

**ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
January 26, 2015, 6:00 PM.
City Hall Assembly Chambers**

Worksession - No public testimony

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

- A. **January 5, 2015 Committee of the Whole Meeting - Draft Minutes**

IV. AGENDA TOPICS

- A. **NOAA Task Force Report**
- B. **Treadwell Ice Arena Task Force Report**
- C. **Biosolids Update**
- D. **West Douglas Road Purpose and Need Statement**
- E. **Assembly Direction on Local Marijuana Enforcement**

V. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

January 5, 2015 Committee of the Whole Meeting - Draft Minutes

ATTACHMENTS:

Description	Upload Date	Type
☐ DRAFT minutes - 1/5/2015 Committee of the Whole meeting	1/7/2015	Minutes

**ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
MINUTES**

January 5, 2015, 5:00 PM.
City Hall Assembly Chambers

Worksession - No public testimony

I. ROLL CALL

Deputy Mayor Mary Becker called the meeting to order at 5:00 p.m. in the Assembly Chambers.

Assemblymembers Present: Mary Becker, Karen Crane, Maria Gladziszewski, Loren Jones, Jesse Kiehl, Jerry Nankervis, Kate Troll and Debbie White (teleconference).

Assemblymembers Absent: Merrill Sanford.

Staff present: Kim Kiefer, City Manager; Rob Steedle, Deputy City Manager; Laurie Sica, Municipal Clerk, Hal Hart, CDD Director; and Bob Bartholomew, Finance Director.

II. APPROVAL OF AGENDA

Hearing no objections, the agenda was approved as presented.

III. APPROVAL OF MINUTES

A. December 29, 2014 Draft Committee of the Whole Minutes

Hearing no objections, the minutes of the December 29, 2014 Committee of the Whole meeting were approved.

IV. AGENDA TOPICS

A. Economic Development Plan Update

Barbara Sheinberg and Sarah Bronstein, Community Planners with Sheinberg Associates were present to discuss the final draft of the Juneau Economic Development Plan. Mr. Jim Calvin of the McDowell Group said this project was a year-long community effort and thanked everyone for the participation in the town meetings, the surveys, and said they were pleased with the engagement, support and ideas from the community. Kirsten Sheldon-Walker of McDowell Associates was also present.

Mr. Calvin said the report included three volumes, the plan, the baseline report of current economic conditions, and the public outreach information including the surveys and data gathered from public meetings. The goals that guided the planning process included:

- 1) build a more resilient and diversified economy,
- 2) provide infrastructure that supports and strengthens the economy,
- 3) leverage natural, competitive advantages to create new wealth, and
- 4) preserve or enhance quality of life attributes that were closely tied with community economic well-being.

Ms. Sheinberg explained how the goals fit into an economic framework. The frame includes foundations of financing, human capital and talent, land, business climate, infrastructure and quality of life. Strategies to consider in the spectrum of opportunities and challenges focus on things that support and expand existing business, take advantage of new business opportunities and remove

barriers to success.

Mr. Calvin said that criteria used to select the top initiatives for action were based on research, trends, public input, and were those that were consistent with the vision and principles of the community, those that addressed key barriers or opportunities, those that would create jobs or income, have broad community support and those that already have people or resources engaged. The top initiatives include:

- 1) Enhance essential infrastructure,
- 2) Build the senior economy,
- 3) Attract and prepare the next generation workforce,
- 4) Recognize and expand Juneau's position as a research center,
- 5) Build on Juneau's strengths,
- 6) Protect and enhance Juneau's role as capital city,
- 7) Revitalize downtown, and
- 8) promote housing affordability and availability.

Criteria to select priority objectives include:

- 1) create new jobs,
- 2) add to community resiliency,
- 3) leverage other investment,
- 4) broad based,
- 5) directly or indirectly results in wealth creation,
- 6) realizes foundational benefits (other initiatives depend on it),
- 7) produces multiplier effects,
- 8) generates CBJ revenues to offset costs,
- 9) sustains community support, and
- 10) garners ongoing leadership from within the community.

The planners explained their thinking on laying out the plan, and some filters were based on national planning standards, some were localized to Juneau, and some were based on the community input received. The planners spent significant time in study and review of the objectives and strategies. Ms. Sheinberg focused on an example of the five properties in Juneau with the highest assessed value and tax return per parcel, and contrasted it with a highest assessed value and tax return on a per acre basis. They worked with CBJ GIS on looking at 20 specific areas in Juneau. The Assessor provided the data for the taxable improved property to determine what could be learned. They did not include government or vacant property. Downtown areas included the Downtown historic district, mixed use area downtown, Willoughby, Parkshore and Casey Shattuck. They determined the per acre values and the number of dwelling units in those areas. They included some residential areas because when future planning, zoning decisions can be based on this type of information. She showed a graph of the return on property tax investment per acre in the 20 areas - in the MU & WC historic district there is a \$122,016 per acre return. The residential areas downtown generate \$41,553 per acre. D-18 generates \$18,000 in property tax return in those areas. Light commercial in Douglas is generating more revenue than commercial areas in Auke Bay. Downtown revitalization takes staff time, which needs to be weighed against competing initiatives, but this is an area of high return on investment. To the extent that publicly owned parcels downtown could be converted to private leases, this informed where the strategy should go. Ms. Sheinberg explained return on investment on Douglas Island residential property zoned D-18 from the Bridge to Lawson Creek and how the lower density water side generated about the same return as the upper side higher density condos and apartments.

Ms. Sheinberg spoke about what CBJ could do to engage in the economic development efforts. A best practice is for CBJ to make alliances with external partners and work together on a common purpose. When businesses and non-profits pick some priorities and stick to them, this generates success. CBJ was actively engaged now in working on economic development and roles include coordination of programs and services - this was now tasked to JEDC. Regulations regarding

development need to stay current.

Ms. Troll asked how the partners would be drawn in to participate in joint efforts. Ms. Sheinberg and Mr. Calvin said the city would need to determine its goals and then engage with groups to hear what they were doing and see what they thought were the next steps. Getting a common vision to move forward is very important.

The planners studied a number of communities addressing the same situations as Juneau. Ms. Bronstein conducted baseline research and investigated peer communities that were the same size, with similar demographics, aging population, student/seasonal population, and those that were addressing similar challenges such as constrained land availability, isolation, housing shortage, and struggling business districts. They did not find any community exactly alike, but did find some with translatable lessons and communicated with them on their actions that made them successful. The plan included case studies on industry cluster initiatives in Walla Walla, Washington, age friendly planning in Clackamas County, Oregon, downtown revitalization in McMinnville, Oregon and inclusionary housing in Boulder, Colorado. She gave specific examples of development efforts in McMinnville and Walla Walla.

Mr. Calvin spoke about the cluster initiatives with JEDC and those based on research, arts and culture, can be built on and are similar examples. The Assemblymembers heard the planners' comments on the key initiatives and took turns asking questions and providing feedback on each.

The eight key initiatives and associated objectives in the plan include:

Enhance essential infrastructure

- 1) Municipal and privately owned lands (non federal) in North and West Douglas has commercial, industrial, recreational and residential potential.
- 2) Maintain reasonable freight and transportation costs into and out of Juneau.

Build the senior economy

- 3) Support development a range of housing options and support services.
- 4) Increase depth and breadth of local, skilled health care workers and services for seniors.

Attracting and preparing the next generation workforce

- 5) Develop a better understanding of the workforce needs of Juneau key employers, including state government.
- 6) Increase availability of child care and kindergarten readiness.
- 7) Actively support and maintain quality of life.
- 8) Prioritize an education system that prepares youth to participate in the Juneau workforce.

Recognize and expand Juneau's position as a research center

- 9) Locate Alaska fisheries science jobs that support management of Alaskan fisheries in Juneau and Alaska.
- 10) Better connect Juneau's scientists and researchers with business and industry in applied research to compete and expand.

Build on our strengths

- 11) Increase independent visitor travel to Juneau.
- 12) Create more value from seafood and other maritime resources and services.

Protect and Enhance Juneau's Role as Capital City

- 13) Make Juneau the best possible Capital City.
- 14) Brand and market Juneau as a desirable place to live work, raise a family and start a business. Brand Juneau as a capital, a research center, and an arts destination with recreational assets.

Revitalize Downtown

- 15) Develop and implement CBJ downtown improvement strategy for a safe, clean, attractive, vibrant

city center.

Promote housing affordability and availability

16) Complete housing action plan, followed by action. set goals for starter and affordable housing, senior housing as well as special populations.

The next steps include:

- 1) make final revisions to the plan,
- 2) deliver a final economic plan to the Assembly on Jan 26,
- 3) introduce the plan at the February 2 Regular Assembly Meeting,
- 4) Public Hearing and adoption of the plan at the February 23 Regular Assembly Meeting, and
- 5) Engage with key participants.

Ms. Sheinberg encouraged the Assemblymembers to contact them by phone and email by January 16 with comments, questions, and suggestions, so they can draft the final plan. They were hoping that this plan would be adopted by ordinance. They hoped the plan would assist the retreat on January 14 and comments from the retreat could be incorporated into the plan. The objectives include "too many things to do" and the Assembly would want to prioritize and rank actions to take. The plan provided a suite of high value opportunities to engage with other members of the community to identify common goals and actions.

The Assembly thanked the planners for the thorough work, which included a lot of public input, had removed the politics, and the Assembly expressed that the funds for the study were well spent.

Ms. Kiefer suggested that individual comments be submitted directly to the planners by the end of the week.

V. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

None.

VI. ADJOURNMENT

There being no further business before the committee, the meeting adjourned at 7:30 p.m.

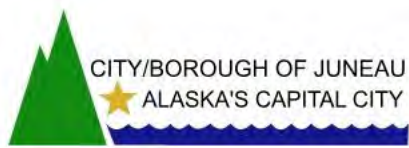
Submitted by Laurie Sica, Municipal Clerk

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

NOAA Task Force Report

ATTACHMENTS:

Description	Upload Date	Type
☐ NOAA Task Force Final Report	1/22/2015	Report



CBJ Review Task Force: Basing NOAA Fisheries & Oceanographic Functions in Alaska

December 4, 2014

Honorable Merrill Sanford, Mayor
City and Borough of Juneau
155 South Seward Street
Juneau, AK 99801

Re: Report of Findings and Recommendations for Action

Dear Mayor Sanford,

On behalf of the five members of the Task Force I am pleased to transmit our findings to you and the Assembly in the form of the attached report. It took a little longer than we originally thought, but we hope it will be of value as you deliberate on how to move Juneau's economy forward.

It is well known that federal civilian employment in Juneau has declined sharply in recent years. Much less understood is that literally hundreds of high paying federal science jobs which – jobs that are dedicated entirely to Alaska science missions - remain located in the Lower 48. There are historical reasons – some going back to Statehood - why things developed this way, but it is no longer a tolerable situation in this day and age. Those jobs are sorely needed in Alaska, and ought to be here. Many can and should be in Juneau. But, this is more than just a case of righting historical wrongs, or addressing our immediate economic development concerns. The science is vitally important to Alaska and the nation, and it will be better science if performed in Alaska.

Our report documents the number of positions at stake in two parts of the National Oceanic and Atmospheric Administration – the Alaska Fisheries Science Center, and the Marine Operations Center – Pacific. It then outlines an action plan to actually move positions north.

The Task Force recommends that we concentrate efforts initially on the Alaska Fisheries Science Center. The AFSC already has a major unit here in Juneau. The Auke Bay Laboratories Division, with 64 positions, is housed at the Ted Stevens Marine Research Institute at Lena Point, and the office of the AFSC's Science Director is also here. But, there are still 225 AFSC positions in Seattle. Our "straw man" proposal for moving the AFSC to Alaska calls for 172 of those jobs to be located here in Juneau. Others could be in Kodiak and Seward.

To accomplish the proposed move the Task Force suggests that Juneau follow the precedent recently set by Newport, Oregon when it achieved the move of NOAA's Marine Operations Center – Pacific from Seattle to Newport. Newport built the required facilities with state backed bond funding, and secured the deal with a long-term facilities lease from NOAA / GSA. We can do much the same here using the available resources of the Alaska Industrial Development Authority.

We believe the same concepts can ultimately be used to achieve basing of some of the NOAA research vessels in Alaska, and recommend that the Assembly also pursue that opportunity in close consultation with other effected communities, including Ketchikan and Kodiak.

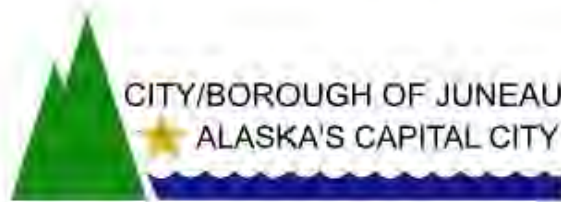
A third opportunity to explore is the International Pacific Halibut Commission. Like the AFSC, the IPHC would be a very good fit with Juneau's fisheries research community. The Commission has 34 employees in Seattle and is currently leasing space at Fishermen's Terminal.

The Task Force looks forward to meeting with you and the rest of the Assembly in Committee of the Whole at your earliest opportunity.

Sincerely,

A handwritten signature in blue ink, appearing to read "Greg Fisk", is positioned above the printed name.

Greg Fisk, co-chair



CBJ Review Task Force

Basing NOAA Fisheries & Oceanographic Functions in Alaska

December, 2014

Table of Contents

Task Force Charge	1
Executive Summary.....	2
Historical Perspective.....	4
Current Status of NOAA Science Infrastructure Dedicated to Alaska Missions.....	8
NOAA’s Alaska Fisheries Science Budget	10
A “Strawman” Suggestion for Moving NOAA AFSC Positions to Alaska	11
Incremental versus Functional Unit Approach to Moving AFSC.....	13
Moving More AFSC Positions North - Impediments & Opportunities	15
Costing and Financing	17
What About the NOAA Research Vessels?	18
Recommendations for the Assembly.....	20
Appendix 1 - International Pacific Halibut Commission / Another Interesting Possibility	22
Appendix 2 - Task Force Members.....	24
Glossary.....	25

Task Force Charge

There is created within the City and Borough of Juneau a Review Task Force on Federal National Oceanic and Atmospheric Administration (NOAA) fisheries and oceanographic functions in Alaska. The task force will be composed of at least five members appointed by the Mayor to serve for six months, unless extended by the Mayor

Background: The majority of the NOAA science infrastructure in support of Alaska fisheries and ocean science mandates remains based in Seattle. This includes primarily the Alaska Fisheries Science Center, and staff at the NOAA facilities in Seattle. A second major NOAA component is its Marine Operations Center – Pacific (MOP) which operates the NOAA research vessel fleet. Basing more of NOAA's Alaska dedicated functions in Alaska would bring hundreds of additional jobs and millions of dollars in payroll to Alaskan coastal communities

.Purpose: The purpose of the task force in particular is:

- A review of past efforts on this matter;
- To collect new data and information; and
- Create an action plan for the Assembly.

The task force will prepare and submit a report on its findings to the Assembly for its consideration by August 29, 2014 (extended to December 31st)

Executive Summary

In 2013 there were 761 federal government civilian employees in Juneau. That is roughly 4.2% of our workforce. But, with average wages of \$87,500 per worker these federal jobs are disproportionately important to our economy, where the average earnings for all government (federal, state and local) workers was \$59,387 and private sector average earnings were just \$41,880. Unfortunately, the number of highly paid federal positions in Juneau went down by over 60 jobs from 2012 to 2013 – a precipitous 8.2% decline. “Since, 2004 Juneau has suffered the loss of 193 federal positions, which is a 20 percent reduction in the federal workforce.”¹

One of the hardest hit federal agencies has been the National Oceanic and Atmospheric Administration (NOAA), which has seen its Juneau workforce decline by 13.7 percent just since 2011. This has occurred while literally hundreds of NOAA jobs *dedicated entirely to Alaska scientific missions* remain in the Lower 48, including

- Four of the five divisions and most of the support functions of NOAA’s Alaska Fisheries Science Center, totaling 255 (75%) of the AFSC’s 338 positions; and
- All of NOAA’s fisheries and oceanographic vessels that conduct research in Alaska waters, along with at least an additional 100+ crew and shoreside support positions that ought to be stationed in Alaska ports.

This is an intolerable situation born entirely of political decisions and agency inertia that harken back to pre-Statehood conditions. Fortunately, this is not an immutable condition. We can change the situation and bring literally tens of millions of dollars of additional payroll to our economy and that of other effected Alaska coastal communities.

It is only right that these jobs be based in Alaska. But, the issue is much greater than just what’s right for us in terms of federal spending. Having the scientists and facilities here in Alaska will actually improve the science, and will be a huge capacity building impetus to the Alaskan education, fisheries management and general scientific communities, with enormous State and national implications for the rest of the 21st century.

But, how do we actually get these jobs and facilities moved to Alaska? Won’t it be prohibitively costly? The answer to the latter question is emphatically “No”, particularly when weighed against the cost of doing nothing. Fortunately, we have a recent and excellent example of a community organizing to achieve a very substantial move of NOAA assets and personnel. This was done with bond funding,

¹ Juneau Economic Development Council, “2014 Juneau and Southeast Alaska Economic Indicators and Outlook”, pg. 12, August, 2014. Other figures in this paragraph also derived from the same publication.

backed by state government and secured with a long-term lease of the new facilities by NOAA.² This Task Force advocates using the same basic approach - leveraging strong State of Alaska financial facilities with a well developed plan of action, close cooperation with other coastal communities on areas of mutual interest, careful coordination with the new State administration and our legislative and Congressional delegations, and persistent hard work.

The Task Force recommends that Juneau concentrate first on the potentials represented by NOAA's Alaska Fisheries Science Center. We propose a dual strategy.

- First, incremental steps to ensure full utilization of the Ted Stevens Marine Research Institute as currently configured (these steps could bring some 30 new jobs to Juneau in the near term); and
- Second, fund and fully build-out the TSMRI to its full originally designed capacity, and firmly establish it as the genuine operating headquarters of the entire AFSC (adding 140 more jobs).

All totaled, the proposed actions with respect to the AFSC could add some 170 highly paid federal positions to our economy, with a total additional annual employment expenditure of more than \$20 million. That translates to roughly \$15 million in additional buying power in or local economy. We propose that funding for the construction of the TSMRI completion be sought through the Alaska Industrial Development and Export Authority (AIDEA), and that security for the bonds be a long-term lease agreement with the federal government.

Basing of NOAA fisheries and oceanographic vessels in Alaska also represents a very good possibility for Juneau. Difficulties with NOAA's fleet recapitalization plan actually present an opportunity to leverage Alaskan financial capabilities in a manner similar to the suggested TSMRI build-out. However, this effort will involve substantial coordination with other Alaska cities that are already involved with this issue, namely Ketchikan and Kodiak. For that reason the Task Force sees the basing of NOAA vessels as "second in line" after working on the AFSC opportunity.

