

Title: SUPPORT ASCA FUNDING REQUEST

Position Statement

The Alaska State Council on the Arts (ASCA) supports statewide Arts programs that are effective in creating a solid economic factor in the development of successful communities.

Support of Position

- An increase of General Fund monies would allow for response to increases in demand for services throughout Alaska, and to meet the National Endowment for the Arts (NEA) Partnership 1:1 grant requirement.
- A line item in the capital budget for the Alaska Contemporary Art Bank would allow for appraisal and assessment of the approximately 600 pieces in the State of Alaska's art collection, and provide for repairs.
- A full-time Fine Arts Administrator to oversee the Arts in Education program would administer the Artist in Schools program, the Rasmuson Cultural Collaborations program, manage the annual High School Poetry Recitation program, and work with the ASCA Executive Director to advocate for statewide curriculum-based Arts Education in K – 12.

Action Required for the Position

The Greater Fairbanks Chamber of Commerce asks the Governor and the Alaska State Legislature to support the ASCA funding requests.

Fiscal Impact of the Position

- \$50,00 increase in General Fund monies to contractual line
- \$100,000 line item in the capital budget for the Alaska Contemporary Art Bank
- 1 FTE for Fine Arts Administrator position to oversee the Arts in Education program

Title: CAREER AND TECHNICAL EDUCATION

Position Statement

The Greater Fairbanks Chamber of Commerce believes that quality career and technical education (CTE) is essential to building a skilled Alaskan workforce. The Greater Fairbanks Chamber of Commerce supports the opportunity for all middle-school-aged students to have a career pathway plan upon entering high school and the opportunity to fulfill that plan.

Support for the Position

Educators, employers and government are in agreement that schools must have the ability to prepare students to transition to the next steps in a career pathway, whether further education, on the job training or other formal steps. At the same time, lack of focused funding has eroded Career & Technical Education (CTE) in Alaskan schools.

The middle school is the best time for students to look at career possibilities and plan their future courses to prepare for them. A career pathway will keep students moving through career-based studies as well as basic math and communications courses to prepare them for future education and occupations.

The Alaska Gasline Inducement Act (AGIA) Training strategy has a core theme of CTE in Alaska schools for workforce development, as do the Oil, Gas & Mining (Putting Alaska's Resources to Work – PARW), Construction and health workforce development plans. The Alaska Association of School Boards (AASB), Alaska Association of Career Technical Education (AACTE), and Alaska Association of Secondary School Principals (AASSP) have all recommended adequate funding of CTE in the schools.

Action Required

Provide legislative support for Department of Education and Early Childhood Development & Department of Labor and Workforce Development partnerships to create Career Technical Education pathways and opportunities for middle-school students.

Fiscal Impact

Funding for CTE/vocational education has been only a small part of the block grant set-aside for multiple programs and has been diminishing. Equipment, facilities and CTE staff are very low, and non-existent in many schools. The CTE programs need to be adequately funded, whether through reprioritization of existing funding or new funding sources being made available to it.

Title: UA FY11 OPERATING BUDGET

Position Statement:

The Greater Fairbanks Chamber of Commerce recognizes the University of Alaska as an integral part of our community and our state. The University of Alaska Fairbanks and the UAF Tanana Valley Campus are united with the Greater Fairbanks Chamber of Commerce in supporting programs vital to the education of our citizenry, and the research necessary to address our state's needs.

Support for the Position:

- The University of Alaska provides our citizens with enhanced opportunities for life-long learning and provides our businesses with access to a highly trained workforce, each of which are essential to development of a strong and vibrant economy. In addition, it provides research vital to Alaskans as well as bringing in dollars to the state, making it one of Alaska's top industries. Through preparing the workforce, providing expertise and leadership in a variety of fields, and serving as the driving force for research in Alaska, the university contributes significantly to the State's economic success and its citizens' quality of life.
- Teaching: The University has attracted an additional 1,100 Alaska high school seniors to attend our state university, equating to a total of more than sixty percent of Alaska's college-bound high school graduates coming to the University of Alaska.
- Alaska's economic growth and a graying workforce require a growing number of skilled workers require a strong academic foundation plus solid technical and employability skills. The University has recognized the need for priority program growth, as well as providing the core curriculum necessary to a Land Grant institution. A strong university system is a key element for the State's success.
- Research: The competitive research capacity of the University of Alaska Fairbanks is remarkably situated to address State, Arctic and global solutions, particularly in climate change mitigation and adaptation, energy resource development, and biomedical advances, to name a few areas of expertise. The university has doubled the amount of externally funded research from \$60 million in FY99 to \$120 million in FY08, and UAF does 90% of the research for the system.

