

**Matanuska-Susitna Borough
Hatcher Pass – Government Peak Unit
Asset Management & Development Plan**



Government Peak Recreation Area at Hatcher Pass

**Prepared by
RWS Consulting**

**In Consultation With
Matanuska-Susitna Borough
Alaska Department of Natural Resources
Division of Mining, Land and Water**

**Adopted
November 20, 2012**



Hatcher Pass – Government Peak Unit: Asset Management and Development Plan

Table of Contents

Chapter One – Introduction and Purpose Pages 1 - 1 thru 1 - 22

Chapter 1 provides a description of the area covered by this Plan, the type and distribution of land ownership and land status: an analysis of applicable statutes and ordinances that affect the area covered by the plan: reasons for the plan, what the plan is intended to accomplish and will not accomplish: description and explanation of goals, management intent and management guidelines: the relationship of the 2010 *Hatcher Pass Management Plan* to the 1986 *Hatcher Pass Management Plan* and the 1989 *Hatcher Pass Management Plan Amendment*: and, the relationship of this *Asset Management and Development Plan* to the 2010 *Hatcher Pass Management Plan*.

This Chapter provides background and information about this Plan and is not subject to the section on “Procedures for Changes to the Plan, Goals and Guidelines” in Chapter 6 (*Implementation and Recommendations*) of this Asset Plan.

Chapter Two – Background and Historical Context Pages 2 - 1 thru 2 - 18

Chapter 2 includes a history and descriptions of land use plans and proposed developments in the Government Peak Management Unit.

This Chapter provides background and information about this Plan. As such, this chapter is not subject to the section on “Procedures for Changes to the Plan, Goals and Guidelines” in Chapter 6 (*Implementation and Recommendations*) of this Asset Plan.

Chapter Three – Phased Development of Recreational Facilities Pages 3 - 1 thru 3 - 47

Chapter 3 describes the various possible recreational facilities and portrays an orderly phased development of the Alpine, Nordic, other recreation facilities and opportunities, and related infrastructure in the Northern and Southern Sub-Units.

While providing a “map” for the future development of the Government Peak Unit based on the knowledge of recognized industry experts, this chapter is subjective and should be considered as informational in nature.

Therefore, this Chapter is not subject to the section on “Procedures for Changes to the Plan, Goals, and Guidelines” in Chapter 6 (*Implementation and Recommendations*).



Chapter Four – Unit Wide Goals, Management Intent and Management Guidelines Pages 4 - 1 thru 4 - 55

Chapter 4 establishes unit wide goals, management intent, and management guidelines for the unit as a whole. The goals, management intent and guidelines are listed by resource, program or management tool. Guidelines are specific directives that apply to land and water management decisions as resource uses and development occur.

This Chapter, along with Chapter 5, contains policies for the management of borough-owned land in the Government Peak Unit. The section on “Procedures for Changes to the Plan, Goals and Guidelines” in Chapter 6 (*Implementation and Recommendations*) must be followed for any changes to this Chapter. In addition, changes may also require an amendment to the *Hatcher Pass Management Plan*.

Chapter Five – Government Peak Sub-Units: Management Intent, Land Use Designations and Management Guidelines Pages 5 - 1 thru 5 - 55

Chapter 5 establishes specific management intent, land use designations, and management guidelines beyond those covered in Chapter 4 that are more specific and unique to the activities and developments in each of the Sub-Units. For example, Alpine ski run management guidelines are different than those for Nordic Ski trails.

This Chapter, along with Chapter 4, contains policies for the management of borough-owned land in the Government Peak Unit. The section on “Procedures for Changes to the Plan, Goals and Guidelines” in Chapter 6 (*Implementation and Recommendations*) must be followed for any changes to this Chapter. In addition, changes may also require an amendment to the *Hatcher Pass Management Plan*.

Chapter Six – Implementation and Recommendations Pages 6 - 1 thru 6 - 19

This chapter describes coordination with other state and borough plans, procedures for changes to the plan, goals and guidelines: funding: education and enforcement: functionality of the existing tri-party management agreement: amendments to the existing lease: and ownership and management of recreational facilities.

This Chapter, other than the section on “Procedures for Changes to the Plan, Goals and Guidelines” is informational in nature and does not establish any polices and/or provide any management guidelines.



Chapter Seven – Definitions/Glossary Pages 7 - 1 thru 7 - 10

Chapter Eight – Bibliography and Informational Literature Pages 8 - 1 thru 8 - 4

Figures

1.	Relationship and Level of Goals, Management Intent, Land-Use Designations, Land-Use Designations, Land-Use Classifications and Management Guidelines to Borough-Owned Land	1 - 17
2.	Hierarchy and Function of Goals, Management Intent, Land-Use Designations, Land-Use Classifications, Guidelines and Best Management Practices	1 - 18
3.	Resource, Program and Management Tool for Managing Various Natural Resources and Activities	1 - 19
4.	Summary of Past Private and Public-Private Development Proposals.....	2 - 2
5.	Timeline of Development Proposals and Land-Use Plans	2 - 3
6.	Northern Sub-Unit; General Summary of Recreational Facilities And Markets by Phase.....	3 - 7
7.	Southern Sub-Unit; General summary of Recreational Facilities And Markets by Phase.....	3 - 8
8.	Alpine Lift Specifications.....	3 - 14
9.	Alpine Lift Capacity by Phase.....	3 - 14
10.	Alpine Ski Trail Level (All Phases)	3 - 15
11.	Alpine Trail Specifications, Phase I.....	3 - 16
12.	Alpine Trail Specifications, Phase II.....	3 - 17
13.	Alpine Trail Specifications Total (Phases I and II)	3 - 17
14.	Northern Sub-Unit Day Lodge Guest Service Floor Space Standards (Phases I and II)	3 - 22
15.	Northern Sub-Unit Day Lodge Guest Service Requirements (Phases I and II)	3 - 24
16.	Northern Sub-Unit Food and Beverage Seating Standards (Phases I and II)	3 - 25
17.	Northern Sub-Unit Day Lodge Expansion (Phase III/IV)	3 - 28
18.	Northern Sub-Unit Food and Beverage Seating Standards (Phase III/IV)	3 - 29
19.	Southern Sub-Unit Design Type of Trails by Construction Phase	3 - 32
20.	Southern Sub-Unit Recommended Trail Widths	3 - 38
21.	Southern Sub-Unit Day Lodge/Chalet Space Allocation (Phases II, III/IV)	3 - 43



22.	Listing of Land Uses within the Government Peak Management Unit.....	4 - 9
23.	Conversion of Land-Use Designations to Land Classifications	5 - 10
24.	Land-Use Designations for the Mountain Sub-Unit	5 - 18
25.	Northern Sub-Unit Land Use Designations	5 - 28
26.	Northern Sub-Unit Dimensional Standards	5 - 32
27.	Listing of Allowed Uses within the Northern Sub-Unit Designated as “Public Recreation – Developed”	5 - 33
28.	Listing of Conditionally Allowed Uses within the Northern Sub-Unit Designated as “Public Recreation – Developed”	5 - 34
29.	Southern Sub-Unit: Development Suitability Evaluation	5 - 44
30.	Southern Sub-Unit Land Use Designations	5 - 48
31.	Southern Sub-Unit: Dimensional Standards.....	5 - 54

Maps

1.	Vicinity Map.....	1 - 4
2.	Land Ownership	1 - 5
3.	Physical Features.....	1 - 8
4.	Area Covered by Development Lease	1 - 11
5.	Sub-Units and General Concentrated Recreational Facilities Development Areas.....	1 - 13
6.	Historic Government Peak Unit Boundaries	2 - 15
7.	Environmental Impact Study Areas	2 - 16
8.	Full Build Out of Recreational Facilities and Trails.....	3 - 9
9.	Northern Sub-Unit: Recreational Facilities Phases I and II Development.....	3 - 13
10.	Southern Sub-Unit : Recreational Facilities Phase I Development	3 - 33
11.	Southern Sub-Unit: Recreational Facilities Phase II Development	3 - 34
12.	Southern Sub-Unit: Recreational Facilities Phases III and IV Development	3 - 35
13.	Government Peak Management Sub-Units	5 - 6
14.	Mountain Sub-Unit: Vicinity Map.....	5 - 12
15.	Mountain Sub-Unit: Land Ownership	5 - 13
16.	Mountain Sub-Unit: Physical Characteristics.....	5 - 14
17.	Mountain Sub-Unit: Land-Use Designations.....	5 - 15
18.	Northern Sub-Unit: Vicinity Map.....	5 - 20
19.	Northern Sub-Unit: Land Ownership	5 - 21
20.	Northern Sub-Unit: Physical Characteristics.....	5 - 22
21.	Northern Sub-Unit: Roads, Trails, Waterbodies, Wetlands and Riparian Areas	5 - 23
22.	Northern Sub-Unit: Land-Use Designations.....	5 - 24



23. Southern Sub-Unit: Vicinity Map	5 - 36
24. Southern Sub-Unit: Land Ownership	5 - 37
25. Southern Sub-Unit: Physical Characteristics	5 - 38
26. Southern Sub-Unit: Roads, Trails, Waterbodies, Wetlands and Riparian Areas	5 - 39
27. Southern Sub-Unit: Potential Commercial and Residential Development Areas.....	5 - 40
28. Southern Sub-Unit: Land-Use Designations	5 - 41

Appendices (available on attached CD)

Appendix A - Land-Use Classifications and Designations	A - 2
Appendix B - Best Interest Finding General Format.....	A - 6
Appendix C - Hatcher Pass Management Plan Revision (2010): Government Peak Unit	A - 7
Appendix D - Environmental Impact Statement: Record of Decision.....	A - 20
Appendix E - Estimated Capital Costs	A - 68
Appendix F - Operating Characteristics, Revenues and Expenses	A - 83
Appendix G - Alpine Skiing Market Conditions	A - 99
Appendix H - Estimated Personnel Costs by Department and Function	A - 104
Appendix I - Estimated Operational Costs by Function	A - 124
Appendix J - Financial Analysis and Sensitivity Analysis	A - 128
Appendix K - Commercial/Residential Development Feasibility Analysis	A - 131
Appendix L - Tri-Party Agreement.....	A - 152
Appendix M - Examples of Public, Public-Private, Non-Profit Ownership and Management	A - 157
Appendix N - Hatcher Pass Development Authority	A - 163
Appendix O - Response to Public Comments on the Draft Plan	A - 192
Appendix P - Conformance Letter from the Alaska, Department of Natural Resources	A - 216



Chapter One

Introduction and Purpose

Table of Contents

Introduction and Background 1 - 3

Documents and Geographic Areas Referenced in This Plan..... 1 - 6

Description of the Government Peak Management Unit..... 1 - 7

Creation of Sub-Units 1 - 9

Administrative and Statutory Provisions Affecting This Plan 1 - 10

Purpose of this Plan..... 1 - 13

What the Plan Will and Will Not Do..... 1 - 15

Goals, Management Intent, Land-use Designations and Classifications,
Management Guidelines and Best Management Practices 1 - 16

Relationship of this Asset Management and Development Plan
to Other Borough Plans 1 - 20

Relationship of the 2010 Hatcher Pass Management Plan to the
1986 Hatcher Pass Management Plan and the
1989 Hatcher Pass Management Plan Amendment..... 1 - 21

Relationship of this Asset Management and Development Plan to the
2010 Hatcher Pass Management Plan..... 1 - 21

Planning Period 1 - 22

Map Information 1 - 22

Figures

1. Relationship and Level of Goals, Management Intent, Land-Use Designations,
Land-Use Classifications and Management Guidelines to Borough-Owned
Land 1 - 17

2. Hierarchy and Function of Goals, Management Intent, Land-Use
Designations, Land-Use Classifications, Guidelines and Best
Management Practices..... 1 - 18

3. Resource, Program and Management Tools for Managing Various
Natural Resources and Activities..... 1 - 19



Maps

1. Vicinity Map	1 - 4
2. Land Ownership	1 - 5
3. Physical Features	1 - 8
4. Area Covered by Development Lease.....	1 - 11
5. Sub-Units and Recreational Facilities Development Areas.....	1 - 14



Introduction and Background

Encompassing about 301,310 acres, the State of Alaska's Hatcher Pass Planning Area is located in the Matanuska-Susitna Borough north of Wasilla and Palmer in the southern foothills of the Talkeetna Mountains. The original *Hatcher Pass Management Plan* by the Alaska Department of Natural Resources for the area was developed in 1986, amended in 1989, and both were superseded in 2010 with the adoption of the revised *Hatcher Pass Management Plan*. The area covered by the current *Hatcher Pass Management Plan* is divided into ten units, of which the Government Peak Unit is one.

The 2010 revision of the *Hatcher Pass Management Plan* was made for a variety of reasons that included, but were not limited to:

- Changes in land ownership. The Borough now owns portions of the area, including the more developable portions of the Government Peak Unit.
- Enactment of Legislatively Designated Areas (for example, the Hatcher Pass Public Use Area and Independence Mine State Historic Park).
- Transfer of interest in and management responsibility for the development of a ski area/resort in the Government Peak Unit. In addition to the conveyance of State land in this area to the Borough as part of their municipal entitlement, the State Department of Natural Resources through a Development Lease¹ granted the authority for development of the lease area to the Borough.

The Government Peak Unit contains about 7,860 acres, of which 985 acres is within the Hatcher Pass Public Use Area. In contrast to the other nine units where the State is the dominant land owner, ownership in the Government Peak Unit is split between the State (4,570 acres) and the Borough (3,290 acres).

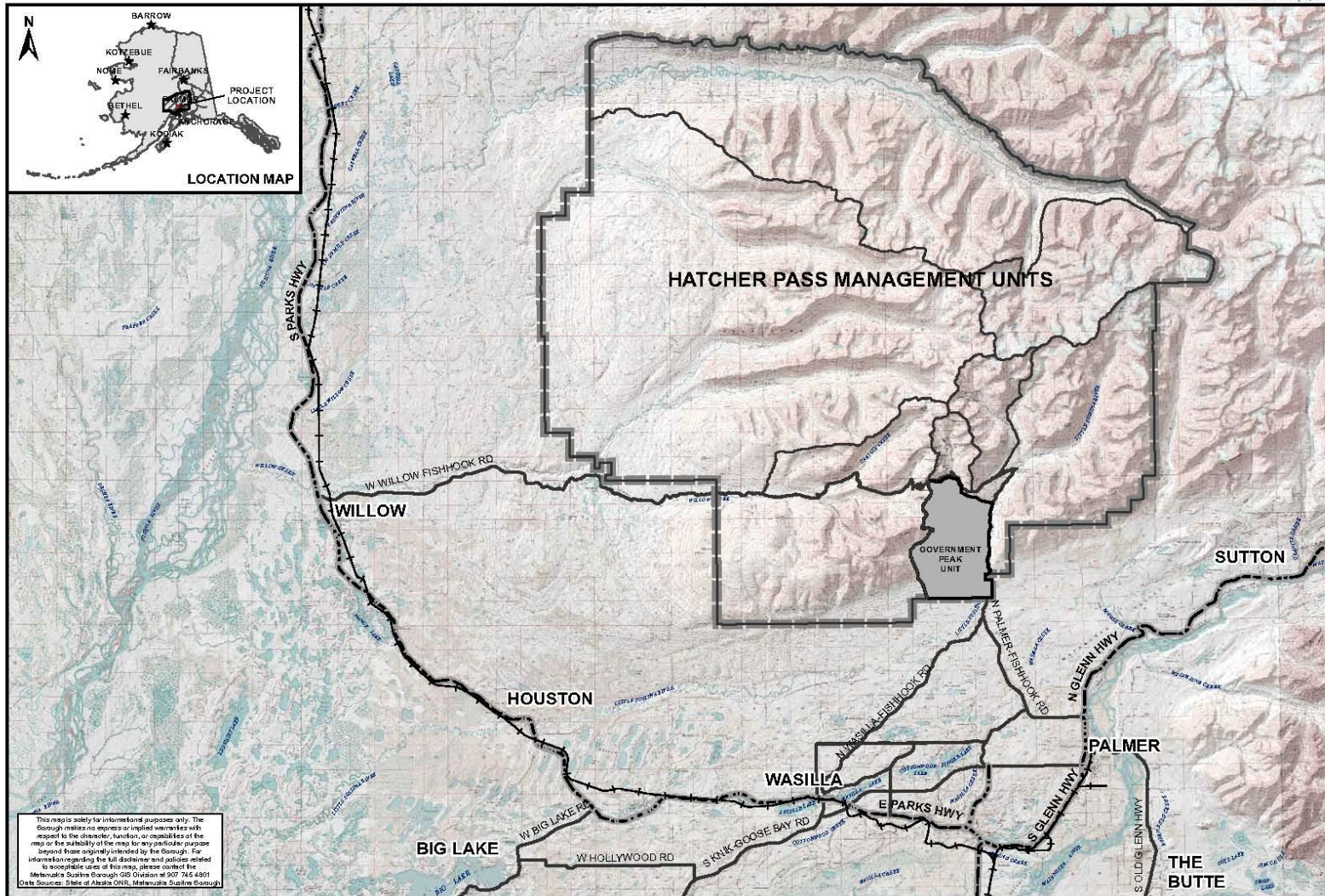
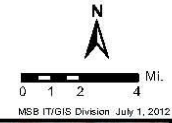
Map 1 (Page 1 - 4) shows the location of the Government Peak Management Unit within the area covered by the *Hatcher Pass Management Plan*. Map 2 (Page 1 - 5) shows the land ownership of the Unit and the surrounding vicinity.

¹ The Development Lease is explained in more detail in Chapter 2.



**Hatcher Pass - Government Peak Unit
Asset Management and Development Plan**

**MAP 1
VICINITY MAP**

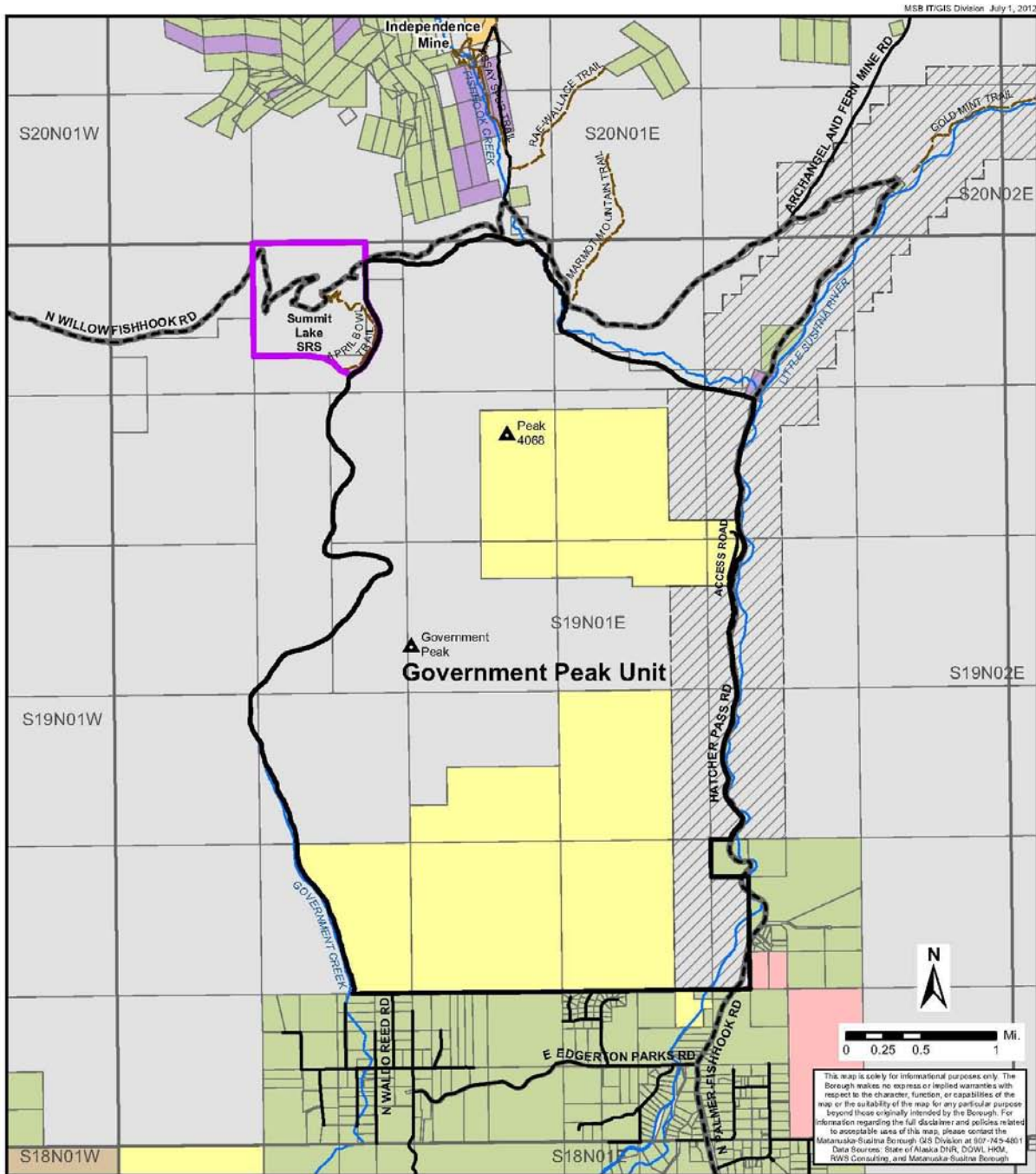




HATCHER PASS - GOVERNMENT PEAK UNIT Asset Management and Development Plan

MAP 2 LAND OWNERSHIP

- Government Peak Unit
- Summit Lake SRS
- HP Public Use Area
- Trails
- Streams
- Borough
- Federal
- Native Corporation
- Private
- Public University
- State
- No Data





Consistent with the *Hatcher Pass Management Plan*, this *Hatcher Pass – Government Peak Asset Management and Development Plan* provides the foundation for present and future decisions on how the Government Peak Unit will be managed and developed. Because most of the usable and developable land for various recreational facilities is owned by the Borough, the revised *Hatcher Pass Management Plan* recognizes that many of the management decisions in the Government Peak Unit will be made by the Borough and in some cases jointly by the Borough and State. It is important to recognize this dual ownership since it impacts how the unit is managed. Because of the joint land ownership and for the other reasons listed above, the Borough actively participated in the *Hatcher Pass Management Plan* for the Government Peak Unit.

Documents and Geographic Areas Referenced in This Plan

There are several key documents that have policies and guidelines concerning how the Government Peak Unit shall be managed. These are referenced in more detail in Chapter 2 and throughout this Plan. In order to avoid complicated acronyms and/or long titles when referring to those documents throughout this document, the following abbreviations are frequently utilized:

- “Hatcher Pass Management Plan” or “HPMP” stands for the Department of Natural Resources 2010 *Revised Hatcher Pass Management Plan*². The original *Hatcher Pass Management Plan* was adopted in 1986 and was amended in 1989. Any references to those two earlier plans will include the date; *1986 Hatcher Pass Management Plan*, or *1989 Hatcher Pass Management Plan*
- “Asset Plan” or this “Plan” stands for this document; the Matanuska-Susitna Borough *Hatcher Pass – Government Peak Unit Asset Management and Development Plan*³.
- “Access Environmental Impact Statement” or “Access EIS” stands for the *Environmental Impact Statement: Hatcher Pass Recreational Area Access, Trails, and Transit Facilities*⁴ (2010) prepared under the auspices of the Federal Transit Authority.
- “New Beginnings” stands for *Hatcher Pass – “A New Beginning”* which was adopted by the Borough Assembly in 2008 as a guideline for developing Alpine and Nordic ski facilities in the Government Peak Management Unit⁵. This Asset Plan supersedes that document.

² State of Alaska, Department of Natural Resources. 2010

³ RWS Consulting for the Matanuska-Susitna Borough. 2012

⁴ DOWL HKM for the Department of Transportation, Federal Transit Administration and the Matanuska-Susitna Borough. November 2010.

⁵ RWS Consulting for the Matanuska-Susitna Borough. September 2008.



There are also references to geographic areas that have also been shortened to make this document easier to read. These are:

- “Hatcher Pass Area” or “Hatcher Pass Management Area” refers to the entire geographic area that is covered by the revised *Hatcher Pass Management Plan* (2010).
- “Government Peak Unit” is the geographic area covered by the 2010 *Hatcher Pass Management Plan*, Government Peak Unit, and this Asset Plan. The Unit is also commonly referred to as the Government Peak Management Unit or Government Peak Management Area.

Description of the Government Peak Management Unit

The Government Peak Unit contains about 8,065 acres and is easily accessed by the Palmer-Fishhook and Willow Fishhook Roads (Hatcher Pass Road). The Unit is located adjacent and to the west of the Hatcher Pass Road and north of the Edgerton Parks Road on hilly terrain, although some fairly level benches occur. Deciduous forest occurs adjacent to portions of the Hatcher Pass Road while other areas are covered by shrub at lower elevations and by shrub and dwarf shrub at middle elevations and alpine vegetation in the higher elevations. Most of the unit consists of uplands (99%) with the remainder either wetlands or streams. The majority of the wetlands and streams are in the southern portion of the Unit.

In relation to other units covered by the *Hatcher Pass Management Plan*, the Unit is bordered on the north by the Mile 16 and Independence Units, to the west by the Bald Mountain/Hillside Unit, on the east by the Reed Lakes/Little Susitna Unit, and on the south by private land.⁶

Map 3 (page 1 – 8) shows the physical features of the Government Peak Unit and the immediately surrounding lands.

⁶ The boundary of the Government Peak Management Unit in the *Hatcher Pass Management Plan Revision* differs from the original 1986 *Hatcher Pass Management Plan* and the 1989 *Hatcher Pass Management Plan Amendment*. The three principle differences occur within the eastern, northeastern, and southwestern boundaries. The eastern boundary is shifted to coincide with the Hatcher Pass Road, an obvious management feature. The area that is known as ‘Mile 16’ has been dropped from the northeastern part of the Government Peak Management Unit and made a separate management unit. The intensity of use and level of conflict warranted the creation of this new management unit. The northern management unit boundary is Fishhook Creek, not the Hatcher Pass Road. This portion of the Hatcher Pass Road is now managed under the Mile 16 management unit. Also, much of the southwestern part of the unit has been modified, and generally coincides with Government Creek. This change was made to follow geographic features and to accommodate the current uses in this area, which include motorized uses. See map 6 in Chapter 2 for a graphic illustration of the historic Unit boundaries.

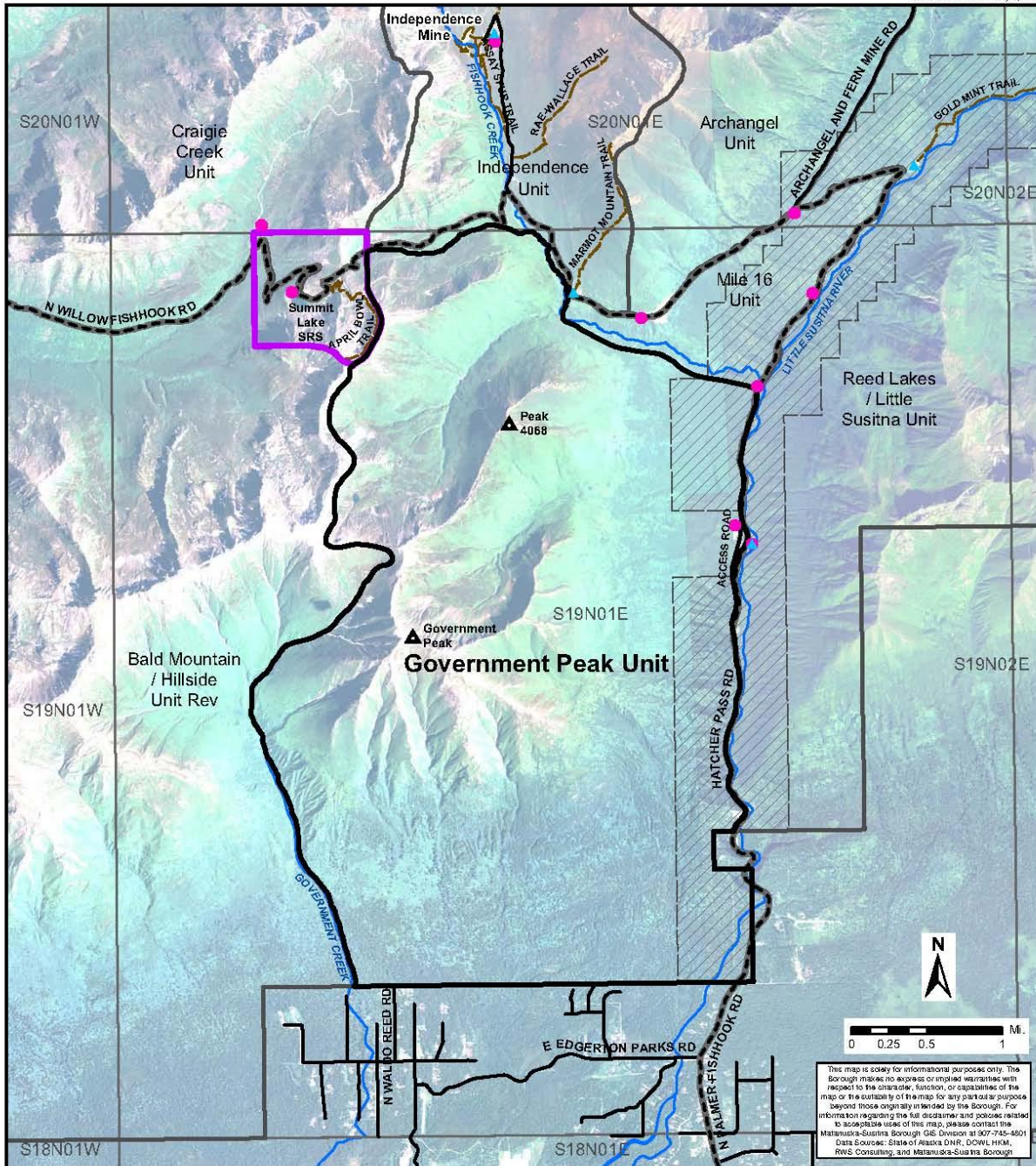


**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 3
PHYSICAL FEATURES**

- Government Peak Unit
- Other Management Units
- Summit Lake SRS
- HP Public Use Area
- Trails
- Streams
- Existing Parking Areas
- Existing Fee Stations

MISB ITR/GIS Division July 1, 2012





Because of favorable terrain and ready access, the entire unit is very popular for winter sports, including Alpine, Nordic and back country skiing, snowboarding, sledding, and snow shoeing.

During the summer and fall, the entire unit is popular for a variety of activities including hiking, mountain biking, equestrian activities, mountain running, paragliding and sailing, hunting, berry picking, and mountaineering.

The northeastern slopes of Government Peak and Bald Mountain Ridge contain terrain suitable for Alpine skiing. An access road and primitive parking facility was partially developed at Mile 11.2 of the Hatcher Pass Road by the Borough in the late 1990's.

The topography in the southern portion is suitable for Nordic skiing, sledding and some beginner Alpine ski areas as well. The terrain is also suitable for equestrian uses, mountain biking and general hiking with good views of the lower Matanuska Valley. Primarily associated with hunting in the fall, some limited all-terrain/off road vehicle use has occurred in the southern portion of the Unit.

In addition, the southern portion of the Unit has terrain that is suitable for some limited commercial and residential development as evidenced by the private property to the south of the Unit.

Because of the Unit's geographic location and physical features, the idea of developing a winter recreational facility, or possibly a four-season resort, to supplement the more random use of the area that currently exists, has been germinating since the areas development was included in the Borough's 1970 Comprehensive Plan. As a result the Government Peak area as undergone three major land-use plans and four major attempts have been made to develop ski and recreational facilities since that time. These proposals, along with a history of land-use plans and land ownership in the area, are described in detail in Chapter 2 of this Plan.

Creation of Sub-Units

For management purposes, the Government Peak Unit has been divided into three Sub-Units.

- The "Northern Sub-Unit" is the area where the Alpine skiing and boarding facilities will be located. Other recreational activities occur in this Sub-Unit which include but are not limited to hiking, berry picking, parasailing, hang gliding and back country cross country skiing. This Sub-Unit contains about 2,700 acres.
- The "Southern Sub-Unit" (1,890 acres) is the area where the Nordic facilities will be located. Other recreational activities also occur and are planned for in this Sub-Unit,



including but not limited to mountain running, hiking, mountain biking, equestrian trails and sledding. There is also a small area for Alpine skiing for beginners.

- The “Mountain Sub-Unit” covers the remainder of the Unit. A variety of recreational activities occurs and is planned for this Sub-Unit as well. Part of the Government Peak hiking and mountain running trail, some of the Nordic trails and Alpine ski runs are within this Sub-Unit. Back country cross country skiing occurs in the northwestern portion of the area. This Sub-Unit contains about 3,470 acres.

The geographic location of these Sub-Units is shown on Map 5 (Page 1- 14).

Administrative and Statutory Provisions Affecting This Plan

A variety of existing administrative and statutory provisions control land-use in the unit and do so under this Asset Plan:

- Lands closed to mineral entry. The Unit is closed to mineral entry under State Department of Natural Resources administrative mineral closing orders (MCO 549, 541) and pursuant to the authority of the Hatcher Pass Public Use Area which closes the land within the Public Use Area to mineral entry (AS 41.23.110(f)14).
- Hatcher Pass Public Use Area. The Public Use Area, which is also depicted on Map 3, requires that the land owned by the State be managed consistent with the purposes of the Public Use Area, which focus on the provision of recreation, and the protection of wildlife and fishery resources, as well as the scenic resources of the area. Portions of the Public Use Area exist within the Government Peak Management Unit, generally to the west of the Hatcher Pass Road and the Little Susitna River. Although settlement is precluded within the Public Use Area, the types of developed recreational uses permitted in this plan, on both Borough as well as State land, are consistent with Public Use Area statutory provisions and legislative intent.
- Development Lease. Originally issued by the State, ownership and management of the 55-year development lease has been transferred to the Borough. This reflects the interest of the Borough to develop the ski areas. When the lease was originally issued to Mitsui USA Ltd. in 1989, the State was the only land owner in the Government Peak Management Unit.

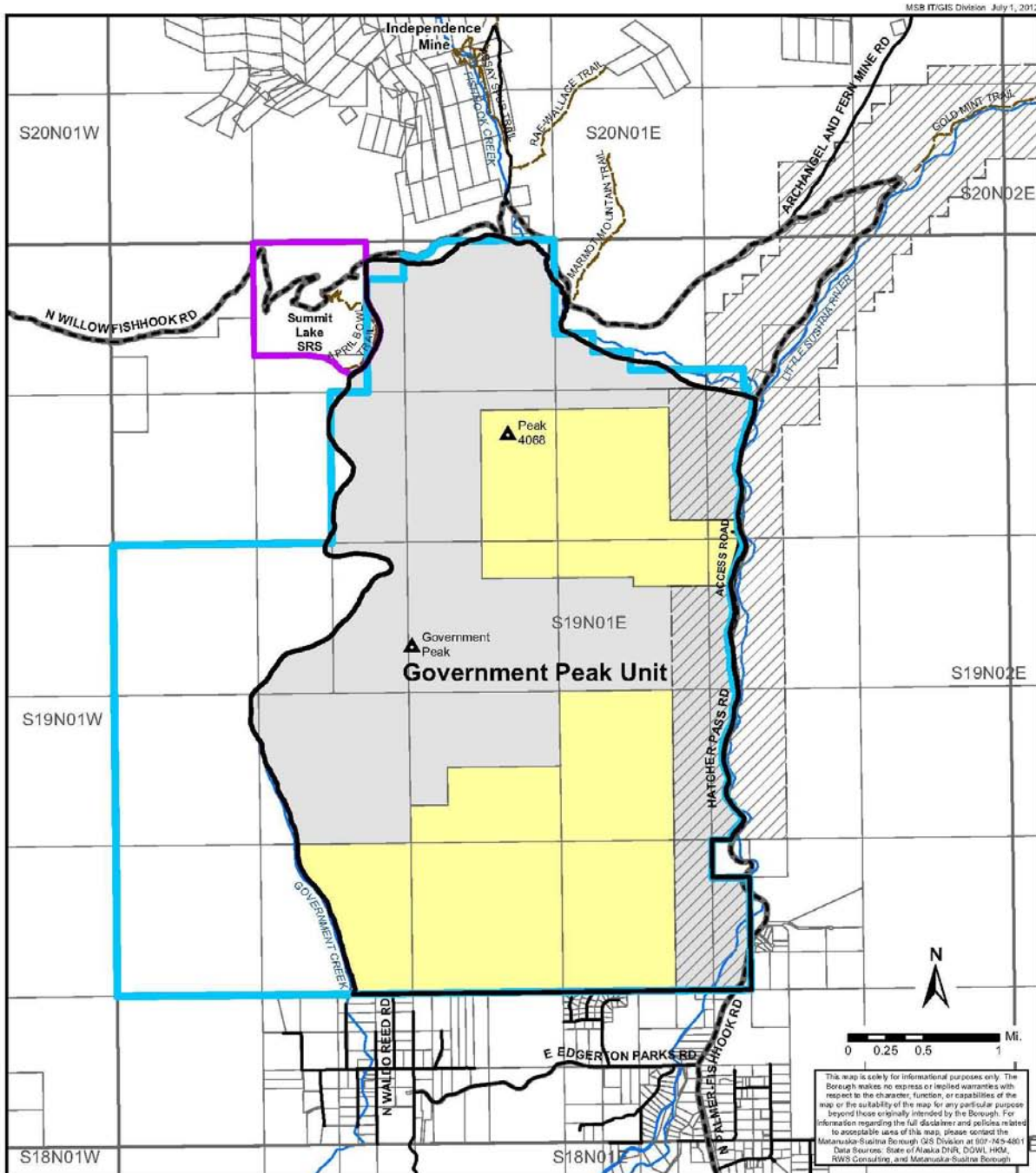
Since that time, the Borough became the principal land owner where the majority of the ski and other recreational facilities would be built; the State has transferred its management to the Borough as it relates to the ski areas and related development. The State retains decision-making authority on the use and management on other aspects of State land only. Changes and amendments that are needed to the lease are discussed in more detail in Chapter 6 of this Plan.



**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 4
AREA COVERED BY
DEVELOPMENT LEASE**

- Government Peak Unit
- Summit Lake SRS
- Lease Boundary
- HP Public Use Area
- Borough
- State





- State Management Authorities. State land within the Unit is managed under two authorities. Permitting, leasing and the general use of State land is the responsibility of the Department of Natural Resources, Division of Mining, Land and Water under Title 38 and the regulations adopted under 11 AAC 96. Recreational activities are the responsibility of the Division of Parks and Outdoor Recreation under Title 41 and the regulations adopted under 11 AAC 12. The Division of Mining, Land and Water has also delegated some Title 38 authorities to the Division of parks and Outdoor Recreation with a management agreement that is specific to the Hatcher Pass Management Area.
- Borough Management Authorities. Borough land within the Unit is managed under MSB 23.
- Tri-Party Management Agreement. A management agreement between the Borough and the State Department of Natural Resources, Divisions of Mining, Land and Water (DMLW), and Parks and Outdoor Recreation (DPOR) has existed since 2002⁷. This agreement provides that DPOR and DMLW will be the lead agencies in the natural resource permitting and recreation management of State land. DMLW is responsible for land-use decisions on State land.

The Borough is responsible for all land-use activities on land owned by the Borough. In the case of the Alpine ski area (Northern Sub-Unit), where the land is owned by both the State and Borough, the agreement calls for a mutual decision-making process. The land exchange proposed in Chapter 6 will place all the improvements related to the Alpine ski area under Borough ownership and, as a result, eliminate the mutual decision-making process.

The agreement further states it is the intent that DPOR shall function as the lead for enforcement of general recreation and related activities (traffic, parking, vandalism, recreation, etc.) on both Borough and State lands, but works in coordination with the Borough. During the development of the *Hatcher Pass Management Plan*, the State Division of Parks and Outdoor Recreation has stated that they will not provide enforcement on Borough land unless funding is provided by the Borough specifically for that purpose.

A recommendation in Chapter 6 of this Plan is to terminate this agreement and rely on the *Hatcher Pass Management Plan* and this Asset Plan to provide the management policies, and guidelines needed for the Government Peak Unit.

⁷ A copy of the *Management Agreement between the Department of Natural Resources and the Matanuska-Susitna Borough* is located in Appendix N.



Purpose of this Plan

This Asset Plan provides the foundation for present and future decisions concerning how the Government Peak Unit will be managed and developed.

In addition to the administrative and statutory provisions mentioned above, a variety of issues, many of a significant nature, affect the Government Peak Management Unit. Perhaps the most significant are land-use decisions affecting the development of Alpine and Nordic ski area, plus other recreational trails and facilities in the Northern and Southern Sub-Units respectively. When constructed, the majority of the improved facilities will be located on Borough-owned land.

Map 5 (Page 1-14) shows the general area where skiing and other recreational facilities in relation to the management Sub-Units are located. A more detailed map (Map 8) showing the location of these facilities can be found in Chapter 3 (Page 3 – 9) of this Plan.

The following three principal documents provide the basis for the management policies described in this Asset Management Plan⁸:

- *Environmental Impact Statement: Hatcher Pass Recreational Area Access, Trails, and Transit Facilities*, and resulting Record of Decision
- *Hatcher Pass Management Plan*
- *Hatcher Pass – “A New Beginning”*

Because federal funds will be used to develop certain transportation-related elements that access the Southern Sub-Unit and the Nordic ski areas, the Borough recently completed the Access Environmental Impact Statement. The Record of Decision related to this EIS was signed by the Federal Transit Authority (FTA) in January 2011.

The State supports the efforts of the Borough in its development of these recreational facilities. The *Hatcher Pass Management Plan* which was developed and adopted by the Alaska Department of Natural Resources in 2010 helps facilitate the development of these recreational amenities. The Borough actively participated in the development of that plan.

Consistent with a litigation related settlement agreement⁹, the land owned by the Borough must be managed consistent with the *Hatcher Pass Management Plan*. As a result of this settlement, the Borough will adopt the *Hatcher Pass Management Plan* as well as this Asset

⁸ Development of the Unit will be done in phases. This is described in Chapter 3 and is based on other documents as well that are described in that chapter.

