

ALASKA LEGISLATURE COMMITTEE FILES 1999-2000 8672

10130 SENATE RESOURCES

SB

175

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 5/15/99

FURTHER: Finance

Date of 5-Day Notice: 24-hour rule in effect
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2/21/00

Resources Committee considered

SENATE BILL NO. 175

"An Act relating to state mining law, to methods of locating mining claims, to the granting of larger mining claims using a legal subdivision based on rectangular survey descriptions, and to mandatory rental payments for prospecting rights."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Chris Toivola</i>	✓				
<i>Pete Kelly</i>	✓				
<i>Lydia Green</i>	✓				
CHAIR: <i>Rick Halford</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
DNR	2/18		✓

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill



Official Business

ALASKA STATE LEGISLATURE

SENATE RESOURCES COMMITTEE

State Capitol
Juneau, AK 99801

Chairman: Senator Rick Halford
Vice Chair: Senator Robin Taylor
Senator Lyda Green
Senator Pete Kelly
Senator Jerry Mackie
Senator Sean Parnell
Senator Georgianna Lincoln

Sponsor Statement **Senate Bill 175** "Amendments to State Mining Law"

Senate Bill 175 proposes changes to the Alaska State Mining Law that reduce the time and processing cost for the State, while improving the accuracy and accessibility of the claim location data. These changes affect methods of locating mining claims, rental payments and other related items; they have no effect on the rights established by claims.

The Department of Natural Resources currently has a six month backlog of claims that have been filed, but are not yet on the land status plats. Changes proposed by SB 175 will greatly improve this situation by allowing DNR to use a format whereby mining claim corners conform to an aliquot part legal description and can then be electronically entered onto (or removed from) the State land status plats.

The changes proposed by SB 175 incorporate several years of work between the mining industry and the Alaska Department of Natural Resources. The primary concern for DNR is the amount of manpower, time and cost that are now required to process the paperwork for mining claims.

From the viewpoint of the mining industry, the changes will simplify the process of staking mining claims and reduce errors during the staking, recording and filing process. One change will make it simpler and more feasible to utilize Global Positioning Systems (GPS) to establish claim corners in the field. Another change will allow the location of a larger size of mining claim, which will decrease the number of stakes in the field and reduce the amount of paperwork by 75%. The existing claim location system will continue to be available for those situations where the new positioning method is not practical.

Other changes regard prospecting sites, including the establishment of a rental charge, repeal of the limitation of the number of sites that can be held, and clarification of the terms.

Senate Bill 175 is supported by the Alaska Miners Association and the Department of Natural Resources.



Official Business

ALASKA STATE LEGISLATURE

SENATE RESOURCES COMMITTEE

State Capitol
Juneau, AK 99801

Chairman: Senator Rick Halford
Vice Chair: Senator Robin Taylor
Senator Lyda Green
Senator Pete Kelly
Senator Jerry Mackie
Senator Sean Parnell
Senator Georgianna Lincoln

Sectional Analysis

Senate Bill 175

"Amendments to State Mining Law"

Section 1. Establishes an additional method for locating (staking) mining claims called "MTRSC" (Meridian, Township, Range, Section, Claim); allows claims to be located as 160 acres each, in addition to the current size of 40 acres per claim; specifies where a claim shall be marked; and reduces the period of time allowed for a person staking a claim to record the certificate of location from 90 days to 45 days.

Section 2. Establishes that the annual labor rates for the new 40 acre MTRSC claims will be the same as existing 40 acre non-MTRSC claims and that 160 acre MTRSC claims will be equal to four (4) times that of the 40 acre claims.

Section 3. Establishes a rental rate for prospecting sites and clarifies the rental rates for MTRSC claims.

Section 4. Provides an incentive to use the MTRSC method and to convert existing non-MTRSC claims into the MTRSC format.

Section 5. Defines "MTRSC system."

Section 6. Requires that all new prospecting sites be located by the MTRSC system and reduces the period of time allowed for a person establishing a prospecting site to record the certificate of location from 90 days to 45 days.

Section 7. Repeals the limitation on the number of prospecting sites that can be held in a township; increases from one year to two years the term of a prospecting site, removes the extension procedure for prospecting sites, and specifies requirements for locating and renting a prospecting site.

Section 8. Removes the requirement that claim lines be marked and clarifies the terms of abandonment of a prospecting site.

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. SB 175

Revision Date/Time: _____ Dept Affected: Natural Resources
 Title: STATE MINING LAW BRU: Minerals, Land & Water Development
 Component: Claims, Permits and Leases
 Sponsor: SRES
 Requestor: SRES Component No 2460

Expenditures/Revenues (Thousands of Dollars)
 Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
PERSONAL SERVICES	75.0	75.0	75.0	75.0	75.0	75.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	75.0	75.0	75.0	75.0	75.0	75.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
----------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES (1005)	150.0	150.0	150.0	150.0	150.0	150.0
---------------------------	-------	-------	-------	-------	-------	-------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	75.0	75.0	75.0	75.0	75.0	75.0
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	75.0	75.0	75.0	75.0	75.0	75.0

Estimate of any current year (FY2000) cost: \$ n/a

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

Alaska is experiencing a boom in mineral locations. The number of new claims has increased from 3,000-4,000 per year in the early 1990s to over 15,000 last year. Because of this increase, each year it takes longer and longer for DNR to process all the new locations. It now takes 12 weeks, almost a full mining season, for DNR to process new claims.

This bill would reduce DNR's processing requirements. In addition, it would allow locators to stake their locations in a manner that allows DNR to automate a significant part of the process. Thus, the bill is necessary to ensure that DNR's level of service does not deteriorate further if, as expected, 10,000 new claims are staked in the next few years. (cont.)

Prepared by: Robert M. Loeffler *NICOLAS for R. Loeffler* Phone: 907-269-8625
 Division: Mining, Land and Water Date: 18-Feb-00
 Approved by Commissioner: _____ Date: _____
 Agency: John Shively Date: _____
Natural Resources

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

Finally, the bill would also save the mineral locator money in being able to locate fewer mineral locations to cover the same area, which will result in less staking and recording.

The major change is that the bill allows locators to stake claims according to aliquot parts (referred to as Meridian, Township, Range, Section Claims, or MTRSC, in the bill).

This bill provides a one-time 50% reduction in rental for new MTRSC mineral locations and previous mineral locations converted to MTRSC as an incentive to locate the new MTRSC locations provided in this bill. The one-time incentive-induced reduction in rental will cost the State an estimated \$50K in reduced rentals. This bill also provides a new, previously untapped source of rental revenue from requiring rental for prospecting site locations at the same rental amount as for new mining locations. Requiring rental for prospecting site locations, which had no rental requirement previously, will result in fewer prospecting site locations (estimated 75% reduction) and more mining claims or leasehold locations being staked in their place. This "switching" by the mining industry will result in an estimated net rental increase of \$200K annually. Thus, the net effect of the bill is to increase revenues from the mineral industry by approximately \$150K annually, approximately half of which would go to the permanent fund.

Currently, DNR puts prospecting site locations in the state's computerized public land records, but not on the status plats. DNR does, however, put new mining claims and leasehold locations in the public land records as well as on the status plats. Thus, the "new rental revenue" needs to be used to process the additional locations and to reduce the processing time of new locations expected. Without the bill, the claim processing time will, in future years, climb to 14 or 16 weeks or longer (i.e., it would take longer than a full mining season to process the claims). This is a much lower level of service than the mining industry deserves. This bill, without the fiscal note, will allow the processing time to stay at the relatively poor service level of approximately 12 weeks. The bill plus the funds in the fiscal note would allow DNR to lower processing times to approximately 6 weeks.



ALASKA MINERS ASSOCIATION, INC.

3305 Arctic #202 Anchorage Alaska 99503 • (907) 563-9229 • FAX (907) 563-9225 • www.alaskaminers.org

February 19, 2000

Honorable Rick Halford
Chairman
Senate Resources Committee
Capitol Building
Juneau, AK 99801

RE: Senate Bill 175, Amendments to the Alaska State Mining Law

Dear Senator Halford,

Thank you for scheduling a hearing on Senate Bill 175 which will make some amendments to the Alaska State Mining Law. The changes proposed in SB-175 are the result of several years of work between the mining industry and the Alaska Department of Natural Resources. They affect only the process required for locating (staking) mining claims and do not increase or decrease the rights established by mining claims. These changes have been developed very carefully to ensure that they accomplish only what is intended and that they clarify some points in the existing law that could otherwise contribute (and in the past have contributed) to paperwork and records errors.

The current State budget challenges were the primary catalyst for our work to develop these amendments. Also, technological advances in electronic land records, on-line access, and Global Positioning Systems (GPS) have developed to a level where they now provide new ways to address the problems and post data onto the State land status plats in a timely and efficient manner.

The primary issue for DNR was the amount of manpower, time and cost that is now required to process the paperwork for mining claims. SB-175 greatly improves this situation by placing mining claims into a format that can be electronically entered onto (or removed from) the State land status plats. This will decrease the amount of time for DNR to process the claims and at the same time greatly improve the accuracy and accessibility of the data. DNR now has a six month backlog of claims that have been located and filed with the Department, but are not yet entered on the land status plats.

For the mining industry, the changes will simplify the process of staking mining claims and reduce errors during the staking, recording and filing process. One change will make it simpler and more feasible to utilize Global Positioning Systems (GPS) to establish claim corners in the field. Another change will allow use of a larger size mining claim which will decrease the amount of paperwork by 75%, for both the miner and DNR. The existing claim location system will continue to be available for those situations where the new positioning method is not practical.

We urge that the amendments proposed in SB-175 be enacted and become law at the earliest feasible date.

Sincerely,

Steven C. Borell, P.E.
Executive Director

SB

194

SENATE COMMITTEE REPORT First Committee of Referral

DATE: 1/14/00

FURTHER:

Date of 5-Day Notice: 2/10/00
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2/21/00

Resources Committee considered

SENATE BILL NO. 194

"An Act relating to the Alaska Chilkat Bald Eagle Preserve."

and recommends:

be replaced with _____ CS SB 194 (RES)

adopt previous _____ CS _____

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to the _____ Committee

Senate Bill:
 same title
 new title
House Bill:
 same title
 technical title
 new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>John Green</i>	✓				
<i>Sean R. Parrell</i>	✓				
<i>Jimmy M</i>	✓				
<i>Debra J. ...</i>	✓				
<i>Vito ...</i>	✓				
CHAIR: <i>Rick Halford</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

DNR: PARKS & REC	2/17/00	✓	

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. SB194

Revision Date/Time: _____ Dept Affected: Natural Resources
 Title: An Act relating to the Alaska BRU: Parks and Recreation Mgt.
Chilkat Bald Eagle Preserve Component: Parks Management
 Sponsor: Mackie
 Requestor: (S) RES Component No #452

Expenditures/Revenues (Thousands of Dollars)
 Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	------------	------------	------------	------------	------------	------------

CHANGE IN REVENUES (fund code)	0.0	0.0	0.0	0.0	0.0	0.0
---------------------------------------	------------	------------	------------	------------	------------	------------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: \$ _____ n/a

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

There is no anticipated fiscal impact associated with implementation of this legislation.

Prepared by: Jim Stratton, Director *[Signature]* Phone: 269-8701
 Division: Parks Date: 17-Feb-00
 Approved by Commissioner: John Shively *[Signature]* Date: 17-Feb-00
 Agency: Natural Resources

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

KODIAK OFFICE
112 MILL BAY ROAD
KODIAK, ALASKA 99615
(907) 486-4925
(907) 486-5264 (FAX)

ALASKA STATE LEGISLATURE



STATE CAPITOL
JUNEAU, ALASKA 99801-1182
(907) 465-4925
(800) 821-4925 (TOLL FREE)
(907) 465-3517 (FAX)

SENATOR JERRY MACKIE

SENATE MAJORITY LEADER

SPONSOR STATEMENT

SB 194, Survey Error Correction.

Although the bill status lists SB 194 as concerning the Chilkat Bald Eagle Preserve, the substance of this legislation is to correct a land ownership problem caused by a survey error.

Mr. David Pahl of Haines, Alaska purchased a piece of property near the Klehini River in 1995. Originally, the property was part of a state land disposal that had been subdivided and surveyed. Unfortunately, one of the parcels had been mis-monumented.

Mr. Pahl relied on the errant survey markers to define the location of his property. Right-of-way requirements of a state highway project revealed that the recorded plat of Mr. Pahl's property was an adjacent parcel, which had largely been taken by the Klehini River. Mr. Pahl appealed to the Department of Natural Resources to rectify the situation by giving him title to the piece of property he always thought was his. This solution is not available because an earlier action had placed the subject property within the Chilkat Bald Eagle Preserve.

SB 194 would allow the Commissioner of Nature Resources and the director of the Division of Lands to reclaim the property from the Preserve and give title to Mr. Pahl in exchange for the largely submerged parcel.

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

ALASKA CHILKAT BALD EAGLE PRESERVE ADVISORY COUNCIL

MAILING ADDRESS:
400 Willoughby Avenue
JUNEAU, ALASKA 99801-1381
PHONE: (907) 465-4563
FAX: (907) 465-5330

January 4, 2000

The Honorable Senator Jerry Mackie
State Capitol Room 427
Juneau, AK 99801-1182

Dear Senator Mackie:

The Alaska Chilkat Bald Eagle Preserve Advisory Council respectfully requests legislative action to correct a clerical platting error affecting an inholding in the Alaska Chilkat Bald Eagle Preserve. The Council stipulates that such legislation be strictly limited in the title and content to the specific correction outlined below.

The property in question is owned by Mr. David Pahl of Haines. Title to the property was transferred to Mr. Pahl by the State of Alaska on April 4, 1997.

Mr. Pahl inspected the property prior to purchase. It was marked as Tract #2 of ASLS 79-232. Due to a surveyor's error, identified and acknowledged as an error by the Department of Natural Resources, the tract shown to the public with identifying markers as Tract #2, was represented on plat maps as Tract #1.

Consequently, Mr. Pahl, in purchasing Tract #2, received title to an adjacent lot, which then and now is partially covered by the Chilkat River, a resource whose protection is of considerable importance to the Council.

The Council, grateful for the support given by the Commissioner of Natural Resources in seeking a just resolution, is hereby requesting that the clerical error be corrected such that Mr. Pahl have title to the upland parcel he believed he had purchased in good faith referred to on plat maps as Tract #1, and that the riverfront parcel shown on plats as Tract #2 and currently deeded to Mr. Pahl be returned to the Preserve.

This correction will permit two parcels in question to be used in the future as they have in the past by Mr. Pahl and the preserve. It will ensure that the uses of the riverfront parcel are consistent with purposes of the preserve, and will protect the valid claim by Mr. Pahl to the property he inspected, purchased in good faith which was represented by State survey markers as the parcel offered to him for sale.

In summary, the Council wishes to thank Senator Mackie and Representative Kookesh for their interest and advocacy for the interests of Mr. Pahl and the Preserve.