Priority Programs in the UA FY11 Operating Budget request:

- K-12 Outreach to support partnerships with the Department of Education and school districts, as well as other entities to introduce the value of higher education to Alaska high school students before they graduate, as well as focus on high school-to-college bridging.
- Energy, Engineering and Climate funding will address solutions to the state's most pressing energy and climate issues, including outreach through the Alaska Cooperative Extension Service. The University is providing the core expertise and support to address the state needs through plans including Alaska Energy Authority, Department of Natural Resources, Department of Environmental Conservations, and the Governors' Subcabinet on Climate Change. This element also addresses the goal of doubling the number of undergraduate engineers by 2012 from the current 100 to 200 baccalaureate graduates each year.

- Health Programs funding will support biomedical capacity and the university's next step in building strong health occupation training programs. The state needs and opportunities in this area are monumental and require state investment.
- Workforce and Campus programs will enable the university to respond to emerging industry sectors and provide additional workforce training. Nearly all future employees need some level of post-secondary education and training for productive careers. The Tanana Valley Campus focuses on workforce development in high-growth, high-demand Allied Health careers, pipeline related training requirements, career academies, and a variety of career-ready programs.

Action Required:

The Greater Fairbanks Chamber of Commerce urges the Governor and the Alaska State Legislature to fully support and fund the University of Alaska Board of Regents FY11 Operating Budget request of \$361.2 million.

Fiscal Impact:

As with all educational programs, the fiscal impact will depend on the level and quality of support being provided. The university returns double the dollars that the state invests. Research has an even bigger return to the state. Every \$1 of state general funds invested in university research leverages over \$7 from other sources.

The University directly employs over 7,800 Alaskans. An additional 10,000 jobs in Alaska are directly or indirectly linked to university spending, including more than \$360 million in personal income injected into the Alaska economy. The institution spends over \$125 million a year on goods and services with over 3,000 Alaska businesses in communities across the State.

Title: VALUED ADDED RESOURCE DEVELOPMENT

Position Statement

The Greater Fairbanks Chamber of Commerce encourages the Governor and the Alaska State Legislature to provide incentives to business in an effort to encourage the beneficiation of natural resources, including agricultural, mineral, energy, and forestry-based, to promote processing, manufacturing, and retail sales of those products created in Alaska for export

Support for the Position

- Value added products developed and manufactured in Alaska decrease our states dependence on imports while building diversified industries in Alaska
- Jobs created in and by the forest industry pay a high livable wage.
- Value-added incentives strengthens the natural resource industries themselves, providing for domestic raw materials processing enterprises and markets for Alaska's natural resources. It in turn results in more diversification of the Alaska economy.

Action Required for the Position

- Support continual updates of the State of Alaska's forestry, mining, energy, and agricultural industry
- Fully fund the Alaska Department of Natural Resources, particularly those Divisions that assess specific natural resource industries.
- Increase surface access by funding road construction for resource extraction.
- Initiate economic studies that help implement value-added natural resource development

Fiscal impact of this Position

Helps promote value-added product development creating new industry and new jobs from a renewable resource and ultimately new sources of revenues for the State.

Title: NON-RENEWABLE RESOURCE DEVELOPMENT

Position Statement

The Greater Fairbanks Chamber of Commerce advocates for progressive and responsible non-renewable, resource development such as oil, gas, non-fuel metallic and non-metallic minerals and coal that is important to the State's economy. This includes the need to expand infrastructure and work force necessary for the development of current and new projects, and applied research into improving the environmental performance of non-renewable resources development.

