COMMENT FORM FOR: CLIFF COURTNEY - ID# 18678 **Consumer Information** Contact Method Email Mail O None Name CLIFF COURTNEY Organization Company Address City, State, Zip Code Email svranch@hughes.net Fax # **Primary** Phone # Secondary Phone # **Comment Information** Open Date 12/22/2008 Theme O Undecided Closed Date Filing Support O Yes No Source ● Email ○ Mail ○ Phone ○ Web Web Create Date Pubilc Involvement Dennis Shutler Lead Duplicate Comment \bigcirc Yes \bigcirc No Description 12/22/2008 Cliff Courtney Stehekin Adventure Company Stehekin Valley Ranch Stehekin Landing Resort PO Box 36 Stehekin WA 98852 Washington Utilities and Transportation Commission PO Box 47250 Olympia WA 98504 RE: Docket #081877 WUTC Commissioners and staff, By way of introduction, my name is Cliff Courtney. I have lived in the Stehekin Valley for all of my 47 years. My grandfather and my great grandfather both homesteaded in this area. My great grandfather built the Moore Inn in 1890 and made his living here serving tourists. At that time there were only steamboats on the lake. Presently I manage and have ownership in various Stehekin enterprises including Stehekin Valley Ranch, Stehekin Landing Resort, Stehekin Outfitters and Stehekin Adventure Company.

Four brothers and I, along with our families, constitute about 25% of the community and are involved in many of the businesses and services here.

It is with no pleasure that I write this letter but it appears the time has come. Lake Chelan Recreation Incorporated (LCRI) is the lifeblood of our community and all of our tourist related facilities. The National Park Service chose to close the upper portion of the Stehekin Road after the flood of 2003. This closure effectively eliminated two routes in to the valley used by folk's day hiking in. With the crash of the Chelan Airways plane n May 2008 we were left with only your certificated carrier for public transportation. I am not comfortable telling others how to run their business and am a firm believer that it is always competition (or at least the possibility of competition) that cleanses the arteries of business. It is both with fear of retribution and the understanding that such a letter hampers business relationships that I send this to you. The structure of your organization is set up so that input must be adversarial and this is regrettable. You have before you an issue that is symptomatic of the economic state of our nation. That is the easy part to address and is probably the only issue that you can rule on today. The harder issue to address is that the condition Lake Chelan Recreation, Inc. finds itself in today is also symptomatic of management of said company and their relationship with the communities and the visitors. This relationship is in turn a symptom of legislation passed back in 1927.

I am unable to attend the meeting on the 23rd of December, due to its timing and location but I would like this letter to be included in the proceedings.

The issue before the commission today is quite myopic and at first I was inclined not to comment on it. It was only after LCRI made me the center of attention in their official response to your last action that I decided that this may be the time to comment on the cumulative effects of this and other actions. In this instance it is easy just to look at the current economic drivers that are represented by the transport of people up or down lake. The truth is that this company or any other company that would provide similar services is supported by numerous other gross dollars derived from various other means. These sources include the US mail contract, freight contracts with UPS and FED EX as well as hundreds of thousands of dollars derived from firefighting efforts over the years. In the past revenue has also been generated from having ownership of the National Park Service concession at Stehekin. Being able to control schedules and layovers was quite beneficial to making that contract lucrative and you will note that services began decreasing soon after they were released from that endeavor.

One fact that must be stated and understood for the health of Stehekin and Holden is that the life of the entire area is dependent upon the tourist dollar. Even though the issue today will mostly affect permanent residents, these residents would not be here without viable tourism. To continue in a discussion about the entire picture involving customer transport one must recognize the classes of clients:

- 1. Residents or vacation home owners that have holdings on Lake Chelan with no road access.
- 2. Holden Village residents.
- Stehekin residents.
- 4. Tourists that visit the area for one night or more.
- 5. Tourists that come to Stehekin and depart the same day.

The issue before you today has impacts almost entirely upon the Stehekin resident. This winter there is only limited tourism in the valley and this is limited to a couple of cabins with kitchens that are available. I am sure this will affect them but I trust these entities

will represent themselves in this proceeding. Discussion could be had here on why there is not more tourism and it is certainly a related topic but we will leave that to another time. The largest impact of discontinuing the Sunday service will be to those families with kids in school or that work a normal workweek. If Sunday service is discontinued to go out will now cause them to miss a day of school or of work. Presently school lets out at 1:00pm on Friday so kids can go out on Friday and back on Sunday without missing any school. The proposed March closure will have a more wide ranged impact which will include all user groups that have docks that the Lady Express will dock at. As promised the bigger issues are what I wish to focus on today. Since LCRI chose to spend over half of their official response to your last action about our family and then chose to forward to the WUTC private correspondence in the form of an Email, I feel I should have the right to respond to this "testimony" that is before your board. I am driven to this point by the fact that this is the second time this year LCRI has applied for permission to curtail services. The last time this happened was in August. I contested the cut backs because the schedule was already published and it would have (and did) cause my clients and my businesses harm. Your board chose to bless the LCRI action of retracting a schedule that clients were already booked on.