We have attached some information which we hope will be of use to the Division of Legislative Services in drafting language which will return Mr. Pahl's title to his property, establish the Preserve's title to its riverfront parcel, and preclude establishment of any precedent suggesting that the integrity of the Preserve may be compromised by executive action.

We do not consider this to be a land trade, but rather a legislatively-mandated correction of a clerical error impacting both the Preserve and Mr. Pahl's interests.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Jan Hill". The signature is written in dark ink and is positioned above the printed name.

Jan Hill
Co-Chair

Alaska Chilkat Bald Eagle Preserve Advisory Council

Historical Notes on Tracts 1 & 2, ASLS 79-232.

The property claimed by Mr. Pahl was displayed for sale, marked on the ground as property not in the Preserve, and sold to the public prior to the creation of the Preserve.

During the intervening period the property was used by Mr. Pahl and others as private property. The members of the Board and residents of the area have understood the property to be Mr. Pahl's for many years, and a legal correction will simply state the facts as they exist: That the lot claimed by Mr. Pahl is his, and the lot stated to be his by the State is in fact part of the preserve.

The Council affirms that the land historically used by Mr. Pahl is more appropriate to private use than the land which the State, due to the clerical error in platting the survey, deeded to him. The land used historically by the preserve, and deeded to Mr. Pahl due to a platting and survey error, is best used by the Preserve for its purposes.

Both the council and Mr. Pahl agree that all interests are best served through the error correction. Mr. Pahl is willing to forgo any rights to the riverfront parcel (Tract #2). And the Council recommends the State convey its interest in the upland parcel (Tract #1) to Mr. Pahl.

We wish to stress that this approval and request is for these specific pieces of property only; and that this approval and request for action is based upon a unique set of facts; and that this approval and request is being made specifically because of the State's error in marking the property for public inspection. Neither the public nor the council had any prior reason to believe the property claimed by Mr. Pahl was ever in the preserve at all. It has been used as private land prior to the creation to the Preserve, and the Board supports Mr. Pahl's claim to title to the upland parcel. Mr. Pahl supports the council's recommendation that the State regain title to the river front parcel.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

578
TONY KNOWLES, GOVERNOR

400 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400
FAX: (907) 455-3556

9601 C STREET, SUITE 1210
ANCHORAGE, ALASKA 99503-5921
PHONE: (907) 269-8431
FAX: (907) 269-8918

July 15, 1999

David Pahl
P.O. Box 702
Haines, Alaska 99827

Re: Land problem, ADL 101410

Dear Mr. Pahl:

I am responding to Mr. Goll's summary of your land problem. Your situation is unique and I understand why you thought that the land you bought from a previous state land purchaser was an intact parcel next to the Klehini River. In fact, only a small remnant remains from Tract 2 of ASLS 79-232, the parcel you actually bought in 1995 from Sarah Kavasharov. The rest was eroded away by the river after the state issued the land sale contract to Ms. Kavasharov in 1981.

The attachment is a discussion of facts related to the issue. Because the existing monument caps are mismarked and Tract 2 has substantially eroded away, a layperson inspecting it in the field could be misled into thinking that the remaining parcel is Tract 2. Unfortunately, that is not the case. The survey plat shows that the remaining parcel is actually Tract 1, which was never sold and was designated by the legislature as part of the Alaska Chilkat Bald Eagle Preserve in 1982.

You apparently relied on the mismarked monuments when you purchased the tract. The department knew before originally offering the land that the surveyor had mismarked the monuments; and it should have foreseen that the mislabeling could mislead purchasers. It proceeded with the sale without making the surveyor correct the monument labels or even warning potential buyers that the labels had been reversed. I regret that this series of errors occurred, and I am looking for remedies for you.

Because Tract 1 was withdrawn by the legislature in 1982 as part of the Alaska Chilkat Bald Eagle Preserve, it is no longer subject to my land disposal powers under Title 38. Therefore the department does not have the authority to consider conveyance of Tract 1 at this time.

I think a fair resolution of this matter would be a refund of the original purchase price to you in exchange for you deeding Tract 2 back to the State. If this solution is not acceptable, the restrictions of Title 38 leave me without any alternative means to compensate you for this situation absent litigation. If you were to file legal action against the state, I could recommend that the Department of Law use its authority to settle the litigation by

Develop, Conserve, and Enhance Natural Resources for Present and Future Alaskans

David Pahl
July 15, 1999
Page 2

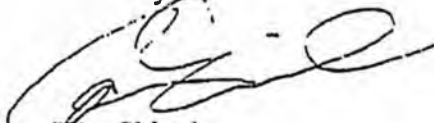
offering you a substitute parcel from the departments' 1999 land offering that is equal in value to the original purchase price (adjusted for time). This solution would also require you to deed Tract 2 back to the state.

Under current law, Tract 1, ASLS 79-232 is not available as a substitute parcel and could not be offered to you in any settlement. In order for Tract 1 to be available as a substitute parcel under the option stated in the previous paragraph, it would be necessary for the legislature to remove Tract 1 from the Alaska Chilkat Bald Eagle Preserve.

I realize that this has been a very frustrating experience for you. I want to find an equitable solution to our problem.

I understand you may be considering building on this site. I would advise you against building until this situation is resolved, as such action would cause you more expense and possible less of the property constructed. I look forward to continuing to work with you to resolve this matter.

Sincerely,



John Shively
Commissioner

Attachment

cc: Bob Loeffler, Director, Division of Mining, Land and Water
Jim Stratton, Director, Division of Parks and Outdoor Recreation
Peter Goll

J99052101LA

SB

212

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 1/21/00

FURTHER: Finance

Date of 5-Day Notice: 3/16/00
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3/23/00

Resources Committee considered

SENATE BILL NO. 212

"An Act authorizing the commissioner of fish and game to award grants for certain resource activities; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 212 (RES)
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:
- same title
 - new title
- House Bill:
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>					
<i>[Signature]</i>					
CHAIR: <i>[Signature]</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
Fish and Game	1/21/00	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

No. 1
 Bill Version: SB212
 (S) Publish Date: 1-21-00

STATE OF ALASKA
 2000 LEGISLATIVE SESSION

Revision Date/Time (Note if correction) _____ Dept. Affected Fish and Game
 Title Authority to issue grants BRU Habitat
 Component Habitat
 Sponsor Rules Committee
 Requester Governor Component No. 486

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Ken Taylor Phone 465-6143
 Division Habitat Date/Time 1/20/00 11:03 AM
 Approved by Commissioner Frank Rue Date 01/20/2000
 Agency Department of Fish and Game

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

TONY KNOWLES
GOVERNOR
governor@gov.state.ak.us

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

P.O. Box 1099
Juneau, Alaska 99801-1099
(907) 465-3500
Fax (907) 465-3502
www.gov.state.ak.us

SB 212

January 20, 2000

The Honorable Drue Pearce
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Pearce:

To continue our efforts to protect and enhance Alaska's natural resources, I am transmitting this bill authorizing the commissioner of the Department of Fish and Game to award grants for certain resource activities.

Under this bill, the commissioner would have express authority to directly award grants that serve core missions of the department – protecting, maintaining, and improving public access to fish, game, and habitat resources of Alaska. Current law necessitates the department to channel money through other agencies which causes delay and adds considerable administrative cost.

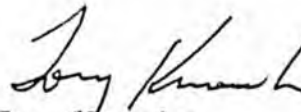
An increasing amount of federal funding is available to restore fish habitat and passage. We have many opportunities to use these funds, particularly in the more developed areas of the state. Many of these opportunities are found on private land on some of Alaska's most productive fish streams, such as the Kenai River.

Since the inception of the Kenai River 50/50 Cost Share project in 1995, the department has approved 160 projects to rehabilitate some 9,600 feet of riverbank and protect more than 15,700 feet of the Kenai River. But more money could have been directly targeted to these projects if we did not have to pay the U.S. Fish and Wildlife Service its 11 percent administrative cost for channeling these funds to the state. Direct grant authority for the department will eliminate the need to use the federal agency in this way.

The Honorable Drue Pearce
January 20, 2000
Page 2

This legislation represents a cost-effective way to continue efforts on private and public land to rehabilitate riverbanks, protect fish streams and enhance access to these areas. I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tony Knowles".

Tony Knowles
Governor

SB

226



Official Business

ALASKA STATE LEGISLATURE

SENATE RESOURCES COMMITTEE

State Capitol
Juneau, AK 99801

Chairman: Senator Rick Halford
Vice Chair: Senator Robin Taylor
Senator Lyda Green
Senator Pete Kelly
Senator Jerry Mackie
Senator Sean Parnell
Senator Georgianna Lincoln

Sponsor Statement

Senate Bill 226

"Stranded Gas Pipeline Carriers"

Senate Bill 226 provides the framework for a stranded gas pipeline to proceed by establishing procedures, authorities and clarifying the duties of stranded gas pipeline carriers. Changes proposed by SB 226 are intended to apply to all potential stranded gas pipeline projects, to clarify state and federal regulatory jurisdiction, to complement a non-discriminatory federal process which will apply to any export volumes of stranded gas, to provide for instate gas transportation and sales, and to provide needed exemption from public utility designations for a stranded gas pipeline project.

SB 226 amends the Pipeline Act (AS 42.06) to define a stranded gas pipeline consistent with existing state statute and to clarify the Regulatory Commission of Alaska's authority and duties in regulating a stranded gas pipeline. SB 226 also specifies the criteria for the RCA to establish a fair, predictable and timely process to determine initial intrastate capacity and a method for needed pipeline system expansions to accommodate increased demand in state gas supplies.

Other changes proposed by SB 226 exempt stranded gas pipelines from the requirement to operate as a public utility and limit the common carrier requirements for stranded gas pipelines to the transportation of intrastate gas.

SB 226 also defines the types of intrastate transportation services available in a stranded gas pipeline system and how the tariffs and fees will be set.

Collectively, these changes are intended to provide greater certainty and predictability in the regulation of stranded gas pipeline systems. With passage of SB 226, gas export project sponsors will have increased ability to market Alaska's stranded gas reserves, to compete more effectively with alternative export projects, and to attract the large investments required to construct and operate the pipeline and related facilities needed to condition, transport and export stranded gas reserves.



Official Business

ALASKA STATE LEGISLATURE

SENATE RESOURCES COMMITTEE

State Capitol
Juneau, AK 99801

Chairman: Senator Rick Halford
Vice Chair: Senator Robin Taylor
Senator Lyda Green
Senator Pete Kelly
Senator Jerry Mackie
Senator Sean Parnell
Senator Georgianna Lincoln

Sectional Analysis Senate Bill 226

"Stranded Gas Pipeline Carriers"

Section 1. Limits the circumstances under which a right-of-way lessee that owns or operates a stranded gas pipeline must act as a common carrier to intrastate transportation of stranded gas.

Section 2. Exempts the owners or operators of a stranded gas pipeline from operating as a public utility under the "Alaska Public Utilities Commission Act."

Section 3. Extends the Regulatory Commission of Alaska's jurisdiction and authority to intrastate transportation of stranded gas through a stranded gas pipeline.

Section 4. Outlines additional requirements for a stranded gas pipeline carrier to be issued a certificate of public convenience and necessity. These requirements relate to the pipeline capacity and volume, public notice and criteria for a request for service. In addition, this section specifies information to be considered by RCA in determining the total volume of intrastate transportation of stranded gas by a stranded gas pipeline and when the total volume can exceed the amount substantiated by written comments and contracts.

Section 5. Specifies the conditions under which the commission can require expansion, enlargement or extension of a stranded gas pipeline system and requires the commission to set rates to offset the costs incurred.

Section 6. Allows a stranded gas pipeline carrier to charge separate rates for firm transportation service and for interruptible transportation service. In addition, this section allows a stranded gas pipeline carrier to charge a reservation fee as a condition of providing firm transportation service and outlines costs that can be included in the reservation fee.

Section 7. Defines terms relating to stranded gas and stranded gas pipelines.

FISCAL NOTE

**STATE OF ALASKA
2000 LEGISLATIVE SESSION**

BILL NO. SB 226

Revision Date/Time (Note if correction) _____	Dept. Affected _____	Revenue _____
Title <u>Stranded gas pipeline carriers regulation</u>	BRU	Revenue Operations
Sponsor <u>Senate Resources</u>	Component	Oil and Gas Audit
Requester <u>Senate Oil & Gas</u>	Component No.	115

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	------------	------------	------------	------------	------------	------------

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	------------	------------	------------	------------	------------	------------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This bill clarifies the regulatory environment for a potential North Slope natural gas pipeline, and would not impose any additional costs beyond those necessary for regulation currently. It would not create any revenues either.

Prepared by: <u>Roger Marks</u>	Phone <u>269-0082</u>
Division <u>Oil and Gas Audit</u>	Date/Time <u>18-Feb-00</u>
Approved by Commissioner <u>Wilson Condon</u>	Date _____
Agency <u>Department of Revenue</u>	

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

ANS LNG Sponsor Group – SB-226 Testimony
Senate Resources Committee
2/21/2000

Mr. Chairman, members of the committee, for the record, my name is Michael Hurley. I work for ARCO Alaska, Inc in the ANS Gas Commercialization Group in Anchorage, and am currently assigned to manage the commercial regulatory efforts for the Alaska North Slope LNG Sponsor Group.

I am here today to express the sponsor group's support for SB-226.

For the last year and a half the sponsor group, comprised of ARCO Alaska, BP Amoco, Foothills Pipe Lines Ltd., Phillips Petroleum and Marubeni Corporation, has been actively pursuing development of a new design for a market viable LNG export project; including the development of a commercial regulatory regime which will provide the regulatory certainty our long term customers require, while at the same time, meeting the needs of the state and federal regulators for adequate access and commercial oversight. SB-226, we believe, strikes that balance, providing the Regulatory Commission of Alaska (RCA) clear and unambiguous oversight of intrastate gas transportation.

Section 1 of the bill clarifies the current Right of Way Leasing Act common carriage requirement to apply only to intrastate gas shipments.

The second and third sections of the bill clarify that a stranded gas pipeline system's intrastate shipments would be regulated under the Pipeline Act (AS 42.06), rather than under the Utilities Act (AS 42.05).

In section 4, a new subsection is added to the Pipeline Act creating procedures, within RCA's existing pipeline certification process, for determining the amount of pipeline capacity which should initially be set aside for intrastate transportation.

That process sets out distinct criteria for capacity for Local Distribution Companies (LDCs) which must submit their gas purchase

contracts to the RCA under current regulations, and for industrial gas users who must provide written commitments to transport intrastate gas volumes, supported by take or pay purchase commitments with stranded gas producers.

Likewise, in section 5 of the bill, expansions of a stranded gas pipeline may be ordered by the RCA only if such requests for additional intrastate capacity are supported by firm contractual commitments.

Section 6 allows the RCA to consider allowing a reservation or similar charge for firm intrastate transportation in the intrastate tariff.

Finally, section 7 of the bill adds several definitions of terms referred to in other sections of the bill, in an effort to increase the clarity and understanding in the other sections.

