Port Director Joy Baker

Harbormaster Lucas Stotts



Nome Port Commission Jim West, Jr., Chairman Charlie Lean, Vice Chairman Doug Johnson Derek McLarty Shane Smithhisler Tony Cox Scot Henderson

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AGENDA NOME PORT COMMISSION MARCH 23, 2017 REGULAR MEETING ~ 7:00 PM COUNCIL CHAMBERS

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. APPROVAL OF MINUTES
  - 02.16.17 Regular Meeting

#### IV. CITIZEN'S COMMENTS

#### V. COMMUNICATIONS

- Bering Sea Vessel Traffic Risk Analysis Nuka Research Dec 2016
- Alaska Port & Harbor Infrastructure Report Card Feb 2017
- Alaska Ports & Harbors ABM March 2017

#### VI. CITY MANAGER REPORT

• 17-03-20 City Manager Report

#### VII. HARBORMASTER REPORT

• Verbal Update on Maintenance/Repairs

#### VIII. PORT DIRECTOR REPORT/PROJECTS UPDATE

• 17-03-17 Port Director/Projects Status Report

#### IX. OLD BUSINESS

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- X. NEW BUSINESS
  - Port & Harbor Pending Projects List Updated
- XI. CITIZEN'S COMMENTS

#### XII. COMMISSIONER COMMENTS

#### XIII. NEXT REGULAR MEETING

- April 20, 2017 5:30 pm
- XIV. ADJOURNMENT

#### MINUTES NOME PORT COMISSION REGULAR MEETING February 16<sup>th</sup>, 2017

The Regular Meeting of the Nome Port Commission was called to order at 5:40pm by Chairman West in Council Chambers at City Hall, located at 102 Division Street.

#### ROLL CALL

Members Present:	C. Smithhisler; C. West Jr.; C. Henderson; C. Johnson;
Absent:	C. Lean; C. Cox; C. McLarty
Also Present:	Lucas Stotts, Harbormaster; Joy Baker, Port Director; (telephonically)

In the audience: Lauren Frost, KNOM; Chuck Wheeler;

#### APPROVAL OF AGENDA

Chairman West asked for an approval of the agenda.

A motion was made by C. Johnson and seconded by C. Henderson to approve the agenda as presented.

At the Roll Call: Ayes: West, Henderson, Johnson, Smithhisler Nays: Abstain:

The motion CARRIED.

#### APPROVAL OF MINUTES

January 19, 2017 Regular Meeting

A motion was made by C Johnson and seconded by C. Smithhisler to approve the minutes.

At the Roll Call: Ayes: West, Henderson, Johnson, Smithhisler Nays: Abstain:

The motion CARRIED.

#### CITIZENS' COMMENTS

None

#### **COMMUNICATIONS**

- 12.27.16 USCG D17 Response to Mayor on Seasonal Vessel Detachment
- January 2017 NCVB Report Section on Expedition Cruises

- February 2017 Packet of ADDP Study Restart Support Letters
  - Mayor Beneville, City of Nome
  - Richard Strutz, Sitnasuak Native Corporation
  - Art Ivanoff, Bering Strait Alliance
  - Judith Miller, Alaska Response Company

#### Discussion:

**PD Baker** explained that a Nome delegation would be traveling to Juneau for meetings on 6-8 March, 2017, and intended to further discuss the seasonal vessel detachment issue with USCG D17.

#### CITY MANAGER'S REPORT (02/10/17 Written)

#### Discussion: None

#### HARBORMASTER'S REPORT (Verbal)

**HM Stotts** gave a brief update; first round of impound resulted in collection of 13 out of 17 accounts, and we have begun processing the second round based on accounts over 90 days past due with collateral on the property. Maintenance and improvements to existing harbor ladders is underway, with some upgrades scheduled for the Causeway water trailer to follow.

#### Port Director Report / Projects Update (Written)

02.10.17 Port Director/Projects Status Report

**PD Baker** advised the Council's award of the Cape Nome Repairs Additive Alternate's #2 and #3 to Knik Construction, based on receipt of the final funding from FEMA to support completion of the project through the 2017 season.

An extensive discussion occurred regarding how various pending Port projects qualify as "projectready" status per the recent federal agencies request. Consideration will be given to evaluate the status of each pending project.

#### **OLD BUSINESS**

Mid Dock Ramp Extension Change Order – Revised drawing w/requested changes

#### Discussion:

Minor discussion took place regarding the revisions to the ramp extension drawing to reflect treatment at the concrete joint to ensure a good seal, as well as specific locations of the growser plate studs. Modifications were found to be acceptable, with motion made to recommend the work.

#### Motion:

The following motion was moved by **C Henderson** and seconded by **C Johnson**:

Recommend the Nome Common council award the Concrete Ramp Extension to Orion marine Contractors in the amount of \$253,225.00 as a Change order to the Mid Dock Project contract.

> At the Roll Call: Ayes: C. Henderson, C. Johnson, C. Smithhisler, C. West Nays: Abstain:

#### The motion CARRIED.

#### **NEW BUSINESS**

Port of Nome Tariff No 12 Revisions for Consideration & Recommendation

Discussion:

PD Baker touched on the few revisions to the draft since the last work session; S. Henderson asked what the monetary difference will be to the port for the rate adjustments to the Summer/Winter Idle Vessel categories. PD Baker advised, based on the 2016 activity, there would be a loss of \$5,565 in idle vessel revenue. In depth discussion ensued regarding the long term implications of rate adjustments that lower revenue, as well as being mindful of rate increases when trying to attract business.

#### Motion:

The following motion was moved by **C Henderson** and seconded by **C Johnson**:

Recommend the Nome Common Council adopt Port Tariff No. 13 Rules & Regulations to replace all previously existing tariffs and reflecting various regulation changes and minimal rate adjustments.

At the Roll Call: Ayes: C. Johnson, C. Smithhisler, C. West, C. Henderson Nays: Abstain:

The motion **CARRIED.** 

#### CITIZENS' COMMENTS

None

#### COMMISSIONERS' COMMENTS

C. Smithhisler – thanks to staff for efforts in working through the tariff to make revisions. It was my first time, and it seemed fairly cumbersome. Also, as far as the support letters contained in the communications, does the City ever solicit letters from the tribes? (PD Baker advised yes, we have several that came through in the first round of letters on the Deep Draft Port project.)

C. Johnson – interested to see new updated economic study, which should possibly shed more light on the situation.

C. Henderson – glad to see we're not doing an across the board tariff increase this time around. Also inquires as to whether any efforts have been made to estimate how much revenue will be realized at the port from the seasonal sales tax increase.

C. West – yes, the tariff reviews each year does get cumbersome but it is our role. We also want to keep Nome as attractive to newcomers and not deter users. The ability to begin utilizing the USAF tank farm site for vessel storage will be beneficial, as we are maxing out existing space.

#### **SCHEDULE OF NEXT MEETING**

The next meeting: March 23<sup>rd</sup>, 2017 at 5:30PM.

#### **ADJOURNMENT**

Motion was made by C. Henderson for adjournment – meeting adjourned at 7:16 PM.

**APPROVED** and **SIGNED** this 23<sup>rd</sup> day of March, 2017.

ATTEST:

Jim West, Chairman

Tony Cox, Secretary



# Bering Seal Vessel Traffic December 2016

Nuka Research and Planning Group, LLC

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#### Cover photo credits:

Main photo/barging zinc from Red Dog mine by **Ground Truth Trekking** Melting ice blocks by **Ground Truth Trekking** Drying fish by **Andrew Hartsig/Ocean Conservancy** Fishing boat by **AdobeStock/provided by Ocean Conservancy** Seabirds by **Nuka Research and Planning Group, LLC** 

#### This report is funded by the Gordon and Betty Moore Foundation.

# Bering Sea Vessel Traffic Risk Analysis

December 2016

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# EXECUTIVE SUMMARY

Ocean Conservancy contracted Nuka Research and Planning Group, LLC to conduct a qualitative study of vessel traffic risk in the Bering Sea. The Bering Strait represents a chokepoint between the Arctic and Pacific Oceans, and is expected to see increasing vessel traffic as Arctic sea ice retreats and both trans-Arctic shipping and the extraction of resources from Arctic countries grows. At the same time, the Bering Sea is recognized as one of the world's most productive ecosystems, and the expansion of shipping activity is occurring in a place where people and wildlife are already experiencing the effects of climate change. Layered on this changing and complex system are international, federal, and state laws, policies, and practices, and complex relationships between the US and Russia.

This study provides an overview of vessel traffic and potential hazards associated with shipping activities in the northern Bering Sea and Bering Strait area. It relies primarily on data from vessels that are equipped with Automatic Identification Systems (AIS). Vessel movements are analyzed and the potential exposure to oil spills and other impacts are presented to inform the ongoing consideration of risk mitigation measures appropriate to the area.

#### Bering Sea Resources

The Bering Sea is one of the most productive ecosystems in the world, including hundreds of species depending on Bering Sea habitat either seasonally or year-round (The National Academies, 1996). Subsistence uses of Bering Sea resources are critically important to thousands of people throughout the Bering Sea region. Marine species are particularly important to the human communities of the Bering Sea, including polar bears and other marine mammals, sea birds, fish, and shellfish. In 2014, five of the top 10 most valuable commercial fisheries in the U.S. were based in or near the Bering Sea. Any threat to fish or other animals and their habitat in the Bering Sea threatens both the food security of local communities and the significant fisheries that support U.S. and international markets.

#### Vessel Traffic

Bering Sea shipping overall is currently dominated by traffic through the Aleutian Islands between North America and East Asia. Commercial fishing vessels also operate in the southern Bering Sea year-round, delivering their catch to communities with fish processing plants. Containerships and refrigerated cargo ships then move the processed seafood to global markets. Tankers, general cargo ships, and barges move throughout the eastern Bering Sea serving coastal and inland communities. Vessels also support industrial activities and resource extraction in the region, or move goods or materials through the area to European, Asian, and other North American ports. The Alaska Marine Highway ferry serves the communities of the Aleutian Islands archipelago and the adjacent Alaskan Peninsula. The occasional cruise ship passes through the area. Research vessels, U.S. Coast Guard and other government vessels, and pleasure craft operate here as well. For this study, Nuka Research analyzed vessel traffic Automatic Identification System (AIS) data from 2013-2015 for the Bering Strait region. The dataset included 532 unique vessels operating for a total of 18,321 days in the area. While fishing vessels were most common, tankers and bulk carriers made up most of the deep draft (larger) vessels. Due to the extensive use of barges to serve ports on the U.S. side, tugs are far more prevalent there than in Russian waters. Similarly, fishing vessels are more common on the Russian side where there is less sea ice coverage and different fishing rules. The figure below shows cumulative tracks over the three years for each vessel type studied.



Figure ES-1. AIS tracks recorded in Bering Strait region 2013-2015

Vessel tracks were examined for tankers, bulk carriers, and other cargo ships to determine the activities in which they were likely engaged. For vessels operating primarily in U.S. waters, those calling at U.S. ports spent 2,221 operating days (740 of which were spent by vessels serving Red Dog mine, the busiest port for deep draft vessels in the region). Vessels passing through the area spent only 112 operating days by comparison. This aligns with the general knowledge that, although shipping through the Bering Sea is on the rise in recent years, today's traffic is still dominated by vessels serving communities and industrial activity in the area. On the Russian side, vessels serving ports in the area similarly dominate operating days (1,790). There are more (434) operating days associated with transits in Russian waters than seen on the U.S. side. Finally, 159 operating days were associated with vessels serving the Russian fishing industry.