After a conversation with LCRI about ways to remedy the lack of an appropriate schedule for the Stehekin end of the lake I wrote LCRI the Email he so kindly forwarded as part of his official testimony. It seems he is willing to blame the WUTC for his inability to be responsive but yet at the same time seems to enjoy the sole privileges it affords him. When LCRI controlled the NPS concession they were able to be very creative in ways to support the business but now when somebody try's to do the same thing he cry's foul. Be aware that what I would propose will only serve the smaller sector of visitors that spend one or more nights in Stehekin.

Your commission staff has before it a request for rulings on different exemptions so that we can try to find a way to take care of our customers so we are not solely at the mercy of LCRI. It is my intent to run a vessel of about 49 passengers to haul our own guests. I do not know what the outcome will be. If there is not a way to do this then we will be put in the position of needing to file for a certificate so that we can obtain your blessing for such an action. LCRI goes on to say "...we are very certain that if there are multiple operators, all will fail." I beg to differ on this point. The passenger potential for such a vessel is no higher than what the passenger potential for Chelan Airways was in 1994. If that is the year we are going back to so be it. As far as his testimony that, "Their intentions are clearly to run during the high season, thus skimming off profits that carry the year around service through the winter." I actually consider it a favor not to propose to run in the winter when the client base is limited. If LCRI chooses to stop running in the winter I would be glad to look at filling that void. Since day trip customers have been virtually eliminated then a Stehekin based business is in a much better position to run at a profit or less of a loss in the winter. Because all winter clients can book online we would know ahead of time which vessel to run. The average cost per trip running from Stehekin to Fields Point would be less than half of what it costs to run the Lady Express from Chelan. Furthermore, the schedule would be much better for Stehekin and Holden customers. There is a 30% savings in fuel and personnel by only going to Fields Point and vessels do not get less efficient than the Lady Express. Also consider that both Stehekin and Fields Point are deep water docks so we could avoid the following which was sent out by LCRI this spring:

We regret to inform you that we are nearing water levels that cause us to start planning

for an interruption in our scheduled passenger service.

If this does occur, we would resume operations, providing no damage to our vessels occur, when the level of the lake returned to a safe level. The current lake level is 1082.91 (per the Chelan County PUD website). It is dropping each day, with no sign of that pattern changing. At this point, it appears imminent that the lake will drop at least to an unsafe point and could happen as early as this weekend.

We have been in touch with the Washington Utilities and Transportation Commission, as they are the regulators of our service. As regulators, they are concerned as well, that the public transportation we provide is safe. We will be submitting our request for an interruption/discontinuance of service to the WUTC tomorrow.

Again, we apologize for the inconvenience this would cause, but the safety of passengers and property is of the utmost importance, and we have no control or remedy for the situation that is occurring.

In that letter sent out to the community they never considered at least three alternatives available to them rather than discontinuing service. They chose instead to make political hay by using fear. This letter in essence told the community "If the PUD does what they are licensed to do then you folks at Stehekin and Holden are out of luck". Quote is mine. Another point to make about winter operations is that, what has really kept winter service going are the monies supplied by the US Post Office for the mail contract. If LCRI wishes to relinquish that contract then I believe winter service can continue or be improved upon from the Stehekin end.

Allow me to get to the crux of what I would really like to convey even though this may not be the proper venue. If your agency does not allow some other means for clients to get to Stehekin in a vessel that is climate controlled, comfortable, quiet, efficient, does not smell of septic, that is on a schedule that is appropriate for overnight guests at a price point they can afford, then tourism in Stehekin will suffer and the community will suffer with it. You can also help us by encouraging your certificate holder to hold to a standard so that day trippers will once again start coming to Stehekin. When I asked a major purveyor of units in Chelan why people were no longer getting on the boat to come to Stehekin (in a year when Chelan was busy) he said "It is because the buzz is that Stehekin is a bad time". We need to overcome that public opinion and quit hiding behind trends and certificates. The visitors Stehekin experience begins and ends on the boat. The vacation atmosphere needs to also be enjoyed on the boat.

It may be that you will not allow any options for service that will enhance the visitor experience. It may well be that nothing will be allowed that is viewed as competition. Rest assured however, that there is competition for the tourist dollar as they have many options for other places to spend their vacation.

I am going on too long. Feel free to access other queries I have put forth to the commission if you are interested in our predicament.

Recommendations:

- Do not grant the cutting of the Sunday boat at this time.
- Conduct a hearing in Stehekin or at least send staff to interview affected parties.
- Allow for other operators to fulfill the gaps in service so Stehekin does not decline further.

Thank you for your time.

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