. This lighting must meet the insurance

Requirements that the Emergency Medical Evacuation aircraft.  
Your quick response to this memo is very important because  
of the time factor for Federal Funding to be determined  
on December 2, 1996

Thank you for your cooperation.

Pete Kompkoff

**NATIVE VILLAGE OF EYAK****P.O. BOX 1388-CORODOON, ALASKA 99574****TEL 907-424-7738-FAX-907-424-7739**

November 27, 1996

John Horn  
Regional Director  
Central Region  
Department of Transportation  
P.O. Box 196909  
Anchorage, Alaska 99519-6900

Dear Mr. Horn

It is our understanding that the Department of Transportation will be prioritizing the projects to be funded with the FY 98 FAA Airport Improvement and Capital Construction funds on December 2, 1996. The Native Village of Eyak Traditional Council requests that you consider emergency airport lighting for the Chenega Bay airstrip.

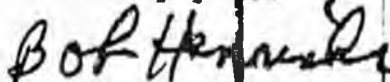
There have been several near death situations, over the past several years, due to the lack of airport lighting. Private carriers cannot respond to an emergency during the night time hours. We all know the amount of day light during the winters in this area. Coast Guard helicopters have done a good job, but in the winter the nearest one is in Kodiak or Anchorage.

Many planes stop in Chenega Bay to wait out storms. With the addition of airport lighting it could be used for this purpose 24 hours a day.

We urge you to consider funding airport lighting for the Chenega Bay airstrip.

If you have any questions, feel free to call me at my home, 907-424-3604.

Sincerely yours



Bob Henrichs  
President, Traditional Council  
Native Village of Eyak

cc: Governor Tony Knowles  
Senator Georgianna Lincoln  
Representative Gene Kubina



# Ketchum

**AIR SERVICE, INC.**

MAIL: P.O. BOX 190588

ANCHORAGE, ALASKA 99519-0588

907-243-5525

*On the North Shore of Lake Hood*

800-433-9114

FAX 907-243-8311

11-23-96

To whom it may concern:

Ketchum Air Service, Inc. operates air taxi flights to the Chenega Airport in the Prince William Sound. Due to the variable weather conditions, many aircraft have found it necessary to land in Chenega to "wait out" weather. During the winter months when floatplanes are not usually flying, the only place to land is on the un-lit unway. In darkening conditions this is a very difficult and can be an unsafe procedure.

Also there have been times in the past that emergencies have resulted in near death situations. If there were lights on the runway, this problem would be minimized since night flights then would be possible.

I hope our safety concerns will help justify the addition of runway lights on the Chenega runway.

Sincerely yours,

Craig Ketchum  
President

CC: Gene Kubina, Georgianna Lincoln, Chenega Bay I.R.A. Council



ACVB

HELP PROTECT OUR WILDERNESS RESOURCES

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**CHENEGA BAY I.R.A. COUNCIL**  
 POST OFFICE BOX 8079  
 CHENEGA BAY, ALASKA 99574-8079  
 TELEPHONE: (907) 573-5132 TELECOPIER: (907) 573-5120

**FAX TRANSMITTAL**  
**COVER PAGE**

TO *Georgina Lincoln's Office*  
 ADDRESS  
 ADDRESS  
 ATTENTION  
 TEL. #  
 MESSAGE

FROM *Pete Komkuzz*  
 # OF PAGES *3*  
 DATE *11/22/96*  
 TIME *4:30 p.m.*  
 SUBJECT

FAX # *465-2652*

**FAX**

TO: Pete Kompelt  
Chenega Bay IRH Council  
FAX 573-5120 PHONE \_\_\_\_\_

FROM:

**Senator Georgianna Lincoln  
Alaska State Senate  
State Capitol  
Juneau, AK 99801-1182**

**Phone: (907) 465-3732 Fax: (907) 465-2652**

Date: 11/20/96

Staff Contact: \_\_\_\_\_ Paula  Annie  
465-2847 465-4923

Comments: Pete - here is a copy of letter of support  
which was faxed to John Kern today - Best wishes  
on getting the funding. Annie

