

ALASKA STATE LEGISLATURE
HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

February 9, 2006

8:06 a.m.

MEMBERS PRESENT

Representative Kurt Olson, Co-Chair
Representative Bill Thomas, Co-Chair
Representative Pete Kott
Representative Gabrielle LeDoux
Representative Mark Neuman
Representative Sharon Cissna
Representative Woodie Salmon

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 378

"An Act designating a representative of Chilkat Snowburners, Inc. as an ex officio member of the Alaska Chilkat Bald Eagle Preserve Advisory Council and removing the mayor of the City of Haines as an ex officio member of the council."

- MOVED CSHB 378(CRA) OUT OF COMMITTEE

HOUSE BILL NO. 392

"An Act authorizing the establishment of regional solid waste management authorities."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 378

SHORT TITLE: CHILKAT BALD EAGLE PRESERVE ADV COUNCIL

SPONSOR(S): REPRESENTATIVE(S) THOMAS

01/18/06	(H)	READ THE FIRST TIME - REFERRALS
01/18/06	(H)	CRA, RES
02/09/06	(H)	CRA AT 8:00 AM CAPITOL 124

BILL: HB 392

SHORT TITLE: SOLID WASTE MANAGEMENT AUTHORITIES

SPONSOR(s): REPRESENTATIVE(s) WILSON

01/25/06 (H) READ THE FIRST TIME - REFERRALS
01/25/06 (H) CRA, L&C
02/09/06 (H) CRA AT 8:00 AM CAPITOL 124

WITNESS REGISTER

KACI SCHROEDER-HOTCH, Staff
to Representative Thomas
House Community and Regional Affairs Standing Committee
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented HB 378 on behalf of the sponsor,
Representative Thomas.

ROB GOLDBERG
Haines, Alaska
POSITION STATEMENT: During hearing of HB 378, suggested that the
vacant seat should be designated for a borough assembly member
in order to maintain municipal representation.

JERRY LEWANSKI, Director
Division of Parks and Outdoor Recreation
Department of Natural Resources (DNR)
Anchorage, Alaska
POSITION STATEMENT: During hearing of HB 378, answered
questions.

PETER GOLL
Haines, Alaska
POSITION STATEMENT: Expressed concerns with HB 378.

PETE LAPHAM, Member
Chilkat Snowburners
Haines, Alaska
POSITION STATEMENT: Testified on HB 378.

JOHN SCHOEN, Senior Scientist
Audubon Alaska
Anchorage, Alaska
POSITION STATEMENT: Testified that although CS HB 378, Version
F, is a step in the appropriate direction, [Audubon Alaska]
would be more comfortable filling the vacant seat with a
representative of broad public interest rather than a special
interest representative.

BETH PELUSO

Douglas, Alaska

POSITION STATEMENT: During hearing of HB 378, recommended that a municipal official fill the seat vacated by the mayor of Haines.

REPRESENTATIVE PEGGY WILSON

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Testified on HB 378 and spoke as the sponsor of HB 392.

CINDY ROBERTS, Denali Commission

Division of Community Advocacy

Department of Commerce, Community, & Economic Development

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 392.

MARLENE CLARKE

Wrangell, Alaska

POSITION STATEMENT: During hearing of HB 392, offered suggestions.

VALERY MCCANDLESS, Mayor

City of Wrangell

Wrangell, Alaska

POSITION STATEMENT: During hearing of HB 392, related that the City of Wrangell supports, in concept, the formation of a solid waste authority.

JOHN BOLLING, City Administrator

City of Craig;

Member, Southeast Conference

Craig, Alaska

POSITION STATEMENT: Related that the City of Craig supports HB 392.

KATHIE WASSERMAN

Alaska Municipal League (AML)

Juneau, Alaska

POSITION STATEMENT: Related AML's full support of HB 392.

DUFF MITCHELL, Chief Operating Officer

Kake Tribal Corporation

Juneau, Alaska

POSITION STATEMENT: Testified that HB 392 might provide economies of scale to address solid waste in the state.

DAN EASTON, Deputy Commissioner
Office of the Commissioner
Department of Environmental Conservation (DEC)
Juneau, Alaska
POSITION STATEMENT: Testified in support of HB 392.