Mr. Chairman and members of the committee, I would like to thank you for your sponsorship of this important piece of legislation, and for this opportunity to express our support for SB-226, which is currently before you.

In closing, as you may be aware, the companion bill, HB-290, was recently amended before being passed from its first committee of referral in the other body. If you or any members of the committee have any questions on the bill, or on those amendments, I'd be happy to address those at this time, or at your convenience.



Valdez Office:
P.O. Box 188, Valdez, AK 99686
Phone: (907) 835-5460 / Fax: (907) 835-5410
Email: afervdz@alaska.net
www.alaska.net/~afervdz

Fairbanks Office:
P.O. Box 82718, Fairbanks, AK 99708
Phone: (907) 479-6946
Email: ross@mosquionet.com

February 21, 2000

TO: All Members, Senate Resources Committee

FR: Ross Coen

RE: Senate Bill 226

Dear Members of the Senate Resources Committee,

I am writing with regard to Senate Bill 226 in order to call your attention to what my organization believes to be a minor and altogether fixable fault in the bill. The Alaska Forum for Environmental Responsibility is a statewide, non-profit group that seeks to hold both government and industry accountable to the laws designed to safeguard Alaska's environment.

In Section 7, Paragraph 16 of SB 226, the definition for "stranded gas pipeline" specifically excludes "marine terminal facilities...including pollution control equipment[.]" I believe that this passage means the following: if this bill passes in its current form and the proposed natural gas pipeline is built by the ANS Sponsor Group then the marine terminal and spill response activities would be exempt from any regulation or oversight by the coordinated state agencies in the Joint Pipeline Office.

One could argue that this minor language in only one Senate Bill could not possibly grant such a monumental exemption, but it appears nevertheless to set a dangerous precedent as to what the state may regulate and what it may not. You might call it the proverbial first step down that slippery slope.

It is my understanding that the proponents of SB 226 have argued for this exemption because (1) by excluding the marine terminal you would decrease the gas' transportation costs, thereby increasing state revenue; and (2) the Joint Pipeline Office is charged with regulating only pipelines, not facilities. Both points are fallacious.

First, Roger Marks with the Department of Revenue has testified that the state may include regulatory authority on marine terminal oversight while not affecting the transportation costs of the gas. Second, both Bill Britt, the State Pipeline Coordinator, and Mike Barnhill with the Attorney General's office have testified that the state's regulatory authority is expressly defined as to include both pipelines and facilities. A claim to the contrary is not only erroneous, but ignores the more than 25-year history of the Valdez Marine Terminal.

I respectfully request that the House Resources Committee amend SB 226 to remove this exemption found in Section 7, Paragraph 16. Careful oversight of not only the gas pipeline but of all related facilities is necessary to ensure the safe operation of this industry so vital to Alaska's economic future.

Thank you,

Ross Coen

Comments of Roger Marks

State of Alaska Department of Revenue

House Bill 290 / Senate Bill 226

February 1, 2000

This represents a preliminary analysis by the administration, including the Departments of Law, Revenue, and Natural Resources, the Regulatory Commission of Alaska, and the State Pipeline Coordinator's Office.

In-state use of gas would be a very valuable benefit of an Alaska North Slope liquefied natural gas (LNG) project. However, if the gas is commercialized most of the volume will be for export. And the financing of this multi-billion dollar project will require establishment of long term contracts with buyers. A set amount of pipeline capacity will need to be reserved for contractual obligations.

At the same time the economics of the proposed export projects appear to be financially marginal. They could not afford to take North Slope gas to market if they have to bear the cost of pre-investing to provide substantial excess capacity if there were a risk the capacity would not be used. To do so

could affect the economics such that there would be no project, and no one would get gas.

Whereas it is straightforward to arrange for pipeline capacity and gas supplies for intrastate use before construction starts, attaining pipeline capacity after operation begins may be difficult and expensive.

Consequently, the question of how to allocate space and gas needs to be addressed before the line is built.

What this bill does is provide a possible way to reduce the potential gas supply risks perceived by the foreign market, facilitating the marketing of the gas, while providing a mechanism for communities to procure gas. The administration supports this broad intent.

This said, the bill raises complex issues that could have significant long-term impacts. Some of these issues include:

- 1) Local jurisdictions committing in advance to secure pipeline capacity without knowing what the cost will be, especially if the gas purchase contracts are also not in place. (There may be, however,

mechanisms available to reduce risks to buyers without unduly harming the pipeline sponsors.)

2) Allocation of capacity between intrastate and export use in the event of shortages or excesses of capacity.

3) Exclusion of the pipeline from the Alaska Public Utilities Regulatory Act and subjection to the Pipeline Act. We are still analyzing the extent to which the differences between the two may be material.

4) Exclusion of marine terminal facilities from the Right-of-Way-Leasing Act. This may affect the ability of the State to lease State land for such facilities and to oversee land management. It could also affect intrastate shipments of LNG should they be desired.

Thus we are not yet sufficiently comfortable with the measures in HB 290 to endorse them at this time. The multi-agency team will continue to analyze the bill and provide recommendations to the legislature.

SB

235

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. SB 235

Revision Date/Time (Note if correction) _____	Dept. Affected	DOT&PF
Title <u>Approving Transfer Of Railroad Land</u>	BRU	<u>Design and Engineering Services</u>
	Component	<u>Central Reg Design and Eng Svcs</u>
Sponsor <u>Senator(S) Leman, Wilken, Taylor</u>		
Requester <u>Senate Resources</u>	Component No.	<u>2298</u>

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: <u>Dennis Poshard, Special Assistant to the Commissioner</u>	Phone <u>465-3904</u>
Division <u>Commissioner's Office</u>	Date/Time <u>4/13/00 1:54 PM</u>
Approved by: <u>Commissioner <i>Joseph L. Perkins</i></u>	Date <u>4/14/00</u>
Agency <u>Joseph L. Perkins, DOT&PF</u>	

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

SENATE COMMITTEE REPORT

DATE: 3/3/00

FURTHER: Finance

DATE TURNED
IN TO OFFICE: 4/5/00

Resources Committee considered

SENATE BILL NO. 235

APPROVING TRANSFER OF RAILROAD LAND

and recommends:

be replaced with _____ CS _____ (_____)

adopt previous _____ CS _____ (_____)

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to the _____ Committee

Senate Bill:
 same title
 new title
House Bill:
 same title
 technical title
 new: SCR# _____

SIGNING DO PASS	DF	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Lydia Green</i>	✓	<i>Janjanna Wick</i>			
<i>Walt Kelly</i>	✓				
<i>Sean P. Parrell</i>	✓				
<i>Chris L. Taylor</i>	✓				
CHAIR: <i>Richard Heford</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
ARRC	3/3/00	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

No. 1
Bill Version: CSSB 235(TRA)
(S) Publish Date: 3/3/00

STATE OF ALASKA
2000 LEGISLATIVE SESSION

Revision Date/Time (Note if correction) _____ Dept. Affected _____
Title Track Realignment BRU _____
Component _____
Sponsor Senator Loren Leman
Requester ARRC Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSSB 235 will create no fiscal impact to the state's general fund or to the Alaska Railroad Corporation (ARRC). The ARRC will convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson, Eklutna, Inc. and other entities. No funds will be exchanged between the parties in this land trade legislation.

Prepared by: Wendy Lindskoog Phone 265-2498
Division _____ Date/Time 2/11/00 5:35 PM
Approved by Commissioner [Signature] Date 2/14/00
Agency _____

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

Senator Loren Leman

Sponsor Statement – CSSB 235 (TRA)

CSSB 235 (TRA) authorizes the Alaska Railroad Corporation (ARRC) to enter into several land exchange and transfer agreements needed for a track upgrade and realignment project.

The ARRC wants to improve safety and efficiency of its operations by upgrading and realigning its track to reduce 70 sharp curves between Anchorage and Wasilla. To accomplish this project, ARRC needs legislative approval under AS 42.40.285 to convey the Corporation's entire interest in selected lands to certain private landowners, and to exchange several parcels of land with the Air Force and Army on Elmendorf and Fort Richardson; Eklutna, Inc.; Chugach Alaska Corporation; and the Municipality of Anchorage. The land exchanges and transfers are necessary for the ARRC's realignment project and the Department of Transportation and Public Facilities' highway relocation project near Seward.

Straighter track is inherently safer due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirements.

Realignment of the track to reduce curvature will decrease the running time between Anchorage and Wasilla from 95 minutes to less than 55 minutes. This makes future rail commuter service between Anchorage and Mat-Su more viable, which could lead to a reduction in traffic growth on the highway. Ultimately, fewer automobiles will reduce the impact on the Glenn and Parks Highways and may lessen some demand for future road maintenance and capital improvements.

The track upgrade and realignment will also reduce train gridlock, create more jobs for Alaskans through additional freight and passenger service, and build a better infrastructure to support future economic development in Alaska. Communities neighboring the Alaska Railroad will benefit from upgrades to vehicle crossings and additional public access amenities designed to enhance safety and access across the tracks. Service to the northern end of the railbelt will be improved.

The proposed track improvements are supported by the Alaska State Chamber of Commerce, Alaska Visitors Association, Resource Development Council, Chugiak-Eagle River Chamber of Commerce, Palmer Chamber of Commerce, Wasilla Chamber of Commerce, Anchorage Economic Development Corporation, Matanuska-Susitna Convention and Visitors Bureau, Anchorage Convention and Visitors Bureau, and the City of Wasilla.

Prepared by Whitney Highland, Office of Senator Loren Leman (465-3723)
Last updated: March 6, 2000

During Session, January - May:
State Capitol, Room 115
Juneau, Alaska 99801
(907) 465-2095
465-3810 FAX

During Interim, June - December:
716 W 4th Ave, Suite 520
Anchorage, Alaska 99501
(907) 269-0240
269-0242 FAX

Senator Loren Lemam

SB 235 Sectional Analysis

- **Section 1:** Allows the Alaska Railroad Corporation (ARRC) to participate in a land exchange with Eklutna, Inc. for the purpose of realigning the railroad track to improve operating efficiency and enhance safety.
- **Section 2:** Allows the ARRC to enter into a land exchange with the United States Department of the Army and the United States Department of the Air Force for the purpose of realigning the railroad track to improve operating efficiency and enhance safety.
- **Section 3:** Allows the ARRC to exchange land with the Chugach Alaska Corporation. The conveyances in this section are for the purpose of the realignment of the railroad to allow relocation of the Seward Highway by the Department of Transportation and Public Facilities to improve highway operations and enhance safety.
- **Section 4:** Allows the ARRC to exchange land with the Municipality of Anchorage and convey land to certain private landowners for the purpose of realigning the railroad track to improve operating efficiency and enhance safety.
- **Section 5:** Provides an immediate effective date.

Senator Loren Leman

DIFFERENCES BETWEEN SB 235 (1-LS1282\G) AND CS FOR SB 235 (TRA) (1-LS1282\N)

Note: Page and line numbers refer to Transportation CS (1-LS1282\N)

1. Page 1, lines 6 - 8 after "of Anchorage":

New language added:

authorizing the transfer of land between Alaska Railroad mileposts 133 and 134 from the Alaska Railroad Corporation to certain named individuals;

Explanation: this title change corresponds to revisions made in Section 4 of the legislation (see item #4 in this memo).

2. Page 2, lines 4 - 8, after "Eklutna, Inc.":

New language added:

in exchange for the conveyance to the corporation by Eklutna, Inc., of approximately 65 acres of land adjacent to the railroad utility corridor at railroad mileposts 129, 130, 133, 140, 142, 146, and 151 and sufficient additional acreage east of Birchwood Airport and adjacent to the railroad between miles 134.5 and 136.3 to equalize the value of lands exchanged.

Explanation: the added language more precisely defines the area of land that will be conveyed to the Alaska Railroad Corporation (ARRC) by Eklutna, Inc. An appraisal to define the exact acreage of the land that Eklutna, Inc. will convey has yet to be completed. However, the new language restricts the land to be conveyed to a clearly defined area, and provides that the land exchange must be equal in value.

3. Page 2, line 24, after "of approximately":

Change:

[225] to 227

Explanation: a reassessment of the land proposed for conveyance to the ARRC by the United States Department of the Army and the United States Department of the Air Force indicates that 227 acres is the more accurate figure.

4. Page 3, lines 20 - 31, and Page 4, line 1:

Revised language:

APPROVAL OF THE TRANSFER OF CERTAIN REAL PROPERTY WITHIN THE MUNICIPALITY OF ANCHORAGE. (a) Contingent upon the approval of the conveyance of affected municipal park land by the voters of the Municipality of Anchorage, the Alaska Railroad Corporation is authorized to convey the corporation's entire interest in

- (1) approximately 4.5 [9.6] acres of railroad utility corridor between railroad mileposts 133 and 134, within Township 15 North, Range 2 West, Sections 13 and 24, Seward Meridian, to the Municipality of Anchorage in exchange for the conveyance of approximately 13.6 acres of land in the same vicinity to the corporation by the Municipality of Anchorage;
- (2) approximately 5.1 acres of railroad utility corridor between railroad mileposts 133 and 134, within Township 15 North, Range 2 West, Sections 13 and 24, Seward Meridian, to Richard and Carol Drebert, Harry and Simone Thomson, and Richard Moore or their personal representatives, successors, or assigns; each to receive that portion of the railroad utility corridor immediately adjacent to their respective parcels of land.

Explanation: This revised language makes SB 235 consistent with the ordinance approved by the Anchorage Assembly for inclusion on the April 4

ballot. That ordinance had not been finalized at the time SB 235 was introduced.

CSSB 235 (TRA) and the Anchorage Assembly ordinance [AO No. 2000-42(S)] authorize the transfer of 13.6 acres of Municipality of Anchorage (MOA) land to the ARRC to enable the straightening of two portions of track. In exchange for the land from the MOA, the ARRC will convey 4.5 acres of its vacated right-of-way to the MOA, and also construct several public access improvements, including a grade separated crossing at Beach Lake Road and a pedestrian underpass to connect the Beach Lake Trail system on either side of the railroad.

This revised section also provides for the transfer of 5.1 acres of vacated railroad right-of-way to three adjacent private property owners in the Birchwood area. This is consistent with the terms of the federal legislation [45 U.S.C. § 1209(c)] that transferred ownership of the Alaska railroad from the federal government to the State of Alaska. The transfer act requires that land on the railroad right-of-way must be used for transportation or related purposes. If it is not used for such purposes for a period of 18 years, the land reverts back to the federal government, which is then required to immediately transfer the land to the adjacent landowners. The intent behind this provision is to avoid having thin strips of federal land in the middle of privately owned land, acting as an impediment to land use and development. By authorizing the transfer of the 5.1 acres to the three property owners, CSSB 235 does nothing more than "accelerate" a land transfer that is already required to occur under existing law.

