



Sitka Conservation Society
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“Protecting the natural environment of the Tongass while supporting the development of sustainable communities in Southeast Alaska – Since 1967”

May 16, 2018

Adam Moser
Natural Resource Specialist III
Department of Natural Resources
Division of ML&W Management
400 Willoughby Ave.
#400 P.O. Box 111020
Juneau, AK 99811-1020

Re: ADL 108877 Katlian Bay Road

Dear Adam Moser,

Thank you for the opportunity to comment on the Katlian Bay Road Project. We are concerned with some aspects of the Department of Transportation and Public Facilities’ Easement Application for the Katlian Road Project, submitted to the Alaska Department of Natural Resources, that was released May 15, 2018.

The proposed activity regards the construction of approximately 9 miles of unpaved road and bridges from the end of Halibut Point Road to connect to a previously existing logging road system (that is now defunct and washed out) at the head of Katlian Bay. However, the rationale for this road provided in the Easement Application is that the “project provides access to native corp lands that could provide a rock source for Sitka and access to mental health land”. This rationale does not match the rationale found in the Environmental Document for the project, signed on January 31, 2018, which states that the Katlian Bay Road Project “is to provide recreational and subsistence opportunities on Baranof Island within Forest Service Sitka Ranger District National Forest System lands” as well as providing access to potential new material sources on State, Federal, and Native Corp. lands for possible future development. While “possible future development” is obviously mentioned in the Environmental Document, it is not the primary stated purpose of the project. This contradictory rationale adds to confusion about the real reasoning behind the project as direct quotes from one of the project’s main supporters, State Senator Bert Stedman, have also supported the idea that this project would mainly benefit Shee Atika, Inc. Senator Stedman stated “... We have a lot of community members who are shareholders in Shee Atika, and they have a large land holding in the back of Katlian Bay. It’s got a lot of flat ground, a lot of gravel resources, rock, and recreation. [...] It would give Shee Atika, at their choosing, the ability to develop that property out over the next century” (<https://www.kcaw.org/2015/01/21/budget-woes-to-stall-katlian-bay-road-project/>). Furthermore,

the Department of Natural Resources changed the description of the requested activity on the Online Public Notices page (<https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=190035>) after SCS brought the inconsistency to their attention. However, the Easement Application itself had not been amended. As of May 17th, the Easement Application itself was also amended, with a new rationale and several other errors corrected by typing over the original document (still dated March 21, 2018). This adds more confusion and is increasingly misleading to the public, as it appears that the requested activity mentioned on the summary page does not match the requested activity described in the actual application. We urge DNR not to gloss over this critical inconsistency by changing their website without requiring a new Easement Application, as many people may not look further than the website page for information.

To expressly use taxpayers' dollars for construction of a road that seemingly prioritizes access to private lands for private profit (Shee Atika land and future rock source as well as Mental Health Trust land) is misleading to the public and contrary to the project's stated objective. Sitka is already struggling to make ends meet financially, as teachers are laid off and class sizes increase. Sitka needs to focus on priorities that benefit the entire community, and considering that the rationale for the project is shifting, it is difficult to discern what the real purpose of the project is. If it is actually access to a rock quarry and the Mental Health Trust lands, this access is impeded by a difficult river crossing and then steep, unstable rock cliff that would cost an exorbitant amount of money to create bridges over and tunnels through, which are costs that the public has not had the opportunity to consider or comment on. In addition, the Katlian Bay Road project is already projected to cost about \$10 million more than voters originally budgeted for in the 2012 bond vote. Furthermore, there is no assessment of maintenance costs or projection of a maintenance budget for the road or the supposed recreation area. Considering that the road is being built in a landslide prone, high-snowpack area, SCS anticipates that the maintenance budget would be quite costly. Taking into account these future cost concerns, current State budget deficits, and the extremely limited nature of the State road maintenance budget, we urge the DNR to take the initiative to cancel this project. If the DNR refuses to cancel the project, we urge the DNR to encourage the relevant parties to take these factors into account and analyze these maintenance costs more in-depth before the road is built.

Furthermore, this project has a limited budget that it is already close to reaching and possibly superseding, and construction is located in a steep terrain area. SCS has strong concerns that corners may be cut in the building process and public safety may be at risk in this volatile area. There are also no sidewalks planned for pedestrians or cyclists, and the winding, single lane route presents a high potential for accidents to occur. SCS would like to know how the DOT plans to ensure the safety of all road users, not just those in vehicles. We have also noticed that a Bald Eagle Disturbance permit has been applied for and the project is projected to create a disturbance to wildlife and 137 acres of associated habitat. In this regard, we would like to bring to attention the fact that Shee Atika, Inc. has a long, controversial history of development around eagle's nests (<http://juneauempire.com/state/2016-02-28/federal-agency-investigates-removal-eagle-nest-near-sitka>) and SCS would like to know the steps that DNR is planning with DOT to ensure that excessive disturbance of eagles' nests is mitigated.

Thank you for providing the opportunity to comment on this project. SCS is wary of the fact that the Katlian Bay Road is an expensive project taking place during a time when Alaska needs to tighten the budget belt. While the project was approved during a time of relative economic prosperity, these times have passed and we have entered into a new period characterized by budget deficits and cuts. The Katlian Bay Road has not undergone an assessment for maintenance costs, and as they rise in the face of increasing natural disasters such as landslides and avalanches, SCS fears that these costs would be prohibitive. We do not believe that the future, unexplored costs of this project are in the best interests of the people of Sitka or the State of Alaska, and we have urged the DOT&PF to re-consider the costs and issues that would arise if the project were completed.

We believe that the Department of Transportation has been backed into a corner in the development of this road project because of the political winds during the time of the drafting of the bond initiative in 2012. The passing of the bond has further backed them into a corner, to the point where they are being forced to pursue a road construction project that does not pass the red-face test, and is clearly an example of Shee Atika's excessive investment in lobbyists achieving project approval through the political system that would benefit the corporation and their shareholders at the expense of Alaskans (<https://www.opensecrets.org/lobby/clientsum.php?id=D000056655&year=2012>). Beyond the liability that the DOT and the State of Alaska have exposed themselves to by continuing to invest and develop this project despite citizen outrage at the squandering of the State's financial resources, we fear that the under-budgeting of this project would either result in a road that only goes "as far as the funding goes" and then stops at a dead-end, or worse, safety needs on the road would be overlooked or cut out and public users would be at risk. This would potentially create a liability for the Division of Mining, Lands, and Water if they grant the easement. For these reasons, we would request that the Department of Natural Resources Division of Mining, Lands, and Water step in and help the Department of Transportation and Public Facilities stop the madness of developing this project by denying the requested easement.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Thoms". The signature is written in a cursive, flowing style.

Andrew Thoms

Executive Director