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Cc:	Pagemaster, Reg POA
Subject:	[Non-DoD Source] REFERENCE NUMBER: POA-2019-00313
Date:	Wednesday, September 18, 2019 5:10:22 PM

Estrella Campellone

To: Army Corp of Engineers Regulatory Division (1145) CEPOA-RD Post Office Box 6898 JBER, Alaska 99506-0898

REFERENCE NUMBER: POA-2019-00313

WATERWAY: WARD COVE

Dear Army Corp,, AK 99901hone:

This response is based on historical facts, current economic conditions, current passenger counts, proposed Ketchikan Municipal Port expansions and recorded public sentiment. It contemplates the stated PURPOSE of this Corp Permit request and further contemplates the EVALUATION process addressing public interest and probable detriments caused by a project of this magnitude.

I have been a resident of Ketchikan for 22 years; I am involved in Tourism and have been on the board of the Ketchikan visitors Bureau for four years. I have seen the industry grow from 350,000 passengers to 1,200,000 and have been very active in City planning.

Ketchikan has been a port for over 100 years and as a community Ketchikan has seen many economic changes. With loss of Timber and fisheries in decline, the local government has invested heavily in the Cruise Industry. It has extensive planning under way for port expansion to accommodate the next size ships coming to Alaska. Those expansions have been underway for 2 years and are critical to the economy of Ketchikan.

Ketchikan has grown its port with great care and at the current level of passengers the community will begin to see revenues that will create capital to spend on critical infrastructure and services to the community. Water mains, power updates, hospital, police, fire, public bathrooms and other upland improvements.

Ketchikan has worked very hard as a community to stay viable through the years and currently the community financially depends upon the viability of its Port to create revenue for its general budgets and port expansions.

The community also depends on the needed local governance of the Cruise Industry for its citizens. Ketchikan as a community is trying to maintain appropriate growth to protect the economy and quality of life for its island residents.

A new Ward Cove Dock is designed to divert current and future Ketchikan Port capacity and thereby immediately creating economic upheaval to the community in both the local government and business community. It will also force the community to provide access and services to passengers not paying any fees for those services. Ketchikan will also be forced to either seek more ships to fill vacancies to remain solvent then creating more congestion on the island. This is contrary to the community planning and the stated purpose of the Corp Permit Application.

The Corp should look at the port model of Icy Straights, the private port controls all commerce activity with limited or no access to passengers by businesses at large. This is contrary to the open port of Ketchikan that gives all access to the local businesses with no fees associated. The Port is the heart of the economic engine of the Ketchikan community.

The proposed creation of a new private port has tremendous detriment in so many areas that the community currently struggles to administer. Environmental, cultural, traffic & passenger congestion, overuse of resources and the economic hardship to a community.

(FROM CORP PERMIT APPLICATION)

PURPOSE: The applicant's stated purpose is to construct a dock that accommodates larger cruise ships and their passengers outside of downtown Ketchikan. This project is needed to improve safe transit through Tongass Narrows, provide safe harbor for large cruise ships, and relieve existing and future vessel, pedestrian, and vehicle congestion in the Port of Ketchikan and downtown Ketchikan.

1. IMPROVE SAFE TRANSIT OF TONGASS NARROWS – This statement is misleading and inaccurate. The ships planned to use Ward Cove will not transit the Tongass Narrows but divert around Gravina Island. The diverting of ships to Ward Cove will not affect the Tongass Narrows. Safe Transit will not be affected.
2. VESSEL CONGESTION – Ketchikan has not asked for its port ship count to be reduced, the ships are vital to the port in every way to the City and Business community. The intended purpose of the Ward Cove Docks is to divert ships from the Port of Ketchikan to a private dock company for profit and will not relieve congestion. The Ward Cove Dock Group in its dialogues with the City knows the Port of Ketchikan will need to fill vacancies created by diverted ships to protect the City of Ketchikan's economic stability.

The new Ward Cove Docks propose they are relieving congestion in the Port of Ketchikan, this is not probable as Ketchikan relies on its docks to remain at capacity to maintain its port economics. The two Ward Cove Docks will result in increased congestion.

3. RELEIVE PEDESTRIAN AND TRAFFIC CONGESTION, EXISTING OR FUTURE – This is very misleading and inaccurate. Based on Ward Cove Dock capacity at 9,000 passengers it is expected that 50% to 60% of those passengers will seek out transportation to Ketchikan City Center and add to the congestion of the Ketchikan community. The influx of two additional Neomax ships and those passengers from the Ward Cove docks could push the visitor capacity to a combined total exceeding 21,000 passengers, 15,000 disembarking Ketchikan and 6,000 from Ward Cove. This is an increase of over 50% the number already using the port and deemed overcrowded by the residents.