Support for the Position

- Production of petroleum continues to be the most important private sector component of the State's economy, in terms of both providing >8,000 high paying jobs and \$billions of revenues to the state;
- The growing non-fuel minerals industry provides for nearly 5,000 direct and indirect, high paying jobs in the State, including important jobs in Bush Alaska where other economic activities are generally lacking;
- In 2007, the non-fuel minerals industry provided for \$179 million to the State in income taxes and royalty income, the second largest source of income to the State behind the oil industry;
- The current trade imbalances and high prices of hydro-carbon fuels and increased importation of many metals implies that non-renewable resource development could become strategically important to the health of the United States—not just Alaska.
- Sustaining the health of the State's sand and gravel and aggregate industries are essential to construction and repair of infrastructure such as roads, airports, harbors, and urban growth.
- The Alaska Railroad provides the most cost-effective method to transport metallic mineral concentrates, mineral aggregates and solid fuels to in-state and to export markets thus enhancing the utilization of the large natural resource base of Alaska;

Actions Required for Position

- Support development of coal, non-fuel minerals, natural gas and oil where that activity is feasible, and environmentally responsible.
- Monitor and educate Statewide membership about various issues affecting non-renewable resource development, including Legislative actions and public initiatives that could negatively affect non-renewable resources.
- Monitor the regulatory requirement that affects all non-renewable resource development, and take positions that advocate progressive solutions to issues and controversies that could result in excessive burdens to those affected industries.
- Advocate progressive solutions concerning regulatory conflicts associated with Alaska's sand and gravel industry, so that infrastructure can be maintained and improved upon.
- Make sure that agencies and institutions that regulate, report on, and provide research for these industries are provided with adequate funding.
- Support the geological and geophysical mapping programs of the DGGs to assure an attractive investment climate to the exploration companies.
- Support State regulatory and permitting programs through appropriate funding to expedite the development of projects that meet the above criteria.
- Support the railroad extensions from Eielson AFB to Delta Junction, and the extension from Pt. MacKenzie to Willow or Wasilla and continue to support the Phase II Feasibility that advocates connecting the Alaska Railroad to the Continental Railway System.
- Support an analysis of the synergistic effects of integrated power production systems that include natural gas, coal, synthetic fuels, and hydroelectric components.

Fiscal Impacts of this Position

Current revenues and future revenues generated from the production of non-fuel minerals cover costs advocated in the 'actions required' of this position statement.

Title: POSITIVE, OBJECTIVE, AND TIMELY PERMITTING PROCESS FOR RESOURCE DEVELOPMENT

Position Statement

The Greater Fairbanks Chamber of Commerce encourages the Governor and the Alaska State Legislature to emphatically support, both philosophically and financially, the ability to permit natural resource development projects in a positive and timely manner. We advocate and promote responsible and environmentally sensitive resource development, to provide a fair return to the businesses and residents of the State of Alaska. We request that the state review the procedures and processes required to develop new natural resource development operations and expand existing ones, integrate the development review process with local jurisdictions and federal requirements, and develop a schedule to make the process more efficient and thus, more viable.

Support for the Position

- The state economy is dependent on the development of natural resources. Mining is a large part of this economy, and mining operations should be permitted to expand to meet consumer demand. At the same time, the state's unique environmental concerns must be recognized and protected.
- Alaska's permitting, consisting as it does of numerous steps and various agencies as part of the review, has an abundance of environmental and legal safeguards; however, we believe there is room for improvement, allowing more efficiency and timeliness while safeguarding the environment and encouraging the economic development of natural resources.
- To accomplish these goals, all projects must be evaluated in a non-biased, non-partisan manner, with accountability and effective calendars. The State must also clearly define the procedures and fees to allow businesses to plan and budget effectively for resource development.

Action Required for the Position

The Administration must remain consistently aggressive and conscientious stewards of the resources that belong to all Alaskans by encouraging private development for a fair, equitable, and reasonable return on investment.

The state must look for and hire the best people for the relevant jobs, and to demand the best efforts of the Department of Natural Resources (DNR) in overseeing resource development.

The DNR must review permitting procedures to allow for expeditious review of development plans while ensuring the already stringent standards remain. Existing staff must be trained, new staff must be hired, and funds allocated for new and more efficient procedures to be developed and followed.

Fiscal Impact of the Position

Mining and natural resource development are vital to the state's economy. If businesses feel they cannot get a "fair shake," or the climate is unstable and prone to change, the impact to the economy could be devastating.

In view of the resource developments, the State must develop procedures and processes to deal with effective permitting. Good people take time to find and train; procedures must be developed in a thoughtful, non-rushed manner. Otherwise, the end result will be incomplete and ineffective changes that could severely affect the state's economy, environment, and health and safety. It is more expensive to do nothing and hope things shake out than to make the effort now to streamline and restructure the process.