RUTH HAMILTON HEESE, Assistant Attorney General
Environmental Section
Civil Division (Juneau)
Department of Law
Juneau, Alaska
POSITION STATEMENT: During hearing of HB 392, answered questions.

JOHN WATERHOUSE
(No address provided)
POSITION STATEMENT: Urged the committee to pass HB 392.

ROLLO POOL, Executive Director
Southeast Conference
Juneau, Alaska
POSITION STATEMENT: Urged the committee to pass HB 392.

ACTION NARRATIVE

CO-CHAIR KURT OLSON called the House Community and Regional Affairs Standing Committee meeting to order at [8:06:59 AM](#). Representatives Olson, Thomas, Kott, LeDoux, and Neuman were present at the call to order. Representatives Cissna and Salmon arrived as the meeting was in progress.

HB 378-CHILKAT BALD EAGLE PRESERVE ADV COUNCIL

[8:07:22 AM](#)

CO-CHAIR OLSON announced that the first order of business would be HOUSE BILL NO. 378, "An Act designating a representative of Chilkat Snowburners, Inc. as an ex officio member of the Alaska Chilkat Bald Eagle Preserve Advisory Council and removing the mayor of the City of Haines as an ex officio member of the council."

[8:07:28 AM](#)

CO-CHAIR THOMAS moved to adopt CSHB 378, Version 24-LS1486\F, Kane, 1/25/06, as the working document. There being no objection, Version F was before the committee.

8:07:46 AM

KACI SCHROEDER-HOTCH, Staff to Representative Thomas, House Community and Regional Affairs Standing Committee, Alaska State Legislature, paraphrased from the following written sponsor statement [original punctuation provided]:

The Alaska Chilkat Bald Eagle Preserve was created by the State of Alaska in 1982. The preserve, located along the Haines Highway, was created to protect the world's largest concentration of Bald Eagles and their habitat. Along with the large eagle population, the preserve is home to five species of salmon that spawn in the surrounding streams and tributaries.

At the heart of the Eagle Preserve, between 18 and 24 mile of the Haines Highway, is the main viewing area for eagle watchers. This area hosts a particularly large concentration of eagles due to the availability of salmon and open water in the winter months.

In order to protect the sanctity and utility of the Eagle Preserve, the Alaska Bald Eagle Preserve Advisory Council was created. The council consists of 12 seats representing local, state, environmental, traditional, and commercial interests. One of these seats is dedicated to the Haines City Mayor. However, the City of Haines and the Haines Borough have since consolidated leaving the seat for the Haines City Mayor open. CSHB 378 designates this open seat to a person who represents a recreational use who has been appointed by the Haines Borough Mayor.

8:08:55 AM

CO-CHAIR THOMAS informed the committee that he is presently the chair of the Chilkoot Indian Association, and therefore fills one of the designated seats on the Alaska Bald Eagle Preserve Advisory Council ("Council"). However, he said that he hasn't attended any of the meetings.

8:09:17 AM

CO-CHAIR THOMAS related that there was enough response in regard to designating that the vacant seat would be filled by the Chilkat Snowburners, Inc. as specified in the original legislation [that it has been changed to refer to a "Haines nonprofit recreational group"]. Furthermore, Version F specifies that the borough mayor will select the nonprofit user group. He noted that the borough itself could qualify as a recreational nonprofit user group. Co-Chair Thomas recalled that there was a suggestion to have the fishing industry represented on the Council, to which he pointed out that the Council already has representation from the following: three Native groups that protect subsistence user groups; U.S. Fish and Wildlife; Alaska Department of Fish & Game (ADF&G); Department of Parks and Outdoor Recreation; and Department of Natural Resources (DNR). He reminded the committee that there is no logging or any development within the preserve, and therefore he opined that it would be best to fill the vacant position with a group that is in [and uses] the Alaska Chilkat Bald Eagle Preserve ("Preserve").

[8:12:04 AM](#)

REPRESENTATIVE CISSNA inquired as to the other members of the Council.

