

Southeast Alaska Transportation Plan 2014 Draft

Saxman, Alaska / Meeting Summary

Introduction

The Alaska Department of Transportation and Public Facilities (DOT&PF) issued a draft Southeast Alaska Transportation Plan (SATP) for public review in June 2014. The Organized Village of Saxman requested a Tribal Consultation regarding the Southeast Alaska Transportation Plan, the proposed South Tongass ferry terminal, and the ferry schedule. On September 18, 2014, DOT&PF attended a Tribal Consultation in Saxman, Alaska with the Organized Village of Saxman (OVS), the Metlakatla Indian Community (MIC), the Ketchikan Indian Community (KIC), the Central Council of the Tlingit and Haida Indian Tribes of Alaska (CCTHITA), and the City of Saxman.

A combined total of 9 people attended the meeting (see attached attendance list).

DOT&PF Presentation at Tribal Consultation

The tribal consultation began with a PowerPoint presentation that reviewed the Draft Southeast Alaska Transportation Plan:

- The DOT&PF has a statutory obligation to develop and maintain the Southeast Alaska Transportation Plan, as a component of the Alaska Long Range Transportation Plan. The SATP directs investment in the regional transportation system over a 20-year period by identifying major project priorities and guiding development of projects.
- The SATP was first published in 1980 and was updated and revised in 1986, 1999, and 2004 as an approved component of the Statewide Transportation Plan. To prepare the current update, DOT&PF conducted a scoping process in 2011, which led to development of the Draft SATP document in 2014.
- The comment period for this Draft SATP document is open until September 30, 2014. Written comments can be submitted to DOT&PF via email, mail or FAX.
- There are also current National Environmental Policy Act (NEPA), Environmental Impact Statement (EIS) processes for several projects that have separate comment periods and official administrative records. These are the proposed East Lynn Canal Highway, Angoon Airport, and the proposed road connection from Kake to Petersburg. Comments intended for consideration by an EIS must be submitted to the project manager of each EIS during its open comment periods.
- Trends for the Existing Transportation System – The Draft SATP analyzed and responds to trends that show a *decrease* in Southeast Alaska population, traffic on the Alaska Marine Highway System (AMHS) and funding for transportation projects, coupled with *increases* in operations, maintenance and construction costs.
 - Since 2006, AMHS SE Alaska annual maintenance and operation costs have increased

from about \$110M to nearly \$140M, while ferry sailings have dropped from about 6,500/year to 6,000 year in that period.

- From 1991-2012, passenger ridership has declined from approximately 370,000 to 310,000/year, with vehicle traffic holding fairly steady at approximately 100,000 vehicles/year. Over that time, the AMHS fleet has increased from six to ten ferries.
- The SATP considers many factors: three aging mainline ferries, comments received on the Scoping Report, interest in continuing existing ferry routes, cost to maintain the existing transportation system, regional transportation needs, current priorities and projects, and funding forecasts.
- Alternatives – The SATP considered four options, described in more detail and compared in Appendix C of the draft plan:
 - Baseline system (maintain existing)
 - SATP Preferred Alternative
 - Maximize Use of Existing Roads
 - Highway Route 7
- Recommendations – The Draft SATP recommends maintaining all existing highway and ferry routes and provides improvements that will further increase the mobility of people and goods, such as new road links. It also includes measures to help reduce some system costs, such as retirement or replacement of aging mainliners and use of day boats. It recommends the following specific changes to the transportation system, that would (1) better match capacity to demand, (2) keep ferry service to Bellingham, (3) keep cross Gulf ferry service, and (4) emphasize labor and fuel efficiency:
 - 2016 & 2017 – Two new Alaska Class Dayboat (ACD) ferries to service Lynn Canal
 - 2018 – Angoon Airport completed
 - 2020 – Lynn Canal Highway to Katzeihin and ferry terminal completed
 - 2020 – Haines-Skagway shuttle ferry service initiated
 - 2020 – Kake-Petersburg Road (gravel single land), the Wrangell Narrows shuttle ferry, and terminals completed
 - 2025 – New mainline ferry on-line; potential for a second mainline ferry to follow
 - 2028 – Fast ferry replacement
 - 2033 – Sitka-Warm Springs Bay road initiated (planning, environmental, design). Construction is not anticipated during the 20-year planning period.
- Capital costs to maintain and implement the preferred alternative over the next 20 years total \$1.3B for system refurbishments and \$1.2B for major projects (construction, procurement), respectively. The Plan reduces the annual operation and maintenance expense of the overall regional transportation system three percent. (Noted that the preferred alternative is not the least expensive alternative, as maximizing the use of existing roads or constructing Highway Route 7 would reduce annual costs by 15% to 16%, respectively.)
- The Draft SATP document also includes information about continuing efforts to maintain and improve the transportation system in Southeast Alaska, provides an overview of the

existing system, identifies essential transportation and utility corridors in the region (App. A), describes the scoping process and public comments (App. B), compares the four planning alternatives (App. C) and provides public and government involvement plans (App. D).