**THE FOLLOWING PAGES MAY
NOT FILM LEGIBLY BECAUSE OF
THE POOR QUALITY OF THE ORIGINAL**



HEADQUARTERS
ALASKAN COMMAND (ALCOM)
ELMENDORF AIR FORCE BASE, ALASKA 99508

July 10, 1998

The Honorable Frank Murkowski
United States Senate
SH-322, Hart Senate Office Building
Washington DC 20510-0202

Dear Senator Murkowski,

Alaska Railroad Corporation and the Alaskan Command have entered into a cooperative relationship to study the Railroad's concept for improving service between Wasilla and the Anchorage rail yard.

We believe this concept may mutually benefit both the Railroad and the Defense installations in the greater Anchorage area. Improving track alignment will allow for the desired decrease in transit times between Wasilla and Anchorage. In addition to improving railroad efficiency, any project will have as a primary goal to increase rail traffic safety measures on Fort Richardson and Elmendorf AFB.

We have established a working group to facilitate the feasibility study effort and address issues of concern raised by the Railroad and the Department of Defense. We look forward to working toward the mutual benefit of all parties.

Sincerely,

Governor Bill Sheffield
President and Chief Executive Officer
Alaska Railroad Corporation

David J. McCloud
Lieutenant General, USAF
Commander, Alaskan Command

TED STEVENS, ALASKA, CHAIRMAN

file

THAD COCHRAN, MISSISSIPPI
ARLEN SPECTER, PENNSYLVANIA
PETE V. DOMENICI, NEW MEXICO
CHRISTOPHER S. BOND, MISSOURI
SLADE GORTON, WASHINGTON
MITCH MCCONNELL, KENTUCKY
CONRAD BURNS, MONTANA
RICHARD C. SHELBY, ALABAMA
JUDD GREGG, NEW HAMPSHIRE
ROBERT F. BENNETT, UTAH
BEN NIGHTHORSE CAMPBELL, COLORADO
LARRY CRAIG, IDAHO
LAUCH FAIRCLOTH, NORTH CAROLINA
KAY BAILEY HUTCHISON, TEXAS

ROBERT C. BYRD, WEST VIRGINIA
DANIEL K. INOUE, HAWAII
ERNEST F. HOLLINGS, SOUTH CAROLINA
PATRICK J. LEAHY, VERMONT
DALE BUMPERS, ARKANSAS
FRANK R. LAUTENBERG, NEW JERSEY
TOM HARKIN, IOWA
BARBARA A. MIKULSKI, MARYLAND
HARRY REID, NEVADA
HERB KOHL, WISCONSIN
PATTY MURRAY, WASHINGTON
BYRON DOLGAN, NORTH DAKOTA
BARBARA BOXER, CALIFORNIA

United States Senate

COMMITTEE ON APPROPRIATIONS
WASHINGTON, DC 20510-6025

STEVEN J. CORTESE, STAFF DIRECTOR
JAMES H. ENGLISH, MINORITY STAFF DIRECTOR

September 18, 1998

Governor Bill Sheffield
President and Chief Executive Officer
Alaska Railroad Corporation
P.O. Box 107500
Anchorage, AK 99510-7500

WJS	EXECUTIVE OFFICE	PCJ
JBB	RECEIVED	JFA
GLE	OCT 15 1998	JDE
SAB		JWK
RBS		EMR
ACTION INFO FILE		CAS

Dear Bill,

I write now in response to the letter signed by yourself and General McCloud regarding rail traffic safety on Fort Richardson and Elmendorf Air Force Base. Despite the untimely loss of our good friend, I am encouraged by the cooperation between the Alaska Railroad and the Alaskan Command and the progress you have made towards addressing this situation. I believe the track straightening will offer significant benefits to both the military and the Anchorage and the Mat-Su Valley communities.

Thank you again for your recent visit and for your help in hosting this summer's crowd from Washington, DC.

With warmest regards,

Cordially,



TED STEVENS



18515 CENTERFIELD DRIVE, SUITE 201
EAGLE RIVER, ALASKA 99577
(907) 896-2828 FAX: (907) 896-2848

William J. Sheffield
Chief Executive Officer
Alaska Railroad Corporation
P.O. Box 107500
Anchorage
AK 99510

November 22, 1999

Re: Memorandum of Understanding
- August 4, 1999

Dear Governor Sheffield:

I understand that there are concerns that the anticipated land exchange will accelerate the development of Clunie Lake as a float plane base or will encourage development in conflict with the military mission on Fort Richardson. I wish to clarify the situation for the record.

Eklutna, Inc. has owned the portion of the Powder Reserve adjacent to Fort Richardson since 1993. The Alaska Railroad (ARRC) assured access across the tracks via a grade-separated crossing and agreed to pay for it in the 1987 Settlement Agreement. Nothing in the land exchange anticipated in the 1999 Memorandum of Understanding between the ARRC and Eklutna, Inc. changes either of these two facts.

A float plane base at Lake Clunie was selected by the Department of Transportation and Public Facilities under the provisions of the North Anchorage Land Agreement should that part of Fort Richardson be surplused. Eklutna already owns the southwest shoreline of Lake Clunie. However, the size, configuration, and wetlands of its holdings make it impractical to develop such a facility on Eklutna lands. We have no plans to develop a float plane base there.

Eklutna, Inc. reserves the right to develop its lands in accord with appropriate regulations. We also want to make it clear that we support the continuation of the Fort Richardson Army Base. In the event, however, that military land is surplused, Eklutna, Inc. intends to ensure that it receives the full benefit of the promises made in the North Anchorage Land Agreement.

Very Truly Yours,

George W. Easley
Chief Executive Officer
Eklutna, Inc.



HEADQUARTERS
ALASKAN COMMAND (ALCOM)
ELMENDORF AIR FORCE BASE, ALASKA 99506

COMALCOM
9480 Pease Avenue, Suite 101
Elmendorf AFB AK 99506-2100

JAN 20 2000

JAN 26 2000

The Honorable Loren Lemam
Alaska State Legislature
Room 115
State Capitol
Juneau AK 99801-1182

Dear Senator Lemam

In 1998, this command and the Alaska Railroad Corporation entered into a cooperative relationship to study the railroad's concept for track upgrade and realignment between Wasilla and the Anchorage rail yard. It is my understanding that because aspects of this project are dependent on Alaska legislative approval and you have requested assurance from this command that we will continue cooperation on the project.

I believe this concept may mutually benefit both the railroad and the defense installations in the greater Anchorage area. In addition to improving railroad efficiency and safety, the potential exists for the project to increase rail traffic safety on Fort Richardson and Elmendorf AFB and to enhance future infrastructure development by the services.

We have been participating in a working group along with the railroad and the Bureau of Land Management to facilitate the effort and address issues of concern raised by the railroad and the Department of Defense. We will continue to work toward the mutual benefit of all parties.

Sincerely

THOMAS R. CASE
Lieutenant General, USAF
Commander

cc:
Rep. Lisa Murkowski
Gov. William Sheffield
MG Dean Cash, Cdr, USARAK
Brig Gen Scott Gration, 3WG/CC

Sent By: ARRC CORPORATE OFFICE;

907 265 2312;

Mar-27-00 2:03PM;

Page 5/12

Sent By: ARR SAFETY OFFICE;

9072652550;

Mar-27-00 9:37AM;

Page 3/3

Received: 3/27/00 9:10AM;

907 508 2848 -> ARR SAFETY OFFICE; Page 3

03/27/00 MON 10:08 FAX 907 898 2848

EKLUTNA, INC.

0003

MAR-24-2000 FRI 03:53 PM FT RICHARDSON DPW

FAX NO. 9074281188

P. 02/02



DEPARTMENT OF THE ARMY
HEADQUARTERS U.S. ARMY ALASKA
600 RICHARDSON DRIVE #5000
FORT RICHARDSON, ALASKA 99503-5000



March 24, 2000

REPLY TO
ATTENTION OF

Director of Public Works

George W. Easley
Eklutna Inc.,
16515 Centerfield Drive, Suite 201
Eagle River, AK 99577-7719

Reference: Joint Land Issues

Dear Mr. Easley:

This letter is to confirm our joint commitments made at our March 14, 2000 meeting concerning a potential land swap near Clunie Lake.

Concerning the Alaska Railroad track realignment, both Eklutna, Inc. and U.S. Army Alaska agree with the proposed track realignment siting in the proximity of Clunie Lake. It is our joint intention to have the proposed track realignment in the area of Clunie Lake take place independent of potential real property transactions between Eklutna, Inc. and U.S. Army Alaska, also near Clunie Lake.

Concerning the potential land swap or sale between Eklutna, Inc. and U.S. Army Alaska, we have not reached an agreement. At issue is the equivalent acre-value of the land proposed to be exchanged. With regard to the Army's proposal to purchase Eklutna land, your business plans do not include that option at this time. However, the Army has interest in preserving training land by not allowing development on land near Clunie Lake. Eklutna has interest in a road access to land developments north of the Clunie Lake area. In consideration of those interests, we have jointly agreed to pursue an easement on Army land for road access to the Eklutna development, and an Eklutna easement from the west boundary of the realigned Alaska Railroad track, westward to Clunie Lake.

Furthermore, we have agreed to continue our discussions until such time as we agree upon a land swap, or sale and complete the necessary legislation.

Sincerely,

for John T. Nelson
John T. Nelson
Colonel, U.S. Army
Director of Public Works

cc: M. Hayes

3-27-2000
Agreed
M Hayes

Sent By: ARRC CORPORATE OFFICE;

907 265 2312;

Mar-27-00 2:04PM;

Page 6/12

Sent By: ARR SAFETY OFFICE;

9072652550;

Mar-27-00 9:37AM;

Page 2/3

Received: 3/27/00 9:13AM;

907 666 2645 -> ARR SAFETY OFFICE; Page 2

03/27/00 MON 10:08 FAX 907 696 2645

EKLUTNA, INC.

002



Colonel Mark C. Nelson
Director of Public Works
Department of the Army
600 Richardson Drive #5000
Fort Richardson, Alaska 98505

March 27, 2000

Re: Lake Clunle-Exchange of Easements

Dear Col. Nelson:

Thank you for confirming the status of our agreement in your letter of March 24, 2000. Eklutna, Inc. has contracted for a study of the proposed road alignment between Powder Ridge Subdivision and Artillery Road. We will present the recommendations of our contractors for your approval as soon as possible. Thereafter, Eklutna, Inc. will execute the necessary documents and continue toward an exchange of fee interests. Please contact me should you have any questions.

Very Truly Yours,

George W. Easley
Chief Executive Officer



18811 CENTERFIELD DRIVE, SUITE 201
EAGLE RIVER, ALASKA 99577
(907) 896-3028 FAX: (907) 896-2845

INC.

Postnet Fax Note	7071	DATE	3/29/00	PAGES	1
To	Milo P. / Senhemm	From	W Pndy		
Co./Dept.		Co.			
Phone #		Phone #	465-2498		
Fax #	465-3810	Fax #			

Honorable Eldon Mulder
House of Representatives
Alaska State Legislature
State Capital (MS 9100)
Juneau, AK 99801-1182

VIA FAX 907-465-3519

March 29, 2000

Re: Clunie Lake

Dear Representative Mulder:

This is pursuant to our conversation this date regarding the agreement between the United States Army and Eklutna, Incorporated.

We have collectively agreed to exchange Eklutna, Inc. property just east of Clunie Lake for a right-of-way joining Eklutna, Inc. lands to Artillery Road. During the interim, we agreed to grant easements to one another until federal legislation permits the actual exchange. This is the entire agreement. Eklutna, Inc. also owns land northeast of Clunie Lake which is of interest to the military, but Eklutna, Inc. declined to include this property and the U.S. Army accepted this without objection.

Eklutna, Inc. does not now, nor have they ever expressed a desire to develop any property abutting Clunie Lake. The current agreement will assure that fact, and the U. S. Army is in agreement.

Eklutna, inc. supports the military presence in Alaska and relies on this presence in the continuing development of its lands. To do otherwise would be folly.

Very Truly Yours,

George W. Easley
Chief Executive Officer

Submitted by: Chairman of the Assembly
at the Request of the Mayor
Prepared by: Alaska Railroad Counsel
For reading: Feb. 15, 2000

ANCHORAGE, ALASKA
AO NO. 2000-42(S)

1 AN ORDINANCE APPROVING THE CONVEYANCE OF LANDS IN THE MUNICIPALITY'S
2 BEACH LAKE PARK TO THE ALASKA RAILROAD CORPORATION IN EXCHANGE FOR
3 EXISTING ALASKA RAILROAD RIGHT-OF-WAY LANDS IN BEACH LAKE PARK TO
4 ACCOMMODATE STRAIGHTENING OF RAILROAD TRACK CURVES AND SUBMITTING
5 TO THE QUALIFIED VOTERS OF THE MUNICIPALITY AT THE REGULAR MUNICIPAL
6 ELECTION APRIL 4, 2000 A BALLOT PROPOSITION TO APPROVE SAID CONVEYANCES.
7

8
9 WHEREAS, the Alaska Railroad Corporation seeks to improve the safety and efficiency of the
10 Alaska Railroad by realigning and straightening tracks between Anchorage and Wasilla; and
11

12 WHEREAS, certain track curves to be straightened are at Alaska Railroad mile posts 132 and 133
13 and within the Municipality's Beach Lake Park generally near Beach Lake Road off of South Birchwood
14 Loop Road as shown on the diagram attached hereto as Appendix A which is incorporated herein by
15 reference; and
16

17 WHEREAS, the right-of-way required from the Municipality to straighten the curve at milepost 132
18 is approximately 2.29 acres as shown in detail on Page 1 of Appendix B and legally described on Page 2 of
19 Appendix B which is incorporated herein by reference; and
20

21 WHEREAS, the right-of-way required from the Municipality to straighten the curve at milepost 133
22 is approximately 11.23 acres as shown in detail on Page 1 of Appendix C and legally described on Page 2
23 of Appendix C which is incorporated herein by reference; and
24

25 WHEREAS, a portion of the 11.23 acres may in the future be used to construct access to nearby
26 lands of the Eklutna Native Corporation; and
27

28 WHEREAS, by letter dated February 4, 2000 to the Municipal Assembly Eklutna Native
29 Corporation has committed to abide by all municipal regulations and pursue all municipal processes for the
30 development of those lands and further to convey additional land to be incorporated into Beach Lake Park;
31 and
32

33 WHEREAS, the Alaska Railroad right-of-way which will become surplus at mile post 133 and
34 which will be conveyed to the Municipality for incorporation into Beach Lake Park is 4.54 acres as shown
35 on Page 1 of Appendix C which is incorporated herein by reference; and
36

1 WHEREAS, the Alaska Railroad Corporation is obligated pursuant to 45 U.S.C. § 1209(c) to
 2 transfer abandoned right-of-way to the United States which is required to reconvey the land to owners of
 3 the adjacent private land; and
 4

5 WHEREAS, the Alaska Railroad intends to construct valuable public improvements, namely, a new
 6 grade-separated crossing at Beach Lake Road and a new pedestrian underpass to connect the Beach Lake
 7 trail system on either side of the Railroad all as additional consideration for the conveyance of the municipal
 8 park lands to it; and
 9