Total Pages (including cover) 2

**State of Alaska**  
**Department of Transportation**  
**and Public Facilities**

**FY98 Overview**



**January 1997**

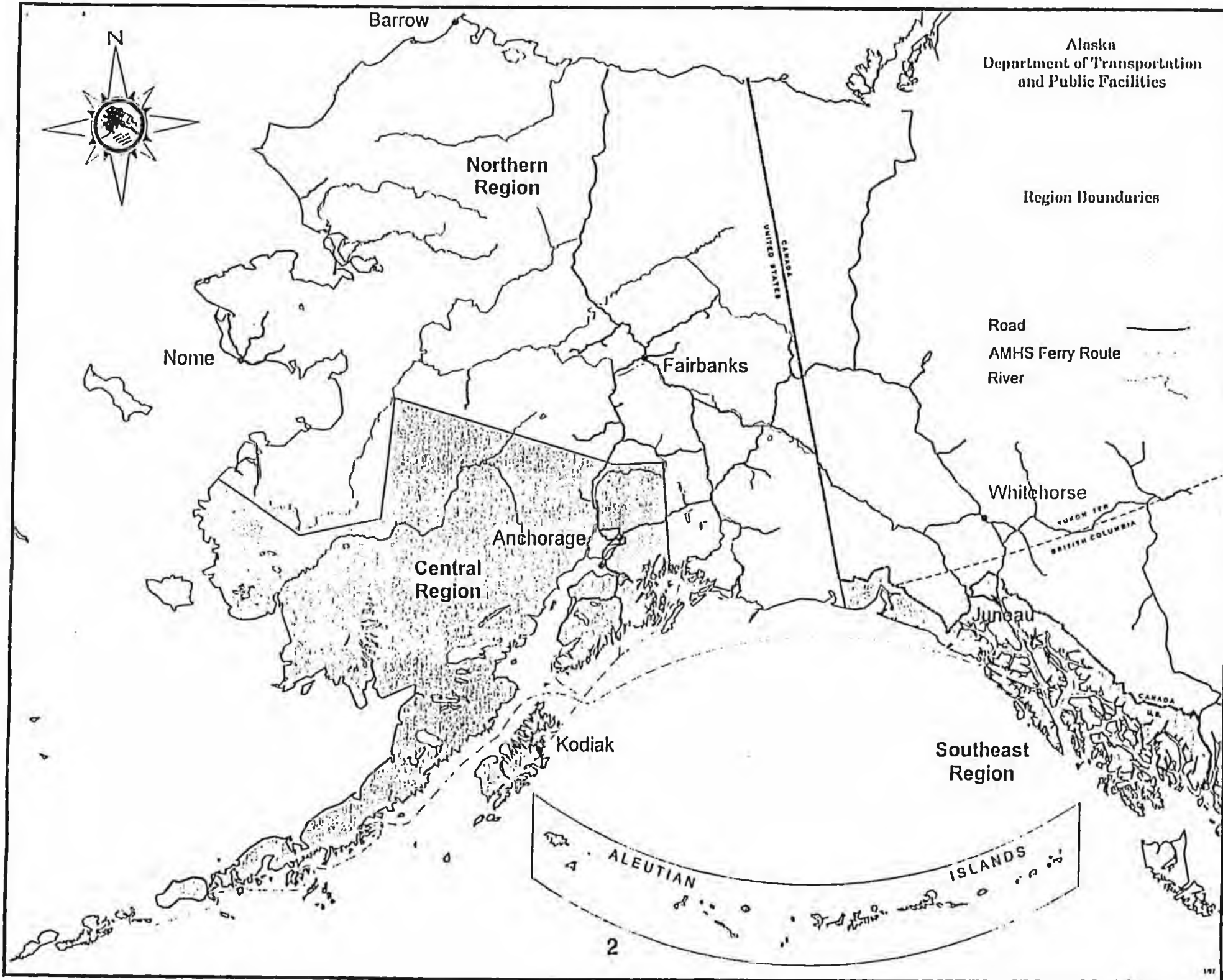
**Tony Knowles, Governor**  
**Joseph L. Perkins, Commissioner**

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# **Mission:**

**. . . improve the quality of life for Alaskans by cost effectively providing, operating and maintaining safe, environmentally sound and reliable transportation systems and public facilities. Special emphasis will be given to utilizing meaningful public involvement and creating working partnerships with other entities.**