In addition to the ship activity described above, barges carrying both oil and other cargo play a key role in serving U.S. ports. Barges are not required to carry AIS transmitters, though most of the tugs that move them do. In addition to transporting cargo in and out of the region, they also make fuel deliveries to outlying communities from the hub port of Nome, or from tankers that bring the fuel into the area. The tankers remain offshore (outside state waters) and transfer the fuel to barges for delivery to communities. The tanker and tug activity in our dataset confirms that this has been a common practice, begun just prior to the years included in our dataset, in 2012.

#### Oil Exposure

All vessels in the dataset carry oil on board as fuel or, in the case of tankers, also as cargo. Barges rely on tugs for propulsion, but in some cases can carry more oil cargo than a small tanker. Based on vessel particulars and AIS data showing the amount of time spent in the area, Nuka Research estimated an overall oil exposure for each vessel type. Tankers dominate overall oil exposure due to their size and the fact that they have oil cargo in addition to the fuel used for their own propulsion. Currently, at least on the U.S. side, this oil cargo is all "nonpersistent" (Types 1 and 2) oil carried for use in communities or industrial activity in the region. Most large ships currently use heavy fuel oil for their own propulsion. This "persistent" oil (Types 3 and 4) typically lasts longer in the environment if spilled than a non-persistent type. Vessels carry less volume of oil for their own fuel than a tanker does in cargo, but the largest of the bulk carriers in the dataset has more than 30,000 bbl fuel capacity, which is more than most tank barges carry and more than a third the cargo capacity of the smallest tankers.

To consider the proportionate contribution of different vessel types to oil exposure in the region, total exposure was estimated based on persistent or non-persistent oils. Tankers account for 90% of non-persistent oil exposure, while bulk carriers represent 38% of persistent oil exposure (closely followed by other cargo vessels with 36% and tankers with 25%). When exposure for both oil types is combined, we multiply the persistent oil volume by a factor of 1.64 to account for the longer duration of persistent oil in the environment and thus greater potential impact. (This factor was used in a recent marine risk assessment conducted for the National Oceanic and Atmospheric Administration in Alaska; other values could be used, and

no such value should be interpreted to mean that a non-persistent spill could not also have significant adverse consequences).

Figure ES-2 shows the portion of oil this "weighted" oil exposure (combination of nonpersistent and persistent oils, with persistent volumes adjusted by a factor of 1.64) based on vessel activity for the three large ship types. Tankers calling at U.S. ports (either directly or via transfer to barges) account for 46% of overall oil exposure in the region for the three years studied. Tankers and bulk carriers calling at Red Dog mine on the U.S side account for an additional 19%. In both cases, this exposure refers only to the volume of oil on the vessels (both as fuel and, for the tankers, also oil cargo) and the time they spend in the area; it does not further incorporate potential exposure from the transfer of oil to barges and the operation of those barges.



Figure ES-2. Percentage of overall **weighted oil exposure** attributed to activities. Note that the 46% of Tankers calling at U.S. ports (or lightering) does not include those serving Red Dog mine.

#### Potential Impacts

The analysis of vessel traffic in the Bering Strait region identified vessels of the general type and size that have been known elsewhere to strike marine mammals, disturb or endanger marine mammals with engine and hull noise, and release pollutants to the water and air.

A range of potential consequences from shipping-related hazards is possible. The consequences associated with a hazard such as underwater noise may be that species people rely on (including commercially-fished species, though this study did not explore the literature

related to vessel noise and fish) suffer health effects that reduce their population or modify their behavior in such a way that harvest is reduced or impossible. The impact of marine mammal strikes, on the other hand, is likely limited to the subsistence-based communities that depend heavily on walrus and other marine mammals. Without more data we cannot know if there may be a population-level effect on marine mammals from vessel strikes, although this is not necessarily a prerequisite to mitigating risk.

Finally, the contamination of food from vessel waste or oil spills is of concern whether fish, mammals, or birds are consumed locally or commercially-harvested species are consumed thousands of miles away. In both cases, there is the potential for impacts in the event that humans consume tainted seafood. Even the *perception* of contamination can cause harm either because of people avoiding an area or particular species for subsistence uses, or a reduced market for a commercially-caught species.

#### Findings

A suite of international, federal, and state policies are in place regarding the safety of navigation, waste management, and oil spill preparedness and response. Attention to the Arctic in recent years also brings many ongoing efforts. Nuka Research identified the following key findings to inform decisions about how best to prepare for and mitigate risks associated with current and potential future shipping activity in the study area:

- In the southern Bering Sea today, most oil exposure is associated with vessels transiting through the area, while in the northern Bering Sea, most oil exposure today is associated with calls to ports (or lightering) in the region.
- Tankers serving U.S. ports and bulk carriers and tankers serving Red Dog mine constitute approximately 65% of weighted oil exposure for the Bering Strait area.
- Bulk carriers and other ships transiting the Bering Strait represent the most likely area of growth in oil spill exposure in the near future.
- Even without an accident, vessels can impact Bering Sea resources.
- There is extensive local knowledge available about the Bering Sea ecosystem that can inform the development of mitigating measures and response planning.

#### Recommendations

Based on the findings of this study, Nuka Research recommends that further attention to the safety of the relatively new lightering activities may be warranted, especially where these vessels operate outside state waters and are therefore exempted from state oil spill response preparedness requirements. Risk reduction measures that consider events such as loss of steering or propulsion are also important, and may incorporate measures such as vessel routing, planning for places of refuge, and analyzing the ability to mount a rescue based on resources in the region.

Continuing to build meaningful engagement of local communities in oil spill response planning and preparing them for participation in a response is also important. As those who will suffer the most immediate consequences if a spill occurs, community engagement in planning, response decision-making, and identification of priority areas for protection is important. Continuing to build on local and traditional knowledge to increase understanding of the other impacts of shipping and evaluate the effectiveness (or unintended consequences) of mitigation measures will also be critical.

Efforts to mitigate risk should be developed with the best possible information available about actual shipping activities, combined with input from technical experts and local stakeholders. The Arctic Waterways Safety Committee, Subarea Committee(s), and Arctic Council can serve as forums for engaging diverse inputs, with contributions from ad-hoc collaborative efforts especially helpful to foster a shared understanding of hazards and potential consequences, generate ideas for risk mitigation, and explore options outside formal channels when appropriate. Relationships across the Strait between U.S. and Russian communities have already been activated to facilitate the collection of information about vessel activities and impacts, as well as response to emergencies. Collaborations also provide the opportunity to weigh potential unintended consequences, and to acknowledge that the costs or impacts may be experienced differently by various groups.

#### Conclusion

The Bering Sea has long been important to the people who live and work there, and is becoming even more important as an international shipping route. This study analyzes current vessel traffic movements through the region and considers the relative risks from various types of vessels to inform risk mitigation. Efforts to mitigate today's risks can only help to mitigate the risks of tomorrow as well, even as long-term planning is underway for a future of increased shipping transits through the Bering Sea.

# **INFRASTRUCTURE FOR ALL ALASKANS**

Alaskans think about infrastructure a little bit differently than the rest of the United States. Alaska's infrastructure is truly unique, covering a vast area of over 663,000 square miles and supporting a population of just over 730,000. For transportation systems, there is no one mode of transport in Alaska, and sometimes the route is different depending on the time of year. Some homes do not have access to indoor plumbing, and while sometimes that's by choice, too often it's not. Many of Alaska's remote communities are still in need of water and wastewater systems that are safe, efficient, and sustainable, while even our most populated areas are still learning how best to handle every day solid waste in a subarctic environment.

Alaska's infrastructure investment is crucial to our way of life and the success of the economy. With declining oil prices and uncertain federal funding unable to keep up with the demand for projects or the operations and maintenance needs of current systems, the American Society of Civil Engineers (ASCE) Alaska Section wants to ensure Alaska's leaders have the best information available about the current conditions of Alaska's infrastructure. As Alaska legislators address budget challenges, the ASCE Alaska Section's Report Card – developed for Alaska, by Alaskans – demonstrates the importance of infrastructure investment.

There are solutions to Alaska's infrastructure poor grades! Together with the information provided in the Report Card for Alaska's Infrastructure, it is ASCE Alaska Section's goal that Alaska's Civil Engineers work together with state leaders to plan, design, build, operate and maintain a safe, efficient and sustainable infrastructure for all Alaskans.

# RAISING THE GRADES

## **4 KEY SOLUTIONS**

**1. Have a Plan and Fund for the Future**: All infrastructure owners and operators create and fund capital replacement plans for both immediate and long-term needs.

**2. Maintenance is Key for Alaska**: Maintenance is the everyday work that has to be done to keep things moving, and Alaska's infrastructure needs it. Sometimes it's all about the basics, and maintenance is the basic first step to good infrastructure. Maintenance need to be a consideration in design, as maintenance cost often is the largest ownership cost.

**3. Keep Up Infrastructure Improvement Efforts**: Elected officials must lead the efforts to improve Alaska's infrastructure for today and in the future. Alaska has some challenging times ahead, but kicking the can down the road will only cost Alaskans more in the future.

**4. Innovate As We Replace**: Alaska should support and encourage innovative solutions to infrastructure funding. The key to keeping up with rising needs is to keep replacing failing infrastructure with longer lasting, more resilient and smarter solutions.

# **Background on ASCE's Infrastructure Report Card Program**

In 1998, the American Society of Civil Engineer's published the first Report Card for America's Infrastructure (Report Card). Using a simple A to F school report card format, the Report Card provides a comprehensive assessment of current infrastructure conditions and needs, both assigning grades and making recommendations for how to raise the grades. An Advisory Council of ASCE members assigns the grades according to the following eight criteria: capacity, condition, funding, future need, operation and maintenance, public safety, resilience, and innovation.

# **ABOUT ASCE - ALASKA**

Civil engineers are entrusted by society to create a sustainable world and enhance the global quality of life. We are committed to maintaining and improving Alaska's infrastructure. Founded in 1951, the Alaska Section of the American Society of Civil Engineers (ASCE) represents about 850 civil engineers in Alaska. We understand that infrastructure is vital to our economy, health, and natural environment. With our commitment to serve and protect the public in mind, civil engineers throughout the state graded each infrastructure category according to the following eight criteria: capacity, condition, funding, future need, operation and maintenance, public safety, resilience, and innovation.

# **Report Card for Alaska's Infrastructure History**

Members of the Alaska Section of ASCE have tried to prepare a report card for Alaska's infrastructure for over five years. Unfortunately, we never achieved full momentum, and it stalled several times. We finally had a group of dedicated engineers who were driven to complete the report card in 2016. Alaska's report card is complete, and we will have a formal launch on February 7th, in Juneau. At that time, the grades for nine categories of infrastructure will be released.