CO-CHAIR THOMAS specified that the Council consists of a commercial user group; an environmental group; three Native groups, a representative from ADF&G; a member of the Upper Lynn Canal Fish and Game Advisory Committee; the Mayor of Haines; a representative from the U.S. Fish and Wildlife Service; a representative of business and industry; and a representative of the Division of Forestry. This legislation merely fills a vacancy created by the consolidation of the City of Haines and the Haines Borough.

[8:13:25 AM](#)

REPRESENTATIVE LEDOUX surmised then that without passage of HB 378, there would be a vacancy on the Council due to the consolidation of the city and borough eliminating the position of the mayor of the City of Haines.

CO-CHAIR THOMAS replied yes, and characterized it as a loss for the community. In further response to Representative LeDoux, Co-Chair Thomas related his understanding that some ex officio members are voting members while others are not.

[8:14:35 AM](#)

REPRESENTATIVE NEUMAN turned attention to the committee packet, which contains concerns from the birding community regarding HB 378.

CO-CHAIR THOMAS, in regard to the concern that a public seat is being replaced, clarified that the legislation is addressing a seat that is vacant due to the Haines city and borough consolidation. The desire, he explained, is to designate an individual from the community. With regard to special interest groups, Co-Chair Thomas opined that each of the seats on the Council is filled with a special interest group. This legislation does nothing to reduce the size of the Preserve. He highlighted that the Preserve is the only one in Alaska and it has less restrictions than a park in that locals can continue to use it in their traditional manners.

[8:18:22 AM](#)

ROB GOLDBERG, Haines resident, reminded the committee that the purpose of the legislation establishing the Preserve was to protect the eagles and the salmon on which they feed. However, he wasn't sure that this legislation would be consistent with the aforementioned goals of the Preserve. He suggested that since the vacant seat was formerly a municipal seat for the City of Haines, it should be designated for a borough assembly member in order to maintain the municipal representation. Mr. Goldberg highlighted that the Preserve is of national significance and national groups are reviewing [this legislation] carefully.

[8:20:34 AM](#)

REPRESENTATIVE CISSNA inquired as to whether the ex officio members of the Council are voting members.

MR. GOLDBERG replied that he didn't know.

[8:21:05 AM](#)

JERRY LEWANSKI, Director, Division of Parks and Outdoor Recreation, Department of Natural Resources (DNR), related his understanding that [all members of the Council, including the ex officio members] do vote. However, he offered to research the matter to be sure.

CO-CHAIR OLSON, upon reviewing the membership of the Council, commented that it appears that every member seems to represent a special interest group.

[8:21:38 AM](#)

PETER GOLL, Haines resident, specified that all members of the Council vote. Mr. Goll then reviewed the creation of the Preserve, which is a small enclosure within the larger Haines State Forest. The Haines State Forest, he explained, is a multiple-use area that's available for recreation, logging, and mining. The Preserve is unique in that it's withdrawn from multiple use, for the specific purpose of protecting the salmon habitat that both the eagles and the locals depend. However, commercial activities, activities that don't damage the primary purpose of the Preserve, were allowed after 1987. He noted that the Preserve also protects subsistence and traditional uses.

MR. GOLL recalled that the sponsor has made public statements relating his intent to reduce the size of the Preserve, which has attracted national attention. This legislation seems to further indicate a real threat, he opined. Replacing the seat designated for an elected public official who represents all the people in the community with a special interest group appointed by the mayor, who has no power to do so, is a clear effort to undermine public control of the Preserve and replace it with designated special interest control preferred by the sponsor. He said, "It is a clear attack on the Preserve. It is the opening battle in a national conflict. It is going to damage the economics of Haines by putting us into a conflict when we don't need one." Mr. Goll echoed earlier testimony that if this is truly housekeeping, then the vacant seat should continue to be filled by a municipal official.

[8:26:49 AM](#)

MR. GOLL, in response to Representative Neuman, confirmed that the mayor of Haines is an elected position. Mr. Goll said that the mayor of Haines is out of town and hasn't had an opportunity to consult with the borough assembly on this matter. He charged that HB 378 was sponsored knowing full well that the mayor was out of town and no deliberations would take place with the assembly. Furthermore, the Chilkat Bald Eagle Advisory Committee hasn't met on this matter either.

[8:27:32 AM](#)

CO-CHAIR THOMAS said that the Haines borough mayor has had input, which is why the legislation specifies that the mayor will appoint the seat.