Although it is not included in the Task Force's mandate to examine NOAA functions, we recommend that Juneau also further research the potential for housing the International Pacific Halibut Commission here. An independent Us / Canada bilateral commission, IPHC is in all practical respects quite analogous to federal fisheries science institutions. It would represent a very significant and desirable addition to Juneau's vital research cluster.

² The 2010 move of NOAA's Marine Operations Center – Pacific from Seattle to Newport, OR.

Historical Perspective

Alaska's fight to achieve Statehood was very largely about control of fisheries policy. Indeed, Ernest Gruening likened Alaska's pre-statehood condition regarding fisheries to that of the American colonies under King George III, and of our then principal industry he wrote:

"Here was Alaska's greatest natural resource. Here was the nation's greatest fishery resource...The result is written in figures that spell tragedy for Alaska's coastal communities whose economy has long depended on fisheries. The tragedy has deepened year after year. So grave has become the plight that the administration found it necessary to declare the fishing villages to be disaster areas. It is a disaster caused by colonialism..."³

Statehood was a momentous step, but did not prove to be a panacea for achieving full control and development of Alaska's fisheries. The hated, company-owned fish traps were banned, but the salmon industry remained largely controlled by Outside interests. Still, in 1959 management of *all* the principal commercial fisheries was finally in Alaskan hands. Salmon, crab, shrimp and herring were all managed by the Alaska Department of Fish and Game (ADF&G). The way forward to increasing Alaskan economic benefit from fisheries resources seemed assured. But, several historic events were to change that picture – the discovery of enormous petroleum reserves at Prudhoe Bay in 1968,⁴ the establishment of the 200-mile Exclusive Economic Zone (EEZ) in 1976⁵, and the ocean regime shift that began in 1977⁶. The combination of these events had major impacts on fisheries management, reversing the momentum toward greater and greater Alaska control established at Statehood, and resulting in the structural imbalances in federal management that are the subject of this Task Force. What happened?

The advent of "Big Oil" in Alaska utterly changed Alaska's economic focus – and not surprisingly. With some 85 percent of all State revenues coming from petroleum taxes and royalties lawmakers have understandably focused more on oil and gas issues. It is fair to say that Alaska "took its eye off the ball" regarding fisheries. Amid the frantic days of pipeline development in the mid-1970's passage of the Magnuson Act in 1976, which establishing the 200-mile limit, drew much less attention than it otherwise might have from Alaska policy makers. The following year, 1977, saw the beginning of a dramatic ocean regime shift. Gulf of Alaska and Bering Sea waters warmed, creating ideal conditions for finfish like Pollock, cod and yellowfin sole, but in a matter of a few years wiping out Alaska's once prolific northern shrimp fishery

³ Gruening, Ernest, *The Battle for Alaska Statehood*, University of Alaska Press, 1967, p.88

⁴ ARCO / Exxon discovery well announced on March 12, 1968.

⁵ Fishery Conservation and Management Act, P.L. 94-265, aka the "Magnuson Act", April 13, 1976.

⁶ Generally recognized as the beginning of the current warm water cycle. Cyclic cold and warm periods have been documented as far back as the 1500's.

and dramatically reducing the valuable crab resource. This cyclic regime shift created enormous new US groundfish fisheries which – unlike salmon, shrimp, crab and herring – were not under management plans developed and run by the State. Rather than assert extended jurisdiction, Alaska largely acquiesced in the re-establishment of an enormous federal management infrastructure during the dramatic “Americanization” of fisheries in the EEZ from the mid-1980’s onward. Development of these fisheries was driven almost entirely by Seattle and other Lower 48 interests. Along with the fisheries themselves came the rapid growth of federal management including the North Pacific Fisheries Management Council (NPFMC)⁷, National Marine Fisheries Service – Alaska Region (NMFS- FAKR), and the Alaska Fisheries Science Center (AFSC).⁸ NMFS-Alaska Region headquarters and most of its staff are located in Juneau, and the Council is located in Anchorage, but the bulk of the NOAA’s very large Alaska fisheries science establishment ended up in Seattle, and remains there to this day.

The end result of these developments has meant that control over much of the fishery off Alaska’s shores has once again reverted to the federal government, and the bulk of the economic benefit from them has accrued to non-Alaskan interests. Successive Alaskan administrations, regardless of political party, have not acted decisively to correct this policy drift toward pre-Statehood conditions. It simply has not been a major priority and the existing situation has become the accepted norm.

This is not to say that Alaskans have not benefitted, or that there have been no efforts to effect change.

- In 1992, after a number of years of pressure, the NPFMC put into effect the Western Alaska Community Development Quota (CDQ) program, which allocated a portion of Bering Sea fish and crab quotas to six regional CDQ groups (now encompassing 65 communities). By 2010 annual CDQ earnings were exceeding \$200 million, mostly from royalty charter arrangements with existing operators and long-term CDQ group re-investments in those operators.⁹ One group is in the process of trying to relocate its

⁷ It is of interest to note that of the 8 regional councils established under the Magnuson Act, only the North Pacific Council has representation from outside its geographic area of jurisdiction. All of the NPFMC’s area of jurisdiction is in waters off Alaska, but 5 of the 11 voting members are not nominated by Alaska – two are nominees of the Governor of Washington, two are the heads of the Washington and Oregon state fisheries management agencies, and one is the head of the NMFS Alaska Region. None of the other regions (Pacific, Western Pacific, Gulf of Mexico, Caribbean, S. Atlantic, Mid-Atlantic, and New England) have representatives appointed by or representing States from outside their geographical area of jurisdiction.

⁸ NMFS-FAKR and AFSC are functional units of the National Oceanic and Atmospheric Administration (NOAA), and the NPFMC, while quasi-independent, is supported under the NOAA budget.

⁹ Andrew Jensen, Alaska Journal of Commerce, December-Issue-1 2011

Seattle-based fleet to a homeport in Alaska, but the bulk of the operations and most jobs remain in Seattle.

- When the NPFMC instituted Individual Fishing Quotas (IFQ) for halibut and sablefish provisions were included to protect small vessel owner operator participation, and prevent over-concentration in just a few hands. Although there has been some loss of IFQ holdings to non-residents, these provisions have proven vital to the protection of Alaskan individual and community interests.
- In 1998 NOAA opened its Kodiak Fisheries Research Center (KFRC) on Near Island, adjacent to the University of Alaska's Fisheries Industrial Technology Center (FITC). The lab, part of the Alaska Fisheries Science Center, conducts crab and groundfish research.
- Opened in May 2007, at a cost of \$51 million, the Ted Stevens Marine Research Institute (TSMRI) with 66,000 square feet of office and laboratory space at Lena Point is headquarters for the AFSC Auke Bay Laboratories (ABL) Division, and able to house up to 84 scientists and staff, with laboratories for chemistry, genetics, and biology.

The role of the late Senator Ted Stevens in each of these efforts cannot be understated. He championed each of these developments, and it is with good reason that the Magnuson Act was renamed the Magnuson-Stevens Fisheries Management and Conservation Act on its reauthorization in 2006. However, despite the Senator's best efforts much of the fight to move more of the Alaska-dedicated federal fisheries science establishment to Alaska over the past 20 years has actually been a holding action, and important goals were not met.

- Little more than a decade ago there were actually serious discussions about moving the Auke Bay Laboratory Division out of Juneau and consolidating it with most of the rest of the AFSC in Seattle.
- The construction of the TSMRI ended that, but Senator Steven's vision was for a \$125 million facility with offices for 225, and capable of housing most of the AFSC. What we got was much less.
- Even now, the scaled-down \$51 million version is home to only 75% of its designed capacity of 85 persons.
- There was much talk about a NOAA commitment to move 50 people out of Seattle to Alaska in the decade following TSMRI's commissioning, but that was apparently never explicit, and certainly has not occurred.
- Indeed, ABL / TSMRI is has lost positions after a spate of recent retirements.
- On the plus side, the AFSC Director is now located at TSMRI, even though the bulk of his support staff is still in Seattle.

Another key element of NOAA's research establishment with vital Alaska missions is its fleet of fishery research and oceanographic vessels. Run by a separate arm of NOAA, the Office of Marine and Aviation Operations (OMAO), the fleet conducting work on Alaska fisheries and marine charting missions, and

managed by the Marine Operations Center – Pacific (MOP), was for decades based at leased facilities on Seattle’s Lake Union. During that period, vessels with overwhelmingly Alaska duties included the 215’ fisheries vessel *Miller Freeman*, the 93’ *John N. Cobb*, a fixture of Southeast Alaska fisheries research, and the two 231’ sister-ships *Rainier* and *Fairweather*, which are oceanographic vessels. In 2005 the 209’ *Oscar Dyson*, the first of NOAA’s new class of advanced Fisheries Survey Vessels (FSV), was added to this group.

Recent years have seen major changes. In 2006 fire destroyed two piers and storage buildings at the leased Lake Union facility. Unable to reach a renewed lease agreement with the private owners, NOAA elected to move the MOP. Seattle, Bellingham, and Port Angeles, WA and Newport, OR all vied for the new facility. Despite the fact that the bulk of the research fleet operating out of the MOC-Pacific was dedicated to Alaska missions, the State of Alaska never intervened in the process to select a new site. In the end, Newport was chosen and the MOP moved to new facilities there in 2011. An August 4, 2009 Seattle Times article noted that “In making the decision, NOAA officials said they considered many factors, including cost, logistics and quality of life for employees. However, they refused to make public their analysis of the pros and cons of the sites.” “Newport is the home of an Oregon State University marine research lab. Jane Lubchenco, NOAA’s new chief, is a former Oregon State oceanographer (she has since returned there), but (NOAA Rear Admiral Jonathan W.) Bailey said she played no role in the site selection.” The relocation has been very important for Newport, with the addition of some 175 jobs, mostly very well paid federal positions, in a community of a little over 10,000 people.¹⁰

Other negative outcomes respecting the NOAA fleet in recent years include:

- The 2013 de-commissioning of the *Miller Freeman*, a vital Alaska fishery research vessel, with no replacement currently funded or scheduled.
- The 2008 de-commissioning of the *John N. Cobb*. A replacement vessel was designed, but never funded. The *Cobb*’s vital Southeast Alaska research role has been assumed by a chartered trawler out of Seattle.
- Despite the efforts of Senator Lisa Murkowski, and assurances given to Ketchikan, the promised basing of the *Fairweather* in Ketchikan has not really materialized. NOAA purchased a dock there, but then declared it unfit. The vessel is really based in Newport. There are no NOAA crew or shoreside support jobs in Ketchikan.
- The new (2005) FSV *Oscar Dyson*, though nominally based in Kodiak, is also really based in Newport, and like Ketchikan, Kodiak has no federal crew or support jobs.

¹⁰ Per Kevin Greenwood, General Manager, Port of Newport, pers. comm..

Current Status of NOAA Science Infrastructure Dedicated to Alaska Missions

The following are details of the disposition of the Alaska Fisheries Science Center and NOAA's research vessel fleet.

Alaska Fisheries Science Center – The AFSC currently has 338 full-time Federal employees. This number is down from a peak of over 375 just a few years ago. Science Director Dr. Douglas DeMaster stated “We have lost about 10% of our positions over the last 4 years”. The 338 number does not reflect a number of contractors, which is a highly variable figure. The chart below illustrates the Alaska-based positions, and their location within the State. The greatest number of Alaska –based AFSC employees is in Juneau.

ALASKA FISHERIES SCIENCE CENTER – FTE Position Locations			%
Alaska-based AFSC positions	Anchorage	2	
	Dutch Harbor	2	
	Fairbanks	1	
	Juneau (63 ABL, 2 from other Divisions)	65	19.2%
	Kodiak	12	
	St. Paul (ABL Employee)	1	
	sub-total Alaska	83	24.5%
All Others	(95% in Seattle)	255	75.5
TOTAL		338	

The important statistic here is the heavy preponderance of federal *Alaska fisheries science jobs* that are located in Seattle. Fully 75% of the AFSC employees are in the Lower 48, and about 95% of them are in Seattle. This has been generally known, but seeing the exact numbers is nonetheless rather startling.

The AFSC is comprised of five functional Division units plus support staff. These are:

Auke Bay Laboratory – ABL conducts research on commercially important species such as rockfish, sablefish, and salmon, and on all aspects of marine ecosystems. Information is provided to the North Pacific Fishery Management Council, the NMFS Alaska Regional Office, fishing industries, state and federal regulators, and international treaty bodies. Headquartered at the Ted Stevens Marine Research Institute at Lena Point, ABL has 64 employees, all of whom are based in Alaska – by far the largest group of AFSC employees in the State.

Resource Assessment and Conservation Engineering - RACE Division's chief function is quantitative fishery surveys and related research on the distribution and abundance of commercially important fish and crab stocks in Alaska waters. RACE has 100 federal employees. Next to the Auke Bay Laboratory, RACE has the most Alaska-based employees – 10 scientists in Kodiak doing mostly crab stock work.

Resource Ecology and Fishery Management - REFM develops 25+ groundfish and crab stock assessments annually that the NPFMC uses to set catch quotas. Economic and ecosystem assessments are provided

to the Council on an annual basis. REFM programs include: Status of Stocks & Multispecies Assessments, Resource Ecology & Ecosystem Modeling, Age & Growth Program, and the Socioeconomic Program. All of REFM's 54 employees are in Seattle, including those charged with socio-economic and socio-cultural research on Alaskan communities.

National Marine Mammal Laboratory – NMML is the only AFSC Division not exclusively dedicated to Alaska work. Its mission is marine mammal issues off the coasts of Washington, Oregon, and California as well as Alaska. However, because of Alaska's geographic extent and species diversity, the bulk of NMML's work is Alaska-oriented. Nonetheless, almost all of its 59 employees are based in Seattle.

Fishery Monitoring and Analysis - FMA, aka the "Observer Program", monitors fishing activities in the EEZ off Alaska and conducts research associated with sampling commercial fishery catches, estimation of catch and bycatch mortality, and analysis of fishery-dependent data. The Division is responsible for training, briefing, debriefing and oversight of observers who collect catch data onboard fishing vessels and at onshore processing plants. 31 of its 36 employees are in Seattle.

AFSC Support Staff – Includes the office of the Science Director (SD), administrative staff (OMI) and information technology staff (OFIS). Some 22 of 25 SD/OMI/OFIS employees are in Seattle, although Director, Dr. Douglas DeMaster is based at TSMRI in Juneau.

Marine Operations Center – Pacific – the MOP comprises some federal 140 shipboard and support personnel at its headquarters in Newport, Oregon.¹¹ The following table lists the 5 active vessels managed by the MOP. As previously mentioned, though "nominally" based in Kodiak and Ketchikan, the *Oscar Dyson* and *Fairweather* are "effectively" based in Newport. There are no NOAA fleet or civilian

MARINE OPERATIONS CENTER - PACIFIC					
<i>Active Vessels</i>	<i>Crew</i>	<i>Stated Homeport</i>	<i>Actually Based</i>	<i>Primary Mission</i>	<i>Main Area of Operation</i>
<i>FSV Oscar Dyson</i>	24	Kodiak, AK	Newport, OR	Fisheries	Alaska
<i>FSV Reuben Lasker</i>	24	San Diego, CA	San Diego, CA	Fisheries	West Coast & E. Tropic Pacific
<i>FSV Belle M. Shimada</i>	24	Newport, OR	Newport, OR	Fisheries	West Coast
<i>R/V Rainier</i>	55	Newport, OR	Newport, OR	Charting	Alaska
<i>R/V Fairweather</i>	51	Ketchikan, AK	Newport, OR	Charting	Alaska
Total Ship Crew	178				

support personnel in either Alaska port. However, the *Rueben Lasker* is really based in San Diego and its crew and support personnel are actually stationed there. MOP staff noted that this made it easier

¹¹ Per Lt. Cmdr. M. Levine, Chief of Operations, NOAA MOC -Pacific, pers. comm.

and more efficient to support the science missions the *Rueben Lasker* conducts on behalf of NOAA's Southwest Fisheries Science Center.¹² Needless to say, the same rationale should be applied to Alaska science missions. The bottom line is that the NOAA MOP fleet effectively contributes very little to the Alaska economy despite the fact that 3 of its 5 active vessels are entirely or overwhelmingly devoted to Alaska missions.

NOAA's Alaska Fisheries Science Budget

Respecting the Alaska Fisheries Science Center, Dr. DeMaster supplied the following overall AFSC and Auke Bay Laboratory budget numbers for FY14. The "Federal Labor Cost" figures are for actual expenditures, and don't include amounts for unfilled positions. Also, they are for federal employees only and do not include costs for contractors, which are captured in the total "FY2014 Budget" figures. AFSC currently has a total of 338 federal employee positions, 64 of which are within the Auke Bay Laboratory division of the Center. Using the FY14 expenditure figures provided, we can calculate that the average total labor cost figure per federal employee at AFSC is \$123,310 and the corresponding figure for just the ABL is \$122,614.

Alaska Fisheries Science Center FY 2014 Budget Figures			
	FY2014 Budget	FY14 Federal Labor Cost	Proportion of Labor Costs
AFSC	\$59,934,843	\$41,678,841	70%
ABL Only	\$12,008,917	\$7,847,273	65%

How much of those expenditures could reasonably be expected to accrue to Juneau if the AFSC was wholly or largely moved to Alaska is impossible to say for sure, but the number would obviously be very substantial. Kodiak, with its existing, under-occupied NOAA facility should also receive a substantial boost. Some functions that are closely tied to North Pacific Fisheries Management Council support could also end up in Anchorage. But, certainly a large percentage of the ASFSC science functions now in Seattle could, and should be located in Juneau. A plausible scenario is laid out in the next section.

¹² NOAA dedicated an entirely new laboratory complex for the SWFSC in 2013. It houses 275 science and support personnel. Like the previous lab it is located on the campus of UC San Diego, Scripps Institute of Oceanography in La Jolla, California. The project was originally budgeted at \$102 million.