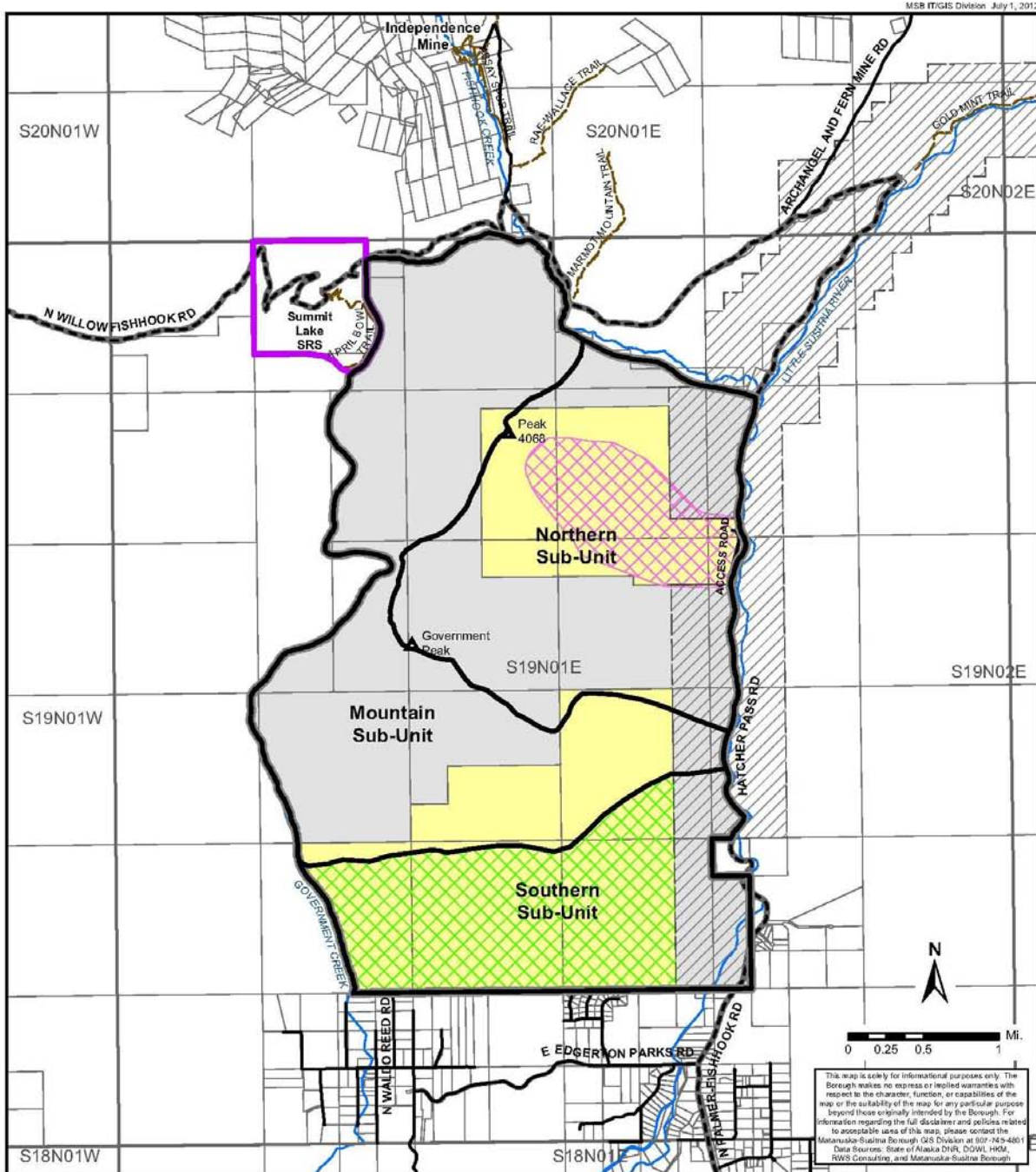
⁹ *Cascadia Wildlands Project v State of Alaska*, Department of Natural Resources, Division of Mining, Land and Water. Case No.3AN-02-4403 Civil.



**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 5
SUB-UNITS AND RECREATIONAL
FACILITIES DEVELOPMENT AREAS**

- Government Peak Unit
- Government Peak Sub-Units
- Summit Lake SRS
- HP Public Use Area
- Northern Public Recreation Developed
- Southern Public Recreation Developed
- Borough
- State





Plan. The Alaska, Department of Natural Resources has found find that this Asset Plan is consistent with the *Hatcher Pass Management Plan*. (See Appendix “P”).

Lastly in September 2008 the Borough Assembly adopted *Hatcher Pass – “A New Beginning”* which was a conceptual phased development plan for the various recreational facilities. This Asset Plan supersedes *Hatcher Pass – “A New Beginning.”*

What the Plan Will and Will Not Do

This Asset Plan establishes management intent, land-use designations, and management guidelines which, combined with the *Hatcher Pass Management Plan* and the Access EIS, are the official policy for the management and development of the Government Peak Unit.

Although the two plans and the Access EIS are intended to be the basis for the management of Borough land within the management area, they are also constrained in their application.

This Development and Asset Management Plan Will:

- Be consistent with the *Hatcher Pass Management Plan* and the Access EIS, establish management intent, land-use designations, and management guidelines which are the official policy for the development and management of the Government Peak Unit.
- Provide for the planning, management and future development strategy for recreation and other uses on a year-around basis on Borough-owned land in the Unit during the 20 year planning period, unless superseded.
- Be consistent with the *Hatcher Pass Management Plan*, which, in turn, supersedes all management direction and requirements from the 1986 *Hatcher Pass Management Plan* and the 1989 *Hatcher Pass Management Plan Amendment*.
- Provide the basis for management for both borough and state land in the Northern and Southern Sub-Units within the Government Peak Unit. The land in the Mountain Sub-Unit will continue to be managed consistent with the *Hatcher Pass Management Plan*.
- Classify or reclassify all Borough land within the Government Peak Unit.
- Identify allowed, conditionally allowed, and prohibited uses for all land within the Northern and Southern Sub-Units and borough-owned land in the Mountain Sub-Unit in the Government Peak Unit.
- Identify recommendations to implement this Asset Management Plan and keep it current.



This Development and Asset Management Plan will not:

- Directly affect private land (including Native Corporation and native allotments), Mental Health Trust Land, School Trust Land, or University of Alaska lands.
- Affect the authorities of the Alaska Department of Fish and Game to manage fish and wildlife or harvest regulations.

Goals, Management Intent, Land-use Designations and Classifications, Management Guidelines and Best Management Practices

In order to manage land, various resources and uses it is necessary to know what resources and uses exist, what can be done with those resources both socially and economically, and what uses can be accommodated and reasonably managed. To the natural resource management professional, these resource, social and economic factors are often described as goals, management intent, land-use classifications (in some locations also called zoning), land-use designations, and/or management guidelines.

Goals are the general conditions the Borough is trying to achieve. Goals are usually not quantifiable nor do they have a specified date of completion. Goals identify long-range conditions. Goals for different resources may conflict. For example, it may not be possible to develop concentrated recreational facilities and to maximize habitat protection for all wildlife species at the same time. The goals, however, do describe the ideal intentions for management. Multiple-use management does seek to achieve an optimal balance of public benefits, as much as possible, among all resources within a unit.

Management Intent defines near and long-term management objectives and the general approach to achieve those objectives. These statements have a specific geographic scope and usually apply to a specific management unit.

Land-use Designations are categories of land-used to implement the management intent and can further refine land-use classifications for specific areas or parcels of land. Designations identify primary and sometimes the secondary uses of land. For example, a land-use classification may be for “public recreation”. Land-use designations further refine the broad area into “public recreation – dispersed” or “public recreation – concentrated.”

Classifications are defined in Borough code (MSB 23.05.100). Classifications identify the general purposes for how land will be managed.

Management Guidelines are more specific intentions for management. They are specific standards or procedures to be followed in the issuance of permits, sales, leases, or other authorizations for the use of land or resources. Guidelines vary in their level of specificity,



providing detailed management direction, general guidance, or the identification of factors that need to be considered in decision making.

Best Management Practices are often referred to as “BMP’s” and are used on a regular basis by land and natural resource managers when making decisions. Generally, BMP’s are techniques, methods, processes, and activities that are known to be more effective at delivering a particular outcome better than any another known technique, method or process. They are the most efficient (least amount of effort) and effective (best results) way of accomplishing a task, based on recurring procedures that have proven themselves over time.

Figure 1 is a broad look at the relationship of the various social, economic and land ownership portfolio and management terms and how they apply at different levels.

Figure 1: Relationship and Level of Goals, Management Intent, Land-Use Designations, Land-Use Classifications, and Management Guidelines to Borough-Owned Land

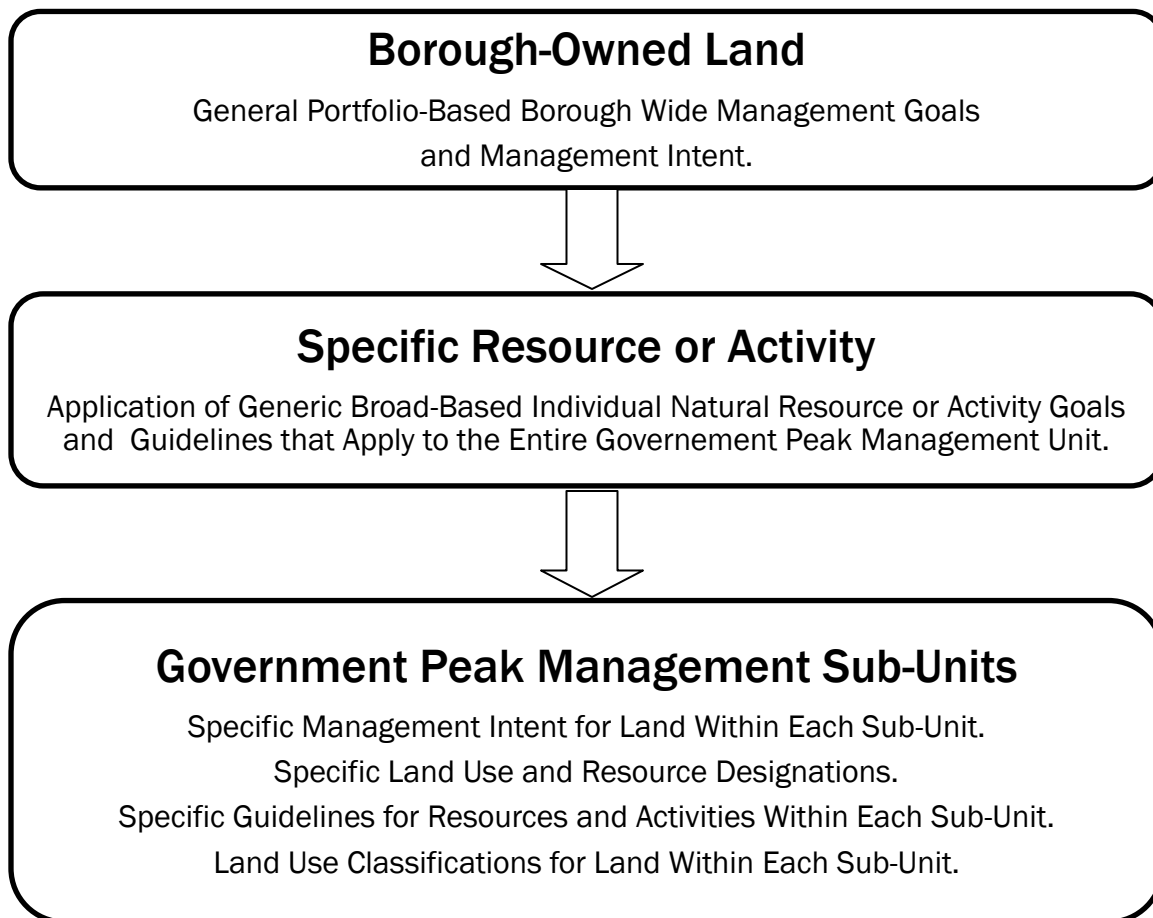
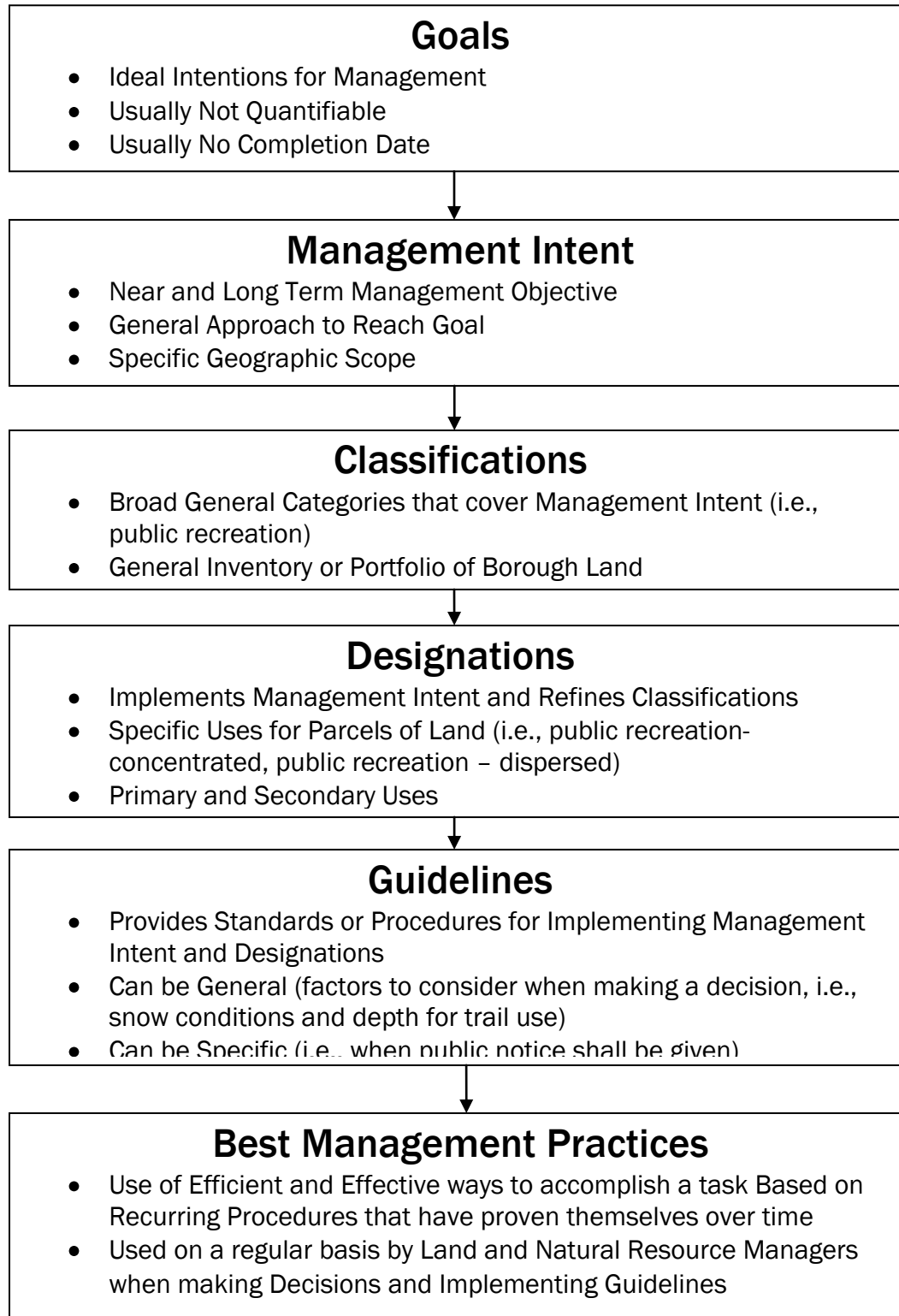


Figure 2 illustrates the hierarchy and function of goals, management intent, classifications, designations, guidelines and best management practices.



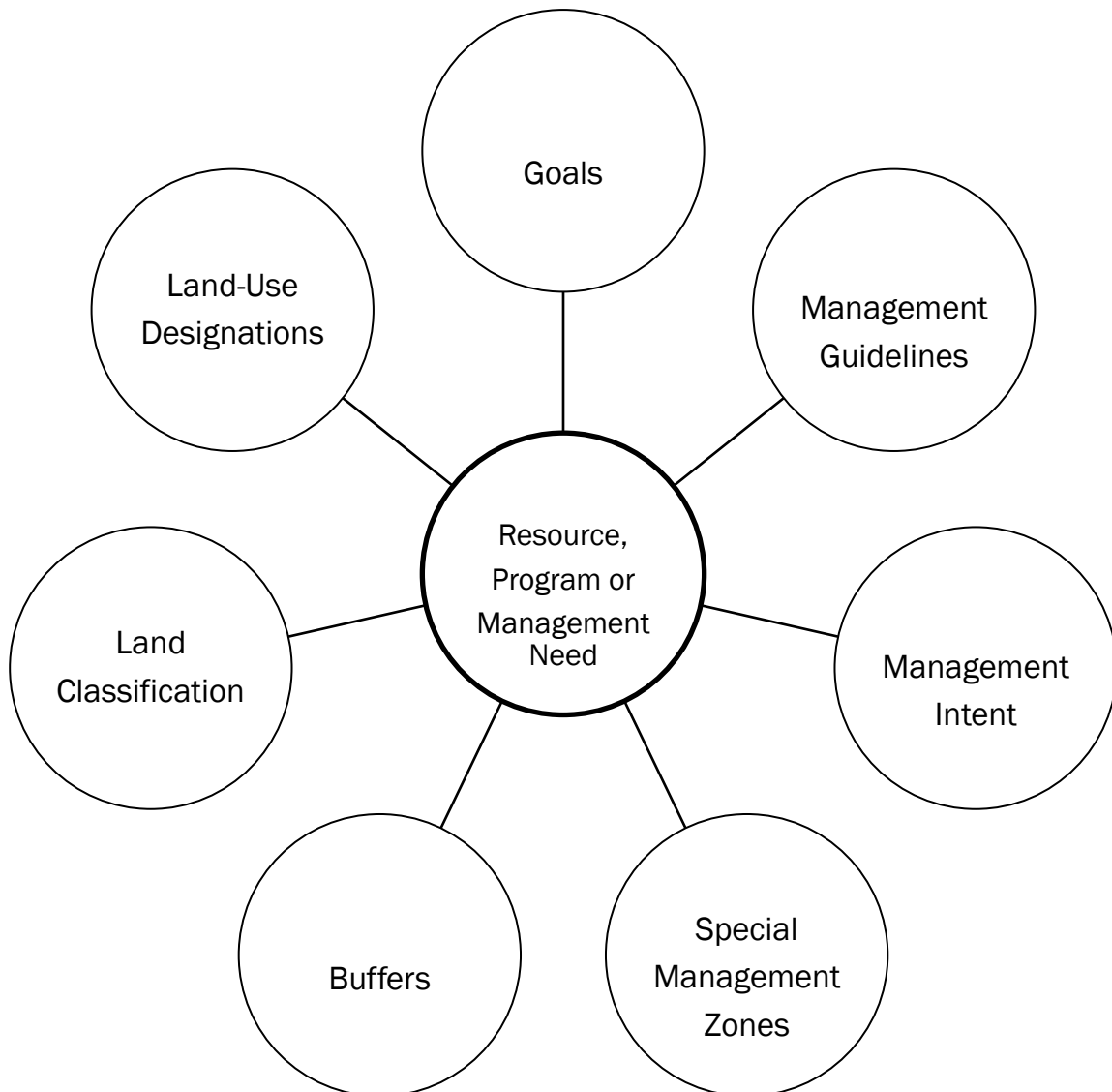
Figure 2: Hierarchy and Function of Goals, Management Intent, Land-Use Classifications, Land-Use Designations, Guidelines and Best Management Practices.





Protective and/or management measures also utilize a variety of tools such as a combination of buffers and special management zones resulting in an extensive, integrated system of management options to protect such resources and uses such as watershed, important fish and wildlife habitat and use areas, trails, and public recreation areas. Figure 3 illustrates the relationship of some of these management needs and tools.

Figure 3
Resource, Program and Management Tools for Managing Various Natural Resources and Activities





Relationship of this Asset Management and Development Plan to Other Borough Plans

Alaska State law (AS 29.40.010(a)) mandates that all boroughs “shall provide for planning, platting, and land-use regulations on an area-wide basis.” The Matanuska-Susitna Borough has adopted a comprehensive plan (MSB 15.24.030), exercises platting authority, and regulates land-use Borough-wide except where it has delegated selected planning powers to the cities of Houston, Palmer, and Wasilla.

The Borough’s comprehensive plan is a mosaic of elements from other plans. These other plans generally fall into one of the following categories:

- State and Federal plans;
- Borough Regional plans;
- Community plans;
- Specialty or Functional plans.

State plans generally address how State lands are to be managed. Borough plans guide the development of the various areas of responsibility. For example, transportation and public facility plans guide the development of the Borough’s future infrastructure. Community plans address community goals and objectives as well as how these goals and objectives will be achieved at the local level. Lastly, specialty or functional plans address specific issues such as this Asset Plan, the management of a particular lake, or the waste management function of the Borough. The relevant recommendations of other Borough plan elements are integrated into the *Borough Comprehensive Plan* by adoption of the plan into *Title 15, Planning*, of the Matanuska-Susitna Borough Code of Ordinances. Plans adopted into Title 15 are then used as the framework for preparing land-use and development regulations.

This Asset Plan builds from the general policies of the *Borough Comprehensive Plan* among other things. The *Borough Comprehensive Plan* includes, but is not limited to, policies on transportation, watershed management, parks, recreation, open space, and trails. All these resource plans, individual and collectively, must be integrated into management regimes that ensure ecologically responsible multiple-use asset management.

This plan also complements, builds on and utilizes the *Hatcher Pass Management Plan* and the Record of Decision based on the Access Environmental Impact Statement.

All of these plans, including this Asset Plan, should be reviewed on a regular and periodic basis to monitor progress in implementing the plan and to identify when social, economic, environmental, or changes to the resource base have occurred. Significant changes are an indicator that an update, amendment or modification may be needed. Any changes that are made should be made in an integrated manner with other plans that may be affected.



Also, see Chapter 6; “Implementation and Recommendations, Coordination with Other State and Borough Plans and Procedures.”

Relationship of the 2010 Hatcher Pass Management Plan to the 1986 Hatcher Pass Management Plan and the 1989 Hatcher Pass Management Plan Amendment

The 2010 *Hatcher Pass Management Plan* supersedes and replaces the 1986 *Hatcher Pass Management Plan* and 1989 *Hatcher Pass Management Plan Amendment*.

The provisions of the 1986 *Hatcher Pass Management Plan* and the 1989 *Hatcher Pass Management Plan Amendment* no longer apply.

Relationship of this Asset Management and Development Plan to the 2010 Hatcher Pass Management Plan.

The *Hatcher Pass Management Plan* recognizes that the Borough, as a land owner in the Government Peak Unit where the majority of the recreational facilities will be built and located, needs to make the decisions on how this recreational facility development will occur and be managed. At the same time, consistent with a litigation-related settlement agreement¹⁰, the land owned by the Borough must be managed consistent with the *Hatcher Pass Management Plan*.

In order to address both of these issues, the *Hatcher Pass Management Plan* assumed that a “step-down plan” would be adopted by the Borough that would implement the *Hatcher Pass Management Plan*, and constitute the basis for subsequent management by the State and Borough in the Government Peak Unit. The area of application of this step-down plan would generally be the Northern and Southern Sub-Units (Northern and Southern Development areas) in the Government Peak Unit.

This Asset Management and Development Plan fulfills that need and is that step-down plan. Appendix “P” contains a letter, dated July 16, 2012, from the Alaska, Department of Natural Resources stating that this Asset Plan conforms to the requirements of the *Hatcher Pass Management Plan* for a step down plan.

Utilizing the general policies, management intent and guidelines established in the *Hatcher Pass Management Plan* and the regulations (11 AAC 96) implementing the *Hatcher Pass Management Plan*, this Asset Plan provides more specific details on how the Northern and Southern Sub-Units will be developed and managed. It provides guidance on the location and the types of uses and provides a generalized analysis of the types of facilities that are

¹⁰ Cascadia Wilderness Project v. State of Alaska, Department of Natural Resources, Division of Mining, Land and Water Management. Case No. 3AN-02-4403 Civil.



likely to be developed in both the Sub-Units. The types of facilities that are identified in Chapter 3 of this Asset Management Plan must be consistent with the *Hatcher Pass Management Plan* and the management of the area enunciated in Chapters 4 and 5 of this Asset Plan are to be used to make determinations of appropriate use.

Additionally, this Asset Plan is intended to provide the basis for, and provide guidance to, the activities authorized in the Development Lease. No activities or development can be authorized in the development lease that is not consistent with this *Asset Management and Development Plan* and the *Hatcher Pass Management Plan*.

This Asset Plan may affect uses when its standards are more restrictive than the *Hatcher Pass Management Plan*. At the same time this Asset Management Plan cannot allow a greater scope or intensity of use than those authorized in the *Hatcher Pass Management Plan*. A plan amendment to the *Hatcher Pass Management Plan* is required if other uses are to be restricted and/or if an expanded scope or intensity of use is intended.

Planning Period

The 2010 *Hatcher Pass Management Plan* and this *Hatcher Pass – Government Peak Unit Development and Asset Management Plan* guide State and Borough land-use and resource decisions, as applicable, for the next 20 years or until either or both plans are revised.

Map Information

The maps in Chapter 3 (Phased Development of Recreational Facilities) depict a graphical illustration of where various trails and ski runs are or could be located. They are shown based on the best information available at the time each map was made. However, once further design and engineering is completed the exact physical location, configuration and length of trails is likely to change.

All the maps in this plan were prepared by the Informational Technology Department of the Matanuska-Susitna Borough. The maps they prepare are solely for informational purposes only. The Borough makes no express or implied warranties with respect to the character, function, or capabilities of the map or the suitability of the map for any particular purpose beyond those originally intended by the Borough. For information regarding the full disclaimer and policies related to acceptable uses of the maps, please contact the Matanuska-Susitna Borough GIS Division at 907-745-4801.



Chapter Two

Background and Historical Context

Table of Contents

Introduction	2 - 2
Development of the Area Under State Ownership and Management	2 - 4
Overview	2 - 4
Mitsui Inc., USA.....	2 - 4
Hatcher Pass Development Corporation – Fred Rogers	2 - 4
Hatcher Pass Development Corporation – Davis - Constructors and Engineers	2 - 6
Development of the Area under Borough Ownership and Management	
Overview	2 - 7
JL Properties.....	2 - 8
Other Documents Affecting This Development and Management Plan.....	2 - 9
Hatcher Pass Management Plan (1986)	2 - 9
Hatcher Pass Management Plan Amendment (1989)	2 - 10
Hatcher Pass Management Plan Revision (2008)	2 - 12
Hatcher Pass Management Plan Revision (2010)	2 - 12
Environmental Impact Statement and Record of Decision.....	2 - 14
Hatcher Pass – “A New Beginning”	2 - 18

Figures

4. Summary of Past Private and Public-Private Development Proposals	2 - 2
5. Timeline of Development Proposals and Land Use Plans	2 - 3

Maps

6. Historic Government Peak Unit Boundaries	2 - 16
7. Environmental Impact Statement Study Areas	2 - 17



Introduction

Since the 1970's the idea has been germinating about developing winter recreational facilities, or possibly a four-season resort featuring Alpine skiing at in the Government Peak area at Hatcher Pass to supplement the more random use of the area that currently exists. To date, five major attempts have been made to develop ski and recreational facilities.

Finding a potential private development firm was first tried by the Alaska, Department of Natural Resources and later a private - public partnership by the Matanuska-Susitna Borough. Figure 4 is a brief historical summary of the development proposal concepts and projected costs.

Figure 4: Summary of Past Private and Public-Private Development Proposals

GROUP	DATE	CONCEPT	COST
Mitsui	1988-1993	Private Olympic/International 4-season Alpine Resort	\$221.6 million
HPDC - Fred Rogers	1993-1995	Private 4-season Alpine Resort Three phases	Phase I \$20.0 million
HPDC - AIDEA	1995	Private 4 - season Alpine Resort over three phases	Phase I \$9.1 million
HPDC - Davis Constructors & Engineers	1997-1998	Private Regional Alpine Skiing, expanding to 4-season in phases with undefined real estate component	\$13 million
JL Properties	2004-2005	Public-Private Partnership Year-round recreational and residential concept including Alpine, Nordic and multi-purpose trails	\$41.3 million

In order to gain a perspective on where we are today and from the lessons learned from past experiences it is important to review the history of land use planning and resort/ski area concepts that were considered beginning in the late 1980's in this area.

Figure 5 shows a timeline of important development proposals and land-use plans that are discussed in more detail later in this chapter.



Figure 5: Timeline of Development Proposals and Land-Use Plans

	Year																										
	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 +
State Ownership and Management	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█										
<i>Hatcher Pass Management Plan</i> (Department of Natural Resources and Matanuska-Susitna Borough)	█	█	█																								
Mitsui Inc. USA Lease.			█	█	█	█	█	█																			
<i>Hatcher Pass Management Plan, Amendment</i> (Department of Natural Resources and Matanuska-Susitna Borough)			█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
Hatcher Pass Development Corporation Lease - Fred Rogers						█	█	█	█	█																	
Hatcher Pass Development Corporation Lease - Davis Constructors and Engineers											█	█	█	█													
Matanuska-Susitna Borough Ownership and Management of the Developable Area																	█	█	█	█	█	█	█	█	█	█	█
JL Properties Development Proposal																		█	█	█							
Hatcher Pass - A New Beginning (Matanuska-Susitna Borough)																					█	█	█	█	█	█	
Environmental Impact Statement																						█	█	█	█	█	
EIS Record of Decision																										█	█
<i>Hatcher Pass Management Plan Revision</i> (Department of Natural Resources and Matanuska-Susitna Borough)																									█	█	█
<i>Hatcher Pass - Government Peak Unit: Asset Management and Development Plan</i> (Matanuska-Susitna Borough)																											█



Development of the Area Under State Ownership and Management

Overview

Until the late 1990's, efforts to develop Hatcher Pass had been largely controlled by the State of Alaska which owned the site and adjacent lands. The approach being used was similar to that used by the U.S. Forest Service in the "Lower 48", i.e. a private developer becomes a concessionaire or lease-holder, paying an annual fee to the land owner, but as the private operator, incurs all improvement costs. The focus on these early developments was on Alpine skiing with other summer and winter amenities also included.

In the late 1980's and through the late 1990's the State tried on two different occasions to see the area developed by private industry. The first was in 1988 when Mitsui Inc., USA entered into a 55-year lease with the State.

Mitsui Inc., USA

In the mid 1980's there was a hope and a movement to attract the 1994 Winter Olympics to the Southcentral area. Partially in anticipation of this possibility, Mitsui submitted their conceptual development plan for a four-season resort in 1989. The plan included site design, conceptual architectural renderings, maps, a host of possible recreational activities, and services maps. Their ambitious plan called for completion of Phase 1 in 1993, with subsequent phases finished in by 1996. Their goal was to create a world-famous Alpine ski area and year-round travel destination. The resort included a 300-room first class hotel built in two phases, a 1,000-unit condominium project, restaurants, and retail stores, 8 ski lifts including a gondola, a golf course, swimming pools, and a wide range of other year-round outdoor activities.

Mitsui estimated their project would cost \$221.6 million. Shortly after the announcement that the Winter Olympics would not be held in Alaska, Mitsui concluded the project was not feasible and terminated the lease agreement.

Hatcher Pass Development Corporation – Fred Rogers

In 1991, the State again requested proposals for a lease of the area. The new request encouraged a four-season resort, but at a much smaller scale and addressed other lessons learned from the Mitsui experience. The Hatcher Pass Development Corporation (Fred Rogers) won the bid to lease the land from the State of Alaska in October of 1992 and entered into a lease in September 1993.

Hatcher Pass Development Corporation (HPDC) also proposed to develop a four-season resort through three phases of Alpine ski area development, two phases of hotel development, and two phases of golf course and recreational real estate development. Market conditions would dictate the timing of each phase.



Phase 1 of the HPDC initial development was to build a gondola lift system base on the bluff overlooking Mile 11 of the Hatcher Pass Road. The eight-passenger gondolas would climb 3,335 feet, passing through a mid-station and arriving at the top of Peak 4609 eleven minutes after leaving the base station. The 150 gondola cabins were to travel about 7,125 feet to the mid-station, then go another 5,800 feet to the top terminal, a total of nearly 2.5 miles.

The rationale for using a gondola system was that it would serve non-skiers as well in the summer season, an important consideration when creating a four-season resort, the model commonly used for contemporary four-season mountain resort developments.

Skiers would have 1,577 acres of skiable terrain with the majority of the area classified for intermediate skiers, a desirable characteristic. Trails below the midway station were to be illuminated for night skiing and snow making equipment would ensure adequate snow to make a longer ski season.

HPDC proposed to have a 4,657 square foot Base Lodge with offices, aid station, equipment rental and repair, retail space, ticket sales and storage lockers. An adjacent space for the gondolas and lift contained another 5,750 square feet. A maintenance/generator/storage building containing 5,719 square feet would be out of sight 1,000 feet north of the base lodge. A Mid-Mountain Lodge with food service, a lounge, lockers, and a ski school center would contain 6,278 square feet with another 21,750 square feet for the lift and gondola storage and maintenance. The top terminal contained a total of 3,690 square feet; much of it unheated space used to shelter the lift and gondola cars. The heated space would provide a ski patrol office and staging area, and public restrooms. The top terminal would have had decks so visitors could enjoy the panoramic view, including Mt. McKinley.

This first phase would have cost more than \$20 million and did not include any recreational development or amenities on the south side.

In March of 1995, an interdisciplinary team of consultants delivered a Hatcher Pass Ski Resort Financial Feasibility Report to the Alaska Industrial Development and Export Authority (AIDEA). The study said that if the resort opened in 1995 it could have experienced 96,400 skier days largely from Borough residents supplemented by skiers from the Municipality of Anchorage - principally from the East Anchorage, Chugiak, Eagle River and Peters Creek areas. By the year 2000, skier days would rise to about 150,000. HPDC in developing their master plan assumed 250,000 skier days by this same time. This was a significant difference.

The study concluded that the developer had overestimated net income and, because of the cost of developing the project as proposed, it was unfeasible unless the developer was able to raise more venture capital and lower the debt. To be feasible, the developer had to use less leverage than is customary for such projects. The report concluded, "The challenge is to find a mechanism by which to leverage the operating surplus through a creative funding mechanism to enable the development to proceed."



AIDEA commissioned its consultants to devise a plan that would be more feasible. The August 1995 report recommended building a 22,000 square foot day lodge with three parking lots. In phase 1, a short double chairlift would serve a beginner's slope and also transport skiers from the lower parking lot to the day lodge. A triple lift would transport skiers from the day lodge up the mountain. A second triple lift would start from midway to lift skiers further up the mountain. Lighting would have permitted night skiing. This scenario would serve 2,570 skiers on the lifts and on the slopes. Phase 1 would cost \$9.0 million to build.

Phase 2 involved installing two additional triple chairlifts to increase capacity and skiable area, serving 4,260 skiers at one time. Snow making equipment was not included. The consultants expected a 150-day season and a \$29.00 charge for an adult day ticket. To pay all operating and capital expenses, including the cost of capital, Phase I required 144,002 skier visits each season. The ski area was expected to start with 110,000 skier visits the first year, rising to 145,000 by its fifth-operating season.

Mr. Rogers was unable to raise the needed capital or to find investors to develop the project at either scale and sold the company and the lease to Davis Constructors and Engineers.

Hatcher Pass Development Corporation – Davis Constructors and Engineers

The principals of Davis Constructors and Engineers bought the HPDC in 1997 from Mr. Rogers, reviewed the studies and plans produced by their predecessors and came up with a new business plan.

The new plan intended to team up with an Alpine ski area operator and private investors to develop the area. They proposed construction of two quad chair lifts with a combined vertical rise of nearly 3,100 feet. Chair 1 would start on a bluff above Milepost 11 of the Hatcher Pass Road. That lift would climb 1,340 feet, from elevation 1,470 to elevation 2,820. It would have length of 5,855 feet with an average slope of 23%. A second chair lift climbing to Peak 4062 would start at elevation 2,330, just below the top of Chair 1. Its vertical rise of 1,732 feet would provide a slope length of 5,013 feet, with an average slope of 34%. Two smaller lifts near the base of Chair 1 would serve beginner boarders, skiers and tubers.

The ski area would have night lighting, snow making equipment and groomers to ensure that skiers would experience a consistent, high-quality mountain experience.

At the base, the day lodge would provide space for ticketing, ski school, rental and repair shop, restaurant and beverage service, retail space and an area for the ski patrol and emergency services. Two smaller buildings would provide the shelter and storage space for lift equipment and the ski patrol at midway and at the top of Chair 2.

Under this scenario, the total cost of the ski area would be \$13.0 million, including most infrastructures.



It is important to note at this point that, other than the Mitsui proposal, neither Mr. Rogers or Davis Constructors and Engineers formally proposed any development on the South side although both indicated that some commercial/residential development would be necessary in order to make the project feasible.

Development of the Area under Borough Ownership and Management

Overview

In the late 1990's the Matanuska-Susitna Borough became much more actively engaged in a program to facilitate construction of the ski area.

During this same time, the Borough obtained management authority from the Alaska Department of Natural Resources of the existing 11,000-acre lease that was issued to Hatcher Pass Development Corporation, Inc. The Borough obtained funding to bring electricity into the area, had some geotechnical work done on both the north and south sides of the Government Peak Sub-Unit where the Alpine and Nordic ski areas could be located, identified and partially developed water sources to support ski area development, built an access road into the area where the Alpine base facilities should be located, and conducted economic and design studies for the area. The Borough also helped secure funding to upgrade the Hatcher Pass Road (Palmer-Fishhook Road) north of the Edgerton Parks Highway and helped secure funding to upgrade the State Park facilities at Independence Mine and the surrounding area.

Other important milestones occurred at the turn of this century. The Borough obtained the lease from Hatcher Pass Development Corporation, Inc. who no longer showed an interest in developing the area. At this point the Borough was both the holder and manger (lessee and lessor) of the lease.

The Borough also obtained title to approximately 3,012 acres of the land where the Alpine base facilities would be located on the north side and where possible commercial/residential development and the Nordic trails and facilities would be located on the south side. This land was obtained from the State under the Municipal Land Grant Act (AS 29.65). The conveyance to the Borough was challenged in court.¹ The case was eventually settled out of court with the Borough agreeing to have the conveyance specifically state that the land that the Borough was obtaining shall be managed under the terms of the *Hatcher Pass Management Plan*. This is significant as it has an impact on the relationship of the Borough and State in managing the Government Peak Unit.

¹ Cascadia Wildlands Project v State of Alaska, Department of Natural Resources, Division of Mining, Land and Water. Case No. 3AN-02-4403 Civil



By the early 2000's the Borough owned the land where the main activities and development could occur, and owned and managed the long-term lease for the entire Government Peak Unit area covered by the 1989 *Hatcher Pass Management Plan* Amendment.

JL Properties

In 2004, the Borough made another attempt to develop the area, this time with a public – private partnership. JL Properties was the only firm that responded to the Borough's Request for Qualifications.

JL Properties proposed to provide a regional Alpine ski area and an extensive Nordic ski trail system with associated amenities. On the south side they proposed a recreation-based community that would have strict design standards, sensitive to the stewardship of the area's unique environmental attributes. Overall the project was intended to maximize both recreational and economic benefits.

The project scope involved three inter-dependent elements; Alpine ski area and visitor center, Nordic ski trail system with stadium and chalet, and a south side residential and commercial area. As proposed by JL Properties, the following was included:

Alpine ski area and visitor center:

- Designed as a regional ski resort
- Day lodge/visitor center
- Detachable high speed quad lift
- T-bar lift
- Platter lift and "Magic Carpet" lifts
- Maintenance building
- Capacity of 2,300 skiers per day
- Snow making and lighting coverage
- Ski area with 2,000 of vertical rise
- Ability to expand ski terrain in the future

The Nordic ski trail system with stadium and chalet:

- Extensive trail system for a variety of year-round uses
- Trails designed to host competitive races at the high school, collegiate, and international levels
- Trail designed to utilize bypasses and cutoffs creating less demanding loops for recreational use
- Stadium area to provide a base for recreational trails and start/finish area for competitive events.
- The area would also include recreational trails, multi-use trails, motorized trails, hiking trails, sledding hill, and equestrian center and trails.



The Southside Residential Area included:

- 450 residential lots ranging from 1 – 5 acres lying within development pods separated by large open space areas developed over 25 years
- Strict design guidelines would ensure an appropriate standard of architecture and landscaping
- All homes and other buildings to be constructed to blend within the natural environment
- Nearly all lots would border an extensive trail system connecting residents to the natural environment and direct access to amenities
- Development on the Southside would leave 68% of the available land as open space
- Primary access would be off the Hatcher Pass Road with a bridge crossing the Little Susitna River

Overall, the project was estimated to cost \$41.3 million with the Borough covering approximately one-quarter of these costs, excluding the real-estate value.

After having an independent third-party review the proposal and upon further analysis of public support for such a plan, both JL Properties and the Borough mutually decided not to pursue the proposed project any further.

Other Documents Affecting This Development and Management Plan

Hatcher Pass Management Plan (1986)

In October 1986, the State of Alaska, Department of Natural Resources adopted a management plan for the entire Hatcher Pass area. Even though at the time the Borough did not own any land within the area covered by this plan, the Borough was interested in how the area, specifically the recreational activities in the area, were managed. As a result the Borough Assembly also adopted this plan.

The 1986 Plan covered 215,820 acres and included a geographic area from the Talkeetna Mountains to the north and east; Wasilla and Palmer are located just south of the area, Willow to the west and the Matanuska Valley Moose Range to the east.

The plan included nine management units with the Government Peak Management Unit being one of those.



This Plan recognized the recreational opportunities within the Government Peak Unit but did not specifically address how these opportunities, specifically Alpine skiing, should be developed or managed.

This Plan was revoked in its entirety with the adoption of the revised *Hatcher Pass Management Plan* in 2010.

A complete copy of the 1986 *Hatcher Pass Management Plan* can be found at:

http://dnr.alaska.gov/mlw/planning/mgtplans/hatcher_2009/.

Hatcher Pass Management Plan Amendment (1989)

In November 1989, there was a significant amendment of a portion of the 1986 *Hatcher Pass Management Plan*. This amendment focused on revision of the Government Peak Unit and revised the 1986 Management Plan to provide detailed management guidelines and requirements for the development of a downhill (Alpine) ski area and four-season resort. This amendment was in response to the application of Mitsui Inc., USA to develop a four-season ski and resort facility in the Government Peak Unit.

Among other things discussed below, the Government Peak Unit was enlarged to approximately 10,300 acres by adding land from the Hillside Unit (located to the west of the existing Government Peak Unit). The additional land along with a portion of the existing Government Peak Unit was designated as Sector “B.” The remainder of the existing Unit was designated as Sector “A.” (Note: later in time, and not as strictly defined geographically as in this Plan amendment, Sector “A” became commonly referred to as the Northern or Alpine area, and Sector “B” became commonly referred to as the Southern or Nordic area.)

The Plan amendment changed the management intent of the Government Peak Unit from one of casual recreational use to one of more intensive use. The following management intent language from the plan amendment is included below to provide a better context for how we got to where we are today.

“This area is to be managed for intensive recreation and as a tourism destination point in a manner which preserves the option for a downhill ski area and four-season resort development and protects the scenic values of this (sub) unit. This unit will be one of two focal points for four-season developed, commercial and non-commercial recreation options in the Hatcher Pass area including, but not limited to, a downhill ski area, a sledding run, snowmobile, equestrian, Nordic and pedestrian trails, parking, picnic and camping areas. A variety of motorized and non-motorized trails will be established in most of the unit. In designing these developments, attention will be paid to minimizing or migrating moose and ptarmigan habitat loss to



the extent feasible, to avalanche safety planning, and to alleviating road congestion. Hunting will be maintained where possible.

While the intent for this (sub) unit is to concentrate intensive recreational use and provide additional future recreational opportunities, the emphasis is to retain the high scenic values of the (Little Susitna) river corridor and open mountain slopes. The narrow river corridor has a limited ability to accept change brought about by facilities construction and still maintain the open, natural beauty. To protect the existing scenic values, major commercial development will be authorized only on the east and south slopes of Government Peak and Bald Mountain Ridge. Subunit B (the south slopes of Government Peak and Bald Mountain Ridge) is important moose habitat and valuable public open space and recreation land adjacent to the private land base in the Matanuska Valley. Siting and design of structures, access, and parking associated with the resort development will be carefully done to complement the natural landscape and to leave as much open space and moose habitat as is feasible. The area north of the junction of the Gold Mint Road with the Hatcher Pass Road at Milepost (MP) 14 will be an intensive use area for small-scale developments such as a bobsled run and rope tow or poma lift. These facilities will complement the existing public recreational uses and will not include structures other than a warm-up facility or maintenance building. No private commercial recreational uses or state land will be authorized outside these two areas with the possible exception of a site for tourism gold panning.

The Alpine ski area site will be closed to mineral entry because the mineral development is incompatible with commercial recreational development at this site: mineral claims could hinder the private sector to obtain financing; mine roads and structures would hinder design and use of the slopes for ski runs.”

The *Hatcher Pass Management Plan Amendment* was also revoked in its entirety with the adoption of the *Hatcher Pass Management Plan Revision* in 2010. However, many of the goals, objectives and management intent from this plan were carried forward into the 2010 Plan Revision.

A complete copy of the 1989 plan revision for the Government Peak Unit can be found at:

http://dnr.alaska.gov/mlw/planning/mgtplans/hatcher_2009/.