MR. GOLL interjected that he spoke with mayor last night who was aware of the language [but hasn't had the opportunity to meet] formally [with the assembly].

CO-CHAIR THOMAS reiterated that he spoke with the Haines borough mayor regarding appointing the vacant seat. The mayor, he said, was in agreement with that.

[8:28:23 AM](#)

PETE LAPHAM, Member, Chilkat Snowburners, informed the committee that he has been a recreational user and worker in the Preserve for a good portion of his life. He highlighted that one of the traditional uses of the Preserve is recreation.

[8:29:37 AM](#)

REPRESENTATIVE NEUMAN related his belief that those who recreate tend to want to take care of the area in which they recreate. He asked if Mr. Lapham believes the Chilkat Snowburners, were a member of the group appointed to the Council, would be able to protect the Preserve.

MR. LAPHAM related that the Chilkat Snowburners police the Preserve for trash. Furthermore, the Chilkat Snowburners, he opined, work well with other recreational groups. In fact, the Chilkat Snowburners have also been involved in rescue efforts located inside and outside of the Preserve.

REPRESENTATIVE NEUMAN commended the Chilkat Snowburners for its efforts.

[8:32:23 AM](#)

JOHN SCHOEN, Senior Scientist, Audubon Alaska, informed the committee that the National Audubon Society was deeply involved in the formation of the Preserve in 1982. He opined that the Council has served all interests well for more than 20 years. Mr. Schoen related that the language designating a [vacated] elected official's seat to a special interest group would upset the balance of the Council, which is of concern. Although the change incorporated in Version F is a step in the appropriate direction, he opined that [Audubon Alaska] would be more

comfortable with having a representative of broad public interest rather than a special interest representative.

[8:35:17 AM](#)

BETH PELUSO described herself as an avid birder who has traveled to Haines to experience the Bald Eagle festival. She reminded the committee that the Preserve was created because the area has the highest concentration of bald eagles and is an international treasure that should be kept for all to enjoy. The Preserve is a huge resource for the community. Ms. Peluso recommended that a municipal official fill the seat vacated by the mayor of Haines.

[8:38:24 AM](#)

MS. PELUSO, in response to Representative Neuman, reiterated that the now vacant position that was filled by the mayor of Haines was responsible for representing the entire community, and therefore changing it to a specific user group would narrow the representation.

[8:40:30 AM](#)

REPRESENTATIVE PEGGY WILSON, Alaska State Legislature, surmised that some of the testimony today has related fear in regard to what might happen if there is a lot of recreation in the [Preserve]. However, she recalled growing up in Iowa when no eagles were around, although now there are tons of them, even in the face of all the development. Therefore, she related her belief that eagles are more resilient than people think and noise isn't going to scare them away.

[8:42:05 AM](#)

CO-CHAIR OLSON closed public testimony.

[8:42:11 AM](#)

CO-CHAIR THOMAS, in response to Representative Cissna, confirmed that the statutes specify [in broad terms] the groups to be represented on the Council. This legislation, he clarified, merely removes the seat filled by the mayor of the City of Haines and replaces it with a designee specified by the mayor of the Borough of Haines.

[8:46:10 AM](#)

CO-CHAIR THOMAS, in response to Representative LeDoux, confirmed that the legislation creating the Council didn't originally include a member of a recreational group. In further response to Representative LeDoux, Co-Chair Thomas said that he didn't know why that group wasn't included in the membership of the Council. In response to Representative Salmon, Co-Chair Thomas opined that the community of Haines needs representation, in the form of a recreational user group, on the Council in order to provide balance.

[8:48:01 AM](#)

REPRESENTATIVE KOTT indicated that an 11-member group, which would occur if the vacant position isn't filled, would seem to be a more manageable size group to come to conclusions on matters. He then asked if the two-year terms of the members of the Council are staggered.

CO-CHAIR THOMAS related his belief that most of the terms are staggered, although a few seats may come open at the same time.

REPRESENTATIVE KOTT related his understanding that the function of the Council is to assist the department in developing and monitoring a management plan for the Preserve.

CO-CHAIR THOMAS replied yes, adding that the Council is an advisory board that is run very well. With regard to the number of seats, Co-Chair Thomas informed the committee that with the 12-member Council about half the time the Council is unable to establish a quorum.

