

Hammond announces Haul Road plan

The following Haul Road address was delivered via radio by Governor Jay Hammond this afternoon. The Tundra Times would like to thank the Governor's office for making a copy of the speech available to us in time for publication this week.

Many Alaskans have been talking about the Haul Road and how it should be used after Alyeska turns it over to the State in the fall of this year. I have listened to local governments, business groups, truckers, environmentalists, chambers of commerce, oil companies, Native organizations, sportsmen and other interested observers.

Two basic viewpoints have emerged: First, no group believes total closure is a viable option. Neither do I. The major issue is how the road should be used. Second, all agree every effort should be made to minimize the impact on the environment. So do I. These two ingredients are the heart of the proposal I'm making tonight on the use of the North Slope Haul Road.

Alcan pipeline construction. What are the facts upon which we should base those decisions?

First: The road opens up vast new areas of the state to vehicular traffic. Second: It invades lands which all agree are extremely susceptible to long-term environmental damage. For example, one "highway" built across the Arctic left permanent scars that will last for decades. Third: The people of the North Slope Borough, who will be impacted most by the road and through whose lands it runs, have made clear their desire for limited industrial use. Fourth: The start-up costs of road maintenance are enormous. It's estimated \$11 million will be required just to build or buy facilities, purchase equipment and begin maintenance. Fifth: Subsequent annual maintenance costs also are enormous. About \$6 million will be needed for the nine month period after the state takes over the road for a summer-use-only program. By 1980 it would cost about

at least to permit it to float upward with inflation. But this has not been adopted by the legislature. Thus, increased costs under present circumstances would have to be met either by reducing other highway expenditures or from additional "one-time-only" oil wealth. The latter in my view is the least acceptable alternative because that money, of course, one day will be gone while highway maintenance costs will continue on. Sixth: There is a legitimate argument for improved mineral and industrial access to the north country, just as there is legitimate argument for Alaskans and tourists to see this remarkable part of our state. Seventh: There are questions about the demand, need and desirability for access to this unique north country. The answers to these questions won't be known for years and until future events take shape.

In the past two years, my Administration has been actively studying the alternatives. The easy solution would have been to issue a rousing declaration, satisfy the loudest demands of the moment, and rush on to another subject. This road is far too complex and too important for such knee jerk decisions. Accordingly, we wanted first to talk to people who lived along the road. We have conducted surveys. We have held public hearings. We have listened and then considered the alternatives before arriving at this conclusion.

I think the plan for opening the North Slope Haul Road which I am today announcing satisfies the immediate need for access by industry and others, but at the same time the plan has sufficient flexibility to allow for tomorrow's changing circumstances.

The first element of my recommendations concerns the portion of the road running north from Fairbanks to the north shore of the Yukon River. This stretch of highway opens up an area of Alaska to recreational use which has never really been easily utilized before. I propose to seek funds over the next two years from both the legislature and the federal government to improve that stretch known as the Elliot highway, so that its full potential for recreational use may be realized. That will include not only improving the road itself, but also establishing recreational facilities...including those for boat launching on the shores of the Yukon River itself.

The second component of my Haul Road proposal addresses short-term use of the road north of the Yukon. I believe such should be determined primarily by the needs of the Alcan project. Since the construction of the gasline is of overwhelming state and national significance, it must take first priority. In addition to the gasline construction needs, other logical uses are for Prudhoe Bay support operations, oil pipeline maintenance and operational needs, North Slope mineral explorations, and necessary governmental activities.

While expanded public use might later be appropriate, unrestricted use by passenger cars during gasline construction

would create severe problems of public safety, conflicts with construction activities, environmental impact, and security of the Alyeska pipeline. North of the bridge, there are no gas stations, rest stops, restaurants, motels, camp spots, fire emergency controls, readily available drinking water, medical assistance, or any of the many services which would be required by the traveling public. By being a bit imaginative in our approach, I think we can minimize those potential problems. To do so, I propose we provide for public access by means of tour bus concessions which would transport travelers to Prudhoe Bay. Such tour buses would permit anyone wishing to see the country to do so in comfort and safety at minimal costs to the state. We would be able to minimize the impact of traffic along the road by controlling stops and preparing for group needs. There would be less danger to the security of the pipeline and the impact on fish and wildlife resource of the area would be better monitored. This system would open up a new tourist attraction for visitors and residents alike.