Hatcher Pass Management Plan Revision (2008)

Another revision of the Government Peak Unit was started in 2008 but did not proceed to adoption. In response to the proposal by JL Properties to develop both the north and south side areas, the Borough developed a draft Special Land Use District (SPUD) for the area which would have the effect of placing specific land use controls on the proposed commercial and residential development on the Borough-owned land in the southern area, as well as for the Alpine and Nordic ski areas on both Borough and State owned land in both the northern and southern areas.

The majority of the draft SPUD focused on the extensive commercial and residential developments that were proposed by JL Properties as a method of raising financial capital to support the recreational facilities.

The Department of Natural Resources had developed a plan amendment that would have implemented the proposed SPUD on State land, the effect of which, if adopted, would have rescinded the 1989 Plan Amendment. However, the Borough Assembly did not take action on the proposed SPUD and instead directed the Borough administration to develop an environmental analysis and an Environmental Impact Statement prior to action being taken on the SPUD.

The Department of Natural Resources postponed any action on the proposed amendment until the Borough had developed a position on development within the Government Peak Unit.

Hatcher Pass Management Plan Revision (2010)

By late 2008, it was clear that, after managing the entire area covered by the 1986 and 1989 *Hatcher Pass Management Plan* and plan amendment for more than 20 years, the increased use of the Hatcher Pass area for both winter and summer recreation activities needed to be addressed. There were also management provisions in both the 1986 and 1989 plans that were no longer valid (i.e., grazing, agriculture, timber harvest) given the changes in use patterns and resource needs.

Principal reasons for the plan revision included, but were not limited to:

- Use patterns changed in the various Units and the configuration (straight line aliquot part instead of physical boundaries) of the original Units made management difficult for both users and managers.
- The Borough had obtained ownership of a large portion of the more developable portions of the Government Peak Unit.



- In addition to the conveyance of State land in this area to the Borough as part of their municipal entitlement, the State Division of Mining, Land and Water transferred management of the development lease area to the Borough.
- The intended uses in the Government Peak Unit changed from a four-season resort to a regional recreation area with the main activities being Alpine and Nordic skiing in the winter and hiking, mountain biking, etc. in the summer.
- Enactment of Legislatively Designated Areas (Hatcher Pass Public Use Area, Willow Mountain Critical Habitat Area, Independence Mine State Park, Summit Lake Recreation Area) and Interagency Land Management Assignments were enacted which impose different management requirements for State land and waters than on general domain land (of which they were previously a part).
- Increase in population growth and recreation demands during both the summer and winter.
- Expansion of the area used for winter recreation and increasing back-country use.
- Difficulties in plan interpretation and use by the State Divisions of Mining, Land and Water, and Parks and Outdoor Recreation and the Borough. All three parties have responsibility for the management of land in the area, including the issuance of authorizations. Because the 1986 and 1989 plans were outdated, it was not immediately evident what the management recommendations and requirements were for specific areas. This resulted in confusion and a misunderstanding of what the 1986 and 1989 plans required.

Following an extensive public and agency involvement process, the *Hatcher Pass Management Plan Revision* was adopted by the State in November 2010. This plan must also be adopted by the Borough at the same time this *Hatcher Pass – Government Peak Unit Development and Asset Management Plan* is adopted.

With adoption of the 2010 *Hatcher Pass Management Plan*, the previous versions of this Plan (1986 and 1989) are no longer valid and have been superseded by the 2010 Plan.

A complete copy of the management Unit requirements for the Government Peak Unit from the revised *Hatcher Pass Management Plan* can be found in Appendix “C” of this plan. It has been included in its entirety because they directly affect the goals, management intent and guidelines of this *Hatcher Pass – Government Peak Unit Development and Asset Management Plan*.

A complete copy of the entire *Hatcher Pass Management Plan Revision* (2010) can be found at: <http://dnr.alaska.gov/mlw/planning/mgtplans>



Map 6 (Page 2 - 15) shows how the historic boundaries of the Government Peak Management Unit and the adjoining Units have changed with the various plans in response to changing demands and to address public use patterns and management concerns.

Environmental Impact Statement and Record of Decision

In 2007 the Borough was able to obtain approximately \$6 million in federal funds to aid in the development of the recreational facilities in the Government Peak Unit. In order to utilize these federal funds the Borough was required to use a portion of the federal funds to complete an Environmental Impact Statement (EIS). The stated purpose of this funding was to:

“...develop transportation access and transit-related infrastructure in both the North and Southern Areas to support existing year-round recreational use... The projects improvements would also support the MSB’s proposed Phase I Nordic and Alpine Ski Area Developments in the Northern and Southern Areas of the Government Peak subunit of Hatcher Pass.”

Work on the EIS began in mid-2008 and culminated with the Record of Decision for the EIS signed by the Federal Transit Authority on January 6, 2011. The EIS did not cover the entire Government Peak Management Unit, but did cover where the majority of the area where development of recreational and other facilities would likely occur. Map 7 (Page 2 - 16) shows the area covered by the EIS.

The 2011 Record of Decision (ROD) for the EIS found that the proposed project included the following improvements was consistent with the Environmental Protection Act, provided certain mitigating factors were followed:

- A paved access road (an upgrade and realignment of an existing gravel road in the Northern Area; a new access road in the Southern Area)
- A paved parking lot with lighting (an upgrade of an existing gravel parking lot in the Northern Area for 413 vehicles and two buses; a new parking lot in the Southern Area for 210 vehicles and six buses)
- A 20 to 30 passenger, enclosed, heated, and lighted transit facility with restrooms
- Utility extensions (i.e., telephone or fiber optic cable and electrical lines)
- The Southern Area includes a paved, separated pathway for non-motorized uses, parallel to the new access road



A complete copy of the Access EIS along with copies of reports directly related to the EIS can be found at:

<http://www.dowlhkm.com/projects/hatcherpass/FEISdoc.html>.

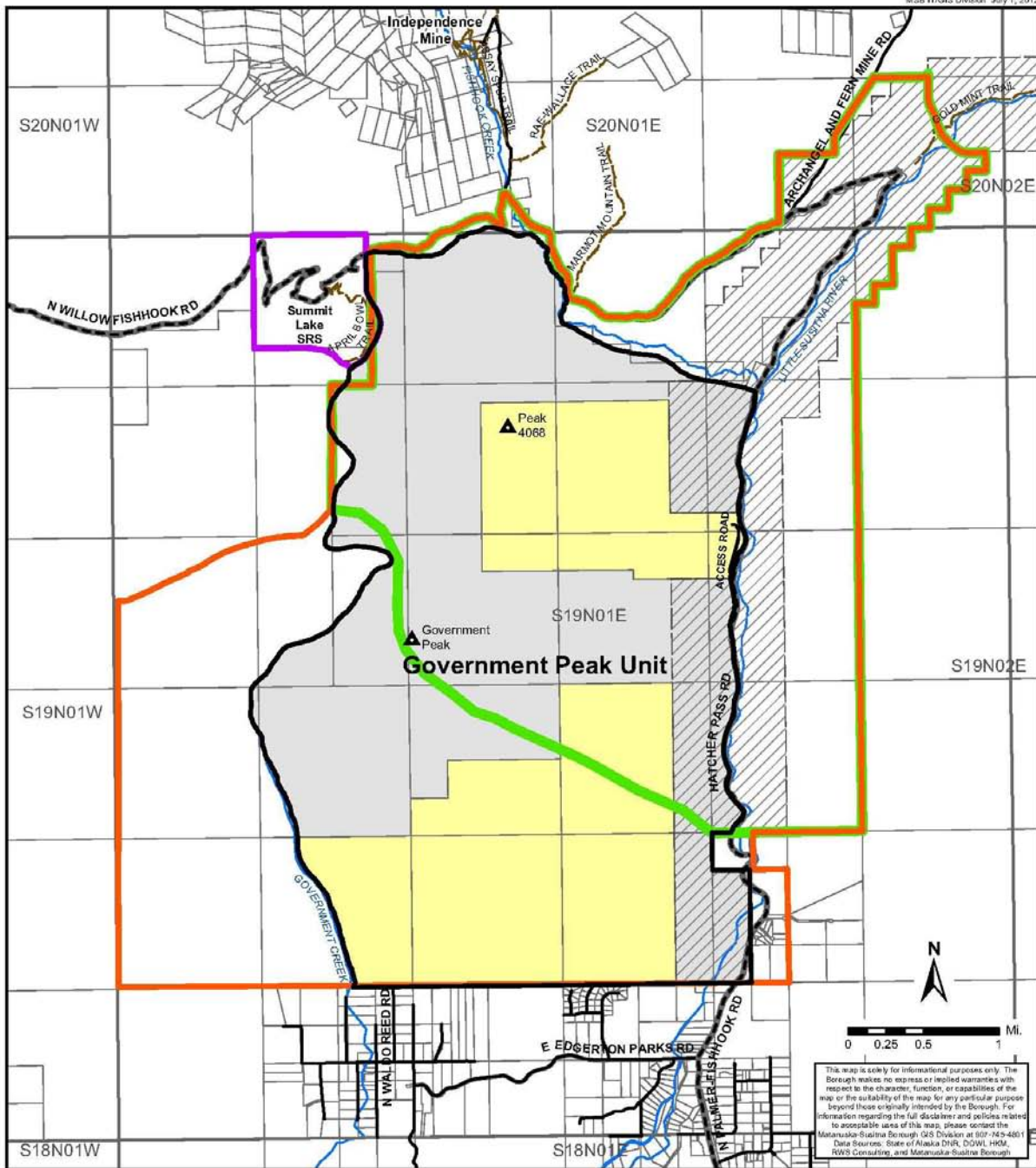
A complete copy of the Record of Decision can be found in Appendix “D” of this Plan. It has been included in its entirety because any portions of the Record of Decisions directly affect the goals, management intent and management guidelines of this *Hatcher Pass – Government Peak Asset Management and Development Plan*. For example, the “Mitigation Measures and Best Management Practices (BMP’s)” contained in the Record of Decision will be followed throughout the entire Government Peak Unit.



**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 6
HISTORIC GOVERNMENT PEAK
UNIT BOUNDARIES**

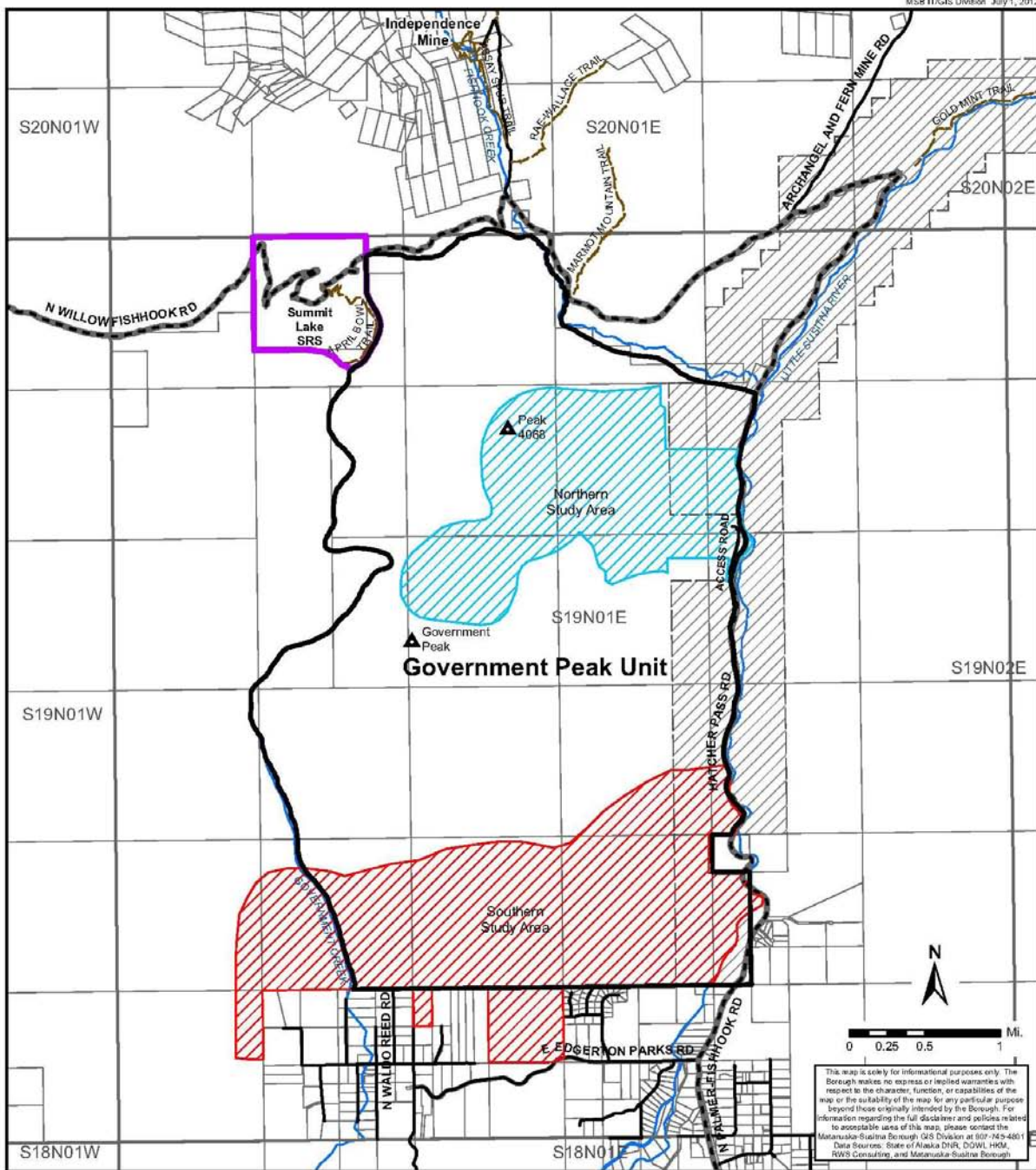
- Government Peak 2012
- Government Peak 1989
- Government Peak 1986
- Summit Lake SRS
- HP Public Use Area
- Borough
- State





**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 7
ENVIRONMENTAL IMPACT STATEMENT
STUDY AREAS**

- Government Peak Unit
- Summit Lake SRS
- HP Public Use Area
- Northern Study Area
- Southern Study Area





Hatcher Pass – “A New Beginning”

In 2007 the Borough decided to take a different approach to the development of the recreational opportunities in the Government Peak Unit. This approach would be to take from the good points of the previous proposals that had public support for development of the North and South side recreational facilities, principally focused on the Alpine and Nordic skiing opportunities.

This new approach would be to develop the area as a regional complex, not a four-season resort. Based on mixed public comments *Hatcher Pass – “A New Beginning”* also took the approach that a commercial/residential development component may not be necessary as a source of potential funding for the entire project, at least during the initial phases of development.

Instead this plan would develop the facilities in phases as funding became available. The plan also provided that the phased approach could be separated into developing either the Alpine facilities on the South side and/or the Alpine facilities on the North side independent of each other.

This new approach recognized that in order to attract future investors or independent ownership and management of the recreational facilities, some infrastructure and facilities needed to be in place and a revenue stream generated.

Hatcher Pass – “A New Beginning” was adopted by the Borough Assembly on September 18, 2008 as a conceptional plan or direction to be followed. This Development and Asset Management Plan, when adopted, will supersede *Hatcher Pass – “A New Beginning.”*

That plan, along with other documents discussed in this Chapter, is the foundation for this *Hatcher Pass – Government Peak Asset Management and Development Plan*. This Asset Management Plan supersedes *Hatcher Pass – “A New Beginning.”* However, *Hatcher Pass – “A New Beginning”* does have some historic information that is not included in any other documents that may prove valuable for future reference.

A complete copy of *Hatcher Pass – “A New Beginning”* can be found at:

<http://www.dowlhkm.com/projects/hatcherpass/ANewBeginning.html>.



Chapter Three Phased Development of Recreational Facilities

Table of Contents

Introduction	3 - 4
Maps	3 - 5
Conceptual Goal	3 - 5
Compliance with Americans with Disabilities Act and Architectural Barriers Act	3 - 6
Phased Approach Overview	3 - 7
Northern Sub-Unit	3 - 7
Southern Sub-Unit	3 - 8
Northern Sub-Unit Development	3 - 11
Ski Lifts	3 - 11
Lift 1	3 - 11
Lift 2	3 - 12
Lift 3	3 - 13
Ski Runs	3 - 16
Ski Trails	3 - 16
Grooming	3 - 19
Snow Making	3 - 19
Night Lighting	3 - 19
Base Area	3 - 19
Entry/Arrival Zone	3 - 22
Ticket Sales	3 - 22
Skier Congregation	3 - 23
Operational/Service Functions	3 - 23
Day Lodge Guest Service Requirements	3 - 23
Space Requirements	3 - 23
Food and Beverage Seating	3 - 26
Food and Beverage Services	3 - 27
Guest Relations	3 - 28
Snow Sports School	3 - 28
Ski/Snowboard and Sports Equipment Rental/Repair	3 - 28
Retail Ski/Snowboard Shop	3 - 28
Restrooms	3 - 28
Public Lockers and Change Rooms	3 - 29
First Aid and Ski Patrol	3 - 29
Explosive Storage	3 - 29
Day Care and Children’s Programs	3 - 29
Phase III/IV Day Lodge Expansion	3 - 30



Mid-Mountain Chalet	3 - 31
Southern Sub-Unit Development	3 - 32
Transportation and Utilities	3 - 32
Parking Areas and Public Transit Facility	3 - 33
Trails	3 - 34
Trail Widths	3 - 40
Trail Stream Crossings	3 - 41
Grooming Equipment	3 - 42
Stadium Area	3 - 42
Trail Lighting	3 - 42
Biathlon Shooting Range	3 - 43
Sledding Hill	3 - 43
Southern Sub-Unit Day Lodge/Chalet	3 - 43
Location	3 - 44
Entrance Area	3 - 44
Service Requirements	3 - 44
Guest Services	3 - 46
Skier Operations and Equipment Maintenance	3 - 46
General Operations	3 - 47
Day Care and Children’s Programs	3 - 47
Explosive Storage	3 - 47
Capital and Operating Costs	3 - 47
Future Development	3 - 48

Figures

6. Northern Sub-Unit; General Summary of Recreational Facilities by Market and Phase	3 - 8
7. Southern Sub-Unit; General Summary of Recreational Facilities by Market and Phase	3 - 9
8. Alpine Lift Specifications	3 - 15
9. Alpine Lift Capacity by Phase	3 - 15
10. Alpine Ski Trail Level (All Phases)	3 - 16
11. Alpine Trail Specifications, Phase I	3 - 17
12. Alpine Trail Specifications, Phase II	3 - 18
13. Alpine Trail Specifications Total (Phases I and II)	3 - 18
14. Northern Sub-Unit Day Lodge Guest Service Floor Space Standards (Phases I and II)	3 - 24
15. Northern Sub-Unit Day Lodge Guest Service Requirements (Phases I and II)	3 - 26
16. Northern Sub-Unit Food and Beverage Seating Standards (Phases I and II)	3 - 27
17. Northern Sub-Unit Day Lodge Expansion (Phase III/IV)	3 - 30
18. Northern Sub-Unit Food and Beverage Seating Standards (Phase III/IV)	3 - 31



19. Southern Sub-Unit Design Type of Trails by Construction Phase 3 - 34

20. Southern Sub-Unit Recommended Trail Widths 3 - 40

21. Southern Sub-Unit Day Lodge/Chalet Space Allocation (Phases II, III/IV)..... 3 - 45

Maps

8. Full Build Out of Recreational Facilities and Trails 3 - 10

9. Northern Sub-Unit: Recreational Facilities Phases I and II Development 3 - 14

10. Southern Sub-Unit: Recreational Facilities Phase I Development 3 - 35

11. Southern Sub-Unit: Recreational Facilities Phase II Development 3 - 36

12. Southern Sub-Unit: Recreational Facilities Phases III and IV Development 3 - 37



Introduction

This chapter only discusses the possible development of various recreational facilities. Other types of development, such as areas for residential and commercial use, are discussed in Chapter 4 (Unit Wide Goals, Management Intent and Management Guidelines) and Chapter 5 (Government Peak Sub-Units; Management Intent, Land Use Designations and Management Guidelines).

A key factor in deciding what recreational opportunities are possible is the identification of the physical and other resources this area can provide. Fortunately, the Government Peak Unit has the natural terrain to provide an integrated system of Alpine ski lifts & ski runs, trails for Nordic, equestrian, mountain biking & hiking activities, sledding hills, day lodges and chalets.

A second factor (and often forgotten or placed on the “back burner”) is what infrastructure, equipment and support facilities such as access roads, parking areas, public transit facilities, grooming equipment, lighting, maintenance and service facilities are needed.

A third important factor is determining what the ultimate vision or goal of the end product is. It is important to have an overview of the completed project so that facilities can be balanced and capital can be invested effectively. This is especially important when two very close but geographically separate areas are being developed for different purposes. This must be done in a way that each area’s development complements each other not only for the various users but for the owner/operator as well.

It is a rare occasion when a recreation area is “built out” to its full potential from the outset. There are a variety of reasons for this including a predicted but untested market, limits on available capital and unpredictable funding sources.

This chapter provides options to develop these recreational opportunities in phases to eventually achieve the desired conceptual plan. This phasing concept was first introduced in *Hatcher Pass – “A New Beginning”* which was adopted by the Borough Assembly in 2008. Since that time the *Access Environmental Impact Statement* and the revised *Hatcher Pass Management Plan* have been adopted, trails in the Southern Sub-Unit have been professionally designed, and have been constructed. This Chapter refines the original information in Chapters 4 (Phased Approach), 5 (Alpine Development) and 6 (Nordic Development) in *Hatcher Pass – “A New Beginning”* to reflect this more current information.

Appendices E through J of this Plan provide expected capital costs, operating costs, Alpine skiing market conditions, estimated personnel costs by department and function, estimated operational costs by function and a financial analysis of this phased approach respectively.

This chapter, while providing a “map” for the future development of the Government Peak Unit based on the knowledge of recognized industry experts, is subjective and should be considered as informational in nature. The proposed phases are not meant to be binding on



the Borough administration, or the present or future Borough Assemblies. Too many unpredictable factors come into play for planning future activities; flexibility is needed in moving priorities around to meet available and prospective funding sources and to meet public needs. This flexibility is important without having to go through a formal plan amendment process in these ever changing situations.

Accordingly, this Chapter is not subject to the section, “Changes to the Plan or Guidelines” in Chapter 6 (Implementation and Recommendations) of this Plan.

All the improvements and facilities described in this Asset Plan are consistent with the *Hatcher Pass Management Plan*.

Maps

The maps in this chapter that show various existing and planned roads, trails and other recreational facilities are only graphical illustrations. They are shown based on the best information available at this time. However, once further design and engineering is completed, the exact physical location, configuration and length of trails and roads are likely to change.

Conceptual Goal

Common conceptual goals must be established to support and guide implementation of the various recreational opportunities in the Government Peak Unit. Much of this was done by Ecosign in 2002 for the Alpine facilities in the Northern Sub-Unit, by HDR (Bill Spencer) in 2010 for the multiple types of trails and facilities in the Southern Sub-Unit, plus others made recommendations, cooperating and contributing to this Asset Plan. These conceptual goals include:

- Minimum set of facilities that can be expanded to meet anticipated demand over a period of time.
- The ability to grow with market demand and add more user-requested trails, facilities, and support services as needed and confirmed by operational experiences.
- A combination of facilities that are designed primarily to serve local and regional markets.
- Provide a combination of trails for a variety of users that, in many instances, can be used year round by different users.
- Ensure that appropriate facilities, including some trails and spectator viewing areas, are compliant with the Americans with Disability Act and Architectural Barriers Act.
- General terrain balance that satisfies the market for Alpine and Nordic skiers, equestrians, mountain bikers and general hikers for all ages, abilities and special needs population groups.



- Provide base staging and congregation areas that are in balance with mountain access requirements and social and competitive event needs.
- Provide adequate skier, trail users and guest services.
- Ensure efficient mountain, terrain, trail and base area circulation.
- Utilization of new equipment with turnkey installation where possible.

Compliance with Americans with Disabilities Act and Architectural Barriers Act

The American with Disabilities Act (ADA) and The Architectural Barriers Act (ABA) address several issues relating to accessibility, including access to places of public accommodation and commercial facilities. The ADA states the “Each service, program, or activity must be operated so that, when viewed in its entirety, it is readily accessible to and usable by individuals with disabilities, unless it would result in a fundamental alteration in the nature of a service, program, or activity or in undue financial and administrative burdens.” The Architectural Barriers Act further specifies accessibility standards.

Mitigation commitments in the Access Environmental Impact Statement and resulting Record of Decision require that public transit facilities be designed to meet all ADA and ABA requirements.

These same standards shall be applied to all other facilities as well. Some trails, skiing areas, and spectator viewing areas should be designed and maintained to accommodate persons with special needs.

Phased Approach Overview

A phased development approach, outlined below and detailed later in this chapter, has been prepared to meet market dynamics and enhance the project’s economics while providing adequate facilities to serve primarily the local Southcentral Alaska market.

Both the Northern and Southern Sub-Units have four possible phases or stages of development. These phases could be further broken down into sub-phases as well. While these phases will likely be developed in each of the Sub-Units independently of each other, it is recommended that the phases for both Sub-Units always be kept in mind. In some cases, such as for overflow parking, public transportation and maintenance equipment, there is a capital cost saving and ultimately an operational cost saving by eliminating duplication. On the practical side, developing both areas will satisfy a variety of user demands, increase overall user numbers, increase revenue, and make consolidated management and marketing easier.

The first two phases provide for the majority of the skiing and some of the other outdoor recreational trails and improved facilities. The third and fourth phases provide for the remainder of the skiing, other trails and other amenities for all season revenue-producing uses of the area.



For the purposes of this Asset Plan, Phases III and IV have been lumped together because it is unknown at what point in time those Phases could become reality. At the time they are being considered, Phases III and IV should be evaluated for current need and to fit available funding.

Northern Sub-Unit

Based on a 150-day winter season, with the Alpine facility being open between 95 to 105 of those days, the Northern Sub-Unit is visualized to accommodate initial business levels of 1,300 Alpine skiers and boarders per day (initial estimate) increasing to 2,400 skiers per day over a 5-10 year period that will meet anticipated market demand¹. The anticipated market demand should be re-analyzed prior to beginning the Alpine Phase I development because, among other things, the economy, demographics, and market factors will have likely changed and should be verified.

At a minimum, Phase I should include two lifts that will serve beginning and intermediate terrain. These two lifts and the initial ski run systems will provide the necessary “bread and butter” facilities for the majority of users. At least two of the trails and the beginner area should have night lighting and snow-making capability in order to reach expected market conditions and provide reliability to meet at least 90 skier days per season. The possibility of including a separate half pipe and terrain park should be investigated during this phase.

A day lodge will be provided in Phase I that will accommodate ski sports equipment sales and rentals, food and beverage service, and provide lockers for clothing and equipment storage. There is also room to house the ski patrol, medical facilities and administrative offices.

A third upper-mountain lift that will serve intermediate and advanced terrain would be added in Phase II. A mid-mountain chalet should be added during this phase to accommodate a central location for the ski patrol, a warming area and restrooms.

During Phase III or IV Lift 2 should be upgraded from a fixed quad lift to a high-speed detachable quad to handle additional skiers per day. Additional trail lighting and snow-making capability should also be considered at the same time.

Also during Phase III or IV additional ski runs should be added to diversify the skiable terrain. The mid-mountain chalet constructed during Phase II should be expanded so that the building could provide food and beverage service.

Figure 6 shows a general summary of the phases for development of the recreational facilities in the Northern Sub-Unit by phase and the markets it would attract.

¹ See Appendices “F” and “G” which is from Chapter 3 from *Hatcher Pass – “A New Beginning”*; an analysis of Operating Characteristics, Revenues and Expenses, and Alpine Skiing Market Conditions respectively.



Figure 6: Northern Sub-Unit General Summary of Recreational Facilities and Markets by Phase

	Facilities	Market
Phase I	Two Lifts, Day Lodge, Snow Making, Night Lighting Investigate adding a separate half-pipe and terrain park.	Beginner Intermediate Schools
Phase II	1 Lift (3 total) Mid-Mountain Chalet	Beginner Intermediate Advanced Schools
Phase III and IV	High Speed Detachable Quad	Beginner Intermediate Advanced Schools

Southern Sub-Unit

In the Southern Sub-Unit, Phase I will include a combination of 10 kilometers of competition (high school) and recreational (family) trails. Road access to the lower portion of the Nordic trail systems, sufficient parking to host competitive events and a public transit facility with restrooms will also be provided in this phase.

Phase II will extend the access road to an upper level that has natural terrain for the addition of a day lodge/chalet that will provide room for ski tuning and waxing, limited food and beverage service, and a general congregation and meeting area that can be used for community events and private events such as weddings and birthdays. Storage for grooming and trail maintenance equipment could be included in this facility.

Also during Phase II, 5 kilometers of Olympic or International competition Nordic trails and a sledding hill will be added along with development of a stadium area utilizing a natural bench area near the day lodge/chalet.

During Phases III and IV, some of the skiing trails will have night lighting installed along with a biathlon shooting range and penalty loop. Additional trails for general use, equestrian and mountain biking should be added and possibly a beginner hill for Alpine skiing and boarding.

Figure 7, on the next page, shows a general summary of the phases for development of the recreational facilities in the Southern Sub-Unit by phase and the markets it would attract.



Figure 7: Southern Sub-Unit, General Summary of Recreational Facilities and Markets by Phase

	Facilities	MARKET
Phase I	10 km Nordic Competitive and Family Trails	Families Ski Teams Schools Organizations
Phase II	Road Extension to Upper Bench Area Day Lodge Stadium Area 5 Kilometers of Olympic/International Competitive Nordic Trails Sledding Hill	Families Ski Teams Schools Organizations
Phases III & IV	Night Lighting Biathlon Range General Hiking Trails Equestrian Center and Trails, Mountain Biking Trails	Families Ski Teams Schools Organizations

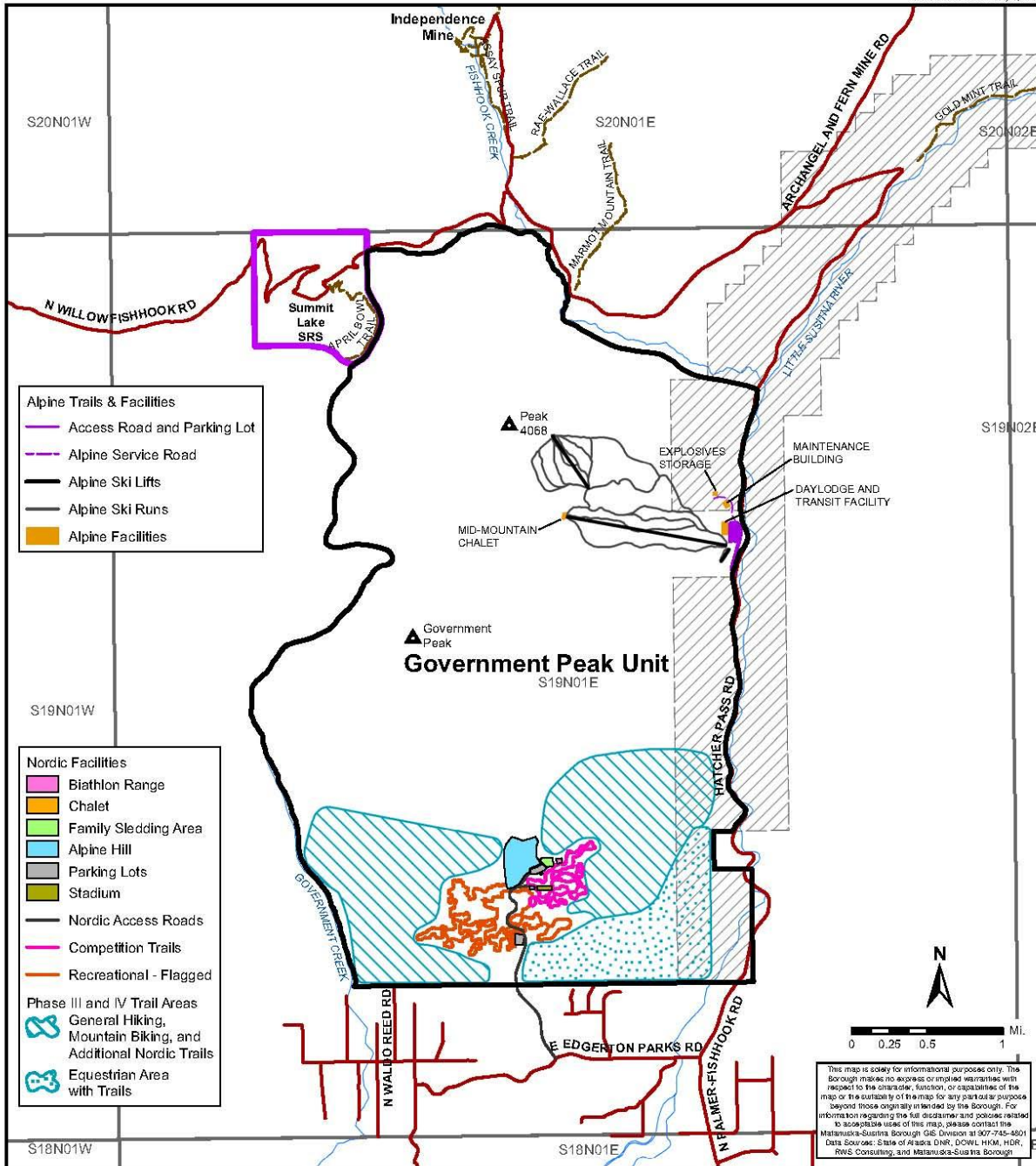
Map 8 (Page 3-9) shows what the Government Peak Unit could generally look like if all four phases in both the Northern and Southern Sub-Units have been completed.



HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 8
GOVERNMENT PEAK MANAGEMENT UNIT
FULL BUILD OUT
OF RECREATIONAL FACILITIES AND TRAILS

- Government Peak Unit
- Summit Lake SRS
- HP Public Use Area
- Existing Roads
- Trails
- Streams

MSE ITR/GIS Division July 1, 2012





Northern Sub-Unit Development

This section presents a conceptual plan for the development of Alpine skiing in the Northern Sub-Unit of the Government Peak Unit. The general area has seen several iterations of design and proposed Alpine skiing related development. The most recent Hatcher Pass Conceptual Plan and Financial Analysis of the Conceptual Plan were commissioned by the Borough and the Alaska Industrial Development and Export Authority (AIDEA) in 2002 and were done by Economics Research Associates and Ecosign Mountain Resort Planners Ltd. The majority of the concepts in the 2002 conceptual plan, with the exception of the type of ski lifts and related facilities, and the possibility of adding a half-pipe and terrain park are still valid today.

Changes have been made in this Asset Plan to better fit the concept of *Hatcher Pass – “A New Beginning”* and general direction given by the Borough Assembly. Efforts have been made to ensure that the various components of the mountain design interrelate to make the Alpine skiing experience one that people will use, look forward to going to on a regular basis, pay its own way, and complement planned recreational facilities in the Southern Sub-Unit.

Ski Lifts

The preferred concept proposes that all the lifts be of new construction to minimize on-going maintenance costs for the initial 10-years and especially to eliminate the rebuilding costs required to bring used equipment up to the American National Standard for Passenger Ropeway Safety Standards. While used equipment is occasionally available, the cost of rebuilding and maintaining the equipment to meet the needs of the Alpine area can be expensive over the long term. In addition, the needed equipment may not be available at



Photo courtesy of Doppelmayr CTEC, Inc.

the time the area is being developed and it would likely require multiple installers (companies) depending on the type and mix of equipment that is purchased.

Lift 1

A two-seat lift would be installed in the base area to provide return cycle skiing for beginner skiers with easy access to the base area. A chair lift is necessary, rather than a “T-bar” or “Platter Lift,” because the lift must serve both skiers and boarders.

As shown on Map 9 (Page 3-14), Lift 1 is located on the east side of the ski area with a bottom



terminal at a similar elevation as the parking lot elevation. Lift 1 has a total vertical rise of approximately 70 feet and a slope length of approximately 500 feet. This lift would have a rated hourly capacity of 1,200 passengers per hour. The terrain surrounding the proposed lift will require grading to create a trail corridor at least 150 feet wide in order to accommodate a large number of skiers.

The skiing area would have a slope of about 12% and short flat sections at the top and bottom of the lift for loading and unloading. This trail would also be installed with snow making and lighting to ensure that beginners have a place to ski in all conditions.

Lift 2

Lift 2 will provide access to the mid-mountain and return-cycle for skiing on the lower half of the mountain (see Map 9, Page 3-14). This lift will support the majority of skiers and is the “bread and butter” for the Alpine skiing operations. It will stretch from the base area (at 1,450-foot elevation) to the upper terminal (at 2,800 feet elevation). This lift will service 1,350 vertical feet.



Photo courtesy of Doppelmayr CTEC, Inc.

In Phase I, Lift 2 would begin as a fixed grip quad chairlift with a maximum capacity of 1,200 persons per hour. The ride from the base area to the mid-mountain facility will take approximately 14.7 minutes. The number of chairs can be increased to a maximum capacity

of 1,600 persons per hour. This will likely be necessary when Lift 3 is in place.

As ridership and trail demand continues to increase Lift 2 should be upgraded to a high-speed quad. While almost double the cost of a fixed grip quad, these types of lifts are the industry standard for facilities similar to what is planned in this Sub-Unit. This lift will have a ride time of approximately 6 minutes. This lift will have a rated capacity of 2,400 passengers per hour.

This quadruple chairlift will service terrain in the novice to intermediate skill classes on at least five trails. These alignments are shown on Map 9 (Page 3-13). As the capacity of the lift is increased, additional trails will be required to avoid overcrowding. The terrain has gradients that are primarily suitable for skiers in the intermediate skill class, however, it will be necessary to provide a novice route at the ski area for novice skiers as well as a stepping-stone for beginning skiers who have graduated from the beginner chair lift but are not ready for a low intermediate trail. The trail identified as 2E will serve this purpose as well as



provide access and egress for Lift 3. A portion of Trail 2B should also be used for a terrain park (tables, ramps, rails for snow boarders).

At a minimum trails 2B and 2D should have snow-making capability and lighting so that they can operate in less than ideal conditions and increase the daily skier volume and extend the hours of operation into the evening hours.

Lift 3

Lift 3 will be a triple fixed grip chair lift located northwest and above Lift 2 (see Map 9, Page 3-14). Lift 3 will stretch from the 2,590-foot elevation just north of the top of Lift 2 up to the 3,350-foot elevation on the ridge as shown on the Mountain Development Concept plan. Ride time on this lift will be approximately 5 ½ minutes.

While more expensive than a T-bar, which was recommended in 2004, a chair lift is more comfortable for guests than a T-bar. A chair lift is also important so that boarders can access the upper mountain. A T-bar is not conducive for transporting boarders.

Though it would be more susceptible for closures during high wind conditions because of its upper mountain location, this lift will provide access to skiers and boarders to the upper mountain to access the eight planned trails, including the only five advanced trails on the mountain.

The addition of Lift 3 will more than double the amount of trails and skiable terrain available on Lifts 1 and 2 combined.



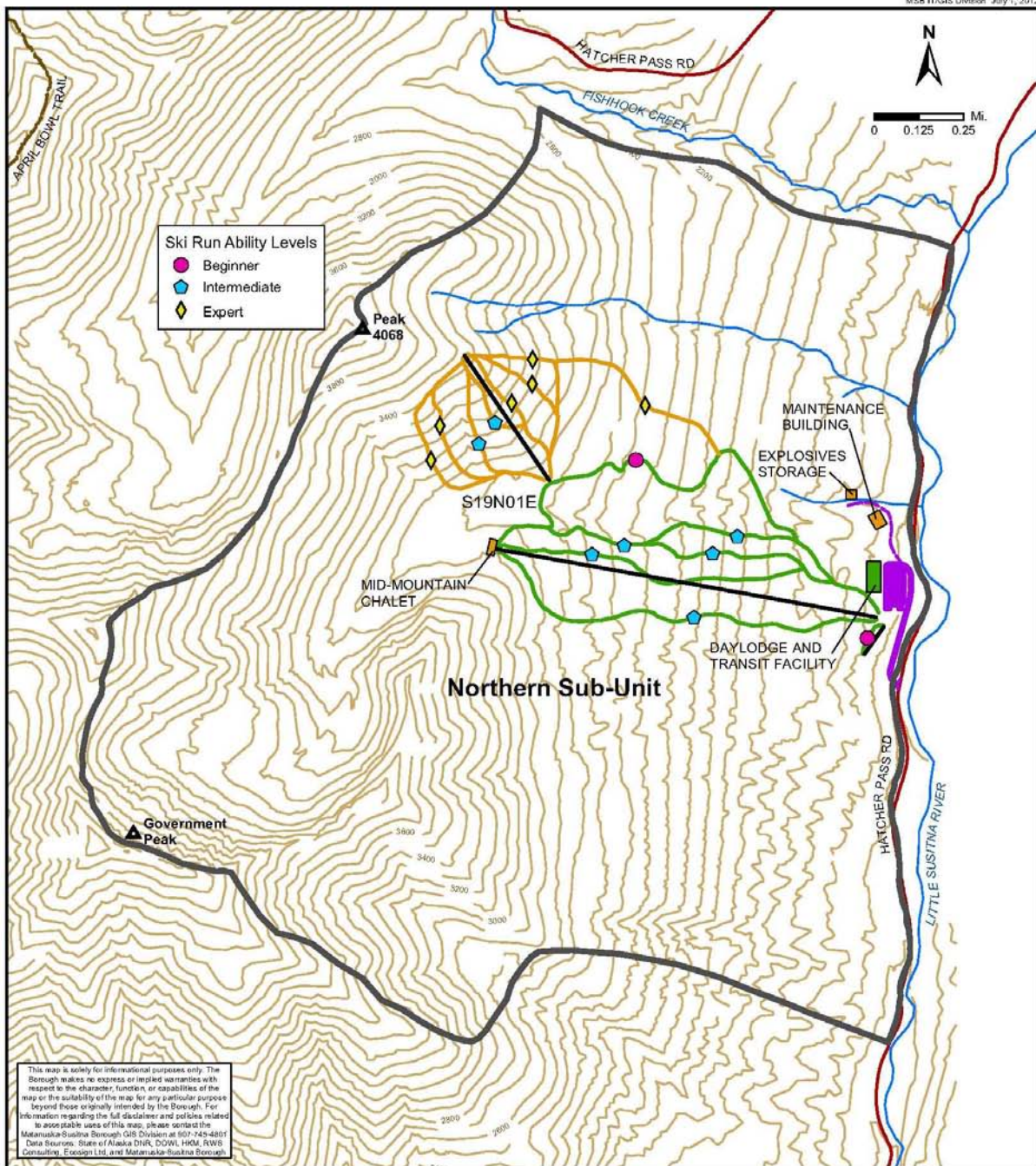
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**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 9
NORTHERN SUB-UNIT
RECREATIONAL FACILITIES
PHASES I AND II DEVELOPMENT**

- Northern Sub-Unit
- Existing Roads
- Trails
- Streams
- Access Road and Parking Lot
- Alpine Service Road
- Phase I Ski Runs & Facilities
- Phase II Ski Runs & Facilities





The lift specifications are shown in Figure 8 and the lift-carrying capacity by development phase is summarized in Figure 9.

Figure 8: Alpine Lift Specifications

Lift Number	1	2		3	
Lift Type	Double Chair	Fixed Grip Quad	Detachable Quad	Triple Chair	TOTAL
Top Elevation (feet)	1,500	2,800		3,500	
Bottom Elevation (feet)	1,440	1,450		2,590	
Total Vertical (feet)	60	1,350		910	2,320
Horizontal Distance (feet)	500	5,750		2,550	8,800
Slope Distance (feet)	504	5,906		2,708	9,117
Average Slope	12%	23%		36%	Mean 26%
Rated Capacity (person/hour)	600	1,200 to 1,600	2,400	1,200	3,000 to 4,200
Vertical Transport Feet/Hour ²	30,000	1,620,000 to 2,160,000	3,240,000	910,000	2,560,000 to 4,180,000
Rope/Cable Speed (feet/minute)	400	450	1,000	500	
Trip Time (minutes)	1.68	14.7	6.0	5.5	
Estimated Drive Output (hp)	4 4	235	470	132 132	371 606
Operating Hours per Day/Night	7.0/10.0	7.0/10.0		6.5	6.8/8.8
Vertical Transport Demand/Day	2,000	9,349		17,049	
Loading Efficiency (%)	80%	85%		90%	
Access Reduction	0%	9%		0%	
Daily Lift Capacity (Low)	80	940		310	1,330
Daily Lift Capacity (High)	80	1,970		940	2,990

Source: Ecosign Mountain Resort Planners Ltd., RWS Consulting, Doppelmayr CTEC, Inc.