Alaska  
Department of Transportation  
and Public Facilities

Region Boundaries

Road  
AMHS Ferry Route  
River

Barrow

Northern  
Region

Nome

Fairbanks

Whitehorse

Central  
Region

Anchorage

YUKON TERR  
BRITISH COLUMBIA

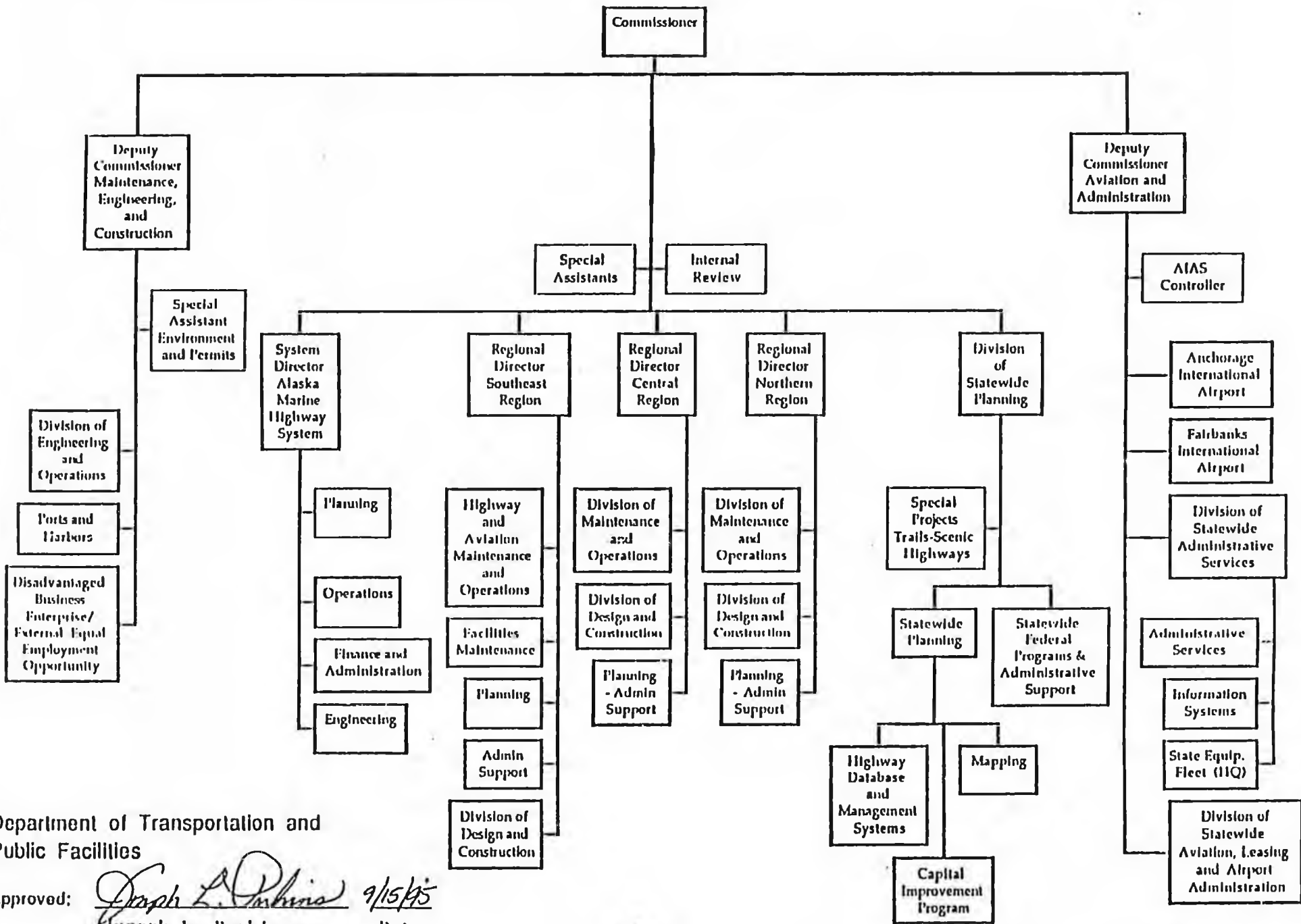
Juneau

Kodiak

Southeast  
Region

2  
ALEUTIAN

ISLANDS



Department of Transportation and Public Facilities

Approved: Joseph L. Perkins 9/15/95  
 Joseph L. Perkins Date

**Department of Transportation and Public Facilities**  
**DESCRIPTION OF ORGANIZATION AND DUTIES**

The following is a general description of the major divisions and offices within the Department:

**Office of the Commissioner**

Commissioner's Office is responsible for the executive leadership and direction of the department, to provide policy contact with the public, and to provide the department liaison with the Legislature. Within this office is the Office of the Disadvantaged Business Enterprise/External Equal Employment Opportunity (DBE/EXEEO) which promotes the participation of minority and women contractors, employees and trainees on federal contracts. DBE also monitors Americans with Disabilities Act compliance. The Internal Review Office evaluates department programs, assists in the annual single audit of agency operations, reviews concessions and grantees, and performs contract pre-award evaluations, final audits of consultant contracts, and system audits of utility companies.

**Administrative Services Division**

Statewide Administrative Services is responsible for policies and procedures for accounting, personnel, payroll, operating budget, procurement and information processing systems. The Division also handles billing of federal agencies, develops the cost allocation plan, processes procurement bids, maintains local and wide area network systems, and administers the Internal EEO program including preparation of the annual Affirmative Action Plan.

The Headquarters State Equipment Fleet (SEF) is responsible for establishing and monitoring rental rates for state equipment, providing policy direction and guidance for equipment repair, use and replacement, monitoring the Highway Working Capital Fund, procuring the state fleet, and disposing of excess equipment.

**Division of Planning**

Statewide Planning is responsible for coordination and submission of the department's capital program, tracking and obligating Federal Highway Administration funding, providing federally required statistical, cartographic and other technical services, and gathering and disseminating information concerning Alaska transportation systems.

**Division of Statewide Aviation, Leasing & Airport Administration**

Statewide Aviation is responsible for developing and implementing aviation policy; coordinating statewide Aviation Capital Improvement Program; insuring airports are in compliance with FAA regulations for certification, security, environmental compliance, and safety; developing policies and regulations for airport right-of-way acquisition and certification; and developing airport leasing policies and selling lease rates.

## **Division of Engineering and Operations**

Engineering and Operations provides uniform statewide policy and management oversight for design, construction, maintenance, and environmental issues relating to highways, airports, harbors and buildings. The Division also provides support and technical assistance to the regions for all capital improvement projects especially related to bridge design, inspection and management, materials quality control and inspections, foundation investigations, pavement management, harbors, right of way appraisal reviews, environmental reviews and assessments. Additionally, this Division coordinates statewide research projects and provides training and educational services for private and government transportation professionals.

### **Regional Offices**

There are three regional offices within the state. They are located in Anchorage (Central), Fairbanks (Northern) and Juneau (Southeast). Each office contains the following areas of responsibility:

**Administrative services** including processing of accounting, personnel, payroll, and procurement transactions, mail services, and regional budget development.

**Planning sections** identify and analyze potential capital projects within the region, develop regional capital programs, conduct public involvement and local government coordination activities, review and comment on statewide policy development, the Statewide Transportation Plan, and the Statewide Transportation Improvement Program, collect highway data for federal monitoring and reporting, and monitor and close-out capital projects.

**Engineering management sections** provide general management and administrative support for capital projects including reporting, budget control, contract management, protection of state title and land interests, and insuring compliance with Federal requirements. These sections also address right of way issues as requested by the public.

**Design and construction (CIP) sections** oversee the design and construction of safe, environmentally sound, and cost effective capital projects. This is accomplished either through department staff or contract management.

**Highways and aviation maintenance and operations (M&O) sections** are responsible for maintenance of the highway and rural airport systems and their related facilities. This includes summer (e.g., brushing, grading, pothole repair, chip sealing, etc.), winter (e.g., snow removal, deicing, etc.) and full year activities (e.g., airport lighting, airport rescue and firefighting, etc.).