A “Strawman” Suggestion for Moving NOAA AFSC Positions to Alaska

The Ted Stevens Marine Research Institute (TSMRI) at Lena Point was originally designed to house 225 AFSC research personnel, and had a projected cost of \$125 million. TSMRI as eventually constructed ended up with space for 85 offices at a cost of \$51 million. It currently is home to 65 federal employees (63 from the ABL Division), and also supports a small, varying number of contact personnel.¹³

If we imagined that TSMRI was fully built out to its original designed capacity – a worthy and not unreasonable goal – it could accommodate 210 federal employee positions plus, say, 15 contract positions. So, is building out the TSMRI to its originally designed capacity a reasonable project concept for catalyzing the move of NOAA’s Alaska-dedicated fisheries science programs north? The answer is a qualified “yes”. As outlined in the “Costing and Financing” section (page 17), completion of the TSMRI to original specification, and funding the relocation of personnel to fill it, would be a large, but certainly achievable project. However, it would not be sufficient to house all the existing AFSC positions now in Seattle, let alone provide for any growth in numbers for new NOAA science program functions – as in areas like climate change, ocean acidification, Arctic Ocean research, etc. – which should certainly be part of long-term research goals in Alaska. Thus, we should actually be thinking about additional capacity beyond the original TSMRI design.

As earlier noted, the AFSC is a collection of five divisions plus support personnel: RACE (Resource Assessment & Conservation Engineering); REFM (Resource Ecology & Fisheries Management); FMA – (Fisheries Monitoring & Analysis aka observer program); Auke Bay Laboratory (now at Ted Stevens Marine Research Institute); and NMML (National Marine Mammal Laboratory). Of those divisions, only NMML has a role that is not exclusively Alaska resource driven. It represents roughly 20% of the agency. which divisions are the best candidates for relocation to Juneau, and which positions or functional units might well be located elsewhere in the State?

The TSMRI is NOAA’s premier oceans research facility in Alaska, and is quite proximate to other NOAA fisheries management functions (National Marine Fisheries Service – Alaska Region or NMFS FAKR) that are already headquartered at the Federal Building in downtown Juneau. It is therefore quite reasonable to posit the TSMRI as the future headquarters of the entire Alaska Fisheries Science Center. As noted, AFSC’s Science Director, Dr. Douglas DeMaster is already based at TSMRI. The RACE, REFM divisions contribute directly to the fisheries management functions of the NMFS FAKR. The same is true for FMA’s observer program, which Dr. De Master has already indicated might be a prime candidate for relocation back to Alaska. And, of course, much of the support staff contingent could and reasonably should be

¹³ In addition to the space at TSMRI, NOAA has ten refurbished, but unoccupied offices at its Sub-Port site in downtown Juneau.

based at the AFSC headquarters in Juneau. The following chart is a hypothetical relocation scenario for the 255 AFSC jobs currently located in the Lower 48.

“Strawman “ Alaska Fisheries Science Center Relocation Proposal				
Moving the 255 “Lower 48” Positions to Alaska				
Location	Juneau	Kodiak	Seward	Other
AFSC Division				
RACE	80	10		
REFM	54			
FMA	20	4		6
NMML			58	
Support	18	1	3	
Totals	172	15	62	6

By Division the proposal assumes that:

- All of REFM’s 54 Seattle employees would move to TSMRI in Juneau;
- 80 of the current 90 RACE Division employees now in Seattle would relocate to TSMRI, while 10 could join the current 10 person RACE contingent at NOAA’s facility in Kodiak;
- Most (20) of FMA’s 30 Seattle positions would relocate to Juneau, with perhaps 10 field positions going to Kodiak and Dutch Harbor;
- NMML Division would relocate to Seward, where their science presence would bolster the Seward Sea Life Center’s marine mammal research and public education functions;
- The bulk of the 22 support personnel now in Seattle (18) would move to the new AFSC headquarters at TSMRI in Juneau, with others in Seward and Kodiak to bolster those operations.

If this strategy was to be implemented, some 172 AFSC federal positions would move to Juneau, bringing the total number here to 237. This shows that a full build-out of the TSMRI facilities would have to be somewhat larger than the originally planned 225 personnel capacity in order to accommodate all the current AFSC personnel, space for some contractors, and possible future program growth at TSMRI.¹⁴ Also, substantial space would have to be constructed for relocation of the National Marine Mammal Laboratory (NMML) to Seward, and upgrades would likely be required to the Kodiak Fisheries Research Center. It is obviously somewhat speculative for this report – which aims to address Juneau opportunities – to posit developments in other communities. But, as the capital city, Juneau has a leadership role in the larger process of moving federal research programs and personnel to Alaska. Although a full-scale relocation of the AFSC would likely benefit Juneau the most, it will have important

¹⁴Careful analysis would have to be carried out on alternative locations for some staff. For example, if the observer program (FMA) was moved to Juneau as suggested, would they actually have to be at TSMRI? Could they utilize the renovated but unoccupied office space at the Sub-Port location, and/or available space in the Federal Building?

effects for Kodiak, and potentially major effects for Seward if the NMML was to relocate there. It is worth noting that Seward was seen as a locale of great interest when the State briefly looked at NOAA jobs relocation in 2003.¹⁵

Adding some 172 federal positions over and above the current 65 AFSC already stationed in Juneau would obviously have a major economic impact, and would more than reverse the loss of federal jobs in recent years. At an average of \$123,000 per position that is more than \$21 million in total employment expenditure per year, which equates to roughly \$15.5 million in additional payroll in Juneau. Further, those 172, would bring the total AFSC employment in Juneau to 237. That would represent 70% of the entire AFSC federal work force. If that percentage is applied to overall agency budget that would mean a total of some \$42 million in AFSC agency expenditure here, versus the current year ABL expenditure of \$12 million - a more than threefold increase.

Adding 172 new, highly paid jobs to our economy would also have secondary impacts. Assuming a multiplier effect of about 1.4 applied to \$15.5 million in payroll, those new jobs would generate a total payroll impact of about \$21.7 million annually in the Juneau economy. Further, the long-term impact on other vital and growing sectors of our economy – most notably the university and general research cluster - will be very important. These “capacity building” effects on our research and education sectors will have positive impacts for Juneau and Alaska generally reaching far into the future. Smaller, but similar effects would be seen if NOAA’s Kodiak facility was operated at capacity, and if a new facility for the National Marine Mammal Laboratory could be established in Seward.

Incremental versus Functional Unit Approach to Moving AFSC

At Task Force Meetings we have been unanimous about the value and historical importance moving NOAA’s Alaska driven fisheries management to Alaska. But, we have had spirited discussion about whether to push for large-scale unit moves or to incrementally move individual or small groups of positions as current incumbents retire or leave the agency, or as new positions are added. There was also discussion of advocating on NOAA’s behalf for new positions in areas including climate, Arctic and Habitat studies, ocean acidification and mariculture. These are certainly worthwhile and important fields of study, and Alaska should definitely advocate for funding and for location of those jobs in Alaska. However, the fact is that AFSC employment has shrunk by roughly 10% in recent years. So, to rely solely on that mechanism to increase federal employment related economic activity in Juneau is tenuous at

¹⁵ Greg Fisk and Glenn Haight, both then Fisheries Specialists with the Department of Commerce, Community and Economic Development raised the issue of relocating NOAA fisheries jobs to Alaska. A May 21, 2003 memo addressed to then Commissioner Edgar Blatchford (subject line: “Basing Federal NOAA Fisheries and Oceanographic functions in Alaska”) elicited a brief flurry of interest, but no follow-up or sustained interest was forthcoming from either the Department or the Governor’s Office. However, initial work did indicate Seward as a potential relocation point for NOAA jobs that would enhance the mission of the Alaska Sea Life Center.

best. Moreover, without an overall impetus to move the entire AFSC to Alaska, there is no assurance that any new jobs created and funded in those fields would not simply end up in Seattle.

This same concern must be voiced about incremental movement. Alaska has, in the past, received assurances that jobs would be moved here as they opened up. But, the exact opposite has happened. Jobs haven't moved to Alaska, and jobs that have become vacant here have frequently moved south or have been the last to get refilled. It was, after all, only a few years prior to Senator Stevens "ram rodding" the Lena Point facility through the Congressional appropriations process that there was active talk of closing the Auke Bay Lab and moving all those people to Seattle. Indeed, in just the past several months, those working under JEDC's auspices on fostering a "research cluster" in Juneau have been worried about retaining positions here that are threatened. It is also not operationally efficient to move except in functional increments. Dr. DeMaster raised this very point himself at a Task Force meeting.

Nonetheless, refilling vacant Alaska positions, perhaps getting some additional jobs here in new areas of AFSC emphasis, and stanching the outflow of Alaska positions are all doubtless very important. So, it is not an either / or situation. We actually risk losing jobs by not aggressively pursuing a large-scale relocation of the agency, but that relocation will not happen overnight. While that larger goal is being articulated and pursued, Juneau must also be diligent in:

- protecting the existing NOAA fisheries science establishment here;
- seeking all possible enhancements to it with new programs like ocean acidification, Arctic studies, mariculture, etc; and
- ensuring that the existing facilities are used to capacity by filling positions left vacant following retirements and by beginning now to move key personnel from Seattle to available vacant space here in Alaska.

This latter point is especially important. The *existing unused capacity* at the TSMRI and in the Sub-Port could house a substantial number of AFSC personnel now located in Seattle without requiring any new facilities construction. A couple of opportunities come immediately to mind. These are the Fisheries Monitoring and Assessment Division (aka the observer program), and AFSC support staff.

With 36 employees, FMA is the smallest divisional unit of the AFSC. It has about 30 employees in Seattle. If it moved to Alaska most of those employees (perhaps 20) could be located in Juneau, while the remainder joined existing Alaska-based employees in field stations in Kodiak and Dutch Harbor. It is a functional unit, so meets that "big picture" criterion. But, it can be accommodated without any new construction, so it also fits as an incremental step. Dr. DeMaster mentioned this unit as worthy of consideration, and it has also been a high priority for Senator Murkowski.

AFSC support staff is mostly in Seattle, because that's where the bulk of science staff is located. Moving a number of these key administrative people to TSMRI would represent a "gravitational shift" in the location of the overall agency and would bolster the TSMRI as *the headquarters* of the entire AFSC. The Science Director is already located here, so moving a number of key "directorship" positions would be an important move both practically and symbolically.

For arguments sake, let's say that this meant moving 10 of the 22 support position now in Seattle. Those 10, plus 20 from FMA would represent a move of 30 (12%) of the 255 AFSC positions still in the Lower 48. This could be accomplished in the short-term. It would require no new construction – there are some 20 office spaces available at TSMRI, another 10 at the Sub-Port, and reputedly surplus space in the Federal Building. *Very importantly, it would get the overall relocation process moving and would represent an important immediate economic gain for Juneau.*

Moving More AFSC Positions North - Impediments & Opportunities

“The essential fact is that having all of the Alaska-dedicated NOAA fisheries and oceans science jobs actually located in Alaska will improve the quality of the science.”

The Task Force heard from Dr. DeMaster that the agency's rough estimate for moving a position from Seattle to Alaska is \$50-\$60,000. If that figure is right then moving 255 AFSC personnel from Seattle to Alaska would carry a price tag of \$12.75 - \$15.3 million dollars.¹⁶ That is certainly a very daunting amount for an agency that is continually under attack in the federal budget process, and has actually seen overall personnel losses. However, in the larger scheme of things it is not a huge or insurmountable amount of money. It equals half or less of the average annual employment cost of about \$123,000 per position.

Of course, that figure does not include the new or upgraded facilities in Alaska needed for all those people. There is empty space now at TSMRI, downtown at NOAA's Sub-Port facility, and at the KFSC facility in Kodiak. But, an aggressive building program would be required, and the funds needed would be very substantial. To complete the TSMRI to its original design would likely cost at \$100 - \$125 million.¹⁷ A less expensive alternative for NOAA might be to rebuild the old Auke Bay Lab, which is currently under a five-year lease to the USCG. It could house perhaps a third of the Seattle positions which ought to be moved here. But, that would be at best a partial measure and would just shift facilities construction burden onto another cash strapped federal agency. Also, as earlier noted, we should allow for additional construction at Kodiak, and perhaps a new facility in Seward for the NMML.

However, the greatest impediments to moving the AFSC out of Seattle are not the various costs, but are politics, industry resistance, Alaskan Inertia, and the deep entrenchment of the agency into the Seattle culture, including its close ties with the University of Washington. As mentioned earlier, many of the AFSC employees in Seattle have spouses who are deeply integrated into the Seattle economy, including many in other parts of the research establishment there. There is no doubt that moving for them will be

¹⁶ This assumes moving all Race (90), REFM (54), FMA (36), and 20 of 25 SD/OMI/OFIS support staff (total 200) to Alaska locations, while leaving NMML (59) and 5 support positions in Seattle.

¹⁷ The TSMRI we have today cost \$51 million and full build-out was originally projected at \$125 million. That \$75 million difference will certainly be \$100+ million now.

more difficult. But, it should be noted that proposals to move AFSC to Alaska hold a certain moral “high ground” and, in any case, would not gut the federal fisheries management presence in Seattle. After all, there is also the Northwest Fisheries Science Center (NWFSC) – the analog to AFSC for Washington / Oregon federal fisheries – with more than 300 positions, located in Seattle.

However, we should not focus solely on problematic issues. Nobody said this would be easy, but we must remember that we can make many positive arguments.

Let’s start with the essential fact that having all of the Alaska-dedicated NOAA fisheries and oceans science jobs located in Alaska will actually improve the quality of science performed. This is not an idle statement. Being closer to resources being investigated will give scientists more field time. It will give them a better appreciation of the needs and insights of the effected stakeholders and communities. It will improve interactions with the regulatory and enforcement arms of the federal fisheries establishment. It will improve interaction with non-federal scientists, regulators, educators and citizen groups. In this latter regard, the growing and fruitful relationship with the University of Alaska’s fisheries science programs will be particularly strengthened.¹⁸

Some of the individuals moved out of Seattle will doubtless be unhappy about the loss of big city amenities. But, we can justifiably tout the quality of life improvements relocating to Juneau will bring for many NOAA employees – not least of these is our incredible natural environment. Add to that our friendly, small town atmosphere and the fact that Juneau really is a great place to raise kids, with good schools, great and easy to access outdoor activity opportunities, and a vibrant arts scene. Our short and easy commutes will also be appreciated.

No doubt, the Washington Congressional delegation will be concerned about efforts to relocate large numbers of AFSC positions to Alaska.¹⁹ To counter arguments about the loss of jobs in Seattle we must stress the fact that the jobs in question only exist because Alaska is part of the United States and by right should have been located here in the first place. Furthermore, this is not a “zero sum game”. History has amply demonstrated that strengthening and diversifying the Alaska economy actually strengthens the Puget Sound economy. And we must always stress that being fully in Alaska will ultimately benefit NOAA and strengthen its science missions.

¹⁸ Dr. DeMaster noted that University of Alaska fisheries graduate programs have produced many outstanding recruits for NOAA. This is a vital plus for Alaska.

¹⁹ The return of Alaska’s delegation to majority status in the Senate, especially Senator Murkowski’s position on the Appropriations Committee should make prospects for moving this effort forward somewhat brighter.

Costing and Financing

What would it actually cost in total to move the AFSC to Alaska, and how could that be funded? As previously cited, the original projected cost of the fully built-out Ted Stevens Marine Research Institute was \$125 million, of which only \$51 million was actually appropriated by Congress – a shortfall of effectively \$75 million. That was 10 years ago, so the amount needed to complete the build-out of the TSMRI as originally designed would now likely be close \$125 million. Add some additional amount for a bit larger TSMRI Lena Point facility, some expansion at the Kodiak Fisheries Science Center, a new NMML facility in Seward, and factor in \$15 million in moving costs, and a total price tag \$175 million would not be unreasonable to project. Where is that kind of money going to come from? Federal appropriations in that range are beyond reasonable expectation. With NOAA's ordinary budget under constant pressure, and given internal inertia on the idea of a move, we cannot expect the agency itself to champion such large new expenditures. Nor can we expect our Congressional delegation to carry the day in the current political and budgetary climate in Washington, D.C. However, Alaska does have the capital funding capability and mechanisms, and there is good precedent for funding major NOAA facility development on a "lease back" basis.

What precedent? The recent, aforementioned move of NOAA's Marine Operations Center – Pacific from Seattle to Newport, Oregon. That was not funded with federal appropriations. It was funded by the Port of Newport with \$30+ million in bonds guaranteed by the State of Oregon, and supported by a 20-year lease of the facilities by NOAA. That was accomplished in 2010 at the height of the national financial crisis by a city far smaller than Juneau (Newport is barely 10,000 people) backed by a State far less financially endowed than Alaska. True, Alaska is currently facing its own fiscal crunch, with oil prices currently below \$80 per barrel. But, we do have ample bond funding capability through the Alaska Industrial Development and Export Authority (AIDEA) and other facilities. Direct Legislative capital appropriations will not be available, but the Legislature would likely look favorably on AIDEA or other bonding, if that was secured by a long-term facilities lease agreement from the federal government. From the federal side, such an arrangement should also look attractive. The agency would get brand new, state of the art facilities without having to undergo a punishing appropriations process. Dealing with annual lease payments would not be nearly so onerous a budgetary hurdle. For the Congressional delegation, negotiating an incremental increase to the NOAA budget, and leveraging agency cooperation would be much easier than achieving a large federal capital appropriation.

The following chart illustrates potential annual lease costs needed to cover a \$175 million bond.

Annual Lease Payments needed to Cover \$150 Million Bond			
Interest rate	20-Year Term	30-Year Term	35-Year Term
4%	\$12,877,000	\$10,120,000	\$9,376,000
2%	\$10,703,000	\$7,814,000	\$7,000,000
1%	\$9,698,000	\$6,781,000	\$5,951,000

Given the very high long-term economic development potential, the short-term construction period impacts, the potential surety of a government to government lease arrangement and the up-front ability to finance the project, there seems little reason not to vigorously pursue this sort of arrangement. That is not to say it would be easy. There would be a lot of political “log rolling” to be done. But, there is no inherent reason to think it would not work.

What About the NOAA Research Vessels?

All indications are that the agency intends to consolidate its operations at the new facility in Newport, Oregon for the foreseeable future. Furthermore, an exhaustive, 330+page fleet re-capitalization and rebuilding plan published in 2010 seems to be in considerable disarray. The fishery vessel *Miller Freeman*, for decades a fixture in Alaska fisheries research was de-commissioned in 2013. A replacement has not been funded. Likewise, no replacement for the *John N. Cobb*, de-commissioned in 2010, is planned despite pleas from Alaska scientists. The oceanographic vessels *Fairweather* and *Rainier* were scheduled to be de-commissioned in 2018; both then aged 50 years, and beyond normal useful life. But, with no replacement funding identified they are now scheduled for SLE (service life extension) refits. Clearly, the federal “budget crunch” has caught up with NOAA’s fleet recapitalization plans. The future impacts on Alaska science are very concerning, particularly as additional capability is needed to cover growing Arctic Ocean science requirements.