(It must be noted that from the announcement of the Ward Cove Dock Group it is apparent that there is no Development Plan. There have been no critical community meetings addressing vehicle access/routing planning, economic impacts to community, uplands congestion, EPA and environmental concerns and City infrastructure use.)

(FROM APPLICATION)

EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all the factors that become relevant in each case. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments.

The outcome of the general balancing process would determine whether to authorize a proposal, and if so, the conditions under which it will be allowed to occur. The decision should reflect the national concern for both protection and utilization of important resources. All factors, which may be relevant to the proposal, must be

considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people. For activities involving 404 discharges, a permit will be denied if the discharge that would be authorized by such permit would not comply with the Environmental Protection Agency's 404(b)(l) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit will be granted unless the District Commander determines that it would be contrary to the public interest.

PROBABLE IMPACTS -The City of Ketchikan has been building and promoting the Cruise Industry for 100 years. In the last 25 years it has grown from 250,000 passengers to 1,250,000. The Ketchikan has over $300,000,000 invested in tourism related infrastructure and business development within its core. The current 4 Downtown berths are key to the vitality of the Ketchikan business economy. The berths are the vehicle for collection of revenues collected to pay current bonds, generate capital needed for Uplands Improvements and berth reconfigurations for berth 1, 2 and berth 4. The proposed two docks at Ward Cove are being built to compete with the Port of Ketchikan and divert its ships and revenues. The Ward Cove model requires the luring 25% of the ships from the Port of Ketchikan in year one and in subsequent years up to 40%. It is also proposed that a new entertainment and retail district be constructed to compete with downtown Ketchikan. This will be a private destination replacing the current open public port of Ketchikan. Local will have limited or no access to commerce.

1. SUPER FUND SITE - The proposed project may be located within a federal superfund site subject to CERCLA regulations as per March 2000 EPA Record of Decision (ROD) and would need to be reviewed by EPA. Approximately 53 acres of the contaminated sediments were capped with a thin-layer of sand; therefore, the ROD called for institutional controls to be established that would restrict certain uses in Ward Cove, including uses of the site that in any manner could interfere with, materially damage, or adversely affect the integrity or protectiveness of the sediment cap.

It is reasonable to require a current study that models the impacts of daily reverse thrust surges and impacts to ocean floor sediment mixing and shoreline. A current study of probable impacts to ocean floor, shoreline, stream bed and the what the particulates scoured and moved out seaward will do to water quality.

2. ESSENTIAL FISH HABITAT: The Magnuson-Stevens Fishery Conservation and Management Act, as amended by the Sustainable Fisheries Act of 1996, requires all Federal agencies to consult with the NMFS on all actions, or proposed actions, permitted, funded, or undertaken by the agency, that may adversely affect Essential Fish Habitat (EFH).

Ward Creek and Ward Lake are critical habitat for all species of Pacific Salmon, very productive Steelhead spawning habitat and varied species of trout including sea run cutthroat.

3. ECONOMIC IMPACT OF LOSS OF SHIPS FROM PORT OF KETCHIKAN TO WARD COVE – Ketchikan has a port plan that financially relies on projected revenues from ships using the Port of Ketchikan. The loss of these ships will have immediate and dramatic reductions to revenues traditionally relied upon for cash flow of the port infrastructure, all maintenance, uplands and future port configurations. In the first year Ketchikan will lose $2,300,000 of Port Revenue or 25% reduction in cash flow. This money will be diverted to Ward Cove with no benefit to the community.

The Ketchikan Port will see millions of lost revenues in wharf fees and sales tax and have a crippling financial affect.

Other immediate impacts to the Port of Ketchikan will be in a weakened negotiating position with all Cruise Lines thereby diminishing support for Uplands Improvements and Port Reconfiguration. Future improvement planning for the Port of Ketchikan was underway and was to be financed by ship port fees, all that planning has now been interrupted by the diversion of ships to Ward Cove. It also diverts the revenues to Ward Cove but does not eliminate the Port of Ketchikan's need for improvements. The continued need is amplified by the increase of Ward Cove passengers infiltrating all public infrastructure inside and outside the Port of Ketchikan

The Ketchikan Port will see millions of lost revenues in wharf fees and sales tax and have a crippling financial affect.