10 WHEREAS, pursuant to Anchorage Ordinance No. 84-199, the Municipality's Beach Lake Park is
 11 dedicated to park and recreational uses, the conveyance of which must be approved by the voters of the
 12 Municipality pursuant to Anchorage Municipal Charter §10.02(8); now therefore,
 13

14 **THE ANCHORAGE ASSEMBLY ORDAINS:**
 15

16 **Section 1:** Subject to fulfillment of the conditions in Section 2. of this ordinance and Charter §10.02(8).
 17 the Municipality shall convey the fee title to the lands of the Beach Lake Park shown and legally described
 18 in Appendices B and C hereto to the Alaska Railroad Corporation in exchange for the conveyance of the fee
 19 simple title to the right-of-way which is to be abandoned also as shown and legally described in Appendix
 20 C hereto and the construction at the Alaska Railroad Corporation's expense of the following public
 21 improvements:
 22

- 23 a. A new grade-separated crossing at Beach Lake Road to American Association of
 24 State Highway and Transportation Officials standards which will be an underpass
 25 with at least a 14.6 foot high clearance; and
- 26 b. Movement of the Beach Lake Road crossing approximately 380 feet north of the
 27 existing Beach Lake Road crossing and elimination of the steep approach to the
 28 existing crossing; and
- 29 c. A pedestrian underpass to connect the Beach Lake Trail system on either side of the
 30 railroad and which will accommodate dog mushers and their teams, skiers and other
 31 users of the trail system; and
- 32 d. Contouring of the railroad lands conveyed to the Municipality to accommodate safe
 33 pedestrian and/or vehicular traffic connections and multi-use access.
 34

35 **Section 2:** The Municipality's obligation described in Section 1 of this ordinance is subject to the
 36 following conditions subsequent which shall occur on or before March 21, 2000:
 37

- 38 a. The lands to be exchanged pursuant hereto shall be appraised by competent appraiser
 39 to be selected and retained by the Municipality, the cost of which shall be reimbursed
 40 to the Municipality by the Alaska Railroad Corporation.
- 41
- 42 b. The Alaska Railroad Corporation shall provide the Municipality its written engineers'
 43 estimates of cost and value of the improvements described in Section 1 above.
 44

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43

c. The Municipal Assembly shall by resolution make a finding, based on the appraisal and engineers' estimate, that the value of the consideration required from the Alaska Railroad Corporation exceeds the fair market value of the fee simple interest of the park land to be conveyed by the Municipality.

Section 3: That, pursuant to Charter §10.02(8), a ballot proposition in substantially the following form shall be submitted to the qualified voters of the Municipality at the regular municipal election to be held April 4, 2000:

Proposition _____

APPROVING CONVEYANCE OF LANDS WITHIN BEACH LAKE PARK TO THE ALASKA RAILROAD CORPORATION TO STRAIGHTEN RAILROAD CURVES AND CREATE POTENTIAL ACCESS TO ADJACENT LANDS

Shall Anchorage Ordinance 2000-42(S) authorizing the Municipality of Anchorage to convey approximately 13.52 acres of land in Beach Lake Park to the Alaska Railroad Corporation to straighten track curves at Alaska Railroad mile posts 132 and 133 to improve safety and efficiency and to create potential access to adjacent lands in exchange for the conveyance to the Municipality of abandoned right-of-way and construction of valuable public improvements by the Alaska Railroad Corporation be approved?

Yes []

No []

Section 4: Upon conveyance of the railroad lands to the Municipality in accordance with this ordinance, said lands are hereby dedicated to park and recreational uses as part of Beach Lake Park.

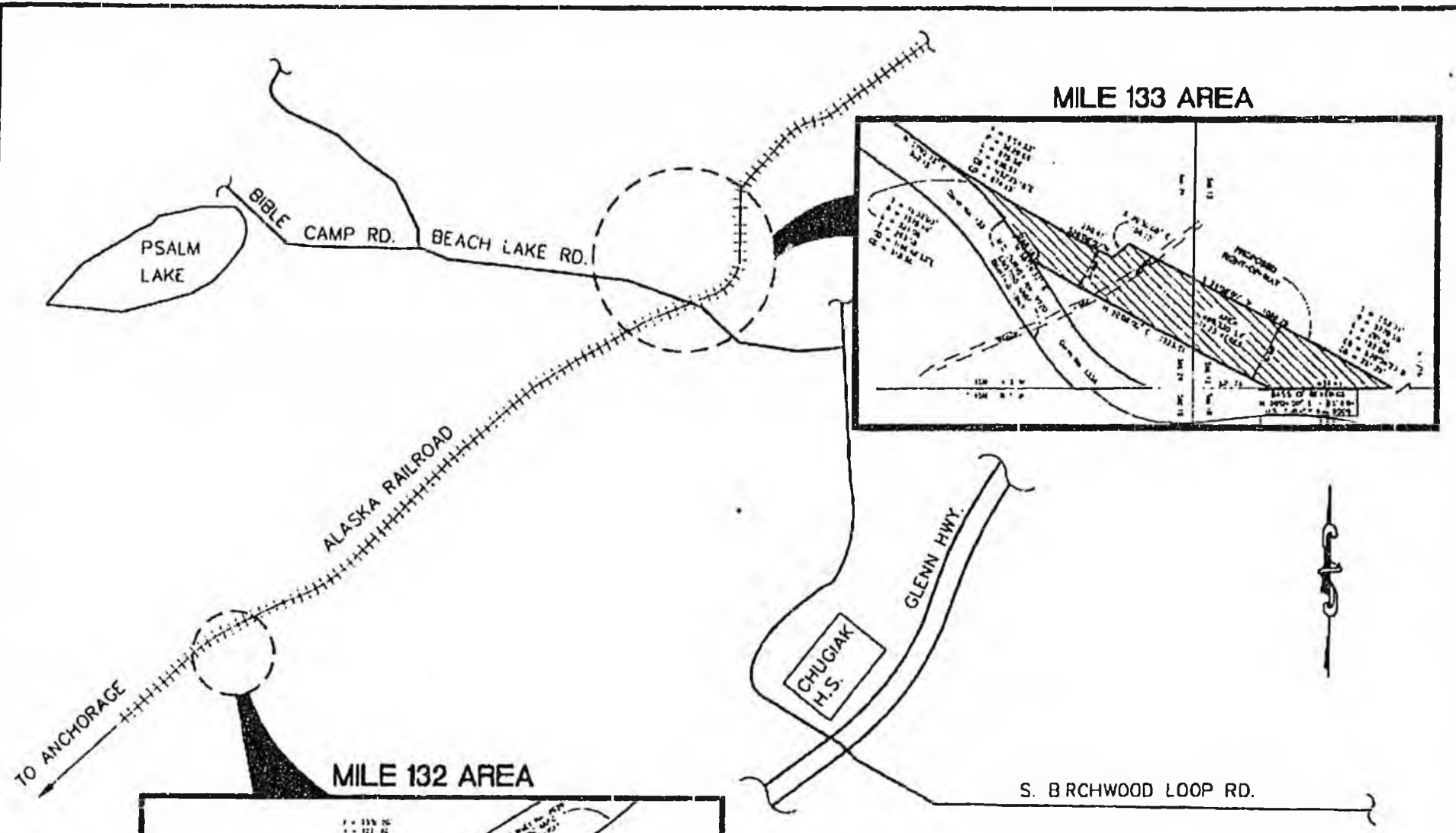
Section 5: The Proposition set forth in Section 3 of this ordinance shall become effective upon certification of the election at which presented if, but only if, said Proposition is approved by a majority of the qualified voters voting on the Proposition. All other Sections of this ordinance shall become effective immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly this ____ day of _____, 2000.

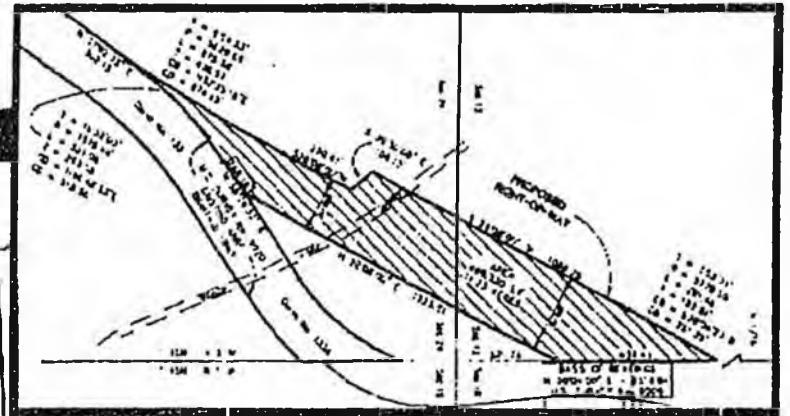
Chair of the Assembly

ATTEST:

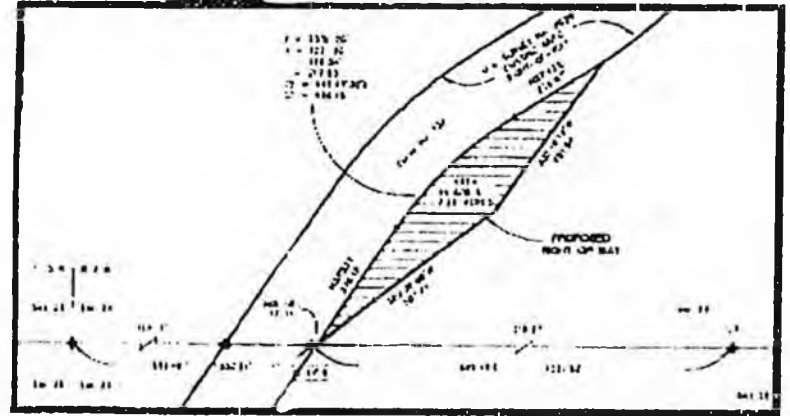
Municipal Clerk



MILE 133 AREA



MILE 132 AREA



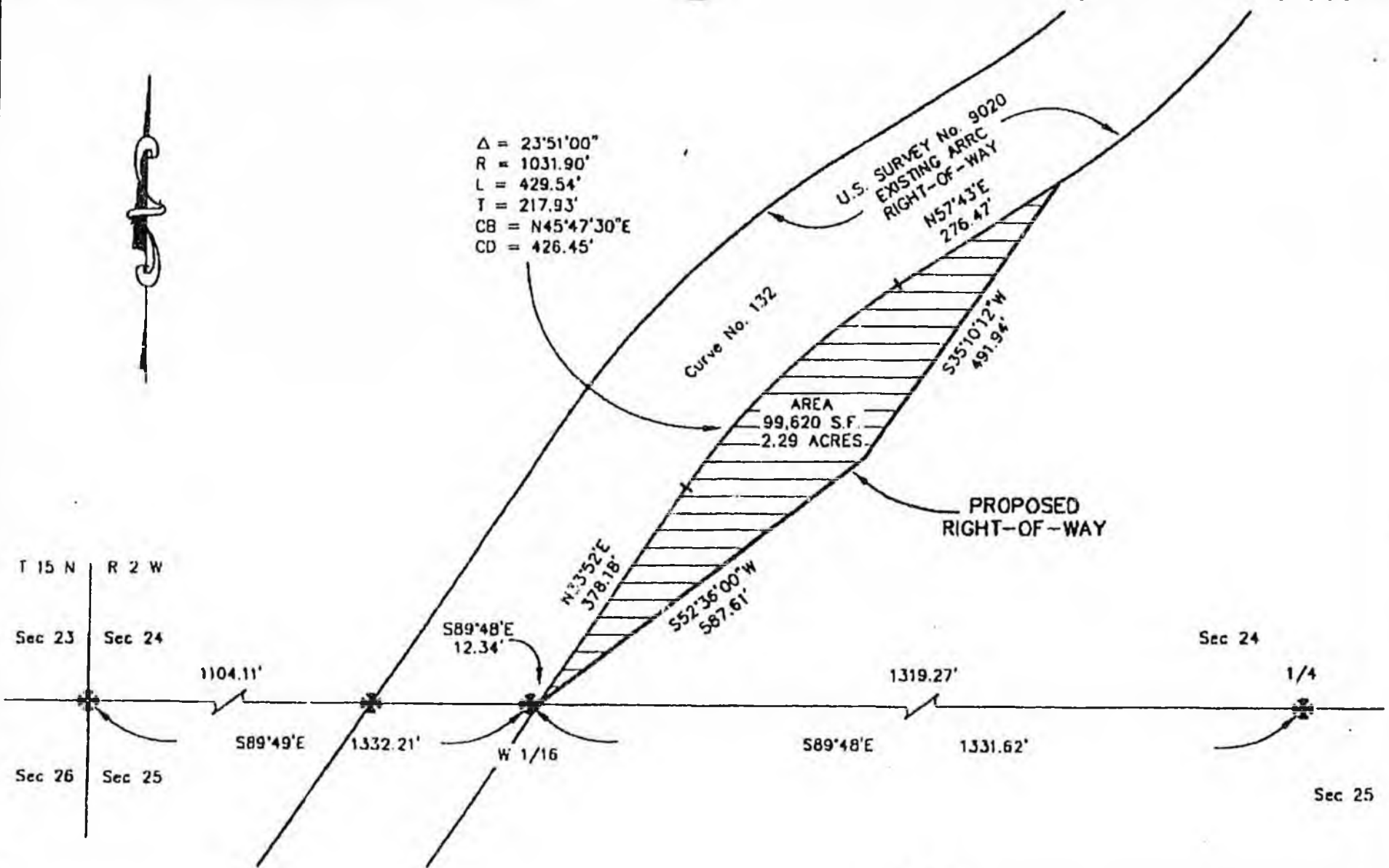
ALASKA RAILROAD CORPORATION
 OFFICE OF THE CHIEF ENGINEER
 P. O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2438

EAGLE RIVER TO WASILLA

VICINITY MAP
 NOT TO SCALE



$\Delta = 23^{\circ}51'00''$
 $R = 1031.90'$
 $L = 429.54'$
 $T = 217.93'$
 $CB = N45^{\circ}47'30''E$
 $CD = 426.45'$



T 15 N R 2 W
 Sec 23 Sec 24
 Sec 26 Sec 25

1104.11' 1332.21' 12.34' 1319.27' 1331.62' 1/4
 S89°49'E W 1/16 S89°48'E S89°48'E
 Sec 24 Sec 25

N23°52'E 378.78'
 S52°36'00"W 587.61'

AREA
 99,620 S.F.
 2.29 ACRES

PROPOSED RIGHT-OF-WAY

U.S. SURVEY No. 9020
 EXISTING ARRC
 RIGHT-OF-WAY

Curve No. 132

SCALE



(IN FEET)
 1 INCH = 200 FT.