Questions & Answers, Comments

Key

- Comment or Question
 - DOT&PF Response

South Tongass Ferry Terminal – Project History and Need

- The Organized Village of Saxman would like to revisit South Tongass terminal site.
- The City of Metlakatla and the Metlakatla Indian Association have been pursuing ferry service for a long time. Ferry service directly into Metlakatla was unreliable due to winter winds of up to 100 mph. Sometimes residents needed emergency medical care, and the ferries were not running due to the rough seas. The community needed first to construct a road to northern end of the island, where the crossing would be calmer. This road was constructed over a 14 year period to access a new ferry terminal at Annette Bay. Currently the ferry runs from Annette Bay to Ketchikan, a trip of about 45 minutes, but it does not run early enough or frequently enough to serve the residents of Metlakatla. There is also congestion at Berth 3 in Ketchikan, and the ferry sometimes has to wait to dock. An engineering study determined that the best location for the northern terminus would be the Saxman Seaport terminal, identified in the State’s reconnaissance report as Saxman Seaport B. It would be 20 minutes from Annette Bay to the Saxman terminal. The state put a lot of resources into a reconnaissance plan, which includes a wealth of detailed information about this area far beyond anything in the SATP. But the South Tongass Ferry Terminal project was abandoned. It was a worthwhile project, which was legislative-driven, and would be a good one to bring back.
- The objective of the Saxman Seaport Terminal is to shorten runtimes, thereby allowing for increased service, which would greatly benefit both Saxman and Metlakatla with increased opportunities for commuting and employment, as well as improved access to medical care, social services, and education.
- The Reconnaissance Study identified the Saxman Terminal as the cheapest of several alternative locations. The breakwater is already there, and there is space for loading and unloading vehicles.
- The road from Metlakatla required coordination with DOT&PF, Federal Highway Administration (FHWA), and the Pentagon, as well as several other agencies. It was built over a 14 year period using the Innovative Readiness Road Program (IRR), a training program for the military.
- Now the Ketchikan bus runs down to Saxman and could take passengers into town.
- There is heavy demand for the existing ferry service from Metlakatla to Ketchikan, and there would be even more demand if the ferry service were more frequent and accommodated

commuters. The Lituya runs loaded every day. We would like for it to run earlier and later to allow for Metlakatla residents to commute to Ketchikan for work or for classes at UAS. It also would provide critical medevac service when seas get too rough for the Lituya.

- This is an economic development project, which is DOT&PF's number one priority for figuring out relative need for transportation projects statewide. It is vitally important to the community of Metlakatla so that we can utilize our workforce, as well as fill jobs. We need DOT&PF's cooperation to complete the project.
- The tribe is developing a new aggregate mine in Metlakatla, which will create 100 new jobs that the community can't fill alone. The mine will have to tap into the workforce in Ketchikan and Saxman. It would be ideal to have the Saxman terminal ready when the mine opens.
- An attendee noted that she and others, "would go out to Metlakatla if I knew I could get out there and back in a day. As it is I can't get back in one day, and there are limited accommodations out there, so I don't go. It would be a huge boon to have something that could go back and forth several times in a day."
- This is a critical project for public health. People who are in abusive homes in Metlakatla sometimes need to get out in an emergency situation. Saxman provides shelter services and other behavioral social services for the community of Metlakatla. Better transportation will improve their ability to receive these services.
- This project has merit; if DOT&PF isn't going to proceed with it, please contact the affected communities directly instead of leaving us with uncertainty and questions. Community leaders have held back on other projects waiting to hear from DOT&PF. When there is this much money for research through the Reconnaissance Study and then there is not follow-up, it leaves us waiting when tribal and local communities affected could instead be looking for money from other sources. Better communication is needed. Let us know if you need more data or information.