**Facilities maintenance sections** are responsible for the upkeep of state owned facilities. This includes utilities, janitorial services, emergency repairs, snow removal, elevator maintenance, major maintenance, and routine scheduled and preventative maintenance. This section also manage contracts for renovations and remodeling to accommodate changed program needs.

**Leasing and property management sections** are responsible for lease property at rural airports, building permit applications related to leases and concessions, appraisals, and lease of state harbors to political subdivisions.

**State equipment fleet sections** are responsible for maintenance, fuel, and parts for all state vehicles whether rented from the Highway Working Capital Fund or maintained on a reimbursable basis.

## **International Airports**

Anchorage and Fairbanks International Airports form the Alaska International Airport System and provide commercial and general aviation airport facilities and services on a 24 hour, 365 days a year basis. This includes providing maintenance of runways, taxiways, aircraft and vehicle parking areas, roadways, equipment, terminal buildings and other associated buildings. The airports also provide aircraft rescue and firefighting, structural firefighting, emergency medical services, traffic control, communications, maintenance, terminal services, financial management, marketing and development of long term airport land and facility maintenance and use plans.

The International Airports Controller's Office is responsible for developing consistent financial policy for the Alaska International Airport System (AIAS), setting uniform rates and fees in accordance with the current Airport-Airline Operating Agreement, monitoring the financial activity of AIA and FIA, coordinating the annual audit of the International Airport Revenue Fund, and providing technical management and maintenance of the AIAS computer systems.

## **Alaska Marine Highway System**

The Marine Highway System is responsible for the management of the state's ferry fleet. The administration of this system includes planning, schedule development, budget preparation, oversight of information systems, revenue collection, finance and accounting, procurement of goods and services, labor relations and contract negotiations, personnel and dispatch.

The shore operations section is responsible for management of passenger and terminal operations, reservations, ticketing, crewing for the eight (8) vessels, on-board service inspections, safety and regulatory requirements, training, and schedule management.

The engineering section manages the maintenance programs for the vessels, terminals and other shore facilities, provides technical support for long range planning, project control, annual vessel overhauls, material inspection and quality assurance, and assures compliance with federal specifications.

Vessel operations oversees the piloting, docking, loading and unloading, mechanical operations and repairs, food service, laundry, cleaning and general administration on the vessels.

# CENTRAL REGION

## DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

The Regional Director and the region-wide functions of Planning, Administrative Services, Design and Construction, Maintenance and Operations, and Leasing and Property Management are located in Anchorage

### CENTRAL REGION FACTS AND FIGURES

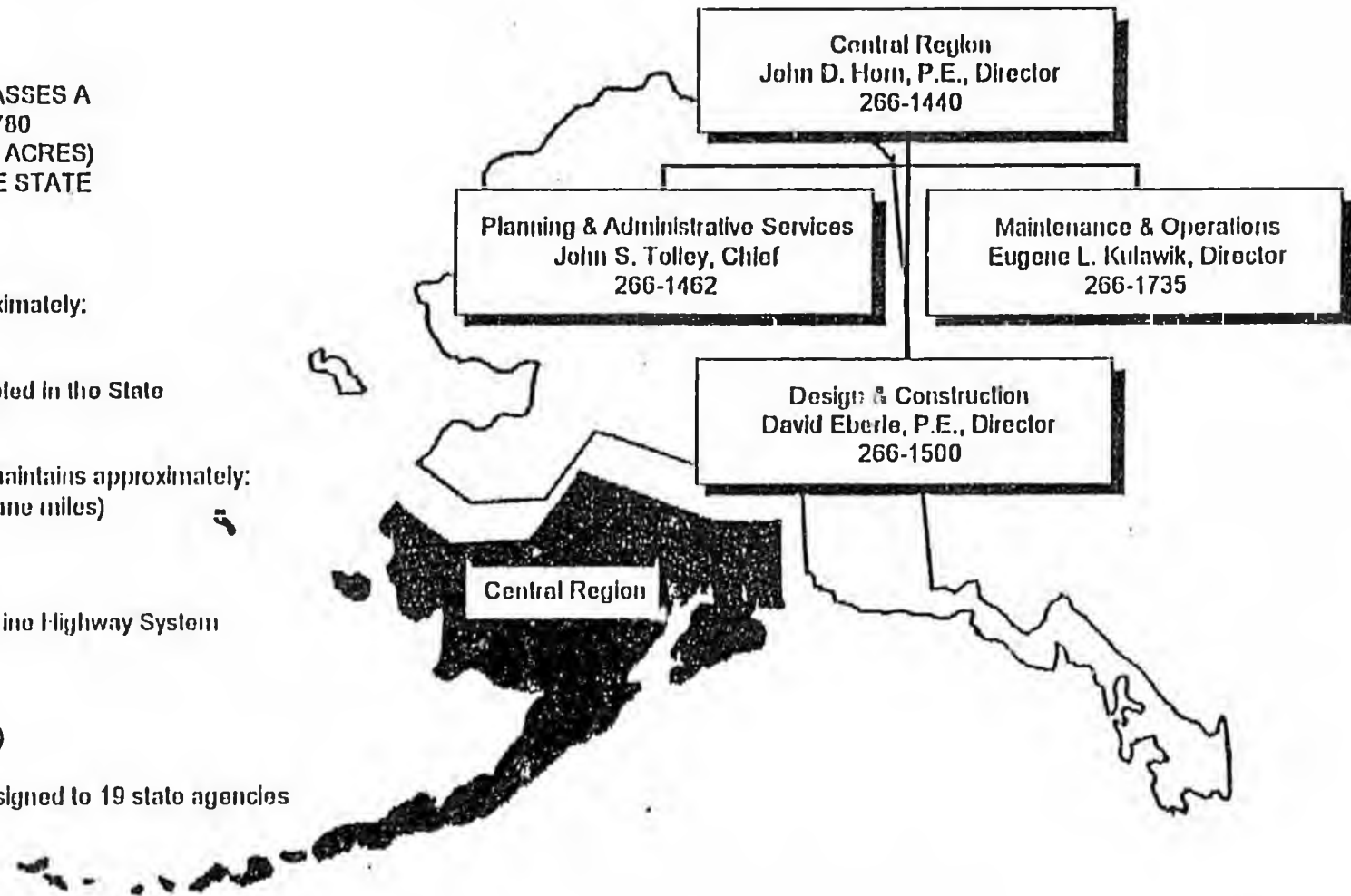
CENTRAL REGION ENCOMPASSES A GEOGRAPHIC AREA OF 181,780 SQUARE MILES (117 MILLION ACRES) WHICH IS LARGER THAN THE STATE OF CALIFORNIA.

