

Road Misconceptions Set Straight

By Sandy Williams
Citizens Pro Road
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I would like to take this opportunity to clear up a few misconceptions about the proposed Juneau road.

First, a bit of history. When Governor Bill Egan initiated the ferry system in 1962, it was never meant to provide a permanent solution to transportation in Southeast Alaska.

In fact, the marine highway was conceived as an interim service to coastal communities. Road links were always envisioned as the young state developed its infrastructure and began to plan for future growth.

Currently the Alaska Marine Highway subsidy is equal to 200 percent of the revenue that is collected by the system. For every \$3 a ferry ride costs, the state pays \$2 and the user pays \$1. In FY 1996, the operating costs for the AMHS were \$69.5 million. Revenues were \$39.7 million. In FY 2013, operating costs for the AMHS were \$172.5 million and revenues were \$53.2 million.

In 17 years the state subsidy increased from \$28.8 million to \$119.7 million per year. Alaskans are subsidizing the ferry system at 69 percent. Washington State subsidizes their ferry system at 33 percent.

To responsibly serve the public, there is an undeniable, critical need to: Permanently lower the operating cost to the state; provide greater capacity and travel frequency; and significantly reduce user costs. There are two choices. We can continue the status quo - which in 10 years would amount to a subsidy in excess of one billion general fund dollars or we can implement the Southeast Alaska Transportation (SATP) plan to create efficiencies.

The SATP recommends we restructure existing ferry routes, replace some mainline ferries with shuttle ferries and construct new roads to shorten ferry routes.

The Lynn Canal Highway – or Juneau road - would:

- Meet travel demand;
- Reduce traveler costs by 90 percent;
- Reduce both long-term capital costs and annual operating costs, resulting in a reduction in the AMHS budget.

Unlike ferries, roads are long-term investments that require only occasional improvements to sustain them. Most of the initial costs are permanent or extremely long-term in nature. Portions of the Richardson Highway have gone without major upgrades for 50 years.

When Alaskans build the Lynn Canal Highway, there will be some challenges but nothing that cannot be solved.

The issue is economics. This road will provide a savings to the state, improve the economies of Juneau, Haines and Skagway and lower transportation costs for users.

I was the regional engineer when we built the road from Skagway to the Carcross Highway. Not a single soul in Skagway was against that road. For that community to now argue against the

Lynn Canal Highway is simply selfish and short-sighted, especially since Juneau supported Skagway's road. By the way, that road was built in the early 80s and no major road extension has been built in Alaska since then.

Interior and Southcentral residents understand how critical the Alaska Railroad, the Parks Highway and the Seward Highway are to the state. In today's world they might not have been constructed because it is much easier to be against a project than for it. The progressive vision that guided those projects to construction needs to be used today for the Lynn Canal Highway.

An important point about the cost to build this road is that the federal dollars that will be spent on the road cannot be used for operational costs or funding our schools or social services.

It takes strong, visionary leadership to sustain the meaningful change that is required to address transportation in Southeast Alaska.

Governor Parnell and the legislators who have supported this road should be commended for their commitment to save general fund dollars, put people to work and improve both transportation and the economy of Southeast.

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