[8:50:15 AM](#)

REPRESENTATIVE KOTT asked if any consideration was given to the suggestion of the mayor selecting an city council member to fill the vacant position.

CO-CHAIR THOMAS said that the mayor could do so if that council member is a member of a recreational user group. He emphasized that in and around the Preserve is a multi-use. In fact, there are logging roads that pass through the Preserve. He echoed Representative Wilson's characterization that eagles aren't easily disturbed.

[8:51:19 AM](#)

REPRESENTATIVE LEDOUX asked if any consideration was given to expanding the Council such that the seat for the mayor of the City of Haines would be replaced with another municipal official and an additional seat for a recreational user group.

CO-CHAIR THOMAS turned to Mr. Goll's suggestion to have the vacant seat selection voted on by the borough assembly, and pointed out that such can already occur. Therefore, he didn't see the problem [with the language in Version F]. He reiterated the difficulty the Council already has establishing quorum and suggested that adding another seat to the Council would add to the difficulty in establishing a quorum. Co-Chair Thomas opined that he tried to make the [change in the seat] as broad as possible while protecting the integrity of the community and providing oversight.

[8:53:35 AM](#)

REPRESENTATIVE NEUMAN moved to report CSHB 378, Version 24-LS1486\F, Kane, 1/25/06, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 378(CRA) was reported from the House Community and Regional Affairs Standing Committee.

HB 392-SOLID WASTE MANAGEMENT AUTHORITIES

[8:54:18 AM](#)

CO-CHAIR OLSON announced that the final order of business would be HOUSE BILL NO. 392, "An Act authorizing the establishment of regional solid waste management authorities."

[8:54:19 AM](#)

REPRESENTATIVE PEGGY WILSON, Alaska State Legislature, sponsor, explained that HB 392 will allow a community or a group of communities to create a public corporation to deal with waste management. The legislation is modeled after the Port Authority statues and will authorize the formation of solid waste authorities for waste management. Representative Wilson informed the committee that each Alaskan produces 6.5-7 pounds of solid waste every day, which amounts to over 200 tons per day. In Southeast, over 250 tons of solid waste is produced every day, which amounts to over 90,000 tons per year, although many of the landfills and incinerators in Southeast have closed over the last 10 years. Therefore, some of the communities in Southeast have resorted to barging solid waste to super

landfills in the Lower 48 and pay from \$77 per ton to \$220 per ton to do so. However, the economies of scale in Anchorage allow it to only have costs of \$40 per ton for its solid waste. Collectively, the communities in Southeast that ship solid waste to the Lower 48, ship about 23,000 tons each year not including the 30,000 tons from Juneau alone.

REPRESENTATIVE WILSON concluded by reiterating that HB 392 would allow communities to come together to form an authority to accomplish what one community alone cannot. Such an authority would keep money in the state. She explained that the legislation would require that voters in the municipalities interested in joining an authority approve such. Furthermore, the authority would be legally independent from the municipalities, and therefore it could issue bonds, borrow money, and enter into contracts. The board of the authority would be responsible for creating bylaws and regulations, and governing the authority. Upon creation of the authority, it would determine the location of the regional facility and the type of technology that would be used. Therefore, HB 392 provides a mechanism that will be useful throughout the state.

[8:58:33 AM](#)

REPRESENTATIVE NEUMAN highlighted that the legislation prohibits the authority from levying any taxes. He then inquired as to how an authority would be funded. He also inquired as to whether an individual who doesn't want his/her garbage to be collected by the community could opt-out.

REPRESENTATIVE WILSON specified that the authority has nothing to do with the rules of the municipality. The authority merely provides an option for municipalities from the dock to [the site of the waste facility]. Representative Wilson pointed out that currently Juneau has its own site for solid waste disposal and may not want to join an authority at this point, although it may in the future.

[9:00:31 AM](#)

REPRESENTATIVE NEUMAN surmised then that an individual in a community that is part of an authority wouldn't be forced to be pay for that.