South Tongass Ferry Terminal – Efficiency or Redundancy?

- This seems like a cost savings measure – the ferry would be traveling a shorter distance, and burning less fuel.
 - The Ketchikan terminal has maintenance and operations costs. If DOT&PF built the Saxman terminal, the agency would be operating and maintaining two terminals five miles apart. The largest cost for the Lituya is not fuel, but paying overtime to the crew for 12 hour days.
- DOT&PF is already planning to rebuild the Haines and Skagway terminals.
 - Those upgrades are to accommodate end-to-end loading for Alaska class ferries. Ferry terminals routinely require maintenance and upgrades.

South Tongass Ferry Terminal – Local Resolutions

- On September 17, 2014, the Organized Village of Saxman passed a resolution to recommending that the South Tongass Ferry Terminal be included in the SATP.
 - This is a timely opportunity for other resolutions, or for other written comments. DOT&PF encourages you to make your comments in writing, but a resolution is also a

good. It will be delivered to the commissioner and deputy commissioner, who were unable to attend this meeting.

- This is timely from another perspective as well. This project doesn't have to be in the regional plan to get consideration. What needs to be in the plan are larger regional projects. This project is in the current 20 year plan from 2004. It has been in the Statewide Transportation Improvement Plan (STIP). DOT&PF will begin writing a new STIP over next few months. DOT&PF is always open to reconsidering projects.
- CCTHITA will be discussing the terminal at its September 28 meeting.
- The Ketchikan Indian Community will vote on a resolution to support the Saxman terminal at their next meeting.
- Does DOT&PF have the power to make a decision tonight?
 - No, not to fund the Saxman Terminal.

South Tongass Ferry Terminal and the SATP Project List

- If there are four tribal governments and three city governments prioritizing a project, but it's not addressed in the DOT&PF planning process, how do we bring this project to the table? It seems appropriate to be talking about this in the context of this 20 year plan. Will this project die because DOT&PF did not include it in the SATP?
- If DOT&PF can plan 16 trips back and forth between Skagway and Haines, why not here?

South Tongass Ferry Terminal - Lease Agreement

- What is the DOT&PF recommendation and opinion on lease of the property? It seems that the state has reservations about it and is hesitant to enter into a lease agreement. Is there a requirement that the state own the facility?
 - The department prefers to enter into long term leases or purchase ferry terminals.
- Is there a problem with working with tribes?
 - No. The only complication with working with tribes is the need to waive the tribe's sovereign rights with respect to the agreement, but this is a routine practice.
- If the City of Saxman keeps selling off land, the community will have nothing left besides what we live on. The city would still want to look into a lease.
 - Would the tribal governments present here support one of the other alternative terminal sites beside the Saxman Seaport? Is the support restricted to the Saxman seaport?
- The Organized Village of Saxman would be in support of a shorter ferry run, but preference would be the Saxman B terminal as identified in the reconnaissance study.
 - Several of the sites seem to meet the needs identified.
- If state remains hard and fast on the leasing issue, the City of Saxman needs to decide what is more important.
- The Central Council of Tlingit and Haida Indians of Alaska (CCTHITA) would want a good reason not to use the Saxman terminal, besides any issues with a lease.
- Land is important to CCTHITA, as a group of landless tribes in Alaska. It forces the state to partner with the tribes, instead of merely accepting DOT&PF decisions. It ensures that what happens meets our tribes' needs as well as those of the state.

Additional Ferry Service to Metlakatla

- Currently Metlakatla gets two trips in and two trips out, five days a week. The Inter-Island Ferry Authority (IFA) is considering operating a trip to Metlakatla on one or two of the days when the Alaska Marine Highway System (AMHS) doesn't run. Within the next year there should be more service. DOT&PF is taking a wait and see attitude as opposed to building a new terminal right away.
- After last legislative session, there was intent language passed for AMHS to study the economics of an additional ferry run to Metlakatla. The study will be completed in February, 2015, and will analyze the cost for a sixth day, as well as two crews running seven days a week.
- Current ferry service is not working well for Metlakatla. As part of this study for the legislature, the tribes should get together and offer to assist with future capital and operations costs. The tribes have access to funds the state doesn't. We have access to employment opportunities the state doesn't. Although we are small tribes, KIC and CCTHITA are larger tribes. Our US representatives are willing to work with us. Local municipalities and tribal governments need to provide the staff time to make this happen. Resolutions are not enough – we need to champion it. It is an opportunity to show we can collaborate.
- How hard would it be to include in the February study costs of lease to bring the terminal up to operation levels?
 - It would be outside of the original legislative intent language to go beyond the request to look at another ferry run and analyze the cost of leasing the terminal site.