# What you need to know about Alaska's Ports and Harbors

Ports & harbors across Alaska provide services that support critical economic activities. These facilities play a vital role in the communities they serve by providing local employment opportunities, promoting economic diversification and meeting cultural and subsistence lifestyles. In 2015, \$28B and 40.8 million tons of goods were moved via marine transport out of state; and, \$4.8B and 3.4 million tons of goods into the state via marine transport. Ports & harbors ensure a thriving commercial fishing industry exist with over \$1.7B of fish product landed in Alaska in 2014, including six of the top ten fishing ports by volume in the US. Tourism plays a significant role in several communities with over 1 million passengers arriving via cruise ships in 2016. Other harbors rely on summer independent travelers who use facilities for recreational or charter fishing and mooring floats necessary to attract yacht cruisers.

# Capacity

Alaska possesses 33,000 miles of coastline, more than the combined shoreline of the continental U.S., yet there are only 125 ports & harbors within the state. Alaska is dependent upon resource extraction, including fisheries, but lacks infrastructure to support vessels operating in Alaska. As a result, there is \$5B lost revenue opportunity to the Seattle port & harbors infrastructure. Recent infrastructure improvement to cruise ship docks in Southeast Alaska has enhanced the capacity to moor neopanamax size cruise ships at ports supporting tourism. The largest ports by volume include Valdez (Trans-Alaskan Pipeline terminus), Nikiski (oil refinery), Anchorage (consumer products) and Kivalina (Red Dog Mine) which currently maintain their respective facility capacity to meet export demands. The Port of Anchorage has the capacity to receive necessary goods and products required for the largest population centers.

# Condition

The condition of the ports and harbors across the state vary greatly. Ports and harbors that can leverage funding through State matching grants or have access to cruise ship "head taxes" have the potential to maintain, upgrade or replace. Often, however, funding can be limited and repairs limited to "band-aid" fixes. For example: The Port of Anchorage dock facility has exceeded its useful life and severe piling corrosion threatens to impact port operations serving 74% of the Alaskan population, including military facilities of national significance. It requires an estimated \$400 million to accomplish replacement and modernization of the facility. To date only a quarter of the funding needed has been secured. Engineering studies show that Port of Anchorage docks are severely corroded and its wharf piles have been classified as being in poor condition since 2000. Anchorage currently budgets more than \$5 million annually to maintain operational capacity of existing wharf piles and other aging Port



infrastructure, but this work does little to enhance the facility's earthquake survivability. This situation imperils Alaska's economy because the State does not have cargo import capacity or infrastructure that could adequately substitute for the Port of Anchorage if it is significantly damaged by an earthquake or other disaster.

# **Operations & Maintenance**

The majority of harbors, constructed circa statehood in 1959 and were maintained by the state until 2000, when Alaska Department of Transportation began program of divesture to local municipalities. This has resulted in operations and maintenance inconsistency throughout the municipal harbors and the 24 state managed harbors. This is primarily due to municipalities possessing varying levels of resources (both financial & human capital) to maintain their respective infrastructure. Several port and harbor facilities (Anchorage, Homer, and Nome) are dredged annually to ensure navigability and access to key communities and are typically funded at the federal level. However, after several decades, there remain numerous harbors requiring maintenance dredging to which funding has yet to be prioritized.

# Funding

There exists in excess of \$100M in recapitalization needs for the Alaska small boat harbors alone. The vast majority of harbors are maintained by the local municipalities with limited funding available from the state level. Additionally, waning state grant opportunities have challenged ports and harbors to conduct major preventative maintenance and to reconstruct facilities which are past their useful life. Many of the small boat harbors support subsistence lifestyles and thus are unable to collect sufficient fees to maintain or rebuild aging infrastructure. Small boat harbors, which cater to a cash economy, must generate sufficient revenue during the short Alaskan boating seasons, typically May through August. In 2006, the Alaska DOT established a 50%-50% matching grant program allowing for reconstruction of small boat harbors; however, the program has only fully funded all applicants twice. The ability for harbors to generate sufficient fund balances and the state's ability to continue to fund the program severely jeopardizes harbor reinvestment opportunities. A survey conducted of all Alaska harbormasters resulted in funding being the most significant challenge in providing services to maintain and recapitalize aging infrastructure.

Ports accommodating cruise ships have access to additional funding through the Commercial Passenger Vessel Excise Tax (CPV). The CPV is collected by the state which redistributes a portion of the tax collected to the cities and boroughs in which cruise ships make port calls.



# **Future Needs**

Alaska lacks deep water Arctic ports. An emerging Arctic Ocean poses both opportunity and risk for trans-shipment, destinational shipment and future resource extraction requirements along coastal Alaska. Enhancing port infrastructure – including deep-draft port facilities currently unavailable north of Unalaska/Dutch Harbor – would meet the State's goal of encouraging economic development in remote areas. It would provide local and regional economic development opportunities (resource extraction, tourism, and research); decrease Arctic region operating costs; provide protected dockage to support offshore oil and gas endeavors, fishing fleet, and resource extraction vessels; and provide vessel repair and maintenance support as well as facilities for emergency response and assistance vessels. It would improve international relationships and increase U.S. exports, optimize the aforementioned benefits while preserving natural resources; raise awareness of U.S. as an Arctic nation; and provide upland support to vessels operating in the region (fuel, water, electricity, food, medical, and storage, laydown/staging for resource extraction).

# **Public Safety**

Alaskan ports and harbors are experiencing challenges with abandoned and derelict vessels many, which are from WWII-era and wooden. Alaska ports & harbors face risk associated with removal and disposal from irresponsible owners. The distances between harbors and reliance on water transportation for access for emergency and freight services necessitates safe, secure and accessible ports and harbors. In 2012, the Port of Nome was unable to secure barge deliveries of heating and transportation fuels before the sea-ice made the harbor inaccessible resulting in an historic operation requiring a U.S. Coast Guard icebreaker and Russian ice-strengthen tanker to deliver fuel in mid-winter.

# Resilience

The Port of Anchorage sees 85 percent of the consumer goods for Alaska. The Port of Anchorage is in an active seismic zone and has experienced the highest recorded earthquake in North America; seismic activity could result in a supply interruption thereby paralyzing much of Alaska, including strategic military facilities. In addition, a significant number of other Alaskan ports & harbors are not connected to the terrestrial road system. This increases dependency upon marine transportation hubs but also exposes the communities to risks associated with coastal erosion, weather impacts or natural disasters which disrupt logistical supply chains.

# Innovation

# PORTS AND HARBORS

The goal is to build facilities that last longer, are more environmentally friendly and meet user needs well into the future. Alaska has some of the greatest tidal ranges in the world, most of the new cruise ship berths recently constructed utilize floating "pontoon system" to embark and disembark passengers which enhance the safety and efficiency of large passenger vessels. Several ports which have cruise ships embarking have successfully leveraged the use of state Commercial Passenger Vessel Excise Tax for building infrastructure which improves safety and efficiency for the cruise ships and its passengers.

## **Recommendations**

- 1. With limited opportunities to fund port and harbor recapitalization projects at the federal level, it is imperative that the State of Alaska prioritize legislative grant appropriations and matching harbor grant opportunities to the maximum extent allowable. Without safe and efficient access to ports and the ocean, the main regional economic driver in many of our communities is gone.
- 2. The Port of Anchorage is in desperate need of capital infusion to rebuild aging infrastructure and construct resilient facilities which provides 85% of all consumer goods to three-quarters of the state's population. Funding \$300M through State legislative appropriations or bonds are necessary to realize the port needs in Alaska's largest city.
- 3. Several federal waterways are maintained the US Army Corps of Engineers through dredging and breakwaters projects within Alaska. Annual dredging at ports such as Dillingham and Ninilchik are necessary to maintain economic vitality for their rural regions. Other Army Corps projects include dredging on a 10-year cycle for the Cook Inlet Navigation Channel, Bethel, Ketchikan and Seward. The recent 2017 passage of the Waterways Infrastructure Improvement for the Nation (WIIN) Act will positively impact Alaska harbors directly by permanently requiring 10% of the annual Harbor Maintenance Trust Fund be directed to emerging ports, which move less than one million tons of commercial cargo across the docks. The WIIN Act will also provide funding to the Small, Remote, Subsistence Harbors program which will greatly benefit Alaska's waterways; however, this program requires and merits federal appropriation on an annual basis. This program was made permanent in the last WRDA bill giving Alaskan ports and harbors access to a consistent stream of funding in keeping navigation channels open and our jetties repaired.
- 4. That the State of Alaska and the federal government work in concert to develop the necessary infrastructure and governance to meet the economic opportunity which a Deep Draft Arctic Port provides to this Nation.



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# Ports and Harbors 2017

A look at waterfront construction this year

© Kevin G. Smith / AlaskaStock.com

Fishing boats returning from fishing for silver salmon outside of Valdez where the work continues on a new \$82 million boat harbor.

By Sam Friedman

ore than \$330 million in construction projects are scheduled for Alaska's waterfronts this year despite a near shutdown of the state legislature's capital projects budget that traditionally paid for this kind of work.

Some of this year's biggest port and harbor construction jobs include \$127 million for the beginning of a modernization project at the Port of Anchorage and \$45 million for upgraded dock infrastructure in Dutch Harbor. In Valdez this year, work continues on a new \$82 million boat harbor that's been in the works for four years. Seward plans to build a \$15 million breakwater around its new boatyard.

In the absence of fresh capital funding from Juneau, the projects are being financed by a mix of local bonds, federal sources like the Army Corp of Engineers, old state allocations, and one surviving fresh source of state funding, the Harbor Facility Grant program.

#### Valdez

Valdez is the terminus of the trans-Alaska oil pipeline. It's on Prince William Sound and is 299 road miles from Anchorage.

2017 plans: This year the city plans to continue construction of a new commercial boat harbor. The \$82.6 million project is funded by the city and the Army Corps of Engineers.

Port and Harbor Director: Jeremy Talbott Harbor: There are 511 slips in the small boat harbor. The new commercial boat harbor has 140 slips.

Port: The City of Valdez manages a cruise ship terminal and a container terminal. The cruise ship terminal is 600 feet long. The container terminal is 700 feet long.

Port traffic: The port specializes in large cargo like construction and mining equipment because there's little traffic and no highway overpasses between Valdez and the Interior. The city facilities average between 35,000 and 50,000 tons of freight a year over the past five years. Fish processors Silver Bay Seafoods and PeterPan Seafoods ship fish from the city port in Valdez. Last year the trans-Alaska oil pipeline transported an average of 517,500 barrels of oil to Valdez per day.

#### Seward

Seward is the southern terminus of the Alaska Railroad. It is 126 miles from Anchorage over the Seward Highway.

2017 plans: The City of Seward plans to complete a new 960-foot, \$15 million breakwater this year that will protect a new harbor to accommodate vessels larger than 70 feet. In addition, the Alaska Railroad anticipates about \$1.5 million in new construction in 2017 including power upgrades in a storage yard and a widening of its freight dock.

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The Crystal Serenity at the Alaska Railroad cruise ship dock on the left and the USCG Cutter Healy at the railroad's freight dock on the right last summer before the Crystal Serenity's voyage to New York through the Northwest Passage.