[9:00:47 AM](#)

REPRESENTATIVE CISSNA recalled a book entitled, "The Power Broker" that detailed the authorities in New York City during the early days of the highways and the large municipal structures during which power brokers were able to gather large sums of money. Therefore, she inquired as to what safeguards are in place so that the wrong person doesn't control these authorities and veil property acquisitions.

REPRESENTATIVE WILSON pointed out that such hasn't happened with Alaska's Port Authority. She reiterated that the proposed solid waste management authorities are based on the state's Port Authority.

[9:02:52 AM](#)

REPRESENTATIVE NEUMAN highlighted that the fiscal notes for HB 392 are zero, and therefore he congratulated Representative Wilson.

[9:03:14 AM](#)

CO-CHAIR OLSON noted that the legislation includes a provision to dissolve an entire authority, if the situation arrived at that point. He then asked if there is a means that would allow one entity to withdraw from the authority.

REPRESENTATIVE WILSON answered that she wasn't sure how that works, and deferred to anyone who knows the workings of the Port Authority.

CO-CHAIR OLSON said he is familiar with the Port Authority, which doesn't [allow withdrawal of an entity]. He asked if that is something that the sponsor would entertain.

REPRESENTATIVE WILSON replied yes.

[9:04:00 AM](#)

CINDY ROBERTS, Denali Commission, Division of Community Advocacy, Department of Commerce, Community, & Economic Development (DCCED), related support for HB 392. Although solid waste management issues aren't specifically DCCED's assignment, the department believes them to be key elements in the commercial, human, and environmental health of the state's rural communities. As the committee may be aware, solid waste funding is very difficult to obtain in this state. In fact, over the last 15 years water and sewer projects have benefited from a

heightened priority and awareness. However, the rural communities are left to find their own solutions for packaging construction and household waste. Furthermore, the high investment required to establish even a small landfill results in many communities in the state operating unpermitted landfills. Therefore, DCCED believes HB 392 to be timely, appropriate, and the first step in creating site-specific solutions that are sponsored and controlled by the communities impacted. Moreover, the authority framework would allow communities to join together to acquire land, equipment, and the operational manpower to handle local waste in a fiscally sustainable and environmentally responsible manner. The authority structure will also assist communities with bonding for equipment to eliminate the bird and animal issues as well as protect the area watersheds. Ms. Roberts highlighted that the multi-community authority can help finance the match required for things such as connecting roads, and thus there may be improved economies of scale as well as improved operating procedures. Therefore, the authority option will reduce exported dollars and trash of the participating regions. In conclusion, Ms. Roberts reiterated the department's support of HB 392.

[9:08:20 AM](#)

REPRESENTATIVE CISSNA noted her agreement with Ms. Roberts regarding the importance of this matter for Southeast Alaska as well as the state as a whole. However, she expressed concern with regard to the accountability of the authority, although she noticed the provisions related to the fidelity bonds of the authority. She inquired as to the state requirements for authorities and how the public is protected in relation to the authority and its actions.

MS. ROBERTS noted that she was pleased to see the fidelity bond clause in the legislation. However, she said that she isn't very familiar with the Port Authority structure. She explained that she was involved due to her assignment with the Denali Commission, which helped the Southeast Conference perform the research regarding which structure would best suit the state. With regard to Representative Cissna's concerns related to the situation in New York City with power brokers, she didn't believe that is of concern in Alaska due to the state's fairly active democracy.

[9:11:05 AM](#)

MARLENE CLARKE informed the committee that she tries to recycle as much as possible. She said although the legislation is long overdue, she is concerned that the proposed commission may choose the quickest and easiest solution, which would be to incinerate waste. Incinerating waste, she said, would place many toxins in the atmosphere that would ultimately end up in the drinking water and soil. Ms. Clarke emphasized that there needs to be a strong educational format with regard to the safest and most logical way to address [solid waste]. She suggested that perhaps there should be some monetary incentives to offer communities that join the authority and perform recycling. Ms. Clarke suggested contacting communities that already have recycling efforts.

[9:14:08 AM](#)

VALERY MCCANDLESS, Mayor, City of Wrangell, related that the City of Wrangell supports, in concept, the formation of a solid waste authority. It's important for the state to be proactive in dealing with its own waste. She noted her agreement with earlier comments relating the need to have a mechanism to allow participation or withdrawal.