South Tongass Ferry Terminal – Alternative Funding Sources

- Can DOT&PF partner with tribal governments to fund transportation projects? By partnering with us, the state's transportation projects could be eligible for funds that are readily accessible to native communities, such as American Recovery and Reinvestment Act (ARRA) money for large projects. If DOT&PF is trying to get creative and meet some of these needs, we should be talking to each other. We have the same interests of health, safety, and economic development. We have the basis of some sort of collaborative effort.
 - DOT&PF has partnered with tribes, most recently the Sitka Tribe.
- Now is a good opportunity to partner with tribal governments. Since Federal government has signed an MOU to work directly with tribes, it opens up more opportunity for tribes to acquire Federal Highway Administration funds. OVS and KIC would want to seriously consider looking for funds to help subsidize ferry service between Metlakatla and Saxman.
- What about an Allen Marine Terminal?
 - The terminal would need to be able to handle freight. Allen Marine can't do that.
- What if tribes decided to start their own ferry service, and enter into an agreement with the state like what IFA is doing? Maybe we should talk to each other and decide if this is a business we want to enter into.
 - The IFA has about a 75% farebox recovery – the remaining operating costs are subsidized by the state. It operates as a port authority; six communities cooperated to create it. A port authority can be formed by any municipality or group of municipalities. Coffman Cove is hoping to do something similar between Coffman Cove and Wrangell.

SATP Budget

- Is the rising ferry operation cost due to having an aging fleet?
 - No. The budget shown on slide seven only reflects regular annual maintenance and operations costs, which are mainly fuel and labor. It does not include larger costs for upgrades and fleet replacement.
- What percent of DOT&PF's projects are federally funded?
 - Map 21 expires at the end of this month, and Congress has extended appropriations through May. Map 21 reduced funding slightly, but mainly impacted the state of Alaska by redirecting where funds can go. A greater share now goes to National Highway System, while the State Highway System budget has been reduced significantly. In Southeast Alaska, most state owned and maintained roads, especially those in rural communities, are not part of the National Highway System, so there is very little federal funding available for the state roads that serve rural Southeast Alaska.
- Is federal money available for operation and maintenance?
 - No, with only a few exceptions, it is all used for construction.
- Does some funding come from the state?
 - The state funding level fluctuates wildly from year to year. With downward trend in oil revenue, Alaska can expect to see less state funding for transportation projects.
- DOT&PF stated in this presentation that 80% of the Alaska Marine Highway budget is spent in Southeast Alaska. But this is an incomplete story. The Southeast region may have a large ferry budget, but there are fewer roads in Southeast, so we require less money for road construction and maintenance than the Northern and Central regions. Really, if there is hardly any money going to roads in Southeast, one must look at the entire transportation budget to get a complete picture of how resources are being allocated.
 - Within Southeast, 84% of the state transportation operating budget goes to AMHS, 13% to highways, 3% to airports. In the bigger picture, 43% of the state budget goes to AMHS, 30% of the state budget goes to roads, and 27% goes to airports. When you subtract revenues, 44% goes to AMHS, 43% goes to roads. When comparing regions, 39% of state annual operations and maintenance budget goes to Southeast, 30% to the Central region, and 31% to the Northern region. Based on these figures, Southeast Alaska is receiving the lion's share of the operations budget.

Project Prioritization

- State policy seems focused on redirecting funding and resources in the most efficient way possible, which means a focus on urban areas. How do rural native communities gain access to funding and resources, given this policy direction?
- How are projects prioritized across regions? Maintenance may be higher in Southeast Alaska, but the capital budget seems to be bigger in the other regions.
 - DOT&PF uses a ranking system in which community projects are ranked by need statewide, and money flows to where need is greatest. The need in the Central region is great because the road conditions are so much worse than here, and their population is growing rapidly.
- How does DOT&PF determine which community has the most need, and prioritize individual communities within Southeast Alaska?

- For local projects, DOT&PF uses a rating system of 12 factors, including community economic development, regional economic development, statewide economic development, safety, health and living standards, improvement of maintenance and operations budget, and the condition of facility to be improved. These factors are all on the website.