Title: BROADBAND ACCESS FOR RURAL ALASKA

Position Statement

The Greater Fairbanks Chamber of Commerce requests that the Governor and the Alaska State Legislature promote statewide “connectivity” and work with the Federal Government to alter the current restrictions on the limited use of previously established hardware in some rural communities. The lack of connectivity to rural Alaska costs money and the high expense drains these communities. It should be the primary interest of the State to promote publicly accessible technology and infrastructure to enhance cost saving methods of connectivity that result in effective outreach in areas including, but not limited to:

- Healthcare (via telemedicine)
- Workforce Training (via videoconferencing)
- Education (webinars, distance delivery classes)
- Business-to-business contact
- Business-to-consumer contact
- Health & Safety Preparedness/Awareness
- Disaster Preparedness, Response, and Recovery

Support for the Position

Upgraded connectivity benefits the businesses and consumers in Alaska by reducing travel and transportation costs via instant interactive communication. Promoting connectivity via publicly accessible videoconferencing in rural communities would allow all training and educational services to be done instantly in one’s own community.

Action Required for the Position

- To meet the demands of greater connectivity, assessment of current high-speed internet lines is needed. Some areas have equipment, but need to be tested for accessibility and functionality.
- Some rural communities in Alaska have teleconferencing capabilities that can only be used by the school for educational purposes, due to federal regulation. We encourage the State to work with the Federal government in efforts to find ways to allow the existing hardware to be used for a broader benefit.
- Where lines are inadequate or nonexistent, building of appropriate lines would be necessary. Purchases of videoconferencing equipment, installation in community accessible areas, and initial training of key individuals would be needed.

Fiscal Impact of the Position

Connectivity via internet with videoconferencing capabilities would decrease the costs for travel, for both businesses and consumers, associated with the previously listed outreaches. Promoting connectivity and infrastructure would also allow rural residents to gain education, training, experience and other information instantly within their own community. For example, with the recent natural disaster affecting many villages along the Yukon, the Red Cross is focusing on “Disaster Preparedness, Response, and Recovery” training. To complete this training, either rural residents must be flown out to hub communities or trainers must be sent in. Each class costs an estimated \$3600, including airfare, hotel, meals, and travel time. However, with upgraded connectivity, these classes could be given via videoconferencing for a fraction of that price.

Title: POWER COST EQUALIZATION

Position Statement

The Greater Fairbanks Chamber of Commerce urges the Governor and the Alaska State Legislature to continue contributing general funds to the Power Cost Equalization Endowment to reduce power costs in rural Alaskan communities to include public entities - i.e. schools municipalities, tribal facilities - and all potential sources of fuel instead of diesel-only.

Support of Position

- The goal of Alaska Energy Authority's (AEA) Power Cost Equalization (PCE) program is to provide economic assistance to customers in rural areas of Alaska where the kilowatt-hour charge for electricity can be three to five times higher than the charge in more urban areas of the State. PCE only pays a portion of approximately 30% of all kWh's sold by the participating utilities.
- PCE fundamentally improves Alaska's standard-of-living by helping small rural areas maintain the availability of communications and the operation of basic infrastructure and systems, including water and sewer, incinerators, heat and light. PCE is a core element underlying the financial viability of centralized power generation in rural communities.

Action Required for the Position

Since 1999, schools are not eligible to receive PCE credit. Schools are the largest consumers of electricity in all rural communities. For example, school operation and maintenance in the City of Tanana exceeds over 30% of the school budget. Reinstating schools to PCE eligibility would reduce operation and maintenance costs by 10% or more. Tanana School functions and activities have to be cut to a minimum because of the high energy costs, and this includes the school cafeteria, the use of the gym, and after-school activities.

Fiscal Impact of the Position

There are approximately 200 schools in rural Alaska. Using the 10% reduction in cost cited in the above example as a guideline, \$6 - 7 million in additional funding would be needed. By cutting the funding out in FY99, rural schools have had a tremendous burden placed on their operation and maintenance costs. This has adversely affected the quality of rural education because funding the energy costs has taken away funding for educational programming and services.

Title: ARCTIC OCEAN ACCESS

Position Statement

The Alaska Constitution states “The public shall have the constitutional right to use and have free access to the navigable or public water of the state”. The public now travels freely along the Dalton Highway to Deadhorse and to the East Spine Road checkpoint. From there, the public is barred from a 7 mile well maintained highway that ends at the East Dock on the Arctic Ocean. The goal is to allow unrestricted public access to that area in time for the 50th Anniversary of Statehood.

