

Historic Dalton Trail RMSA

February 20,2024

Commercial User Fee Proposal

Goal

Establish a fund sufficient to pay road maintenance and repair of Chilkat Lake and Porcupine Roads.

Purpose

By Haines Borough Code (HBC) funding for Chilkat Lake and Porcupine Roads maintenance and repairs are the responsibility of the RMSA property owners. Haines Borough Code 12.08.010 D. states that the “board shall be responsible for establishing standards of maintenance within the service area.”

HBC 7.08.050 D. *“Commercial Use. The service area board shall develop a fee schedule for commercial users. These funds shall be used for capital improvements and repairs.”*

The intent of this fee is to distribute the maintenance burden throughout not only residents, but commercial users benefiting from the road.

Need

Recently the State of Alaska replaced the bridge and resurfaced the road between the Haines Highway and the Porcupine/Chilkat Lake Road intersection. As part of the agreement Chilkat Lake Road in it’s entirety, including the bridge, became under the maintenance obligation of the Historic Dalton Trail RMSA.

The bridge and road surfaces’ lifespan is directly related to the volume, weight of traffic and upkeep of the road. Currently the Chilkat Lake Road has various sections of potholes, ditches not draining, and vegetation alongside the road trapping water on and along the surface. This water can create soft spots in the road base which can flex and crumble when heavy wheeled vehicles drive over them.

Long term, the entire road will need resurfacing, and the bridge will need replacing.

Commercial use of the RMSA roads often includes vehicles weighing 15,000 to 90,000 pounds making multiple trips a day for their business. Much of this use is not associated with a RMSA property.

Fee Proposal

Defining what a 'Commercial User' is for the purposes of this discussion should be the first action of the board. Commercial vehicles entering the RMSA to develop tax paying property, or deliver goods to property owners may need to be treated differently than a vehicle that comes into the RMSA for conduct specific business not restricted to a private property.

When establishing fees the RMSA should consider the ability to fairly administer and collect from users. Consideration needs to be given to users that do maintenance on the road at their own expense, possibly a policy allowing Borough authorized work allowed in lieu of fees.

Some suggestions:

Tourism: \$1/client.

Tourism within the RMSA is mostly utilizing state land, which currently requires tour companies to report the number of clients to the State agency. This number could easily be reported to the Borough for RMSA fees. This will capture fees for only client vehicles, not support vehicles, (trucks with trailers hauling rafts or ATVs).

Timber: \$10/1,000 Board Feet or Chord of firewood

Timber harvesting happens much of the year on State Forest and University Land. Both these entities require reports from commercial harvesters that includes the volume in either board feet or chords of wood. This same information could be given to the Borough and charged accordingly. Support equipment use for harvesting operations would be captured under the volume fee.

Sand, Gravel/mineral extraction: \$2/cubic Yard

Currently the only commercial aggregate sources are University and Mental Health lands, both have reporting requirements, that could easily include notification to the Borough. Without scales available places sell sand and gravel by the yard. Commercial production of precious metals could be charged utilizing truck size and numbers, using the 1.5 tons per cubic yard multiplier common to aggregate sales. This rate should result in similar fee for both aggregate and logging trucks of similar size.

There are a myriad of other commercial vehicles utilizing RMSA roads to service private property. These uses include construction equipment doing work on RMSA member's properties; delivery vehicles bringing goods to or from RMSA properties; farm equipment; and snowplow and road maintenance equipment to maintain roadways and driveways. Each of these types of equipment are consistent with normal property use in the General Use Zoning district, and as such property owners should expect property taxes to reflect the higher cost of road maintenance associated with the industrial nature of General Use Zone properties.