McDowell Group Survey for Ketchikan Visitor Bureau

30% loss of the City Revenues associated with Port.

Selected Municipal Revenues from Summer Visitor Industry, 2017 Revenues

Sales tax revenues $5.1 million

Wharfage/fees $9.0 million

2021 = losses of $4,700,000 to City.

(potential losses of $150,000,000 over 20 year based on increased rates and passengers)

4. IMPACTS TO COMMUNITY BY LOSS OF GOVERNANCE – The residents of Ketchikan have relied on elected officials to govern the Port, Public Facilities and infrastructure used by the Visitor Industry. There is a public trust that exists with civic leaders and residents that has successfully and slowly grown the Port. With the private sector addition of Ward Cove Docks, residents feel they will lose their voice in an expansion of this magnitude, especially when there are widespread concerns of too much growth.

5. IMPACTS OF BUSINESS COMMUNITY – The Port of Ketchikan has over 100 years of business history and real estate development that is supported by visitor industry dollars. Those businesses pay for infrastructure, payroll, services, collect sale taxes and maintain real estate values. The business community could see 25% of its current customers be diverted to a new port causing significant revenue losses.

Businesses will not have access to these passengers as they will be sequestered and be given limited menus to choose from for tours, retail and food. See other models as Princess Cay in the Bahamas or Icy Straights in Hoonah.

6. IMPACTS TO VEHICLE & PEDESTRIAN TRAFFIC – The Port of Ketchikan currently services up to 15,000 passengers per day. There are three bus companies working port docks that transport 40% to 60% of total passengers out on tour and use approximately 80 buses. These buses make multiple trips in and out of the docks and Ketchikan town center, many making five to six trips.

There are 34 independent tour operators with 60 large 14 passenger vans and additional 20 trolleys and amphibious Ducks. This number is at the saturation point for vehicle congestion in the Ketchikan downtown but also on the North and South Tongass Highways. All available parking and ingress/egress for the community and the docks is at capacity. The additional 2 mega ship piers at Ward Cove would create 30% increases in all bus, van and pedestrian traffic. Ward Cove passengers will require bussing to local tours and to downtown Ketchikan in order to see the community and landmarks. The existing 15,000 downtown passengers who simply disembark from the 4 downtown ship docks could now be joined by up to 7,000 passengers from Ward Cove. The Ward Cove Docks will have significantly elevated vehicle needs than those of passengers of the Ketchikan Docks, as they will require transportation to access Ketchikan's downtown. Downtown Ketchikan could be faced with up to 30% or higher pedestrian and vehicle congestion in all its streets, highways and pedestrian pathways. Ketchikan currently has a passenger saturation point of 15,000 passengers. The Ward Cove expansion could create the potential of 24,000 passengers using the Ketchikan infrastructure far exceeding its capability.

McDowell Group Visitor Study 2017 – commissioned by Ketchikan Visitor Bureau

A study commissioned by the Ketchikan Visitor Industry shows what the Cruise Passenger wants to experience while visiting Ketchikan.

23% Want a City Sightseeing Tour of Ketchikan,

12% Shows and entertainment

7% Cultural attractions

6% Museums

This shows 50% of all passengers coming off a ship want access to the downtown Ketchikan highlights. It can be expected that up to 7,000 passengers from Ward Cove will grid lock Ketchikan by adding to the 15,000 passengers already using the town when they disembark from the four Municipal Docks

The City Council Meetings – Public Response to Ward Cove Dock

The City Council has had monthly meetings to which citizens have had the opportunity to voice concerns in public meetings. Many of the voiced concerns by residents and businesses have been about the Cruise Ship/Visitor Industry and a desire to manage its growth.

Most comments on these topics have been about the congestion and need for improved upland developments. Most residents want to know if there will be a limit to passenger counts or is it going to keep growing until the city will not be able to accommodate them. Traffic, sidewalk overcrowding, lack of bathrooms, trail overcrowding, and maxed parking are priority concerns of residents. All concerns are amplified by the announcement of the 2 Ward Cove docks, residents believe this will push passenger densities beyond the limits and quality of life on the island will suffer. Many believe all the trails, streams and public lands are already overcrowded.

Comments from the business community seem to focus on the loss of 25% to 40% of the business created by the diversion of the ships from the downtown to Ward Cove. The reduction in the sales associated pays for $150,000,000 of real estate investments, leases, payroll and residential real estate. The businesses are very concerned that the loss of 30% of the Municipal Dock wharf rents at $2,300,000 will financially strap the city coffers and make negative cashflow to manage bond payments. Even more of a concern is the inability of the city to fund port reconfigurations and maintenance. Many comments are part of the public record and can be viewed by city meeting videos and commentary or editorial in local press.