Support for the Position

The Dalton Highway is the second northernmost highway in the world and the only highway in North America that reaches the Arctic Ocean, a highly desired destination. Tour companies and independent travelers have complained of the \$42 per person charged presently for restricted half hour access to the ocean.

Action Required for the Position

Legislative support or direction from the Governor or Commissioner of Transportation and Public Facilities to open public access to the Arctic Ocean would result in concerned agencies meeting to resolve issues that have restricted public access to date.

Fiscal Impact of the Position

Highways built to the state’s secondary standards exist on the proposed Dalton extension. Simple agreements for continued maintenance of the extension can be reached. Other issues such as safety and security can be addressed and resolved. Tourism, the 2nd largest employer in Alaska and businesses from the Alaska border through Fairbanks to Deadhorse will all greatly benefit from the increased traffic once public access is allowed to the Arctic Ocean.

Title: WESTERN ACCESS CORRIDOR

Position Statement

The Greater Fairbanks Chamber of Commerce encourages the Governor and the Alaska State Legislature to support the development of an access corridor and infrastructure from the Interior to Nome and the Seward Peninsula.

Support of Position

- The project proposes to build a highway to Western Alaska to Nome on the Seward Peninsula, a distance of approximately 600 miles.
- Promotes resource development opening up at least \$25 billion worth of known mineral development and \$20 billion of known community economic activity. Yet-to-be discovered resources likely increase these values substantially.
- Generates private development, job creation and training opportunities and will complement gas line construction, diversify and minimize overheating of our economy and avoid labor shortages associated with simultaneous construction.
- Gives Alaskans villages in decline an opportunity for employment resulting in wealth and well being, permitting locals to thrive and cities and towns to prosper.

Action Required for the Position

The Governor and the Alaska State Legislature should pursue the Western Access Corridor by evaluating the economic benefits and costs of the highway, identifying possible routes and specific actions needed to implement construction. The Governor and the Alaska State Legislature should support the project with GF and authorize all non-GF sources, if available.

Fiscal Impact of the Position

\$3 million is needed this next fiscal year to continue field studies, advance route mapping, for implementation planning and for public involvement activities.

Title: PORT MACKENZIE RAIL EXTENSION

Position Statement

The Greater Fairbanks Chamber of Commerce encourages the Governor and the Alaska State Legislature to support the development of import and export capabilities and opportunities of Port McKenzie including the creation of a rail link to the Alaska Railroad system.

Support for the Position

- The cost of transporting bulk products to tidewater continues to rise as does the cost estimates for importing pipe to the Interior. This limits economic development of Alaskan resources and in some cases prohibits such development. Without providing new transportation infrastructure that will stimulate economic diversity, the state will continue to rely on its dwindling oil supplies.
- The development of Port MacKenzie and the Rail Extension to the mainline will provide a transportation cost savings of \$533 million, substantially increase economic development within the state including \$172 billion in gross metal value from new mines, provide up to 1000 jobs to Alaskans, and create \$6.3 billion in state revenue.
- This project will greatly reduce the cost for bulk transport of natural resources from Interior Alaska to tidewater. It is estimated that the transportation cost savings will exceed \$533 million for the first 40 years following rail extension construction (since it shortens the bulk goods transport distance to tidewater by 147 miles).
- This project will greatly facilitate diversification of the Alaskan economy by prompting development of a greater variety of natural resources (metallic minerals – copper, molybdenum, zinc, etc; limestone; forest products; increased coal exports) in Interior and Southcentral Alaska. It will also provide for less expensive transport of low sulfur fuel and heating oil north to Interior Alaska, the North Slope and the middle Yukon. The project will stimulate new manufacturing related to natural resource production, natural gas processing, and creation of a new cement industry.
- The rail extension combined with Port MacKenzie will dramatically reduce the cost for importing and preparing the pipe for the gas pipeline (it is estimated to save over \$100 million over other Alaskan ports).

Action Required for the Position

Legislation action to fund the completion of the rail extension from Port MacKenzie to the Alaska Railroad Mainline, include \$57 million for the third development phase of the project in the state budget for FY 2011. (This will construct the first 11 miles of rail bed and design and engineer the remainder of the rail alignment.)

