

# The Value of ALASKA'S MARINE HIGHWAY

## In 25 Stories

The Alaska Marine Highway System is an economic engine for Alaska's coastal communities. Each year it ferries more than 300,000 people, generating thousands of jobs and hundreds of millions of dollars in commerce across Alaska. Since the extent of these impacts has never been fully measured, we asked the people who experience the marine highway's benefits first hand to describe its value: the mayors, tribal leaders, business owners, tourism directors, fishermen, economic development experts, and other community leaders.

These Alaskans' stories weave together to form a single tale: Transportation is the lifeblood of coastal communities, and a strong ferry system is essential to local economic development, quality of life, and community well-being.

The Alaska Marine Highway provides access to health care, connecting patients to medical providers. The system shuttles workers to their jobs. It brings visitors to Alaska, where they spend millions on hotels, dining, and recreation - creating jobs throughout the state. Last year more than 100,000 ferry-passengers were non-Alaska residents.

"Stores here get a huge amount of business from people coming on the ferry from the smaller communities. In the summer, every other week, that's the way they get their goods and produce. People come off the ferry with bins and go to Safeway, Alaska Ship Supply. We get our large equipment on the ferry too, like equipment for road projects. Even the mobile mammogram unit comes on the ferry." **Cathy Jordan, Special Projects Manager, Unalaska Visitors Center, Dutch Harbor**

The ferry system connects markets and customers, providing a way for the residents of our smaller towns and villages to purchase items that their local stores do not carry, boosting the economies of our coastal communities. Our marine highway allows fishermen to affordably move seafood to markets. It moves building materials and machinery to support community development. The ferry transports cargo worth hundreds of millions on more than 100,000 vehicles annually, including nearly 4,000 cargo vans.

But the ferry system is more than a way to access necessities. It allows for social and cultural connections as well, as students, tribal members, and other Alaskans ride the ferry to participate in basketball games, cultural gatherings, college fairs, celebrations, festivals, and funerals. Last year, nearly 2,000 students from organizations across the state - including 22 school districts - traveled on the ferry. In a state that is vast, the Alaska Marine Highway creates the opportunities - economic, social, and cultural - that nourish and sustain our coastal communities.

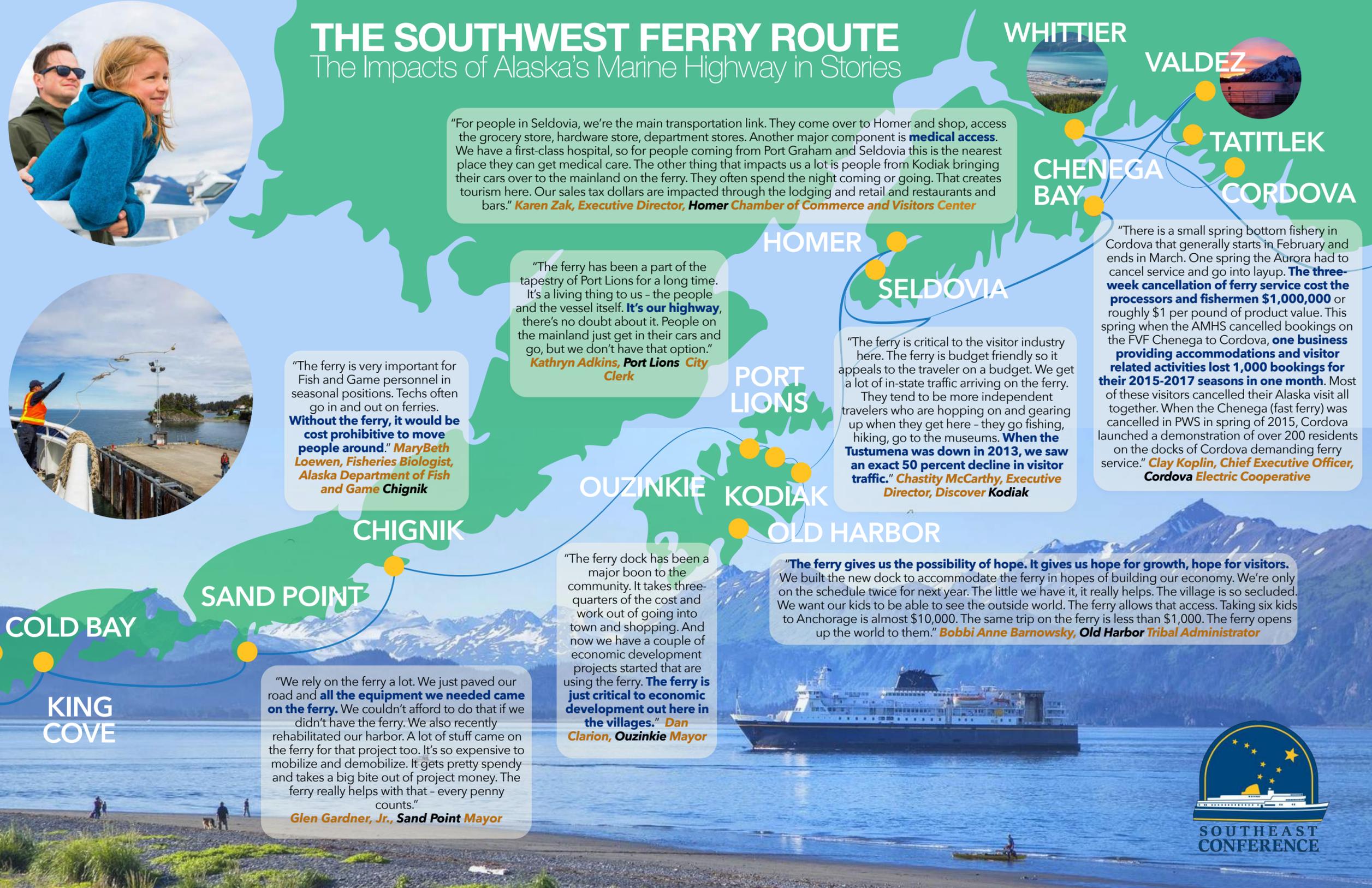
There are 35 ports spanning 3,500 miles that are connected by Alaska's state ferries. Here are 25 stories from coastal communities that rely on the Alaska Marine Highway System.