	ALASKA RAILROAD CORPORATION OFFICE OF THE CHIEF ENGINEER P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2433
	EAGLE RIVER TO WASILLA PROPOSED REALIGNMENTS TO CURVE 132

Appendix B

LEGAL DESCRIPTION
CURVE No. 132
PROPOSED RIGHT-OF-WAY

A portion of the SW 1/4, Section 24, Township 15 North, Range 2 West, Seward Meridian, Anchorage Recording District, Alaska and more particularly described as follows:

Commencing at the one-quarter (1/4) corner common to Section 24 and Section 25, Township 15 North, Range 2 West, Seward Meridian, Alaska; Thence N 89°48' W along the line between Section 24 and Section 25 a distance of 1319.27 feet to a point on the easterly boundary of the Alaska Railroad Corporation Right-of-Way shown as Lot 1 on the United States Department of the Interior, Bureau of Land Management plat titled "U.S. Survey No. 9020, Alaska" and dated October 29, 1992, the TRUE POINT OF BEGINNING; Thence N 33°52' E along said easterly Right-of Way a distance of 378.18 feet; Thence continuing along said Right-of-Way a distance of 429.54 feet on the arc of a curve to the right, with a radius of 1031.90 feet, through a central angle of 23°51'00" and whose chord bears N 45°47'30" E a distance of 426.45 feet; Thence continuing along said Right-of-Way N 57°43' E a distance of 276.47 feet; Thence S 35°10'12" W a distance of 491.94 feet; Thence S 52°36'00" W a distance of 587.61 feet to the TRUE POINT OF BEGINNING. Containing 99,620 square feet (2.29 acres) more or less.



BEACH LAKE PARK

Sec 24
Sec 13
1122

PROPOSED
RIGHT-OF-WAY

$\Delta = 3^{\circ}52'51''$
 $R = 5779.58'$
 $L = 391.46'$
 $T = 195.81'$
 $CB = S30^{\circ}04'25''W$
 $CD = 391.39'$

$\Delta = 8^{\circ}54'33''$
 $R = 5629.65'$
 $L = 875.38'$
 $T = 438.57'$
 $CB = N32^{\circ}35'16''E$
 $CD = 874.49'$

$S 39^{\circ}30'00'' E$
108.13'

$S 28^{\circ}08'00'' W$ 1088.25'

290.41'
 $S28^{\circ}08'00''W$

AREA
489,320 S.F.
11.25 ACRES

$N 37^{\circ}02'33'' E$
202.15'

148.16'

$N 28^{\circ}08'00'' E$ 1323.81'

371.76'

133

BEACH LAKE PARK

AREA (2):
197,555.27 S.F.
4.54 ACRES

BEACH LAKE ROAD

$T 15N$ $R 2 W$
BASES OF BEACHING - U.S.S. No 9920
 $N 00^{\circ}07'55'' E$
 $T 15N$ $R 1 W$

Assumed Right-of-Way Line
(100' Right of Center on Existing Tracks)

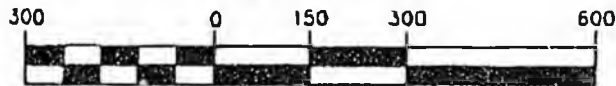
AREA (3):
222,246.98 S.F.
5.1 ACRES

LOT 185
LOT 186
LOT 187
LOT 199
LOT 198
LOT 202
LOT 201
LOT 203
MINK CREEK DRIVE
157 B
197 A

NO U.S. R.O.W. SURVEY EXISTS EAST OF THIS LINE
ARRC RIGHT OF WAY ASSUMED TO BE 100'
OFFSET FROM THE EXISTING TRACK CENTERLINE.

SECTION & PROPERTY LINES ARE BASED
ON SUMMER 1998 SURVEY INFORMATION.

SCALE



(IN FEET)

1 INCH = 300 FEET



ALASKA RAILROAD CORPORATION

OFFICE OF THE CHIEF ENGINEER

P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (807) 265-2454

EAGLE RIVER TO WASILLA

**PROPOSED REALIGNMENTS TO
CURVE 133**

LEGAL DESCRIPTION
CURVE No. 133
PROPOSED RIGHT-OF-WAY

A portion of the SE 1/4, Section 13, and the NE 1/4, Section 24, Township 15 North, Range 2 West, Seward Meridian, Anchorage Recording District, Alaska and more particularly described as follows:

Commencing at the Section Corner common to Sections 13 and 24, Township 15 North, Range 2 West, and Sections 18 and 19, Township 15 North, Range 1 West, Seward Meridian, Alaska, marked by an Aluminum BLM Monument dated 1984; Thence N 0°04'00" E along the line between Section 13, T15N, R2W, SM and Section 18, T15N, R1W, SM a distance of 371.76 feet to the TRUE POINT OF BEGINNING; Thence continuing along said section line N 0°04'00" E a distance of 609.45 feet; Thence a distance of 391.46 feet on the arc of a curve to the left, with a radius of 5779.58 feet, through a central angle of 3°52'51", and whose chord bears S 30°04'25" W a distance of 391.39 feet; Thence S 28°08'00" W a distance of 1088.25 feet; Thence S 39°30'00" E a distance of 108.13 feet; Thence S 28°08'00" W a distance of 290.41 feet; Thence a distance of 875.38 feet on the arc of a curve to the right, with a radius of 5629.6 feet, through a central angle of 8°54'33", and whose chord bears S 32°35'16" W a distance of 874.49 feet to a point on, and tangent to, the northwesterly boundary of the Alaska Railroad Corporation Right-of-Way shown as Lot 1 on the United States Department of the Interior, Bureau of Land Management plat titled "U.S. Survey No. 9020, Alaska" and dated October 29, 1992; Thence N 37°02'33" E along said Right-of-Way a distance of 202.15 feet; Thence continuing along said Right-of-Way a distance of 521.08 feet on the arc of a curve to the right, with a radius of 1528.44 feet, through a central angle of 19°32'00", and whose chord bears N 46°48'33" E a distance of 518.56 feet; Thence continuing along said Right-of-Way N 56°34'33" E a distance of 148.16 feet; Thence N 28°08'00" E a distance of 1323.81 feet to the TRUE POINT OF BEGINNING. Containing 489,320 square feet (11.23 acres) more or less.

Letters of Support



ALASKA VISITORS ASSOCIATION

2525 C Street, Suite 400 • Anchorage, Alaska 99503

Phone: (907) 561-5733 • Fax: (907) 561-5727

E-mail: avanet.org • www.visitalaska.org

1999-2000

Executive Officers

President

Bill Pedlar

Holland America Line
Seattle, Washington

1st Vice President

Ann Campbell

Aurora Consulting
Anchorage, Alaska

2nd Vice President

Justin Ripley

Alaska Tour and Travel
Anchorage, Alaska

VP Government Relations

Bob Dindinger

Alaska Travel Adventures
Juneau, Alaska

Secretary

Brett Carlson

Northern Alaska Tour Company
Fairbanks, Alaska

Treasurer

Toni Walker

Logistics, LLC
Anchorage, Alaska

Past President

Ken Dole

Waterfall Resort/Seabone Aviation
Ketchikan, Alaska

Board of Directors

Bob Berto

Southeast Stevedoring

John Binkley

Alaska Riverboat Discovery/
El Dorado Gold Mine

Dennis Brandon

Cook Inlet Region, Inc.

Dean Brown

Princess Tours

Bill Elander

Anchorage Convention &
Visitors Bureau

Bob Engelbrecht

NorthStar Trekking

John Fox

Royal Caribbean Cruises Ltd.

Laurie Herman

Alaska Railroad

John Mazor

Juneau Convention &
Visitors Bureau

Margaret Nelson

Alaska Native Heritage Center

Gary Odle

Alaska Travel Adventures

Arne Olsson

Hotel Halsingland

Brad Phillips

Phillips Cruises & Tours

Frank Rose

Alaska Lodging Management/
Denali Bluffs Hotel

Kathy Tarr

Kenai Visitors &
Convention Bureau

Tom Tougas

Kenai Fjords Tours

Chris von Imhof

Alyeska Resort

Brad Walker

Alaska Airlines

Tina Lindgren

Executive Director

99-6

A RESOLUTION SUPPORTING THE ALASKA RAILROAD'S TRACK UPGRADE AND REALIGNMENT PROJECT

WHEREAS, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement – all leading to a reduced frequency of train derailments and lower operating costs; and

WHEREAS, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroad's track; and

WHEREAS, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

WHEREAS, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the interior of Alaska; and

WHEREAS, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

WHEREAS, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

WHEREAS, this project enhances the value of ARRC's asset which is owned by the State; and

WHEREAS, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities; and

WHEREAS, no funds will be exchanged between the parties in this land trade agreement.

NOW, THEREFORE BE IT RESOLVED that the Alaska Visitors Association supports the ARRC's efforts to upgrade and realign its track between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable; and

BE IT FURTHER RESOLVED that the Alaska Visitors Association seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

*Adopted by the Alaska Visitors Association Board of Directors
December 10, 1999*



GREATER PALMER CHAMBER OF COMMERCE

A resolution supporting the Alaska Railroad's track upgrade and realignment project

Resolution 99-06

Whereas, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement - all leading to a reduced frequency of train derailments and lower operating costs; and

Whereas, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroad's track; and

Whereas, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

Whereas, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the interior of Alaska; and

Whereas, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

Whereas, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

Whereas, this project improves the ARRC's asset which enhances the state's ownership of the railroad; and

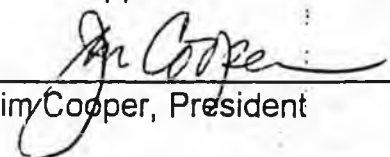
Whereas, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities; and

Whereas, no funds will be exchanged between the parties in this land trade agreement.

Now, Therefore Be It Resolved that the Greater Palmer Chamber of Commerce supports the ARRC's efforts to upgrade and realign its track between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable; and

Be It Further Resolved that the Greater Palmer Chamber of Commerce seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

Approved this 17th day of December, 1999.



Jim Cooper, President



GREATER PALMER CHAMBER OF COMMERCE

RESOLUTION ROUTING SHEET

DATE: December 21, 1999

RESOLUTION NO: 99-06

RESOLUTION TITLE: A Resolution Supporting the Alaska Railroad's track upgrade and realignment project.

SENT TO:

Alaska Railroad Corp Attn Wendy Lindskoog P O Box 107500, Anchorage AK 99510-7500
Governor Tony Knowles P. O. Box 110001, Juneau AK 99811-0001
Senator Frank Murkowski 706 Hart Building, Washington DC 20510-0203
Senator Ted Stevens 522 Hart Building, Washington DC 20510-0201
Representative Don Young 2332 Rayburn House Office Bldg, Washington DC 20515-20201
Combined Delegation Office 851 E Westpoint Dr, Suite 307, Wasilla AK 99654
Senator Lyda Green 600 E Railroad Avenue, Wasilla AK 99654
Senator Rick Halford P O Box 670190, Chugiak AK 99567-0190
Representative Bev Masek 600 E Railroad Avenue, Wasilla AK 99654
Representative Scott Ogan 600 E Railroad Avenue, Wasilla AK 99654
Representative Vic Kohring 600 E Railroad Avenue, Wasilla AK 99654
Anchorage Chamber of Commerce 441 W 5th Ave, Anchorage AK 99501-2309
Alaska State Chamber of Commerce 217 2nd Street, Suite 20, Juneau AK 99801
Michael Scott, Manager Matanuska-Susitna Borough 350 E Dahlia, Palmer AK 99645
Ed Brittingham Wasilla Chamber of Commerce 415 E Railroad Ave, Wasilla AK 99654

MESSAGE:

The following resolution has been approved by the Greater Palmer Chamber of Commerce Board of Directors and is sent to you for your consideration when reviewing this issue. If you have any questions or comments you can send them to the address below or via email at palmer@alaska.net or we can be reached by phone or fax at the numbers below.



415 E. Railroad Avenue * Wasilla, AK 99654
Email: chamber@wasilla.net

Telephone (907) 376-1299 * Fax (907) 373-2560
Home Page: www.chamber.wasilla.net

· Voted "Alaska's Outstanding Local Chamber of Commerce ~ 1998"

RESOLUTION 99-07

A RESOLUTION OF THE GREATER WASILLA CHAMBER OF COMMERCE IN SUPPORT OF THE ALASKA RAILROAD'S TRACK ENHANCEMENTS PROJECT.

Whereas, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement all leading to a reduced frequency of train derailments and lower operating costs; and

Whereas, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroad's track; and

Whereas, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

Whereas, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the interior of Alaska; and

Whereas, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

Whereas, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

Whereas, this project improves the ARRC's asset which enhances the state's ownership of the railroad; and

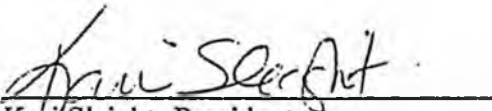
Whereas, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities; and

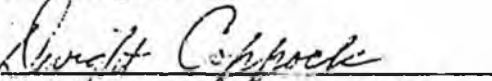
Whereas, no funds will be exchanged between the parties in this land trade agreement.


Now, Therefore Be it Resolved that the Greater Wasilla Chamber of Commerce supports the ARRC's efforts to upgrade and realign its tracks between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable; and

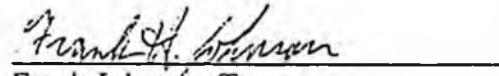
Be it Further Resolved that the Greater Wasilla Chamber of Commerce seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

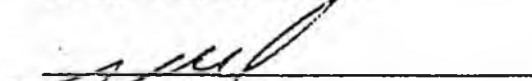
Hereby, adopted by the Greater Wasilla Chamber of Commerce this 15th day of December, 1999.



Kari Sleight, President


Dwight Coppock, President-Elect


Phil Lockwood, Vice-President


Frank Johnson, Treasurer


Bill Moll, Secretary


ATTESTED: Bill Moll, Secretary

RESOLUTION 99-3
A Resolution Supporting the Alaska Railroad's Track Upgrade
and Realignment Project

ANCHORAGE CONVENTION & VISITORS BUREAU
BOARD OF DIRECTORS



ANCHORAGE
Convention &
Visitors Bureau

WHEREAS, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distances, and reduced maintenance requirement – all leading to a reduced frequency of train derailments and lower operating costs; and

WHEREAS, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroad's track; and

WHEREAS, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

WHEREAS, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the Interior of Alaska; and

WHEREAS, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

WHEREAS, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

WHEREAS, this project improves the ARRC's asset which enhances the State's ownership of the railroad; and

WHEREAS, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc., and other entities; and

WHEREAS, no funds will be exchanged between the parties in this land trade agreement.

NOW, THEREFORE BE IT RESOLVED that the Anchorage Convention & Visitors Bureau supports the ARRC's efforts to upgrade and realign its track between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the State-owned transportation asset, and to make future commuter service viable; and

BE IT FURTHER RESOLVED, that the Anchorage Convention & Visitors Bureau supports ARRC as it seeks to obtain legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

Approved by the Board of Directors, this 21st day of December, 1999.

Bruce Bustamante
Chairman

Bill Elander
President & CEO

Board of Directors

Officers

Chair
Bruce Bustamante
Alaska Airlines

Vice Chair
Chris Anderson
Glacier Brewfouse

Secretary/Treasurer
Bob Neumann
Grizzly's Inc.