Fiscal Impact of the Position:

Greater Fairbanks Chamber of Commerce
100 Cushman Street, Suite 102 – Fairbanks, Alaska 99701 – www.FairbanksChamber.org
2009-2010 Greater Fairbanks Chamber of Commerce Priorities

Cost to Business: None

Cost to State Government: Expected total average cost of project to the state government will be approximately \$232.5 million in addition to \$27.5 million in state funds previously committed in 2007 and 2008.

Cost to Local Government: Up to 15 miles of Matanuska-Susitna Borough right of way, a 360 acre rail loop, a 100 acre rail reserve and substantial material (gravel) resources.

Savings to Business: Transportation cost savings for bulk resources will exceed \$533 million for the first 40 years following rail extension construction. The availability of less expensive low sulfur diesel for heavy equipment operation will also provide significant savings. Lower cost cement imports to the Interior until local cement manufacturing is established.

Savings to State Government: Diversified, healthier state economy, increased high paying jobs, long term economic engine, and at least an additional \$6.3 billion in state income from royalties, permits and taxes.

Savings to Local Government: Establishment of a more prosperous and stable local economy. Permanent jobs, increased local sales tax revenue, growth of service and maintenance industries, and an increase in the local property tax base.

Title: ALASKA RAILROAD EXPANSION PROJECTS

Position Statement

The Greater Fairbanks Chamber of Commerce encourages the Governor and the Alaska State Legislature to continue its support of improved rail connections and capacity in and out of Alaska, and to Canada, thereby implementing better opportunity for resource development in Alaska.

Support for the Position

Bulk transportation infrastructure is absolutely necessary for bulk mineral commodity (examples include but are not limited to copper, lead, zinc, iron ore, ferro alloys, Portland cement and coal) development in Alaska. Mines that produce these commodities also require large volumes of inbound freight to support the mining and mineral beneficiation processes. Railroads are also essential in the movement of refined petroleum products, petrochemicals, timber resources, agricultural goods, large heavy machinery, and military cargo. In addition railroads haul freight including container cargo and passengers at 1/3rd to 1/6th the cost of trucks or buses respectively and with significantly lower carbon emissions. The long term development of Alaska shall continue to be dependent on the development of the Alaska Railroad.

Supporting Documents

Supporting documents are available at the Alaska Railroad Corporation (ARRC) website at: <http://www.akrr.com/>

Action Required for the Position

The Legislature should fund existing requests for the railroad extension from Port MacKenzie to the existing mainline railroad system. The state Administration should work with the Alaska Railroad Corporation to develop agreements between the ARRC and the Department of Defense for the continuation of existing logistic agreements and the expansion of logistic agreements to include all the military bases, posts, and training areas in the state.

The fundamental issue is the development of mineral and bulk materials transport capabilities in Alaska and through Canada to the continental United States through the expansion of the Alaska Railroad system. The desired action of this initiative is to facilitate state investment in the railroad extensions from Port MacKenzie to Willow and from Eielson, AFB to Delta Junction and on to a connection with the White Pass and Yukon Railroad in the Yukon Territory and to the Canadian railroad system in northern British Columbia thereby connecting the Alaska Railroad to the North American railroad grid.

Fiscal Impact of the Position

The petroleum and mining industries and military facilities and operations are the main components of the economy of the State of Alaska. The long-term economy of the state shall continue to be dependent on these sectors of the economy. The Alaska Railroad is an essential component in the operation, maintenance, and expansion of these sectors of the economy.

Title: STATE FUNDING SUPPORT FOR TRANSPORTATION

Position Statement

The Greater Fairbanks Chamber of Commerce urges the Governor and the Alaska State Legislature to provide increased general and non-general fund support for maintenance and capital improvements to protect our land, water, air, and public transportation systems.

Support for the Position

- The cost of Alaska transportation projects is increasing due to the rapid rise in the price of oil, leading to budget overruns as agencies struggle to pay for gas, diesel, and other oil-related products. Higher costs at constant funding levels means fewer projects can be funded thus some of the vital infrastructure of the Interior is not being maintained or upgraded. Crumbling infrastructure is not beneficial to either residents or businesses.
- The State of Alaska share of Federal Highway Funding is projected to decline in the foreseeable future and must be replaced to maintain and improve our highway system.
- An established program with a special board to oversee the distribution of the funds in an equitable manner.

Action Required for the Position

The Greater Fairbanks Chamber of Commerce respectfully requests Governor and the Alaska State Legislature to appropriate more funding to pay a portion of to state and local transportation operating costs to replace the reduction in federal funding.

