ALASKA STATE LEGISLATURE

SESSION State Capitol, Suite 518 Juneau, Alaska 99801-1182 (907) 465-3873 Phone (877) 463-3873 Toll Free Sen.Bert.Stedman@legis.state.ak.us



INTERIM 1900 1- Avenue, Suite 510 Ketchikan, AK 99901-6442 Phone (907) 225-8088 Fax (907) 225-0713 www.BertStedman.com

SENATOR BERT K. STEDMAN

CO-CHAIRMAN, SENATE FINANCE COMMITTEE

December 4, 2020

Petersburg Borough Assembly PO Box 329 Petersburg, AK 99833

Dear Petersburg Borough Assembly,

Thank you for your resolution requesting an environmental impact statement concerning the road to Kake. I am glad you are passionate about protecting our great Tongass National Forest. I, too, want to preserve and protect our resources and improve the quality of life for Alaskans. I also want to preserve and protect all the communities and people in our district and enhance their standard of living. A surface transportation link between Petersburg and Kake will help accomplish this. We need to pursue all avenues of transportation for Southeast Alaska: ferries, airports and roads. This transportation link would assist Kake residents in securing daily staples such as groceries, building materials and other goods and services including police protection and medical services. This will increase the overall economic health of all neighboring communities. It is past time to build this road to stabilize Kake's economy and keep the community economically viable.

This road has been in the transportation plan for Alaska within the Department of Transportation for 40 years. There is no road plan for Southeast that is not in the DOT public record. My goal is to execute these plans, not open up the Tongass for unlimited development. In the case of Kake-Petersburg, much of the 'new' road would be connecting existing United States Forest Service (USFS) roads. There have been virtually no new roads built in Alaska since we became a state. That is 60 plus years of virtually no new surface transportation.

While there are some who might not agree with the development of this road or any other, this road was overwhelmingly approved by the Legislature and Governor eight years ago in a capital budget bill. This road was part of a package of projects that include the Vallenar Bay and Mill Access roads on Gravina Island, the Shelter Cove Road in Ketchikan and the Katlian Bay Road in Sitka. I worked closely with the United State Forest Service, specifically with the Tongass Supervisor and Governor Parnell's administration, through the Department of Transportation, to jointly select these projects.

A completed road project, as approved by Congress and the Legislature improves access not just between Kake and Petersburg, but also with Wrangell. All three communities should benefit. This will be a similar connection that Petersburg has with Wrangell, however this will be a road that has substantially lower speed limits and built to a lower standard (not paved).

If we attempted to re-appropriate these funds to the ferry system in addition to what AMHS would normally receive, this transfer would be subject to the veto and \$40 million would be taken from Southeast Alaska. This approach is a non-starter.

As we have seen this year, the Marine Highway system is subject to unforeseen conditions such as the coronavirus and fluctuating budget reductions that can hinder service. The Marine Highway is in political and economic trouble with no end in sight. Those that feel the Marine Highway is not exposed to elimination are frankly misinformed.

Aside from the short-term job creation during the construction of the road, this transportation corridor will foster better economic growth in central Southeast Alaska. What I am most excited about is the potential of connecting Kake to the Petersburg-Wrangell-Ketchikan power system. Metlakatla is also looking to connect to Ketchikan. Generating hydropower allows the near elimination of diesel generation and lowers energy costs—not to mention keeping the community's energy competitive, while preserving the environment by lowering the carbon footprint in the Tongass.

If surface transportation is not built, I ask you, as the representation of Petersburg Borough, what is your transportation plan for your neighbor, Kake, so that they can remain economically viable and have adequate health and safety access? How do you plan to help reduce the cost of power in Kake from 50 cents/kilowatt hour to a level more reasonable such as available to Petersburg residents around 11 cents/kilowatt hour? I need not mention the substantial investment of state dollars into the hydros and transmission lines serving Petersburg, Wrangell and Ketchikan. Nor do need to remind you that all communities have equal access for state aid to improve transportation and power cost.

Repairing the Marine Highway fleet and restoring ferry service remains a longstanding priority, yet we still need to pursue air and surface transportation alternatives throughout the coast. I ask again that we all work together toward advancing our standard of living while being respectful of neighboring communities and cultures.

Thank you,

Bert Stedman

Bert K. Stehman