Acting Immediate Past Chair
John Kieikama
Alaska Sightseeing

ACVB President & CEO
Bill Elander

Directors

Pat Abney
Anchorage Municipal Assembly

Dore Berthe
Chelona Lake Lodge

Greg Champion, CHA
Sheraton Anchorage Hotel

David L. Dittman
Dittman Research Corporation

Lynn Dixon
Cox's Hotel Book Co., Inc.

Laune Fagnani
Marketing Solutions

Tony Mancill
Holland America Westcoast
McKinley Explorer

Nancy Harbour
Alaska Center for the
Performing Arts

Jack Lewis
Sourough Mining Company

Linea McLaughlin, CTC
Delta Air Lines Inc.

Victor Malone
Genai Forces Tours/Chili Tourism

Kevin Meyer
Anchorage Municipal Assembly

Brad Phillips
Phinios Cruises & Tours

John Rense
Tour Arctic

Virginia Samson, CMP
Alaska Conference & Events Services

Bill Sheffield
Alaska Railroad Corporation

Bob Soumail, CHA
Sheraton Anchorage Hotel

John "Chris" Swalling, CFA
Swalling & Associates PC

Tom Terney
Municipality of Anchorage

Chris von Imhof
Alyeska Resort

524 W. Fourth Avenue
Anchorage, Alaska
9 9 5 0 1 - 2 2 1 2

9 0 7 - 2 7 0 - 4 1 1 3
Fax 9 0 7 - 2 7 8 - 5 5 5 9
E-mail:acvb@alaska.net

Requested and Prepared by: Administration
Meeting date: January 10, 2000
Adopted: January 10, 2000
Vote: Unanimous

**CITY OF WASILLA
RESOLUTION SERIAL NO. 00-03**

A RESOLUTION OF THE CITY OF WASILLA, ALASKA SUPPORTING THE ALASKA RAILROAD'S TRACK UPGRADE AND REALIGNMENT PROJECT.

WHEREAS, a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement – all leading to a reduced frequency of train derailments and lower operating costs; and

WHEREAS, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance safety and access across the Alaska Railroads track; and

WHEREAS, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service viable; and

WHEREAS, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the interior of Alaska; and

WHEREAS, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the highway; and

WHEREAS, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

WHEREAS, this project improves the ARRC's asset which enhances the state's ownership of the railroad; and

WHEREAS, to accomplish this project, ARRC will need legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities; and

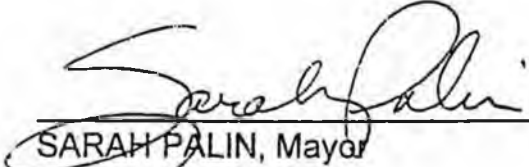
WHEREAS, no funds will be exchanged between the parties in this land trade agreement.

NOW THEREFORE BE IT RESOLVED, that the City of Wasilla supports the ARRC's efforts to upgrade and realign its track between Anchorage and Wasilla to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable; and

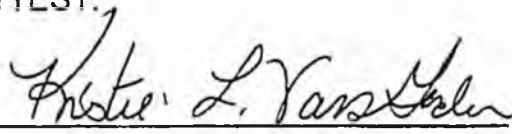
BE IT FURTHER RESOLVED, that the City of Wasilla seeks to assist ARRC in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

ADOPTED by the Wasilla City Council on January 10, 2000.

I certify that a resolution in substantially the above form was passed by a majority of those voting at a duly called and conducted meeting of the governing body of the City of Wasilla this 10th day of January 2000.


SARAH PALIN, Mayor

ATTEST:


KRISTIE L. VANGORDER, CMC/AE
City Clerk

[SEAL]

SUBJECT: Alaska Railroad Track Upgrade & Realignment Project

PREPARED BY: Administration

DATE: December 15, 1999

FOR AGENDA OF: January 10, 2000

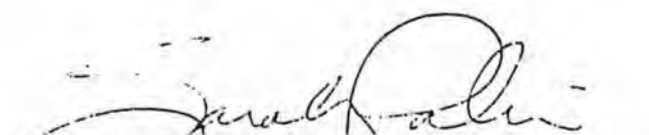
SUMMARY:

The Alaska Railroad track upgrade and realignment project includes many safety upgrades and reduces the running time between Anchorage and Wasilla by 40 minutes. This will make future commuter service viable.

The ARRC is requesting that the City of Wasilla Council consider passing this resolution so the ARRC can add it to their legislative information packet for the upcoming session. This will help broaden their level of support and will help spur timely passage of legislation that will make this project possible.

FISCAL IMPACT: X No ___ Yes, amount requested: \$ Fund:

RECOMMENDED ACTION: Council consideration.


Reviewed by: SARAH PALIN, Mayor

Presented with: Reso 00-03
Date: 1/10/2000 Verified by: HR.



"Place of Many Places"

Chugiak-Eagle River Chamber of Commerce

**CHUGIAK-EAGLE RIVER
CHAMBER OF COMMERCE
RESOLUTION 20-003
February 11, 2000**

WHEREAS the Chugiak-Eagle River Chamber of Commerce is a nonprofit federation concerned with future development of this region and its supporting infrastructure; and

WHEREAS the Alaska Railroad Corporation is an integral part of the transportation infrastructure supporting efficient delivery of passengers and freight throughout the central part of the state of Alaska; and

WHEREAS the Alaska Railroad is seeking to upgrade its very antiquated facilities through track realignment; and

WHEREAS a straighter track promotes safety due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirement - all leading to reduced potential train derailments and lower operating costs; and

WHEREAS, this project includes upgrades to vehicle crossings and additional public access amenities that will enhance public safety and access across the Alaska Railroad's track; and

WHEREAS, this project will result in reduced train running time between Anchorage and Wasilla from 95 minutes to 50 minutes making future commuter service more viable and furthering the opportunities to establish a stop in the Chugiak-Eagle River area; and

WHEREAS, reduced transit time between Anchorage and Wasilla means more efficient and cost effective service to the Interior of Alaska; and

WHEREAS, reduced transit time between Anchorage and Wasilla means a potential reduction in the number of automobiles on the Glenn Highway easing traffic congestion through the Chugiak-Eagle River area; and

WHEREAS, more efficient rail operations reduces train gridlock, creates more jobs for Alaskans through additional freight and passenger service, and builds a better infrastructure to support future economic development in Alaska; and

(907) 694-4702 PHONE • (907) 694-1205 FAX

P.O. BOX 770353, EAGLE RIVER, ALASKA 99577 • 11401 OLD GLENN HIGHWAY, SUITE 106, EAGLE RIVER, ALASKA 99577
www.cer.org • email: info@cer.org

WHEREAS, this project enhances the value of the Alaska Railroad Corporation's assets which are owned by the State; and

WHEREAS, to accomplish this project, the Alaska Railroad will need Federal & Legislative approval to convey the Corporation's entire interest in certain lands in exchange for equivalent valued land with Municipality of Anchorage, Elmendorf Air Force Base, Fort Richardson Army Post, Eklutna Inc.; and

WHEREAS, no funds will be exchanged between public parties in this land trade agreement and/or fee simple transfer.

NOW, THEREFORE BE IT RESOLVED that the Chugiak-Eagle River Chamber of Commerce strongly supports the Alaska Railroad Corporation's efforts to upgrade and realign its track between Anchorage and Wasilla provided that the following considerations are met:

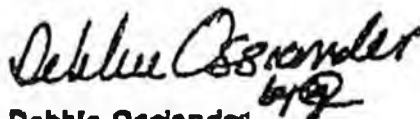
1. Fair consideration will be given to all private land owners affected by the improvements
2. Continued close planning with the Municipal Parks & Recreation office as plans are finalized through the Beach Lake Park area to create a "win win" scenario for both the Railroad and Municipal parks infrastructure. Specifically, this project design and completion will be reviewed, approved and coordinated with all affected MOA agencies and will include the Beach Lake Road and acquired properties being graded, contoured, and generally improved to meet MOA standards.
3. ARR & MOA will enter into a memorandum of agreement that will detail the respective parties' obligations.

BE IT FURTHER RESOLVED that the Chugiak-Eagle River Chamber strongly supports efforts to improve safety and efficiency of the Alaska Railroad Corporation's train operations, to enhance the state-owned transportation asset, and to make future commuter service viable which could include a stop in Chugiak/Eagle River; and

BE IT FURTHER RESOLVED, that the Chugiak-Eagle River Chamber of Commerce seeks to assist the Alaska Railroad Corporation in obtaining legislative approval to exchange equivalent valued land with neighboring entities in order to accomplish the track realignment project.

Signed this 11th day of February, 2000.

By,



Debbie Osslander
President

ALASKA STATE CHAMBER OF COMMERCE

Position 2000-23

Alaska Railroad Track Upgrade and Realignment

The Alaska State Chamber of Commerce supports the Alaska Railroad Corporation's (ARRC) efforts to upgrade and realign its track between Anchorage and Wasilla in order to improve safety and efficiency of the operations and make future commuter service viable.

Further, the Alaska State Chamber of Commerce urges the Governor and Legislature to pass legislation allowing ARRC to exchange equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base and Eklutna, Inc. in order to accomplish the realignment project.

Rationale:

ARRC's track upgrade and realignment project will reduce the severity of many sharp curves between Anchorage and Wasilla. A straighter track promotes safety by decreasing the chance for train derailment and increasing the engineer's line of sight.

The completion of this project will also reduce running time in this stretch from 95 minutes to 50 minutes. This will enable trains to move at normal operating speeds. More efficient rail operations translate into less gridlock and more trains, more jobs for Alaskans, a faster and more efficient transportation network for freight and passenger service, and a better infrastructure to support economic development in Alaska.

ADOPTED

December 3, 1999

BY Pamela La Bolle
Pamela La Bolle
President

BY Dennis Brandon
Dennis Brandon
Chairman

ALASKA RAILROAD CORPORATION



Corporate Address: P.O. Box 107500, Anchorage, Alaska 99510
327 W. Ship Creek Avenue, Anchorage, Alaska 99501

March 20, 2000

MAR 23 2000

The Honorable Loren Lemam
Alaska State Senate
Room 417
State Capitol
Juneau, AK 99801-1182

Dear Senator Lemam:

The Alaska Railroad Corporation (ARRC) has recently been contacted by a few Railroad leaseholders experiencing problems related to our land management policies governed by statute. Stipulations in state law limit ARRC's ability to address many of these issues.

Alaska Statute 42.40 prohibits the ARRC from selling, exchanging, or otherwise conveying its land unless the legislature approves the action. By law, the ARRC can lease land for up to 35 years, but must reserve the unilateral right to terminate any lease with a term in excess of 35 years in the event the land is ever needed for railroad use.

This termination clause is currently affecting some 120 families in the Tri-Valley Subdivision in Healy, Alaska. The longest mortgage most lenders will issue to these families is 20 years due to the termination language. This shorter term makes the borrower's monthly payments much higher and reduces the affordability and saleability of subdivision homes.

Usibelli Coal Mine, who leases the Healy property from the Railroad and subleases lots to residents, is currently working to find a legislative solution to this problem. While the ARRC supports Usibelli's goal to attain an exemption from the 35 year lease limit, we would like to work with the state legislature toward a more comprehensive solution that would also help us address other concerns which arise on occasion.

We believe many of our real estate issues could be solved if the ARRC were given the authority to issue longer term leases. Residents and businesses along the rail belt would be able to qualify for more affordable mortgage rates and would gain more freedom to plan long term.

Along that line, we would like to work with legislators this summer to study issues relating to the ARRC's real estate policies. The goal would be to create legislation for the 2001 session enabling the Railroad to better address our customer's needs.

As we begin this process, it is important to note that the ARRC is approached periodically by individual leaseholders who would prefer to purchase the railroad land they currently lease. Approximately 50 percent of the Railroad's net earnings are derived from real estate leases much like other railroad's in the Lower 48. For that reason, selling railroad land could jeopardize the ARRC's long term ability to remain a self-sustaining state corporation. We trust that this issue will be taken into account when examining the ARRC's real estate policies.

The ARRC has approximately 218 tenants. Our current policy is adequate for most of our tenants but leaves little room for flexibility. Longer lease options combined with other ideas that may surface from the study group could help the railroad better serve Alaskans.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Governor Bill Sheffield
President and CEO, Alaska Railroad Corporation

ALASKA RAILROAD CORPORATION

Anchorage to Wasilla

Track Upgrades and Realignment



Alaska Railroad Corporation

Anchorage to Wasilla Track Upgrades and Realignment

TABLE OF CONTENTS

Project Summary

Project Map

Land Exchange Descriptions with maps

- 1. Elmendorf Air Force Base & Fort Richardson**
- 2. Eklutna, Inc.**
- 3. Chugach Alaska Corporation, Inc.**
- 4. Municipality of Anchorage**

Stakeholder Benefits

Impacts and Mitigation

Memorandum of Understanding: ARRC and Eklutna, Inc.

Eklutna, Inc. Resolution

Alaska Railroad Corporation

Anchorage to Wasilla Track Upgrades and Realignment

Mission:

The Alaska Railroad Corporation (ARRC) seeks to improve safety and efficiency of its operations by upgrading and realigning its track to reduce approximately 70 sharp curves between Anchorage and Wasilla.

Results:

Realignment of the track to reduce curvature will decrease the current running time from 95 minutes to less than 55 minutes from Anchorage to Wasilla making future commuter service more viable. The realignment project will increase the average train speed from 35 mph to approximately 50 mph in this section of track.

Straighter track is inherently safer due to reduced track and equipment wear, consistency in train handling, increased sight distance, and reduced maintenance requirements – all leading to a reduced frequency of train derailments and lower operating costs.

Straighter track greatly enhances the Alaska Railroad's freight and passenger operations. But more important to the communities neighboring the Alaska Railroad, this project will build a safer rail corridor complete with upgraded rail crossings and pedestrian amenities.

Legislative Goal:

ARRC seeks legislative approval to convey the Corporation's interest in certain lands in exchange for equivalent valued land with Elmendorf Air Force Base, Fort Richardson Army Base, Eklutna, Inc. and other entities. Lands to be obtained in the exchange are necessary for the realignment project.

No funds will be exchanged between the parties in this land trade agreement.