The total Phase 1 ski area would be able to conservatively accommodate approximately 1,300 skiers on the lifts and slopes and serve 1,400 vertical feet of terrain.

In Phase 2, Lift 3 would be added for a total of 2,320 vertical feet and accommodate approximately 1,300 to 1,800 skiers.

In Phase 3, with the installation of the detachable quad chairlift, the total carrying capacity would increase to approximately 2,900 skiers per day.

Figure 9: Alpine Lift Capacity by Phase

Development Phase	Carrying Capacity (skiers per day)
1	1,300
2	1,800
3 and 4	2,900

Source: Ecosign Mountain Resort Planners, Ltd.

² Vertical Transport Feet/Hour (VTFH) measures the number of skiers who can be transported 1,000 vertical feet in one hour. It is arrived at by multiplying the vertical rise in feet times the capacity in people-per-hour and divided by 1,000. This is an industry standard measurement.



Ski Runs

Ski terrain is classified in accordance with the International Ski Trail Standards and seven Skier Skill Classification Levels. Ski trails are classified through an evaluation of the following parameters:

- slope width
- average gradient
- steepest 100-foot vertical pitch

Since the average slope gradient of a ski trail is generally much lower than the steepest 100-foot vertical pitch, trails are usually classified to ensure that the steepest 100-foot vertical pitch falls within 5 percent of the acceptable terrain gradients. Furthermore, a gentle novice ski trail cannot suddenly turn into an advanced ski trail for obvious reasons.

Ski Trails

The skill level of ski trails is a function of the natural topography within the development area. An effort was made by Ecosign Mountain Resort Planners Ltd in 2002 during the initial design process to utilize terrain to work towards the ideal balance. However, this is not always possible with a limited number of lifts and trails. Figure 10 shows the size and balance of ski trails for the planned Alpine ski area.

Figure 10: Alpine Ski Trail Level (All Phases)

Skill	Classification	Acres	Skiers	Balance	Ideal
1	Beginner	1.5	40	2.6%	5%
2	Novice	11.5	230	15.0%	10%
3	Low Intermediate	40.4	640	41.8%	20%
4	Intermediate	17.2	280	18.3%	30%
5	High Intermediate	13.6	160	10.5%	20%
6	Advanced	30.8	180	11.8%	10%
7	Expert	0.0	0	0.0	5%
TOTALS		115.0	1,530	100%	100%

Source: Ecosign Mountain Resort Planners Ltd.

As can be seen on the Alpine Ski Trail Level chart (Figure 10) there is a preponderance of low intermediate terrain. As skier demand increases, trails in the higher skill levels can be developed to improve the overall skill level balance.

The total ski area covered by marked and groomed trails, as shown on Map 9 (Page 3-14), will be approximately 116 acres. This will need to be expanded as the amount of skiers increase and Phases III and IV are brought on line.

The two-seat chair (Lift 1) needs to have a trail corridor as wide as possible to allow as many beginners as possible to use the corridor. The trail corridor needs to be at least an average



of 150-foot wide and cover the full length of the lift. This trail will be created by grading the natural terrain adjacent to the lift to an average 12 percent gradient, which is ideal for beginning skiers.

Lift 2 (quad) will have a minimum of five trails associated with it during early operations. These trails will mainly service skiers in the low-intermediate and intermediate skill levels. There will be one top-to-bottom easier trail for novice skiers accessed by the lift. All of the trails on Lift 2 will require clearing of the existing brushy vegetation and minor grading so that they can be useable in minimal snow conditions.

There are eight trails associated with Lift 3 (triple chair). During periods of deep snow pack, skiing can also take place off the groomed trails but within an area defined as safe by the ski patrol.

Figures 11, 12 and 13 show Alpine trail specifications for Phase I, Phase II and the total for Phases I and II respectively.

Figure 11: Alpine Trail Specifications, Phase I

	Trail No.	Skill Class	Trail Length (feet)	Steepest Pitch (%)	Average Width (feet)	Trail Area (acres)	Skiers At Area	
							Density	Total
Lift 1								
	1A	1	630	12%	150	2.17	80	
Total Lift 1	1					2.17		80
Lift 2								
	2A	3	6,220	36%	120	17.13	16	270
	2B	4	4,550	38%	120	12.53	16	200
	2C	3	2,780	36%	120	7.66	16	120
	2D	3	5,680	32%	120	15.65	16	250
	2E	2	6,250	23%	80	11.48	20	230
Total Lift 2	5					64.45		1,070
Total Phase I	6		26,110 Feet			66.62 Acres		1,150 Skiers

Source: Ecosign Mountain Resort Planners Ltd. 2002, RWS Consulting 2008



Photo by Ted Bell



Figure 12: Alpine Trail Specifications, Phase II

	Trail No.	Skill Class	Trail Length (feet)	Steepest Pitch (%)	Average Width (feet)	Trail Area (acres)	Skiers At Area	
							Density	Total
Lift 3								
	3A	6	1,970	57%	120	5.43	6	30
	3B	6	2,070	59%	120	5.70	6	30
	3C	5	2,420	50%	120	6.67	12	80
	3D	4	1,710	45%	120	4.71	16	80
	3E	5	2,520	46%	120	6.94	12	80
	3F	6	2,380	56%	120	6.56	6	40
	3G	6	2,120	54%	120	5.84	6	40
	3H	6	2,640	44%	120	7.27	6	40
Total Phase II	8		17,830 Feet			49.12 Acres		420 Skiers

Source: Ecosign Mountain Resort Planners Ltd. 2002, RWS Consulting 2008

Figure 13: Alpine Trail Specifications Total (Phases I and II)

Total	14 Trails		43,940 Feet			115.74 Acres		1,570 Skiers
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Source: Ecosign Mountain Resort Planners Ltd. 2002, RWS Consulting 2008

Half Pipe and Terrain Park

Prior to finalizing the mountain plan (lifts and ski runs) consideration should be given on whether a half-pipe and/or terrain park (tables, ramps, rails, etc. for snow boarders) should be part of the design. If the decision is yes it also needs to be determined when it should be added to the facility.

These types of facilities are currently very popular at the larger ski resorts and facilities. There are very few at facilities the size envisioned at Government Peak. They do have the possibility, with an adequate and consistent user base, to provide enough revenue to offset expenses. However, these types of facilities are more expensive to build and operate than a traditional alpine ski and boarding area. There has never been a user demand or economic analysis to determine whether such a facility would be feasible in the Hatcher Pass - Government Peak Unit.

Ideally, a half pipe and terrain park would have its own lift and user area. As mentioned in the discussion for Lift 2, one of the ski runs from that lift could access a terrain park in order to lower initial construction costs. The cost of building the terrain features would remain the same if a new area was constructed, or a portion of an existing ski run was utilized. However, industry experts indicate that the terrain features need to be changed or modified on an on-going basis in order to keep interest and use for the facility high.



A review of industry publications clearly indicates that operational costs are significantly higher and more specialized than a standard alpine ski run operation. This includes the cost of risk factors and higher liability insurance.

Grooming

This terrain will require at least two front line grooming machines, one with a winch in order to groom steeper terrain on trails serviced by Lift 3. Special implements need to also be purchased in order to build and maintain terrain features in the “terrain park” which would be located off one of the trails serviced by Chair 2. A third groomer may be needed during periods of snow making and heavy snow. At least initially this third groomer could be shared with the one being used to maintain the Nordic trails.

Snow Making

Snow making during Phase I will cover at least 2 trails served by Lift 2 for a total coverage of approximately 30 acres. This will ensure that the area will be able to open two top-to-bottom ski trails on the quad chairlift. At least half of the width of Lift 1 should have snow-making capability as well. During Phases II and III the snow-making capability should be expanded to a total of 60 acres so that more trails can be opened as visitation increases.

Night Lighting

Several trails served by Lift 2 and the area served by Lift 1 need to have night lighting due to limited daylight during mid-winter. Lighting that is being proposed (30 acres during Phase I and 30 additional acres in Phase III) will give minimal coverage during the dark season and during peak user times, such as the winter holiday season. During initial construction it is recommended that the groundwork installation be done so that the additional lighting on some of the perimeter trails can be added at a lower price at a later date.

Base Area

Land use in the base area includes access roads, parking areas, day lodge, and the lower terminals of the ski lifts. Since the function, convenience, character and aesthetics of the base facilities all contribute to the visitor experience; the base area plays a critical role in the success of an Alpine area.

The following goals and objectives provide a guideline for the development of the Mountain and Base area concept:

- Create a day skier facility that provides the basic amenities to serve the local and regional ski market.
- Balance all base area development with the mountain lift and trail capacity.



- Meet or exceed Alaska with Disabilities Act and Architectural Barriers Act requirements.
- Respect and utilize the site's natural attributes.
- Create a development that contributes to the local economy and provides employment opportunities.
- Develop parking that is within a comfortable skier walking distance to eliminate the need for alternative transit service, except during peak demand times.
- Provide a drop-off area for cars and buses.
- Minimize large vertical transitions between parking areas, buildings and base lifts.
- Provide easy access to the visitor facilities.
- Initially provide minimum built-out space facilities to reduce capital costs yet provide needed amenities and services.
- Provide for future expansion and for the potential use of the base facilities for broader purposes such as a summer visitor center and for rentals for events such as weddings, small business/retreat meetings, etc. Off-season use should be an integral part of this concept.

Base areas require a distinct spatial organization to effectively move visitors from either the parking lots or base areas onto the ski slopes and up the hill. This spatial organization is centered both in and around the base lodge with adjacent facilities, plazas and circulation corridors.

The general base area functions are as follows:

1. Entry/Arrival – The visitor should be given a definite sense of arrival with a minimum of decision points and limited pedestrian/vehicular conflicts. The entry/arrival area must include a public transit facility.
2. Staging Facilities – Those services that are required as guests arrive at the area.
3. Commercial Services – Those services required throughout the day as guests are on the mountain and during after-ski hours. During Phase I and II, normal distribution is 33% skiers on the lifts, 33% skiers on the slopes, and 33% guests in the day lodge facility. Distribution changes with a high speed quad to 25% skiers on the lifts, 35% skiers on the slopes, and 40% guests in the day lodge facility.
4. Skier Congregation – Includes provision of adequate space for the placement of and circulation around ski racks, equipment rental, information kiosks and equipment donning area.
5. Base Area Ski Lift Terminals – Skiers should be able to see and move easily to the lower terminals of the ski lifts. Ideally, there should be a 2 percent grade sloping down to the lift terminals from the skier congregation areas.



6. Operation/Service Functions – Operation and service functions include delivery, storage, waste disposal areas, ski patrol and first aid facilities, area administration, and employee and guest locker rooms.

The base area development concept consists of an upgraded access road, parking lots, base lodge, area for a future hotel and some limited employee housing, operations/maintenance facilities with a separate explosives storage area and the lower terminals of the ski lifts. The base area plays a critical role in the function, convenience, characteristics and aesthetics of the facilities that combined contribute to the visitor experience.

The existing “pioneer” access road which connects the Hatcher Pass Road with the parking and lodge facility will remain for the most part in its present location. As found in the Access Environmental Impact Statement (see pages 14 – 16), the road will need to be lengthened and re-grading to ensure the average grade does not exceed 10 percent. The road will be approximately 2,100 feet long by 40 feet wide (including two 12-foot travel lanes and two 8-foot shoulders).

Sufficient parking to handle expected skiers and guests in an unobtrusive way is one of the biggest challenges of making the Alpine area a success. Because of terrain-limiting conditions, creative traffic flow and parking layout must be carefully designed and constructed. Planning for parking and transportation to the Alpine area for peak usage days and to reflect future expansion will be even more of a consideration for the entire base area. These needs should be addressed from the outset of the project, and not done as an after-thought as traffic volumes and visitor numbers increase. It should also be recognized that during the winter holiday periods, the general Hatcher Pass area already experiences heavy traffic and parking congestion from skiers and snowmobilers utilizing the Independence Mine, Gold Cord/Gold Mint trails areas. The *Hatcher Pass Management Plan* recognized these same parking issues and has recommended expanded and new parking areas throughout the geographic area covered by that plan.

The parking area will be in the general location of the existing fill. The Access Environmental Impact Statement (see pages 16-17) designed a parking area into a terraced parking lot (approximately 163,050 square feet) with a paved lower lot (approximately 103,980 square feet) designed to accommodate approximately 293 vehicles and two buses, and a paved upper lot (approximately 59,070 square feet) designed to accommodate approximately 120 vehicles at full capacity. A drop-off area will be designated on the eastern end of the parking lot in close proximity to the day lodge and public transit facility.

Even with this size parking area, offsite parking will likely be needed on peak usage days with public transit provided to the base area. Expansion of the parking area planned for Phase I in the Southern Sub-Unit during Phase II may help in this regard.

As part of the federal funding received related to the Access Environmental Impact Statement an enclosed public transit facility is required. This could be located in and part of the day lodge when it is built, or could be a stand-alone facility. A 1,200 square-foot building (600 square feet for the transit facility and 600 square feet for restrooms) was designed as



part of the Access EIS project. If the day lodge is built at the same time as the access road and parking lot, the transit facility should be integrated into the design of the day lodge. This would save on limited space and provide a cost savings as well.

The day lodge, situated on either the southern or western edge of the parking lot, will provide basic skier services and provide the transition between parking and ski slopes. The beginner zone and lifts will be located to the southeast of the day lodge. Lift 2, which provides access to the main slope of the mountain, will be located to the west of the day lodge. In order to accommodate the beginner terrain at the base, some terrain modifications will be necessary to provide for gentle beginner ski terrain.

The entry/arrival zone consists of a car and bus drop-off area and a pedestrian plaza between the parking lot and the day lodge, and acts as the reception area of the facility especially for guests who require information. Most day use visitors will proceed directly to the parking lot and carry their equipment to the locker storage area or to the skier congregation area.

Entry/Arrival Zone

Staging facilities are required by almost all visitors arriving at or staying in the area and, hence, must be easily accessible with generous space allowances.

The entry/arrival zone acts as the reception area of the resort for guests arriving by bus or being dropped off by cars and visitors requiring information. Most day use visitors will proceed directly to the parking lots and carry their equipment to the skier congregation area.

It is preferable to elevate the arrival plaza between two and four feet above the vehicular terminus to put arriving guests in an observer superior position over the vehicles and vehicular drop-off zone. By orienting the arrival area towards the southeast, the arrival function will be well lit and convey a feeling of warmth and cheeriness during morning activity.

Ticket Sales

A southeast orientation maximizes solar exposure in the morning and improves guest comfort since almost all tickets for skiing are purchased before noon. Lineups for lift tickets must be arranged so that distinct lines of up to 25 people can be formed. Ticket areas should have temporary ski racks nearby to allow skiers to easily set their equipment aside while purchasing tickets. As patrons approach the ticket windows, shelves are needed for skiers to place goggles, gloves and hats while reaching for their wallets. Rates should be posted between every two windows for easy reading and to speed up the exchange.

Many areas find it useful to heat the last two or three spaces overhead in line where bare hands must be used to complete the ticket purchase.



Skier Congregation

Ideally, the skier congregation areas are separated vertically from the entry and pedestrian areas to discourage guests on skis from entering the vehicle and pedestrian zones. The skier congregation area should have well manicured snow surfaces with ski racks so skiers can purchase tickets, don equipment and enter the lift area and also to temporarily store equipment while using the lodge facilities.

Operational/Service Functions

Administration, service functions and staff lockers should be located in the basement or north facing sides of the day lodge. The first aid and ski patrol staff require direct access from the slopes to allow the patrol to bring in accident victims by toboggan. There must also be direct ambulance access (covered if possible) to the first aid room from a vehicular terminus zone or parking lot. This could be done via the separate service road which also accesses the facilities maintenance building. The first aid room should have six beds (at least one bed for every 500 skiers). The first aid room and ambulance access area should be situated in an area that is not highly visible to the majority of the area's clientele.

A separate building is provided for storage and maintenance of mechanical equipment and could also be used for storage of supplies.

Day Lodge Guest Service Requirements

In 2002, as part of the Ecosign Mountain Resort Planners, Ltd. report to the Alaska Economic and Development Authority, a comprehensive analysis of guest service requirements was completed. Since that time, some changes have been made based on input from other professionals in the ski industry to enhance operations for the Alpine area.

Space Requirements

Ecosign continually collects data regarding guest service space use in mountain resorts and updates their industry planning standards as mountain resort business changes. For the Government Peak Unit Alpine facility, they considered the required floor space for two different levels of service. The United States Forest Service (USFS) floor space recommendation for an average level of service is 10.14 square feet per guest. The Ecosign standard for Day Use Ski Areas recommends slightly more floor space at 11.88 square feet per guest. These space allocation standards, for each guest service function, are shown in the following table.



**Figure 14: Northern Sub-Unit Day Lodge Guest Service
Floor Space Standards (Phases I and II)**

Guest Service Function	Ecosign Day Use	USFS Average
	Square Feet Per Guest	
Staging Facilities		
Ticket Sales	0.10	0.15
Public Lockers	0.70	0.81
Equipment Rental & Repair	0.80	0.66
Snow Sport School/Guest Relations	0.25	0.28
Children's Programs	0.35	0.34
Commercial Facilities		
Food Service Seating	3.00	3.00
Kitchen & Scramble or cafeteria	1.50	0.99
Bar/Lounge	0.50	1.02
Restrooms	0.75	0.54
Accessory/Retail Sales	0.40	0.29
Operational Facilities		
Administration	0.60	0.54
Employee Facilities	0.30	0.11
First Aid & Mountain Patrol	0.25	0.65
Building Sub-Total	9.50	9.38
Storage @ 10%	0.95	0.27
Circ./Walls/Waste/Mech. @ 15%	1.43	0.49
Total Square Feet per Guest	11.88	10.14

Source: Ecosign Mountain Resort Planners, LTD., 2002

A "Design Day" is the business level for which the guest services are designed. Generally, the Design Day is set at 80 percent of the Skier Carrying Capacity (SCC) of the lifts and slopes. This avoids building guest service areas for business levels that are only reached on a few days of the season. Ecosign calculated the amount of floor area required for each of the critical functions typically found at mountain ski areas for day use.

Based on a Design Day of 80 percent of a Skier Carrying Capacity of 1,064 to 1,400 skiers, between 10,800 and 12,640 square feet of built space is necessary based on Ecosign standards for a day-use area mountain facility and the USFS average standard. In 2002, Ecosign reduced these standard requirements to minimize the capital cost and to comply with the available funding scenario that the Borough requested at the time.



The original Ecosign standard has been amended based on input from ski area managers of similar facilities in Alaska. These changes make for a better “fit” for what potential users of the facility want and to better match existing industry square footage standards. In other words, build for what is needed today and in the short term (1 – 5 years or through Phase II) rather than open a facility that is sub-standard to begin with and one that will very likely need to be changed in a relatively short period of time. Like all construction, it is much less expensive to build what is needed today rather than to add on and change the facilities use patterns later.

In 2002 the day lodge design functions included a snack bar, first aid station, restrooms, a snow sports school offering reasonable services to all ages, abilities and special population groups, ski patrol and avalanche control, equipment rental service and a space for a visitor information center.

The 2002 design has been enlarged slightly so that the day lodge could include lockers, improved food and beverage facilities. It also dropped the visitor information center and changed the size of some facilities to better serve the public user and to make the Alpine area a place where skiers want to go given a choice. In addition, some of these changes in services have been proven to provide increased revenue.

Figure 15 compares the Ecosign and US Forest Service standards of square footage minimum requirements for various visitor services. This same figure also provides the square footage for these same services that was originally proposed by Ecosign in 2002 and what is recommended today to not only provide the necessary services but to also allow sufficient space for revenue generators.



Figure 15: Northern Sub-Unit Day Lodge Guest Service Requirements (Phase I and II)

		Guest Carrying Capacity (SCC)		1,400	
		Design Day (80% of SCC)		1,120	
	Ecosign Standard	USFS Standard	Hatcher Pass		
			2002	2010	
		Square Feet			
Staging Facilities					
Ticket Sales	106	160	100	180	
Public Lockers & Change Rooms	745	862	---	850	
Equipment Rental & Repair	851	702	800	1,720	
Snow Sport School/Guest Relations	266	298	200	300	
Children's Programs	372	362	235	---	
Staging Sub-Total	2,340	2,384	1,335	3,050	
Commercial Facilities					
Food and Beverage Seating	3,192	3,192	3,200	3,200	
Kitchen, Beverage Service, and Scramble/Cafeteria	1,596	1,053	1,000	1,550	
Restrooms	798	575	575	850	
Accessory/Retail Sales	426	612	200	450	
Commercial Sub-Total	6,012	5,432	4,975	6,050	
Operational Facilities					
Administration	638	575	400	640	
Employee facilities	319	117	180	320	
First Aid, Avalanche Control, Mountain Patrol	266	692	300	540	
Operations Sub-Total	1,223	1,384	880	1,500	
Total Employee/Guest Service Floor Space	9,575	9,200	7,190	10,600	
Storage/Mechanical	957	287	290	1,000	
Circulation, Walls, Waste	1,436	521	520	1,400	
TOTAL BUILDING FLOOR SPACE	11,969	10,008	8,000	13,000	

Source: Ecosign Mountain Resort Planners Ltd., 2002 and RWS Consulting, 2008

By changing the floor space requirements needed for certain functions in the 2002 plan, this day lodge facility will house all of the necessary skier services and provide sufficient room to accommodate 1,400 guests, except for some potentially peak days when numbers could approach 1,800 guests, which is the predicted maximum capacity for Phases I and II.

The most significant increase in size over the Ecosign and Forest Service standard is for a ski and boarding equipment rental and repair shop, which is a major source of revenue. The shop must be able to handle at least 350 pieces of ski and boarding equipment, 525 pairs of boots, and required seating in order to be successful.

Food and Beverage Seating

The size of the food service area has been increased to come closer to industry standards and to allow beer and wine sales, if desirable. This type of beverage service is important for



nighttime skiing as this also serves as a social time for participants. It is a significant contributor to revenue as well.

A food service seating area of the proposed size can feed 1,064 people, if customers are cycled through four times per lunch period. Most mountain restaurants function well with three turns per lunch hour, except for peak times. With three turns per lunch period, 800 people can be served. Larger crowds are normally served during periods of favorable weather when outside patio seating can also be used.

Figure 16: Northern Sub-Unit Food and Beverage Seating Standards (Phase I and II)

Guest Carrying Capacity = 1,400 Guests Design Day = 1,120 Guests		
	Ecosign Day Use	USFS Average
Indoor Seating (square feet per guest)	3.00	3.00
Area per Seat (square feet)	12.0	12.0
Turns per Indoor Seat	4.0	4.0
Indoor Seats Needed on Design Day	280	280

Source: Ecosign Mountain Resort Planners Ltd., 2002

The food and beverage service area has the potential to generate significant revenue but only if food, beverages and service are provided at a high enough caliber and atmosphere that people want to stick around after skiing to socialize and enjoy the facility. Since approximately 40 percent of the people at the facility will be using the day lodge at any one-time, it is important to capture this audience and provide a desirable place to socialize.

Food and Beverage Services

Food and beverage services are utilized throughout the day and, if operated efficiently and with high quality food, they are substantial revenue sources. Outdoor space and sundecks provide additional seating at modest expense and tend to be utilized heavily on peak days, which generally occur when the weather is favorable and in the spring with the longer daylight hours. The layout of the food service area is paramount to the economic success of the food service operation. It is recommended that vending machines not be used because they are not reliable, they require constant re-stocking, and the cold food and beverages are generally not consumable by the average visitor.

Most ski areas have gone to a scramble or cafeteria fast food systems to improve sales and customer efficiency. A snack bar serving soup, sandwiches, snacks, drinks, coffee and tea is proposed during the initial years of the day lodge's operations.

At most ski areas the bar and lounge facilities are generally separated from the main cafeteria to afford sociability to distinct social and age groups. Because of the initial size of the day lodge (14,000 square feet) it may not be possible to provide a separate bar seating area, however, the two areas should be informally divided if one decided to serve alcoholic beverages. Initially liquor sales should be limited to beer and wine. Providing limited liquor sales (beer and wine) along with food is an important element when providing nighttime



skiing as evening skiing is more of a combination of recreation and socializing than daytime skiing.

Guest Relations

A ski school registration desk, at least during the initial years, should be combined with the information desk for increased efficiency and to reduce staffing levels. The ski school office or desk also requires access to the primary skier plazas for increasing use of the ski school.

The area will provide guest information at a minimal level. This minimal service can be offset somewhat by using interpretive information shown on interior walls of the day lodge and in the transit facility. During the summer, a portion of the food service seating area could be converted and used as a visitor information center for the entire Hatcher Pass area.

Snow Sports School

A snow sports school is a necessity to make any ski area a success and to encourage new participants. The snow sports school should be able to accommodate special groups with adaptive learning programs.

Ski/Snowboard and Sports Equipment Rental/Repair

Ski/Snowboard rental and repair shops are very high volume businesses and profit centers that must outfit large number of guests with full equipment packages within a two-hour period. They are a necessity if the ski school is to be a success. Ideally, the resort rental shop(s) have an entry corridor where guests fill out forms and examine the rate sheets and then move into an equipment fitting area that exits directly onto the skier congregation area. During the afternoon, the situation reverses as ski and snow board renters return equipment and pick up their identification and deposits. This also encourages guests to remain in the day lodge facility for food and beverages and to congregate with other skiers.

Retail Ski/Snowboard Shop

While not a necessity, retail shops for day skiers generally experience high volumes of business on accessories such as sun screen, goggles, ski poles, gloves, hats, etc. At Hatcher Pass a selection of these necessities can be sold at a small retail area adjacent to the rental counter in Phase I. The ski/snowboard shop can be expanded in later phases.

Restrooms

Public restrooms are required both during skier staging and in conjunction with food and beverage services. Restrooms are frequently located in basement areas that are easily accessible from the arrival area, as well as the food and beverage services area. Restrooms



should have both indoor and outdoor entrances to minimize congestion in the day lodge. They should also be located in close proximity to the public locker area.

The space for restrooms has been increased to accommodate 10 women's stalls, 6 urinals and 6 men's stalls. Even so, this size is marginal given the industry norms based on the mountain and day lodge capacities. Having to wait in a line after coming off the slopes is one of the primary reasons for a bad experience.

Public Lockers and Change Rooms

Public lockers provide a good service and result in a fair profit. Many areas are going towards a country club atmosphere with full size lockers where the visitors leave their equipment throughout the week and change into gear upon arriving at the area. This set up ensures a loyal clientele. Public lockers and change areas are best situated adjacent to the restrooms and can be secured separately after hours.

Although public lockers are an amenity that is not necessary, they have proven to be a solid favorite with regular skiers to an area and should be included in the day lodge. The revenue budget assumes that a minimum of 150 lockers will be provided with 250 being ideal.

First Aid and Ski Patrol

Avalanche coordination will be centered in this facility and will also serve as an emergency operations center. Additional room has been added for housing ski patrol operations, including related equipment, and medical treatment facilities. The majority of the equipment, such as toboggans and rescue equipment will be located in the mid-mountain facility and at the ski lift operator huts. The first aid station needs to have at least four beds and related equipment for stabilizing and holding patients for transport to a hospital or other medical facility.

Explosive Storage

There will be a separate explosive storage facility in a remote and controlled location northwest of the maintenance facility. Site control, access and security are obvious key factors for this building.

Day Care and Children's Programs

Area for adequate day care and children's programs has not been included in the day lodge or the projected expansion. While considered by many to be a necessity, this desirable, but high-liability and costly function needs to be reconsidered and possibly added at a later time.



Phase III/IV Day Lodge Expansion

The day lodge will need to be expanded when the peak skier visitation increases to 2,400 skiers on a regular basis which is expected when Lift 2 is converted to a high speed quad in Phase III. Based on a Design Day of 80 percent or 1,920 skiers, the Alpine Day Lodge will require between 16,229 to 20,981 square feet of built space according to the Ecosign standards for a day use mountain facility and the USFS standards.

The following table (Figure 17) compares these design standards, the Phase I and II, recommended floor space allocation and recommendations for future expansion:

Figure 17: Northern Sub-Unit Day Lodge Expansion (Phase III/IV)

		Guest Carrying Capacity (SCC)		2,360	
		Design Day (80% of SCC)		1,920	
	Ecosign Standard	USFS Standard	Government Peak		
			Phase I & II	Phase III Expansion	
		Square Feet			
Staging Facilities					
Ticket Sales	189	283	180	200	
Public Lockers & Change Rooms	1,322	---	850	1,300	
Equipment Rental & Repair	1,510	1,246	1,720	2,000	
Snow Sport School/Guest Relations	472	529	300	550	
Children's Programs	661	642	---	---	
Staging Sub-Total	4,154	2,700	3,050	4,050	
Commercial Facilities					
Food and Beverage Service Seating	5,664	5,664	3,200	5,600	
Kitchen, Beverage Service, and Scramble/Cafeteria	2,832	1,869	1,550	2,800	
Restrooms	1,416	1,020	850	1,400	
Accessory/Retail Sales	548	1,086	450	550	
Commercial Sub-Total	10,460	9,639	6,050	10,350	
Operational Facilities					
Administration	1,133	1,020	640	1,100	
Employee facilities	566	208	320	500	
First Aid, Avalanche Control, Mountain Patrol	472	1,227	540	1,200	
Operations Sub-Total	2,171	2,455	1,500	2,800	
Total Employee/Guest Service Floor Space	16,785	14,794	10,600	17,200	
Storage/Mechanical	1,678	510	1,000	1,500	
Circulation, Walls, Waste	2,518	925	1,400	2,300	
TOTAL BUILDING FLOOR SPACE	20,981	16,229	13,000	21,000	

Source: Ecosign Mountain Resort Planners Ltd., 2002 and RWS Consulting, 2008



For the “Base Case” floor space allocations, some reductions of the standard requirements are proposed. This will bring the total floor space requirement to approximately 21,000 square feet (8,000 square feet more than the proposed initial day lodge facility).

Figure 18: Northern Sub-Unit Food and Beverage Seating Standards (Phase III/IV)

Guest Carrying Capacity = 2,400 Guests Design Day = 1,920 Guests		
Expansion Seating Requirements	Ecosign Day Use	USFS Average
Indoor Seating (square feet per guest)	3.00	3.00
Area per Seat (square feet per guest)	12.0	12.0
Turns per Indoor Seat	4.0	4.0
Indoor Seats Needed on Design Day	480	480

Source: Ecosign Mountain Resort Planners Ltd., 2002 and RWS Consulting, 2008

Mid-Mountain Chalet

During Phase II, a 1,000 square foot chalet should be constructed mid-mountain at the top of Lift 2. The facility will house upper lift operations, ski patrol equipment storage, a warming area and composting toilets.

The chalet could be expanded during Phase III or IV to add an additional 2,000 square feet at the same time the day lodge is expanded. The additional square footage would add a first-level first aid area, an observation deck, a fully operational restroom (running water) and some limited food and beverage service. This additional space with food and beverage service would relieve some of the overcrowding that is likely to occur at the day lodge during periods of peak operations, such as on weekends and holidays.



Southern Sub-Unit Development

The focus in the Southern Sub-Unit is to provide a Nordic ski area and other multiple-purpose non-motorized trails (general hiking, equestrian and mountain biking) and activities. The area facilities would include appropriate roads and parking, a stadium area and day lodge/chalet, and trail systems. This area will serve as a center for various summer and winter activities.

Early emphasis will be on developing road access to the Nordic skiing areas from Edgerton Park Road including extension of electricity and telephone grids into the area to support the various multiple-use recreational opportunities. These recreational facilities will be generally located and configured similar to that proposed by the JL Properties proposal which was designed by HDR (Bill Spencer) in 2004. Bill Spencer, following completion of the Access EIS, redesigned some of the trails to fit where the access road and parking lot will be located and these changes are reflected in this Plan.

There will be no residential or commercial development, at least during the initial development phases. As part of the environmental analysis work that was conducted by DOWL HKM for the Access EIS, extensive geotechnical and hydrological testing along with other scientific and technical studies and investigations were completed to determine the areas that are physically suitable for any future development including areas where future residential and commercial uses could take place.

Transportation and Utilities

The principal focus of the Access EIS was to identify the most suitable route to provide vehicular access into the Southern Sub-Unit. Several possible routes were originally identified. After screening based on environmental and land use impacts and cost, these were narrowed down to one general access route with four alternatives.

After further preliminary design a final route was selected. This route, Ullr's Trail, is 4,900 feet long by 40 feet wide and will consist of two 12-foot travel lanes and two 8-foot shoulders. The right-of-way for the road will be wide enough to accommodate a separated pathway and utilities.

Ullr's Trail will be constructed as part of Phase I and will be gravel. Paving will occur at a later phase in conjunction with paving the lower parking lot. The location of the road is shown on Map 10 (Page 3 – 34).

Because of funding limitations the road could not be constructed to the ideal location for the center of the Nordic facilities (stadium area and day lodge/chalet). During Phase II or possibly Phase III Ullr's Trail should be extended further up the hillside where natural terrain feature, a bench, sits where the stadium and chalet/lodge will be located. This area is also the center for the planned Nordic trail systems. A preferred route for this road extension has been identified but no extensive engineering or design work has been done. When built, the



route must be suitable for buses, delivery trucks and emergency equipment as well as extension of utilities.

Parking Areas and Public Transit Facility

At the terminus of the road being constructed in Phase I will be a gravel parking lot, if fully constructed, will be a little less than three acres in size. During phase I the parking lot will not be built to its full designed size because of a lack of sufficient funding. If built to its design size, this parking lot will accommodate about 210 vehicles and six buses and will be located at the 1,020-foot elevation level.

It is recommended that Ullr's Trail be extended and a new parking area be built at the terminus of the road rather than building the lower level parking area to its full design. However, if funding is not available to extend Ullr's Trail and more parking is needed, the lower level parking area should be constructed.

At this same parking location, and even if Ullr's Trail is constructed, a minimum of a 1,200 square-foot public transit facility needs to be constructed on the same footprint as the parking lot. Because of federal funding requirements this transit facility must also be constructed as part of the Phase I development.

The location of the parking lot and transit facility is shown on Map 10 (Page 3-35).

As envisioned in the Access EIS and resulting Record of Decision this facility will have 900 square feet for the transit facility (accommodating 20 to 30 passengers) and 600 square feet for restrooms. Heating, lighting and benches will be provided for safety and comfort. In addition, a lock-and-key poster board to post bus schedules and other information about the Southern Sub-Unit facilities.

Ideally the day lodge/chalet envisioned to be constructed in Phase II could be built in the relatively short future. Because of funding limitations, the likely will not be the case. In the interim the bus accommodation area, transit and restroom facilities could be expanded to also accommodate some of the functions that are intended for the day lodge/chalet. For example, space could be provided for ski tuning, minimal food and beverage service, and for functions such as community council meetings, community center, etc.

When the chalet/day lodge is constructed, the size may be able to be reduced because some of the space for functions envisioned for the chalet/day lodge would no longer be needed (maintenance facility, management offices, etc.).

When the road is extended to the center of the proposed Nordic facilities during Phase II or III, two additional parking areas should be constructed as well. The mid-mountain parking lot would be located near the Nordic stadium area, and the upper-mountain parking lot would be adjacent to the day lodge/chalet.



The mid-mountain and upper-mountain parking areas combined should be comparable in size to the lower parking lot (approximately 89,000 square feet in size to accommodate about 200 vehicles and 6 buses). This size is needed for competitive skiing events and for any community activities that may take place in the day lodge/chalet.

When the upper-mountain parking area is constructed, the lower parking area could be used for overflow parking on peak use days at the Alpine skiing area in the Northern Sub-Unit, parking for other trail users (general hiking, mountain biking, etc.) and/or used for some commercial facilities.

The mid-mountain parking lot will provide direct access to the stadium area and can be smaller in size than the upper-mountain parking lot. It is expected that the mid-mountain parking area will be used by spectators at competitive events and by most casual skiers during non-competitive events. Because all three parking areas are relatively close to each other, any overflow parking from the mid-mountain parking lot will be accommodated at the lower and upper-mountain parking areas when needed. Shuttle service between the parking areas may be needed on these rare occasions.

Trails

The Southern Sub-Unit will have a noteworthy trail system highlighted by well-laid-out Nordic competitive and recreational trails. The final build out of trails will take at least four phases to complete, will cover the entire Southern Sub-Unit and, in some cases, will extend into the Mountain Sub-Unit. These trails will, for the most part, be designed and constructed for multiple non-motorized uses focusing on Nordic skiing, general hiking, equestrian and mountain biking. When completed the various trail systems will extend about 73 kilometers (45 miles).

The types of trails shown by proposed phases of development are shown in Figure 19 below.

Figure 19: Southern Sub-Unit Design Type of Trails by Construction Phase

Primary Trail Type	Phase I	Phase II	Phase III/IV
Nordic Competition	2 Kilometers	4 Kilometers	
Nordic Recreational	9 Kilometers	16 Kilometers	
General Hiking			10 Kilometers
Equestrian			12 Kilometers
Mountain Bike			20 Kilometers
Total	11 Kilometers	20 Kilometers	42 Kilometers

Source: HDR and RWS Consulting

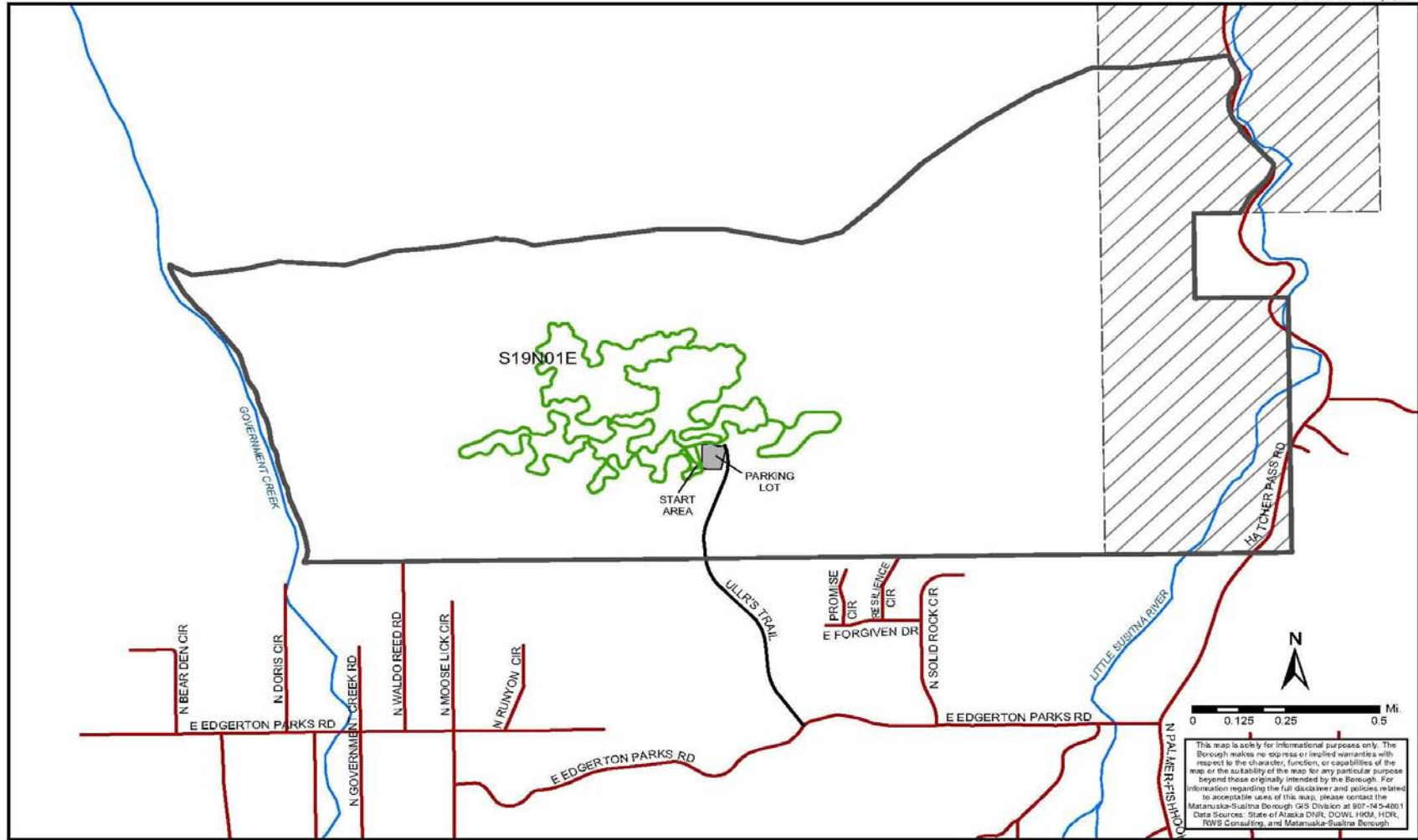
Maps 10 (Page 3-33), 11 (Page 3-34) and 12 (Page 3-35) show these trails and other facilities by the proposed development phases.



HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 10
SOUTHERN SUB-UNIT
RECREATIONAL FACILITIES PHASE I

- Southern Sub-Unit
- HP Public Use Area
- Existing Roads
- Streams
- Phase 1 Trails
- Lower Parking Lot

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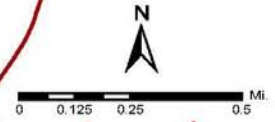
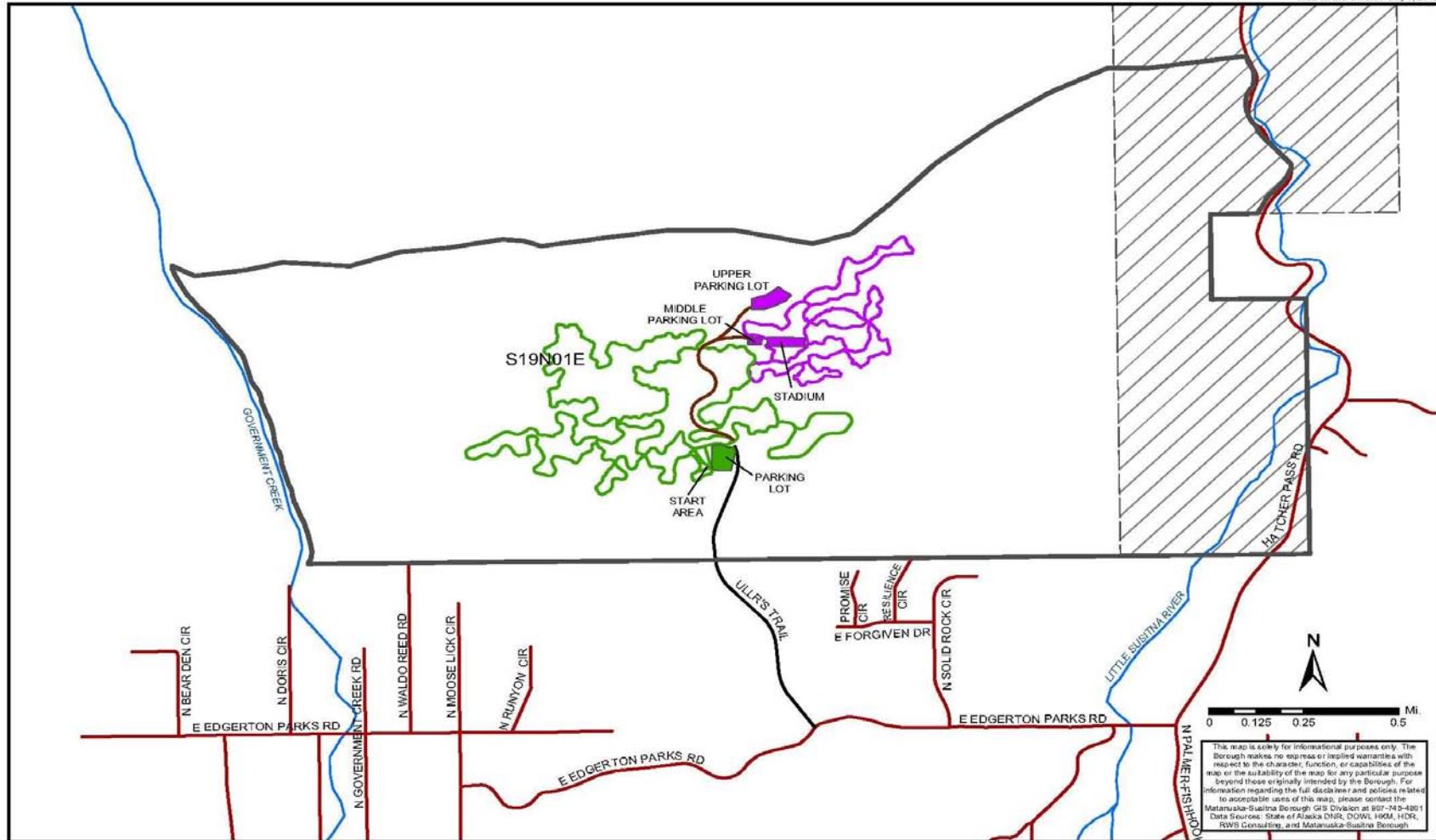




HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 11
SOUTHERN SUB-UNIT
RECREATIONAL FACILITIES PHASE II

- Southern Sub-Unit
- HP Public Use Area
- Existing Roads
- Streams
- Phase 2 Access Road Extension
- Phase 1 Trails
- Phase 2 Trails
- Phase 1 Facilities
- Phase 2 Facilities

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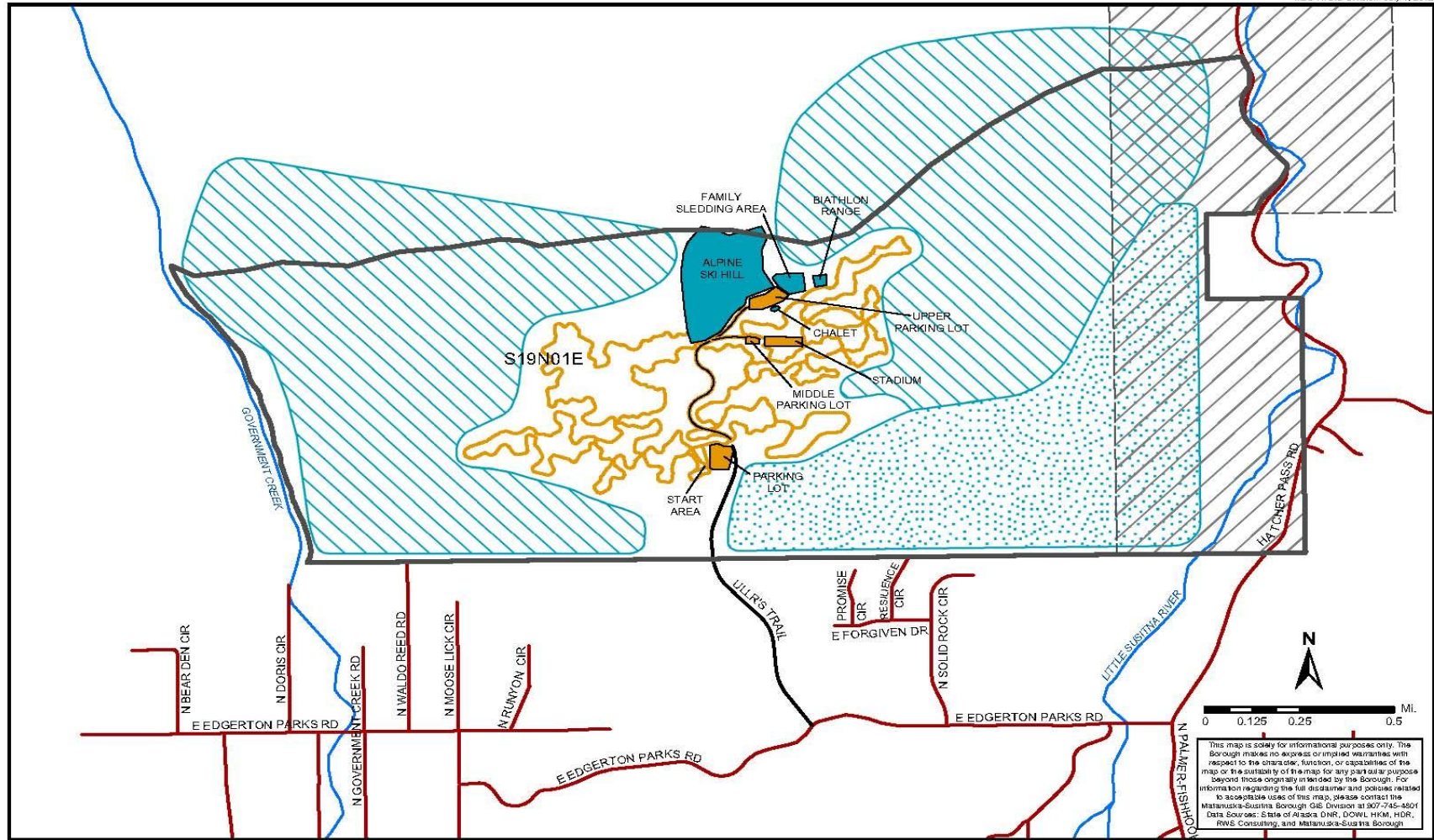
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HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 12
SOUTHERN SUB-UNIT
RECREATIONAL FACILITIES PHASES III AND IV

- Southern Sub-Unit
- HP Public Use Area
- Existing Roads
- Streams
- Phase 2 Access Road Extension
- Phase 1 and 2 Nordic Trails
- Phase 3 and 4 Trail Areas
General Hiking, Mountain Biking,
and Additional Nordic Trails
- Equestrian Area
with Trails
- Phase 1 and 2 Facilities
- Phase 3 and 4 Facilities

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The various trails were all designed to meet the appropriate design guidelines for the type of trail. For example, the competitive Nordic trails used International Ski Federation guidelines. In this case a critical factor is the prescribed location of major climbs (≥ 30 meters total climb). On a 5 kilometer competition loop there must be 2 climbs where the first climb one must fall between the 1st and 2nd kilometer and the second climb between the 3rd and 4th kilometer.

Other desirable attributes for the various trails were included that will enhance the function and attractiveness of the entire recreation area. These include:

- Competition ski trails are at the highest elevation possible to take advantage of lower fall and early winter temperatures with corresponding earlier snow, warmer and mid-winter temperatures when temperature inversions dominate the weather patterns, better lighting exposure, and nicer views.
- Competition ski trails are sited in areas of open birch forest. These trails are wider by design to allow racers room to pass each other, and must have sufficient side clearance to avoid snow shading from the surrounding tree canopy.
- The stadium is located in the approximate center (geographically and vertically) of the competition venue. This location, recommended by the International Ski Federation greatly enhances the flexibility of the trail layout, allows uphill starts and finishes and allows the trail network to surround the stadium for maximum spectator exposure.
- The stadium should be situated away from confining terrain and wet areas. This allows the facility to have multiple entrance and exit points and allows maximum flexibility required for the diversity of race lengths, techniques, ability levels, and ages of competitors. Confining terrain includes narrow steep-sided ravines and steep hillsides without terrain breaks.
- The competition trails are situated in undulating terrain without extremely steep areas and avoid wetland and drainage features where possible.
- Recreational ski trails are also situated in moderate undulating terrain but are narrower and more tolerant of diverse terrain situations. Winter snow biking and skijoring, both growth sports, can share these trails for winter use. To maximize grooming efficiency, trail layouts are configured to allowing continuous grooming of the entire system without backtracking.
- Single track trails used extensively by mountain bikers as well as hikers and runners during the summer months must be constructed to drain well and tolerate high wear rates. These are narrow trails (≤ 4 feet) and can be built into side slopes with minimal soil cuts and denser timber without significant clearing.



- Equestrian trails can also be multi-use, but high speed bikes and ski traffic do not mix well with horse traffic. Conversely horses are not appropriate on the other trail networks due to the impacts on the trail surface. Equestrian trails are generally gravel surfaced (12 inches of unclassified fill) to allow all-weather travel without excessive wear.
- All trails have been located and designed to minimize environmental and visual impacts to the recreation areas. Stream crossings, cut slopes, dispersing of the trails and related facilities, and wetland impacts have all be minimized. Any anadromous or important resident fish crossing will be bridged or provided with culverts that meet fish passage stream simulation design guidelines.

Keeping these attributes in mind, the trails were laid out following these priorities:

- Optimize the experience for recreational users. Interesting features of the landscape and terrain, views (both upslope and valley), meadows, large and interesting trees and other vegetation types, interesting streams and other visual and auditory experiences were specifically targeted for inclusion along the network.
- Minimize impacts to the open-space, park-like setting. Every effort was made to avoid crossing steep side slopes, wet areas, and dense stands of mature trees. Compromises had to be made in certain areas due to terrain constricts but for the most part these features were avoided. Future construction should adhere to this credo to minimize impacts on the natural landscape.
- Non-technical downhills. The hillsides in the Southern Sub-Unit contain many areas of steep and continuous slopes and considerable length and complexity had to be added to the routings to avoid overly challenging downhill sections. Often beginning and intermediate skiers enjoy uphill climbs for the challenge, the views and the workout but are unable to negotiate the resultant technical downhills. The trail network as designed attempts to combine challenging climbs with more gentle descents. This should be kept in mind during the construction phase as the shape of the trail surface, banking of corners, etc. can greatly affect the technical difficulty of descents.
- Lengths and difficulty. Provide a network of recreational trails with varying lengths and difficulty.
- Connection between areas. Provide a connection between the lower parking area and trails (Phase I) and the future competition stadium and trails (Phases II, III & IV).
- Regional competitions. Provide a series of interim (Phase I) race compatible loops for regional competitions.



These attributes and priorities were all achieved in the trail and related facilities (parking, day lodge/chalet, and stadium) layout. The Nordic completion network surrounds the stadium area and is the densest and most highly developed of the trail systems. The recreational ski trails are connected into the periphery of the competition system and are also designed for access from the parking areas.

The mountain bike (single track) layout intertwines with the recreational ski network but also accesses steeper terrain. Hiking trails access the upper slopes of Government Peak and connect to the mountain bike trails below. As a general rule intersections where different trail networks join were planned for speed, sight distances, signage and other compatibility factors. The equestrian network will be a standalone network to avoid conflicts with other users.

The system of trails is configured to produce a series of successively more technically and physically challenging loops. The Phase I trails start with an easy loop for beginning users to the east of the lower parking area, two beginner-intermediate loops to the west and an intermediate level loop uphill from the western loops. Contained within these loops is the intended connection to the competition venue further up the hill side that will be developed during Phase II. Phase I has created an interim competition venue accessed from the lower parking area with varying lengths and difficulties. No effort was made to create specific length racing loops but the series of expanding loops provide an adequate interim competition venue without sacrificing later suitability for recreational users.

Trail Widths

Trail widths are always a topic of discussion especially as they relate to visual impacts vs. grooming and competition use. Widths are dictated by both the requirements of current and anticipated grooming equipment, the requirements of shared use of the system (particularly for use by both classic and skating Nordic skiers) and the ability of skiers to overtake and pass each other safely without entanglement especially during competitions.

Figure 20 shows recommended trail widths for the various types of trails that will be located in the Southern Sub-Unit.

Figure 20: Southern Sub-Unit Recommended Trail Widths

Trail Type	Minimum Width	Maximum Width
Nordic - Competitive	18 - 20 Feet	19 - 30 Feet
Nordic - Recreational	4 Feet	12 Feet
Nordic - Combined Competitive and Recreational	16 Feet	18 Feet
General Hiking	4 Feet	
Equestrian	4 - 6 Feet	
Mountain Bike	4 Feet	4 Feet

Source: HDR and RWS Consulting

Skate skiers need approximately 8 feet of tread width and may need more on uphill sections; classic tracks require a minimum of 4 feet. When trails are too narrow the skate



skiers tend to skate over the classic tracks on uphill sections, ruining the tracks and requiring more frequent grooming. In racing situations skate skiers require 16 - 18 feet to pass on uphill sections without interference.

Competition venues vary widely from as narrow as 18 feet to as wide as 30 feet depending on the style (classic or skate) and type (mass start, sprint, pursuit, or individual start) of the event. The national and international governing bodies for competitive skiing regulate these widths and they change periodically as the competition environment evolves.

Trail Stream Crossings

There are many stream crossings involved with the trail systems. Some are seasonal, most are small, and some contain anadromous and/or important resident fish. The Alaska Department of Fish and Game has statutory (AS 16.05.841-.871) responsibility to protect fresh water anadromous fish habitat and to insure that free passage for anadromous and resident fish in freshwater bodies is available. The US Army Corp. of Engineers has jurisdiction if fill is to be placed below the ordinary high water (OHW) line.

The decision to use bridge structures to span these streams will negate the need for permits and produce more habitat friendly results. Bridges can create a safety hazard for skiers if a railing is required and can cause difficulty for some grooming equipment. The use of culverts does require a Corp. of Engineers permit. However, bridges are generally more expensive and time consuming to construct than using culverts.

Construction will have to be carefully planned and staged to avoid heavy equipment impacts to the streams during construction. Streams can be spanned with available timber or the bridges can be built as the construction progresses to minimize impacts.

For the permanent bridge structures, heavy timber sleepers will be placed on either side of the streams supported by gravel, rock or timber. Clear span bridges can be placed across the streams and the approaches can be formed from timber ramps or earthen fill. As these structures will be placed in the anticipated flood plains of some streams, displacement may be expected during large storm events. Some rebuilding and/or repositioning may become necessary after large storm events but this method should be less expensive in the long run than creating permanent abutments outside the flood plains and longer span structures.

Over the long term, culverts can require more maintenance and repair than bridges. Culverts are usually cheaper to install, but if not installed correctly and of the correct size are prone to heaving, producing higher water velocities and clogging stream flow.

No matter what method of crossing streams is used, the structure must be suitable for handling the equipment used for trail construction, maintenance and for trail grooming. For example, a small snow cat weighs about 7,500 pounds and a large snow cat weighs around 14,000 pounds.



Grooming Equipment

Grooming equipment comes in all sizes. The following are general guidelines to use for the type of equipment used for different types of Nordic trails:

- Snowmobile or tracked quads pulled drags and groomers. Commonly these types of groomers are 4 – 6 feet in width and require multiple passes to set adequate classic and skate lanes. This option is commonly the cheapest, requires the least maintenance, and the least experienced and trained grooming crews. It also offers the most flexibility for grooming narrower trails. Negatives include exposing groomer operators to all types of inclement weather, softer and more variable groomed surface, and longer grooming time needed for multiple passes.
- Small Snow Cats. Small snow cats require a minimum trail width of 12 feet. This is currently the most expensive option due to the limited availability of small snow cats on the used market. They also require trained grooming and maintenance personnel and may require multiple passes on wider trails. They can groom an adequate recreational skate and classic lane (although somewhat crowded) in a single pass.
- Large Snow Cats. Large snow cats require a minimum trail width of 16 feet. These can be less expensive than small snow cats because of good availability of used equipment surplus by Alpine ski areas. Like small snow cats, they require trained grooming and maintenance personnel. They are able to provide single pass grooming up to 16 – 18 feet with a generous skate and classic lane.

Stadium Area

A multiple-purpose outdoor stadium area will be sited at the center of the Nordic trail systems and adjacent to the mid-mountain parking area during Phase II. The stadium area will be located in a natural amphitheater location that is located and configured to take maximum advantage of the natural terrain and sun exposure.

The stadium location needs to be sized a minimum of approximately 200 yards by 75 yards (3 acres) with room for expansion to provide room for a start-finish for competitive events, and to accommodate other activities (picnicking, summer concerts, festivals or similar events).

Trail Lighting

During Phase II trail lighting should be added to the Phase I trails (6 kilometers) and the lower stadium area. This minimal amount of lighting is needed because the highest usage of the trails by adults is in the evening after work. It is also important for the lighting because



the Junior Nordic skiers don't get out of school until it is almost dark and the last half of the high school practice is again when it is almost dark. The lighting should be provided for both competitive and recreational trails. The trails constructed in Phase I are the best candidate for lighting because these trails' are located adjacent to the existing parking and the public transit community facility where electricity will be available.

Additional trail lighting should be added during Phase III and IV on the competitive trails, the competitive stadium area and the sledding hill.

Lighting will be low density and aimed downward to minimize night light pollution to the surrounding area. See the section on "Lighting and Maintenance of Dark Skies" in Chapter 5; "Goals, Management Intent and Management Guidelines by Resource, Program or Management Tool for the Government Peak Management Unit."

Biathlon Shooting Range

A biathlon range site would be located near the top of the race venue firing directly into the side of the mountain from an ideally-situated, level site. Biathlon ranges are sited to have uphill approaches to increase the difficulty of the shooting. No attempt has been made at this time to specifically tailor the trail network for biathlon competitions but it would make a serviceable race and excellent training venue. For safety it would be separated from the adjacent parking and sledding hill with berms and screening.

The biathlon facility is planned for Phase III/IV.

Other than the shooting range, the biathlon trail system has been designed into the Nordic trail system.

Sledding Hill

A family sledding hill is a very popular amenity that could be provided north and west of the day lodge/chalet and upper parking lot. Because of terrain and clearing requirements, this should be a relatively small area aimed towards pre-teens and young families. The sledding hill should be added no later than Phase III/IV. In order to get families to use the area sooner the sledding hill could be added as part of the Phase II clearing activities needed for the upper parking facility and day lodge/chalet.

Southern Sub-Unit Day Lodge/Chalet

Unlike day lodges associated with Alpine skiing, there are no industry standards for a Nordic day use facility. Generally cross country skiers access a facility for restrooms, to change into and out of ski clothing, wax skies, and as a registration and spectator area for racing. Other than competitive events, cross country excursions are shorter (1 - 3 hours) and the skiers do not often warm up and then go back out.



Alpine skiers tend to ski all day and may come into a day lodge several times to warm up, eat lunch or snacks, and then go back out. As a rule, Alpine skiers spend more time in the day lodge facilities and as a consequence need larger areas with more seating and food service facilities.

The following goals and objectives provide a guideline for the development of the Nordic day lodge concept:

- Create a facility that provides the basic amenities to serve the local and regional skier market
- Balance the day lodge and parking with the trail capacity and intended trail uses
- Meet or exceed the requirements of the Alaska with Disabilities Act and Architectural Barriers Act
- Respect and utilize the site's natural attributes
- Develop parking that is within a comfortable walking distance, especially for skiers with skis and other equipment
- Provide easy access to the visitor facilities that accommodates a variety of users
- Provide a drop-off area for cars and buses
- Minimize large vertical transitions between parking areas, buildings and viewing areas
- Initially provide minimum built-out space to reduce capital costs yet provide needed amenities and services
- Provide for future expansion and for the potential use of the base facilities for broader purposes and off-season uses such as for summer visitors and events, rentals for such things as weddings, community meetings and events, and small business/retreat meetings

Location

The day lodge facility should be situated near the upper parking area, overlooking the stadium with the best possible panorama of the surrounding valley. The setting and views will make it a desirable destination for corporate gatherings, picnics and wedding parties. All of these will help to fund the facilities' staffing, utilities and maintenance.

Entrance Area

Unlike day lodges associated with Alpine skiing, the entrance area does not need to direct pedestrian traffic to lift ticket sales booths and the various lifts. However, the entrance does need to accommodate both skiers and spectators and people attending other community events.

Service Requirements

The recommended square footage for this structure is based on expected use for competitive events and should contain a warming/information area, restroom facilities, a ski



waxing area, some concessions and a meeting/registration area. The facility should be designed and constructed to allow for future expansion to accommodate more meeting space, a kitchen and eating area, an expanded ski waxing area, a maintenance area and equipment storage.

Because of the terrain and building utilization needs, it is recommended that the day lodge/chalet is configured in two stories. The main access would be to the second floor which should be level with the parking and drop-off areas. The second floor would also contain the public transit waiting area, meeting and open space areas, viewing, food and beverage service, and related seating. Public Restrooms could also be located on this floor. Although not included in the space allocation or estimated costs, a deck could also be added to this level which would increase the building's space and usability in the spring and summer.

The bottom level could be accessed from the second story or from the ground level on the back side of the building directly to the ski trails and stadium area. The ski operations (waxing and ski tuning areas) and equipment storage and maintenance would be located on this level, along with the first aid, locker rooms, showers and general operation facilities.

Figure 21 shows a suggested space allocation for the day lodge/chalet facility to accommodate the above requirements. The day lodge/chalet could be built over two phases. The first phase would meet the basic requirements for ski competitions and have a minimum of open and meeting space.

The second phase would provide adequate space for all levels of competitions (regional and state) and provide space for housing teams, provide a basic kitchen facility for groups to utilize, locker space for the public, and expand the open and meeting space. The open and meeting space provides a viewing area for the stadium and surrounding area, seating for food service and could also be used as a sleeping area for high school teams.

Figure 21: Southern Sub-Unit Day Lodge/Chalet Space Allocation (Phases II, III/IV)

	Phase II	Phase III/IV
	Square Feet	
Guest Services		
Public Transit	600	600
Open/Meeting Space, Viewing, Food and Beverage Seating	1,700	4,700
Vending/Food Service	200	1,000
Public Restrooms	600	600
First Aid	300	300
Locker Rooms, Showers	0	900
Guest Services Sub-Total	3,400	8,100
Skier Operations and Maintenance		
Ski Tuning, Waxing, etc.	6,000	6,000
Equipment Storage and Maintenance	0	2,000
Ski Operations and Maintenance Sub-Total	6,000	8,000



General Operations		
Administrative Offices	400	400
Employee Lockers, Lunch Room and Break Area	200	300
General Operations Sub-Total	600	700
Total Guest Services, Skier, Maintenance & General Operations	10,000	16,800
Storage/Mechanical (10% of space allocation)	1,000	1,600
Circulation, Wall, Waste, etc. (10 % of space allocation)	1,000	1,600
TOTAL BUILDING FLOOR SPACE (ROUNDED)	12,000	20,000

Source: RWS Consulting, 2011

The following is a description of what each space allocation (as shown in Figure 20) is intended to provide and needs to consider during future design.

Guest Services

The entrance area should accommodate an arrival and drop-off area for people arriving by automobile and by public transportation. The entrance should include a separate waiting area for people waiting for buses or to be picked up by private automobiles. Access to the waiting area should be from both the front of the building adjacent to the bus stop and from the interior of the building.

The meeting, open space, viewing, and food and beverage seating will occupy the majority of the space for guest services. While not necessary, it is recommended that this space has no more than a minimum number of “hard walls” to maximize usage for different events. When the building is expanded “hard walls” should be added to separate meeting/common use areas from food preparation and consumption areas.

Because of space limitations, it is envisioned that minimal food service will be provided. This may consist of a coffee stand and/or vending machines. When the building is expanded a larger food service area can be provided for groups utilizing the facility for meetings, weddings or similar occasions. The kitchen area can also be used in conjunction with the open space areas for housing and feeding high school or competitive ski teams.

The first aid area can be located on either the upper or lower levels as long as easy access to and from rescue vehicles is provided. Access to and from emergency vehicles should not be from the main entrance for obvious reasons and should be covered if possible.

The public restrooms can be located on either the upper or lower levels. If they are located on the lower floor the restrooms could be combined with the public locker and shower facilities.

Skier Operations and Equipment Maintenance

The ski tuning and waxing area takes up the majority of the day lodge/chalet floor space. To host a high school regional meet each team will require a minimum of 125 square feet of



space; space for 24 teams will be required for a total of 6,000 square feet. While not ideal, but because this space will not be used on a full time basis, it is recommended that some of the space (about 2,000 square feet) also be utilized for storing and maintaining trail grooming and related equipment. During those times when the entire area is used by teams, the grooming equipment will need to be located at a different temporary location.

When the building is enlarged, the equipment storage and maintenance equipment should be housed in its own area.

Because of the equipment used for tuning and waxing skies and the grooming equipment it is important that the entire area is well ventilated and protected from possible fires.

Direct access to the stadium area and ski trails should be provided from this area.

General Operations

The administrative office and employee facilities (lockers, break room and lunch room) should be located on the parking lot side of the building to provide easy access by employees and to not utilize prime viewing and meeting areas. General storage and mechanical rooms should also be located so as to not interrupt public and skier congregation areas and pedestrian traffic flows. They should also not break up or utilize prime meeting and viewing areas.

Day Care and Children's Programs

Area for adequate day care and children's programs has not been included in the day lodge/chalet or the projected expansion. While considered by many to be a necessity, these are desirable but costly, high-liability functions that will need to be reconsidered and possibly added at a later time.

Explosive Storage

Because of the numerous trails and other facilities in the Southern Sub-Unit, the possibility of commercial and/or residential development, and the close proximity of private property there shall be no explosive storage for avalanche control in this Sub-Unit. An explosive storage facility in a remote and controlled location in the Northern Sub-Unit has been identified for this purpose.

Capital and Operating Costs

Appendix E is provided to give "ball park" estimates of the capital costs of building the various facilities for the phases described in this chapter. Potential capital costs are an important factor in seeking funding and to determine where to invest any available funds.



Possible operating costs are provided in Appendix F. Appendices G, H and I provide additional information to support the information in Appendix F. These costs are also an important factor in determining where to invest capital funds as some facilities, such as general hiking trails, require minimal or moderate operating and/or maintenance costs but also generate little if any revenue. Other facilities, such as the Alpine skiing and boarding, have high operating and maintenance costs but also offer the best opportunity to generate a positive revenue stream. Other facilities, such as the Nordic trail and related facilities, fall somewhere in between.

A financial break-even and sensitivity analysis is provided in Appendix J to help resolve the uncertainty of forecasting operating revenues and operating costs based on a new, start-up operation.

Like Chapter 3 of this Plan, the information in the appendices referenced above was first provided in *Hatcher Pass – “A New Beginning”* which was adopted by the Borough Assembly in 2008. Chapter 3 of this Plan further refines and updates some of the original information in Chapters 4 (Phased Approach), 5 (Alpine Development) and 6 (Nordic Development) in *Hatcher Pass – “A New Beginning”* to reflect the results of recently completed documents³.

The information in Appendices E through J, combined with the facility phasing in Chapter 3 of this Asset Plan, should also help guide future decisions on future ownership and operation of the various facilities.

When reviewing or using this information, please remember that like most cost estimates the information provided is only a “snap shot” at a given point in time. The information provided in these appendices in many cases is based on concepts rather than engineering, design, bid documents, utility analysis or personnel wage scale studies.

Future Development

Facilities that are not currently included in any of the phases for development but that should be kept in mind for the future include:

- Camping and picnic areas near the stadium areas and contained within one of the recreational trail loops. This area would provide a base which out-of-state or non-local users could access to enjoy the stadium area and the recreational and tourist opportunities provided in the entire Hatcher Pass vicinity.
- While not the ideal location, a pony lift could be located north and west of the day lodge/chalet and adjacent to the sledding hill. The only drawback to this site is that it is heavily timbered and would have to be cleared. More suitable sites are available

³ Access Environmental Impact Statement, Revised Hatcher Pass Management Plan, professional design and layout of trails in the Southside Sub-Unit.



further west but they lack direct access. If this becomes a highly desired and valued facility it could be relocated to the west and the trail networks modified as needed.

The pony lift would have a vertical drop of about 180 feet of beginning terrain which would broaden the spectrum of activities available to attract families to this area. Because of the distance to the larger Alpine development in the Northern Sub-Unit, there may be a demand for a small facility closer to the Nordic skiing trails for a healthy outlet of youthful energies and family recreational activities to learn to ski, snowboard, take lessons, etc.

- Parking and stadium lighting to facilitate events and for safety reasons.
- Additional lighting added to the Nordic trail systems.



Chapter 4

Unit Wide Goals, Policies, and Management Guidelines

Table of Contents

Introduction	4 - 3
General Information	4 - 5
Generally Allowed Uses	4 - 5
General “Goals” for the Government Peak Management Unit.....	4 - 6
General “Management Intents” for the Government Peak Management Unit	4 - 7
General “Management Guidelines” for the Government Peak Management Unit.....	4 - 15
Goals, Management Intent and Management Guidelines by Resource, Program or Management Tool for the Government Peak Management Unit.....	4 - 16
Buffers.....	4 - 17
Management Goals	4 - 18
Management Intent	4 - 18
Management Guidelines	4 - 18
Commercial and Residential Development	4 - 20
Management Goals and Intent	4 - 21
Management Guidelines	4 - 21
Cultural Resources, Historical and Heritage Sites.....	4 - 24
Management Goals	4 - 24
Management Intent	4 - 24
Management Guidelines	4 - 24
Fish and Wildlife Habitat.....	4 - 27
Resource Goals	4 - 28
Management Intent	4 - 29
Management Guidelines	4 - 29
Green Infrastructure	4 - 32
Program Goals	4 - 33
Program Intent	4 - 33
Program Guidelines	4 - 34
Helicopters and Fixed Wing Aircraft.....	4 - 35
Goals and Management Intent	4 - 35
Guidelines	4 - 35
Lighting and Maintenance of Dark Skies.....	4 - 36
Goals and Management Intent	4 - 36
Management Guidelines	4 - 36



Private Property..... 4 - 38
 Management Goals 4 - 38
 Management Intent 4 - 38
 Management Guidelines 4 - 38
Public Recreation and Tourism..... 4 - 40
 Program Goals 4 - 40
 Management Intent 4 - 41
 Management Guidelines 4 - 42
Rock, Sand and Gravel 4 - 44
 Resource Goals 4 - 44
 Management Intent 4 - 44
 Management Guidelines 4 - 44
Trails..... 4 - 46
 Management Goals 4 - 46
 Management Intent 4 - 46
 Management Guidelines 4 - 46
Transportation and Utilities 4 - 48
 Management Goals 4 - 49
 Management Intent 4 - 49
 Management Guidelines 4 - 50
Water Quality, Quantity, Wetlands and Riparian Zones..... 4 - 53
 Resource Goals 4 - 53
 Management Intent 4 - 54
 Management Guidelines 4 - 55

Figures

22. Listing of Land Uses within the Government Peak Unit4 - 9



Introduction

The *Hatcher Pass Management Plan* recognizes that the Borough, as the land owner in the Government Peak Unit where the majority of recreational facilities will be located, needs to make decisions on how and where the recreational facilities and other possible developments will be developed and managed on both Borough and State owned land. At the same time, and consistent with a litigation-related settlement agreement¹, the land owned by the Borough must be managed consistent with the *Hatcher Pass Management Plan*.

In order to address both of these issues, the *Hatcher Pass Management Plan* assumed that a “step-down plan” would be adopted by the Borough that would implement the *Hatcher Pass Management Plan*, and constitute the basis for subsequent management by the State and Borough in the Government Peak Unit. The area of application of this step-down plan would, generally, be the Northern and Southern Sub-Units (Northern and Southern Development areas) in the Government Peak Unit.

This Asset Management Plan fulfills that need and is that step-down plan.

Utilizing the general policies, management intent and guidelines established in the *Hatcher Pass Management Plan* and the regulations (11 AAC 96) that implement that Plan, this Asset Management Plan provides more specific details on how the area will be developed and managed. It provides guidance on the location and the types of uses and provides a generalized analysis of the types of facilities that are likely to be developed in both the Sub-Units. The types of facilities that are identified in this Asset Management Plan must be consistent with the *Hatcher Pass Management Plan*; the management of the area enunciated in this chapter and in Chapter 5 of this Asset Management Plan is to be followed when making determinations of appropriate use.

This Asset Management Plan may affect uses when its standards are more restrictive than the *Hatcher Pass Management Plan*. At the same time this Asset Management Plan cannot allow a greater scope or intensity of use than those authorized in the *Hatcher Pass Management Plan* and the implementing regulations (11 AAC 96). A plan amendment to the *Hatcher Pass Management Plan* is required if other uses are to be restricted and/or if an expanded scope or intensity of use is intended.

¹ Cascadia Wilderness Project v. State of Alaska, Department of Natural Resources, Division of Mining, Land and Water Management. Case No. 3AN-02-4403 Civil.



The goals, policies, and guidelines² in this chapter focus on the management of the principal natural resources and uses (or activities) that require general management direction within the entire Government Peak Unit. *This includes both Borough and State owned land unless specifically noted for each natural resource or use.* Only those uses that are appropriate and require policies to guide their use or development are included in this chapter. Policies specific to the Mountain, Northern and Southern Sub-Units are located in Chapter 5 of this Asset Management Plan.

Uses that could occur within the Government Peak Unit, but are not considered appropriate are not included. For example, industrial and some commercial uses, such as gas stations or dry cleaning establishments are considered as in appropriate and are not included.

Uses that have not been included which are considered inappropriate must go through a written decision and/or plan amendment process to be authorized. See Chapter 6 of this Asset Management Plan on how changes to this plan are to be made.

The Access Environmental Impact Statement and related Record of Decision require that certain resources and activities be managed or mitigated in certain ways. This Asset Management Plan addresses those responsibilities.

This chapter, along with Chapter 5, contains policies for the management of Borough-owned land in the Government Peak Unit. The section on “procedures for Changes to the Plan, Goals and Guidelines” in Chapter 6 (Implementation and Recommendations) must be followed for any changes to this chapter.

The major resources and issues covered in this chapter are presented in alphabetical order and include:

- Buffers
- Commercial and Residential Development
- Cultural Resources, Historical and Heritage Sites
- Fish and Wildlife Habitat
- Green Infrastructure
- Helicopters and Fixed-Wing Aircraft
- Lighting and Maintenance of Dark Skies
- Private Property
- Public Recreation and Tourism
- Rock, Sand and Gravel
- Trails

² See Chapter 1 for an explanation of “Goals, Management Intent, Land Use Designations and Classifications, Guidelines and Best Management Practices. They are also defined in the Glossary (Chapter 7).



- Transportation and Utilities
- Water Quality and Quantity, Wetlands and Riparian Areas

Polices for each natural resource, program or management need are presented with background information when needed or appropriate. This is followed by statements and explanations that have been separated into three categories for each subject; goals, management intent and management guidelines.

General Information

The Alaska Constitution³ and Borough code⁴ require that public land held by the Borough shall be managed for multiple purposes. There are three exceptions to this multiple-use policy: land that is sold, leased, or otherwise taken from public management; land designated by the Borough Assembly for a particular use (such as a park, municipal building or facility); or land dedicated through the platting process for a specific public purpose (such as open space, road, trail or for a utility).

The multiple-use policy does not mean that all uses are allowed in all locations but, on all Borough-owned land combined, most opportunities can be available. This Asset Management Plan, and all other Borough asset management plans, emphasizes minimizing land use conflicts through plan guidelines rather than through prohibitions. However, if the Borough determines a proposed use is incompatible with the designated use, the proposed use shall not be authorized or it shall be modified so that the incompatibility no longer exists.

Borough land will also be managed to protect access to public resources except when it is determined that access may be significantly detrimental to a resource or for public health, safety and welfare.

Generally Allowed Uses

Requirements related to Generally Allowed Uses under 11 AAC 96.020 only affect State land. Most of these same uses are also allowed on Borough land.

Areas affected by the “Public Recreation-Dispersed” designation:

All Generally Allowed Uses are permitted except for year-round motorized use restrictions and those uses allowed by permit under the Special Use Designation (ADL 223585). Lawful trapping, hunting, and fishing, among other uses, are allowed on State land (11 AAC 96.020

³ Article 8

⁴ Generally MSB 23.05, specifically MSB 23.05.05



and Borough land. Motorized uses in support of Nordic, Alpine and other developed trail systems and their operations are exempt from this restriction. The areas affected by this restriction are shown on the map at the end of Appendix C of this Asset Management Plan, or Map 3-11 in the *Hatcher Pass Management Plan*.

Areas affected by the “Public Recreation-Developed” designation:

All generally allowed uses are permitted except for year-round motorized use restrictions as depicted on the map at the end of Appendix C of this Asset Management Plan, except those authorized by permit under the same Special Use Designation (ADL 223585) and this Asset Management Plan. Motorized uses in direct support of the Nordic, Alpine and other developed trail systems and their operations are exempt from this prohibition. The areas affected by this restriction are shown on the map at the end of Appendix C of this Asset Management Plan, or Map 3-11 in the *Hatcher Pass Management Plan*.

General “Goals” for the Government Peak Management Unit

Commercial and Residential Development. Under specific conditions, limited commercial and/or residential development may occur with explicit approval by the Borough Assembly.

Economic Development. Provide opportunities for jobs and income by managing the land and resources to contribute to a vital, self-sustaining local economy consistent with community character and sentiment.

Fiscal Costs. Consistent with other goals, minimize the direct and indirect monetary impact of providing government services when other viable options or opportunities are available such as utilizing local organizations and volunteers, or privatization of facilities.

Public Health, Safety, and Welfare. Maintain or enhance public health, safety and welfare for users of public land and resources.

Public Participation. Provide the public the opportunity for meaningful participation in management decisions affecting the natural resources and uses within the Government Peak Unit.

Public Use. Provide and enhance diverse opportunities for public use of Borough (public) lands by residents and visitors consistent with the Borough’s ability to manage the use so as to protect the natural environment and avoid user conflicts. For example, uses may include berry picking, hiking, hunting, sightseeing, wildlife viewing, Alpine and Nordic skiing, and other types of recreation.



Quality of Life and of the Natural Environment. Maintain or enhance the quality and diversity of the natural environment including air, land and water, fish and wildlife habitat; protect cultural resources and historic sites; and, recognize the character and lifestyle of the community.

Trails. Enhance an area-wide regional trail system for both motorized and non-motorized users. Develop and maintain trails that complement specific or limited activities (Alpine, Nordic, mountain biking, equestrian, etc.) in the Hatcher Pass Unit.

Transportation. Accommodate a transportation system and a network of local roads to provide access to facilities and amenities that are sensitive to important riparian, wetland and habitat areas.

General “Management Intents” for the Government Peak Management Unit

The following general management intents pertain to the entirety of the Government Peak Unit and is to be followed in the granting of authorizations as well as the overall land management of the Management Unit. The first five management intents are in priority order; the remaining six are in random order.

- Maintain the high scenic values and historic resources.
- Protect the Little Susitna River watershed to maintain water quantity and quality by minimizing flooding, erosion, contamination, sedimentation and other negative impacts from use and development.
- Maintain, protect, and enhance fish and wildlife habitat and populations to the extent possible while allowing a wide range of public uses.
- Manage the Government Peak Unit for long term sustainable use and enjoyment.
- The primary designated use(s) for a spectrum of recreational opportunities is the highest priority and is to take precedence over other uses. Other uses may only be allowed if that use is a permitted or conditionally permitted use in a management unit and only if that use is compatible with the primary use(s).
 - All authorizations for the use of Borough land within the Government Peak Unit area shall be consistent with the overall management intent of the *Hatcher Pass Management Plan*, this



Asset Management Plan, and in the best interest of the Borough and State.

- Provide opportunities at select locations for private commercial or non-profit recreational facilities for the growth of tourism and for recreation industry contributions to employment and State and local economic development.
- Borough land will be managed to protect public access and public resources.
- The Government Peak Unit shall remain closed to mineral entry.
- Borough land within the Government Peak Unit is to be retained in public ownership, unless specifically made available for commercial and/or residential disposal/development in suitable areas identified in this Asset Management Plan, and a specific development and/or master plan is specifically approved by the Borough Assembly⁵.
- The following table (Figure 22) is a summary listing of uses within the Government Peak Unit that are prohibited, allowed, or may conditionally meet the management intent for Government Peak Unit. Prohibited uses can only be authorized by a plan amendment. Conditional uses may be authorized but the written finding must conclude that the use is consistent with the management intent for the management unit and is in the overall best interest of the Borough and State. More detailed information on many of these uses can be found later in this chapter (General Goals, Management Intent and Management Guidelines by Resource, Program or Management Tool) and/or in Chapter 5 where more detailed management intent and management guidelines for the Mountain, Northern and Southern Sub-Units are provided.

⁵ Leases or management assignments of recreational facilities are not considered a disposal and are authorized as long as the lease or management assignment is consistent with the *Hatcher Pass Management Plan* and this Asset Management Plan.



Figure 22: Listing of Land Uses Within the Government Peak Unit⁶

Potential Use	Allowed, Prohibited, or Conditionally Allowed on <u>Borough Land</u>	Allowed, Prohibited, or Conditionally Allowed on <u>State Land</u>	Stipulations	Comment
Agriculture	Prohibited	Prohibited		
Commercial Development	Conditionally allowed in limited areas if consistent with the HPMP and subject to stipulations in this Asset Management Plan.	Conditionally allowed if consistent with the HPMP and this Asset Management Plan.	On Borough land, requires specific development and/or master plan and must be approved by the Borough Assembly.	Limited commercial developments are an allowed use on Borough land if the revenue raised is related to construction or maintenance of public recreation facilities in the Government Peak Unit. A plan amendment is required if the revenue is not related to the construction and maintenance of recreational facilities in the Unit.
Commercial Recreation (not including Alpine and Nordic ski area development)	Allowed if consistent with the management intent and management guidelines of this Asset Management Plan.	Allowed if consistent with the management intent and management guidelines of the <i>Hatcher Pass Management Plan</i> .	Commercial recreation facilities may be authorized if complementary or in direct support of the commercial recreation activity. The appropriateness of these uses is to be determined during the adjudication and public involvement process.	This use includes the various types of commercial recreation services that may occur within the management unit. Examples include services like guided fishing, hunting or mountain climbing or commercial tours.

⁶ A plan amendment to this plan and the *Hatcher Pass Management Plan* is required if other uses are to be restricted and/or if an expanded scope or intensity of use for listed uses is intended.



Potential Use	Allowed, Prohibited, or Conditionally Allowed on <u>Borough Land</u>	Allowed, Prohibited, or Conditionally Allowed on <u>State Land</u>	Stipulations	Comment
General Commercial, including lodging	Conditionally allowed if related to public recreation facilities consistent with the <i>Hatcher Pass – Government Peak Asset Management and Development Plan</i> and if specifically authorized by the Assembly.	Conditionally allowed if it is consistent with the management intent and management guidelines of the <i>Hatcher Pass Management Plan</i> .	Subject to any stipulations that may be imposed in a specific develop and /or master development plan or included in a Special Land Use District.	Master and/or development plan will be required.
Grazing Leases	Prohibited	Prohibited		
Industrial, including uses similar to industrial in character (gas station, dry cleaner, etc.)	Prohibited	Prohibited		
Infrastructure, utilities and similar types of uses including hydroelectric, wind and solar power generation facilities.	Solar – permitted; Hydroelectric - conditionally allowed; Wind – prohibited.	Conditionally allowed. Only uses consistent with the management intent and management guidelines for the Government Peak unit may be allowed.	Utilities are to be placed underground. If that is not practical at specific locations or if an overhead location is necessary by virtue of the type of facility, the types of poles and structures are to be selected to minimize visual disturbance and the utility is to be screened from view of users in the area.	Approval of facilities and structures of this type must be in the overall best interest of the Borough and State and consistent with the <i>Hatcher Pass Management Plan</i> revision and this Plan.
Material Extraction	Generally not allowed except for cut and fill situations as related to public safety and public transportation (roads, trails, and the like and the	Generally not allowed except for cut and fill situations as related to public safety and public transportation (roads, trails, and the like and the	Subject to all typical DNR or Borough stipulations as appropriate for material extraction plus the restrictions noted for this use	Special care must be taken in the siting of material extraction adjacent to principal roads. Borough code related to



Potential Use	Allowed, Prohibited, or Conditionally Allowed on <u>Borough Land</u>	Allowed, Prohibited, or Conditionally Allowed on <u>State Land</u>	Stipulations	Comment
	development of commercial Alpine, Nordic or other recreational facilities).	development of commercial Alpine, Nordic or other recreational facilities).	in this chapter for Borough land and in Chapter 2, of the <i>Hatcher Pass Management Plan</i> on State land.	mining and material extraction shall apply to both Borough and State land.
Mining (including placer mining)	Prohibited	Prohibited		
Personal use firewood harvest and general forest management activities	Personal use firewood gathering is allowed if a collection area is identified on Borough land.	Personal use firewood gathering is allowed if a collection area is identified by the Alaska Division's of Forestry, and Mining, Land and Water.		Timber removal is allowed for purposes such as timber salvage, habitat manipulation, insect control, fire fuel reduction, or other forest management purposes as determined by the State or the Borough on their respective lands as necessary for forest health or where improvements will be located including roads, trails, utilities, etc.
Public Facilities	Public facilities related to public safety are allowed. Other types of public facilities are also allowed if identified in the management intent, management guidelines, or management recommendations of this <i>Asset Management Plan</i> and consistent	Public facilities related to public safety are allowed. Other types of public facilities are also allowed if identified in the management intent, management guidelines, or management recommendations of this <i>Asset Management Plan</i> and consistent with		Structures or facilities other than those noted in the second or third column are to be treated as conditionally allowed and must be authorized through a written decision and subject to public review and comment.