Fiscal Impact of the Position

While initial costs may seem high, not upgrading and properly maintaining the transportation infrastructure will lead to higher operating costs for businesses and residents. The more time that goes by without action increases the cost of finally acting as the degradation of the infrastructure will only get worse.

Studies have shown that investment in infrastructure is one of the best ways to bring about and ensure a long-term strong economy.

Title: RAILROAD REALIGNMENT

Position Statement

The Greater Fairbanks Chamber of Commerce asks the Governor and the Alaska State Legislature provide financial support to allow continued environmental and engineering studies to address the safety and efficiency issues associated with the current rail alignment including improving more direct rail service to the Fairbanks International Airport.

Support for the Position

- The Alaska Railroad initiated a study in 2000 to realign the railroad in the Fairbanks area to enhance railroad safety through eliminating rail/roadway crossings. The railroad noted that fewer at-grade crossings would substantially increase safety for the traveling public by reducing opportunities for accidents between trains and vehicles and would virtually eliminate traffic delays and delays to emergency response vehicles.

Supporting Documents

Attached is a Resolution passed by the Greater Fairbanks Chamber of Commerce in February, 2008 requesting the conduct of an Environmental Impact Statement (EIS) to objectively evaluate all alternatives that is essential to the initiation of rail realignment in the borough. Similar Resolutions were previously passed by the Fairbanks North Star Borough and the cities of Fairbanks and North Pole. Most importantly, a request was made to FMATS this year for \$2million to conduct the EIS.

Action Required for the Position

Legislative support to fund \$2 million dollars to conduct an EIS is essential to determine the route and cost of realigning the Alaska Railroad to the outskirts of Fairbanks and North Pole.

Fiscal Impact of the Position

The FMATS request if approved should result in making design and construction funding available from the Federal Railroad Administrations programmed safety funds and other State and Federal funding sources for reconstruction of the Alaska Railroad, decrease maintenance expense for both rail and highways and improve area-wide transportation systems by making them safer and more efficient.

GREATER * FAIRBANKS CHAMBER OF COMMERCE

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Introduced by: Transportation Committee
Date Introduced: February 4th, 2008
Date Passed: February 11th, 2008
Date Transmitted: February 15th, 2008

RESOLUTION 08-0211

A Resolution by the Greater Fairbanks Chamber of Commerce Supporting a Realignment of the Alaska Railroad through Fairbanks

WHEREAS, in 2001 the Greater Fairbanks Chamber of Commerce passed a resolution to support the Alaska Railroad in their plans to design and construct urban realignment of the railroad to eliminate 48 at-grade crossings within the Fairbanks North Star Borough, and

WHEREAS, virtually all municipal, governmental, corporate, and private entities within urban Fairbanks and North Pole agree that substantial urban route realignment is most important in order to rectify the Railroad's increasing safety, hazardous materials, noise, and operational efficiency concerns, and

WHEREAS, the current intermediate solution of realignment being designed at Fort Wainwright does not do enough toward alleviating the community safety concerns, and

WHEREAS, all local governments have passed resolutions supporting a southern bypass realignment of the railroad and

WHEREAS, a full National Environmental Policy Act (NEPA) review will fairly and conclusively resolve the array of issues surrounding the optimal urban railroad realignment.

NOW, THEREFORE BE IT RESOLVED that the Greater Fairbanks Chamber of Commerce supports relocation of the Alaska Railroad, to address the safety and efficiency problems associated with current alignment of the railroad through Fairbanks and

BE IF FURTHER RESOLVED that the Greater Fairbanks Chamber of Commerce calls for a full Environmental Impact Statement of the proposed project routes to objectively evaluate all alternatives so that progress toward a factually derived solution may be initiated.

BE IT FURTHER RESOLVED that this resolution be distributed to:

Federal Railroad Administration
Alaska Railroad Corporation
The Alaska Congressional Delegation
Governor Sarah Palin
Interior Delegation


Rick Solie

Chairman, GFCC Board of Directors


Denny Schlotfeldt

Chairman, Transportation Committee

"Succeeding Together, Achieving Results"

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Title: NATURAL GAS PIPELINE CORRIDOR

Position Statement

The Greater Fairbanks Chamber of Commerce encourages the Governor and the Alaska State Legislature to upgrade and maintain the existing transportation facilities along the proposed natural gas pipeline corridor, as it is critical to maintain the existing transportation infrastructure while preparing for anticipated gas line development, which is vital to the state's economy. The needs of the Dalton, Parks, Richardson, and Alaska Highways, the Deadhorse and Fairbanks Airports, the urban arterials and collectors, and the Alaska Railroad connection to tidewater should all be addressed well before the gas line construction begins to sustain the current economy of the State of Alaska and provide the required transportation infrastructure for the gas line project.