In the Task Force’s view, NOAA’s need to recapitalize its fleet will ultimately create a mechanism for leveraging basing of some of the MOP ship assets to Alaska. A State financing plan to assist the agency akin to that outlined above regarding the AFSC should also be considered, and would likely carry an even larger price tag. It is not suggested that the entire Marine Operations Center – Pacific should be moved from Newport. The agency and community are “locked in” there, and the MOP also now houses some national as well as West Coast / Pacific functions. But, it is worth noting that during the last re-organization of the MOP and the move to Newport, Hawai’i was able to negotiate its own Marine Operations Center for vessels working in the islands and western Pacific Ocean, and the vessel *Reuben Lasker*, while managed out of Newport, is genuinely based in San Diego. These are good precedents for Alaska. Our goal should be to assure that Alaska science functions are fully covered, and that the vessels dedicated to them are actually operated and supported out of Alaska bases.

The first stage of this effort should be to assist Kodiak and Ketchikan with their efforts to achieve genuine basing of the *Oscar Dyson* and *Fairweather*, respectively, – with ships’ crews and shoreside support positions actually present in their communities. But, a larger plan must be undertaken that involves funding:

- Replacements for the nearly 50 year old oceanographic vessels *Rainier* and *Fairweather*;
- Replacement of the *Miller Freeman* with a new FSV that is fully ice-capable for Arctic operations; and

- Replacement of the *John N. Cobb*, with a ‘regional-scale’ FSV for Southeast and Eastern Gulf of Alaska fisheries research.

What would Juneau have to gain from this? A replacement for the *Cobb* would quite logically be based here. The number of crew positions would not be great – perhaps 7 to 10 persons and shoreside support employment might add a couple of more direct employment positions. But the support for Juneau-based science missions would be very important, particularly the ability to conduct winter surveys on a number of species of interest including salmon and herring. Juneau might also be in a position to argue for basing the *Rainier* (or its replacement) here. This has been discussed before. A vessel of that class could bring 50 or more crew and support jobs to Juneau, with an annual payroll in the range of \$6 million or more.²⁰ The secondary economic effects in the community for contracted services, fuel purchases, provisions, etc. would be substantial.

In addition to the effects of base operations, Alaska funding of NOAA fleet recapitalization offers the reasonable possibility of the Ketchikan shipyard successfully competing to construct one or more of the vessels. The yard has now proven its capability in large newbuildings with the successful completion of the auto-longliner *Arctic Prowler*, and experience gained in ice strengthened, specialty steel fabrication of the experimental catamaran ferry *Susitna*. Alaska basing would also give the Ketchikan yard a locational “leg up” in competing for major maintenance contracts on Alaska vessels.

²⁰ 55 jobs at an average annual per position cost of \$118,000 (\$5,000 less than the known average for NOAA AFSC positions) = \$6.5 million

Recommendations for the Assembly

Recommended Strategy:

1. Juneau should focus on the great potential represented by the Alaska Fisheries Science Center, and should commit to a dual strategy of incremental growth coupled with a long-term plan to fully build-out the Ted Stevens Marine Research Institute and firmly establish it as the genuine headquarters of the AFSC.

The AFSC already has a large presence here, and the work of its scientists is directly related to vital federal fisheries management programs already headquartered in Juneau. Building out and fully staffing the TSMRI is a logical, considered and achievable goal. This is where Juneau can see the greatest return on its investment of time and resources. We should model our efforts on the successful, recent relocation of NOAA vessel assets from Seattle to Newport, Oregon – using available State financial capabilities to back our efforts, and secured with a carefully crafted long-term lease agreement with the federal government. In the interim we must work to prevent any further erosion in AFSC employment in Juneau; advocate for additional programs that are sorely needed in areas such as ocean acidification, mariculture development and Arctic research; and begin the process of moving positions from the Lower 48 to utilize existing vacant space at TSMRI and elsewhere in Juneau and Kodiak.

2. Work with other Alaska communities, most notably Ketchikan and Kodiak, on a unified plan for actual basing of NOAA research vessels in Alaska ports in a way that best serves the science missions of the agency while providing economic opportunity in coastal communities.

Moving some of NOAA's research vessel assets to Alaska is also very important to Alaska generally, and could also have positive implications for Juneau. However, the Marine Operations Center – Pacific's fairly recent move to Oregon, and the disarray of the agency's fleet recapitalization plans create a lot of uncertainty. Also, other communities, like Ketchikan and Kodiak, have relatively larger stakes in this issue so multi-city coordination will certainly add complexity. Nonetheless, the basic mechanism outlined with respect to the AFSC could well be applied to the vessel situation too. In careful consultation with other communities, we should monitor this situation and lay the groundwork for timely, positive intervention.

3. Juneau should initiate contacts with the International Pacific Halibut Commission to explore the possibilities of relocation of the IPHC headquarters from Seattle to Juneau (see Appendix 1).

In many ways the IPHC is quite analogous to the NOAA fisheries science establishment. After decades of location on the University of Washington campus (location supported by federal grant funds) the IPHC is now in rented space at Seattle's Fishermen's Terminal. The timing may

be right to help the IPHC establish a permanent home in Alaska where the great bulk of the fishery it regulates is located. (Note: Juneau will host the IPHC's Annual Meeting in January, 2016.)

4. Engage with the new State administration, Juneau's legislative delegation and the Alaska Congressional delegation on the NOAA relocation strategy.

We cannot do this alone. Having the administration's understanding and active support will absolutely be required, and this must extend to agencies like the Alaska Industrial Development and Export Authority that will likely be involved in financial planning and funding. There is no denying that politics will be involved in this important effort. Our delegations' understanding and support will be crucial.

5. Work closely with NOAA to articulate a plan that is pro-active and seeks to address the agency's long-term needs as well as the needs of effected communities.

We will encounter both support and opposition within NOAA. This is inevitable with any effort at large-scale change. We must work to ensure that the difficulties the agency – and its personnel – will face in this process are addressed as fully as possible, that the integrity of the science is protected and enhanced, and that NOAA ultimately sees this as a long-term positive effort for all concerned.

6. Develop effective marketing tools for Juneau.

This may seem somewhat "off topic" for this Task Force, but our work has highlighted the need for the city to be more active in regards to attracting people to locate in Juneau. Regrettably, the materials available to promote Juneau as a desirable place to live and work are quite limited and generally focus on short-term visitation. We all know that this is a great community with wonderful lifestyle opportunities, but we are not communicating that effectively.

Immediate Actions:

1. Accept the Task Force's report findings and recommendations, and integrate them as a high priority into CBJ economic development efforts.
2. Direct staff to institute outreach to effected parties, including but not limited to transmittal of this report to NOAA, the State Administration, the Congressional delegation, the Legislature and to our partner communities.

Appendix 1 - International Pacific Halibut Commission / Another Interesting Possibility

The International Pacific Halibut Commission (IPHC) does not explicitly fit within the Task Force mandate of looking at NOAA fisheries and oceanographic programs. But, its role is so integral to Alaska fisheries and its agency profile is so similar to US federal government fisheries programs, that it is also a natural for consideration by the Task Force. The Commission was established by a 1923 convention between the United States and Canada for the express purpose of preservation of the North Pacific halibut fishery. This international agreement for the joint management of a fishery resource was the first of its kind, and the IPHC has been an exemplary success.²¹ The six Commissioners – three from Canada and three from the US – establish the annual catch limits by regulatory area, and provide direction on the management of the halibut stock to the fisheries management bodies in each country. The IPHC has 34 full-time scientific and support staff located in Seattle. It also has 12 port sampling staff 3 in British Columbia, 1 in Washington, and 8 in Alaska.²²

The IPHC has been headquartered in Seattle for many decades. Prior to the extension of the 200 mille limits by both the US and Canada the North Pacific halibut fishery was much more evenly divided between the two countries than it is today. It was common for Canadian vessels to fish as far west as the Aleutians and to land fish in Alaska ports, and for Americans to fish off the BC coast. Also, the US side of the fishery was heavily dominated by Seattle longliners. Much has changed since the EEZ's went into effect and the two countries instituted Individual Fishery Quota systems to manage their fisheries. Canadian fishermen can no longer fish in US waters and vice versa. Within the US fishery off Alaska 77.6% of the fishermen are Alaska residents, while 22.4% live in the Lower 48. Alaska residents account for 61.6% of the catch, while Lower 48 interests – mainly in Seattle – take a disproportionate 38.4% of the catch.²³ So, despite the fact that the great bulk of the overall halibut fishery has always been, and remains in Alaska waters, and the largest number of active US fishermen are Alaskan, the management agency responsible for the fishery remains in Seattle – yet another reflection of the longstanding dominance of Seattle over Alaska fisheries interests.²⁴ How did this particular situation come about, and can it be changed?

²¹ Other bi-lateral commissions between Canada and the US include the Great Lakes Fisheries Commission and the Pacific Salmon Commission.

²² Petersburg, Sitka, Juneau, Homer, Kodiak, Sand Point, Dutch Harbor and St. Paul

²³ Data from NOAA Fisheries, Restricted Access Management Division 2014 reports.

²⁴ An interesting side note regarding halibut programs is that NOAA has a loan program for the purchase of quota share units. But, like so much else in the federal fisheries scene, this program too is located in Seattle despite the fact that ¾ of the likely loan applicants are in Alaska. Not surprisingly, program participants are disproportionately from the Lower 48.

In 1968 the Federal government granted funds to the University of Washington (UW) to construct a building on its Seattle campus to house the IPHC rent-free there until 2009. Citing the need to now occupy that space for other UW purposes the university has been working with the IPHC to relocate headquarters and identify long-term office space for the Commission. The IPHC recently relocated from the UW campus to leased space in Seattle at Fishermen's Terminal. This Task Force suggests that we intervene in this process to relocate the IPHC here in Juneau, where it would be co-located with much of the rest of the fisheries management structure. Such a move would encounter many of the same difficulties as moving with moving NOAA AFSC functions and personnel out of Seattle, with the added complication that close consultations would also have to be held with Canada. However, the logic of the idea is compelling and the solutions are largely the same.

Appendix 2 - Task Force Members

Jim Becker – A longtime Juneau resident and commercial salmon and halibut fisherman, Jim is a DIPAC board member, has served on Pacific Salmon Commission advisory panels, and has been an advocate for marine related economic development. He currently chairs the CBJ's Fisheries Development Committee focusing on commercial fisheries infrastructure needs, and roadside fishing opportunities in Juneau.

Greg Fisk, co-chair – A consultant in fisheries, Greg has served on the CBJ's Docks and Harbors Board, Fisheries Development Committee, and the Juneau Economic Development Council. He has advocated for moving federal jobs to Alaska for years, including while a fisheries development specialist for the State. With the Downtown Business Association he is now working on downtown revitalization efforts.

Dr. Stanley "Jeep" Rice – Retired after 40 years at NOAA's Auke Bay Laboratory, Jeep was the program manager for habitat studies at ABL since the mid 1980s. Involved in the *Exxon Valdez* oil spill response, he is a widely recognized authority on the effects of oil in the marine environment, and has been a longtime advocate for Alaska science. He also coaches the Thunder Mountain Falcons football team.

Assemblywoman Kate Troll, co-chair – Now in her first term on the Assembly, Kate was formerly a fisheries development specialist for the State, executive director of United Fishermen of Alaska, and a policy analyst for the Commissioner of Fish and Game. She previously served on the Juneau Commission on Sustainability and is a published author and essayist on economic issues.

Randy Wanamaker – A four-term member of the Juneau Assembly, Randy has also championed Juneau economic development issues as a Goldbelt shareholder and Vice-Chairman of its board of directors. He consults on workforce issues through BBC Human Resource Development, and has particularly promoted greater Alaska Native and resident employment in the mining industry.

Glossary

ABL – Auke Bay Laboratory Division of the AFSC

AFSC – Alaska Fisheries Science Center / NOAA operates 5 regional fisheries science center. The Northeast Fisheries Science Center (NEFSC) is headquartered in Woods Hole, MA; the Southeast Fisheries Science Center (SEFSC) in Miami, FL; the Southwest Fisheries science Center(SWFSC) in La Jolla, CA; the Northwest Fisheries Science Center (NWFSC) in Seattle, WA and the Alaska Fisheries Science Center, also mainly in Seattle.

Auke Bay Lab – alternatively used to describe the ABL Division, and the unit’s former laboratory building above the small boat harbor in Auke Bay

EEZ – Exclusive Economic Zone extending from 3 to 200 miles offshore

FMA – Fisheries Monitoring and Assessment Division of the AFSC

IPHC – International Pacific Halibut Commission

Magnuson Act - Fishery Conservation and Management Act, P.L. 94-265, April 13, 1976

Magnuson-Stevens Act – The Magnuson Act has been amended several times. Two major recent sets of amendments to the law were the Sustainable Fisheries Act of 1996 and the *Magnuson–Stevens Fishery Conservation and Management Reauthorization Act of 2006*.

MOP / MOC-P – Marine Operations Center Pacific / Research fleet headquarters, Newport, OR

NMFS – National Marine Fisheries Service

NMFS-FAKR - National Marine Fisheries Service – Alaska Region, located at the Federal Bldg. in downtown Juneau

NMML – National Marine Mammal Laboratory Division of the AFSC

NOAA – National Oceanic and Atmospheric Administration

NPFMC – North Pacific Fisheries Management Council

RACE – Resource Analysis and Conservation Engineering Division of the AFSC

REFM – Resource Ecology and Fishery Management Division of the AFSC

TSMRI – Ted Stevens Marine Research Institute / New home of ABL Division at Lena Point, Juneau

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Treadwell Ice Arena Task Force Report

MANAGER'S REPORT:

ATTACHMENTS:

Description	Upload Date	Type
☐ Treadwell Ice Arena Task Force Report to Assembly	1/12/2015	Report



CBJ Treadwell Ice Arena Task Force

Loren Jones, Chair
Josh Anderson
Matt Boline
Patty Collins
Sigrid Dahlberg
Bruce Garrison
Kim Kiefer
Gerry Landry
Pam Leary
Arnold Liebelt
Mike Stanley

December 12, 2014

Honorable Merrill Sanford, Mayor and CBJ Assembly
City and Borough of Juneau
155 S. Seward St.
Juneau, AK 99801

RE: Report of Findings and Recommendations for Action

Dear Mayor Sanford,

On behalf of the members of the Treadwell Ice Arena Task Force, I am pleased to transmit our findings to you and the Assembly in the form of the attached report.

The CBJ Assembly established this task force to “study the feasibility of an empowered board for the management of the Treadwell Ice Arena,” and to report on the following:

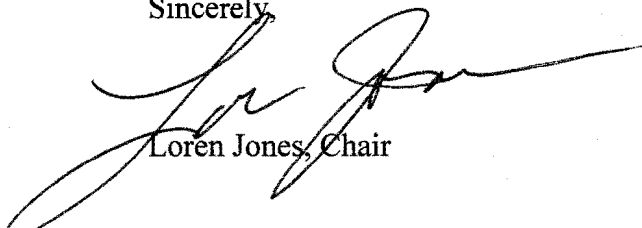
- The feasibility of an empowered board to reduce costs and provide services through management by the Eaglecrest Ski Area Board.
- The feasibility of an empowered board to reduce costs and provide services through an alternate to the management by the Eaglecrest Ski Area Board.
- Any alternate management structures for managing the Treadwell Arena.

This work was accomplished and the record can be found online at:

http://www.juneau.org/clerk/ASC/Treadwell_Task_Force.php.

The Task Force would be happy to meet with you to discuss this at your convenience.

Sincerely,


Loren Jones, Chair



**Report to the CBJ Assembly
from the
Treadwell Ice Arena Task Force
December 12, 2014**

The CBJ Assembly established this task force to “study the feasibility of an empowered board for the management of the Treadwell Ice Arena.”

The task force was asked to report on the following:

- Feasibility of an empowered board to reduce costs and provide services through management by the Eaglecrest Ski Area Board.
- Feasibility of an empowered board to reduce costs and provide services through an alternate to the management by the Eaglecrest Ski Area Board.
- Alternate management structures for managing the Treadwell Arena.

In addition to any meetings of the Task Force, the Assembly instructed us to hold three public meetings one each in Douglas, Mendenhall Valley and Downtown. The Task Force was required to keep records and minutes and written public comments. That was accomplished and these documents can be found online at:

http://www.juneau.org/clerk/ASC/Treadwell_Task_Force.php.

In order to answer these questions we have looked at information from Eaglecrest and Parks and Recreation (P&R) as well as public comments both in writing and at the three public hearings. This information gathering was in response to the Task Force’s request and questions as we discussed the policy questions above.

The Task Force looked at information, data and testimony from Eaglecrest and P&R in the areas of management, cost recovery, staffing, finances (including budget development and CIP process), and marketing.

Public Comment

The Task Force held three public hearings with sparse to no attendance, and received some comments in writing during this process.

Commentary from the public had several recurring themes.

- All testimony voiced the desire to have the facility continue operation.
- The public voiced concerns regarding the ability of users to continue to afford to use the facility if fees continued to increase.
- Over the past years, fees have increased while overall user numbers have decreased. While the outcome has been a roughly steady annual income, there is both concern and dissatisfaction regarding this trend.
- There was significant interest in Treadwell creating revenue from sources other than increasing fees from current primary users.
- The public voiced interest in fresh entrepreneurial ideas and a review regarding ice use and Treadwell staffing and operations.

Some of the public voiced concerns regarding an empowered board.

- Some were concerned that the board members are not elected but appointed.
- Some were uncertain about how things would change with an empowered board and wanted to first see how things would go with the pools potentially being managed by an empowered board.

There were letters voicing support for an empowered board that expressed a lack of faith in P&R due to past practices and missed opportunities. Other testimony voiced support for P&R past practices. Many letters of testimony showed support for an empowered board as the best way forward for the rink, for both CBJ as a whole and rink users.

All testimony voiced doubts about the wisdom of having Treadwell operations placed under the management of the Eaglecrest empowered board. The need for a Treadwell specific focus was the reason most commonly cited.

Findings

In order to explore the potential for change under an empowered board model, the Task Force compared operational constraints for the facility under the Eaglecrest model and under Treadwell operating within Parks and Recreation. Similarities and differences were discussed and are summarized below, and direct answers to each of the Assembly's questions for the Task Force are provided.

Similarities:

- Both entities (follow or comply with?) specific portions of the CBJ HR plan for the hiring of staff, including part time and seasonal employees.
- Both follow the CIP budgeting process of the CBJ.
- Both entities' budgets contain both fees and CBJ general tax dollars.
- Both entities have the ability to market the facilities and services they offer.
- Both entities have concerns and desires to offer more services beyond the current offerings and beyond the winter season.

Both entities' final budgets and approval of CIP projects rests with the CBJ Assembly.