© Luke Davis Photography / Courtesy of the Seward Port

Harbor master: Norm Regis (Deputy Harbor Master Matt Chase was the source for this article). Alaska Railroad owns the railroad dock in Seward. Christy Terry is the Seward port manager for Alaska Railroad.

Harbor: The city's existing harbor is near downtown Seward and has space for 660 boats. The new breakwater is located in the Seward Marine Industrial Center, which is about six miles from Seward on the east side of Resurrection Bay. The new facility has services including storage space and boat lifts but doesn't yet have floats for the large boats. Port: The Alaska Railroad operates three

Port: The Alaska Railroad operates three main docks, the 736-foot cruise ship dock,

the 620-foot freight dock, and the 1,700-foot mooring dock. The mooring dock was previously known as the coal dock when it was used to export coal.

Port traffic: About 180,000 cruise ship passengers visited Seward in 2016. Seward exported coal from the Usibelli Coal Mine near Healy until this year. Fish processors Resurrection Bay Seafoods and Seward Fisheries are in Seward.

#### Whittier

A narrow tunnel links this Prince William Sound port to the Alaska road and rail system. The harbor is home to a small fishing fleet and a larger recreational fleet.

2017 project: The City of Whittier is trying to secure a loan to rebuild some of its harbor floats in 2017. The Alaska Railroad plans small improvements to two of its docks.

Harbor Master: Andy Dennis (City of Whittier); Paul Farnsworth is the Alaska Railroad's Director of Facilities and Energy Management.

Habor: Space is tight in the Whittier Harbor. There's a waiting list of more than three hundred people for a preferential slip. The harbor contains 358 slips. There are an additional 99 slips at the privately-owned Cliffside Marina and Yacht Club.



The Homer Boat Harbor at the end of the Homer Spit in Kachemak Bay.

Port: The Alaska Railroad owns three dock facilities in Whittier, the main barge dock for rail freight, the Delong Dock for seafood, and a mooring facility attached to the Delong dock.

Port Traffic: Whittier is the only the port in the state for rail freight, rail cars that roll directly off of barges and onto tracks. Between 2014 and 2016 an average of 465,000 tons of cargo went out over the main barge dock. Last year an additional 50,343 tons of non-rail cargo was processed over the mooring facility. The Delong Dock averages about 11,750 tons of fish, but last year was a slow year and only 5,439 tons went out over the dock.

Cruise ships visit the railroad's docks, but not nearly as many as the Railroad's Seward facilities.

#### Anchorage

Alaska's largest city is home to the state's largest cargo import terminal.

2017 plans: 2017 is scheduled to be first year of a \$556 modernization project at the port. The project is expected to take five or more years.

Port Director: Stephen Ribuffo

Harbor: Anchorage doesn't have a municipal marina in Cook Inlet because of the inlet's strong tides and winter ice. Port: The ports has three general cargo terminals and two petroleum terminals.

Port traffic: The port handles more than 3.5 millions tons of goods each year.

#### Homer

Located in a southwest edge of the Kenai Peninsula, Homer is a fishing and tourism center. It's about 220 miles from Anchorage over the Sterling Highway.

2017 plans: There are plans to expand the Deep Water Dock, but construction won't start in 2017. The city recently finished a twoyear, \$30 million building boom that covered twenty-five projects including renovations to the small boat launch ramp and the construction of a new harbor office.

Harbor Master: Bryan Hawkins

Harbor: The harbor is located at the end of the Homer Spit and has nine hundred slips over fifty acres in a single basin. The largest slips can hold vessels up to 86 feet, and there's transient space for vessels up to 180 feet.

Port: Large vessels use the Pioneer and Deep Water docks. The Pioneer Dock is 469 feet and the Deep Water Dock is 345 feet. Fishing vessels unload seafood at the fish dock inside the harbor.

Port traffic: The Pioneer Dock is the terminal for fuel barges and state ferries. The Deep Water Dock is often used by tugboats and barges that are transferring crews or doing maintenance work. Boats associated with Cook Inlet oil and gas drilling have staged at the Deep Water Dock. Two fish processors and two fish buyers use the fish dock. The port processed an average of 3,944 tons of seafood, 22,562 tons of other cargo, and 453,855 tons of fuel in 2014 and 2015, the two most recent years with data available.

#### Kodiak

Kodiak Island is a major seafood processing center in the Gulf of Alaska.

2017 plans: The city plans to replace a four hundred-foot float for transient vessels in 2017. The project will cost about \$2.2 million and was financed through the city and through the state's harbor grant program.

Harbor Master: Lon White

Harbor: These is space for about six hundred boats between two harbors.

Ports: There are three large city-operated piers. The ferry dock is used mostly by the Alaska Marine Highway System. Pier II, the Fisherman's Terminal, is 1,050 feet long and is used by cruise ships and large fishing vessels. Pier III, the cargo terminal, contains a new 330-foot dock and an old 429-foot dock. The new dock was completed in 2016. The dock can move shipping containers with the newest and largest gantry crane in the state.



St. Paul Island small boat harbor where the City of St. Paul completed harbor-wide repairs last year.



Harbormaster, Lucas Stotts: 907-443-6619 • Port Director, Joy Baker: 907-304-1905 • www.nomealaska.org

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Cargo is also shipped through the privatelyowned LASH Marine Terminal near US Coast Guard Base Kodiak.

Port traffic: The public port facilities ship an average of about 130,000 tons of goods a year. Seafood is the port's main export.

#### St. Paul

St. Paul is the main community in the Pribilof Islands in the Bering Sea. It's on the northern frontier of commercial fishing.

2017 plans: There no new construction plans for 2017. Last year the city finished completed harbor-wide repair.

Harbor master: Jason Merculief

Harbor: The small boat harbor has about twenty slips for boats smaller than sixty feet. The floats are pulled up at the end of the summer.

Port: The city owns 100- and 200-foot docks. The Tanadgusix Corporation-the St. Paul village corporation—owns a 350-foot dock.

Port traffic: Alaska Marine Lines uses the 200-foot city dock to provide freight service to the Pribilofs. Fuel barges also use this dock. Fish processor Trident Seafoods uses the Tanadgusix dock to export halibut and snow crab. The Seattle-based company describes its St. Paul processing facility as the largest crab processing facility in the world.

#### Nome

Nome is located just south of the Arctic Circle on the Seward Peninsula. For now it's a regional hub, but the community has been planning for larger ships as more boats travel the Arctic through the Northwest passage.

2017 plans: The community is working to develop more layout storage space in 2017.

Longer term, Nome continues to work with the Army Corps of Engineers on the development of a deep draft port. The project would involve dredging the harbor so that large vessels could dock there.

Port director: Joy Baker

Harbor: The harbor houses the fishing fleet of about twenty-five boats in addition to gold mining dredges and a small fleet of barges. There's not much harbor space, but few transient boats travel to Nome. Some boats anchor in the Snake River, which flows into the Norton Sound in Nome.

Port: There are two docks that are each about two hundred feet long.

Port traffic: Nome exports rock and sand to area communities for use in construction. The community hopes to one day export graphite from a proposed graphite mining project. Between 2006 and 2016 an average of thirty-six thousand tons of freight passed through the port each year.

#### **Dutch Harbor**

Dutch Harbor is a major seafood processor and a large seafood exporting port.

Port Director: Peggy McLaughlin

2017 plans: This year the city is working on a \$45 million update to the Unalaska Marine Center project. The new construction will add about two hundred feet of gantry crane rail so that cranes will be able to unload or load more of a boat without moving the boat.



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A Maersk container vessel, Sea Land Charger, at Dutch Harbor in Unalaska Bay where the City of Unalaska is working on an update to the Unalaska Marine Center.

© Dan Parrett / AlaskaStock.com

Harbor: The Robert Storrs International Small Boat Harbor has space for about forty slips and is used mainly by recreational boats. The Carl E. Moses Boat Harbor can hold sixtytwo vessels between 60 feet and 150 feet long. A third facility, the spit dock, can provide long or short-term moorage to vessels up to 200 feet.

Port: The City of Unalaska operates several docks. The Unalaska Marine Center contains about 2,041 feet of dock face with both a thirty-ton and forty-ton crane for containerized freight. The Light Cargo Dock is made of two sheet piles. It was expanded to 2016 to create more moorage space. Shipping companies Alaska Marine Lines and American President Lines have their own freight facilities in Dutch Harbor.

Port traffic: An average of 1 million tons or more of cargo is handled over the city-owned docks each year. Four fish processors operate in Unalaska or nearby in Akutan. In addition to its own seafood, Dutch Harbor is a major seafood shipper for other Alaska processors sending products to Asian markets.

#### Port MacKenzie

Port MacKenzie is a new industrial port in the Matanuska Susitna Borough, built for export-

ing raw materials. The project needs about \$125 million to complete a rail spur to the Alaska Railroad line in Houston in order to realize its full potential as a low-cost exporter.

2017 plans: For the first time in more than fifteen years, there isn't new construction planned at Port MacKenzie for 2017. State capital project spending, a major source of construction funding, has dried up with the state's fiscal crisis.

Port Director: Marc Van Dongen

Harbor: The facility is designed only for large industrial boats. There is no marina facility or boat launch.

Port: The port has a 1,200-foot deep-draft dock that's 60 feet deep and has a conveyer belt system that can load bulk commodities at 2,000 tons an hour. There's also the bulk head barge dock, a 14.7 acre gravel pad with a 500-foot face for docking.

Port Traffic: The port has imported about 8.5 tons of cement each year in recent years. Last year the port imported sixteen miles of pipeline for the Kitchen Lights Gas Platform in Cook Inlet. The port has exported products for rural communities including sand, gravel, and prefabricated homes.

#### Skagway

Skagway is a tourism-centered community at the northern end of Southeast Alaska. It is 118 miles by highway to the territorial capital of Whitehorse, Yukon.

Harbor Master: Matt O'Boyle. Tyler Rose is the spokesman for White Pass and Yukon Route Railroad.



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A Juneau boat harbor at Douglas Island.

2017 plans: No major infrastructure upgrades are planned this year.

Harbor: The Municipality of Skagway Borough operates a small boat harbor which has 103 slips and two thousand feet of linear moorage. There are a no fish processors in Skagway, but a handful of gillnetting boats are based there.

Port: The White Pass and Yukon Route Railroad, a Toronto-based company, owns and operates three deep water docks in Skagway: the Railroad Dock, the Broadway Dock, and the Ore Dock. The company also owns a historic narrow-gauge railroad that historically serviced lead and zinc mines. It's now a tourist attraction. The Municipality of Skagway uses the east side of the Alaska Marine Highway System's ferry terminal. The ferry float can be used to moor motor yachts and small cruise ships. Port traffic: Most cruise ship passengers use the White Pass docks. There were more than three hundred cruise ship dockings at the three docks last year. White Pass' Ore Dock also handles fuel barges and copper concentrates that are being exported from the Minto Mine in Yukon Territory. Alaska Marine Lines leases space for its freight barges.

#### Juneau

Alaska's state capital is a main hub for cruise ships. It also has a modest fishing fleet.