Construction of Replacement Ferries

- The communities of Ketchikan, Saxman and Metlakatla are hoping the construction of the new Alaska Class ferries will be contracted to Ketchikan and Saxman. That would provide an economic boost to the community. It would not just impact Saxman and Ketchikan, but Metlakatla as well, since their welders come across the water for work.
 - DOT&PF is negotiating with Ketchikan shipyard to build the ferries here, and negotiations are very close to complete. The agency is aware of the economic impact this contract would have on Ketchikan and surrounding communities.

Warm Spring Bay – Ground Transportation

- Is DOT&PF planning on providing transportation from the Warm Spring Bay terminal into Sitka? How will patients get to Sitka for medical care?
 - For remote terminals, DOT&PF feels that if demand is there commercial transit will step in and provide the service. If commercial transit does not fill the need, DOT&PF would take steps to try to encourage commercial providers to develop service. A commercial provider could get federal grants for equipment or startup and operation costs. The state does not desire to go into the transit business and compete with private providers.
- Ground transportation for walk-on passengers at remote terminals is a serious concern and it seems unlikely that commercial providers will fill the gap. Juneau still doesn't have transit service to their ferry terminal.

Warm Spring Bay Ferry Service

- Would the Warm Spring Bay fast ferry serve Angoon?
 - The fast ferry could serve Angoon, Warm Spring and Juneau, or Kake, Warm Spring and Juneau, but not both Kake and Angoon in one run. The fast ferry would likely alternate between Kake and Angoon on trips to or from Juneau and Warm Spring.

Ferry Ridership

- What happened to the ferry schedule when it had a big upward trend in ridership?
 - DOT&PF attributes this change to publishing the schedule earlier, which allows people to plan out trips.

Ferry Tariffs

- The Reconnaissance Study was intended to make the system serve the community's needs, thereby increasing ridership so that fares could go down. But now fares are going up.
 - There is a major tariff study currently under way. This will also be reported to the legislature in February, along with the cost analysis for further service to Metlakatla.

AMHS is looking into a new tariff structure based on fairness. Currently in any community pair there are wild variations. The new tariffs would be based on distance.

Other

- Community elders prefer paper copies of ferry schedules.
 - DOT&PF can provide those on a request basis. The employees at the terminals can also provide a printed schedule. The ferry administrators are trying to save funding, and the decision to discontinue printed schedules saved the department \$50,000 a year.

Final Comments

- The Organized Village of Saxman is coming away from this consultation with a positive view, hearing that this project might be able to make a comeback.
- It means a lot to the tribal governments to have these face-to-face meetings. It helps build trust.
- We have struggled to keep our native communities alive and yet they are shrinking, and our young people are moving to urban hubs. The end goal of increasing access to these communities is to revitalize the communities and allow young people to stay there and still get an education and find work. The state policies of efficiency have an inevitable effect of reducing amenities and services for small communities, which increases outmigration.
- We work so hard to improve life for residents here. It is good to see that motivation from the state too, as evidenced by the fact that DOT&PF staff have come here tonight to work together with us.
- It feels good to have heard the positive comments this evening. This conversation could have been negative, but instead we have come together in the spirit of community support and collaboration.
- The take away from this meeting is the strong interest the community has in seeing the project through to completion. DOT&PF has heard what community members have said, and we will bring this message back to the commissioner's office. DOT&PF will review the Saxman Ferry Terminal Project and provide a report with a written response addressed to the mayors of Metlakatla and Saxman with copies to those present at this meeting.

**Draft Southeast Alaska Transportation Plan
Attendance at Saxman, Alaska Tribal Consultation
September 18, 2014**

Organized Village of Saxman Tribal Consultation

1. Sol Atkinson, Former Mayor, Metlakatla Indian Community
2. Lee Wallace, President, Organized Village of Saxman
3. Winona Wallace, Tribal Administrator, SaxmanIRA Council
4. Rob Sanderson, Vice chair, Central Council of the Tlingit and Haida Indian Tribes of Alaska (CCTHITA)
5. Will Ware, Transportation Manager, CCTHITA
6. Nora DeWitt, City Clerk, City of Saxman
7. Harvey Shields, Secretary Treasurer, Organized Village of Saxman and Mayor, City of Saxman
8. Arlene Dilts-Jackson, Tribal Administrator, Ketchikan Indian Community
9. M. Sean Manion, Transportation Planner, Ketchikan Indian Community

DOT&PF Team

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