Differences:

- The Eaglecrest model has more of a single focus on operations than a facility under the broader management of Parks and Recreation.
- Eaglecrest has been able to manage a fund balance to help in lean years and retain in years when revenues increase.
- The Eaglecrest model, with its more focused approach, has been successful in marketing to attract new skiers, thus increasing the numbers of persons using the facility.
- Treadwell has less of a possible weather related variance in predicting the availability of the facility.
- Eaglecrest management appears to be streamlined because the manager reports directly its board, where at Treadwell the manager reports to the Recreation Superintendent, who then reports to the Director of Parks and Recreation.

Attached to this report is a Decision Matrix that was developed to help the Task Force understand the differences and similarities of various structures and actions between how Eaglecrest operates and how Treadwell operates. This is a snapshot of how these issues apply to current operations. Depending on decisions made by the Assembly, the matrix could look different.

Reporting on Assembly's Questions

The Assembly asked us to report on the following questions.

Question #1: Feasibility of an empowered board to reduce costs and provide services through management by the Eaglecrest Ski Area Board.

The Task Force does not feel there was sufficient support from the data reviewed, the public comments received and from the members themselves to support including Treadwell Arena under the Eaglecrest Board. The Task Force felt that it would be a disservice to both Eaglecrest and the Treadwell Arena to operate such completely different facilities under a single Board.

Question #2: Feasibility of an empowered board to reduce costs and provide services through an alternate to the management by the Eaglecrest Ski Area Board.

It is feasible that an empowered board could reduce costs and provide additional services, although it is likely that cost would increase in the short term before they decreased in the long term. Both the Task Force and the public felt that if management was to be sought under the empowered board model, a separate board for Treadwell Arena was the best model.

Question #3: Alternate management structures for managing the Treadwell Arena.

The Task Force did not discuss in detail any alternative but our discussions have led us to the following recommendation:

Recommendation

The Task Force recommends that a Treadwell Arena Advisory Board be formed, including a liaison with the Parks and Recreation Advisory Committee (PRAC), to help CBJ Parks & Recreation deal with the challenges of balancing the need for reducing expenditures and increasing revenues.

Tasks for the Treadwell Arena Advisory Board:

1. Identify ways to market Treadwell Arena to increase the number of users now and into the future.
2. Identify barriers in CBJ code that could hinder marketing efforts related to advertising, fundraising, concession sales and naming rights.
3. Establish better and clearer relationships with user groups and the public to gain ideas for increasing users and revenues.
4. Review rink operational standards in order to assist in identifying areas in which operational efficiencies may be increased.

5. Review ice scheduling and allocation of rink resources in order to assist in ensuring equity in opportunity and support for a diversity of community rink users.

The Task Force also recommends that the Treadwell Arena Advisory Board report to the CBJ Assembly no later than May 2016 on the progress made by this Treadwell Arena Advisory Board on the issues and metrics stated below.

Using FY 14 as a base:

- ✓ Has the number of users increased?
- ✓ Have revenues increased?
- ✓ Have revenue streams diversified?
- ✓ Has the cost recovery continued at 50% or greater?
- ✓ Have operational cost savings measures been implemented or identified?
- ✓ Has a marketing strategy been developed?
- ✓ Has a user group feedback system been developed?

The Assembly can then review the tasks and metrics set out for the new Board and decide if it is to continue or should if establishment of an empowered board should be put on the ballot in October 2016.

Task Force Members:

Loren Jones (Chair), Assembly

Kim Kiefer, City Manager

Mike Stanley, Eaglecrest Board

Bruce Garrison (alt)

Josh Anderson, Parks and Recreation Advisory Board

Gerry Landry (alt)

Patty Collins, Public (general)

Matt Boline, User Group/hockey

Arnold Liebelt (alt)

Pam Leary, User Group/skating

Sigrid Dahlberg (alt)

TREADWELL TASK FORCE

SNAPSHOT OF CURRENT OPERATIONS

TASK OR LIMITATION	PKS & REC	EMPD BRD	EXPLANATION OF ANSWERS
Management			
Would the Manager be hired by the Board	NO	YES	Board is Management. Board is appointed by the Assembly.
Would the Manager be hired by P&R Director	YES	NO	
Would members with Independent Business experience be appointed	NO	YES	Board appointed by Assembly may or may not always have this. Both P&R staff and a Board and its staff have access to CBJ staff expertise in Finance, HR, management style or approaches, etc. The P&R also have members of the Parks and Rec Advisory Committee (PRAC) even though it is appointed to advise the Assembly.
Chain of Command structures are different			Layers of management are greater within P&R for Treadwell than an Empowered Board model (i.e.: Eaglecrest) where the Manager reports directly to the Board. Also Management and the Board will be able to focus on the issues of a single facility - Treadwell.
Staffing			
Are all employees hired under CBJ HR rules	YES	YES	
Within CBJ rules is there a separate Pay Plan	NO	YES	Eaglecrest has a separate chapter in HR rules but the practices allowed are similar but may be called different names. Also how management uses these rules for staffing, hiring and working employees may vary even though rules may be the same. Currently, P&R does not utilize certain staffing categorizations at Treadwell.
Can both organizations use volunteers to provide some services	YES	YES	There are some differences but both can use volunteers. Treadwell currently does not utilize volunteers in a manner that could impact the bottom line.
Financial			
Is the public budget only for arena activity	NO	YES	Again this is a function of single focus. Eaglecrest adjusts it's budget and makes requests within its needs and projected revenues. Then this goes to Assembly. Currently, Treadwell does the same but this is done within the context of the P&R's Department overall budget, goals and needs, which goes to the Assembly without the specificity related to Treadwell (as the Assembly might see with Eaglecrest).
Is the organization required to follow the CBJ CIP Process	YES	YES	
Is a Fund Balance allowable	NO	YES	
Would CBJ apply the Full Cost Allocation charges	NO	YES	If Treadwell was under an Empowered Board the CBJ would apply a cost allocation for General Fund Services.
Marketing			
Has an organized plan to increase usage	YES	YES	In general all of these topics are available for both a Board or for P&R. The differences determined during our discussions was the use of these tools, the resources to use these tools and the way in which managers and others have opted to do these functions. Treadwell has had little marketing budget and efforts. Eaglecrest, by contrast, engages in significant marketing and has had revenue growth.
User Group input sought as part of the marketing plan	YES	YES	
Should there be a calculation of the value to the CBJ	YES	YES	
Are Convention - Regional events sought	YES	YES	For Treadwell, regional events are currently driven by "User Groups." For Eaglecrest this is both a user group and a Board driven function. CBJ has been working with the Juneau Visitor and Convention Bureau to help with marketing Juneau as a winter destination.
Accountability/Transparency			
To the Public	YES	YES	While both are YES's there are varying degrees of access and processes to gather information. With a Board there are public meetings and opportunities for concerned persons to hear what is being done and to ask questions and testify on a regular basis. With P&R, the method to ask questions and get information is not always clear and who to talk to varies depending upon whether it is policy, operations or opportunities.
To the various User Groups	YES	YES	
Revenues			
Increases in events/facility usage	YES	YES	
Can the organization accept Public Donations	YES	YES	Both can accept donations but process is different. Eaglecrest has a "Foundation" that was formed to raise money to use at the facility. That group can determine how to raise the funds, actively seek donations and pass on to Eaglecrest. Some gifts could require Assembly action (e.g. actual dollars for operations). The CBJ can accept donations for Treadwell and some could be done by Administration and some (grants and direct dollar donations) would require Assembly action.
Are Concessions/Food offered and available	YES	YES	
Is Alcohol allowed at facility	NO	NO	CBJ rules prohibit Alcohol under most conditions. Some special permits may be obtained to have alcohol sold by an outside vendor. These take some time and are generally used by an outside group to draw attendees to an event, although proceeds may not directly benefit the CBJ service. Examples include events at Eaglecrest where revenue from alcohol may go to the vendor, with the remaining revenue directed to Eaglecrest or instances where bar tips are donated to the event.
What is the summer usage of the facilities	NO	YES	Summer use at Treadwell has been constrained by staffing and budget decisions for the future. Eaglecrest has year-round full time staff so would have opportunities to meet a demand for summer activities. It is unclear what an empowered board would do but it might identify summer use opportunities.

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Biosolids Update

ATTACHMENTS:

	Description	Upload Date	Type
☐	Stoughtenger/Elfers Biosolids Memo Jan 26, 2015	1/23/2015	Report
☐	CH2M Hill Report	1/23/2015	Report
☐	Planning Commission Minutes - portion - Nov. 25, 2014	1/23/2015	Minutes
☐	Juneau Commission on Sustainability - Biosolids Report	1/23/2015	Report



ENGINEERING & PUBLIC WORKS DEPARTMENT

UTILITIES DIVISION

2009 Radcliffe Road, Juneau, AK 99801
907.586.0393 / 907.789.1681 <fax>

DATE: 26 January 2015

TO: Assembly Committee of the Whole

FROM: Samantha Stoughtenger, PE – Utilities Superintendent
Michele Elfers – Project Manager

RE: Biosolids Evaluation Update and Timeline

This memo discusses four topics related to the ongoing Biosolids Treatment and Disposal Evaluation:

- I. Compost Analysis
- II. Update on Project Research and Planning
- III. Proposed Project Timeline with Associated Costs
- IV. Planning Commission and Juneau Commission on Sustainability Comments

Compost Analysis

Per the attached detailed technical memorandum a compost process for Juneau would require 2.8 acres of flat industrial land and 10,200 cubic yards (CY) of wood chips, of which, slightly less than half may be sourced locally (without cutting trees for the sole purpose of making wood chips). Composting does not result in a reduction of end product.

Biosolids composting occurs in Alaska at three locations: Ketchikan, Haines, and Fairbanks. Design is underway for a fourth composting facility in Kodiak. In Ketchikan, a Class B biosolids product is created on a hilltop with a two acres footprint of land via the aerated static pile process. In Haines, composting takes place in vessel completely enclosed within a secondary solid waste handling facility; after initial enclosed composting, the material is moved outside to windrows for approximately one year to produce a Class A biosolid. Fairbanks uses the aerated static pile process to create a Class A biosolid that is then marketed to farmers and the public. Ketchikan, Haines, and Kodiak are significantly smaller communities with much smaller facilities, biomass needs, and end product production. Fairbanks produces an amount of compost similar to what is estimated for Juneau, but they have much drier climate, more substantial agricultural needs, lands available to apply, and population demand to absorb and use the product.

Considering the newest technical memorandum a summary of costs for each biosolids treatment and disposal alternative is shown as follows.

	Status Quo	Dryer	Dryer + Heat Recovery	Incinerator	Composting
Capital Cost (\$M)	3.2	20.1	28.7	53.0	27.2
O&M Cost (\$M)	2.0	1.085	0.664	0.76	0.87
Residual Volume (tons)	N/A	660	165	165	5,000

In summary, staff does not recommend pursuing composting as a biosolids treatment method based on the following:

1. A 25% increase in the volume from raw dewatered sludge to end product
2. The need for a large, flat area of industrial land buffered from neighbors.
3. High capital costs (partially due to the lack of a suitable site).
4. Operational costs not significantly better than other options.
5. Lack of readily available wood chips.
6. Complexity of long term annual disposal of 10,000 cubic yards of composted soil.

Update on Project Research and Planning

Since the first presentation of the Biosolids Treatment and Evaluation report on 6 October 2014, staff has collected additional technical research, conducted site visits to biosolids treatment and disposal sites, and dialoged with CBJ committees, interested community groups, and private companies. Through this process, the following priorities have become evident:

1. Reduction in capital and ongoing operations and maintenance costs.
2. Reduction of our carbon footprint and dependence on fossil fuels.
3. Technology that is reliable, tried and true, and not fraught with maintenance issues.
4. Reduction of inputs to the landfill.

With these priorities in mind, and recognizing the urgency of implementing a solution that will not fail mid-summer, staff recommends the design process for the thermal dryer begin this winter. Simultaneously, research will continue on the energy recovery portion of the process to realize community priorities. To proceed expediently and minimize costs, staff recommends the location of the biosolids treatment facility to be the Juneau Douglas Wastewater Treatment Plant.

Displayed in the following table is a pathway to get the biosolids treatment and disposal system operational by the summer of 2017.

Proposed Project Timeline with Associated Costs

Step	Description	Timeframe	ROM Cost	Funding Source
1	<u>Design</u> : Preliminary - Equipment research - Equipment selection - Equipment sizing - Equipment specifications	Feb - Aug 2015	<u>Design</u> : \$200-300k	<u>Design</u> : CIP funds (previously allocated)
Assembly updates in March, May, and August 2015				
2	<u>Design</u> : 50% Drawings Permit Application Development <u>Equipment</u> : Procurement	Aug - Nov 2015	<u>Design</u> : \$300-500k <u>Equipment</u> : \$1.5-4M	<u>Design</u> : CIP funds (previously allocated) <u>Equipment</u> : Revenue bond (based on approved Utility rates)
Assembly update in November 2015				
3	<u>Design</u> : 100% Drawings Permit Application Submittal	Nov 2015 - Feb 2016	<u>Design</u> : \$600-800k	<u>Design</u> : CIP funds (previously allocated)
Assembly updates in January and March 2016				
4	<u>Construction</u> : Bid and Site Build	Feb 2016 - Mar 2017	<u>Construction</u> : \$15-20M	<u>Construction</u> : Revenue bond (based on approved Utility rates)
5	Start up	Apr 2017		

Planning Commission and Juneau Commission on Sustainability Comments

Attached are comments from the Planning Commission (issued on 25 November 2014) on pages 9 through 12 and the Juneau Commission on Sustainability (dated 10 December 2014) regarding the biosolids project.

Biosolids Treatment and Disposal Evaluation–Phase II

Biosolids Composting Preliminary Evaluation

PREPARED FOR: City/Borough of Juneau (CBJ), Alaska

PREPARED BY: CH2M HILL

DATE: January 20, 2015

1 Introduction

Objectives of this Technical Memorandum 5 (TM5) are as follows:

1. To establish design criteria, process flow and materials balances for composting dewatered sludge cake with conventional bulking agent (wood chips) at 15% total solids (%TS) based on the 2013 annual average %TS of 15.8%TS for both the Juneau-Douglas Wastewater Treatment Plant (JDWWTP) and the Mendenhall Wastewater Treatment Plant (MWWTP).
2. To develop sizing information and a generic layout from CH2M HILL compost model (no CAD work) for enclosed aerated static pile composting with full odor control.
3. To develop expected capital and O&M cost estimates for an enclosed aerated static pile composting facility if implemented in Juneau using area specific cost indices. The JDWWTP site was analyzed for the composting location to allow for a more accurate comparison to the biosolids treatment and disposal alternatives presented in previous Technical Memoranda. The cost estimate will provide Budget or Class 4 estimate as defined by the Association for the Advancement of Cost Engineering International (AACEI) which is considered accurate to +50%/-30% based on a 10% concept design.
4. To provide a summary for CBJ consideration.

This TM draws from information provided in TM's 1-4 previously submitted to CBJ.

2 Solids Loading Projections, Characteristics, and Design Conditions

Based on a review of historical conditions and projections of future conditions for the CBJ, Table 1 in TM 2 presented design solids-loading criteria developed for biosolids management facilities at the (JDWWTP), the Mendenhall WWTP (MWWTP, which includes the Auke Bay WWTP biosolids), and combined loadings from both facilities. The projected loadings are based on historical trends summarized in the Phase 1 report, supplemented by data from calendar year 2013, with the addition of 10% reserve capacity to account for the potential of increased industrial activity and population growth in the future.

Belt filter presses at both WWTPs produced an average of 15.8% TS in 2013, but WWTP production records show that dewatered cake solids range from 14% to 17% TS on a day-to-day basis. For sizing of future biosolids handling facilities including future composting facilities, it is conservatively assumed that the existing dewatering facilities at both WWTPs will produce 15% TS. Table 1 below shows the projected solids quantities, bulking agent requirements and compost production anticipated. As discussed further in section 3.3.3, both composting and curing are being accomplished prior to screening in this concept design. Many aerated static pile composting facility designs provide screening prior to curing thus reducing the curing area required by more than 50%. Using a conservative approach to facility design with screening after curing, operations staff will have the ability to screen either before or after curing depending on pile moisture characteristics which will vary during different times of the year. Further, this conservative approach allows for use of the annual average month solids production for design sizing instead of maximum month values, which is slightly different than when sizing other types of biosolids treatment facilities.

TABLE 1

General Design Criteria for Biosolids Compost Option

Criterion	15% TS	Remarks
Average Annual Solids Loading	3.4 DT/day 22.6 WT/day	Annual average loadings are used for estimating Capital and O&M costs
Maximum Month Solids Loading	4.6 DT/day 30.7 WT/day	
Annual Bulking Agent Need	4000 tons (14,500 CY)	Based on paper mill quality wood chips (maximum 40% moisture content)
Annual Compost Production	10,200 CY	

3 Composting Process

3.1 Composting Method

The composting process used for analysis of a conceptual CBJ Biosolids Composting Facility is the aerated static pile (ASP). Other composting options include windrow (either aerated or non-aerated), enclosed agitated bay, or engineered fabric covered aerated static pile. Windrow operations are more appropriate for arid climates with minimal precipitation, lots of land and minimal concern with odors. None of these criteria are appropriate for Juneau. The engineered fabric covered operation actually has a longer processing time and therefore, a larger footprint than ASP. For that reason it is not appropriate for the site constrained JDWWTP site. The enclosed agitated bay system has shown to have similar capital costs and land area requirements to conventional ASP operations, so for that reason, at this stage in the analysis, either technology could be selected. Other reasons for selecting the ASP composting process are:

- This is the most commonly used system in North America for composting biosolids;
- It is one of the lowest cost and most flexible systems for biosolids composting;
- Variations in biosolids production and solids content can be easily accommodated;
- It can use a large variety of bulking agents;
- The system can be designed to minimize odors and other environmental impacts;
- The process complies with the EPA and ADEC regulations for Class A Exceptional Quality Biosolids;
- Minimal specialty equipment is required for ASP so service is available locally;
- The product produced has been successfully marketed in other communities.

The ASP composting method involves the placement of the compost mix (biosolids and bulking agent/wood chips) over an aeration plenum consisting of a woodchip layer over an aeration piping plenum placed on or beneath an asphalt or concrete pad. The composting process will be covered by a pre-engineered metal building/structure with ventilation to eliminate impact from precipitation and to minimize condensate production requiring treatment.