2017 plans: Numerous major capital projects will begin or end this year in Juneau. This May work will end on a \$54 million project to expand two city cruise ship docks to post-Panamax size, for ships larger than the maximum size that can transit the Panama Canal. This year the city will advertise a \$4 million upgrade to floats in Aurora Harbor. Dredging begins this year on a \$4.5 million project for new floats at Statter Harbor that will be used by charter fishing and whale watching ships.

Port Director: Carl Uchytil

Harbor: Juneau's four small boat harbors can accommodate about 1,300 boats.

Port: The City and Borough of Juneau operates two cruise ship docks that, as of 2017, will be able to serve post-Panamax size vessels. Two additional private docks can also accommodate post-Panamax ships. Alaska Marine Lines and Samson Tug and Barge provide freight service at their own facilities.

Port traffic: More than 1 million cruise ship passengers came to Juneau in 2016. Fishing isn't as important a part of the Juneau



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Inspection of the Sitka Breakwater project by Alaska Department of Transportation & Public Facilities employees.

economy as it is in other Southeast communities, but the city nonetheless ranked as the 35th largest seafood processor in the nation.

#### Sitka

Sitka is a principal port and harbor for the central section of Southeast Alaska. Its harbors are used by a mix of fishing and tourism businesses.

2017 plans: The city is trying to secure a grant to replace the floats in Crescent Harbor, where the oldest wooden docks were built in 1965.

Harbor master: Stan Eliason

Harbor: The Sitka Borough and City operates five harbors. Combined they have a total of 1,315 slips.

Port: The city and borough operate the City Wall dock, which can accommodate vessels up to 300-feet long. Private transportation companies Alaska Marine Lines and Samson Tug and Barge have port facilities in Sitka. Another business, Halibut Point Marine Services, operates a dock north of town that can be used by large cruise ships, cargo ships, and fishing vessels.

Port traffic: The main boats using the municipal port facilities are smaller cruise ships, seafood tenders, and boats using the City of Sitka's boat hoist.

#### **Ketchikan**

Located near the southern end of southeast Alaska, Ketchikan is the gateway to the inside passage marine route. Ketchikan is surpassed only by Juneau in the number of cruise ship visitors it attracts.

2017 work: The city doesn't plan any new construction in 2017, but is competing for a state grant to make one of the ramps at Bar Harbor North handicap accessible.

Senior Harbor Master: Dan Berg

Harbor: The city operates six harbors and has slips for about 950 vessels. The city attracts a large fleet of pleasure boaters from the Puget Sound area, which have to stop to clear customs before continuing to other Inside Passage communities. Last year about 100 commercial fishing boats with seining gear and about 100 gillnet boats spent part of the summer fishing out of Ketchikan.

Port: The city port has four berths that can each accommodate large Panamax-sized cruise ships. Alaska Marine Lines and Crowley provide freight service at their own facilities. In addition to the state marine highway system, the Inter-Island Ferry Authority provides ferry service between Ketchikan and Hollis on Prince of Wales Island.

Port traffic: About 970,000 cruise ship passengers visited Ketchikan in 2016. On a busy day seven cruise ships may visit Ketchikan in a single day, taking turns using the four city berths.

#### Petersburg

The harbor in this small southeast Alaska town is used mainly the commercial fishing fleet and local barge service.

2017 work: No new construction is planned. In 2016 the city completed construction of a new drive-down dock, a \$1.4 million project financed mostly with a grant from the state legislature.

Harbor Master: Glo Wollen

Harbor: The municipal harbor has 577 slips between three harbors.

Port: There is an Alaska Marine Highway ferry terminal and private barge service from Alaska Marine Lines and from Samson Tug and Barge. Ties at the end of the municipal harbor floats can accommodate vessels as long at 150 feet.

Port traffic: The harbor is used mostly by commercial fishing vessels. Cruise ships that hold as many as two hundred people can use the harbor floats.

Sam Friedman is a freelance reporter. He lives in Fairbanks.



CITY OF NOME City Manager's Office P.O. Box 281 Nome, Alaska 99762 907.443.6600 tmoran@nomealaska.org

#### City Manager's Report

From: Reporting Period: Tom Moran, City Manager February 17 – March 20, 2017

- What an awesome event took place for the Iron Dog's Halfway Banquet at the Rec Center on Wednesday, February 22<sup>nd</sup>. Congratulations to all of the racers and thanks to the entire staff at the Rec Center!
- The Museum and Library Commission (MLC) also met on February 22<sup>nd</sup> to discuss properties in town that would be suitable for historic designation. If you remember correctly, the Council amended the duties of the Planning Commission last summer to add "historic preservation." The Planning Commission, however, has vowed to give a great deal of deference to the MLC's wishes during that process. Along those lines, the MLC has asked for a structural report on the Aviation Museum hangar before making a recommendation on whether or not it should be acquired.
- The Bering Straits Leadership Team (a consortium of Managers and Directors from local organizations) met on the afternoon of Thursday, February 23<sup>rd</sup> to finalize its collective legislative white papers. Though they don't mirror the City's priorities exactly, there is a good amount of overlap. As we all know, it's always best to present a unified front (a deep draft port in Nome has been identified as one of the organization's top four legislative priorities).
- The Ad Hoc Cemetery Committee also met on February 23<sup>rd</sup> to present recommendations for the upcoming summer season. The group unanimously agreed with City Staff that the two most pressing issues are: 1) the acquisition of computer software to manage burial plots; and 2) the development of the "new cemetery" to the north.
- After a very busy day, sealed bids for the old museum and library building on Front Street were also due by 3:00 PM on February 23<sup>rd</sup>. With no responsive bids being received, we can now begin direct negotiations with nonprofit agencies who have expressed an interest. I believe that there's also a proposal being formulated for its donation to the public good as a sobering center. Stay tuned for more details.
- Please see the attached license (incorporating our internal policy) that is required for production companies who film in Nome. We're very careful to ensure that our community goes uninterrupted and is painted in a positive light. *Attachment 1.*
- Please see the attached memorandum on public inebriation from Chief Papasodora. With last year's passage of SB91, our officers' jobs have gotten increasingly more difficult, requiring a shift in policy that will need endorsement from the Council. *Attachment 2.*

- Please see the attached 2017 legislative update from LCIA. *Attachment 3*.
- Please see the attached FY18 budget calendar (originally distributed in December) from Finance Director Liew. I think it's wise to make this a recurring addition to my Manager's Report. *Attachment 4*.
- A British television series called "Alaska: A Year in the Wild" finished filming in and around Nome on February 28<sup>th</sup>. Filming was strictly limited to landscapes and wildlife (i.e. no interviews). For more information on the production company, visit www.tigressproductions.co.uk.
- Congratulations to Katy Spoden (Assistant Director of Parks and Recreation) for being selected as February's Employee-of-the-Month. Due to vacant Attendant positions at the Rec Center, she worked a huge amount of overtime in February to keep the facility open. Keep up the good work, Katy!
- The Planning Commission met in a regular meeting on Tuesday, March 7<sup>th</sup> to continue updating the Zoning Map. This is an important public process, as the correlating Zoning Code was adopted almost nine years ago, and now needs to be modernized. As the City Council will need to ratify any action that is eventually taken by the Commission, they've requested a joint work session on Tuesday, April 4<sup>th</sup> at noon. Please try to attend.
- My thanks go out to the Public Works Department, the NJUS Line Crew, and the Building Inspector for their work abating 509 Cranberry Way.
- "Cold Case Alaska" completed its third week of filming on Sunday, March 19<sup>th</sup>. They plan to return in April for the next round. For more information on the production company, visit <u>www.m2-pictures.com</u>.
- An Australian television series called "Uncharted" (about Captain Cook's many voyages) will be filming in and around Nome on March 31<sup>st</sup> and April 1<sup>st</sup>. The show will be hosted by Sam Neill (of "Jurassic Park" fame). For more information on the production company, visit <u>www.essential-media.com</u>. *Attachment 5*.



#### CITY OF NOME <u>FILM/VIDEO/PHOTOGRAPHY PRODUCTION LICENSE APPLICATION</u>

This Production License Application is required of all commercial entities wishing to obtain a Production License to conduct film/video/photography production activities on City of Nome property, including, but not limited to, all City-owned facilities, Anvil City Square, East End Park, Middle Beach, Port Industrial Pad, and all marine facilities (causeway, barge ramp, inner harbor, floating docks and Belmont beach).

Application Date:

Approval Date:

\*Non-refundable application fee: \$300.00

This section to be completed by entity requesting Film Production License:

Company Name:	
Contact Person:	
Local Address:	
Local Telephone:	
Fax Number:	
Corporate Address:	
E-Mail Address:	

#### **APPLICATION REQUIREMENTS**

#### 1. PROOF OF INSURANCE

Applications must be accompanied by proof of adequate insurance. The City of Nome must be named as an additional insured in order for the License to be approved. Permittees may be required to provide cash bonds in order to ensure repair of Port property.

#### 2. APPLICATION FEE

A non-refundable license application fee of \$300.00 must accompany this application. Application and submission of fee does not guarantee that a license will be granted.

#### 3. PRODUCTION INFORMATION

All applications must include the following information:

- A statement describing the nature of the production and the relationship of City of Nome facilities to your production.
- A script or storyboard of all portions of the production that are anticipated to occur at City facilities or locations.
- The specific dates and times when shooting will occur (this can alternately be provided, in advance, on a weekly basis).
- The number of crew and type of equipment to be used at City locations.
- Proposed specific filming location on City property.
- Whether you anticipate any physical damage to City property, security problems or labor disputes where crowd control may be an issue.
- A list of previous film production experience.

LICENSES WILL BE GRANTED TO ELIGIBLE APPLICANTS ONLY AFTER THE CITY DETERMINES, IN ITS SOLE DISCRETION, THAT THE PROPOSED ACTIVITY IS IN ACCORDANCE WITH FEDERAL, STATE, AND LOCAL LAWS AND WITH CITY RULES AND REGULATIONS AND WILL NOT INTERFERE WITH CITY OPERATIONS AND/OR CITIZEN USES.

#### CITY OF NOME FILM PRODUCTION LICENSE

 1.
 This LICENSE, dated \_\_\_\_\_ day of \_\_\_\_\_\_, 20\_\_\_\_\_ is granted by the CITY OF NOME (the "City"), a municipal corporation of the State of Alaska, to ("Licensee").
 Licensee desires to photograph, film, video tape or otherwise record certain parts of the City facilities for the following project:

2. Duration. This License shall commence on and may remain in effect until \_\_\_\_\_, unless otherwise revoked by the City.

3. Consideration. In consideration for Licensee's application fee payment of three hundred dollars and no cents (\$300.00), the City grants Licensee a License for the uses permitted herein.

4. Grant of License, Use of Premises, Times and Locations. The City grants Licensee a limited, non-exclusive License to conduct the following filming activities on designated City property during the following times and locations:

Licensee's only use of the Premises shall be for the purposes set forth in this License. Licensee must obtain prior written approval of the City before conducting any activity other than the use contemplated by this License.

5. City Name. Licensee shall not use the name, logo, and/or insignia of the City of Nome without the express written consent of the City Manager or his designee. Licensee shall obtain prior consent from any and all City Staff prior to filming such individuals.

