

December 11, 2023

Dear Haines Borough Mayor, Assembly Members, Manager, and Clerk,

Please accept these comments on behalf of Lynn Canal Conservation (LCC), a 50-year-old grassroots, member-based nonprofit organization with hundreds of local members. LCC has been closely following the Lutak Dock issue for several years and has raised concerns over the lack of transparency, high projected maintenance costs, and other problems with the current multimillion-dollar dock project, including that it would facilitate ore transfer.

LCC is not against repairing the dock. We are in full support of a scaled-back design that meets the needs of our local community rather than subsidizing the mining industry. Demolishing the old dock, reinforcing the fuel transfer area, and installing three modestly sized mooring dolphins would be a more sustainable, affordable, long-term solution.

We're also concerned that on March 1, 2023, the Borough government prematurely executed a Phase 2 contract with Turnagain Marine for the full \$25.6 million cost of the project. This appears to violate MARAD regulations governing grant administration and prior explicit instructions from MARAD. Since a grant agreement has not been signed, the Borough is required to obtain prior approval from MARAD before entering into any pre-award financial obligations.

Records suggest that unauthorized pre-award expenditures pursuant to the Phase 2 contract may have been made already, in unknown amounts. Despite numerous inquiries, the public has not been provided with clarification regarding the extent to which work has been done and what funds have been expended under the Phase 2 contract.

It is worth noting that similarly inappropriate actions by Borough government officials recently led the Federal Emergency Management Administration to withdraw \$1.4 million in funds for the Porcupine Trail Road. Borough taxpayers may end up having to pay that bill.

We urge you to take action now to prevent the Haines Borough government's overextension and unauthorized commitments from making the Lutak Dock situation any worse for Borough taxpayers, to prevent environmental harm from occurring, and to ensure that robust consideration of a full range of alternatives can be completed lawfully and with public participation. By issuing a stop work order to Turnagain Marine, these and other important issues can be addressed by decision-makers and the community.

Thank you for your service to the public,

Sincerely,

Jessica Plachta  
Executive Director