Support for the Position

- For a successful gas line to be built, these vital transportation corridors must be accessible to all manner of vehicles. At this time, none of the important roads are capable of supporting the anticipated vehicle loads that will come with the development and operation of a modern natural gas pipeline. The Dalton Highway, the only road to the North Slope, is challenging to drive even in the best of times; without substantive upgrades and additional regular maintenance, access may be limited when heavy initial usage causes the highway to become impassable.
- As the gas pipeline is built, construction operations will require not just the Dalton to be maintained in good repair, but also the Richardson, in order to get the gas to Valdez and points south sustain the current petroleum industry and prepare for movement of natural gas throughout Alaska, as well as the Alaska Highway to Canada, which is vital to installing the gas pipeline to convey the gas to Canada.
- Fairbanks' infrastructure is in dire need of upgrading and maintenance. As the closest city to the North Slope, Fairbanks will be a major stepping off point for workers and other necessary personnel required for successful oil and gas development and operations. An influx of thousands of workers would significantly degrade Fairbanks' current road system. Neither the City of Fairbanks nor the Fairbanks North Star Borough have the funds necessary to upgrade the roads and other infrastructure to meet present needs, let alone the looming potential needs once the gas line is under development.
- The Alaska Railroad is another vital transportation link in the development of natural gas and other natural resources. Currently, the ARRC must upgrade, reroute and develop current and future lines, but the high costs of energy leave little funding for these tasks.

Action Required for the Position

The Governor and the Alaska State Legislature should allocate funds to establish a sustainable General Fund and non-general fund transportation program for gas line corridor transportation upgrades, future development, and maintenance, in order to ensure a successful gas pipeline project.

Fiscal Impact of the Position

Actual costs are difficult to pin down, but not developing these corridors may result in the failure of the pipeline project; at the very least, it will make getting the gas to market very difficult and significantly impact the existing transportation system.

Title: ACTIVE FISH AND GAME MANAGEMENT

Position Statement

The Greater Fairbanks Chamber of Commerce encourages the Governor and the Alaska State Legislature to advocate the wise management of Alaska's fish and game resources. Their uses are important for present and future generations of Alaskans for social, cultural, and economic reasons. Alaska must responsibly balance subsistence, commercial, personal use, sport, and other recreational uses to maximize long-term social and economic benefit. Proactive management actions should be used to provide fish and wildlife population abundances necessary for long-term and maximum use under the sustained yield principle. Issues resulting from proactive fish and game management must be resolved using scientific principles, research and factual biological data. Finally, the Greater Fairbanks Chamber of Commerce supports active management of fish, wildlife, habitats, and the array of public uses of these resources to insure their uses are maintained in perpetuity.

Support of the Position

- The position is consistent with Article VIII, Sections 1, 3, 4, 15, and 17, including the "maximum use consistent with the public interest", "sustained yield", and "equal access" provisions of the Alaska State Constitution. Fish and game resources are to be managed as a public trust by the State of Alaska for the benefit of all Alaskan citizens.
- The Chamber notes that well-managed fish and game populations can be compatible between fishing, hunting, trapping, viewing, photography, or scientific studies.
- Scientific evidence shows that moose and caribou abundance is increasing due to proactive management by the Alaska Department of Fish and Game.

Actions Required for this Position

- Wise management of these resources and their uses depend upon adequate funding for comprehensive, on-going scientific investigations and analyses.
- Fish and game management depends on public participation during the process for deciding management goals and the accompanying regulations.
- Comply with Alaska Statute requiring that monies earned through the sale of fishing and hunting licenses be directed toward consumptive management activities - the monies should not be used to support other activities.

Fiscal Impact of this Position

Adequate funding for the Alaska Department of Fish and Game and the University of Alaska research programs does not significantly impact fiscal conditions of the State. The long-term benefits far outweigh any necessary costs for scientific research and active management of Alaska's valuable fish and game resources.