"For some people here taking the ferry to Dutch Harbor is their only vacation, their only way off the island. **It's the best way to travel**, especially if you have kids. It saves us a lot and we know that it's reliable. We try to plan our travel around the ferry schedule." **April Pelkey, Manager, Akutan Corporation**



## THE SOUTHWEST FERRY ROUTE

### The Impacts of Alaska's Marine Highway in Stories



"For people in Seldovia, we're the main transportation link. They come over to Homer and shop, access the grocery store, hardware store, department stores. Another major component is **medical access**. We have a first-class hospital, so for people coming from Port Graham and Seldovia this is the nearest place they can get medical care. The other thing that impacts us a lot is people from Kodiak bringing their cars over to the mainland on the ferry. They often spend the night coming or going. That creates tourism here. Our sales tax dollars are impacted through the lodging and retail and restaurants and bars." **Karen Zak, Executive Director, Homer Chamber of Commerce and Visitors Center**

"The ferry has been a part of the tapestry of Port Lions for a long time. It's a living thing to us - the people and the vessel itself. **It's our highway**, there's no doubt about it. People on the mainland just get in their cars and go, but we don't have that option." **Kathryn Adkins, Port Lions City Clerk**

"The ferry is very important for Fish and Game personnel in seasonal positions. Techs often go in and out on ferries. **Without the ferry, it would be cost prohibitive to move people around.**" **MaryBeth Loewen, Fisheries Biologist, Alaska Department of Fish and Game Chignik**

"The ferry is critical to the visitor industry here. The ferry is budget friendly so it appeals to the traveler on a budget. We get a lot of in-state traffic arriving on the ferry. They tend to be more independent travelers who are hopping on and gearing up when they get here - they go fishing, hiking, go to the museums. **When the Tustumena was down in 2013, we saw an exact 50 percent decline in visitor traffic.**" **Chastity McCarthy, Executive Director, Discover Kodiak**

"There is a small spring bottom fishery in Cordova that generally starts in February and ends in March. One spring the Aurora had to cancel service and go into layup. **The three-week cancellation of ferry service cost the processors and fishermen \$1,000,000 or roughly \$1 per pound of product value.** This spring when the AMHS cancelled bookings on the FVF Chenege to Cordova, **one business providing accommodations and visitor related activities lost 1,000 bookings for their 2015-2017 seasons in one month.** Most of these visitors cancelled their Alaska visit all together. When the Chenege (fast ferry) was cancelled in PWS in spring of 2015, Cordova launched a demonstration of over 200 residents on the docks of Cordova demanding ferry service." **Clay Koplin, Chief Executive Officer, Cordova Electric Cooperative**