Potential Use	Allowed, Prohibited, or Conditionally Allowed on <u>Borough Land</u>	Allowed, Prohibited, or Conditionally Allowed on <u>State Land</u>	Stipulations	Comment
	with the HPMP.	the HPMP.		
Public Use, Recreational Use, Trapper and Remote Cabins	Prohibited	Public, administrative, or commercial recreation cabins are conditionally allowed. Personal use and trapper cabins are not allowed.	These types of structures on State land may be allowed if consistent with management intent and management guidelines. All such uses are to go through State adjudication and public review processes.	
Residential Development	Conditionally allowed in limited areas, subject to stipulations in this Asset Management Plan and is consistent with the HPMP.	Prohibited	On Borough land, requires specific development and/or master plan that must be approved by the Borough Assembly.	Residential development is an allowed use on Borough land if the revenue raised will be used to construct or maintain public recreation facilities in the Government Peak Unit. A plan amendment to the HPMP is required if the revenue will not be used for construction or maintenance of public recreational facilities in the Government Peak Unit.
Roads	Conditionally allowed	Conditionally allowed and only if consistent with the management intent and management guidelines for the Government Peak Unit may be	No new permanent roads on Borough land within the Government Peak Management Unit, except for providing access	Any roads shall be constructed to Borough road standards appropriate to the intended use of the road.



Potential Use	Allowed, Prohibited, or Conditionally Allowed on <u>Borough Land</u>	Allowed, Prohibited, or Conditionally Allowed on <u>State Land</u>	Stipulations	Comment
		allowed.	to recreational facilities in the Management Unit. Roads to commercial and/or residential development are allowed in the Hatcher Pass Area provided they are in a development and/or master development plan and approved by the Borough Assembly.	
Ski Facilities (including recreational facilities.	Allowed, subject to the management intent and management guidelines in this Asset Management Plan.	Allowed, subject to the management intent and management guidelines in this Asset Management Plan.		The term “ski facilities” means those uses and structures related to Alpine and Nordic ski complexes.
Towers related to telecommunication facilities	Conditionally allowed and encouraged to be attached to and part of ski lift(s) and not to extend a significant distance above the vertical height of the ski lift(s).	Conditionally allowed on the higher peaks. Surface access routes to these sites are prohibited	On state land towers related to telecommunication facilities are encouraged to be situated to avoid being seen from the Hatcher Pass Road. If this is not feasible and some visibility cannot be avoided, they should be sited and designed so that they do not stand out as a prominent skyline feature as viewed from the road and so that they blend with the ridge. Sites	



Potential Use	Allowed, Prohibited, or Conditionally Allowed on <u>Borough Land</u>	Allowed, Prohibited, or Conditionally Allowed on <u>State Land</u>	Stipulations	Comment
			are to be grouped together to the extent possible.	
Timber Harvest (commercial)	Not allowed except for salvage and management for forest health and fire safety. May also be permitted where improvements will be located including roads, trails, utilities, etc.	Not allowed except for salvage and management for forest health and fire safety. May also be permitted where improvements will be located including roads, trails, utilities, etc.	All such activities are to be coordinated with the Alaska's Division of Forestry, and Mining, Land and Water or the Borough, as appropriate. If permitted, are to be consistent with the management intent of the HPMP and this Asset Management Plan.	Personal use harvest and general forest management is permitted. See above.
Trail Development and Management	Allowed	Allowed	Trails are to be developed according to Division of Parks and Outdoor Recreation "Sustained Trail Standards" or to similar Borough trail construction and marking standards, appropriate for the type of activity the trail will be utilized for.	The management of trails, including ski runs, shall be consistent with the <i>Hatcher Pass Management Plan</i> and this Asset Management Plan.
Other Uses Not Otherwise Identified	Conditionally allowed	Conditionally allowed	In the case of a discrepancy, the more restrictive of the HPMP and this Asset Management Plan applies on Borough land. The HPMP shall apply for discrepancies on	Conditionally allowed only if the uses are consistent with the management intent and management guidelines of the HPMP and this Asset



Potential Use	Allowed, Prohibited, or Conditionally Allowed on <u>Borough Land</u>	Allowed, Prohibited, or Conditionally Allowed on <u>State Land</u>	Stipulations	Comment
			State land.	Management Plan.

General Management Guidelines for the Government Peak Management Unit

The Borough shall use the following guidelines when issuing authorizations or making natural resource management decisions. These guidelines apply to all land within the Government Peak Unit, unless another specific plan (*Hatcher Pass Management Plan* or the Record of Decision, Access Environmental Impact Statement) explicitly establishes different management objectives, recommendations, policy, guidelines, land-use designations or management intent.

In the case of a discrepancy or conflict, the more stringent shall apply and this Asset Management Plan should be amended to bring this plan into compliance, unless specifically exempted by the Borough Assembly.

A. Authorizations. All authorizations for use of Borough land will be consistent with the management intent and land-use designations of this plan. In considering authorizations, the Borough will adjudicate applications to:

1. Minimize damage to waterbodies, fish and wildlife habitat, riparian vegetation, wetland and other resources; and
2. Minimize conflicts between resources and users; and
3. Protect the long-term value of the resource, public safety and the environment.

B. Other Authorizations. If authorizations from other agencies are required, the Borough shall consider issuing a permit, lease or other authorization contingent upon issuance of these other agency authorizations (i.e., an authorization for a hydroelectric facility or right-of-way on land owned and managed by both the State and Borough).

C. Public Involvement. The Borough shall provide affected community councils, property owners, non-profit organizations, industry and the general public the opportunity to review and comment on proposed authorizations to use or utilize Borough land by:



1. Providing public notice as required by MSB 23.05.025 for all proposed land-use authorizations including sales, leases, exchanges and permits for more than one year.
2. Seek review and comment on all proposed management decisions affecting the natural resources and uses of Borough-owned land within the Government Peak Unit from community councils.
3. Seek meaningful participation from local service areas and other local committees and/or non-profit organizations on the management of proposed authorization actions for Borough-owned land within the Government Peak Unit.
4. Seek input and comments from industries and interest groups that could be affected by management decisions and proposed authorization actions for Borough-owned land within the Government Peak Unit.
5. Involve any appropriate Borough-sanctioned board or organization in reviewing and making recommendations on the management and proposed authorization actions for Borough-owned land within the Government Peak Unit.

General Goals, Management Intent and Management Guidelines by Resource, Program or Management Tool for the Government Peak Management Unit.

The following resource goals and management guidelines apply to all land within the Government Peak Unit unless other specific goals, management intent and guidelines are adopted for a specific parcel or sub-unit within the Government Peak Unit.

A number of other specific unit-wide goals and management guidelines may affect other specific resource goals and objectives in this chapter. It is important for the reader to review all the various resource goals and guidelines for any planned activity to ensure that all goals and objectives are met, addressed or mitigated where practical.

The various natural resources, programs or management tools are listed in alphabetic order. Likewise, the goals for each resource, program or management tool are listed in alphabetic order.



The management guidelines for each resource, program or management tool are not in either priority or alphabetic order. There is no priority of one guideline over another.

*** Buffers ***

There are various requirements for natural buffers and setbacks in federal law: (Endangered Species Act, 16 U.S.C. 1531-1544, 87 Stat 884, etc.); State law: (AS 41.17, Alaska Forest Resources and Practices Act) and Borough code: MSB 17.55 (Setbacks and Screening Easements), MSB 17.28 (Interim Materials District), MSB 17.30 (Earth Materials Extraction Activities), and MSB 28.60 (Timber Harvest). There are also numerous Borough plans (i.e., scenic by-way, local comprehensive plans, Special Land Use Districts, and land use and/or management plans).

The buffers described in this section are not intended to repeat or be fully definitive for all these requirements. Before undertaking any development activity, these and other applicable federal, State, and Borough laws and regulations should be fully researched and shall be followed.

In the case of a discrepancy between the management guidelines in this section, and federal, State, or Borough laws and regulations, the more stringent shall be followed.

Buffers beyond described in this section may be used for the protection of various natural resources and various uses.

Management Goals - Buffers

Cultural Resources and Historic Sites. Ensure protection of cultural resources and historic sites.

Endangered and Threatened Species. Protect areas used or needed by endangered and threatened species as identified by the U.S. Fish & Wildlife Service and the Alaska Department of Fish and Game.

Ensure Access to Public Lands and Waters. Maintain or enhance responsible public use and recreational opportunities.

Private Property. Establish buffers to minimize visual, noise, dust, odor, light pollution, environmental pollution or other negative impacts to private land.

Roads, Trails and Utilities. Mandatory no-cut natural vegetation buffers shall be used along dedicated roads, trails and utilities to protect, among other things, scenic and visual values.



Waterbodies. Buffers shall be used along and adjacent to all water bodies containing anadromous or high-value resident fish where development or resource extraction activities occur to protect important fish habitat.

Watersheds and Wetlands. Limited use buffers shall be used to protect important watershed and wetland areas.

Management Intent - Buffers

Reserve buffers to provide protection for such things as water resources, wetlands private property and historic sites. At the same time, activities such as public recreation and other similar activities will generally be allowed to occur but under certain conditions or limitations.

Management Guidelines - Buffers

A. Riparian Buffers. See Chapter 5 of this Asset Management Plan for mandatory 150-foot natural vegetation buffers along all sides of flowing waterbodies, including lakes that are part of a flowing water system that are connected to creeks, streams, and rivers associated with riparian area for the Mountain, Northern and Southern Sub-Units on Borough-owned land. These buffers are on streams identified in the Access Environmental Impact Statement that contain anadromous fish and/or are being reserved in “Alaska State Cadastral Survey 2002-01.” There are additional streams in the Southern Sub-Unit on Borough-owned land that may need to be buffered. Prior to any development or activity that requires construction, the Alaska Department of Fish and Game shall be consulted to identify any non-seasonal streams that need protection.

Limited activities, such as hiking, skiing, mountain biking and equestrian activities, can occur within buffered areas as long as the integrity of and purpose for the buffer is maintained. Any roads or trails, wherever practical, shall not run parallel to water bodies within buffered areas. Road and trail crossings should cross the water body as close to perpendicular as practical.

B. Wetlands. All wetlands over 40 acres and smaller important wetland areas (see definition in Chapter 6; Definitions/Glossary) shall be protected with a 100-foot natural vegetation buffer that includes the defined wetlands and a 100-foot area around the wetlands. The buffer provision does not apply to wetlands that have been purchased through the Wetlands Land Bank or are otherwise similarly compensated.

Limited activities, such as seasonal use for hiking, skiing and mountain biking, can occur within wetland and buffered areas when snow and ice cover is sufficient to protect the underlying vegetation and as long as the integrity of and purpose for the buffer is maintained.



C. Borough Property. There shall be a 100-foot natural vegetation buffer along all Borough-owned property boundaries and any immediately adjacent private property boundary. Buffers along private property boundaries can be decreased if the adjacent private property owner does not object.

D. Roads. No roads in the Government Peak Unit need to be buffered. All existing and potential roads have sufficient right-of-way reserved where vegetative screening, where practical, is provided. In addition, management intent of the entire Government Peak Unit is for various recreational uses that ensure that sufficient open space is provided.

E. Trails. There is no need to buffer any of the recreational trails and ski runs in the Government Peak Unit as the area is designated, classified and with management intent for recreational purposes that is adequate to protect the trails' and ski runs' long-term integrity and utilization. If any commercial and/or residential development is authorized by the Borough Assembly in the Government Peak Management Unit, the trails and other recreational amenities should be protected with buffers or some other similar means.

F. Cultural Resources and Historical Sites. There shall be a mandatory 300-foot no-disturbance buffer surrounding the boundaries of known historic, archaeological or paleontological sites unless the State Historic Preservation Office or the Borough Cultural Resources Division determines, in consultation with the other appropriate Borough divisions, that certain activities can occur without significantly impacting the cultural resource.

G. Wildlife Species of Concern.

1. Eagle Nests. There shall be a mandatory 330-foot buffer surrounding any active eagle nesting trees. Wider buffers may be established for individual nest sites where the Alaska Department of Fish and Game or the U.S. Fish & Wildlife Service identifies activities or site-specific factors that make special provisions necessary. Determinations of where a wider buffer is needed shall be made with due deference to the Alaska Department of Fish & Game. The Alaska Department of Fish and Game shall be encouraged to consult with the U.S. Fish & Wildlife Service before making a determination.

2. Peregrine Falcon Nests. There shall be a mandatory no-disturbance 330-foot buffer around the radius of any peregrine falcon nesting site. Wider buffers may be established for individual nest sites where the Alaska Department of Fish and Game or the U.S. Fish & Wildlife Service identifies activities or site-specific factors that make special provisions necessary. Determinations of where a wider buffer is needed shall be made with due deference to the Alaska Department of Fish & Game. The Alaska Department of Fish and Game shall be



encouraged to consult with the U.S. Fish & Wildlife Service before making a determination.

H. Other Guidelines Affecting Buffers. A number of other guidelines may affect buffers. For details of the guidelines, see the following sections of this chapter:

- Commercial and Residential Development
- Cultural Resources and Historic Sites
- Fish and Wildlife Habitat
- Green Infrastructure
- Private Property
- Public Recreation and Tourism
- Rock, Sand and Gravel
- Roads
- Trails
- Transportation and Utilities
- Water Quality and Quantity, Wetlands and Riparian Areas

Also, see the *Hatcher Pass Management Plan* (various locations throughout the plan), and the Record of Decision for the Access Environmental Impact Statement, “Proposed Mitigation Measures and Best Management Practices” (Appendix F) for various topics related to buffers.

**** Commercial and Residential Development ****

Note; This section does not apply to day lodges, chalets, transit centers, maintenance buildings and similar facilities directly related to ski area operations or other similar recreational facilities. This includes public and/or private services located within these buildings and structures such as ski equipment rentals and sales, ski schools, food and beverage service, etc.

The revised *Hatcher Pass Management Plan* (2011) provides:



“That commercial and settlement uses within areas designated as ‘Public Recreation – Developed’ on Borough land are appropriate if related to public recreation or public recreation facilities and if authorized through Borough planning and legislative processes. Commercial or settlement use(s) that are directly related to the functions of the recreational facility (i.e. ski shop, caretaker housing, etc.) or those uses where revenue is derived from the sale of land or improvements that will be used for developing and operating the recreational facilities are considered appropriate, if authorized as indicated above. Commercial or settlement uses that are not directly related to the public recreation, shall only be allowed within areas designated Public Recreation – Developed or Public Recreation – Dispersed through a plan amendment.” (HPMP; Pages 3-87 and 88).”

Management Goals and Intent – Commercial and Residential Development

Because the primary use of the Government Peak Management Unit is for various forms of non-motorized recreation, it is not the intent of the Borough to immediately promote or have land sales or leases for commercial and/or residential development in the Government Peak Unit.

While not a primary use, the sale of Borough land for private residences or leasing land for limited commercial uses within the Hatcher Pass Unit may be prudent or necessary in order to generate revenue necessary for the development and operation of recreational facilities within the Government Peak Management Unit, or for the Borough in general.

Management Guidelines – Commercial and Residential Development

A. Plan Amendment Not Required. If the revenue from the land sales or leases is going to be used to build or maintain the recreational facilities, including related infrastructure in the management of the unit, the *Hatcher Pass Management Plan* does not need to be amended and this Asset Management Plan shall be followed.

B. Plan Amendment Required. If the revenue from the land sales or leases is not going to be used to build or maintain the recreational facilities, including related infrastructure, in the management unit, this Asset Management Plan shall be amended and approved by the Borough Assembly. In addition, the *Hatcher Pass Management Plan* must also be amended and



approved by both the Borough Assembly and the State Department of Natural Resources.

C. Development or Master Plan Required. There shall be no land sales or commercial leases issued within the Government Peak Management Unit on Borough-owned land unless a specific development and/or master plan is developed and approved by the Assembly. Any leases issued by the State shall be consistent with the *Hatcher Pass Management Plan* and this Asset Management Plan but do not require prior approval by the Borough Assembly.

D. Development or Master Plan Requirements. Elements of a development or master plan shall include, at a minimum, the following:

1. Goals to be achieved through the development or master plan, consistent with this Asset Management Plan. These goals include appropriate site development; landscaping, buffering, drainage, erosion and vegetation management; response to natural hazards; protection of visual quality; protection of water quality, watersheds and stream corridors; management of water use; habitat and fish and wildlife protection; management of the character of the built environment including housing and commercial enterprises, parking and circulation development, protection of air quality and natural quiet, and consideration of capacity and cumulative impacts.
2. Land use, transportation, utilities, environmental and other proposed actions to meet the goals.
3. A detailed map illustrating the location and relationships of all planned development.
4. A detailed map illustrating the location of proposed commercial and/or residential development, and their relationship to all greenbelts, trails, present and future recreation facilities, parking areas, etc. described and graphically portrayed in Chapter 3 of this Asset Management Plan.
5. A map showing all restricted development area(s) to include, but not limited to:
 - a) avalanche zones
 - b) geologic hazards (i.e., Castle Mountain fault, rock fall and talus slopes)
 - c) hydrological concerns
 - d) areas subject to flooding
 - e) soils (i.e., areas not suitable for domestic water and septic systems or for standard construction methods)
 - f) steep and unstable slopes



6. A description of proposed design standards for all development and the methods to be taken to ensure compliance with the design guidelines contained in this plan.

7. A description of proposed water and septic system including measures proposed to monitor the effects on the watershed (water quality and quantity) septic discharge.

8. A description of the actions that will be taken to address revegetation and erosion control, slope stability, block creep, and earthquake and fault hazards.

9. Procedural and financial requirements for implementation of the development or master plan.

D. Other Guidelines Affecting Commercial and Residential Development. A number of other guidelines may affect commercial and residential development. For details of the guidelines, see the following sections of this chapter:

- Buffers
- Cultural Resources and Historic Sites
- Fish and Wildlife Habitat
- Green Infrastructure
- Public Recreation and Tourism
- Rock, Sand and Gravel
- Roads
- Trails
- Transportation and Utilities
- Water Quality and Quantity, Wetlands and Riparian Areas

Also, see the *Hatcher Pass Management Plan* (Chapter 3, Government Peak Management Unit) for various topics related to commercial and residential (settlement) development. Also see Chapter 5 of this plan for more guidelines on development standards.



*** Cultural Resources, Historical and Heritage Sites ***

Management Goals – Cultural Resources, Historical and Heritage Sites

The *Alaska Historic Preservation Act*⁷ and Borough Code dealing with historic preservation⁸ establish the Borough's basic goal: to preserve, protect, and interpret the historic, prehistoric, and archaeological resources in the Borough and in Alaska so that the scientific, historic, and cultural heritage embodied in these resources may pass undiminished to future generations.

Management Intent – Cultural Resources, Historic and Heritage Sites

Cultural resource, historic and heritage sites are not specifically a land-use designation category. They are not designated or classified in order to not draw attention to the sites which could lead to vandalism, theft, or other forms of damage or loss. However, important cultural resource, historic and heritage sites should be protected with management intent language and specific guidelines pertaining to each site.

The Alaska Historic Preservation Act requires that important scientific, historic, and cultural heritage resources be preserved and protected. This shall be done through the use of cultural surveys, including field investigations and protection of important sites. The Access Environmental Impact Statement and resulting Record of Decision addressed much of the area planned for the various recreational facilities.

Mitigation measures, such as buffers, shall be utilized to protect cultural resources and historic sites while allowing natural resource extraction and other development activities to occur.

Management Guidelines – Cultural Resources, Historic and Heritage Sites

A. Heritage Resources Identification. Identify and determine the significance of all heritage resources on public land through the following actions:

1. Cooperative efforts for planned field surveys and inventories among the Borough, State, federal, local and native groups;

⁷ AS 41.35

⁸ MSB 1.10.160



2. Utilize the May 2009 *Archaeological Survey for the Proposed Hatcher Pass Recreational Area Access, Trails, and Transit facilities, Matanuska-Susitna Borough, Alaska* report⁹ for heritage and cultural resources. This identification was conducted as a part of the Access Environmental Impact Statement.
3. Heritage resources surveys conducted by the Borough Cultural Resources Division;
4. Research heritage resources on Borough land by qualified individuals and organizations.

B. Historic Sites Protection. Protect significant historic sites through the following actions:

1. Review on-the-ground land and renewable resource projects and uses for potential conflict with heritage resources.
2. Cooperate with State, federal, local and native groups to develop guidelines and recommendations on how to protect the site so as avoid or mitigate specific identified or potential conflicts.

C. Cultural Resource, Historic and Heritage Sites in Areas to be Developed for Recreational Facilities and Other Uses. Much of the area planned for ski area development was specifically addressed in the Access Environmental Impact Statement and resulting Record of Decision. The EIS found that the Government Peak Unit has a “low sensitivity” for historic and cultural resources.

However, in the Southern Sub-Unit, a portion of the historic Carle Wagon Road (approximately 1.25 miles) was discovered during the cultural and historic resource survey. This road predates the main homesteading period in the area and was reported to run between the current Edgerton Parks Road north to the Hatcher Pass Independence Mining District. Part of this route later became the Edgerton Parks Road and Palmer Fishhook (Hatcher Pass) Road. The intensive survey did not result in locating corduroy fabric, or obvious cut or filled road sections in the vicinity where the route was expected to be to the north of the Edgerton Parks Road in the Government Peak Unit.¹⁰

The Borough’s cultural resource’s staff shall be requested to review proposals for any development actions where physical character of the land may be altered or may receive significant concentrated public use outside of the

⁹ Cultural Resource Consultants, LLC, May 2009

¹⁰ See pages 88 – 89 of the EIS for additional information and a figure 4-19 showing the route.



areas already investigated by Cultural Resource Consultants, LLC as part of the Access Environmental Impact Statement process. The Borough's cultural resources staff shall recommend archaeological surveys in these areas with a high potential of heritage resources. Areas of known historic, archaeological, or paleontological sites shall not be disturbed, unless otherwise authorized.

Development activities, areas of concentrated public use and other similar activities shall not occur within 300 feet from the boundaries of known sites unless the Borough Manager, or his designee, determines that certain and/or limited activities can occur without significantly impacting the heritage resource.

The Borough's cultural resources staff shall assess the extent and significance of the heritage resource and work with other appropriate Borough staff to develop site-specific mitigation measures to protect the heritage sites while allowing appropriate activities on surrounding lands to occur.

D. Historic and Heritage sites shall be reported when found. Besides the work done as part of the Access Environmental Impact Statement discussed above, the *Alaska Heritage Resources Survey*¹¹ is an inventory of all reported historic and prehistoric sites. This Survey is used to protect historic and heritage resource sites from unwanted destruction. By knowing of possible heritage sites prior to construction, conversion of land use, or natural resource utilization, efforts can be made to avoid project delays and prevent impairment of the heritage sites.

While over 22,000 sites have been reported within Alaska, this is probably only a very small percentage of the sites that may actually exist but have not yet been reported. The *Heritage Resources Survey* is not complete or static, so heritage sites, when found, shall be immediately reported to the Borough's cultural resources staff or to the State Office of History and Archaeology.

E. Other Guidelines Affecting Cultural Resources, Historic and Heritage Sites. A number of other guidelines may affect cultural resources and historic sites. For details of the guidelines, see the following sections of this chapter:

- Buffers
- Commercial and Residential Development
- Fish and Wildlife
- Green Infrastructure
- Public Recreation and Tourism

¹¹ The *Alaska Heritage Resources Survey* is maintained by the State Division of Parks and Outdoor Recreation, Office of History and Archeology.



- Rock, Sand and Gravel
- Trails
- Transportation and Utilities

For additional background information see Access Environmental Impact Statement (pages 84-88 and 148-150), the Record of Decision for Access Environmental Impact Statement, “Proposed Mitigation Measures and Best Management Practices” (Appendix F) related to historic, archaeological, and cultural resources. Also, see the *Hatcher Pass Management Plan*, Chapter 2, pages 41 – 42.

*** Fish and Wildlife Habitat ***

Borough land within the Government Peak Management Unit contains a significant diversity of wildlife¹² and habitats for fish and wildlife species that support healthy ecosystems as well as the economy and lifestyle of Borough residents. Over 160 species of animals, fish and birds are represented in the Government Peak Management Unit and the surrounding area. Wildlife habitats include grassland, shrub land, and wetlands; tundra plant communities; coniferous, deciduous, and mixed forest; and riparian zones. The diversity and abundance of wildlife and habitats is one of the reasons the area has become such a popular destination.

Wildlife species in the general area include moose, black and brown bear, wolf, wolverine, coyote, fox and lynx. Small Alpine mammals commonly seen along the Hatcher Pass Road corridor include marmots, pikas, red squirrels, ground squirrels, lemmings and hare. Beaver, mink, weasel, otter and marten are also common.

The area also has over 140 species of birds. Riparian and mixed forest habitats are used by bald and golden eagles, sharp-shinned hawks, red-tailed hawks, merlins, kestrels, gyrfalcons, peregrine falcons and several owl species. Ptarmigan (willow, rock and white-tailed), spruce grouse and small mammals provide important prey species for these raptors as well as hunting and viewing opportunities for visitors.

In addition to those birds, wandering tattlers, rosy finches, white-crowned sparrows, Wilson’s warblers, Swainson’s thrushes, downy and hairy woodpeckers, and a variety of other song-bird species are present.

Because of the wide array of bird species in the Government Peak Management Unit and the remainder of the Hatcher Pass Management Area bird watching remains an important public activity.

Fish and important habitat were extensively studied and identified as part of the Access Environmental Impact Statement. Based on information from the Alaska

¹² Wildlife includes birds.



Department of Fish and Game, a good share of the Unit is rated high priority because it is known to contain:

- Moose rutting concentration areas
- Moose calving areas
- Intensive harvest area
- High-rated forage production
- High-density moose population
- Abundant grizzly bear population
- Moose winter range
- Ptarmigan habitat

Anadromous fish present in the Government Peak Management Unit include coho and pink salmon. Resident species include rainbow trout, Dolly Varden, grayling and stickleback. The Little Susitna River, which runs immediately adjacent to the eastern edge of the Government Peak Management Unit, and its tributaries are important salmon spawning and juvenile rearing water bodies.

Fish, wildlife and identification of affected habitats were extensively studied as part of the Access Environmental Impact Statement. See pages 61 – 68 of the EIS for additional information.

The management of Borough land will minimize the impact on these habitats where possible even in areas designated for development activities and concentrated public use.

Resource Goals – Fish and Wildlife Habitat

Ensure Access to Public Lands and Waters. Ensure access to public lands and waters to maintain or enhance responsible public use and enjoyment of fish and wildlife resources in a manner that does not degrade the habitat and resource values.

Maintain and Enhance Habitat. Maintain or enhance the existing diversity of wildlife habitat that contributes to the overall health of the ecosystem through coordinated management, establishment of protective measures, habitat enhancement, site rehabilitation and research programs.

Maintain Fish and Wildlife. Manage land to help maintain fish and wildlife resources to provide sustainable populations that support commercial, recreational and subsistence activities.

Avoid or Mitigate Habitat Loss. Protect and maintain fish and wildlife habitat while avoiding or minimizing the reduction in the quality and quantity of important wildlife habitat when resource and recreational area development projects occur.



Natural Habitat Areas. Maintain areas within the Government Peak Management Unit to provide a natural habitat for wildlife that depends on undisturbed or old-growth forest habitats, provide for the sustained yield and healthy populations of fish and wildlife resources, maintain a diversity of species, and support compatible commercial, recreational and traditional uses.

Provide Economic Opportunities and Employment. Contribute to the Borough's economy by protecting the fish and wildlife resources that contribute directly or indirectly to local, regional and State economies through consumptive and non-consumptive use by commercial, recreational and personal users.

Wildlife Corridors. Provide for winter range habitat for ungulates and other wildlife species away from road and developed trails. In addition, provide wildlife movement corridors to accommodate the natural movement of wildlife, i.e., from rivers to and from high country or across drainages.

Management Intent – Fish and Wildlife Habitat

Protecting important or unique fish and wildlife habitat shall be specifically addressed prior to any development activity in consultation with the Alaska Department of Fish and Game. Much of the area planned for ski area development was specifically addressed in the Access Environmental Impact Statement and the resulting Record of Decision.

No important wildlife species' habitat areas were identified that needed special protection. Special protection will be needed for several streams that contain anadromous or important resident fish. The use of mandatory and augmented buffers shall be used to protect important fish and wildlife resource areas and their habitat. See Chapter 5, Northern and Southern Sub-Units, for those waterbodies that will have mandatory buffers.

Management Guidelines – Fish and Wildlife Habitat

The guidelines that follow in this section, and in other specific resources and activities in this Asset Management Plan, do provide methods and processes that must be followed to protect threatened or endangered wildlife species, important wildlife seasonal congregations, Trumpeter Swan and migratory bird nesting and rearing areas, denning and other important habitat areas prior to any development activity taking place.

A. Mitigation. When issuing permits, leases or other authorizations, or otherwise authorizing the use or development of land, the Borough will recognize the requirements of the activity or development and the impacts to habitat to establish stipulations or measures needed to protect fish, wildlife or



their habitats. The costs of mitigation, relative to the benefits gained, shall be considered in the implementation of this guideline.

All land use activities shall be conducted with appropriate inventory, survey, planning, public and agency input and implementation to avoid or minimize adverse effects on fish, wildlife or their habitats.

The Borough shall monitor and enforce stipulations and measures by requiring the responsible party to remedy any significant damage to fish, wildlife or their habitats that may occur as a direct result of the party's failure to comply with applicable laws, regulations, or the conditions of the permit or lease.

When determining appropriate stipulations and measures, the Borough shall apply, in order of priority, the following steps:

1. Avoid anticipated, significant adverse effects on fish, wildlife or their habitats through siting, timing or other management options.
2. When significant adverse effects cannot be avoided by design, siting, timing or other management options, the adverse effects of the use or development will be minimized.
3. If significant loss of fish or wildlife habitat occurs, the loss shall be rectified by the responsible party by repairing, rehabilitating or restoring the affected area to a useful condition.

The Borough shall utilize the Wetlands Land Bank to mitigate adverse effects on qualified wetland or riparian areas.

B. Riparian Zones. Authorizations for use of riparian zones of anadromous and high-value resident fish streams require a permit from the Alaska Department of Fish and Game. These authorizations and permits should protect the habitat and water quality from significant adverse effects. Mandatory buffers shall be established along all anadromous and high-value resident fish streams. (See Chapter 5 for those waterbodies that will have mandatory buffers.)

C. Habitat Manipulation. Habitat manipulation, such as forest management practices or other measures, may be used to improve habitat for fish and wildlife species when the Alaska Department of Fish and Game determines that it is beneficial to the species or habitat and the Borough determines that it is compatible with other primary uses and management intent.

D. Important Habitat and Wildlife Areas. As part of the Access Environmental Impact Statement and Record of Decision there were important, but no critical, habitats or threatened and endangered species identified in the Government Peak Unit.



E. Threatened and Endangered Species. Although no threatened or endangered species were identified in the management area as part of the Access Environmental Impact Statement analysis, all land-use activities shall be conducted consistent with the federal *Endangered Species Act*¹³, the *Eagle Protection Act*¹⁴, and other applicable federal and State laws to avoid jeopardizing threatened or endangered species, to provide for their continued use of an area, and to avoid modifying or destroying their habitat. Specific mitigation recommendations shall be identified through consultation with the Alaska Department of Fish and Game for any land use activity that potentially affects threatened or endangered species.

The U.S. Fish and Wildlife Service and the Alaska Department of Fish and Game shall be consulted on questions that involve federally or State listed threatened or endangered species.

F. Invasive Plants and Animals. Land within the Government Peak Unit shall be managed to avoid the introduction of and reduce the spread of invasive non-native plants and animals.

G. Visual and Acoustical Disturbances. Uses that are likely to produce levels of acoustical or visual disturbance sufficient to disturb moose calving, rutting or post-calving aggregations that cannot be seasonally restricted should not be authorized in the Government Peak Unit. Uses may be authorized in these areas at other times of the year. Authorizations should include seasonal restrictions on activities that would produce significant levels of acoustical or visual disturbance during sensitive life-cycle periods.

H. Wildlife Viewing. Wildlife viewing opportunities, particularly for special features such as dead trees, beaver ponds, waterways and wildlife concentration areas, shall be preserved wherever possible.

Other Guidelines Affecting Fish and Wildlife Habitat. A number of other guidelines may affect fish and wildlife habitat. For details of the guidelines, see the following sections of this chapter:

- Buffers
- Commercial and Residential Development
- Green Infrastructure
- Public Recreation and Tourism
- Rock, Sand and Gravel

¹³ Endangered Species Act of 1973 (16 U.S.C. 1531-1544, 87 Stat. 884) as amended.

¹⁴ Eagle Protection Act of 1940 (16 U.S.C. 668-668d, 54 Stat. 250) as amended



- Trails
- Transportation and Utilities
- Water Quality and Quantity, Wetlands and Riparian Areas

For additional background information see the Access Environmental Impact Statement (pages 51-68, 130-141 and 175), the Record of Decision for the Access Environmental Impact Statement for “Proposed Mitigation Measures and Best Management Practices” (Appendix F) related to biological resources. Also see the *Hatcher Pass Management Plan*, Chapter 2, pages 16-19 for additional resource information.

*** Green Infrastructure ***

The Environmental Protection Agency looks at Green Infrastructure as an adaptable term used to describe an array of products, technologies and practices that use natural systems or engineered systems that mimic natural processes to enhance overall environmental quality. Green Infrastructure approaches are designed in part to maintain or restore natural watersheds through management of wastewater and storm water runoff. The Borough has made Green Infrastructure a required component for comprehensive and asset management plans.

At the largest scale, the preservation and restoration of natural landscape features (such as forests, floodplains and wetlands) are critical components of the Green Infrastructure. By protecting these ecologically sensitive areas, communities can improve water quality while providing wildlife habitat and opportunities for outdoor recreation.

On a smaller scale, Green Infrastructure practices include rain gardens, porous pavements, green roofs, infiltration planters, trees and tree boxes, and rainwater harvesting for non-potable uses such as toilet flushing and landscape irrigation.

Green Infrastructure is associated with a variety of environmental, economic and human health benefits, many of which go hand-in-hand with one another. The benefits of Green Infrastructure are particularly accentuated in urban and suburban areas where green space is limited and environmental damage is more extensive.

Key elements of Green Infrastructure include an interconnected network of land and water that supports native species, maintenance of natural ecological processes, and sustaining air and water resources. Other key elements are forests, water bodies, parks, trails, cultural resources and historic sites, farmland, wildlife habitat, open space, wetlands and fisheries.



Management of resources in the Government Peak Unit accommodates these elements through appropriate policies, water and air quality protections, land use designations and management guidelines.

Program Goals – Green Infrastructure

Reduced and Delayed Storm Water Runoff Volumes - Green Infrastructure reduces storm water runoff volumes and reduces peak flows by utilizing the natural retention and absorption capabilities of vegetation and soils. By increasing the amount of pervious ground cover, Green Infrastructure techniques increase storm water infiltration rates thereby reducing the volume of runoff entering our combined or separate sewer systems and ultimately our lakes, rivers, and streams.

Enhanced Groundwater Recharge - Increasing natural infiltration capabilities of Green Infrastructure technologies can improve the rate at which groundwater aquifers are 'recharged' or replenished. This is significant because groundwater provides about 40% of the water needed to maintain normal base flow rates in our rivers and streams. Enhanced groundwater recharge can also boost the supply of drinking water for private and public uses.

Stormwater Pollutant Reductions - Green Infrastructure techniques allow runoff to infiltrate close to its source and help prevent pollutants from being transported to nearby surface waters. Once runoff is infiltrated into soils, plants and microbes can naturally filter and break down many common pollutants found in storm water.

Reduced Sewer Overflow Events - Utilizing the natural retention and infiltration capabilities of plants and soils, Green Infrastructure limits the frequency of sewer overflow events by reducing runoff volumes and by delaying storm water discharges.

Increased Carbon Sequestration - The plants and soils that are part of the Green Infrastructure approach serve as sources of carbon sequestration where carbon dioxide is captured and removed from the atmosphere via photosynthesis and other natural processes.

Program Intent – Green Infrastructure

An integrated system that provides for water and air quality is the result from adopting and following this plan and other land and resource asset management plans and community comprehensive plans. This plan provides for recreation, trails and other outdoor activities; protects and enhances important wildlife habitat areas; and provides for natural open space and wildlife movement corridors.



At the same time, other development activities can actively occur in a manner that meets local and Borough-wide water and air quality needs.

Program Guidelines – Green Infrastructure

A. Parks and Open Space. Areas appropriate for parks and open spaces including view sheds will be identified and managed pursuant to the Borough's *Park, Recreation, and Open Space Plan*. These areas shall be classified with appropriate management intent and guidelines.

B. Riparian Areas and Wetlands. Riparian and wetland areas, including adequate buffer and special use areas, will be protected by classifying important areas as Watershed Lands with appropriate management intent and guidelines, or placed in the Wetlands Land Bank, if determined eligible.

C. Trails. All trails in the Borough's Recreational Trails Plan shall be protected, including an appropriate buffer.

D. Watershed Management. All streams and water bodies with anadromous or high-value resident fish or which provide nesting or rearing habitat for Trumpeter Swans shall be protected. Mandatory buffers shall be put in place and where additional watershed and/or important habitat protection is needed the buffers shall be enlarged.

E. Wildlife Habitat. Important habitat areas, as identified by the Alaska Department of Fish and Game or through a public notice process, will include appropriate management intent to protect and, where possible, enhance the wildlife resources. Working with appropriate federal and State agencies or others, management regimes shall be adopted that may include habitat protection or habitat enhancement.

F. Other Guidelines Affecting Green Infrastructure. A number of other guidelines may affect Green Infrastructure. For details of the guidelines, see the following sections of this chapter:

- Buffers
- Commercial and Residential Development
- Cultural Resources, Historic and Heritage Sites
- Fish and Wildlife Habitat
- Green Infrastructure



- Public Recreation and Tourism
- Trails
- Water Quality and Quantity, Wetlands and Riparian Areas

**** Helicopters and Fixed Wing Aircraft ****

This section only applies to helicopter and fixed wing aircraft that would involve take-offs and/or landings within the Government Peak Unit. This section does not apply to helicopters or fixed wing aircraft that are flying over the area on their way to or from another area or conducting approved aerial research that can only or most effectively be conducted from the air.

Goals and Management Intent – Helicopters and Fixed Wing Aircraft

In order to maintain the relatively quiet nature of the area and in order to protect human health, safety and welfare of the Government Peak Units' visitors, it is desirable to maintain the current status of the area which generally does not experience helicopter or fixed wing aircraft landings within the Government Peak Unit. However it is recognized that certain activities should be authorized through the use of a permit as long as the proposed use does not substantially interfere with recreational use of the area. The activities that may be permitted include construction and maintenance of trail and recreational support facilities (i.e., ski towers) and commercial recreation. No permit is needed for emergency operations (i.e., medical evacuations and avalanche control).

Guidelines – Helicopters and Fixed Wing Aircraft

A. Permit Required. All helicopter and fixed wing operations that include take-offs and/or landings in the Government Peak Unit, except emergency operations, shall require a permit from the appropriate management agency (State or Borough). As specified below, the permit will be issued for certain limited operations if the operator establishes adequate measures to minimize impacts on residents, recreational users and wildlife.

B. Construction and Maintenance of Recreational Facilities. Helicopter and fixed wing take-offs and/or landings are allowed for construction and maintenance associated with development of recreational facilities.

C. Limited Operations. Limited activities associated with a specific ski area or recreation-related commercial operation may be permitted in the Unit, for example, a special Alpine ski event or guided back-country skiing. The applicant



must address the following issues and the mitigation methods that will be used to minimize them:

1. Noise;
2. Flight patterns;
3. Hours of operation;
4. Location of base area(s);
5. Location of landing areas;
6. Effects on residents and visitors;
7. Effects on other recreational users; and
8. Effects on wildlife.

D. Public Notice. Public Notice shall be provided pursuant to MSB 17.21.180 for all helicopter and fixed wing aircraft operations that include take-offs and/or landings and that qualify under this section, except for emergency purposes.

E. Other Guidelines Affecting Helicopters and Fixed Wing Aircraft. There are no other guidelines that directly affect helicopters and fixed wing aircraft take-offs and/or landings.

**** Lighting and Maintenance of Dark Skies ****

Goals and Management Intent – Lighting and Maintenance of Dark Skies

Reasonable controls and mitigating options need to be utilized in order to maintain the relative dark nature of the skies from artificial lighting in the winter, while at the same time recognizing that many winter time recreational activities (Alpine and Nordic skiing) need artificial lighting in order for the facilities to be utilized during reasonable hours in the winter time. In addition, any recreational facilities and commercial and residential areas need some outdoor lighting in order to operate and provide a degree of security, and to protect human health and safety.

Management Guidelines – Lighting and Maintenance of Dark Skies



- A. Lighting of More than 1800 Lumens -Horizontal Plane.** Any luminaire with a lamp or lamps rated at a total of MORE than 1800 lumens, and all flood or spot luminaires with a lamp or lamps rated at a total of MORE than 900 lumens, shall not emit any direct light above a horizontal plane through the lowest direct-light-emitting part of the luminaire.
- B. Lighting of More than 1800 Lumens - Height.** Any luminaire with a lamp or lamps rated at a total of MORE than 1800 lumens, and all flood or spot luminaires with a lamp or lamps rated at a total of MORE than 900 lumens, should be mounted at a height equal to or less than the value $3 + (d/3)$, where D is the distance in feet to the nearest private property boundary. The maximum height of the luminaire should not exceed 30 feet.
- C. Lighting of Less than 1800 Lumens.** Any luminaire with a lamp or lamps rated at a total of 1800 lumens or LESS, and all flood or spot luminaires with a lamp or lamps rated at 900 lumens or LESS, may be used without restriction to light distribution or mounting height, except that if any spot or flood luminaire rated 900 lumens or LESS is aimed, directed, or focused such as to cause light from the luminaire to be directed toward residential buildings on adjacent or nearby land, or to create a glare perceptible to persons operating motor vehicles on public ways, the luminaire should be redirected or its light output controlled as necessary to eliminate such conditions.
- D. Public Roadway Illumination.** Luminaires used for public-roadway illumination may be installed at a maximum height of 25 feet and may be positioned at that height up to the edge of any bordering private property.
- E. Trail Illumination.** Luminaires used for trail illumination may be installed at a maximum height of 25 feet. Trail lighting should not be permitted later than 9:00 p.m. unless necessary for trail maintenance or emergency operations.
- F. Ski Run Illumination.** Luminaires used for Alpine ski runs may be installed at a maximum height of 35 feet. Ski run lighting should not be permitted later than 9:00 p.m. unless necessary for ski run maintenance or emergency operations.
- G. Emergency Lighting.** All temporary emergency lighting needed by the police or fire departments or other emergency services, as well as all vehicular luminaires, should be exempt from the requirements of this section.
- H. Hazard Warning Lighting.** All hazard warning luminaires required by federal regulatory agencies are exempt from the requirements of this section except that all luminaires used should be red and must be shown to be as close to the federally required minimum lumen output requirement for the specific task.