Central Region includes approximately:

- \* 28% of Alaska's land area
- \* 65% of State's population
- \* 64% of the vehicle miles traveled in the State

Central Region operates and maintains approximately:

- 1,900 miles of roads (4,495 lane miles)
  - 60% are paved
  - 12% are urban roads
  - 75% are rural roads
  - 12% are on the Alaska Marine Highway System
- 202 public buildings
- 227 bridges
- 20 harbors
- 103 airports (819 lane miles)
- 11 certificated airports
- 3,411 pieces of equipment assigned to 19 state agencies



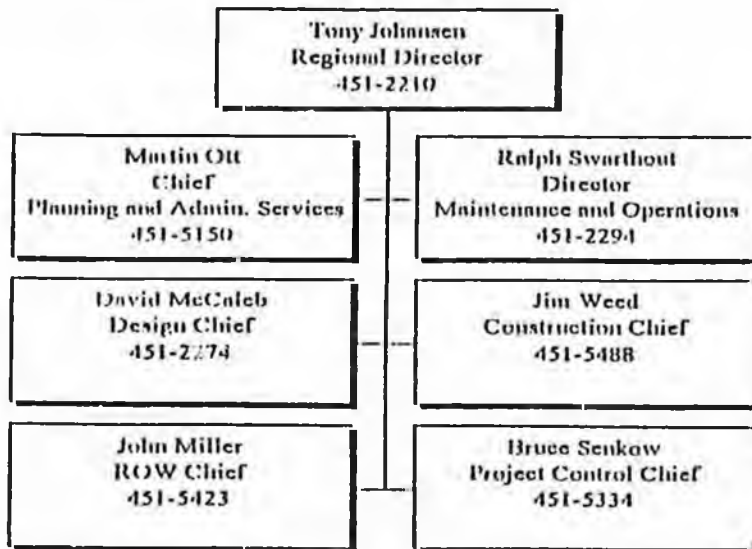
### Central Region Communities include:

Anchorage	Chenega	Dillingham	King Cove	Palmer	St. George	Ugashik
Aniak	Chovak	Homer	King Salmon	Sand Point	St. Paul	Unalaska
Alka	Chignik	Iliamna	Kodiak	Seward	Talkeetna	Wasilla
Bethel	Cold Bay	Kona	McGrath	Soldotna	Togiak	Willow

# Northern Region Facts and Figures

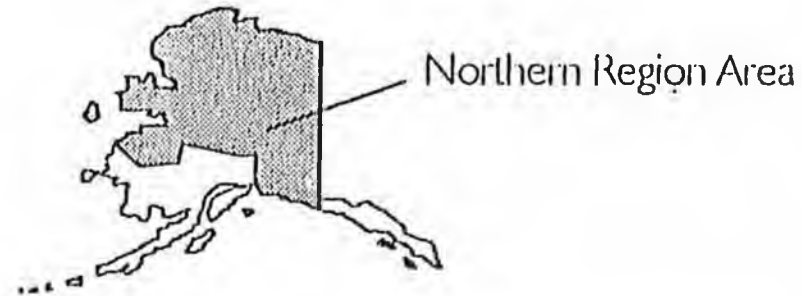
The Regional Director and the region wide functions of Planning, Administrative Services, Design and Construction, Maintenance and Operations and Airport Leasing are located in Fairbanks. There are also district offices in Nome and Valdez.

## Northern Region Organizational Chart



## Typical Communities:

Anderson	Deadhorse	Galena	Nome	Savoonga
Alakanuk	Delta Jct.	Gambell	North Pole	Selawik
Barrow	Eagle	Glennallen	Pilot Stn.	Stebbins
Cantwell	Emmonak	Kotzebue	Pt. Hope	Tok
Central	Fairbanks	Manley	Ruby	Unalakleet
Cordova	Ft Yukon	Nenana	St. Mary's	Valdez



Northern Region encompasses 416,000 square miles (266 million acres) which is larger than the combined states of California, Nevada and Arizona.