"The ferry dock has been a major boon to the community. It takes three-quarters of the cost and work out of going into town and shopping. And now we have a couple of economic development projects started that are using the ferry. **The ferry is just critical to economic development out here in the villages.**" **Dan Clarion, Ouzinkie Mayor**

"**The ferry gives us the possibility of hope. It gives us hope for growth, hope for visitors.** We built the new dock to accommodate the ferry in hopes of building our economy. We're only on the schedule twice for next year. The little we have it, it really helps. The village is so secluded. We want our kids to be able to see the outside world. The ferry allows that access. Taking six kids to Anchorage is almost \$10,000. The same trip on the ferry is less than \$1,000. The ferry opens up the world to them." **Bobbi Anne Barnowsky, Old Harbor Tribal Administrator**

"We rely on the ferry a lot. We just paved our road and **all the equipment we needed came on the ferry.** We couldn't afford to do that if we didn't have the ferry. We also recently rehabilitated our harbor. A lot of stuff came on the ferry for that project too. It's so expensive to mobilize and demobilize. It gets pretty spendy and takes a big bite out of project money. The ferry really helps with that - every penny counts." **Glen Gardner, Jr., Sand Point Mayor**



# THE SOUTHEAST FERRY ROUTE

Transportation is the lifeblood of Southeast Alaska communities

## YAKUTAT

"The biggest thing the ferry provides us with is **freight service**. Nearly all of our building materials are brought in on the ferry. We have 300 rooms in our lodges and they are buying everything they need to run the lodge - food, alcohol, frozen stuff - and bringing it back on the ferry. We don't have a place to work on cars here, so if you need body work or engine work you have to put it on a ferry and get it to Juneau or Anchorage. On the ferry it's \$700 to \$800 round trip. If you put it on the barge, it will cost \$6000. Having ferry service is critical; it really impacts our economy." **Jon Erickson, Yakutat City and Borough Manager**

"We had a huge blizzard and my two-year-old son was diagnosed with a very bad case of appendicitis. The doctor called the Coast Guard, but the Coast Guard couldn't fly. The ferry turned around and re-docked in Haines. **I don't know what would have happened without the ferry.** The ferry is such a vital link for **medical reasons**. As Alaskans, we accept some risk. But the development of the Alaska Marine Highway is one way we've mitigated those risks. And it works." **Stephanie Scott, Former Haines Mayor**

"We can see the boon ferry service has brought. Gustavus has gone from cut off to integrated with the rest of Southeast. Our community now has access to Juneau year round for schoolchildren, appointments, and travel. The barriers of freight have come down. **Our tradespeople can work year round where the jobs are.** The ferry brings visitors to Glacier Bay, sparking our local economy. It has relieved the stress of owning a remote business and encouraged new business. We, of all communities, know how much there is to lose, since we have just begun to see what it can bring." **JoAnn Lesh, Owner Gustavus Inn at Glacier Bay**

"It's vital to be able to get **supplies and products** in and out. Pelican has no grocery store or hardware store. We pick up their orders from Juneau, process them, and bring them out on the ferry. We get out there and the whole town shows up. **In Southeast, the ferry is a necessity, it's a way of life.**" **Donica Jerue, owner, Jerue & Smith Transport Pelican**

"Without the ferry, I would have to **charge \$10 for a loaf of bread.** We're a grocery store. Everything is supplied from Juneau. It's 75 cents a pound to fly anything here, or it's \$50 to put my trailer on the ferry to Juneau and I can put 2,000 pounds on that. It's **thousands of dollars** difference every month." **Ken Merrill, owner, Tenakee Springs Market/Snyder Mercantile**

"SEARHC provides **medical care** for all the Native shareholders in the region. It's the largest employer in Sitka outside of the commercial fishing industry. The viability of the medical center is reliant on the ferry transporting people in and out." **Garry White Executive Director, Sitka Economic Development Association**