- I. **Sign Illumination.** Luminaires used primarily for sign illumination may be mounted at any height to a maximum of 25 feet regardless of lumen rating. Except for emergency or warning signs, all signs should not be illuminated beyond what is necessary, which is usually considered as during normal business hours.
- J. **Other Guidelines Lighting and Maintenance of Dark Skies.** There are no other guidelines that directly affect lighting and maintenance of dark skies.

**** Private Property ****

No private property or trust land (Mental Health, School or University of Alaska) is included in the Government Peak Unit and, therefore, is not subject to or directly impacted by this plan.

There may be instances where private land is adjacent to the Borough or State-owned property in the Government Peak Unit that may be impacted by the activities within the unit. The Borough shall strive to minimize or mitigate those impacts in a way that does not directly or indirectly reduce the monetary or aesthetic values of those properties.

Management Goals – Private Property

Work with adjacent private property owners to minimize or mitigate any negative impacts of development activities or uses on the Borough-owned land in the Government Peak Unit.

Management Intent – Private Property

Private property shall not be directly affected by this Asset Management Plan unless the private property owner consents. Where private property is adjacent to Borough-owned property that is to be developed, a buffer shall be put in place on the Borough property. Every attempt shall be made to eliminate or mitigate the activities within the Government Peak Unit so that the activity does not directly affect private property owners in a negative manner.

Management Guidelines – Private Property

- A. **Conflicts.** Development activities near and on private land shall be designed to avoid conflicts with landowners to the extent feasible. Development of recreational facilities in both the Northern and Southern Subunits of the Government Peak Unit was addressed in the Access



Environmental Impact Statement. The resulting Record of Decision explored several options and working with adjacent private property owners minimized, and in some cases enhanced, the property value of the adjacent private property.

B. Buffers. The Borough shall require a 100-foot no-cut natural vegetation buffer along all Borough property boundaries between the Borough property boundaries and the immediately adjacent private property unless the property owner has been consulted and does not object to an adjustment.

C. Roads . The Borough shall consider potential impacts of roads on and adjacent to private land when planning road locations. For example, access into the Southern Sub-Unit of the Government Peak Management Unit was a subject of the Access Environmental Impact Statement which explored several access options. Working with adjacent private property owners, an access route was selected that minimized, if not enhanced, the property value of the affected private property.

D. Public Notice. As required by Borough code, the Borough shall attempt to notify all landowners whose land is located within one mile of proposed developments within the Government Peak Management Unit following adoption of this Asset Management Plan.

The only exceptions to this requirement are development activities that have been previously approved, are consistent with the Record of Decision related to the Access Environmental Impact Statement or this Asset Management Plan. These documents have already gone through extensive public involvement and/or public hearing processes prior to adoption.

E. Other Guidelines Affecting Private Property. A number of other guidelines may affect private property. For details of the guidelines, see the following sections of this chapter:

- Buffers
- Commercial and Residential Development
- Green Infrastructure
- Trails
- Transportation and Utilities
- Water Quality and Quantity, Wetlands and Riparian Resources

Also see the Record of Decision for the Access Environmental Impact Statement for “Proposed Mitigation Measures and Best Management



Practices” (Appendix F) for various topics related to potential impacts to private property owners.

*** Public Recreation and Tourism ***

Generally it is the federal government’s role to retain and manage parks, wildlife refuges, forests, wild and scenic rivers, and large multiple-use areas of national significance. The State’s role is to retain and manage land supporting recreational opportunities of regional or statewide significance.

The Borough’s role is to retain and manage locations of more local, community and some of regional significance. The federal and State governments, because of their financial and personnel resources, are most capable of providing recreational opportunities that require large land areas while the Borough and cities are generally better able to provide and manage more for localized recreation.

This distinction between State and Borough ownership and management is very important and apparent for the area covered by the *Hatcher Pass Management Plan* and this Asset Management Plan. Both these plans provide for different levels of use and activities while at the same time they complement each other for the recreational opportunities they provide. In both plans the primary emphasis and management intent for the geographic areas they cover is for public recreation.

In addition, the Borough’s *Park and Open Space Plan* and the *Recreational Trails Plan* provide for the overall Borough policy for creating and protecting a wide spectrum of public indoor and outdoor recreation opportunities. This includes accessible outdoor recreation sites with well-designed, maintained and conveniently located recreation facilities as well as less developed and natural areas for recreation pursuits that do not require developed facilities.

Program Goals – Public Recreation and Tourism.

Accessible Public Use Opportunities. Develop or enhance recreation areas, trails, parking areas and sites that provide a wide range of year-round outdoor recreation opportunities for all ages, abilities and use preferences. These should include places for both developed and less developed recreation which serve multiple-purposes.

Commercial Development. Provide opportunities for compatible commercial development of recreation facilities and services through leases, concessions and



permits where public recreation needs can most effectively be provided by private enterprise.

Employment and Income. Increase per capita income and provide employment opportunities for people in the area through tourism and compatible commercial recreation.

Resource Protection. Protect important watershed areas and environmental quality.

Space for Future Needs. Reserve accessible public land sufficient to meet existing and expected future recreation needs.

Tourism. Allow and encourage a wide range of recreation uses, including recreation activities associated with tourism.

Management Intent – Public Recreation and Tourism

Areas designated as “Public Recreation – Developed” are to be managed to accommodate recreational activities such as Alpine and Nordic skiing, hiking, mountain biking, equestrian and other multiple-use trails. The majority of the land affected by this designation is on Borough-owned land. The Borough land will be managed to accommodate the development of the facilities named above, and those uses consistent with these forms of development and land use. The small amount of State land affected by this designation will be managed to allow continued non-motorized uses and to accommodate structures related to the ski facilities, such as ski lifts, and mid-mountain structures related to the use of the ski areas.

Limited commercial and residential uses within the areas designated as Public Recreation – Developed are appropriate only on Borough land. See the section on Commercial and Residential Development earlier in this chapter for more information.

Limited motorized uses necessary for the construction, operation, maintenance, public health and safety, and security of the recreational facilities are recognized as appropriate on both State and Borough land both in the HPMP (including the implementing regulations) and this Asset Management Plan.

Areas designated “Public Recreation-Dispersed” are to be managed for non-motorized uses recreational uses (skiing, hiking, mountain biking, equestrian activities, etc.), and such motorized uses that may be authorized for construction and maintenance of the recreation facilities.

Development, except related to recreation-related infrastructure and public safety projects, is generally not intended in these areas. Some of these uses may be appropriate based on agency and public reviews, and adherence to the siting and design criteria identified under Management Guidelines and Management Recommendations found throughout this Plan and the *Hatcher Pass Management*



Plan is important. Uses are to be limited to those shown on Figure 6 (Pages 4 - 9 through 4 - 13) in this chapter.

The State Department of Natural Resources and the Borough shall coordinate on the authorization of all applications in the unit and shall not issue authorizations that are inconsistent with present or future Borough developments in areas designated as “Public Recreation – Developed” in both the Northern and Southern Sub-Units.

Management Guidelines – Public Recreation and Tourism

A. Public Access. Access to the Government Peak Unit shall be open to the public but may be limited or curtailed at certain times to protect public safety, allow special uses and prevent harm to the environment. Examples of conditions that may justify limiting public access are fire management and high soil moisture content when traffic may cause extensive damage to roads and trails.

Traditional means of access as well as access to traditional use areas should be maintained. “Traditional means of access” means those types of transportation for which a popular pattern of use has developed and continues today. “Traditional outdoor activities” include those types of activities that people use for recreation, subsistence, personal enjoyment or that have been historically conducted as part of individual, family or community life patterns. These activities do not extend to commercial uses of any kind.

New public access facilities or routes should not be developed or facilitated unless the Borough is able to provide management, monitoring and enforcement.

B. Developed Public Recreation. Important areas to be managed for developed and/or intensive recreational activities within the Government Peak Unit shall be identified. These include, but are not limited to, Alpine ski runs, Nordic ski trails, sledding hills, camping and picnic areas, mountain biking, equestrian, and other multiple-use trails, and high scenic areas. These areas shall be classified for public recreation purposes. Other activities may occur in these areas provided the activity does not degrade or significantly impact the use for why the area merits special management.

C. Dispersed Public Recreation. Random or dispersed recreational activities such as berry picking, hunting, hiking and back country skiing are common activities in the management unit. These activities shall be encouraged and allowed provided the activities do not interfere with designated recreational activities in concentrated public recreation areas. Other activities may also occur in these areas provided the activity does not degrade or significantly impact the use for why the management area has been designated for public recreation activities.



D. Commercial Recreation. The Borough may use land use permits, lease lands or use concessionaire contracts for commercial recreation purposes. Commercial authorizations may be used where specific types of recreation needs can most appropriately be provided by private enterprise, while minimizing environmental impacts and conflicts with other public recreation activities and users or uses of an area.

E. Scenic Values. Facilities shall be located, and construction and development activities such as rock, sand and gravel extraction and other similar activities shall be sited, designed and carried out to minimize adverse impacts to high scenic values. This shall be done through a variety of methods and means. For example, day lodges and chalets should be located so they are not plainly visible from the Palmer Fishhook/Hatcher Pass or Edgerton Park Road areas. Vegetation that obscures scenic vistas may be managed to facilitate viewing.

F. Natural Surroundings. Recreational facilities that are described in more detail in Chapter 3 of this Asset Management Plan shall be developed consistent with this Asset Management Plan. Other developments or activities, including recreation-related facilities that are not specifically described in this Plan and any commercial and/or settlement development, should be located and designed to blend in with the natural surroundings as much as feasible. Specific stipulations to accomplish this guideline should be part of a master and/or development plan for commercial and settlement development. The requirements for a master and/or development plan is described in more detail earlier in this chapter (see Commercial and Residential Development).

G. Other Guidelines Affecting Public Recreation and Tourism. A number of other guidelines may affect public recreation. For details of the guidelines, see the following sections of this chapter:

- Buffers
- Commercial and Residential Development
- Cultural Resources and Historic Sites
- Fish and Wildlife Habitat
- Green Infrastructure
- Rock, Sand and Gravel
- Trails
- Transportation and Utilities
- Water Quality and Quantity, Wetlands and Riparian Areas

Also see the Access Environmental Impact Statement (Pages 98-103, 155-156 and 178), and the Record of Decision for the Access Environmental Impact Statement “Proposed Mitigation Measures and Best Management



Practices” (Appendix F) for various topics that are related to potential impacts to public recreation and tourism.

*** Rock, Sand and Gravel ***

Rock, sand and gravel means those materials considered as non-mineral under state law and by law is part of the surface estate.

Resource Goals – Rock, Sand and Gravel

Environment. Protect the integrity of the environment and affected communities when removing and utilizing material resources.

Infrastructure. Utilize material resources that will aid in the construction of roads and trails related to development of recreation-related infrastructure within the Hatcher Pass - Government Peak Management Unit.

Management Intent – Rock, Sand and Gravel

The primary intent for material site development in the Government Peak Unit is to provide materials for recreational site development and use, particularly the Alpine and Nordic facilities (including access roads, parking, transit facilities and day lodges/visitor centers) and other trails. The use of materials for use by the public and for other commercial purposes is not an objective.

Material sites shall be developed according to the requirements of State law and Borough code and to comply with the requirements of the Record of Decision for the Access Environmental Impact Statement.

Management Guidelines – Rock, Sand and Gravel

A. Applicable Law. In the case of a conflict between Borough code (currently MSB 17.28 and 17.30, which is likely to be moved into MSB 28.30), State law and regulations and this Plan, the more stringent or restrictive shall apply.

B. Interim Mining Districts and Conditional Use Permits. Besides these guidelines, Borough code (MSB 17.28) establishes various mining (sand and gravel extraction) districts throughout the Borough. Borough code (MSB 17.30) further requires that a conditional use permit is required for certain



mining activities. These ordinances, among other items, require air and water quality standards, visual screening, lighting, dust and noise screening be approved and in place before mining operations may take place.

C. Areas. The number of material extraction sites should be minimized where feasible to lessen the impact and size of such activities and to avoid unnecessary impacts to recreational areas and uses as well as other important resources.

D. Closed Areas. No material extraction sites will be authorized within one-quarter mile of the center line of the Hatcher Pass Road or within one-quarter mile of the ordinary (average) high water mark of the Little Susitna River within the Government Peak Unit.

E. Inactive Sites. Because the Government Peak Unit is to be managed primarily for recreational activities, material extraction sites shall not be left inactive any longer than necessary.

F. Reclamation. When closed, material extraction sites shall be immediately returned to as close to a natural state as possible through the use of slope tapering and using native vegetation.

G. Buffers Material extraction sites shall be buffered from all streams, roads, trails, recreation facilities and developed recreation areas. Standard material site stipulations should be sufficient in most cases. Larger buffers of special contract stipulations may also be used in addition to the standard stipulations if necessary to create additional scenic/visual and noise safeguards.

H. Other Guidelines Affecting Rock, Sand and Gravel Resources. A number of other guidelines may affect sand and gravel. For details of the guidelines, see the following sections of this chapter:

- Buffers
- Commercial and Residential
- Cultural Resources and Historic Sites
- Fish and Wildlife Habitat
- Green Infrastructure
- Public Recreation and Tourism
- Trails



- Transportation and Utilities
- Water Quality and Quantity, Wetlands and Riparian Areas

Also, see the Access Environmental Impact Statement (pages 45-47 and 128-129), and the Record of Decision for the Access Environmental Impact Statement “Proposed Mitigation Measures and Best Management Practices” (Appendix F) for various topics related to potential impacts involving the extraction and use of rock, sand and gravel resources.

*** Trails ***

The Borough’s *Recreational Trails Plan* provides the overall Borough policy for creating, managing, and protecting recreational trails throughout the Borough.

In the case of a conflict between the *Recreational Trails Plan*, the *Hatcher Pass Management Plan*, and following area-wide goals and management guidelines, and management intent for the Mountain, Northern and Southern Sub-Units of the Government Peak Unit, the more stringent or restrictive shall apply.

Management Goals – Trails

Access. Maintain, enhance, or provide adequate access to publicly owned land and resources.

Environmental Protection. Locate trails so that their use will allow for recreation use while protecting water quality in streams, lakes, riparian areas, and wetlands.

Internal Trails. Provide new or improved trails and ski runs to accommodate a variety of recreational and competitive uses at the more intensely used locations.

Private Land. Locate or relocate trails so as to avoid trespass activities on adjacent private lands.

Trail Areas and Corridors. Protect or establish trail areas and corridors to meet projected future use requirements and protect current uses.

Management Intent - Trails

Within the Borough there exists numerous recreational opportunities and many require trails for access and enhanced enjoyment. It is the desire of the Borough to provide trail opportunities for visitors and residents alike. Management action will protect recreational values, cultural resources, important fish and game habitat, and environmentally sensitive areas such as streams, riparian areas and wetlands.



Trails within the Government Peak Unit shall generally be for Alpine ski runs, Nordic recreational and competition trails; and for a variety of other non-motorized uses such as mountain biking, equestrian, hiking, mountain running, etc.

Management Guidelines - Trails

- A. Buffers.** Trails and ski runs outside of areas designated Public Recreation - Developed shall be buffered. (See section on Buffers earlier in this chapter).
- B. Development.** Specific trail development, summer and winter, is appropriate in order to accommodate current and future uses, enable access to more remote areas or attractive features, and to divert movement to more desirable locations, or for purposes of public safety.
- C. Limiting Access.** Access on trails may be curtailed at certain times to protect public safety, allow special uses, protect important seasonal wildlife use areas, and prevent degradation to the trail or environment¹⁵. Examples of conditions that may justify limiting public access are high soil moisture content when various uses may cause extensive damage, or when a competitive event is occurring that could conflict with other uses and users.
- D. Parking.** Parking lots shall be provided for major trailheads or trail systems where significant public use has occurred or is likely to occur.
- E. Signage.** Signs are to be located at trailheads and trail crossings noticing the trail and providing essential information.
- F. Specific Trail Recommendations.** Specific trail recommendations, summer and winter, are described in the sub-units that they occur (Chapter 5) and for future development (Chapter 3).
- G. Standards.** Trails shall be developed consistent with standards for sustainable trails and/or to meet standards for specific uses such as for Alpine ski runs or Nordic competition. In these cases, national or international standards should be utilized.
- H. Trails Across Important Fish and Wildlife Habitat.** All new trails (new, up-graded, expended, or re-routed) and associated facilities should be sited and designed to avoid impacts to important fish and wildlife and their habitats. If impacts to particular species and their habitats cannot be avoided, they are to be minimized and/or restored.
- I. Trails Across Important Wetlands and Riparian Areas.** In cases where a feasible and reasonable alternative does not exist, trails may be authorized on

¹⁵ See MSB 2.85.020



or near important wetlands or within riparian areas if the proposed activity and season of use will not cause adverse impact to fish and wildlife habitat and ecological values and it is determined to be in the best interest of the Borough and State.

A trail or ski run across an important wetland or riparian area shall be restricted to winter use only when the snow cover and frost level is adequate to protect the underlying vegetation, unless the trail has been specifically designed and constructed for all-season use.

J. Other Guidelines Affecting Trails. A number of other guidelines may affect trails. For details of the guidelines, see the following section of this chapter.

- Buffers
- Commercial and Residential Development
- Cultural and Historic Sites
- Fish and Wildlife Habitat
- Green Infrastructure
- Private Property
- Public Recreation and Tourism
- Rock, Sand and Gravel
- Transportation and Utilities
- Water Quality and Quantity, Wetlands and Riparian Areas

Also, see the *Hatcher Pass Management Plan* (various references throughout the plan to trails), Access Environmental Impact Statement (pages 103 and 155), and the Access Environmental Impact Statement, Record of Decision for “Proposed Mitigation Measures and Best Management Practices” (Appendix F) for various topics related to trails.

****Transportation and Utilities****

In the Government Peak Unit this Asset Management Plan, the *Hatcher Pass Management Plan*, and the Access Environmental Impact Statement require that all utilities be located underground, when feasible. Any utilities would logically be



placed along or within road right-of ways. Roads and utilities have been both placed in this section because they are so closely tied to each other as far as design and construction.

Management Goals – Transportation and Utilities

Ensure Public Safety. Design, maintain and operate roads with a high standard of public safety.

Energy Development. Strive to achieve energy goals of the Borough through the timely planning and development of necessary utility rights-of-way.

Environmental Values. Design, construct and maintain all roads and utility easements and rights-of-way with consideration of environmental values.

Maintenance. Maintain Borough-owned primary and permanent secondary access roads and bridges for public access without putting an unforeseen financial burden on the Borough or local road service districts, subject to safety concerns and environmental conditions.

Minimize Adverse Effects. Design a transportation system and authorize vehicle uses in a manner that has minimal adverse impacts on local residents, the environment, fish and wildlife resources and movement corridors, and cultural features.

Minimize Costs. Design a transportation system that, when appropriate, has the lowest possible long-range costs, including construction, operation and maintenance. Avoid unnecessary duplication of transportation facilities.

Off-Highway Vehicles. Pursuant to the *Hatcher Pass Management Plan*¹⁶, no motorized vehicles intended for off road or highway use (ATV's, motorcycles, snowmobiles, etc.) shall be allowed in the Government Peak Unit. Some motorized activities may be permitted for construction and maintenance directly related to the recreational facilities, or for emergency operations. Any authorized motorized vehicles shall require a permit, except for emergency operations.

Promote Efficiency. Design transportation systems that use land and energy resources efficiently and encourage compact, efficient resource uses and development patterns.

Support Plan Designations. Through coordination with the State Department's of Natural Resources, and Transportation and Public Facilities, develop a transportation system needed to implement this Asset Management Plan and integrate it with other Borough-wide transportation needs. Transportation systems should also be integrated with other area-wide and local transportation needs.

¹⁶ Also see 11 AAC 96.014



Management Intent – Transportation and Utilities

Provide road access and utilities into both the Southern and Northern Sub-Units for recreational facilities and to provide utilities, and for facilities for such things as mass transit shelters, day-lodges, chalets, etc. Access and utilities shall be in compliance with the Record of Decision for the Access Environmental Impact Statement.

No off-highway vehicles (see definition in Chapter 7) shall be allowed within the Government Peak Unit except those directly related to construction, maintenance and operations of the recreational facilities, for commercial recreation and for emergency operations.

Utilities shall be located underground wherever practical and in compliance with all State and local engineering and design standards. Repeater and communication antennas should be integrated into buildings and ski lift towers where possible.

Management Guidelines – Transportation and Utilities

- A. Permanent Roads.** No new permanent primary or secondary roads shall be designed, platted or constructed to or within the Hatcher Pass Management Unit, except for providing access to recreational facilities within the Hatcher Pass Management Unit. Roads to commercial and/or residential developments in the Unit are allowed provided they are in a development and/or master development plan and specifically approved by the Assembly.
- B. Temporary and Service Roads.** Temporary and service roads (i.e., access roads for maintenance of ski lift towers) shall be routed to avoid wetlands and streams, and shall minimize disturbance to natural drainage patterns and long-term effects on water quantity and quality.
- C. Bike and Pedestrian Trails Along Roads.** Rights-of-ways shall be of significant width to accommodate the road, utilities and a non-motorized bike and/or pedestrian pathway. Bike and/or pedestrian pathways will be built at the time the road is constructed where and when feasible.
- D. Signage.** Road signage in the Government Peak Management Unit should be consistent with signage throughout the entire *Hatcher Pass Management Plan* area.



E. Road Standards. Roads shall be built to AASHTO¹⁷ (where applicable) and Borough road standards (i.e., Borough *Subdivision Manual*) suitable for the type of use each area will receive which shall include access by mass transit and other public transportation vehicles. In addition, the following shall apply:

1. swales or drainage ditches on each side of the road shall be provided to accommodate surface drainage and snow storage;
2. swales and drainage ditches shall be planted with Alaska native plant materials, either natural grasses and/or hardy perennials;
3. swale and drainage ditch crossings shall use culverts;
4. on-street parking shall be prohibited on the access roads into the Northern and Southern Sub-Units, should be prohibited in any residential area(s) and limited in commercial area(s);
5. in the lower elevations of the Southern Sub-Unit, which is relatively level and generally forested, collector street rights-of-way shall be widened to at least 100 feet to provide space for a separated multi-purpose trail along at least one side of the road, and to provide for retention of a natural vegetative buffer along both sides of the road's right-of-way, exclusive of any utility easements; and
6. where collector roads pass through higher elevations, standard Borough collector right-of-way widths will apply. In these areas, lots adjoining the collector shall have requirements for retention of a natural vegetative buffer at least 15 feet in depth along the portion of any lot line that is along the collector road, or along a utility easement if utility easements are required.

F. Electrical, Communication and Natural Gas Distribution Lines. All electrical transmission and distribution lines, communication and natural gas distribution lines shall be placed underground. If that is not practical at specific locations or an overhead location is necessary by virtue of the type of facility, the types of poles and structures are to be selected to minimize visual disturbance and any utility structures and/or distribution center is to be screened from the view of users to the area.

¹⁷ American Association of State Highway and Transportation Officials



G. Repeater and Communication Towers¹⁸. Repeater, communication towers and other similar forms of communication sites are conditionally allowed, and:

1. communication devices are encouraged to be attached and part of ski lift towers, provided they parallel the tower, do not extend a significant distance above the highest point of the tower and do not further distract from the visual landscape than the tower profile.
2. communication devices and antennas that are internal to a building or facility structures or do not extend above the roof line in a way that does not further distract from the visual landscape and setting are also encouraged.
3. repeater and other forms of communication sites on higher peaks must be situated to avoid being seen from the Hatcher Pass Road. If the latter is not feasible and some amount of visibility cannot be avoided, they should be sited and designed so that they do not stand out as a prominent skyline feature as viewed from the road and so that they blend with ridges. Sites are to be grouped together to the extent possible. Motorized vehicle access routes to these sites are prohibited.

H. Wind Generation. Wind generation facilities are not allowed on Borough-owned land within the Government Peak Unit.

I. Hydroelectric. Hydroelectric generation facilities are conditionally allowed on Borough land. Such facilities shall be consistent with all Borough, State and federal standards and shall be sited so they are not readily visible from the Hatcher Pass Road and concentrated public gathering or use areas. If the latter is not feasible and some amount of visibility cannot be avoided, they should be signed and designed to blend in with the natural environment and terrain so that they do not stand out as a prominent feature.

J. Solar Power. Solar power generation is permitted and encouraged where feasible. Solar panels should be part of building design so as not to require a separate and visible solar panel field.

K. Other Guidelines Affecting Transportation and Utilities. A number of other guidelines may affect transportation and utilities. For details of the guidelines, see the following sections of this chapter:

- Buffers

¹⁸ The Federal Telecommunications Act of 1996 provides that carriers shall not be prohibited from providing service to an area. However, reasonable accommodations and siting provisions are to be considered, including other means other than a tower for locating antennas.



- Commercial and Residential Development
- Cultural Resources and Historic Sites
- Fish and Wildlife Habitat
- Green Infrastructure
- Private Property
- Public Recreation and Tourism
- Rock, Sand and Gravel
- Trails
- Water Quality and Quantity, Wetlands and Riparian Areas

Also, see the *Hatcher Pass Management Plan* (Chapter 2: Public Access, Transportation, and Utilities), Access Environmental Impact Statement (pages 108-114, 159-162 and 179), and Record of Decision for the Access Environmental Impact Statement for “Proposed Mitigation Measures and Best Management Practices” (Appendix F) for various topics related to public access, transportation and utilities.

**** Water Quality and Quantity, Wetlands and Riparian Areas ****

Resource Goals – Water Quality and Quantity, Wetlands and Riparian Areas

Access. Provide public access to and along all navigable and public waterbodies¹⁹.

Recreation and Tourism. Allow opportunities for a variety of recreational and tourism activities within stream corridors.

Riparian Areas. Preserve and protect riparian areas, especially those determined important to the maintenance of fish and wildlife or important recreational or scenic areas.

Stream and Drainage Condition. Improve, maintain or cause minor adverse impact to existing stream and overall drainage conditions.

¹⁹ In Alaska the most commonly used definition for navigable and public water when describing land-use issues is found in AS 38.05.965. This same definition is found in the Definitions/Glossary of this Plan.



Vegetation. Preserve and protect stream, creek, important wetlands and riverbank vegetation identified as essential to habitat functions.

Water Quality. Maintain or exceed surface and groundwater quality standards set by the State Department of Environmental Conservation to:

- Minimize the amount of point and non-point source pollution including untreated storm water, siltation from road construction or development activities, hydrocarbon contamination or other pollution as well as roads and highways.
- Manage public use activities to ensure the protection of habitat areas, riparian areas and wetlands important to habitat or hydrologic functions.

Watersheds. Manage and reserve water resources to ensure a balance between in-stream and out-of-stream uses.

Wetlands. Identify and protect all important, traditional, problematic and mosaic wetland areas²⁰ while allowing and managing public use activities to ensure their protection.

Management Intent– Water Quality and Quantity, Wetlands and Riparian Areas

Protection of water quality and quantity, watersheds, important riparian areas and important wetlands is one, if not the most, important goal when managing public land. Various federal laws, State statutes and Borough code require that these areas are protected and adequate safeguards put in place (management goals and guidelines) to ensure that the short and long-term protection of vital ecosystems for human, fish and wildlife are protected and managed appropriately.

Traditional natural resource management activities, including development of recreational facilities and areas and other similar activities, can occur using these same safeguards. Plans for various multiple-purposes within the geographic area covered by the *Hatcher Pass Management Plan* (301,310 acres) will achieve this goal on a broad scale, and specific plans of operations or plans for specific activities within the Government Peak Unit will implement the goals and guidelines of a case specific basis at the time an activity is contemplated and at an on-the-ground level.

²⁰ The definition for traditional, problematic and mosaic wetlands is located in the definitions/glossary section of this Plan.



Important watershed areas, stream corridors, riparian areas and important wetlands usually receive a primary designation as water resources or wetlands and are classified as “watershed lands.” Wetlands found to be suitable by the appropriate regulatory agencies for the use in mitigation are classified as “wetland bank lands.”

Management Guidelines– Water Quality and Quantity, Wetlands and Riparian Areas

- A. Water Quality.** In areas where construction and development activities occur, maintain water quality, drainage patterns, wetlands and riparian areas by deliberate design and location of roads, and location and placement of culverts.
- B. Priority of Public Uses in Stream Corridors.** The Borough shall place a high priority on protecting public use values directly associated with the water body and in water body buffers.
- C. Buffers Adjacent to Streams and Wetlands.** Except as otherwise specifically provided, land will be maintained through the use of buffers along streams and certain wetlands to protect fish and wildlife habitat, water quality, stream bank integrity and public access.
- D. Wetland and Riparian Areas.** Structures, recreation facilities, and road/bridge and trail projects should be sited, designed and developed so that impacts to riparian areas and important wetlands essential to habitat functions within the Government Peak Management Unit are minimized or, if possible, precluded.
- E. Activities in Buffer Areas.** To the extent feasible, any commercial and settlement uses and transportation facilities will be located outside of all riparian buffers and important wetlands (unless the activity is water dependant) and other buffers as well. Where this is not feasible, other measures shall be implemented to meet the intent of these guidelines.
- F. Cooperation with the State and other Landowners.** Participate with the State and other landowners in cooperative watershed management programs designed to maintain the water quality of local streams and rivers.
- G. Alaska Department of Fish and Game.** The Division of Habitat requires a Fish Habitat Permit application and review of any proposed project that may cause impacts to streams.
- H. Other Guidelines Affecting Water Quality and Quantity, Wetlands and Riparian Areas.** A number of other guidelines may affect water quality and



quantity, wetlands and riparian areas. For details of the guidelines see the following sections of this chapter:

- Buffers
- Commercial and Residential Development
- Fish and Wildlife Habitat
- Green Infrastructure
- Private Property
- Public Recreation and Tourism
- Rock, Sand and Gravel
- Trails
- Transportation and Utilities

Also, see the *Hatcher Pass Management Plan* (various locations throughout the plan), Access Environmental Impact Statement (pages 68-83, 142-147 and 176-178), and Record of Decision for the Access Environmental Impact Statement for “Proposed Mitigation Measures and Best Management Practices” (Appendix F) for various topics related to water quality and quantity, wetlands and riparian areas.



Chapter 5

Government Peak Sub-Units: Management Intent, Land-use Designations and Management Guidelines

Table of Contents

Introduction	5 - 3
Sub-Units	5 - 5
Management Intent, Land-Use Designations and Management Guidelines	5 - 7
Relationship of Land-Use Designations to Classifications	5 - 9
Role of Agencies, Community Councils and the Public in Management Decisions	5 - 10
Individual Sub-Unit Management Plans	
Mountain Sub-Unit	5 - 12
General Description	5 - 16
Summary of Resources and Uses	5 - 17
Management Intent	5 - 18
Land-Use Designations	5 - 18
Management Guidelines	5 - 19
Northern Sub-Unit	5 - 20
General Description	5 - 25
Summary of Resources and Uses	5 - 26
Management Intent	5 - 27
Land-Use Designations	5 - 28
Management Guidelines	5 - 30
Southern Sub-Unit	5 - 36
General Description	5 - 42
Summary of Resources and Uses	5 - 43
Management Intent	5 - 47
Land-Use Designations	5 - 48
Management Guidelines	5 - 49

Figures

23. Conversion of Land-Use Designations to Land Classifications	5 - 10
24. Land-Use Designations for the Mountain Sub-Unit	5 - 18
25. Land-Use Designations for the Northern Sub-Unit	5 - 28
26. Northern Sub-Unit Dimensional Standards.....	5 - 33
27. Listing of Allowed Uses within the Northern Sub-Unit Designated as “Public Recreation – Developed”	5 - 34



28.	Listing of Conditionally Allowed Uses within the Northern Sub-Unit Designated as “Public Recreation – Developed”	5 - 35
29.	Southern Sub-Unit: Development Suitability Evaluation	5 - 44
30.	Land-use Designations for the Southern Sub-Unit	5 - 48
31.	Southern Sub-Unit: Dimensional Standards	5 - 54

Maps

13.	Government Peak Management Sub-Units.....	5 - 6
14.	Mountain Sub-Unit: Vicinity Map	5 - 12
15.	Mountain Sub-Unit: Land Ownership	5 - 13
16.	Mountain Sub-Unit: Physical Characteristics	5 - 14
17.	Mountain Sub-Unit: Land-use Designations.....	5 - 15
18.	Northern Sub-Unit: Vicinity Map	5 - 20
19.	Northern Sub-Unit: Land Ownership	5 - 21
20.	Northern Sub-Unit: Physical Characteristics	5 - 22
21.	Northern Sub-Unit: Roads, Trails, Waterbodies, Wetlands and Riparian Areas	5 - 23
22.	Northern Sub-Unit: Land-use Designations.....	5 - 24
23.	Southern Sub-Unit: Vicinity Map.....	5 - 36
24.	Southern Sub-Unit: Land Ownership	5 - 37
25.	Southern Sub-Unit: Physical Characteristics.....	5 - 38
26.	Southern Sub-Unit: Roads, Trails, Waterbodies, Wetlands and Riparian Areas	5 - 39
27.	Southern Sub-Unit: Potential Commercial and Residential Development Areas.....	5 - 40
28.	Southern Sub-Unit: Land-use Designations	5 - 41



Introduction

This Chapter contains individual asset management plans for the three sub-units in the Government Peak Unit: Mountain, Northern and Southern. Except for the Mountain Sub-Unit this includes both Borough and State-owned land unless specifically noted for each natural resource or use. In the Mountain Sub-Unit the individual plan applies only to borough-owned land. The *Hatcher Pass Management Plan* is the guiding document for state-owned land.

These individual plans refine the “Unit Wide Goals, Management Intent and Management Guidelines” in Chapter 4 by providing more detailed information on the management intent and management guidelines where necessary.

As this chapter, along with Chapter 4, contains policies for the management of land in the Government Peak Unit, the section on “procedures for Changes to the Plan, Goals and Guidelines” in Chapter 6 (*Implementation and Recommendations*) must be followed for any changes to this chapter or Chapter 4.

The *Hatcher Pass Management Plan* recognizes that the Borough, as a land owner in the Government Peak Unit where the majority of the recreational facilities and possibly other developments will be built and located, needs to make the decisions on how the Government Peak Management Unit will be developed and managed. At the same time, consistent with a litigation-related settlement agreement¹, the land owned by the Borough must be managed consistent with the *Hatcher Pass Management Plan*.

In order to address both of these issues, the *Hatcher Pass Management Plan* assumed that a “step-down plan” would be adopted by the Borough that would implement the *Hatcher Pass Management Plan* and constitute the basis for subsequent management by the State and Borough in the Government Peak Unit. The area of application of this step-down plan would, generally, be the Northern and Southern Sub-Units (Northern and Southern Development areas) in the Government Peak Unit.

This Asset Management Plan fulfills that need and is that step-down plan.

It is important to note that decision making on both Borough and State land for the recreation-related activities within the Government Peak Unit is made by the Borough; the State is not involved in day-to-day decision making. The adoption of this Asset Management Plan and the *Hatcher Pass Management Plan* constitute general State acceptance of how the area is to be managed and the specific methods of that management.

¹ Cascadia Wilderness Project v. State of Alaska, Department of Natural Resources, Division of Mining, Land and Water Management. Case No. 3AN-02-4403 Civil.



Utilizing the general policies, management intent and guidelines established in the *Hatcher Pass Management Plan* and the regulations (11 AAC 96) that implements portions of that Plan, this Asset Management Plan provides more specific details on how the area will be developed and managed. This Plan provides guidance on the location and the types of uses and provides a generalized analysis of the types of facilities that are likely to be developed in both of the Sub-Units. Any determinations of appropriate uses and development must be consistent with the *Hatcher Pass Management Plan* and the management of the area generally described in Chapter 3 this Plan, and specifically enunciated in this chapter and Chapter 4 of this Asset Management Plan

This Asset Management Plan may affect uses when its standards are more restrictive than the *Hatcher Pass Management Plan*. At the same time this Asset Management Plan cannot allow a greater scope or intensity of use than those authorized in the *Hatcher Pass Management Plan* and the implementing regulations (11 AAC 96). A plan amendment to the *Hatcher Pass Management Plan* is required if other uses are to be restricted and/or if an expanded scope or intensity of use is intended.

The following goals, policies and guidelines focus on the management of the principal natural resources and uses (or activities) that require specific management direction within the Mountain, Northern and Southern Sub-Units. General policies, management intent and guidelines by resource or program that apply to the entire Government Peak Unit are presented in Chapter 4 of this Asset Management Plan.

Uses that could occur within the Government Peak Unit, but are not considered appropriate, are not included. Some industrial uses could possibly occur but are not considered appropriate and have not been included. Inappropriate uses that have not been included must go through a written decision and/or plan amendment process to be authorized. Residential and some commercial uses are considered as appropriate and are included. See Chapter 6 of this Asset Management Plan on how changes to this Plan are to be made.

The Access Environmental Impact Statement and related Record of Decision require that certain resources and activities be managed or mitigated in certain ways. This chapter further addresses those responsibilities.

Other background information is also provided to help the reader better understand:

- Reason for Sub-Units
- Management Intent, Land-use designations and Guidelines
- Relationship of Land-use designations to Land Classifications



Sub-Units

From a management standpoint, it is often desirable to divide areas of land into units, and sometimes sub-units, to facilitate management.

For the Government Peak Unit there are three geographic Sub-Units: Mountain, Northern, and Southern. The three sub-units all have the same land-use classification. The majority of the land in the Northern and Southern Sub-Units has similar land-use designations (Public Recreation – Developed). However, the proposed uses and development (management intent) for these two sub-units is different and there are different specific management guidelines for each.

The Mountain Sub-Unit is also classified as Public Recreation. However the Management Intent for this Sub-Unit is much less intense than the other two sub-units. Accordingly the Mountain Sub-Unit and small portions of the other two sub-units are designated as Public Recreation – Dispersed.

Map 13 (Page 5-6), shows the location of the three sub-units.



Management Intent, Land-Use Designations and Management Guidelines

Management Intent defines short- and long-term management objectives and the general approach to achieve those objectives. These statements have a specific geographic scope. They pertain to specific management units, sub-units or specific areas within the units or sub-units.

For the Government Peak Unit the primary management intent is to accommodate at a regional level Alpine, Equestrian, General Hiking, Mountain Biking and Nordic trail systems along with appropriate facilities and infrastructure to support those activities. The development of some of these trails and facilities will accommodate all levels of users from beginners to intermediate and competition levels from high school to international levels.

Secondary management intent is to provide for some limited commercial and residential development, provided that the integrity of the areas recreational opportunities, water quality, scenic values, and air quality are maintained.

Management intent is reflected to some degree by land-use designations. These land-use designations are listed and described in Appendix A: “Land-Use Classifications and Designations.”

For the Government Peak Unit it is important that both the State (on State-owned land) and the Borough (on Borough-owned land) have the same management intent for consistency of management within the Government Peak Unit.

For this Asset Management Plan two primary designations are used for the Borough-owned upland areas:

Areas Designated “Public Recreation – Dispersed” are to accommodate current non-motorized uses and such motorized uses that may be authorized, including those motorized uses that are necessary and authorized under 11 AAC 96.014 to the support the operation of the Alpine and Nordic ski facilities and other similar recreational facilities.

Development, except related to recreation, recreation-related infrastructure, and public safety projects, is generally not intended in these areas. Some of these uses may be appropriate based on agency and public review, and adherence to the siting and design criteria identified in this chapter. According to the *Hatcher Pass Management Plan* the State will not issue authorizations within these areas that are incompatible with the proposed Borough developments in the Northern and Southern Sub-Units. The State Department of Natural Resources shall coordinate with the Borough on the authorization of all applications in the unit and shall not issue authorizations if the Borough finds the proposed use(s) are inconsistent with the proposed Borough developments in the Northern and Southern Sub-Units. Uses are to be limited to those shown in Figure 21 (Chapter 4,



Pages 4-9 through 4-15), and to those facilities that are recommended in the section under management Recommendations².

All the State-owned land in the Government Peak Unit has this designation.

Areas Designated “Public Recreation – Developed” are to be managed to accommodate various developed recreational facilities. The land affected by this designation is mostly Borough-owned land.

Borough-owned land is to be managed to accommodate the development of Alpine and Nordic ski facilities, and other similar recreational facilities (equestrian, hiking, mountain biking, snow shoeing, etc.) and those uses consistent with these forms of development and land use. Both borough and state land will be managed to allow continued non-motorized uses and those limited motorized uses authorized by State regulations (11 AAC 96.014) which are generally limited to construction, maintenance and operation of the improved recreational facilities. Structures on both state and borough land related to the Alpine ski facility, such as ski lifts and mid-mountain structures related to the use of the ski areas are also authorized.

Commercial and/or residential development within areas designated as Public Recreation – Developed on Borough land are appropriate if related to public recreation facilities and is authorized within an acceptable master development plan approved by the Borough Assembly. Commercial or settlement use(s) that are directly related to the functions of the recreational facility (i.e., ski shop, ski school, caretaker housing, etc.) or those uses where revenue is derived from the sale or leasing of land or improvements that will be used for developing and operating the recreational facilities are considered appropriate if authorized as indicated above. Commercial and/or residential development uses that are not directly related to the development and support of recreational facilities within the Government Peak Unit shall only be allowed through an amendment to this Plan and the *Hatcher Pass Management Plan*.

Management Guidelines are specific standards or procedures to be followed in the issuance of permits, leases, sales or other authorizations for the use of land or resources. Guidelines range in their level of specificity providing detailed management direction, general guidance or the identification of factors that need to be considered in decision making.

General guidelines for the various natural resources and uses found within the Government Peak Unit are in Chapter 4 of this Asset Management Plan. They are often referred to in the specific plans for each sub-unit as well (this chapter). These general guidelines affect all areas within the Government Peak Unit. Factors that are specific to any sub-unit are addressed in the specific plan for that sub-unit later in this chapter.

² *Hatcher Pass Management Plan*, Chapter 3: Government Peak Management Unit.



Also see Chapter 1: “Introduction and Purpose” for a more complete description and explanation of the relationship of goals, management intent, land-use classifications, land-use designations, guidelines and best management practices.

Relationship of Land-Use Designations to Land Classifications

To implement this plan, the Borough must classify Borough land in the categories of land classification set out in Borough code (MSB 23.05.100). The Borough classifies, manages and disposes of land per MSB Code (Title 23) and the *Land and Resource Management Division Policy and Procedure Manual* (adopted by Ordinance Serial No. 94-069) which identifies steps to carry out those actions.

All lands must be classified prior to disposal, such as for agriculture, settlement, timber, etc. Lands are also classified to identify them for a special purpose such as watershed protection, use for a public facility, public recreation, etc. Other uses may occur on lands classified or designated for a primary or secondary purpose as long as the use does not significantly affect the primary or secondary use(s).

Land classifications indicate, in general, the way an area is to be managed and the types of uses that are appropriate for that area. Another way of saying this is the classifications establish the inventory (or portfolio) of Borough land. The classifications are based on a public process that includes Assembly approval. Land classifications are often noted on the Borough’s tax maps with a reference to the final plan. Units and sub-units may have more than one classification.

While the classifications are the formal record and are required by ordinance, they contain no specific land management directives; those directives are expressed through the use of land-use designations in the plan described in detail for individual management units and/or sub-units. There are both primary and secondary land-use designations. The primary designation indicates how the land is to be used. Generally, secondary designations indicate additional, complementary uses. In decisions involving land and resources, Borough and State personnel must take into consideration the primary designation, any secondary designation, as well as applicable management intent and management guidelines.

For the purpose of Borough land records, the land-use designations that could be used in the Government Peak Unit are converted to classifications as shown in Figure 23 below. For a complete list of land-use designations and classifications and a description of them, see Appendix C, “Land-Use Classifications and Designations.” It is important to note that not all the designations and classifications shown in Figure 23 will be used in this Asset Management Plan.