Northern Region includes approximately:

- 65% of Alaska's land area
- 24% of the State's population
- 60% of Alaska's state-maintained road miles

## Northern Region Maintenance Responsibilities

Northern Region maintains and operates approximately:

3,400 miles of roads

- 42% are paved
- 58% are unpaved roads
- 21% are on the National Highway System

350 public buildings

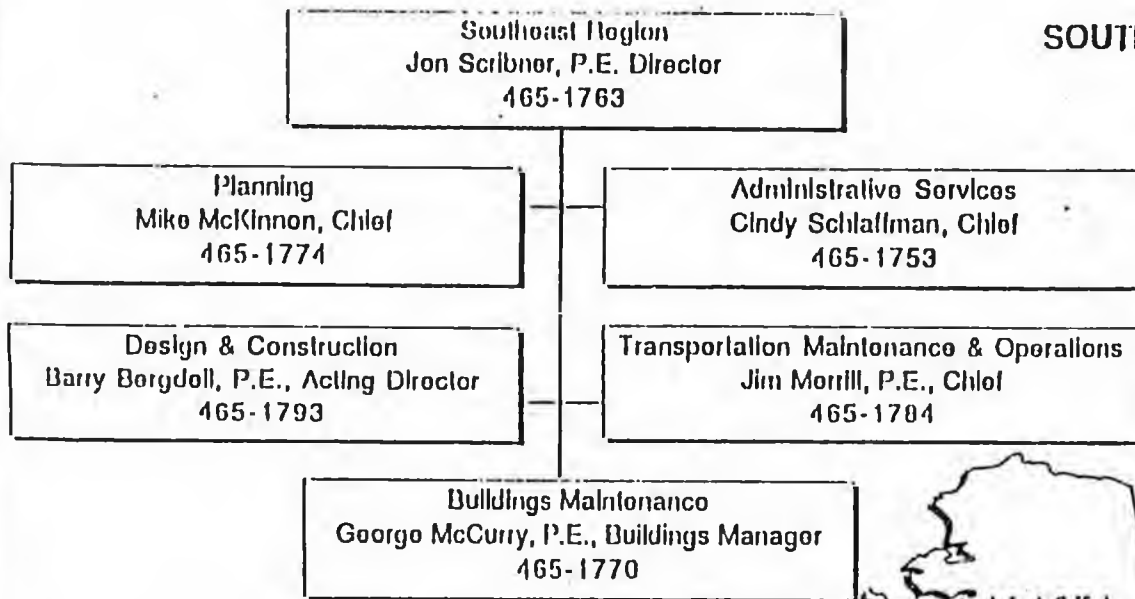
411 bridges

106 airports

2,600 pieces of equipment

**SOUTHEAST REGION  
DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES**

The Regional Director and the regionwide functions of Planning, Administrative Services, Design and Construction, Maintenance and Operations, and Airport Leasing are located in Juneau. Maintenance has 11 stations located throughout Southeast Region.



**SOUTHEAST REGION FACTS AND FIGURES:**

Southeast Region encompasses approximately

- 42,000 square miles of land area including extensive inland waterways

Southeast Region maintains and operates approximately:

- 539 center-line miles of roads (1,285 lane miles)
- 43 public buildings (1 million square feet)
- 55 harbors/dock
- 6 non-certified airports
- 5 certified airports
- 32 seaplane floats
- 950 pieces of equipment
- 120 bridges



**Communities Served:**

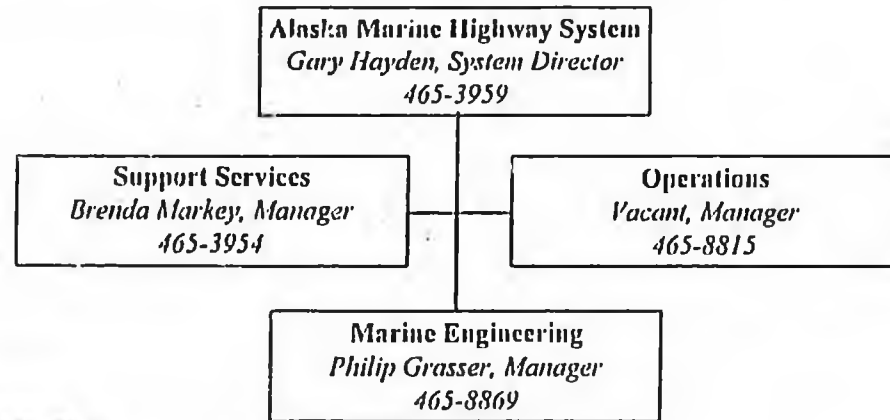
- |          |                 |                 |                      |            |            |         |
|----------|-----------------|-----------------|----------------------|------------|------------|---------|
| Angoon   | Haines          | Hyder           | Ketchikan            | Mellakalla | Skagway    | Yakutat |
| Craig    | Hoonah          | Juneau          | Klawock              | Petersburg | Thorne Bay |         |
| Gustavus | Hydaburg        | Kako            | Klukwan              | Slika      | Wrangell   |         |
|          | Saxman          | Port Protection | Ellin Cove           |            |            |         |
|          | Whale Pass      | Point Baker     | Tenakee Springs      |            |            |         |
|          | Excursion Inlet | Myers Chuck     | Baranof Warm Springs |            |            |         |
|          | Pelican         |                 |                      |            |            |         |

# ALASKA MARINE HIGHWAY SYSTEM

## DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

- **8 vessels**
  - » 4 Mainline Southeast
  - » 2 Feeder Routes
  - » 2 Southwest/Southcentral
- **New vessel under construction**
  - » Delivery expected May 1998
  - » Capable of serving southeast & southwest ports
- **35 ports**
  - » Representing 110,000 Alaskans
  - » Southern terminus at Bellingham, Washington
  - » Links to Canada at Stewart & Prince Rupert, B.C.
- **3,700 route miles**
  - » 1,911 miles designated National Highway System

The Director and the system-wide functions of Support Services, Operations, and Marine Engineering are located in Juneau.