3.2 Materials Balance

The materials balance is necessary to define the equipment size, space requirements, materials handling, and manpower needs for the biosolids composting facility. The operating (based on annual average quantities) daily materials balance for the 15%TS option is shown in Table 2. This materials balance is based on the general design criterion described in the previous section of this TM assuming a 5 day per week operation (receiving and mixing sludge). Actual materials receiving and mixing operations can occur 6 or 7

days per week because daily quantities will be reduced compared to the 5 day mass balance that was used for equipment sizing.

TABLE 2

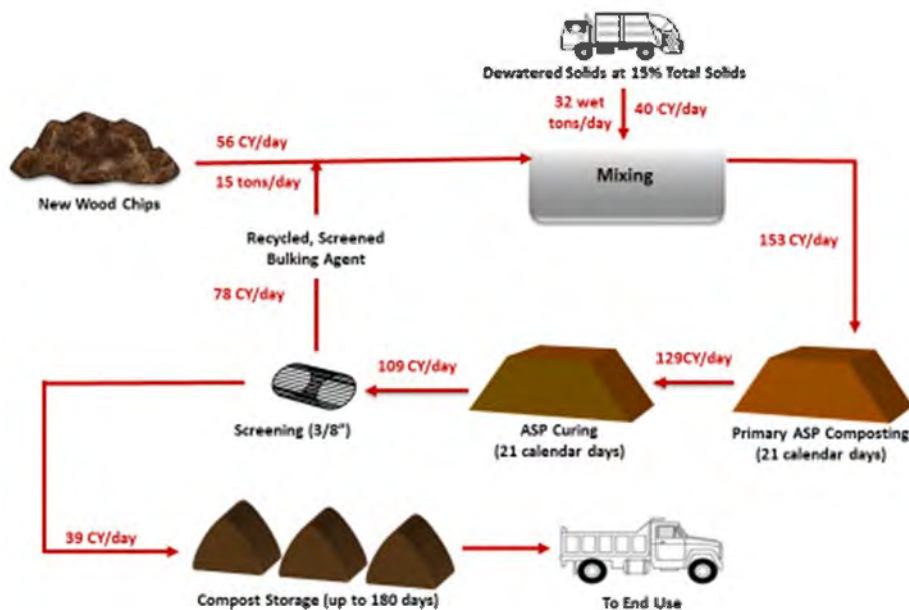
Daily Materials Balance at 15% TS

DAILY MATERIALS BALANCE FOR:				Juneau			
FOR SCREEN AFTER CURE				MASS BALANCE USER WARNINGS/COMMENTS			
BASED ON:							
OPERATING DAYS PER WEEK:		5		MASS BALANCE SUCCESSFUL			
BIOSOLIDS DRY TONS PER DAY:		4.8					
PERCENT TOTAL SOLIDS (TS):		15.0%		MASS BALANCE SUCCESSFUL			
Material	Volume (CY)	Total Weight (Tons)	Dry Weight (Tons)	Volatile Solids (Tons)	Bulk Density (lbs/CY)	Solids Content (%)	Volatile Solids (%)
Biosolids	39.7	32	4.8	4.0	1,600	15.0%	85.0%
Wood Chips	55.8	15.3	9.2	8.7	550	60.0%	95.0%
Screened Recyled Bulking Agent	69.5	24.3	14.6	13.1	700	60.0%	90.0%
Primary Compost Mixture	153.4	71.4	28.6	25.9	931	40.0%	90.8%
Base (Recycled BA)	8.5	3.0	1.8	1.6	700	60.0%	90.0%
Cover (Unscreened)	17.0	6.8	4.1	3.3	800	60.0%	80.0%
Primary Composting Losses			2.6	2.6			
Cover (Unscreened)	17.0	6.8	4.1	3.3	800	60.0%	80.0%
Secondary Compost Feed	129.4	50.5	27.8	24.9	780	55.0%	89.9%
Secondary Composting Losses		1.2	0.7	0.7			
Screen Feed	109.4	49.2	27.0	24.2	900	60.0%	89.6%
Recycled Bulking Agent	78.1	27.3	16.4	14.8	700	60.0%	90.0%
Compost to Storage	39.3	17.7	10.6	9.4	900	60.0%	89.0%
Bulking Agent to Biosolids Ratio:		3.16 (Volumetric)	-				
		1.25 (Gravimetric)					

3.3 Process Flow Diagrams and Description

Based on the materials balance and design criteria presented, Figure 1 shows the daily process flow diagram that have been developed for the CBJ conceptual Biosolids Composting Facility. For the purpose of this analysis, the composting facility has been assumed to be located at the JDWWTP. Each stage of the composting process is described below.

FIGURE 1
CBJ Compost Process Flow Diagram at 15% TS



3.3.1 Feedstock Receiving and Storage

Dewatered sludge cake is generated at the MWWTP and the JDWWTP. Dewatering is usually practiced six days per week at MWWTP and four days per week at JDWWTP, although the schedule can vary depending on operating needs. Dewatered cake will be dumped within a covered 3-sided bunker in the mix and receiving area as shown on the generic Facility Plan shown in Figure 2. Up to half of an operating days' worth of dewatered cake can be stored in the bunker provided. Over one day's quantity of recycled bulking agent and new wood chips can also be stored within the same covered mix/receiving area.

One month of new wood chip storage and one month of recycled bulking agent storage is provided in the adjacent bulking agent/compost storage building area. Additional bulking agent storage can be constructed outside to accommodate more bulking agent storage as required.

3.3.2 Mixing

Mixing will be conducted inside the mix building using one stationary batch mixer. The mixer will be electric and outfitted with weigh scales and a local readout so that the operator can meter out a set gravimetric ratio of bulking agent to dewatered sludge. The initial mix will be discharged onto an elevating conveyor to transfer the material into a three-sided bunker within the compost building for pick-up by front-end loader. The mixer is sized such that a maximum day's production of solids can be mixed within three to five hours depending on the solids content of the sludge cake. If out of service, mixing can be performed using a front end loader.

3.3.3 Composting and Curing

Composting of dewatered solids will be conducted in the covered compost area. Piles will be constructed in extended pile zones sized for one operating days' worth of mix, assuming 10-foot high piles. The compost and curing bays are assumed to be outfitted with aeration piping beneath a concrete pad. Aeration risers and grates are placed in the concrete pad to provide needed aeration. A 21-calendar day retention time (three weeks) has been provided for the active composting phase of the operation and additional bays are provided to allow three weeks of curing under aeration. Providing composting and curing prior to screening

is a conservative approach to facility design giving operations staff ability to screen either before or after curing depending on pile moisture characteristics which will vary during different times of the year. A 12-foot-high containment wall will allow stacking of compost piles up to 10-feet tall and minimize the covered roof area. The pre-engineered building wall will extend past the containment wall by approximately 10 feet to allow room for the aeration fans and piping.

3.3.4 Process Aeration

Multiple aeration stations would be utilized instead of larger, singular aeration stations. One aeration station would be provided for each operating day in composting and one for every four operating days of curing. Each aeration station would operate in the negative aeration mode only. An aeration rate of 5,000 cubic feet per hour per dry ton of solids (CFH/DT) would be provided in the active composting aeration bays and 1200 CFH/DT in the curing area.

Each fan motor would be equipped with a variable frequency drive (VFD) to control fan speed based on pile temperatures in each aeration pile or bay. In this way, once the aeration fans are started, aeration would be continuous for the duration of the composting process. Daily adjustments in the aeration fan speed would ensure EPA and ADEC time-temperature conditions for Process to Further Reduce Pathogens (PFRP) and Vector Attraction Reduction (VAR) criteria are met in every pile. Compost and curing exhaust air would be collected and conveyed to the biofilter for treatment.

3.3.5 Screening

Screening is assumed to be done using a small trommel screen with 3/8-inch screen openings to produce a high quality compost product and recover wood chips for reuse in the compost process. Screening is done under cover in the compost building as shown in Figure 2. Screened compost would be moved to a covered product storage area and recycled wood chips would also be moved to the compost building for immediate reuse or to the bulking agent storage building area as necessary.

3.3.6 Odor Control

Previous studies by CH2M HILL on several biosolids composting facilities have shown that 95 percent of odors are generated from the composting and curing processes. Contrary to popular belief, sludge/biosolids receiving and mixing operations, although they may exert localized odors, have minimal impact on offsite odors because there is not aeration, heat or other driving forces to strip odorous compounds from the sludge and biosolids materials. CH2M HILL has proven in numerous cases that capturing and treating headspace air from receiving and mixing structures is relatively ineffective at reducing overall site odor impacts. By operating with continuous negative aeration in both of the composting and curing processes, greater than 95 percent of compost odors can be captured for treatment. The process air can then be collected by a booster fan which will add dilution air as needed for temperature control and feed the odorous process air to an organic based media biofilter for removal of the odors. Biofiltration has been determined to be the best available control technology for eliminating compost odors in several air pollution control districts in the United States. The biofilter will include above ground distribution piping with a wood chip based biofilter media on top of the aeration plenum.

4 Facility Layout

Figure 2 below shows a generic layout of a composting facility completely covered with a roof and full or partial walls. In addition to the processes shown in this figure, space for odor control biofilter systems, covered and open storage areas and access roadways would be provided. Open space is for 3 to 4 months of additional storage for bulking agent and compost. Figure 3 shows an example facility with similar configuration to what is described. The facility in Figure 3 is roughly 3 times the capacity required for Juneau. Table 3 shows a summary of the approximate area required for an aerated static pile system with 15%TS cake.

FIGURE 2
Generic ASP Building Layout

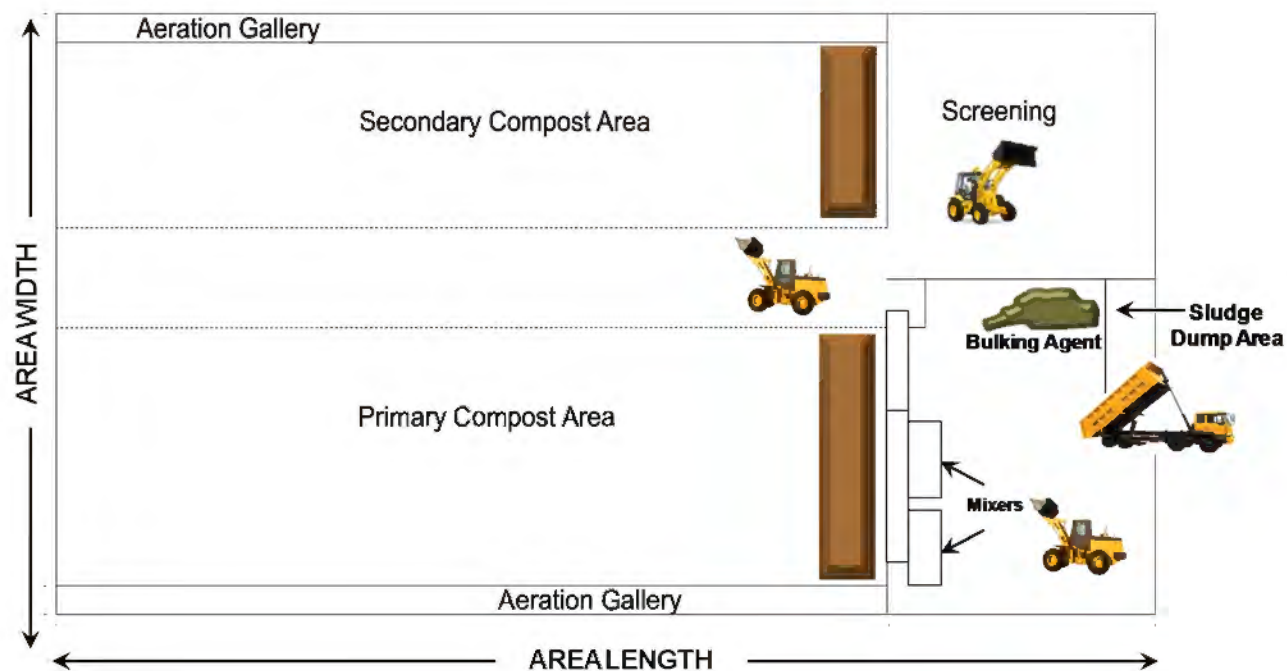


FIGURE 3
Spotsylvania County, Virginia ASP Compost Facility



TABLE 3
CBJ ASP Composting Land Area Requirement

Process Areas	15%TS Cake Facility
Main Process Building (SF)	57,200
Area Length (Feet)	290
Area Width (Feet)	197
Odor Control Biofilter (SF)	5,000
Covered Storage (SF)	16,600
Open Storage (SF)	23,500
Access Roadways	20,500
Total Area (SF)	122,800
Total Area (Acres)	2.8

5 Capital Cost Estimate

The capital cost estimate for the generic ASP facility is included in Table 4. The cost estimate is based on siting the facility at JDWWTP. However, this preliminary analysis has shown that there is not sufficient space at this site. If composting is carried forward for further analysis, other sites would need to be considered during the preliminary engineering phase. It is assumed that bulking agent (wood chips) would be purchased ready to use, so no wood grinding is provided. Other costs and markups have been calculated as a percentage of the capital investment, based on standard market practice. The construction cost estimates shown are conservative and include large contingencies, which are required for Class 4 cost estimates.

TABLE 4

Capital Cost Estimate of Aerated Static Pile Composting at 15% TS Cake

Summary Capital Costs for Aerated Static Pile Composting		15% TS
SITE WORK		
	<i>Earthwork</i>	\$605,089
	<i>Miscellaneous Site Work</i>	\$494,152
	SITE WORK TOTAL	\$1,099,241
COMPOST PRE-ENGINEERED BUILDING		
	<i>Building Pad</i>	\$733,027
	<i>Building, 24' Clear Height</i>	\$7,091,563
	<i>Compost Bunkers and Pushwalls</i>	\$678,185
	COMPOST BUILDING TOTAL	\$8,502,775
COMPOSTING PROCESS SYSTEM		
	<i>Compost & Biofilter Piping</i>	\$385,871
	<i>Biofilter</i>	\$182,403
	<i>Process Equipment</i>	\$787,872
	<i>Electrical and Instrumentation</i>	\$1,381,276
	COMPOSTING PROCESS SYSTEM TOTAL	\$2,737,422
OPTIONAL BUILDINGS		
	<i>Compost and Bulking Agent Storage Building</i>	\$1,245,202
	<i>Office Building</i>	-
	OPTIONAL BUILDINGS TOTAL	\$1,245,202
MOBILE EQUIPMENT		
	<i>Biosolids Haul Vehicle</i>	\$300,000
	<i>Front End Loaders (Cat 950 with 5 CY Ejector)</i>	\$280,000
	<i>Screen, 50 CY/Hour Screen USA</i>	\$125,000
	<i>Wireless Compost Temperature Probes</i>	\$60,000
	<i>Tub Grinder</i>	-
	MOBILE EQUIPMENT TOTAL	\$765,000
	TOTAL CONSTRUCTION COST (not including mobile equip)	\$13,584,641
MARKUPS AND NON CONSTRUCTION COSTS		
	<i>Contractor G&A</i>	\$1,358,500
	<i>Contractor Field Services</i>	\$679,250
	<i>Contractor Fee</i>	\$781,138
	<i>Mob/bond/insurance</i>	\$820,194
	<i>Contingency</i>	\$5,167,225
	<i>Engineering & Permitting</i>	\$2,239,131
	<i>Construction Services and Start-up</i>	\$1,791,305
	TOTAL PROJECT COST	\$27,200,000

6 O&M Cost Comparison

The O&M cost estimate is included in Table 5. O&M Cost estimates were developed using the same unit costs for labor and electricity as presented in TM2. It is assumed that bulking agent would be purchased at a cost of \$30/ton and that shipping costs could be as high as \$30/ton, so an overall cost of \$60/ton is assumed. Although compost sales in other areas of North America have generated revenue, for the purpose of comparing against the drying option and for conservatism, a value of \$0/CY has been assumed for the compost.

TABLE 5

O&M Cost Estimate of Aerated Static Pile Composting at 15% TS Cake

Items	Unit	Amount or Annual Cost
15% TS		
No. of days receiving biosolids	Days/year	260
No. of days operation	Days/year	260
Annualized total throughput of sludge cake	Wet tons/year	8,251
Design basis, peak month	Wet tons/month	688
Bulking agent required	CY/year	14,497
CY Compost produced per wet ton sludge	CY/wet ton	1.24
CY Compost produced annually	CY	10,230
Equipment		
Mechanical Repair and Replacement	5% of Equip.	\$39,580
Staffing Levels		
Manager (0.1 at \$54 per hour)		\$11,232
Disposal (0.1 at \$45 per hour)		\$9,360
Operator (1 or 0.5 at \$45 per hour)		\$93,600
Equipment Maintenance (0.25 at \$45 per hour)		\$23,400
Loader operators (1 or 0.5 at \$45 per hour)		\$93,600
Operations		
Hauling biosolids from MWWTP to JDWWTP	\$/year	\$108,263
Loader hours per year	Hours	1,820
Mixing		\$17,549
Front end loaders maintenance and repair		\$27,300
Diesel consumption all equipment		\$72,346
Electrical consumption all equipment		\$45,045
Screening		\$5,690
Wood chips cost	\$/year	\$239,200
Subtotal O&M Cost		\$786,165
10% Allowance for Misc. O&M		\$78,616
Total Annual O&M Cost		\$864,781

7 Summary

This TM provides information regarding the option of composting 15%TS sludge cake at the JDWWTP. The 15%TS concentration was chosen based on current performance of belt filter press dewatering at the two CBJ plants. Table 6 summarizes the key attributes of a compost facility.

TABLE 6

Composting Facility Key Attribute Summary

Attribute	Units	15%TS Cake
Annual Quantity of Sludge Cake Produced	Tons	8,300
Annual Quantity of Wood Chips Required	Tons	4,000
Annual Production of Compost	Cubic Yards	10,200
Facility Land Area Required	Acres	2.8
Capital Cost	Dollars	\$27.2M
Labor Requirement	FTE's	2.5
Annual O&M Cost	Dollars	\$864,781

MINUTES

PLANNING COMMISSION Regular Meeting City and Borough of Juneau **Mike Satre, Chairman**

November 25, 2014

I. ROLL CALL

Mike, Satre, Chairman, called the Regular Meeting of the City and Borough of Juneau (CBJ) Planning Commission (PC), held in the Assembly Chambers of the Municipal Building, to order at 7:00 pm.