6. Hold Harmless and Indemnification.

A. Licensee shall defend, indemnify, and hold the City harmless from all liability, claims, damages, losses, and expenses (including, but not limited to, attorneys' and consultants' fees and other expenses of litigation or arbitration) caused, or alleged to have been caused, as a result of or in connection with any of Licensee's activities undertaken pursuant to this License.

B. In any and all claims against the City by any employee of the Licensee, the indemnification provision of Subparagraph A of this paragraph shall not be limited in any way by any limitation on the amount or type of damages or compensation benefits payable by or for Licensee under applicable worker's compensation, benefit, or disability laws (including, but not limited to, the Insurance laws, Title 21 of the Alaska Statutes). Licensee expressly waives any such immunity Licensee might have under such laws, and, by agreeing to enter into this License, acknowledges that the foregoing waiver has been mutually negotiated by the parties.

C. For purposes of this paragraph, the term "City" shall mean and include the City and its Manager, other officers, employees, and agents, and the term "Licensee" shall mean and include Licensee, its employees, contractors, subcontractors, suppliers, agents, and any other person directly or indirectly employed by any of them, or anyone for whose acts any other of them may be liable.

7. Insurance. Licensee shall maintain liability insurance of a type and in an amount of \$1,000,000.00 for coverage of any damages or injuries incurred or alleged to occur with respect to this License. The City will be named as an additional insured, and this policy will be primary over any other valid collectible insurance. The City shall be furnished with appropriate evidence to establish (1) that Licensee's insurance obligations and herein provided have been met, and (2) that the insurance policies as herein required are not subject to cancellation without at least forty-five (45) days advanced written notice to the City.

8. Non-Interference with City Activities. Licensee's activities under this License shall not interfere with or disrupt any activities of the City, its lessees, customers, vessel traffic or other users

of City facilities. Licensee shall immediately suspend all activities on City property if requested to do so by any member of City Staff. Authorization for all airborne activities (including, but not limited to, fixed wing aircraft and helicopters) must be reconfirmed immediately prior to activity to verify no conflicts have arisen and ensure safety of all users.

9. Temporary Modification of Facilities or Grounds. Licensee may request permission to temporarily rearrange facilities or grounds in order to perform the activities authorized under this License. The City will consider and review such a request only after receiving from Licensee no later than ten (10) days before the effective date of this License, a detailed list and description of the proposed temporary changes. The City shall have sole discretion in determining whether to grant a request under this paragraph. The City's final determination shall be in writing. If temporary changes are authorized by the City under this paragraph, Licensee shall restore the facilities and grounds to the City's satisfaction, to the condition existing prior to Licensee's activities. Licensee shall bear all costs of restoring the facilities and grounds to their prior condition. The City reserves the right to conduct any restoration, and bill Licensee for all such costs.

10. Other Obligations of Licensee.

• Licensee shall, at its sole expense, repair or replace at the City's option, any and all personal or real property of the City that is damaged by Licensee's activities. Determinations on damage will be made by the City Manager or his designee. In the event the City incurs any costs as a result of Licensee's failure to comply with the provisions of this License, the City will invoice Licensee for such costs. Licensee shall repay the City's costs within thirty (30) days of receiving the invoice.

• Licensee shall advise City staff of any and all anticipated impacts that Licensee's activities may have on other City users, vessels, or property. Any such impacts shall be reported to the City at the time Licensee applies for the License. Licensee's submittals shall include a statement of how it intends to coordinate with the affected tenant and a written authorization by the affected tenant. If impacts arise during production, Licensee shall immediately notify City staff.

• Licensee shall be solely responsible for obtaining all permits necessary to conduct the activities authorized under this License.

• In the event Licensee's activities require agreements with labor organizations, Licensee shall be responsible for obtaining such agreements prior to commencing its activities under this License. Licensee shall make all reasonable efforts to avoid disruptions of any Port operations as a result of Licensee's dispute with labor organizations.

11. Security. Licensee shall be required to maintain and pay for as many City security agents as the City deems necessary at the scene of any activities authorized under this License.

12. Compliance with Laws. Licensee shall comply with all applicable federal, state, and local laws and regulations when conducting its activities under this License.

13. Revocation. In the event Licensee fails to comply with any of the provisions required herein, the City may revoke this License without advance notice to Licensee.

14. Notices. All notices hereunder may be delivered or mailed. If mailed, they shall be sent to the following respective addresses:

To City: City of Nome PO Box 281 Nome, AK 99762

To Licensee:

Or to such other respective addresses as either party hereto may hereafter designate in writing.

15. Captions. The captions in the License are for convenience only and do not in any way limit or amplify the provisions of this License.

16. Invalidity of Particular Provisions. If any term or provision of this License or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this License or the application of such term or provision to person or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.

17. Nondiscrimination. Licensee agrees that it will not discriminate against any person or persons because of race, sex, age, creed, color or national origin in furnishing, or by refusing to furnish, to such person, or persons, the use of the facility herein provided, including any and all services, privileges, accommodations, and activities provided thereby. Licensee covenants and agrees that in all matters pertaining to this License, the Licensee shall at all times conduct its business in a manner which assures fair, equal and nondiscriminatory treatment of all persons without respect to race, sex, age, color, creed or national origin and, in particular, it is agreed that Licensee's non-compliance with the provisions of this clause shall constitute a material breach of this License. In the event of such noncompliance, the City may, but is not required to, take appropriate action to enforce compliance, may terminate this License, or may pursue such other remedies as may be provided by law.

18. Assignment. This License is not assignable or transferable. Any such transfer shall void the License.

19. Entire Agreement. This License constitutes the entire agreement between the parties.

There are no other written or verbal agreements between the parties relevant to the subject matter of this License.





To: City Manager Tom Moran City of Nome Administration

Date: 2-21-17

Telephone: 443-8519

From: Chief J. Papasodora City of Nome Police Department

Subject: Public Inebriate Issues

#### POLICY: Nome Police Department Operating Procedures Manual

Nome Police Department CHAPTER 607 Revised 01/19/12

#### 607.040 TITLE 47 AND TREATMENT/SERVICES FOR INTOXICATED PERSONS AND PERSONS INCAPACITATED BY ALCOHOL OR DRUGS

A. Authority for detention of persons incapacitated by alcohol or drugs. AS 47.37.170(B) A person who appears to be incapacitated by alcohol or drugs in a public place shall be taken into protective custody by a peace officer or a member of the emergency service patrol and immediately brought to an approved public treatment facility, an approved private treatment facility, or another appropriate health facility or service for emergency medical treatment. If no treatment facility or emergency medical service is available, a person who appears to be incapacitated by alcohol or drugs in a public place shall be taken to a state or municipal detention facility in the area if that appears necessary for the protection of the person's health or safety. However, emergency protective custody under this subsection may not include placement of a minor in a jail or secure facility.

#### 607.050 EMERGENCY DETENTION PROCEDURES

**A.** Incapacitated persons must be released to a caretaker or responsible party. Persons incapacitated by alcohol or drugs can be transported to: the person's home or the home of a friend or relative, an approved public treatment facility, an approved private treatment facility, or another appropriate health facility. However, an incapacitated person shall not be released unless released into the care and custody of a person capable of insuring the welfare of the subject and willing to do so.

#### B. Safety of persons and personnel.

(1) A peace officer or a member of the emergency service patrol, in detaining a person and in taking the person to a treatment facility, an emergency medical service, or a detention facility, is taking the person into protective custody and the officer or patrol member shall make reasonable efforts to provide for and protect the health and safety of the detainee.

(2) In taking a person into protective custody, a detaining officer, a member of the emergency service patrol, or a detention facility official may take reasonable steps for self-protection, including a full protective search of the person of a detainee.





#### MEMORANDUM: Public Incbriation

(3) Protective custody does not constitute an arrest and no entry or other record may be made to indicate that the person detained has been arrested or charged with a crime, except that a confidential record may be made that is necessary for the administrative purposes of the facility to which the person has been taken or that is necessary for statistical purposes where the person's name may not be disclosed.

C. Incupacitated persons must be immediately transported to hospital. When an individual is taken into protective custody, transportation to the nearest hospital must occur immediately.

#### PREVAILING CASE LAW:

Busby v Municipality of Anchorage 741 P.2d 230 (1987)

On May 1, 1980, Thomas Busby was walking about two feet into the traffic lane on East Fifth Avenue in Anchorage. Officer Foster was on patrol and spotted Busby, stopped him, moved him off to the side of the road, talked with him and determined that Busby was intoxicated. Officer Foster then ran a warrant check on Busby but did not place him into protective custody. Apparently finding no outstanding warrants, Officer Foster then reentered her vehicle and proceeded on her way. Shortly after Officer Foster left, Busby was struck by a car and suffered injuries as a result.

"We conclude then that AS 47.37.170(b) articulates an appropriate standard of care and thus hold that the Municipality has an affirmative duty to take persons incapacitated by alcohol in a public place into protective custody and transport them to an appropriate treatment facility."

This Supreme Court ruling applies to all municipal and State law enforcement.

#### **DEFINITION:**

#### AS 47.37.270(7)

"incapacitated by alcohol or drugs" means a person who, as a result of alcohol or drugs, is unconscious or whose judgment is otherwise so impaired that the person (A) is incapable of realizing and making rational decisions with respect to the need for treatment and (B) is unable to take care of the person's basic safety or personal needs, including food, clothing, shelter, or medical care;"

Under Busby, the scope of this definition is broad.

#### **ISSUES:**

The frequency of "Title 47" contacts is increasing exponentially.

For calendar year 2016 NPD generated 8363 Calls for Service (CFS). 928 (11%) were classified as 'Intoxicated Person' calls where a person is either reported as intoxicated and in need of assistance or contacted by NPD for that reason. Of the 928 calls, over 33% required the person to be taken into protective custody per AS 47.37.170 and transported to the hospital. Of these persons, four (4) were accepted at AMCC for 12-hour protective holds. The remainder were treated and detoxified at the hospital.

As of December 2015, the Alaska Department of Corrections (DOC) discontinued accepting Title 47 (incapacitated inebriates) for remand and 12-hour detoxification. This action was predicated on intoxicated persons being too 'medically fragile' for acceptance into DOC facilities.





#### MEMORANDUM: Public Inebriation

#### ANALYSIS:

Data retrieval indicates the following:

Year	# of Drunken Persons CFS
2014	476
2015	440
2016	928
2017 (Jan 1 to Feb 20)	149

If projections remain constant, CFS estimates in this category will exceed 930 for 2017.

Further analysis was conducted for the period of October 1, 2016 through February 20, 2017. Results indicate the following:

There were 411 Calls for Service for 'Drunken Person' involving 154 individuals:

- o 54 CFS involved more than one person;
- o 466 total contacts or actions;
- o 228 clients were taken to Norton Sound Regional Hospital;
  - 5 were taken for medical clearance following arrest;
  - 29 were transported by medics as they were unresponsive or non-ambulatory;
  - 1 intoxicated person was provided transport for a medically related issue.

Of these calls, there were 100 single event clients of which 48 were taken to NSRH.