"Being a regional boat dealer, we get customers' boats from all over Southeast to work on. A lot of them are commercial users: charter guides, hunting guides, commercial fishermen. **They ship their boats to me on the ferry and get them back quickly, which means they can get back to work faster.** I ship between \$200,000 and \$250,000 worth of new equipment and boats on the ferry every year. If we couldn't use the ferry, that would be a direct loss of revenue to Southeast. I would lose that business to Bellingham." **Casey Flint, owner, Rocky's Marine, Petersburg**

"In Ketchikan the economic impact of the ferry system is huge. Numerous people here work for the Marine Highway System and **these are great jobs that provide family level wages.** The bread and butter of our **shipyard** is the construction and maintenance they do on our ferries. It's how our tourists come, and it allows people to move to Alaska. The most important thing to remember is that the AMHS is not just about getting people from point A to point B, it's the connection between communities, and **it's a part of the fabric that is tying Alaska together.**" **Chelsea Goucher, Ketchikan Sales Representative, Alaska**

## HAINES

## SKAGWAY

"**Tourism** is a major component of our community. The ferry plays a significant role in that with both seasonal visitors and Alaska travelers, and people coming down from the Yukon on their way to Juneau. The ferry is a key component of our quality of life here as well, especially in terms of medical and dental. Our air travel is dependent on weather so it's very inconsistent. People go to Juneau for downhill skiing, or to go to the theater. Our elementary school was just down there for a robotics meet." **Cody Jennings, Tourism Director, Skagway Convention & Visitors Bureau**

"Our football season starts mid-August and we are moving kids all the way through May. If there's a ferry that goes, that's how we go. There is no funding at all in our district for the **students** to travel, they have to fundraise everything. If we can't take the ferry, it knocks down the number of kids who can travel. **The more we can use the ferry, the more kids get to participate.**" **Kathy Messing, Activities Assistant, Thunder Mountain High School Juneau**

"Angoon has no road connection, no barge service and no runway. The ferry is the only way we're getting groceries into our community. During the winter months there are times when the float planes are cancelled and we are totally reliant upon the ferry. The ferry is the only way we have to bring the **remains of our loved ones** back home. It is the lifeblood of the villages." **Maxine Thompson, Former Angoon Mayor**

"The ferry is one of the few ways our **senior citizens** are able to travel. They have such a hard time getting in and out of planes and the planes are so expensive. Senior citizens can take the ferry for \$70 round trip [to Juneau], but on a plane it's about \$400 round trip. Villagers do the vast majority of their shopping for groceries and **household goods** in Juneau. The ferry is so vital to the people in Southeast, and all the way out the Aleutian Chain. **Residents rely on the ferry for access to medical care.**" **Henrick Kadake, Former Kake Mayor**

"We have three different businesses that are profoundly impacted by ferry service. For our charter company, **fifty percent of our clients used to come on the ferry.** This year we lost some clientele entirely because of the diminished service. People are on once in a lifetime trips and if they can't get in and out of Wrangell in 3 or 4 days, they just skip us entirely and opt for bigger towns. And as a **commercial halibut fishermen**, the ferry is an important way to get our fish headed down south. If we have fewer ferries, we have less ability to get our product to market. As an **artist**, I travel around Southeast Alaska during the off season and go to art shows. I need a vehicle to move around my art. It's really limits that kind of commerce if there isn't frequent enough service." **Brenda Schwartz Yeager, Wrangell artist & commercial fisherman, owner, Alaska Charters and Adventures**

"The Lituya is our direct line to Ketchikan in any weather. It gives us access to the hospital. It can be life and death in terms of medical travel. A box of Cheerios here costs \$9. To make their dollars stretch further, a lot of people go grocery shopping in Ketchikan because the prices are a lot better there. The Lituya plays a huge **economic role** between Ketchikan and Metlakatla. Ketchikan's economy is infused with dollars from Metlakatla. And Metlakatlans enjoy the savings they get in Ketchikan. The Alaska Marine Highway is our highway. **It's our trade route.**" **Gavin Hudson, Tribal Council Member Metlakatla**

## GUSTAVUS

## PELICAN HOONAH

## JUNEAU

## TENAKEE

## ANGOON

## SITKA

## KAKE

## PETERSBURG

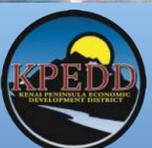
## WRANGELL

## KETCHIKAN

## METLAKATLA

## PRINCE RUPERT

## BELLINGHAM



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Anchorage Economic  
Development Corporation



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