Commissioners present: Mike Satre, Chairman; Dennis Watson, Vice Chairman; Karen Lawfer (telephonically), Ben Haight, Nicole Grewe, Paul Voelckers, Mike Miller (telephonically)

Commissioners absent: Bill Peters, Gordon Jackson

Staff present: Hal Hart, Planning Director; Travis Goddard, Planning Manager; Beth McKibben, Senior Planner; Laura Boyce, Senior Planner; Chrissy McNally, Planner I; Jonathan Lange, Planner I; Tim Felstead, Planner I; Allison Eddins, Planner I; Samantha Stoughtenger, Wastewater Utility Superintendent; Michelle Elfers, Project Manager

II. APPROVAL OF MINUTES

- October 14, 2014 – Regular Meeting
- October 28, 2014 – Committee of the Whole Meeting
- October 28, 2014 – Regular Meeting

MOTION: *by Mr. Watson, to approve the October 14, 2014, and the October 28, 2014, Regular Planning Commission meeting minutes and the October 28, 2014, Planning Commission Committee of the Whole meeting minutes with any minor modifications by any Commission members or by staff.*

The motion was approved with no objection.

III. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS - None

aspects and to look at any of the other property to see if it could be of zoned further. Mr. Miller said that he felt the directions for the Commission were clear. He added a D5 zone would not mandate the area being built out to D5 zoning. The result of that zone would be that a few areas would be built with several smaller lots that would help the housing situation in Juneau.

Chairman Satre said that he would not object to this motion, but that procedurally he firmly believed that the Assembly erred in remanding this back to the Planning Commission. When the Commission makes a recommendation to the Assembly regarding rezones the Assembly has every right and every ability to make the exact same change that the Commission is making tonight, said Chairman Satre. The Commission met the requirements of public notice, said Chairman Satre. If there are broader issues of public notice then the entire scope of public notice should be addressed, he added.

Roll Call Vote:

Yeas: Voelckers, Grewe, Haight, Lawfer, Watson, Satre

Nays: Miller

MOTION PASSES

→ CSP2014 0022: CSP review of the CBJ Biosolids Treatment and Disposal Evaluation Phase II Final Report.

Applicant: City and Borough of Juneau

Location: Borough-wide

Staff Recommendation

Staff recommends that the Planning Commission recommend to the Assembly that they initiate the design and construction of the thermal belt dryer and energy recovery furnace at the JDWWTP (Juneau Douglas Waste Water Treatment Plant).

Ms. McKibben explained that this is the City/State project review for the biosolids treatment disposal. This is a review of the recommendations for compliance with the Comprehensive Plan. A second CSP review will follow once the actual project is formulated, noted Ms. McKibben.

The recommended alternative is the thermal drying of biosolids followed by combustion of the biosolids in a furnace to recover heat that is then recirculated to the biosolids by a drying process, thus reducing the amount of purchased fuel, explained Ms. McKibben. The carbon footprint is a recommendation of the 2011 action plan which also includes a lifecycle cost analysis which is called for in the Comprehensive Plan and the Climate Action Plan, noted Ms. McKibben.

There are two proposed locations for the facility whatever alternative it may be, said Ms. McKibben. One is at the existing Mendenhall Wastewater Treatment Plant which is located in the Valley on a three acre parcel surrounded by a residential neighborhood, and the other location is the Juneau Douglas Wastewater Treatment Plant (JDWTP), on a ten and a half acre site, located within a larger hundred acre parcel. It is located within a waterfront industrial district on Thane Road with rural reserve zoned land across the highway, said Ms. McKibben.

This has been evaluated for consistency with the 2013 Comprehensive Plan, the 2011 Climate Action Plan and the Juneau Douglas Wastewater Treatment Plan, and is within the planning area of the 2004 Long Range Waterfront Plan, said Ms. McKibben.

Commission Comments and Questions

Mr. Voelckers asked for some background on how the two sites were selected as an option for the treatment plants. If waste is being trucked between one or the other of the identified sites, why then does that not open up other options that are also available to be used as a trucked option, asked Mr. Voelckers. He asked if other locations had been considered and subsequent studies performed on those locations.

Ms. Stoughtenger replied that only the two existing sites were evaluated, as they are the sites on which they have control. They could also provide costs to utilizing those two sites which they could then provide in their cost analysis, she explained.

Mr. Voelckers said there may even be other city properties available to be considered as sites that may also allow the same CBJ control of process.

Ms. Stoughtenger clarified that they did not look at other CBJ properties.

Mr. Voelckers said that he felt it would be logical to consider other CBJ-owned properties such as possibly those existing in Lemon Creek where there is already existing waste-handling infrastructure with the possibility of a future incinerator being installed in that area. He said he was aware of some CBJ-owned property adjoining Home Depot, for example. He said a facility located in that area would avoid a lot of driving and avoid pulling that material (sewage sludge) through the center of town.

Ms. Stoughtenger stated that for this type of land additional costs such as permits and utilities would have to be considered. What may be feasible from a trucking perspective, she said, may carry many additional costs making it beyond the realm of feasibility.

Chairman Satre stated the ultimate goal for this meeting is to state whether the recommended alternative is supported by the Comprehensive Plan.

Mr. Watson stated that he shares Mr. Voelckers' thoughts on treatment site alternate locations. Mr. Watson stated that there were a lot of questions that he wanted to ask, and that he would leave it up to the Assembly to ask those questions, and that he hoped the Assembly did ask those questions. He said the Assembly was also looking for a solution to solve the landfill problem, and that he did not see that problem addressed in this alternative.

Ms. Stoughtenger said this does not handle municipal solid waste, but that sludge from the recommended dryer and furnace would actually drive the biosolids so that in the future if that joint use facility were to come online they would be one step closer to disposing of that in conjunction with the municipal solid waste.

Mr. Watson asked how many containers a week are being trucked through town at this time.

Approximately one a day, answered Ms. Stoughtenger.

Mr. Watson asked if hauling the waste out of town has helped solve the odor problem.

Ms. Stoughtenger said that she wished this was true. The proposed alternative will address any odors from drying the sludge, she said. Any odors experienced by the current plant operations will not be alleviated by the solution, she explained.

Mr. Watson asked where they saw the bio product ending up.

They would end up with an ash which they could use for a construction alternative, or land cover for the landfill, said Ms. Stoughtenger.

Mr. Haight asked when the decision would be made.

They were provided with the two options, said Ms. Stoughtenger.

Mr. Haight said they were currently using aerobic digestion with the JD plant. He said it could perhaps be discontinued with some advantages. He asked if this had been factored into the costs and direction.

Ms. Stoughtenger said she did not know but she would have to check into that.

Mr. Haight said he saw no considerations for electric heat as an option and was wondering if it was an option.

It was not an option, said Ms. Stoughtenger.

Mr. Haight said he found it interesting that Alternative One was considered the least risk because to him it seemed like a high risk due to the volatility of pricing and permit issues.

They have to factor in unknown technology, said Ms. Stoughtenger. They know what they are getting with the status quo, and that was considered as a factor, she said.

The inflation rate used to consider the lifecycle analysis is 2%, said Mr. Haight. The much higher rate of actual inflation is not captured in the analysis, he said. Because of this, he said, the final O&M (Operation and Management) costs are slightly skewed, he said. Mr. Haight said it didn't appear to him that the cost analysis reflected the fact that the existing incinerator building was still in good condition and could be refurbished.

Ms. Stoughtenger said they would be reusing any part of the building that they could.

Mr. Haight said he did not see any costs associated with the end product, especially with Alternate Three.

MOTION: *By Mr. Watson, that the Commission approve CSP2014 0022 and accept staff's recommendations in choosing Number Three as the preferred method to deal with the community's biosolids.*

Mr. Haight spoke in support of the motion saying that he would like to pass the message on to the Assembly that the Commission does support continued study and movement towards resolving the municipal solid waste problem.

Mr. Voelckers said he did support option three but that he was reluctant to proceed and recommend that JD was the best site.

Mr. Voelckers said he would like to propose an amendment to the motion for additional study by the CBJ staff on the cost and operational effects of developing an alternative lemon Creek location for the proposed biosolids plant.

Mr. Watson accepted that amendment to his motion.

Mr. Voelckers stated it may very well be that the JD site is the best option, but that he felt there was industrial property available in Lemon Creek and that savings could be netted with just the trucking and hauling costs. He said it was also likely that the industrial incinerator would be located in lemon Creek. He said there were just too many compelling questions not to have the location be explored further.

Ms. Lawfer asked to offer a friendly amendment to the motion stating that they supported the recommendations made by the staff and that it is consistent with the Comprehensive Plan, and then continue with the individual recommendations.

Mr. Watson withdrew his motion.

FINAL MOTION: *by Mr. Voelckers, that the Planning Commission adopt recommendation Number Three on the biosolids treatment option, and that before the final location is recommended, that additional study by CBJ staff be performed looking at cost and operational effects on alternate locations including Lemon Creek.*

The motion passed with no objection.

USE2014 0014:	Conditional Use to allow commercial hydroponic vegetable farm in the D5 zoning district.
Applicant:	Allen & Gerri Butler
Location:	9220 Lee Smith Drive

Staff Recommendation

It is recommended that the Planning Commission adopt the Director's analysis and findings and grant the requested Conditional Use permit. The permit would allow the development of a



December 10, 2014

Juneau Commission on Sustainability

Dear Mayor Sanford, Borough Assembly and Ms. Kiefer:

The Juneau Commission on Sustainability (JCOS) has reviewed the Biosolids Treatment and Disposal Evaluation – Phase II Final Report, prepared by CH2MHill in September 2014, as well as related memos developed by the consultant that resulted from questions related to this report. This memo represents the Commission's recommendations to the Assembly on this matter only regarding the CH2MHill report as other alternatives and other options exist and could be developed with different assumptions and scope.

In summary, if the scope is limited to the CH2MHill report, we agree that Alternative #3 - Thermal Drying with Heat-Recovery Furnace is the most sustainable alternative presented for addressing biosolids disposal, but recommend that diversion of wood waste from the landfill be considered as an alternative fuel. Additionally, we recommend that the broader picture of the CBJ's Municipal Solid Waste (MSW) challenge be considered more fully in design and siting decisions for biosolids disposal.

The CH2MHill Phase II Report recommends Alternative #3 – Thermal Drying with Heat-Recovery Furnace as the preferred option. The JCOS concurs that this recommendation represents the most sustainable alternative presented in the report with the following observations:

- Goal U-1 of the Climate Action Plan calls for a 25% reduction in emissions from wastewater treatment, based on 2010 emissions levels. In 2010 over 155,000 gallons of heating oil was used in the processing of biosolids. Alternative #3 represents a significant decrease in the use of fossil fuels, and fossil carbon emissions and therefore meets this goal.
- From the 2013 Juneau Comprehensive Plan: "POLICY 6.6 - MAXIMIZE THE RATIO OF LOCAL, RENEWABLE-SOURCE ENERGY TO IMPORTED FOSSIL-SOURCE ENERGY IN JUNEAU'S (COJ) INTERNAL ENERGY ECONOMY." Alternative #3 requires the use of additional fuel to augment the biosolids drying process. The fuel options identified in the report were heating oil or wood pellets. While pellets represent a renewable energy, they must be imported from outside of the community. A preferred option would be to utilize locally sourced wood waste from construction/demolition or tree maintenance activities.

- Diverting wood waste destined for the Juneau landfill represents an opportunity for an economical “local” fuel source, and yields the additional benefit of extending the operating life of our landfill.
- If siting the system directly at the Mendenhall Waste Water Treatment Plant (MWWTP) is not feasible, explore siting it on adjacent Airport property. This would greatly reduce the amount of hauling of biosolids, with the associated labor, fuel, and equipment depreciation costs, as well as the fossil carbon emissions.

While the Phase II report focuses narrowly on addressing the biosolids disposal challenge, the JCOS recommends consideration of a wider range of opportunities, relating to MSW, siting decisions, and reductions in energy costs, that might be leveraged from this effort.

For example, Alternative #3 is modeled to produce adequate energy only to dry and combust the biosolids. But once the expenditures have been made on engineering, site work, utilities, and the other various components of the project, the cost to install a boiler/furnace with additional energy output is incremental to the overall cost. This larger system could utilize additional wood waste, thus diverting it from landfilling and producing energy from it instead. If the system is sited near the MWWTP and Airport, the additional energy from such a system could be used to displace the 81,000 gallons of heating oil the MWWTP used last year at a cost of \$280,000, while reducing the risk of a fuel spill into the river from the two 15,000 gallon fuel tanks. The Airport is planning for the construction of a heated equipment shed at the west end of the Airport, and investigating whether this system could supply that facility with heat may prove worthwhile as well.

CH2MHill Technical Memorandum 4, dated 22 October, summarized options for combining municipal solid waste (MSW) and biosolids disposal into a waste-to-energy solution. The findings from the memo were that the scale of Juneau’s waste stream was too small to make a waste-to-energy plant viable, the cost of electricity in Juneau was too low to make a plant competitive, and that the smaller-scale technologies were not yet mature. While the memo’s conclusions appear to be accurate, the framing of the problems may appear to be too narrow:

- The memo focuses on converting waste to electric energy. It’s widely recognized that this is likely not a viable solution. The primary goal of such a system would be for the reduction in waste volume, with the secondary goal of producing thermal energy if there was a market for it. While energy security is always an important goal for our community, the overriding urgency rests with our landfill and its 20 years of remaining life.
- Based on the rough estimates provided in the memo, it appears that even after incineration Juneau’s combined waste stream would total approximately 15,000 tons annually, or about ½ of its current rate of production. If a system took ten years to plan, permit, design, and construct, as outlined in the memo, that only leaves our landfill with ten remaining years. By reducing our waste production in half through incineration, we can stretch that lifespan to 20 years, or a total of 30 years from today. The memo’s recommendation to wait until future technologies mature is misguided – Juneau should not delay on moving forward with a MSW solution. Time is of the essence.

- A solution to our MSW challenge should not delay solving our biosolids problem now. This is an urgent problem that needs immediate attention. But perhaps having a longterm strategy for our MSW problem will help inform our near-term decisions regarding a solution to biosolids.

The JCOS would like to recognize Samantha Stoughtenger and Michele Elfers of the CBJ staff for the significant effort they made to educate and inform JCOS staff on this complex issue. Their commitment to our community in finding credible waste solutions and their efforts has been greatly appreciated.

Sincerely,



Lisa Weissler, Chair
Juneau Commission on Sustainability

cc: Rob Steedle, Rorie Watt

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

West Douglas Road Purpose and Need Statement

ATTACHMENTS:

	Description	Upload Date	Type
☐	Alan Steffert Memo on West Douglas Access - Jan 26, 2015	1/23/2015	Cover Memo
☐	West Douglas Concept Plan-Exec Summary- 1997	1/23/2015	Report
☐	West Douglas Road Corridor Map	1/23/2015	Map
☐	West Douglas Road Alignment Map	1/26/2015	Map



ENGINEERING & PUBLIC WORKS DEPARTMENT

155 S. Seward Street
Juneau, Alaska 99801

DATE: 26 January 2015

TO: Assembly Committee of the Whole

FROM: Alan Steffert

RE: West Douglas Access Road Draft Purpose Statement and Project Timeline

The City and Borough of Juneau (CBJ) and Goldbelt, Incorporated are jointly interested in future development of their adjoining properties along an eight mile stretch of coastline on the west side of Douglas Island (West Douglas) between Outer Point and Point Hilda. This area is currently undeveloped forestland and is accessible only by foot or by boat.

The State has supported the CBJ's long term development plans by transferring three million dollars in transportation funds to the CBJ for the purpose of beginning the construction of a road to access West Douglas land for development. Since that time, CBJ and Golbelt have agreed upon an alignment, the land has been surveyed, the road alignment has been staked, and wetland, wildlife and habitat inventories have been completed.

Planning Background/Development Need:

Early discussions between the CBJ and Goldbelt resulted in the creation of the West Douglas Conceptual Plan (MRV Architects, May 1997) which established goals, began analysis of environmental issues and developed site layout concepts for development of the area. (Please see the attached plan.)

The current City and Borough of Juneau Comprehensive Plan, adopted by the Assembly in 2013, specifies CBJ and Goldbelt lands on West Douglas as a "New Growth Area". These lands are identified in the West Douglas Conceptual Plan that was adopted as an addition to the Comprehensive Plan. The following policy was established in the Comprehensive Plan regarding this area:

POLICY 3.4. To encourage and facilitate the development of new growth areas in suitable locations in the remote areas of the borough in order to accommodate master planned, self-contained urban-level development opportunities outside the urban service area.

Draft Purpose Statement:

The purpose of the West Douglas road extension is to open up CBJ and Goldbelt lands for development and recreational access. In accordance with adopted community plans, the development is needed to allow for and facilitate community growth.

The road extension and land development improvements will be constructed in phases, likely over many years. The first phase of the roadway project will be a minimum width gravel roadway that will extend approximately 2.25 miles. The purposes of the gravel roadway include:

1. Allow direct access to parcels identified as “New Growth Areas” in the land development plans.
2. Allow easier access to the lands for planning, soils investigations, and marketing of the properties.
3. Allow access for detailed site specific study of smaller tracts.
4. Add value to the lands for subsequent sale and/or trade.
5. Allow for cultural use of the lands.
6. Allow for subsistence use of the lands.
7. Allow for recreational access to the lands.

Timing:

An Army Corps of Engineers fill permit and CBJ planning permits will be applied for by March 31, it is anticipated that that permitting process may take up to twelve months. Construction of the road will take approximately twelve months.

Background

In late 1995, the City and Borough of Juneau and Goldbelt, Incorporated jointly began conceptual planning of their adjoining properties along approximately eight miles of West Douglas Island. This property, including 1,740 acres of Goldbelt property along the coastal margin, and 3,434 acres of City and Borough land immediately interior of the Goldbelt property, is the largest developable block of land accessible to the existing City of Juneau.

The land at present is wholly undeveloped, with high potential for future uses, including housing, commercial, industrial, and recreational opportunities. The land is beautifully situated, with commanding views to the southwest across Stephens Passage to Admiralty Island. Any development proposal, however, raises critical concerns. These include protecting the obvious environmental value of the setting (including high value wetlands, anadromous streams, eagle trees), the lack of any existing infrastructure, and traffic impacts associated with increased use at the end of the existing North Douglas Highway.

Developmental goals are different for the two property owners. Goldbelt land is part of the ANCSA (Native Claims Settlement) land distribution dating from the early 1970's, and is one of three major ANCSA land holdings managed by Goldbelt, along with other land holdings at Echo Cove and Hobart Bay. Relative to the number of shareholders, this reflects a small land base from which to develop long-term opportunity for shareholders. Given this limited land base, Goldbelt, Inc. is committed to careful management of the property, with uses that simultaneously protect the environmental qualities of the land, provide for continued shareholder recreation opportunities, and develop revenue.

Given this difficult set of goals, several development conclusions result. First, Goldbelt will retain control of the land, rather than sell individual parcels. Second, development is likely to be compact and limited in total area to retain

as much as possible the subsistence and cultural shareholder uses of the land. Third, development will only take place if economically justified.