- o 41 were transported by Nome Police Department Staff
- 7 were transported by NVAD

For the remaining 311, the total client number was 54; with the mean number of events per person 5.75. 180 were transported to the NSRH;

- 158 were transported by NPD staff;
- o 22 were transported by NVAD

The actual distribution of clients per call is as follows:

# of events	Client Numbers	# of events	Client Numbers
2	24	9	9
3	7	10	2
4	7	12	1
5	1	20	1
6	2	25	1
7	2	27	1
8	2	35	1

As the data set indicates, the highest number of events was 35 for one individual of which:

- 20 were transports to NSRH
  - o 15 by NPD; and
  - o 5 by NVAD.





#### MEMORANDUM: Public Inebriation

#### **IMPACTS:**

- 1. The effect on NSRH operations is evident.
- 2. The capacity for aggressive patients at the hospital increases with frequency.
- 3. The ability for police officers to focus on criminal cases has been reduced which is resulting in delinquent investigations and reports.
  - a. Drunken Person calls and proactive patrol to insure the welfare of inebriates during adverse weather has absorbed a significant number of man hours.
- 4. A vacant police officer position was reclassified to allow for a second Community Services Officer. This will result in a CSO on duty each day during peak periods for inebriate activity.
  - a. This is necessary to address #3 above, however results in a reduction in investigative capacity.
- 5. A second CSO will accumulate additional miles and wear/tear on the CSO vehicle leading to accelerated replacement needs.
- 6. Risk factors for injury to officers carrying/transporting incapacitated persons increase with frequency.
- 7.

#### **RECOMMENDATIONS:**

- 1. Consider contacting legislative representatives regarding treatment/sleep off centers.
- 2. Explore partnering with outside entities to address this community problem.
- 3. Explore funding a year round/extended hours NEST operation.
- 4. Petition the legislature to change existing law regarding T47 remand to correctional institutions.
- 5. Explore methods to limit the access of alcohol to members of this vulnerable population; to assess a surcharge for alcohol sales; or other means to offset the expenditure of resources necessary to manage this issue.

Please advise if you have questions.

Legislative Consultants in Alaska (LCIA)

Wendy Chamberlain and Heather Brakes 224 4<sup>th</sup> Street, Juneau AK 99801 907-586-2565 (Office) 907-230-4308/907-723-3920 (Cell)

30 day Legislative Overview

#### February 11, 2017

#### **Overview** report

The legislative session is approaching the 30-day point and things are heating up. Balancing the budget is the biggest issue facing the Legislature this session. Most of the discussions revolve around taxes, budget cuts and the Permanent Fund Earnings. Any Legislation that is not revenue neutral will have a difficult time moving through either body this year.

#### How large is the actual deficit?

Alaska North Slope crude oil prices have been increasing steadily over the past four months. However, volatile fluctuations in the market will likely cause state economists to release a conservative oil price estimate for the next fiscal year.

January 19, 2016 ANS Crude oil prices dipped to \$29.97/barrel. The price remained low for the summer months but we have seen a steady increase over the past six months. Today, ANS crude per barrel price is \$53.90. While this is a positive step it still leaves Alaska facing a projected deficit around \$2.8-\$3.0 billion dollars. The price per barrel breakeven point for a balanced budget in our state is \$103/barrel.

#### What are the options?

Budget cuts, taxes and accessing the Permanent Fund Earning Account are the options being considered by Legislators. Alaska currently has \$56 billion in the Permanent Fund Account. Each year, these funds spin off interest earnings that total approximately \$2.2 billion.

<u>House bill 115</u> developed by the House Finance Co-Chairs Reps. Foster and Seaton was introduced on Friday. The bill proposes utilizing revenues from the Permanent Fund Interest Earning Account along with taxes to help offset the current deficit.

#### Will this impact my dividend?

Under HB 115, one third of the Permanent Fund Earnings account will go to pay each eligible Alaskan a dividend of \$1,100. The total cost for these dividend payments is \$765 million. The remaining two thirds, about \$1.75 billion a year will go to help pay for state services.

#### What taxes are being proposed?

This legislation (HB 115) imposes an income tax of 15% of each person's federal income tax rate. The tax will be assessed on both residents and non-residents with everyone paying a minimum of at least \$25. It is estimated this tax will raise approximately \$655 million each year.

Additionally, HB 115 includes a 10% capital gains tax, two thirds of what is currently charged by the IRS.

#### Link to House bill 115

http://www.legis.state.ak.us/PDF/30/Bills/HB0115A.PDF

#### Does this bill have support in the House of Representatives?

A majority of legislators are likely to support at least ONE provision in the bill. As the bill works through the Committee process it may be changed or amended considerably.

#### What about oil taxes?

The House Resources Committee is working on legislation that reduces oil tax credits and raises oil taxes. This bill may face strong opposition in the Senate.

#### What is the Alaska Senate's plan?

Yesterday, the Senate Majority reiterated their strong opposition to an income tax, instead supporting imposing a spending limit, restructuring the Permanent Fund and implementing budget reductions. While this plan still leaves a significant deficit, Senate leaders stated their plan would solve the current budget shortfall by allowing the state to utilizing the reserves available WITHOUT the need for an income tax.

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Wendy Chamberlain and Heather Brakes 224 4<sup>th</sup> Street, Juneau AK 99801 907-586-2565 (Office) 907-230-4308/907-723-3920 (Cell)



#### What other legislation will impact Alaskans?

HB 36 – Sponsored by Rep. Les Gara proposes a tax on income received from sole proprietorships, LLC, and Corporations. The tax rate varies depending on each individuals tax bracket.

Tax bracket	Tax rate
Less than \$200,000	Zero
\$200,000 but less than \$500,000	5 percent of income over
	\$200,000
\$500,000 but less than \$1,000,000	\$15,000 plus 7.5 of the
	taxable amount over
	\$500,000
\$1,000,000 or more	\$52,500 plus 9.4 percent of
	the taxable over \$1,000,000

#### Motor fuel tax

Governor Walker introduced a bill increasing the motor fuel tax from 8 cents to 16 cents in 2017 AND an additional increase to 24 cents in 2018. This increase will generate \$81 million in revenue.

#### Studded tire tax

Senator Cathy Giessel introduced a bill that will increase the studded tire tax from \$15/tire to \$75/tire.

#### What budget cuts will impact me?

Funding for Municipal Revenue Sharing was **not included** in the Governor's budget bill. This funding is vital because it was designed to allow municipalities to share in the state's oil revenues. Traditionally, local municipal governments have used these funds to help offset increased property taxes. Many smaller communities rely on these funds to operate basic services such as the local water/sewer treatment plant operators.

#### Freeze state employees pay increases

Governor Walker introduced a bill to freeze state employees pay. SB 31 halts salary increases from July 1, 2017 until June 30, 2019 for exempt, partially exempt, and nonunion employees in the Executive Branch, Legislative Branch, and University of Alaska.

#### Vocational Education Training.

The Technical and Vocational Education Program authorization expires this year. Without reauthorization of this program will sunset June 30, 2017.

The House is currently working on the Operating Budget with budget closeouts expected late this week. We will have further updates as each body puts forth their budget bills. We anticipate the House will close out the budget close to the Governor's budget numbers. The Senate is likely to reduce the Governor's budget significantly.



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#### FY 2018 BUDGET CALENDAR

Date	Description
December 12	-Distribute FY 2018-Budget-Calendar to Council
January-23	Council to discuss budget priorities for FY 2018
February 16	Finance Department distributes budget worksheets to aid Department Heads in submitting their budget requests
February 27	Administration provides Goals & Accomplishments templates to Department Heads
February 27	Payroll provides Request for Staffing/Personnel templates to Department Heads
March 10	Department Heads submit staffing/personnel requests to Payroll
March 14	Notice of Assessment sent by City Clerk to Real Property Owners
March 20	Department Heads submit preliminary budgets, including narratives and justification to Finance, and Department Goals & Accomplishments to Administration
April 3	School Administration meets with City Manager and Finance Director on NPS draft FY 2018 budget (tentative)
April 4-7	Department Heads meet with City Manager and Finance Director on draft Goals & Accomplishments and preliminary FY 2018 Budget
April 28	Nome Public School Board Budget – last day to request for appropriation (NCO 2.25.070)
May 3-5	Board of Equalization
May 8	Final day for Department Heads to submit Purchase Orders
May 8	Council Work Session on FY 2018 School Budget
May 8	Preliminary budget assumptions to the Council
May 11	Council Work Session #1 on FY 2018 City Budgets
May 17	Council Work Session #2 on FY 2018 City Budgets (tentative)
May 19	Finance Department submits proposed FY 2018 Budgets for 1 <sup>st</sup> reading
May 22	Council Regular Meeting – 1 <sup>st</sup> reading of FY 2018 Budgets

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#### FY 2018 BUDGET CALENDAR

Date	Description
May 22	Mill rate set by Nome Common Council per AS 29.45.20 (b) "A municipality shall annually determine the rate of levy before June 15"
May 22	School appropriation set by Nome Common Council (NCO 2.25.070) "By May 31 <sup>st</sup> , the city council shall appropriate the amount to be made available…"
June 12	Council Regular Meeting – 2 <sup>nd</sup> reading of FY 2018 Budgets
June 15	Tax bills sent (tentative)
July 1	Budget implementation and monitoring

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# A story of adventure, love, triumph and tragedy

# UNCHSAM NEILL

Marking the 250th anniversary of the departure of Lt. James Cook's first great voyage of discovery.

6x60 Landmark Documentary Series



Pacific citizen Sam Neill follows in the wake of Captain Cook's three world changing voyages. Sam draws on deep personal connections - from his British Empire builder relations in Australia and New Zealand to the descendants of Polynesianwarrior/navigators to contemporary America and Japan.

In this epic 6 x 1 hour series to mark the 250th anniversary of Captain James Cook's first voyage of discovery, Sam Neill uses any and all contemporary modes of maritime transport to sail in Cook's wake and map his massive influence. From Tahiti to Australia, Hawaii, Alaska, South America and China, Neill meets the peoples and places transformed by Cook's charting of the Pacific and the shifting of the politics and economies of the region. Covering one third of the Earth's surface, the Pacific was, before Cook, disconnected from the power and ideas of Europe, Asia and America. Cook mapped the sea routes that link the Americas with Asia - the conduits of trade and power that the USA and China wrestle over today.

Across the series, Neill follows Cooks three transformative journeys. Cook's first voyage begins in the name of science - he travels to observe the transit of Venus from Tahiti but it quickly becomes one of exploration and the projection of power. Neill explains the ambitions of Cook's Britain as he does the unique peoples of Tahiti, New Zealand and Australia who, though they are at first unimpressed by Cook, quickly realise he is a conduit to what could change their lives.

On his second voyage Cooks goes in search of a great Southern Continent, finds Antarctica and returns to Polynesia where his presence shifts the balances of power with far reaching consequences. The series draws on new scholarship that redefines Cook as not just a genius European explorer but also, as he spends years on the other side of the world, a proud and powerful Pacific prince.

On his final voyage Cook goes North in search of the North West passage to Europe. He braves icy seas, charts the North west of the US and Canada and, finally arrives at Polynesia's northern limit - Hawaii. There, politics enfolds him and in a brazen power play, Cook is attacked and killed.