### Southeast Alaska Communities Served

Angoon, Bellingham, Haines and Borough area, Hollis (serving Coffman Cove, Craig, Hydaburg, Kasaan, Klawock, Thorne Bay, Whale Pass & other POW Island communities), Hoonah, Hyder, Juneau and Borough area, Kake, Ketchikan and Borough area, Metlakatla and Annette Island, Pelican, Petersburg (serving Kupreanof), Sitka and Borough area, Skagway, Tenakee Springs, Wrangell

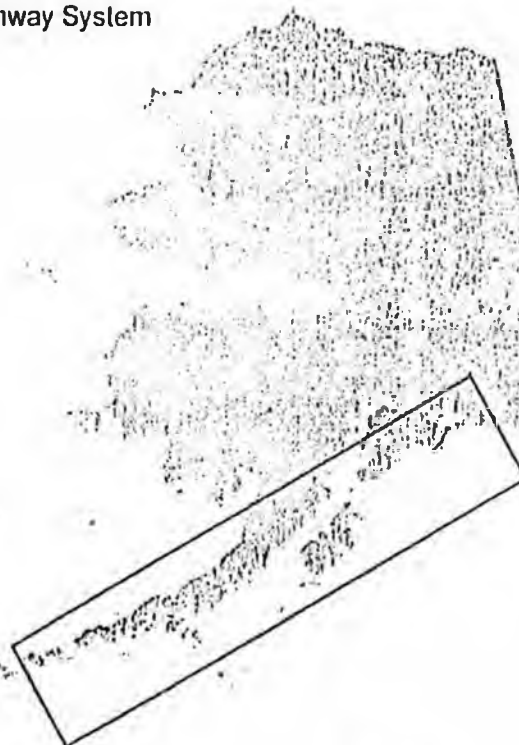


### Other U.S. and Canadian ports

Bellingham, Washington; Prince Rupert, B.C., Stewart, B.C.

### Southwest Alaska Communities Served

Akulatan, Chenega Bay, Chignik, Cold Bay, Cordova, False Pass, Homer, King Cove, Kodiak and Borough area, Port Lions, Sand Point, Seldovia, Seward, Talitlek / Ellamar, Unalaska / Dutch Harbor, Valdez, Whittier, Yakutat



**ALASKA INTERNATIONAL AIRPORT SYSTEM**  
 Department of Transportation & Public Facilities

**ANCHORAGE INTERNATIONAL AIRPORT**  
 266-2525

**Anchorage International Airport**  
 Morton Plumb, Director

**Aviation Operations**  
 Corky Caldwell, Manager

Passengers enplaned (FY96) 2,050,660  
 Passenger aircraft landings 55,474  
 Cargo aircraft landings 26,552

**Passenger Operations include:**

Alaska Airlines	America West	Continental Airlines	Delta Air Lines	Era Aviation
Frontier Flying Service	Northwest Airlines	Peninsula Airways	Reno Air	Reeve Aleutian
South Central Air	United Airlines	Yute	Aeroflot	Air China
Asiana Airlines	Cathay Pacific	China Airlines	Eva Air	Korean Air
Rich Int'l Airways	Sun Country Airlines	Balair	Condor	World Airways

**Cargo Operations include:**

Alaska Airlines	Empire Airlines	Era Aviation	Northern Air Cargo	South Central Air
Air China	Air Hong Kong	American Transport	Asiana Airlines	Atlas Air
Cathay Pacific	China Air	Eva Air	Evergreen Int'l	Federal Express
Japan Airlines	Korean Air	Nippon Cargo	Northwest Airlines	Polar Air Cargo
Singapore Airlines	Southern Air Trans	United Parcel Service		

**FAIRBANKS INTERNATIONAL AIRPORT**  
 474-2507

**Fairbanks International Airport**  
 Doyle Ruff, Manager

**Aviation Operations**  
 Jim Forenzi, Manager

Passengers enplaned (FY96) 377,556  
 Passenger aircraft landings 21,916  
 Cargo aircraft landings 6,751

**Passenger Operations include:**

Air North	Alaska Airlines	Delta	Frontier Flying Service	Larry's
Northwest Airlines	Reno Air	Tanana Air	Warbelows	Wrights Air Service
40 Mile Air				

**Cargo Operations include:**

Air France	Cargolux	Lufthansa
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**ALASKA INTERNATIONAL AIRPORT SYSTEM**  
 John Unger, Controller  
 266-2541

# **ADOT&PF**

## **Responsibilities**

- **Roads and Highways**

- **2,100 Miles of National Highway System**
- **3,500 Miles state and community roads**
- **900 bridges**
- **14,400 lane miles**