[9:15:41 AM](#)

CO-CHAIR THOMAS inquired as to how many regional [solid waste] authorities would Mayor McCandless envision.

MAYOR MCCANDLESS opined that although many communities would be interested in being a site location, the location will be dependent upon those who join and the type of recycling chosen. She informed the committee that Wrangell, Petersburg, and Thorne Bay have expressed interest in being part of the solution.

[9:16:39 AM](#)

CO-CHAIR THOMAS expressed concern that there would be more [solid waste authorities] than necessary.

MAYOR MCCANDLESS said she envisioned that many communities would form one authority [in order to capture] an economy of scale. Therefore, she suggested that it's likely that a solid waste authority would be addressed as a regional issue.

[9:17:23 AM](#)

JOHN BOLLING, City Administrator, City of Craig; Member, Southeast Conference, related that the City of Craig supports HB 392, which essentially provides communities with an opportunity to deal with solid waste disposal. This legislation allows communities to voluntarily band together to address uncertainties faced when solid waste is shipped down South. He identified cost as an uncertainty with shipping. In Craig, it costs \$200 per ton to properly dispose of the City of Craig's solid waste, which is a substantial increase over the \$40 per ton charged only five years ago. Therefore, the City of Craig is interested in finding a mechanism to control those costs and make them more predictable over the long term. This legislation, he opined, can lead to that end.

[9:19:22 AM](#)

KATHIE WASSERMAN, Alaska Municipal League (AML), began by relating AML's full support of HB 392. Drawing upon her experience as a grant writer, Ms. Wasserman related that any request for funds requires the attempt to be regional. She opined that it's in the state's best interest to support HB 392. With regard to Representative Cissna's concern regarding authorities, Ms. Wasserman suggested that whether the entity formed is labeled an authority or something else, it would require attention in order to avoid the perils of concern for Representative Cissna. With regard to keeping the state's air and water clean, Ms. Wasserman informed the committee that as it stands now smaller communities don't have the ability to maintain clean air and water. Therefore, only through regional means will those communities be able to do better than they are currently doing and thus she viewed HB 392 as a way to improve the situation in rural communities.

[9:21:36 AM](#)

DUFF MITCHELL, Chief Operating Officer, Kake Tribal Corporation, informed the committee that Kake Tribal Corporation has been working on solid waste management issues since 1999 as there seem possible benefits to the corporation as well as the region. He explained that currently Kake produces compost by using fish and timber waste. Although the aforementioned isn't as successful as the corporation would like, it's continuing to work on it [because it believes that] trash is not waste but rather is energy. Mr. Mitchell characterized the current situation in Southeast as a boat without oars because those in the region want to do something but there are no synergies between groups. Therefore, the proposed authority provides a

mechanism to provide direction. He noted his agreement with Ms. Wasserman that small communities currently don't have funds to produce a recycling facility, let alone a permitted waste facility and thus HB 392 might provide economies of scale to address waste in state and allow Alaskans to take control and help themselves because sending waste out of state results in the loss of jobs and money for Alaska.

[9:25:12 AM](#)

CO-CHAIR THOMAS asked if HB 392 will allow a village corporation to seek bonding or does it require working through the municipality.

MR. MITCHELL said that he had concerns with regard to that as well. He related his understanding that authorities are only set up for municipalities. However, the Kake Tribal Corporation is a private village corporation, an Alaska Native Claims Settlement Act (ANCSA) corporation, that could use this waste energy on private land. Although he said he didn't know exactly how it would work, he related his understanding that the waste authority would be comprised of municipalities that could contract or work with [an organization such as Kake Tribal Corporation] as the private entrepreneurial entity. Therefore, the legislation doesn't seem to eliminate [village corporations], although it doesn't allow them to sit at the table as a waste authority member.

[9:26:28 AM](#)

MR. MITCHELL, in response to Representative Cissna, related that he views the authority as an avenue to create economies of scale. After reviewing the analysis, Mr. Mitchell opined that if all the other communities in Southeast Alaska, save Juneau, banded together, there wouldn't be enough volume to make something happen. Therefore, [all] the communities in the region would have to band together to achieve an economy of scale, which he opined will force consensus building within the region.