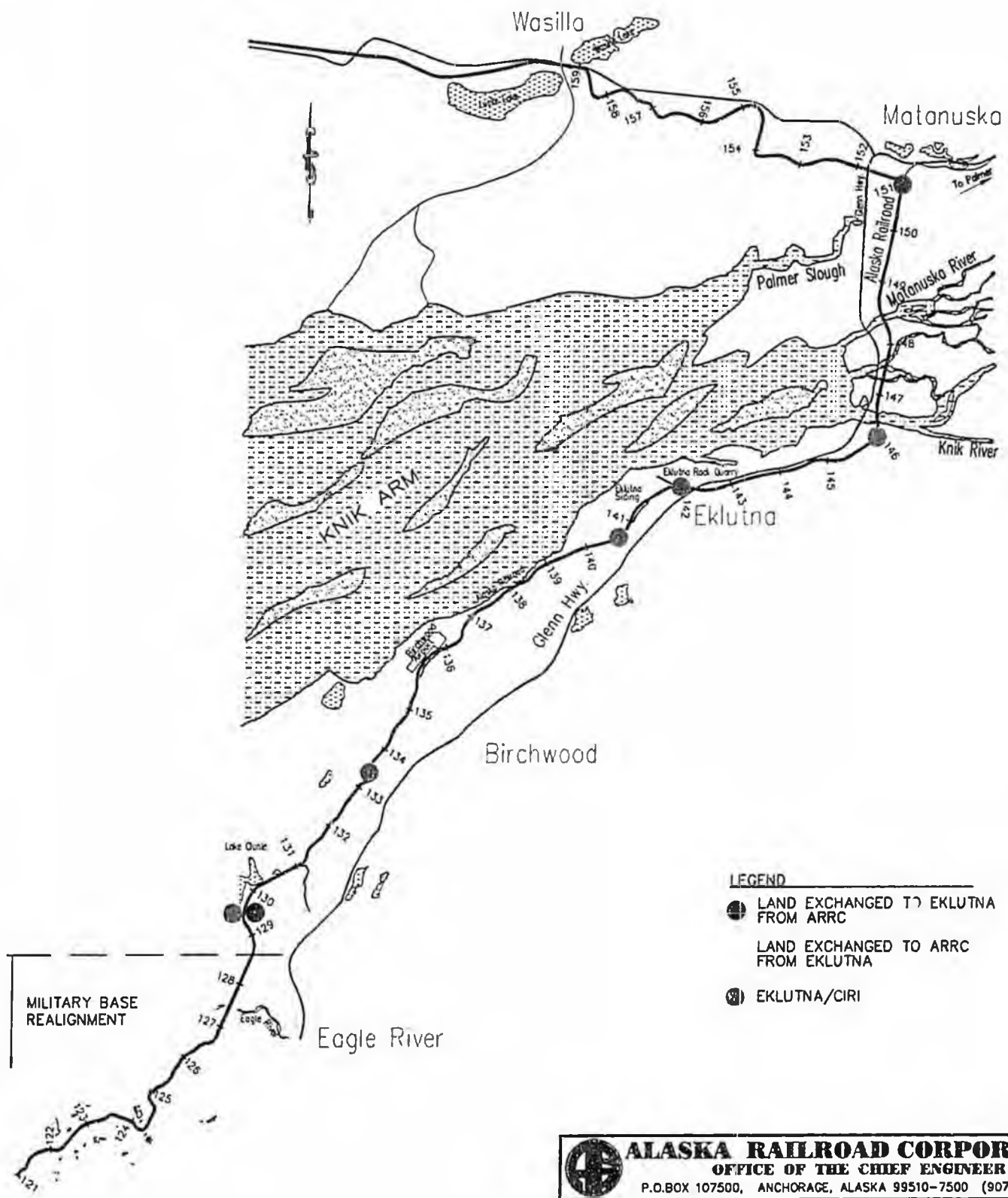
Projected Cost:

\$45 to \$50 million (DOD, AMTRAK, ARRC)

The ARRC will use federal funding, designated for passenger rail line improvements, to help finance the track realignment project. The railroad will match these funds with its operating revenues.


Target Completion Date:

2003



LEGEND

- LAND EXCHANGED TO EKLUTNA FROM ARRC
- ⊗ LAND EXCHANGED TO ARRC FROM EKLUTNA
- ⊗ EKLUTNA/CIRI

 ALASKA RAILROAD CORPORATION OFFICE OF THE CHIEF ENGINEER P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2456		
PROJECT :		
EAGLE RIVER TO WASILLA REALIGNMENTS		
TITLE :		
LAND EXCHANGES BETWEEN ARRC & EKLUTNA		
DESIGNED BY:	K.R.H.	SCALE : NOT TO SCALE
DRAWN BY:	P.C.L.	
APPROVED BY:	T.B.	DATE : NOV. 1999
		FILE: land-enc-umap.dwg
		DWG NO.
		1 OF 1

Elmendorf Air Force Base & Fort Richardson Army Base:

ARRC proposes to make track realignment improvements within an existing ten-mile section of mainline track just north of Anchorage (ARRC mile 117.35 to mile 127.5). This section of track traverses through Elmendorf Air Force Base and Fort Richardson and contains 25 curves with a curvature of more than two degrees (ten curves are over eight degrees). In terms of equipment and rail wear and tear as well as safety, the railroad industry generally strives for less curvature. For example, rail on a ten degree curve has 90% less rail life than rail on tangent track.



To straighten these curves, the ARRC must gain state and federal approval to exchange approximately 229 ARRC acres for approximately 225 military acres.

This route will require construction of a new roadbed (subgrade) to accommodate double track widths, which refers to two sets of tracks constructed parallel to each other and having a minimum 15 foot separation between their centerline locations. Double tracking is necessary to better accommodate the increased number of passenger and freight trains that are being operated on the main line. ARRC's present and future business requires this capital improvement.

EAGLE RIVER BRIDGE
 EXISTING MP 127.5
 END OF PROJECT




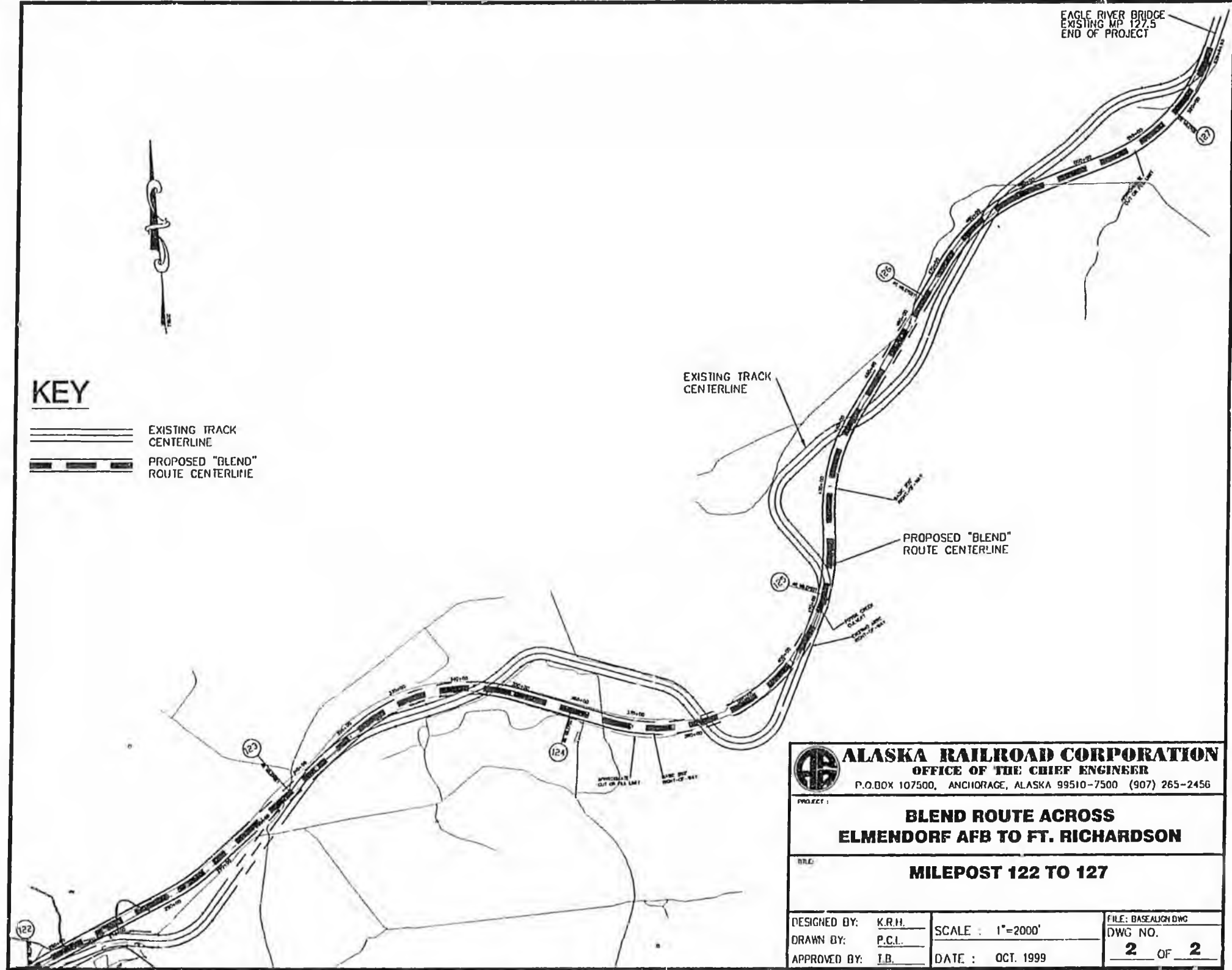
KEY

-  EXISTING TRACK CENTERLINE
-  PROPOSED "BLEND" ROUTE CENTERLINE

EXISTING TRACK CENTERLINE

PROPOSED "BLEND" ROUTE CENTERLINE

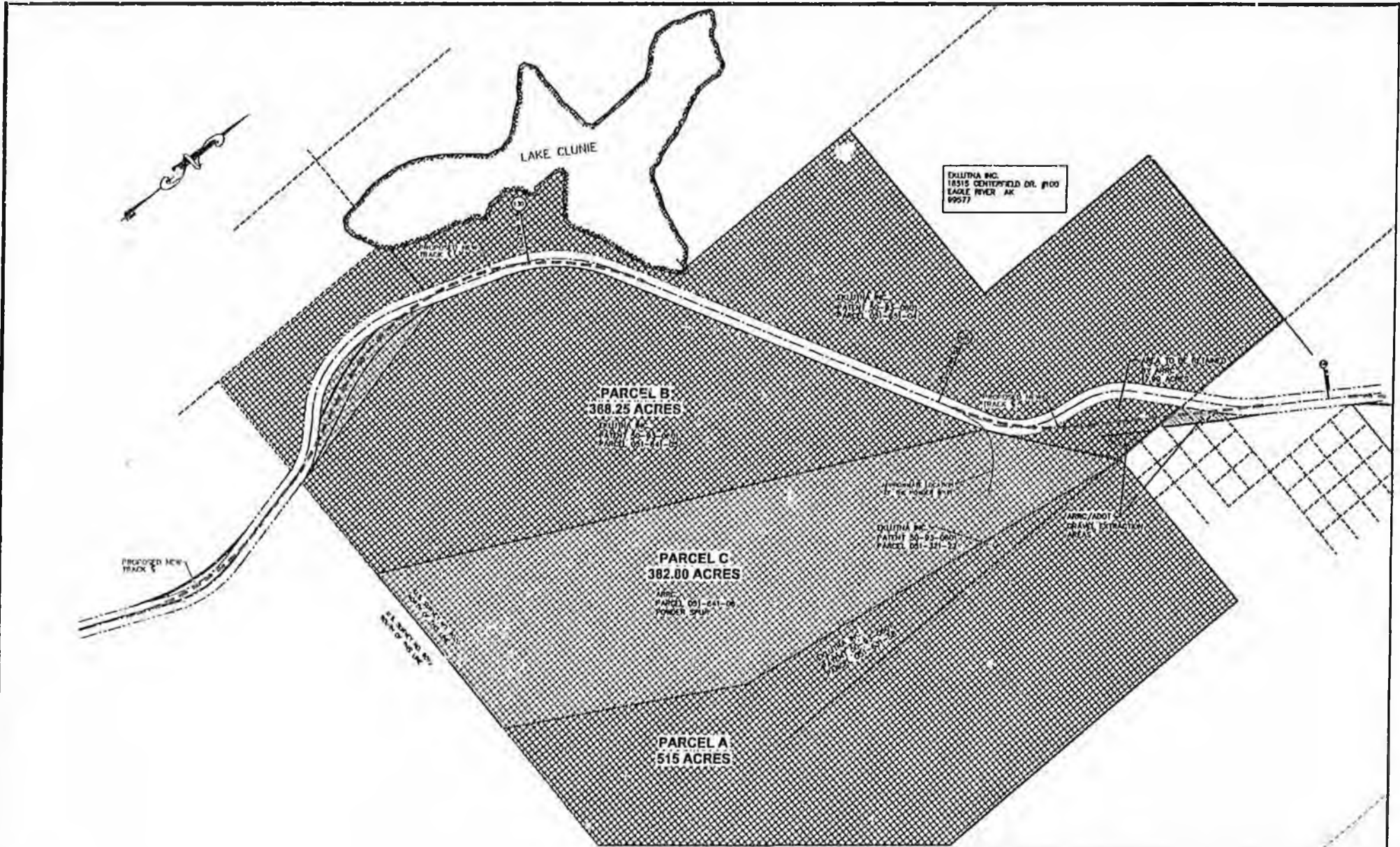
 ALASKA RAILROAD CORPORATION OFFICE OF THE CHIEF ENGINEER P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2456		
PROJECT : BLEND ROUTE ACROSS ELMENDORF AFB TO FT. RICHARDSON		
TITLE: MILEPOST 122 TO 127		
DESIGNED BY: K.R.H.	SCALE : 1"=2000'	FILE: BASEALIGN DWG
DRAWN BY: P.C.L.		DWG NO.
APPROVED BY: I.B.	DATE : OCT. 1999	2 OF 2







Eklutna, Inc.:

The ARRC has entered into a memorandum of understanding with Eklutna, Inc. outlining the various property settlements agreed to by both parties. (memorandum dated August 4, 1999 attached).

The ARRC and Eklutna, Inc. have agreed to exchange certain parcels of land for equal value. Eklutna, Inc. would receive approximately 384 acres (Parcel "C"/Powder Reserve). The ARRC would receive six parcels (approximately 65 acres) for track realignment near mile posts 130, 133, 140, 142, 146, and 151, and enough land near the Birchwood Airport to create an equitable exchange. All land values are being determined by a contracted, third party appraiser.



KEY

-  LAND EXCHANGED TO EKLUTNA FROM ARRC
-  LAND RETAINED BY EKLUTNA
-  LAND EXCHANGED TO ARRC FROM EKLUTNA
-  LAND RETAINED BY ARRC

ALASKA RAILROAD CORPORATION
 OFFICE OF THE CHIEF ENGINEER
 P.O. BOX 107500, ANCHORAGE, ALASKA 99510-7500 (907) 265-2456

PROJECT : **EAGLE RIVER TO WASILLA
 MP 128.8 TO MP 158.5**

DATE : **MILEPOST 129 TO 131
 ARRC & EKLUTNA, INC. PARCELS**

DESIGNED BY: K.R.H.
 DRAWN BY: P.C.L.
 APPROVED BY: T.B.

SCALE : NOT TO SCALE
 DATE : SEPT. 1999

FILE: 131-13500080.DWG
 DWG NO. **1** OF **2**