As he showed in the acclaimed *Why Anzac?*, Sam Neill is a charming and incisive factual storyteller. He will shift from the personal to the the global, the present to the past with deftness and wit. Part travelogue, part revisionist history, part homage to the greatest of voyagers and the ocean he change forever, Uncharted is a grand, entertaining TV event.



Contact: David Alrich. Essential Media and Entertainment. david.alrich@essential-media.com









# Memo

To: Tom Moran – City Manager

From: Joy L. Baker – Port Director

CC: Mayor & Nome Common Council

Nome Port Commission

Date: 3/20/2017

Re: Port & Harbor Report/Projects Update – March 2017

The following provides a status update on active issues and projects pertaining to the Port & Harbor.

#### Administrative:

Focus remains on AR collections, with reasonable success resulting from 2 rounds of impound proceedings. Based on the mid-year amendment, FY17 revenue at 3/8 shows 82.4% in revenue has been achieved – with 33.2% expended. All Port vehicles are shuttered for winter.

#### Causeway:

<u>Arctic Deep Draft Port (ADDP) Study:</u> The City/SNC delegation traveled to Juneau on 6-8 March 2017, for meetings with Governor Walker, ADOT Commissioner Luiken, Alaska legislators, and USCG Admiral McAllister, along with the D17 Arctic Operations Team. Reception on the forward movement of the ADDP Study was well received, with encouraging support for achieving progress in the expansion of the Port of Nome. A joint presentation was given to the House Arctic, Economic Development and Tourism Committee by Mayor Beneville, Ukallaysaaq Okleasik and myself, serving the intended purpose in disseminating the port's capacity and growth.

A follow up meeting at the Army Corps Alaska District office on 9 March provided more in depth discussion regarding the mechanics of the rescoping of the Nome project study. An outline of the necessary rescoping framework has been submitted to Headquarters for review and approval. This framework outlines the necessary study tasks and milestones that will be achieved to assess and capture the broader benefits provided for under the new WRDA provisions. Once approved, the Alaska District will work with the City to negotiate a Scope of Work defining these study tasks, to include a re-scoping charrette, as well as a cost-share arrangement. Updates will be provided as they come available.

<u>Mid Dock Ramp Extension</u>: The ramp extension change order has been awarded to Orion, with funds provided by the FY2013 GO Bond grant. The additional work has been scheduled for June 2017.

#### **Port Industrial Pad:**

#### Port Pad Development:

Based on Council award of the Thornbush Site Development and Snake River Dredging Phase II Project to Q Trucking for \$1,124,110.42, the City Manager has executed the project contract documents, with funds provided by a combined use of the balance of the FY2013 GO Bond grant, and a FY2014 Legislative grant. Contractor has identified the week of 20 March 2017 to begin the spring dredging phase that will excavate a portion of the Snake River and dispose spoils in a section of the Thornbush Site for a dewatering period.

#### **External Facilities:**

#### Cape Nome:

Based on Council approval, the City Manager has executed Additive Alternates 2 and 3 of the Cape Nome Repair Project to Knik Construction which will allow for summer stone placement, with project completion anticipated by October 2017. Contractor is currently in standby mode, awaiting breakup and access to the project site.

Additional information on any of these projects is available upon request.

## PORT/HARBOR PROJECTS STATUS

		PROJECTS		ESTIMATED	FUN	IDING
TYPE	NAME	SCOPE	STATUS	SCHEDULE	SOURCE	Estimate
ONGO	ING CONSTRUCTION (FUNDED)					
					NSEDC,	
			Original Project Complete - change order	Original Completed July	EDA/SOA	
	CSWY MIDDLE DOCK	Construct 3rd sheetpile dock on Causeway w/roro ramp	in pricing	2016	Grants	\$8M +/-
	Approved Change Order	Extend concrete ramp to minimize erosion loss during storms	Contractor Procuring Materials	Completion Jun 2017	SOA Grant	\$270K +/-
		Repair seawall from long term storm erosion - replace missing core rock	Construction Complete - As/builts in final			
	SEAWALL EROSION REPAIR	and armor stone	drafting w/elev. report	Completed Sep 2016	SOA Grant	\$750K
		Install 24 camera security system in Port/Harbor w/desktop stations,				\$202K
	SECURITY CAMERA SYSTEM	server, software and fiber connections	Finalizing RFP for equip/software	Completion Aug 2017	FEMA CITY	\$70K
		Densir letty from Ney 2011 storm realized missing care reak and key in	Draiget fully awarded Stope Discoment			
		Repair Jetty from Nov 2011 storm - replace missing core rock and key in	Project rully awarded - Stone Placement	Completion Oct 2017		CA FENA
	CAPE NOME JETTY REPAIR	armor stone surface layers-remove scattered rock	In 2017	Completion Oct 2017	ADHES FEIMA	\$4.55M
		Addition of existing City project office to north side of harbor building to	Interior work complete - 85% of exterior		P&H Op	
	HARBOR OFFICE EXPANSION	provide additional office/storage space needed	work complete	Completion Nov 2016	Funds	\$5,280
					_	
					P&H Op	
	VESSEL SCRAP	Hazmat Cleanup/Demo Cabin/Disposal of 65' tugboat	Tug Demo as PWR schedule allows	Completion Jun 2017	Funds	ROM \$18K
*	THORNBUSH SITE DEVELOP.	Development of portion of 18 acre parcel for needed uplands space.	Contractor Procuring Materials	Summer 2017	SOA Grants	\$1.2M

#### PENDING (SECURING FUNDS)

	Cost-share project w/ADOT to widen, resurface Port Rd w/drainage and					
PORT RD IMPROVEMENTS	safety improvements (sidewalks)	Eng/Design RFP let by SOA	Construction 9/2018	SOA	City	pending

## PORT/HARBOR PROJECTS STATUS

		PROJECTS		ESTIMATED	FUI	NDING
TYPE	NAME	SCOPE	STATUS	SCHEDULE	SOURCE	Estimate
PROPC	DSED (IN PLANNING)					
		Cost-share project w/USACE for a rescope of the draft Arctic Deep Draft				
		Port Study, followed by the design of the project, once authorized by				
	ARCTIC DEEP DRAFT PORT STUDY	Congress. Execution of cost-share agreement pending confirmation of	Awaiting USACE HQ approval of recoping	Rescoping/Design 2017 -	SOA F17	
	& DESIGN	USACE rescoping plans.	plan options & timeline	2019	Grant Funds	\$1.6M
	SNAKE RIVER DEVELOPMENT	Additional dredging to -8' MLLW along west bank of Snake River to				
*	ADDT'L DREDGING	accommodate light draft anchorage	Contractor mobilizing to site	Mar/April 2017	SOA Grants	\$1.2M
		Design (install dead man machanism to some as anchoring point for				
		Design/install dead than mechanism to serve as anchoring point for		Current of 2017	City	ćaok v /
	HAUL OUT - DEAD MAN	equipment in vessel haul-outs	in design with engineers	Summer 2017	City	\$20K +/-
		Evaluate/conceptualize/ROM Costs for buried pipeline and surface				
	Port Ship's Waste Reception	infrastructure to receive ship's sewage and gray water -evaluate NJUS	Concept level discussion w/NJUS, CE2,			
	Facility	WWT capacity to accommodate marine volume levels	City engineer & Port Commission	Unknown	Unknown	Unknown
		Rescoping of original design to more economically feasible, reduced scale				
	SNAKE RIVER DEVELOPMENT	or phased construction to include floats, shore protection and uplands	Pursuing reduced scale design and grant		potential	Full design ROM
	COMPLETE CONSTRUCTION	development	funds for construction.	Unknown	grant	@ \$10M
		Development of 7 acre parcel to provide additional vessel storage near	Awaiting ADEC approval of USAF			
		existing and future launch ramps. USAF installed fence in 2015 and placed	mitigation measures to do interim lease &			
	WNTF SITE DEVELOPMENT	cap in 2016	final conveyance	Anticipated 2017	Unknown	Unknown
		Demo existing walls/roof, Install new roof/panels, prep interior for				
	GARCO BUILDING UPGRADE	insulation install - concrete curb around perimeter	Evaluating source of funds	Unknown	EDA?	ROM \$550K
		Design/procure/install large diameter dolphins inside east breakwater in	Evaluating priority before expending			
	OUTER HARBOR DOLPHINS	outer harbor for vessel standby.	design funds	Unknown	Unknown	Unknown
	Cruise Ship Tenders Disembark	Evaluate/conceptualize establishing disembarking floats at ramp in SE	Evaluating before expending ROM &			
	Site - SE harbor	corner of harbor for cruise ship tenders to minimize congestion	concept funds	Unknown	Unknown	Unknown
		Design/install shower facilities by SBH floats, extend existing water/sewer	Evaluating priority and ROM costs -			
	SHOWER FACILITIES	from Office & coin-op or credit card mechanism	specifically water/sewer charges	Unknown	Unknown	Unknown
		Design/install electrical outlets near base of street lights, develop suitable	Evaluating priority and ROM costs -			
	ELECTRICAL SHORE POWER	mechanism to charge users to access	specifically charging mechanism	Unknown	Unknown	Unknown
		Work w/terminal fuel operators to develop fueling station in SBH, identify	ROM/Concept Design Underway with In-		PRIVATE	
	SHORE-SIDE FUELING	most suitable site and preferential access agrmt	house City Engineer	Unknown	INDUSTRY	Unknown
		Pursue as adjacent operation to terminal operator fueling station -	ROM/Concept Design Underway with In-			
	WASTE OIL/BILGE PUMPOUT	potential cost-share	house City Engineer	Unknown	CITY	Unknown

## PORT/HARBOR PROJECTS STATUS

		PROJECTS		ESTIMATED	FUN	DING
TYPE	NAME	SCOPE	STATUS	SCHEDULE	SOURCE	Estimate
MAINT	ENANCE					
		Bury overhead lines crossing Port Rd & WNTF entrances to allow for			P&H Op	
	PORT RD OH LINE BURY	unobstructed vessel/equipment movement	In discussion w/utility companies	Potential Summer 2017	Funds	Unknown
	CSWY BRIDGE FUEL LINE	Replace corroded hangars/rollers - recommend USACE adjust fill behind	Repair Summary Completed - Work		P&H Op	
	HANGAR/ROLLER REPAIRS	backwalls located under bridge approaches	Scheduled for Winter	Winter 2016/17	Funds	\$40K +/-
	HYDROTESTS & CP INSPECT -	Annual maintenance tests/inspection/maintenance on port fuel lines	Hydrotesting Complete		P&H Op	
	PORT FUEL LINES	system to meet compliance/ensure integrity	CP Work Scheduled	PERFORMED ANNUALLY	Funds	\$15k +/-
		Remove upper concrete planks at harbor launch ramp and fill with grout to			P&H Op	
	LAUNCH RAMP REPAIR	fill in voids and increase structure support	Evaluating repair scope & costs	Potential 2017/18	Funds	Unknown
	INNER HARBOR	There is a periodic need to survey/dredge the SBH and Snake River ramp	Evaluate pre & post COE 2017 surveys -			
	SURVEY/DREDGING	approaches to ensure control depth maintained	determine if shoaling	Potential 2017	P&H Op funds	Unknown
	Completed Projects					

\* - Combined Projects