Interests of the City and Borough of Juneau (CBJ) are different in some areas, and shared in others. The City views potential land development at West Douglas Island as a way to provide opportunities that benefit the community at large. Development would not necessarily be profit-focused, but would seek to satisfy community needs such as increased housing capacity, increased recreational opportunity, or new commercial infrastructure, such as port or dock facilities. Like Goldbelt, the CBJ is committed to retaining the environmental attributes of West Douglas, and will carefully weigh improvements in that light.

It is likely that any future development options as identified in this planning study will require active co-participation from both the CBJ, and Goldbelt, Inc. They have a mutual interest in the correct development of roads and infrastructure, and may enter into specific discussions of land trades necessary to make their individual development goals successful.

Process

Minch Ritter Voelckers was hired as lead consultant to perform conceptual planning and land use analysis. The planning process first included a major effort to profile the existing land attributes, identifying soils, hydrology, wetlands, habitat, wildlife, marine issues, topography, and other development factors such as view and desirable site features. This work, produced by subconsultants with relevant expertise, resulted in a series of reports and mapping identifying different attributes. These mapped land attributes were then combined to identify generally developable portions of the property.

While this reconnaissance work was underway, over-all planning goals for the land were established. This involved a review of previous planning studies, meeting with Goldbelt and CBJ to establish their individual goals, and conducting public workshops to identify major community goals and concerns. A synopsis of public responses to the project is included as Appendix A. Meetings with Goldbelt emphasized many issues, including shareholder concerns about maintaining recreational and subsistence opportunity. Public issues identified included concerns over the impact of additional traffic on the existing North Douglas Highway, and the potential loss of recreational opportunity that now exists at the Outer Point and Peterson Creek area.

Based on this broad feedback, an initial list of planning goals was developed to guide subsequent land use planning exercises.

Planning by separate parties for a proposed golf course has paralleled the MRV planning effort. The general designation of property for the golf course was established by the CBJ Assembly, and subsequently refined by field survey work to identify the most appropriate areas, with the least environmental constraint in the area upland of Peterson Creek. A CBJ planning requirement was the designation of an access road corridor to initially serve the golf course, and then be upgraded for later use by adjacent area development on CBJ and Goldbelt property. That corridor is generally identified in this conceptual plan.

Recommendations

Based on general planning goals and the reconnaissance of the physical land base, sketch-level planning was initiated. After compiling the reconnaissance results, many large areas of land were found to be inappropriate for development, usually for a combination of reasons, including the presence of high-value wetlands, anadromous streams, unfavorable slope or soils conditions, or portions that were deemed culturally significant by Goldbelt and desired to be retained in an undeveloped state. Other portions of the property were identified as very attractive for development, with good soils, no environmentally sensitive lands, slopes that support development, beautiful views and water access.

The planning solutions that grew out of this analysis suggested "nodes" of development, high density developed portions separated by lower use and/or protected regions. This nodal development recommended by this Conceptual Plan evolved from two directions. First, this was an acknowledgment of the nature of the land itself (per the above), with major portions that could not be developed, and others that could. Second, nodal development results in a desirable proximity between residents and services, efficient use of the land resource (compared to traditional subdivisions, for instance), and cost-effective infrastructure development because of significantly reduced lengths and quantities. With relatively dense development that includes a mix of housing, commercial, and retail development (once mature communities have developed), many daily activities can be accomplished without relying on the automobile, promoting pedestrian and bicycle access. Finally, compact development has the key advantage of leaving large areas of land undisturbed, thereby protecting habitat, enhancing recreational opportunities, and maintaining the high visual value of the natural setting.

After review of various draft plan alternatives, Goldbelt's Board of Directors and the CBJ Planning Commission approved the general conceptual plan described in this document. It designates four principal development areas at intervals along the full length of the study lands. The development areas each have a distinct nature and are assumed to support different development needs. The concept plan as proposed is not time-dependent; individual areas will develop as the economic need justifies. It is therefore difficult to predict with any certainty when full range development will occur, since it is intrinsically tied to the general growth of Juneau, and other infrastructure improvements, such as a second channel crossing, which would have dramatic effects on development potential.

Each of the four development areas is located along the waterfront, because waterfront living, views and access are desirable. Included at the end of this section is illustration A defining the study property and development areas. The first parcel, *Development Area 1-A*, is located just beyond the upper portions of the Peterson Creek drainage, approximately .75 miles north of Middle Creek. This is near the southern end of the currently planned golf course. Development is likely to happen here first (among the development areas) because only 3/4 mile additional road extension is required once the road is developed as planned to the golf course club house. While Area 1-A is located on the waterfront, the depth of water is not sufficient to support major marine uses. Likely uses will include residential development, tourism-related opportunities such as hotel or cultural center, or office/ commercial uses appropriate to an attractive, self-contained setting (such as a NOAA or USCG facility). Uplands adjoining the golf course are categorized as *Development Area 1-B*, and loosely defined as housing which is planned to be developed as a future phase of the golf course.

Development Area 2 is located at Inner Point, approximately 1.5 miles south of Middle Creek. This location is best suited for marine and industrial uses because it has moderate protection from both northerly and southeasterly storm systems, and has sufficient water depth to support an industrial dock with a length of approximately 1,000'. The upland areas adjoining Inner Point are somewhat limited, but sufficient for industrial/commercial support facilities. Development possibilities include marine transshipment serving Southeast Alaska for industrial uses such as mining, fisheries support, bulk fuel storage, and water-related governmental agencies like the U.S. Coast Guard.

Development Area 3 is located approximately half-way between Inner Point and Point Hilda. This location is seen as primarily residential in focus, with an emphasis on recreational waterfront opportunities, including a public marina.

It should provide good access for general recreational use in the Hilda Creek drainage, and may be appropriate for camping and R/V development.

Development Area 4 is located approximately 3/4 mile south of Hilda Creek on very attractive beach front property. This property will be the most difficult to access, involving a total road extension from the present road terminus of approximately 7 miles, and significant environmental coordination to cross the Hilda Creek drainage. This property will support a variety of land uses when additional acreage is required to support Juneau's growth.

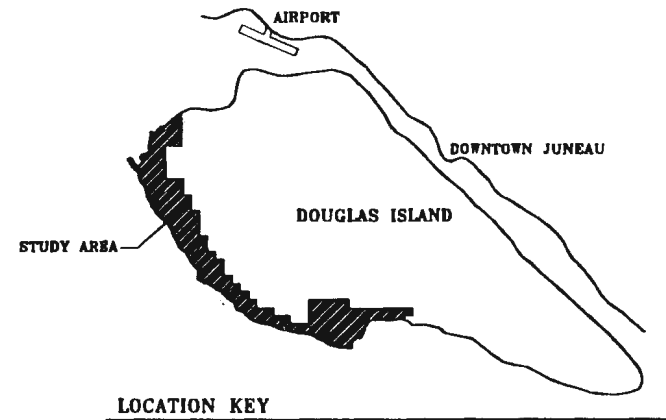
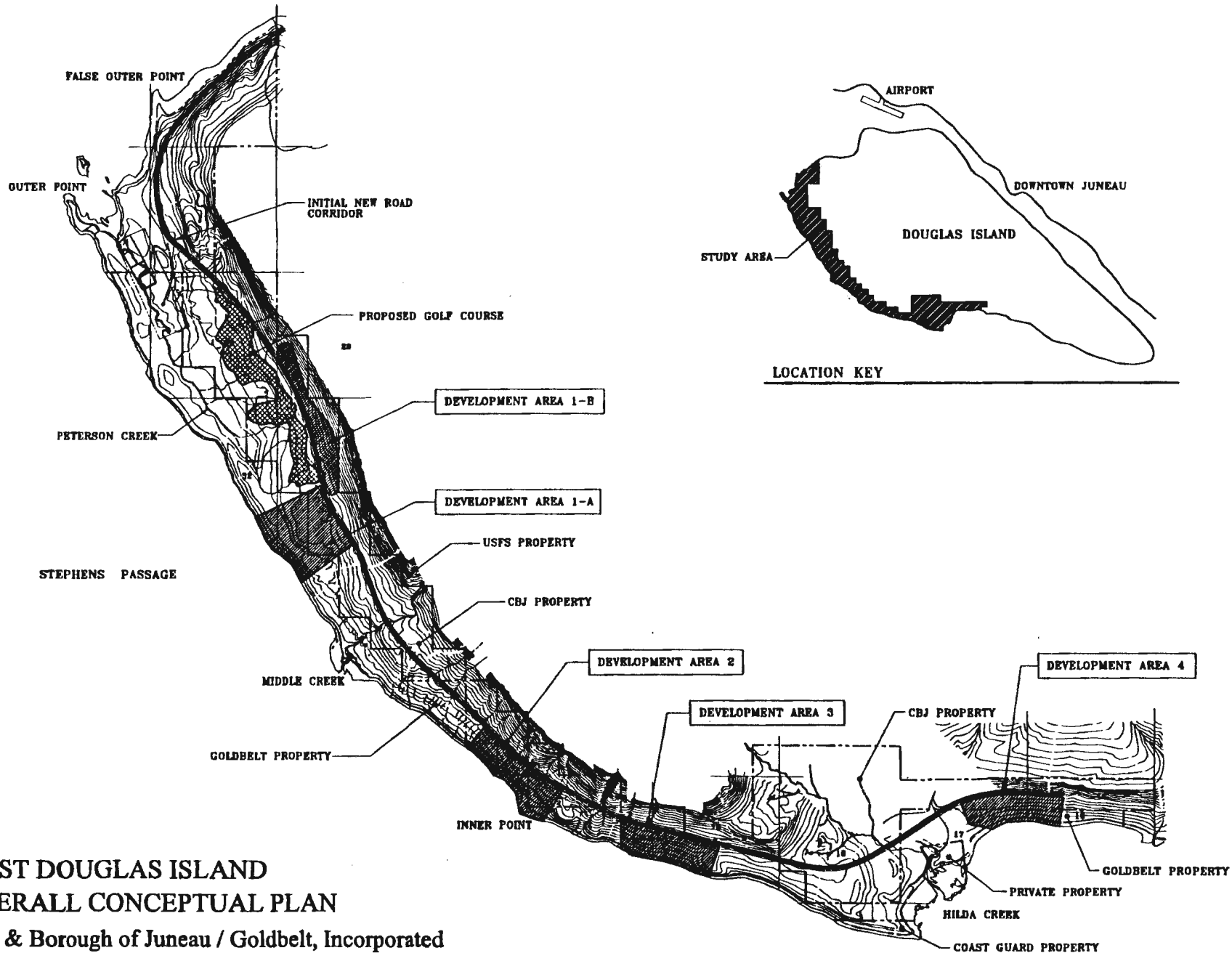
A set of hypothetical development assumptions was generated for each of the Development Areas, defining uses, densities, acreage, and population (see Appendix B). This was necessary to generate planning analysis of the specific impacts and infrastructure requirements triggered by the conceptual plan recommendations. This analysis reviewed habitat, wetlands, and traffic impacts associated with different levels of development. Utility options and costs for fresh water, waste water, sewer, and electrical systems, as well as road extension costs were also reviewed. Utility and road costs also included general cost estimates. While these estimates are necessarily generalized, they will assist in the evaluation of options for specific development planning and design.

Implementation

At present, the entire study parcel is designated in the CBJ Comprehensive Plan as a *New Growth Area*, obligating any development to satisfy detailed planning requirements listed in CBJ Title 49. This study analyzed the entire 5,000 acre parcel, and recommends development to be concentrated into four identified *Development Areas*, with significant undeveloped land portions between. It is anticipated that this study, with the support of Goldbelt and the CBJ Planning Commission, will redefine the CBJ Comprehensive Plan in the West Douglas area to show the Development Areas as four discrete New Growth Areas with reserve lands between.

Once this change, as described and mapped in Chapter 6 of this plan, is adopted into the Comprehensive Plan, future development proposed in the West Douglas study area will be generally confined to one of the parcels designated, and the specific planning requirements for that new growth area will need to be provided. This reduces the potential areas of development to those described, thus limiting the area of required planning to a manageable size.

Finally, this document is a generalized concept plan, and does not try to address specific New Growth Area requirements. It does, however, characterize the nature of each Development Area, including appropriate developable areas, densities and mixtures of uses. This information will be useful for future detailed planning of each area, helping to establish the concept and theme for each area, but should be flexible and not limit future development.



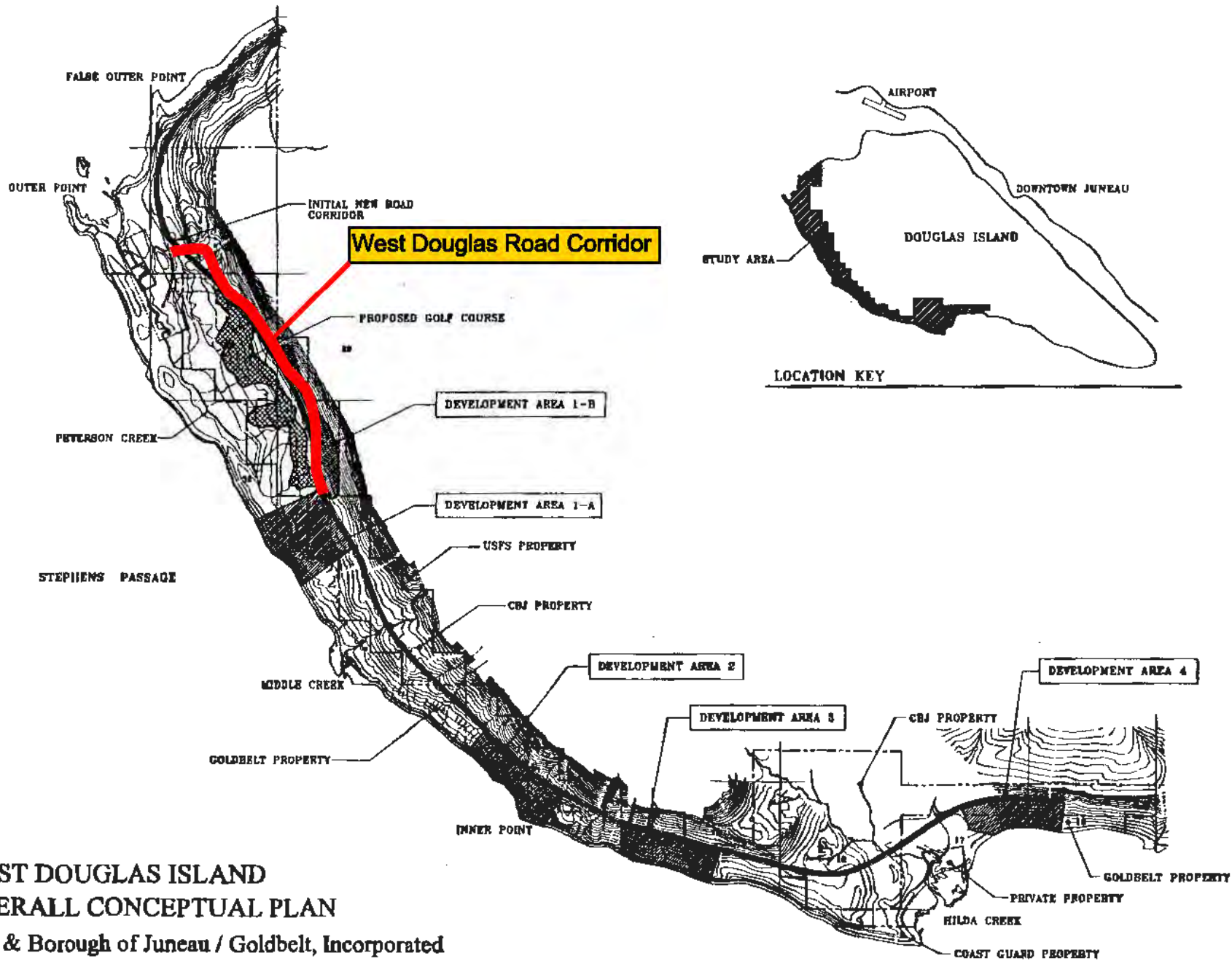
WEST DOUGLAS ISLAND OVERALL CONCEPTUAL PLAN

City & Borough of Juneau / Goldbelt, Incorporated

MINCH RITTER VOELCKERS

Architecture • Planning



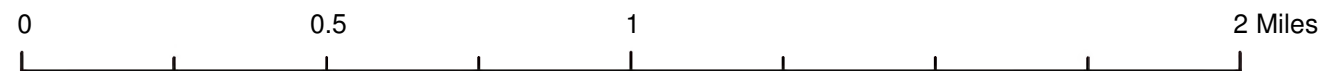


WEST DOUGLAS ISLAND OVERALL CONCEPTUAL PLAN

City & Borough of Juneau / Goldbelt, Incorporated

MINCH RITTER VOELCKERS

Architecture • Planning



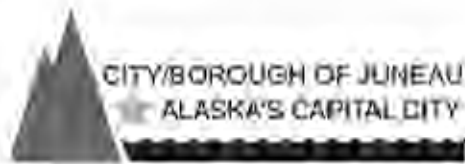
Aerial Image Date: June 2013
Property lines are approximate.

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Assembly Direction on Local Marijuana Enforcement

ATTACHMENTS:

Description	Upload Date	Type
☐ Mead Memo re Marijuana smoke in public places	1/23/2015	Cover Memo



**Law Department
City & Borough of Juneau**

MEMORANDUM

DATE: January 23, 2015
TO: Mayor Sanford and Assemblymembers
FROM: Amy Mead
Municipal Attorney
SUBJECT: Public Consumption of Marijuana

As of February 24, 2015, State law will prohibit the consumption of marijuana in public. Alaska Statute 17.38.040, states: "It is unlawful to consume marijuana in public. A person who violates this section is guilty of a violation punishable by a fine of up to \$100."

The initiative does not define "in public," an omission which could present enforcement challenges. Additionally, because the State has not set a fine schedule, all citations would require mandatory court appearances.

An ordinance amending the CBJ's Penal Code is being prepared for the Assembly's consideration that would prohibit the same activity banned under State law, but unlike State law, would define "in public" as well as set a fine schedule for violations. (\$100. By setting a fine schedule, violators would have the option of paying the set fine in lieu of a court appearance). In preparation of bringing that ordinance forward, the City Attorney is seeking direction on the following issues:

1. State law prohibits public consumption of marijuana. Consumption, as defined by state law, includes "ingesting" marijuana. Should the CBJ follow the language of the statute or should it focus on smoking in public?
2. Should the CBJ prohibit smoking in vehicles (similar to the prohibition against having open containers in vehicles?)