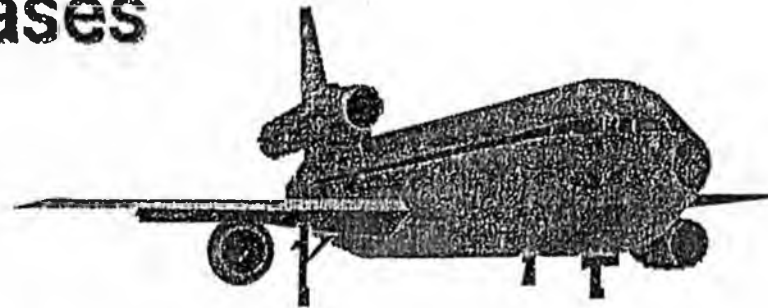


# ADOT&PF

## Responsibilities

- **Airports**

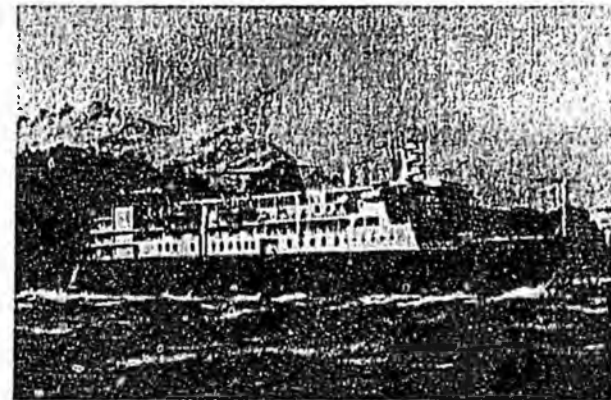
- Operate 266 airports
- 2 Large International Airports
- 25 other international, regional or district
- 102 seaplane bases



# ADOT&PF

## Responsibilities

- **Alaska Marine Highway System**
  - 8 vessels; 1 under construction
  - 32 communities
  - 3,500 route miles
  - 800 employees
  - 400,000 passengers
  - 100,000 vehicles



# **ADOT&PF**

## **Responsibilities**

- **Ports and Harbors**
  - **97 harbor facilities**
  - **60 locations**
  - **10,700 mooring slips**

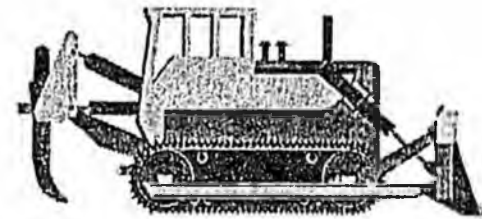


# ADOT&PF

## Responsibilities

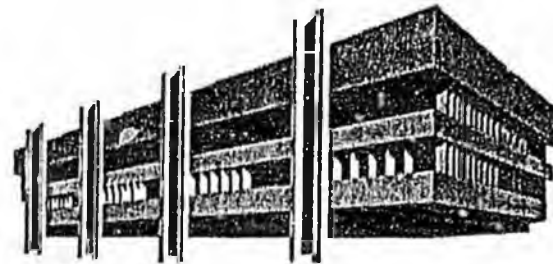
- **Manage State Equipment Fleet**

- 5,500 vehicles
- 1,500 heavy equipment units



- **Manage State Buildings and Facilities**

- 625 Buildings
- 3 million square feet

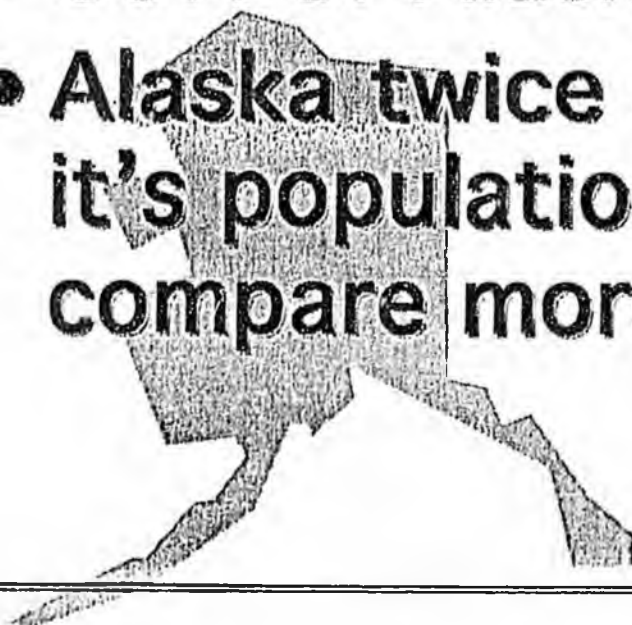


# Alaska Transportation Facts

- **NHS Mileage:**
  - Alaska: 3.3 NHS miles per 1,000 pop.
  - US: 0.6 NHS miles per 1,000 pop.
- **All Mileage**
  - Alaska DOT: Maintains 40% of roads
  - Average state DOT: Maintains 20% of roads in their state

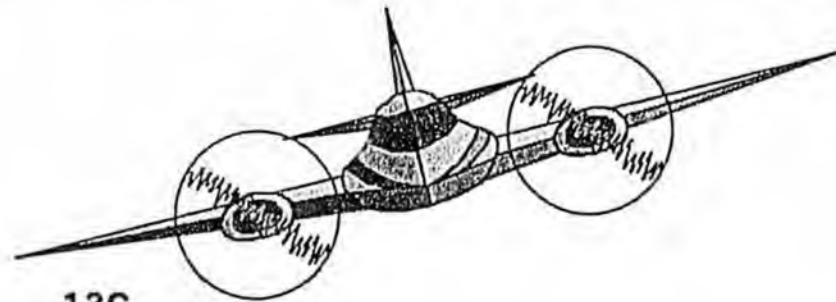
# Alaska Transportation Facts

- 30% of Alaskans are not connected to roads
- 80% of Alaska's roads are gravel
- Alaska twice as large as Texas, but its population and road mileage compare more closely to Vermont.



# Alaska Transportation Facts

- Alaska's Population = 0.2% of US Population
- Alaska's Air Travel = 13% of commuter airline departures
- Alaska has 65 times as many commuter departures per capita as U.S. average.



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