This system should, I believe, be run by a private enterprise rather than by the state. I also believe it should be run without subsidy. At the same time, however, I have asked the Division of Tourism to stand ready to help any interested concessionaire in their negotiations with Alyeska, Alcan, the federal government, and the North Slope Borough in setting up the facilities in which travelers may stay overnight and generally to assist in setting up this operation. I want such an operation to succeed. The North Slope is a beautiful area and people should be able to see it with minimum adverse impact upon themselves, the area or the state.

After gasline construction is completed and heavy industrial use subsides, other forms of public use might be possible dependent upon the perspective of public safety and the availability of appropriate monies to accommodate such expanded uses. Meanwhile, the mass transit system I propose for the early construction period can be accomplished safely and with minimum impact.

In order to reduce the cost of maintaining the Haul Road, I will implement a seasonal maintenance program prior to the Alcan construction start-up. The demands on the Haul Road will be minimal during the winter and costs of maintaining it during that period would outweigh the benefits. Accordingly, I propose that the Haul Road be open for summer use only between the months of May and October. I am advised this seasonal maintenance meets our contract obligations to Alyeska Pipeline and seems the only reasonable course to take at this time.

Since federal funds were used in constructing the road, federal requirements govern much of what we do with the road. We are somewhat limited in our ability to control use, access, and user fees as long as the federal government has an interest in the road. However, negotiations with federal officials

indicate they will treat the road in two segments...one from Fairbanks to the bridge, and one from north of the bridge to Prudhoe Bay. Since we plan to keep the Fairbanks to north of the Yukon open for unrestricted public use, there is no need to repay federal monies used to construct that portion. However, if we wish to impose conditions upon the use of that portion of the road north of the Yukon River bridge, it may be necessary to repay the federal funds involved in that segment. If federal authorities permit such a repurchase for the amount we have been discussing...slightly in excess of \$1 million...it may be in the state's long-term best interest to spend that \$1 million now in order to charge user fees to help offset the millions of annual maintenance dollars needed in the future.

This, then, is the basic program: Upgrading of public facilities...Yukon as an industrial road at least during pipeline construction. Public access to the North Slope through means of mass transportation and operation of that system by the private sector.

I urge all of you to participate in the public process that will finally decide how we will use the road. My proposals are not struck in stone. We have already received much public comment and I hope these proposals will elicit more.

One final point: Too often proper land use conclusions have been made after the fact—after the roads have been built and use patterns established. Once in place, of course, these are hard to alter no matter what the justification. The land north of the Yukon River is the largest remaining portion of America undergoing new development. Use and maintenance decisions for the road during and after gasline construction will have tremendous impact on this entire area. Thus, we must take the necessary time to exercise our best judgment rather than simply fling the road wide open and then attempt to retrench once we found out what we were doing wrong. I much prefer to crack the road open conservatively and then make adjustments as time, experience, and appropriate means of funding will permit.



The gravel and insulation workpad underlying the trans Alaska pipeline on Alaska's North Slope near Pun Station 3 prevents degradation of subsurface permafrost.

I'd like to take just a moment to put this issue into perspective. The Haul Road runs from Prudhoe Bay to Livengood. From there the Elliot Highway runs to Fairbanks for a total of 350 miles. The latter portion already is under state jurisdiction. Most of the costs for construction of the Haul Road were borne by Alyeska as part of its construction of the pipeline. However, about \$28 million, most of which went into the Yukon River bridge, was federal money.

The road has been closed to the public because of the construction of the oil pipeline. The construction of the gasline beginning in 1980 will again mean heavy equipment will be using the road. Meanwhile, long-standing contracts with Alyeska obligate the state to maintain the road.

We now face three periods of prospective road use about which we need to make decisions: Before, during and after

\$10.5 million for year-round maintenance. These figures are put into perspective when one realizes that the total highway budget for all roads in Alaska annually is \$40 million. Yet the total general fund revenue from the highway fuel tax is only about \$20 million annually. The rest, of course, come from "one-time-only" oil dollars.

Since the projected annual maintenance and operating costs for the Haul Road will increase 13 to 20 percent annually, one can see that opening and maintaining this road will siphon funds away from other highways which have much heavier use. The question then becomes who should pay the costs? All taxpayers? Motor fuel taxpayers? users of the road? Or should we simply use up more oil wealth? Under our present system we have no way to recoup these huge maintenance costs from operation of the road. I have submitted legislation increasing the gasoline tax