Announcing Candidacy for KGB Mayor
<Blockedhttp://www.sitnews.us/0819Viewpoints/080919_sidney_hartley.html> By Sidney Hartley - I am writing to announce my candidacy for Ketchikan Gateway Borough Mayor. I feel that expanding tourism to Ward Cove is not a direction Ketchikan should be going, and that our community should effort to preserve its authenticity.

Austin Otos Cadency for Borough Assembly -Tourism is at the forefront of our community's economic and social issues. We will have to decide whether to facilitate and manage or implement heavy restrictions on the cruise ship industry. I tend to stick in the middle, avoiding hardline economic barriers like capping visitors or advocating for untamed growth without any planning. However, the Borough in conjunction with the City of Ketchikan must formulate a comprehensive strategy to help ease the legitimate frustrations our residents have with tourism. Both local governments must set aside their past differences and help mitigate the effects of tourism by using public transportation to diffuse people and capital to other areas of the community, use port funds to improve upon upland infrastructure, and create strategies for tourist encroachment in outlying local neighborhoods. - More...
Thursday AM - August 01, 2019

EPA CONCERNS

The proposed project may be located within a federal superfund site subject to CERCLA regulations as per March 2000 EPA Record of Decision (ROD) and would need to be reviewed by EPA. Approximately 53 acres of the contaminated sediments were capped with a thin-layer of sand; therefore, the ROD called for institutional controls to be established that would restrict certain uses in Ward Cove, including uses of the site that in any manner could interfere with, materially damage, or adversely affect the integrity or protectiveness of the sediment cap.

(FROM APPLICATION)

PUBLIC HEARING: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, reasons for holding a public hearing.

THE CITY OF KETCHIKAN SHOULD REQUIRE A PUBLIC HEARING TO BE CONDUCTED FOR A PROJECT OF THIS MAGNITUDE AND ASSESS ASSOCAITED DENTRIMENTAL SOCIAL, CULTURAL, ENVIROMENTAL AND ECONOMIC IMPACTS.

SUMMARY - The community, residents and many business leaders feel the Ward Cove docks will create negative impact at many levels.

1. Harmful losses of revenue to the City Port in lost wharf fees and sales tax initially estimated at $4,000,000.00 annually but over $130,000,000.00 over 20 years. Loss of cash flow for bond repayments, maintenance, lost sales tax, and reduced payrolls.
2. Ketchikan Government will lose its ability to manage sustainable growth as desired by the citizens.
3. Loss of leverage for the City to negotiate funding for port reconfiguration and uplands.
4. Core Ketchikan businesses in retail, restaurants, tours, museums all will be impacted negatively.
5. Lost City sales tax revenue.
6. City infrastructure will see higher use by additional non-revenue paying passengers from Ward Cove. Overcrowding will occur in areas restroom facilities, all types of parking, pedestrian traffic, much higher large bus and van traffic. All the increase will not create revenue for the city and create overcrowding in an already overcrowded Ketchikan Downtown.
7. Citizens are concerned that EPA may have not had time to significantly evaluate the tidelands and uplands for effects of contaminations left buy the Pulp Mill. This includes environmental effects to salmon and marine ecosystems.
8. It has been vocalized by the citizens that they feel the industry has grown to fast and the island community is experiencing quality of life issues. The addition of two more mega ship piers will exacerbate all existing issues and not relieve them.

It would be reasonable for the Army Corp to significantly investigate the PURPOSE of the proposed Ward Cove Permit to expand the cruise ships docks in Ketchikan from 4 to 6 and its public interest weighed against public detriment. The Ketchikan Municipal Docks currently service 1,250,000 passengers with a potential goal of 1,500,000. City has current plans to make reconfigurations to its docks to accommodate larger ships, the addition of 2 mega ship berths upsets the fragile economics of the existing municipal port. The PURPOSE also results in contrary over congestion and burdens the community infrastructure not relieving it.

It has best been said by the Corps own wording of the EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all the factors that become relevant in each case. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments.

Concerned Citizen of Ketchikan

Rob Scheer

614 DEERMOUNT

KETCHIKAN, AK 99901

Sincerely,

Rob Scheer

The Great Alaskan Lumberjack Show

907-617-5053