[9:30:03 AM](#)

DAN EASTON, Deputy Commissioner, Office of the Commissioner, Department of Environmental Conservation (DEC), began by relating support for HB 392. He then pointed out that Alaska's solid waste situation is unique due to the state's low population that is spread across a large area. Mr. Easton

informed the committee that the department supports anything that would allow or foster the development of regional systems in Alaska, where they make sense. In general, when dealing with solid waste, bigger is better because the larger systems can take advantage of economies of scale. Therefore, DEC views, he said, HB 392 as an important step because it provides an option that will hopefully result in regional organizations. For that reason, DEC would urge the committee's support of HB 392, he said.

[9:32:34 AM](#)

REPRESENTATIVE CISSNA turned attention to page 10 of HB 392, which she indicated may address her concerns regarding the safeguards for authorities. She asked if the language relating to public records and open meetings laws, an annual report, and audits would provide sufficient safeguards.

[9:33:17 AM](#)

RUTH HAMILTON HEESE, Assistant Attorney General, Environmental Section, Civil Division (Juneau), Department of Law, answered that she believes so as that language was included, in part, to provide oversight.

[9:34:02 AM](#)

JOHN WATERHOUSE, drawing on his experience as a Solid Waste Manager for the Yukon Inter-Tribal Watershed Council, opined that HB 392 moves in the right direction. He agreed with earlier testimony regarding that everyone needs to work together to increase capacity to address and solve solid waste issues in a region. He mentioned that there has been some success with St. Mary's, Pitcus Point (ph), and Mountain Village banding together to build a common landfill. Therefore, HB 392 will help such efforts with regard to bonding efforts and the like. In conclusion, he urged the committee to pass HB 392.

[9:36:14 AM](#)

ROLLO POOL, Executive Director, Southeast Conference, informed the committee that about two years ago Southeast Conference pitched an idea to the Denali Commission regarding the concept of using a regional approach to address solid waste. He related that the Denali Commission liked the idea and granted the Southeast Conference funds to hire consultants to review what other places are doing. The typical entity found was an

authority, which are typically an open public body operating as a corporation and thus it's subject to the will of the voters. Mr. Pool envisioned that the authority would seek funding and the authority would be a separate entity from the communities themselves, although they would be subject to the [will] of the voters in the communities involved. With regard to the question as to whether an individual can opt-out, Mr. Pool said that the individual may not have an opportunity to opt-out. Mr. Pool then informed the committee that Southeast Conference is also working on a grant to establish a regional plan to review the options. He related that the Southeast Conference envisions that in Southeast there would probably only be one or two authorities. In conclusion, Mr. Pool urged passage of HB 392.

[9:41:08 AM](#)

CO-CHAIR THOMAS related his understanding that a major stumbling block is infrastructure. Therefore, he suggested including language specifying that the ferry terminals can be used to transfer trash.

MR. POOL related his understanding that most towns have barge service and currently one-third of the trash in Southeast is being shipped out of state. Therefore, those communities have the infrastructure to deliver the trash to the dock and place it on the barges. Therefore, the first step would be to determine what facilities exist and what is necessary to achieve the goal.

[9:42:58 AM](#)

CO-CHAIR THOMAS pointed out that often the facilities [to which Mr. Pool referred] are owned by Alaska Marine Lines or other companies, and therefore it may actually cost more to use the local facility.

MR. POOL opined that the Alaska Marine Highway would be receptive to the idea and willing to work on this as are other agencies. Furthermore, five communities have already come forward to be considered for a site as has a private company as well. At this point, a legal entity is necessary to move forward, and therefore HB 392 allows communities to work on this in a cooperative fashion such that the risks, rewards, and costs are shared.

[9:44:53 AM](#)

REPRESENTATIVE NEUMAN expressed concern with regard to an individual not being able to opt-out. He posed an example of a senior who only has small amount of trash, but is being charged \$40 a month.

REPRESENTATIVE WILSON reminded the committee that each municipality has different rules, and she didn't want to take away local control. In further response to Representative Neuman, Representative Wilson clarified that the authority would only address the part of the process from the dock outward.

[9:47:14 AM](#)

CO-CHAIR OLSON announced that HB 392 would be held over.

[9:47:28 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 9:47 a.m.