Figure 23: Conversion of Land-Use designations to Land Classifications

Land-Use designation	Classification
Commercial Use	Commercial Lands
Habitat	Public Recreation or Watershed Lands
Materials	Material or Resource Management Lands
Public Facilities	Reserved Use Lands
Public Recreation - Concentrated	Public Recreation Lands
Public Recreation - Developed	Reserved Use or Public Recreation Lands
Public Recreation - Dispersed	Public Recreation Lands
Settlement	Residential Lands
Water Resources ³	Watershed Lands
Wetlands	Watershed Lands or Wetland Bank Lands ⁴

Role of Agencies, Community Councils and the Public in Management Decisions

A complete description: “How the Plan was Developed” can be found in Chapter 1. Chapter 2 has a complete history of past development proposals, various land-use plans and the Access Environmental Impact Statement that affect the Government Peak Unit. The various land-use plans and the Access Environmental Impact Statement involved significant agency and public involvement and those documents have detailed descriptions and documentation of public and agency involvement in developing those documents.

All the comments received affected this Plan in one way or another. While not every concern or suggestion could be used or followed, the end result of all the comments is that the majority of them were used to better address concerns and comments, and to make this Plan better.

Agency input was also invaluable for establishing resource and use information and for developing management intent and management guidelines. Knowledgeable members of the public were also instrumental in providing resource and use information about the sub-units. Much of this information was not available from more traditional sources such as from staff of agencies or published materials.

³ The State does not use this designation or classification. Instead they use management intent to describe how land with important water resources is to be managed. Any designation for water resources only applies to Borough-owned land.

⁴ Only wetlands that are determined eligible for wetland bank purposes by federal regulatory agencies (Corp of Engineers, US Fish & Wildlife Service, and Environmental Protection Agency) can be classified as Wetland Bank Lands.



A draft of this Asset Management Plan underwent a 2 ½ month agency and public review and comment process. All the comments received were addressed and changes to the plan were made where appropriate. Appendix “O” contains a summary of the written comments that were received and the responses to the comments.

The Plan was reviewed by the Borough Parks, Recreation and Trails Advisory Board at meetings in July, August and October. That Board passed a resolution which recommended that the Carle Wagon Trail be recognized for its historical and recreational values. The Plan, as written, recognizes those values. The Board did not have sufficient affirmative votes (5-yes, 4-no) to recommend adoption of the Plan.

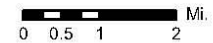
The Plan was also reviewed and recommended for approval by the Borough Planning Commission on August 5, 2012.

The Borough Assembly unanimously adopted the Plan on November 20, 2012.

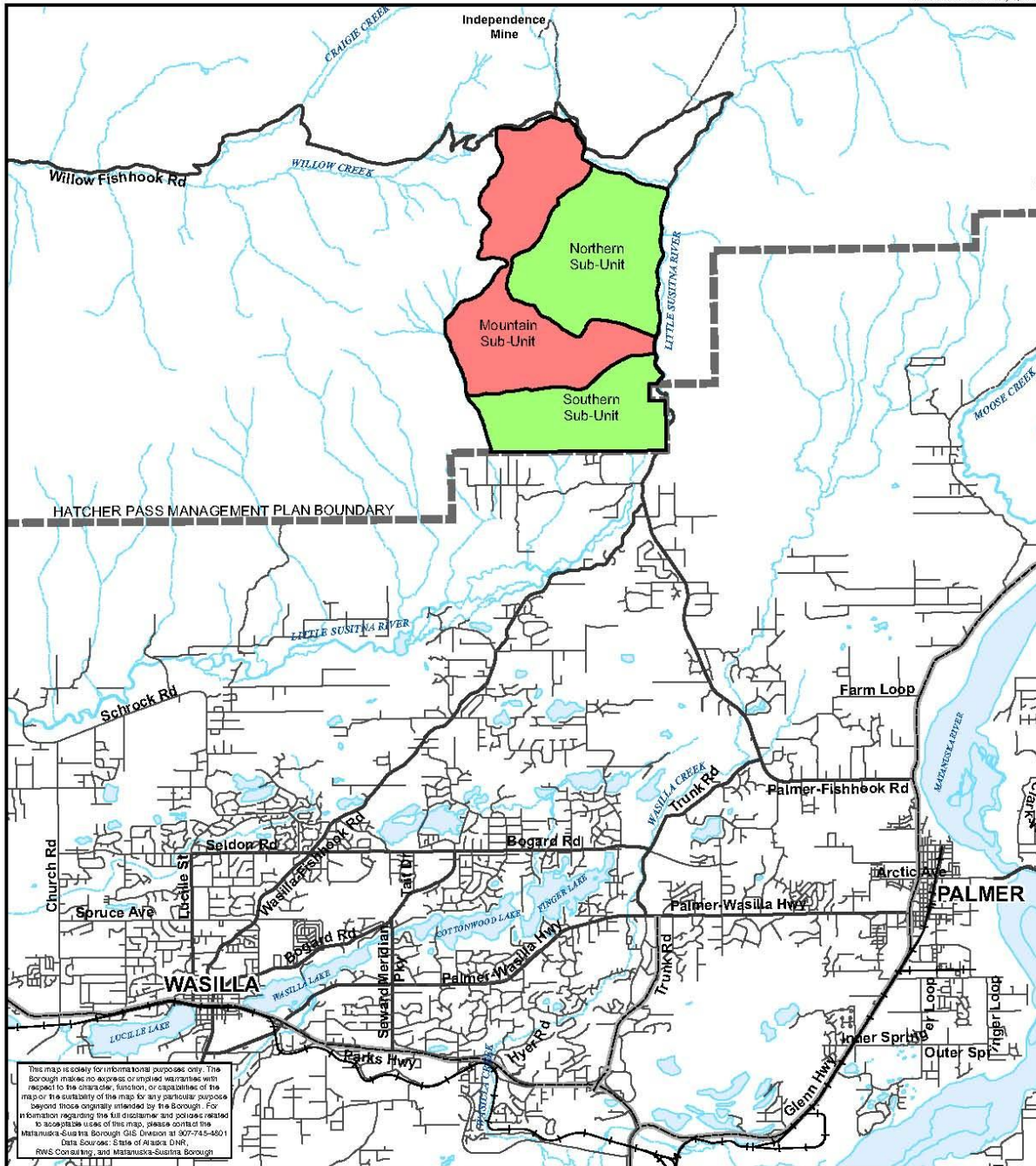
This continued involvement by agencies, Community Councils, affected industries and businesses, and the public is important for plan implementation, providing information on various natural resources, economies and uses, and having an opportunity to comment on proposed management decisions.



HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 14
MOUNTAIN SUB-UNIT



M/SB IT/GIS Division July 1, 2012

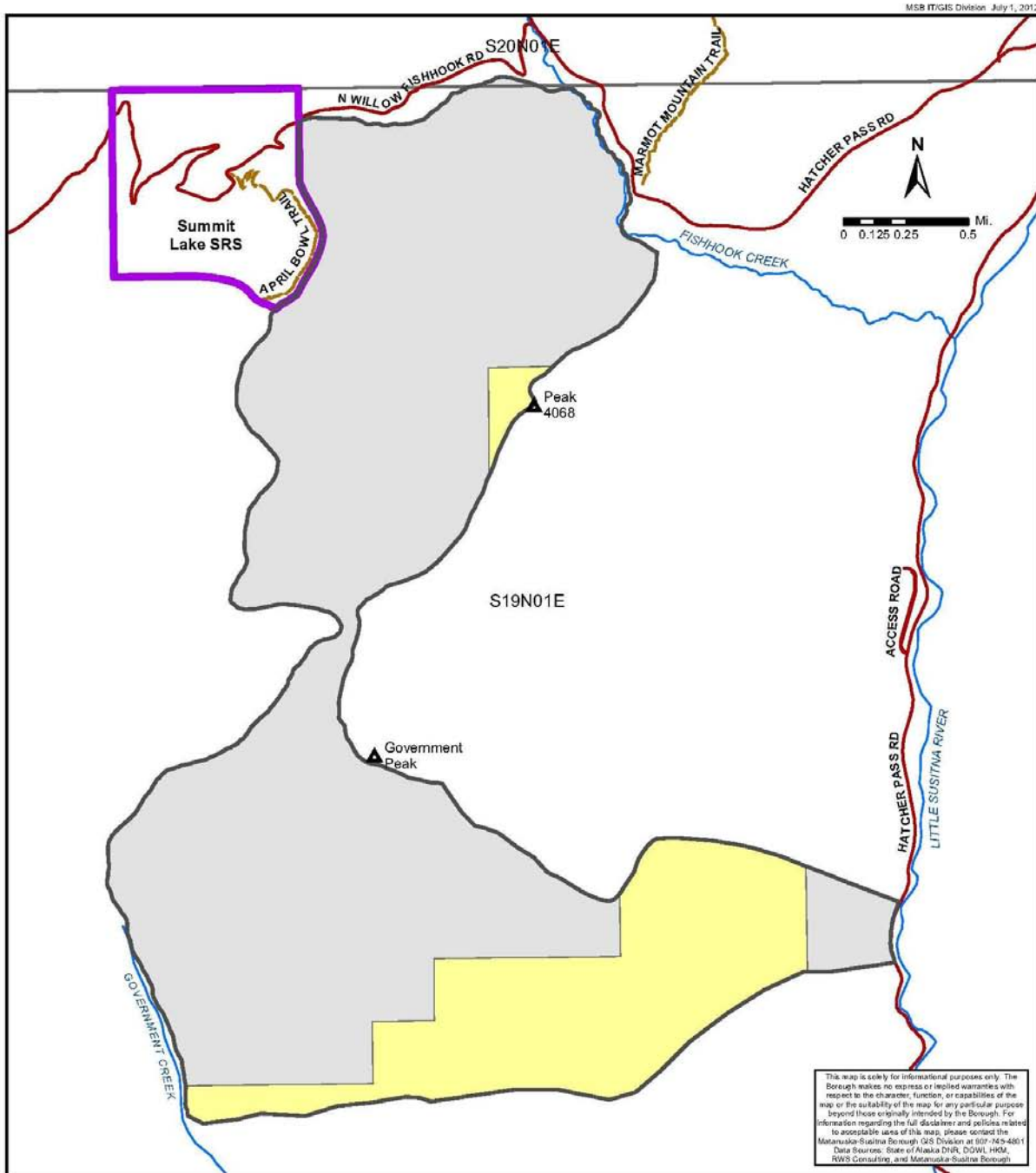




**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 15
MOUNTAIN SUB-UNIT
LAND OWNERSHIP**

- Mountain Sub-Unit
- Borough
- Summit Lake SRS
- State
- Existing Roads
- Trails
- Streams

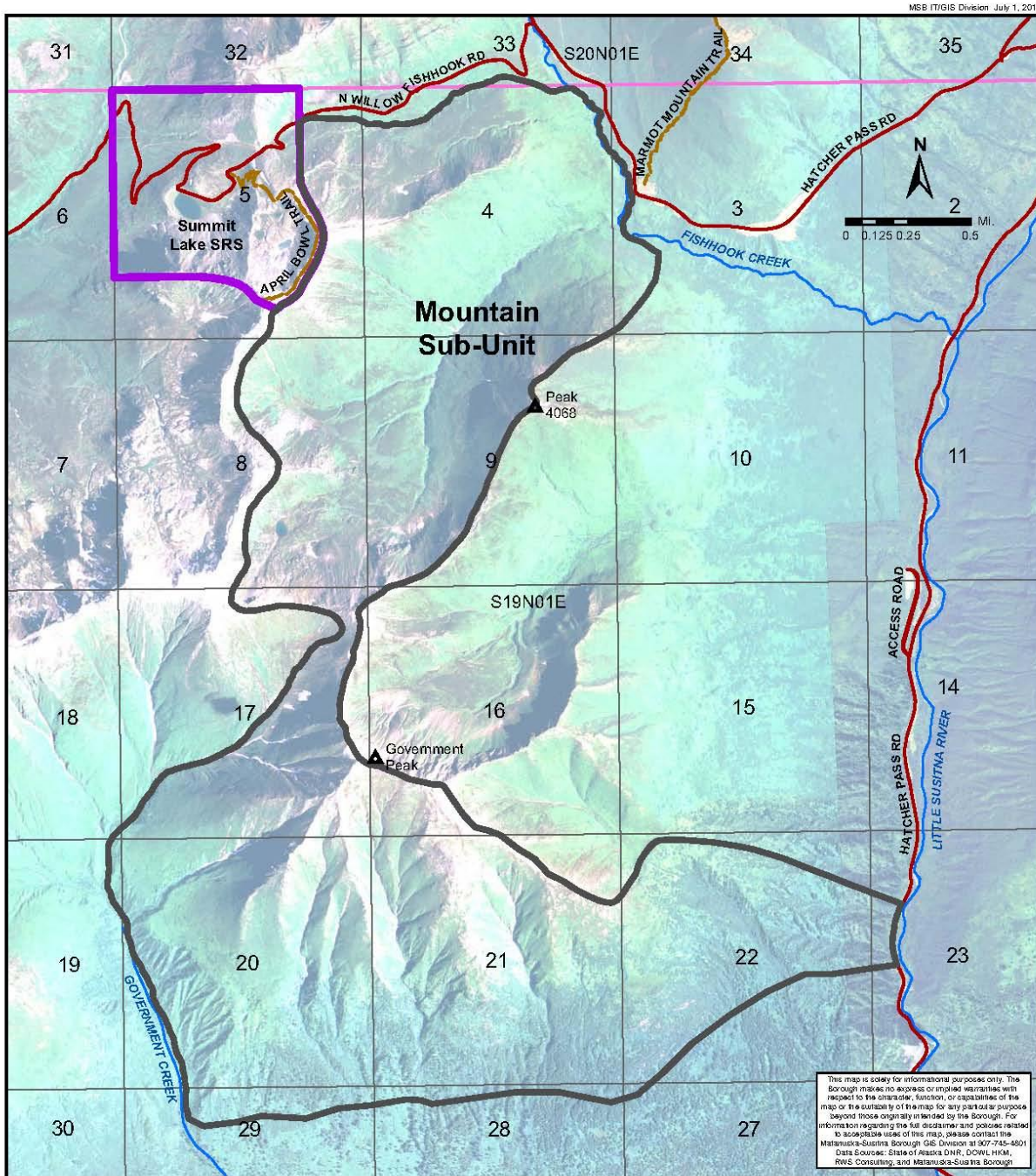




**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 16
MOUNTAIN SUB-UNIT
PHYSICAL CHARACTERISTICS**

- Mountain Sub-Unit
- Summit Lake SRS
- Existing Roads
- Trails
- Streams

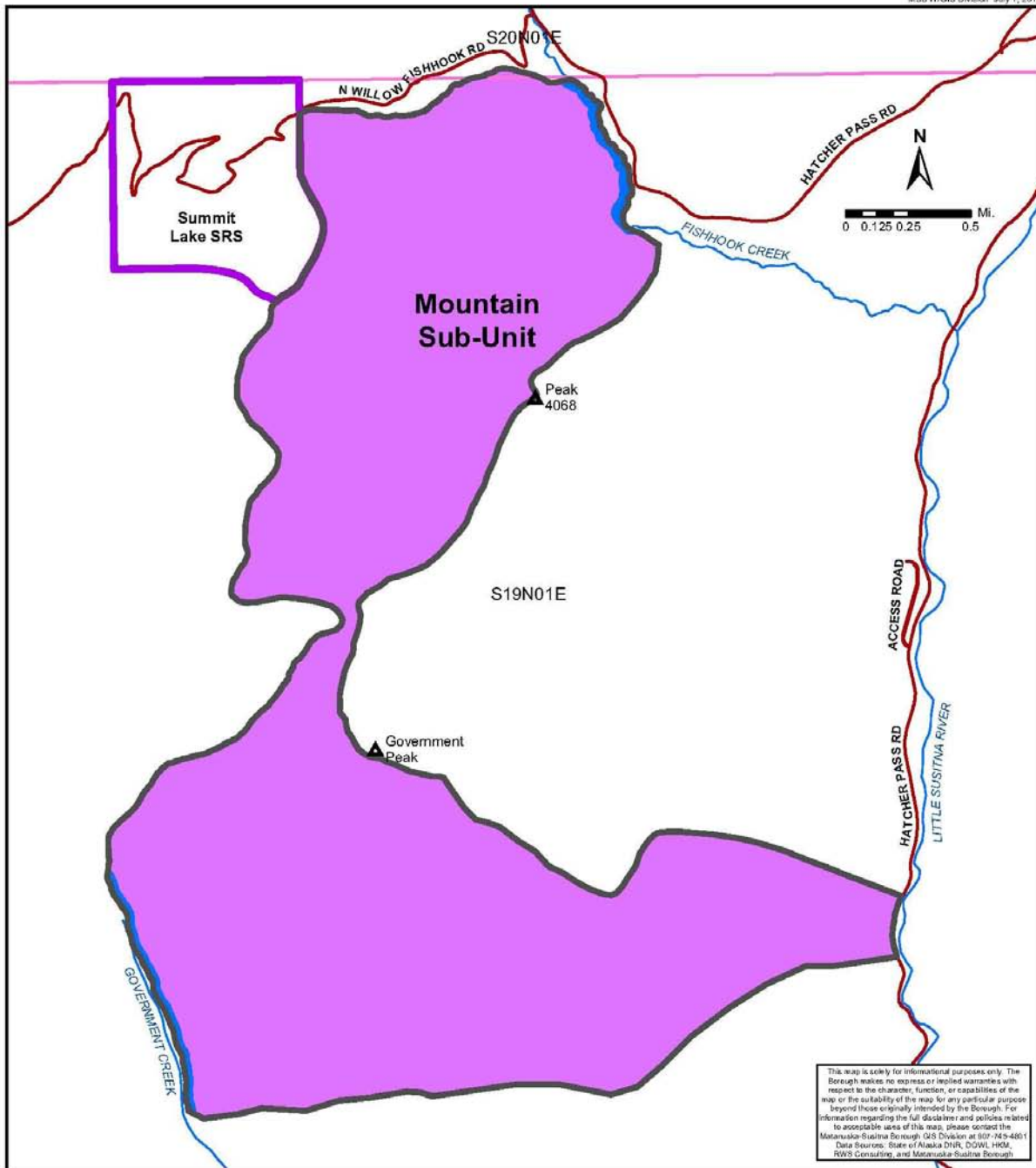




HATCHER PASS - GOVERNMENT PEAK UNIT Asset Management and Development Plan

MAP 17 MOUNTAIN SUB-UNIT LAND USE DESIGNATIONS

- Mountain Sub-Unit
- Summit Lake SRS
- Existing Roads
- Streams
- Primary Land Use Designations
- Water Resources
- Public Recreation - Dispersed





MOUNTAIN SUB-UNIT

Government Peak Management Unit

General Description - Mountain Sub-Unit

The Mountain Sub-Unit of the Government Peak Management Unit consists of about 3,270 acres, of which 2,520 acres is owned by the State (75 acres of the State land is located in the legislatively designated Hatcher Pass Public Use Area), and 750 is owned by the Borough.

The Sub-Unit is located in the Talkeetna Mountains, generally characterized by steep mountainous terrain with some benches and typical steep river valleys. This Sub-Unit is generally located between the Northern Sub-Unit and North Willow-Fishhook Road to the north, the Southern Sub-Unit to the south, the Palmer-Fishhook Road (Hatcher Pass Road) and Little Susitna River to the east, and the Bald Mountain/Hillside Unit of the *Hatcher Pass Management Plan* to the west.

The entire Sub-Unit, including the land in the Hatcher Pass Public Use Area, is covered by a development lease where the Borough is both the lessor and lessee (see Chapters 2 and 6 for additional information about the lease).

Borough Tax Maps

Independence Mine 11, 12, 13 and 14.

Current Land Use

The Sub-Unit has a variety of general all-season dispersed non-motorized recreational uses that occur year round.

Surrounding Land Use

State and Borough-owned lands surround this Sub-Unit. General dispersed and some concentrated recreational uses occur on the surrounding land.

Community Council Area

Fishhook Community Council.

Existing Land-Use Plans

- Alaska Department of Natural Resources, *Revised Hatcher Pass Management Plan (2010)*.
- Federal Transit Authority, Environmental Impact Statement, *Hatcher Pass Recreational Area Access, Trails, and Transit Facilities (2010)*.
- Federal Transit Authority, Record of Decision for the *Hatcher Pass Recreational Area Access, Trails, and Transit Facilities (2011)*.
- Mat-Su Borough, *Hatcher Pass – A New Beginning (2008)*
- Mat-Su Borough, *Recreational Trails Plan (2007)*.



- Mat-Su Borough, *Parks, Recreation and Open Space Plan* (2001), which is currently being updated.

Existing Land-Use Classifications

None

Summary of Resources and Uses - Mountain Sub-Unit

Cultural Resources and Heritage Sites

There are no documented historical or heritage sites within the sub-unit. A short portion of the historic Carle Wagon Road may be located in the eastern portion of the Sub-Unit.

Fish and Wildlife Habitat and Resources

A detailed description of fish and wildlife resources can be found in Chapter 4: “General Goals, Management Intent, and Management Guidelines by Resource, Program or Management Tool – Fish and Wildlife Habitat.”

Moose, black bear and brown bear are found within this Sub-Unit. Wildlife populations are moderate to high. The Sub-Unit has habitat for bears and the habitat base supports the current population of moose with no evidence of over-browsing. Moose calving and rearing is known to take place in the area with cows with calves seen from the summertime into the fall.

Moderate numbers of furbearer species occur throughout the general region. Currently, the number of beavers present is relatively high.

A wide variety of birds can be found throughout the area. There are no known eagle nests within the Sub-Unit which has been recently confirmed by aerial surveys conducted as part of the Access Environmental Impact Statement.

There are no commercial lodges or fish camps in the area.

Private Property

There is no private property within or adjacent to the Sub-Unit.

Public Recreation and Tourism

The primary recreational uses include, but are not limited to, bird watching, berry picking, parasailing, hang gliding, skiing, snowshoeing and hiking,

There is nothing in this Sub-Unit that would attract tourists in significant numbers to the Sub-Unit.

Roads and Trails

There are no existing roads or dedicated trails in the Sub-Unit.



Management Intent – Mountain Sub-Unit

The management intent for the Mountain Sub-Unit shall be to manage the State and Borough land for multiple types of dispersed non-motorized recreation, and to protect important scenic values and water resources.

Land-Use Designations – Mountain Sub-Unit

Figure 24: Land-Use Designations for the Mountain Sub-Unit

Designation	Classification	Management Intent
<i>Primary</i>		
Public Recreation - Dispersed ⁵	Public Recreation Lands	Recognize and manage entire sub-unit for its recreational uses and scenic values.
Water Resources ⁶	Watershed Lands	All flowing waterbodies, riparian areas and important wetlands <u>located on Borough-owned lands</u> . Any flowing waterbodies, riparian areas or important wetlands <u>on Borough-owned land</u> determined after adoption of this plan to be anadromous, important for resident fish, or important wetlands for fish and wildlife shall also be similarly designated and classified ⁷ .
<i>Secondary</i>		
None		

Also, see Map 17, “Land-Use Designations” on page 5-15 at the beginning of this section.

⁵ The area designated and classified is located on both Borough and State land and is the same as indicated and shown in the *Hatcher Pass Management Plan*.

⁶ This designation only applies to Borough-owned land.

⁷ Such designation and classification shall be considered as a “minor change” to the Plan (See Chapter 6, “Procedures for Changes to the Plan, Goals, and Guidelines.”)



Management Guidelines – Mountain Sub-Unit

In addition to the general resource and program guidelines described in Chapter 4, the following shall apply:

A. Motorized Use

Consistent with the *Hatcher Pass Management Plan* and 11 AAC 96.014, the entire Sub-Unit shall remain closed to off-highway motorized vehicles (ATV, motorcycle, snowmobile, etc.), fixed wing aircraft and helicopter take-offs and/or landings. However, some limited motorized vehicle, fixed wing aircraft and helicopter use may be authorized with the use of a land-use permit, and are limited to uses necessary for the construction, maintenance and operation of recreational facilities.

Motorized vehicles of any kind, helicopters and fixed wing aircraft conducting emergency operations are authorized at any time and do not require a permit.

B. Other Resources and Programs

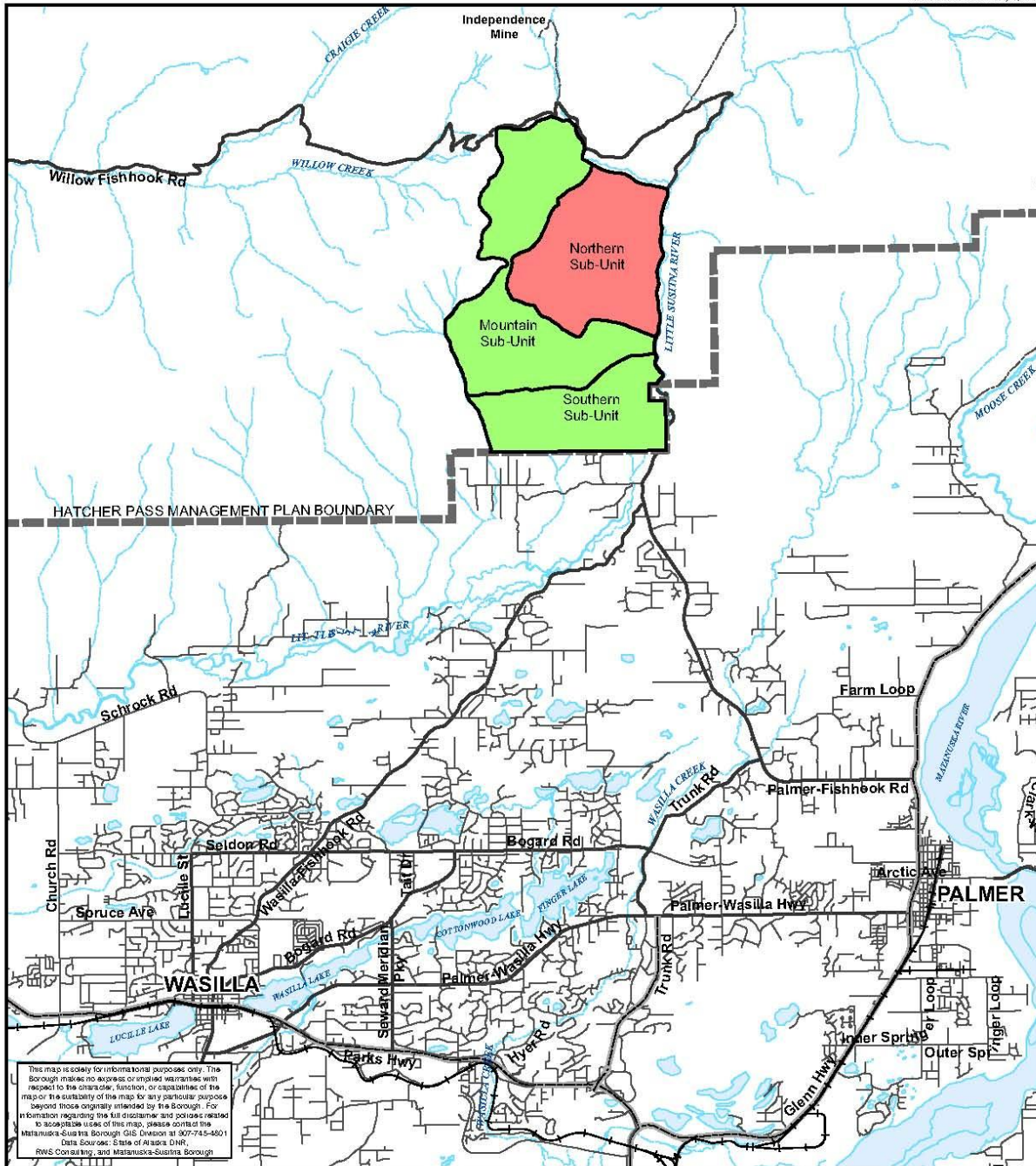
No additional specific guidelines are needed for this Sub-Unit. See Chapter 4 for resource and program guidelines that apply to all sub-units within the Government Peak Unit.



HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 18
NORTHERN SUB-UNIT



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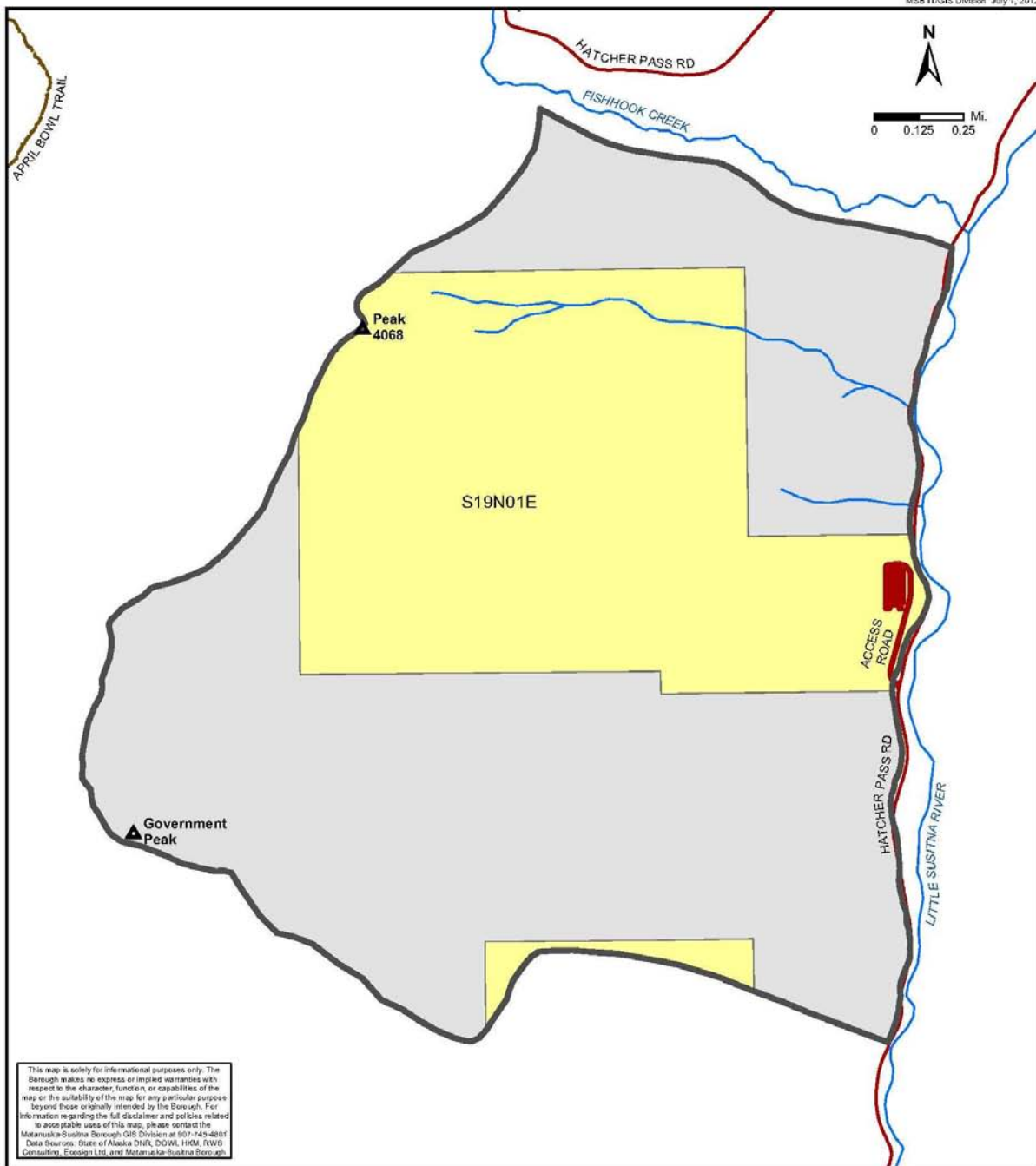




**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 19
NORTHERN SUB-UNIT
LAND OWNERSHIP**

- Northern Sub-Unit
- Existing Roads
- Trails
- Streams
- Borough
- State



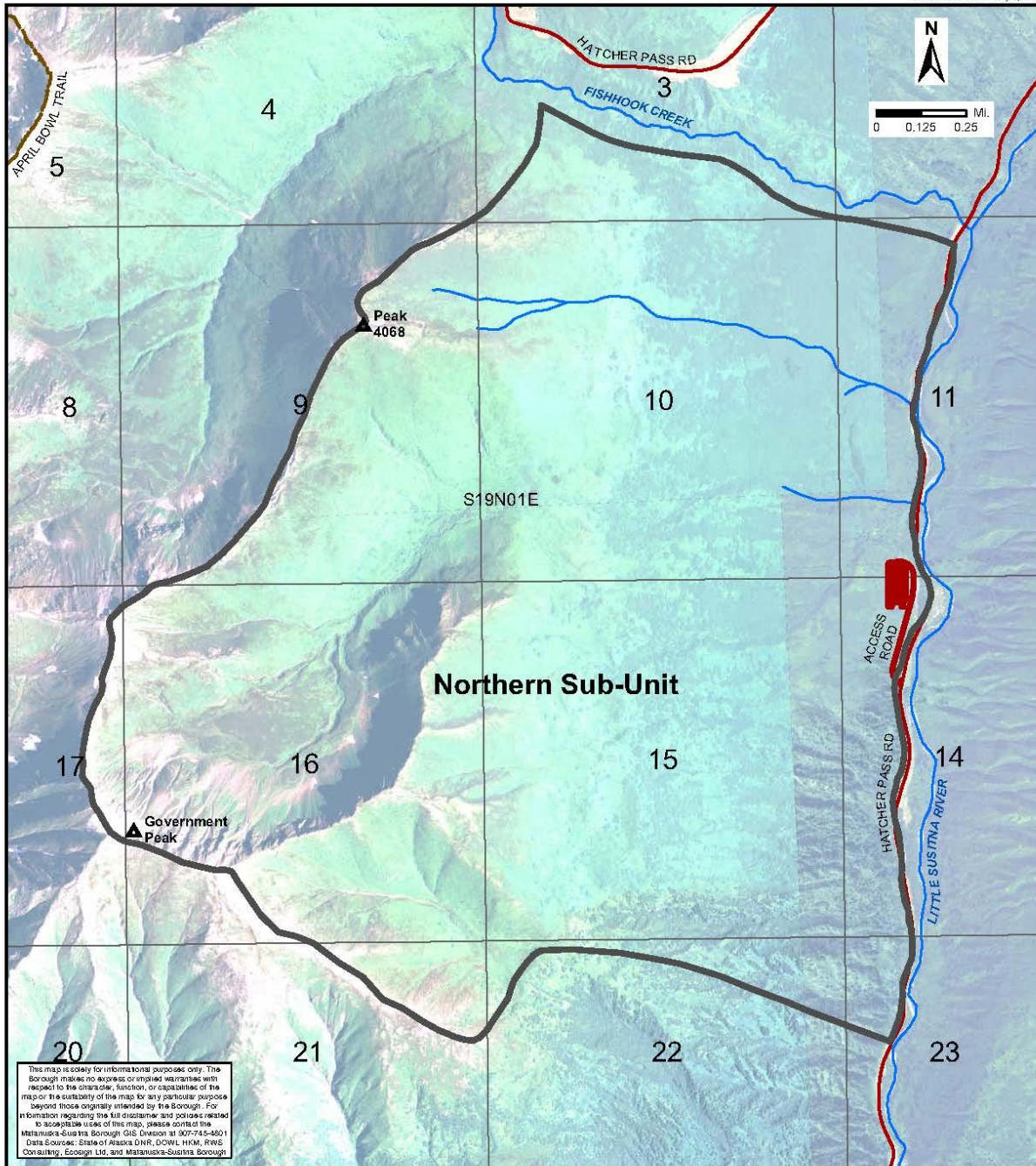


**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 20
NORTHERN SUB-UNIT
PHYSICAL CHARACTERISTICS**

-  Northern Sub-Unit
-  Existing Roads
-  Trails
-  Streams

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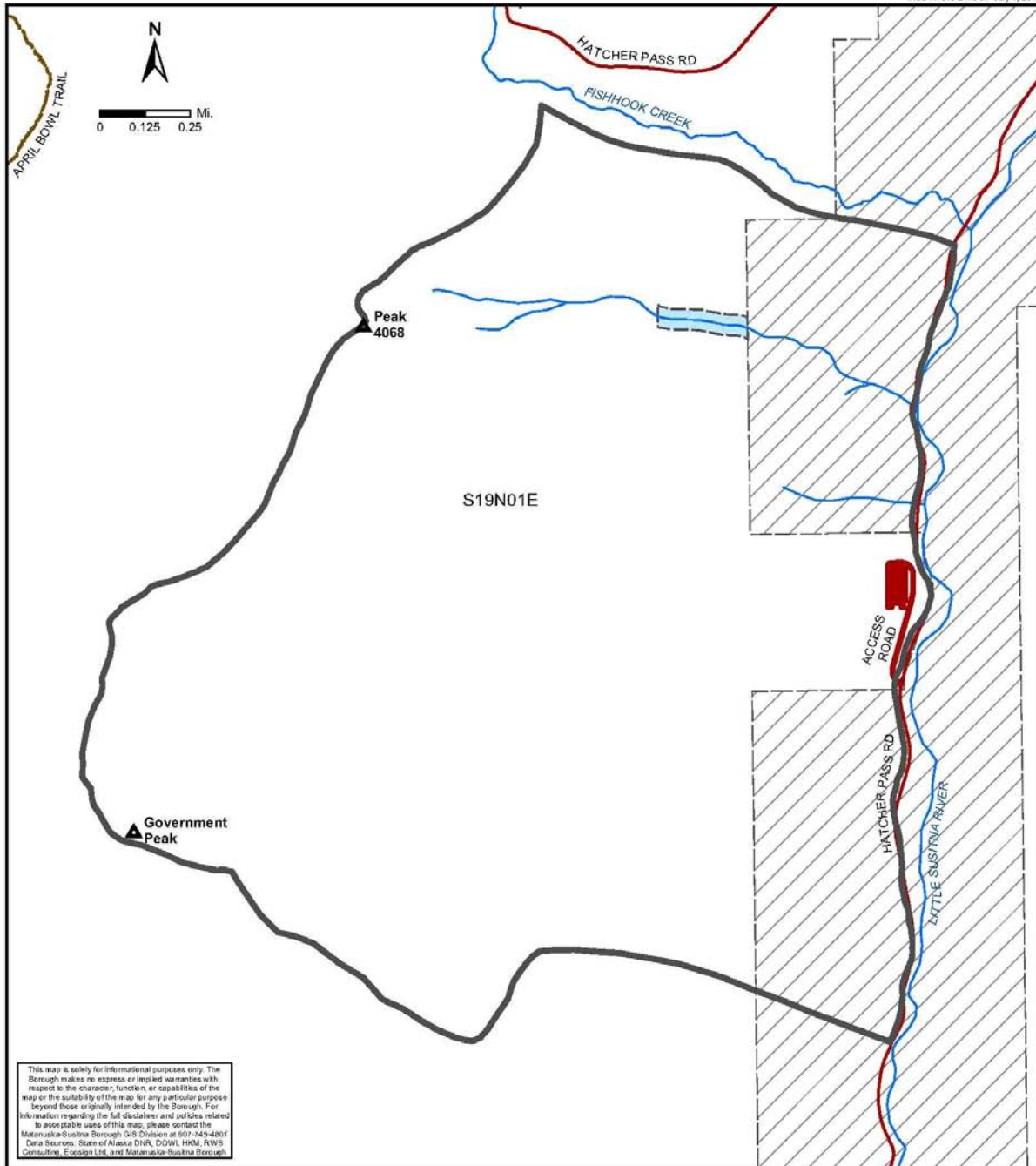




HATCHER PASS - GOVERNMENT PEAK UNIT Asset Management and Development Plan MAP 21 NORTHERN SUB-UNIT: ROADS, TRAILS, WATERBODIES, WETLANDS & RIPARIAN AREAS

-  Northern Sub-Unit
-  HP Public Use Area
-  Existing Roads
-  Trails
-  Streams
-  150' Stream Buffers

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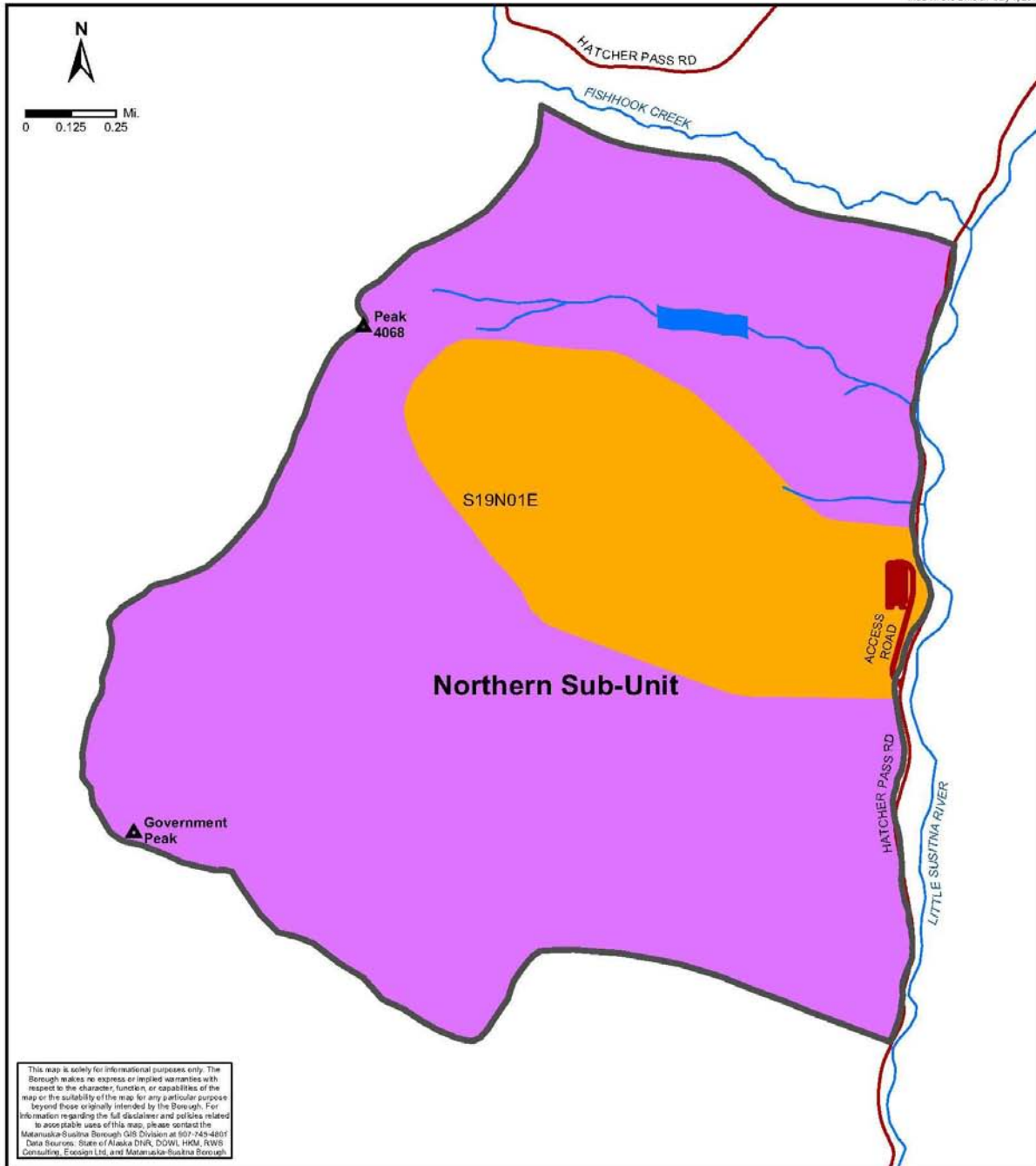


**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 22
NORTHERN SUB-UNIT
LAND USE DESIGNATIONS**

- Northern Sub-Unit
- Existing Roads
- Streams
- Primary Land Use Designations**
- Water Resources
- Public Recreation - Developed
- Public Recreation - Dispersed

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NORTHERN SUB-UNIT

Government Peak Management Unit

General Description – Northern Sub-Unit

The Northern Sub-Unit of the Government Peak consists of about 2,700 acres, of which 1,660 acres is owned by the State (515 of that acreage is located in the legislatively designated Hatcher Pass Public Use Area). The Borough owns 1,040 acres within the Sub-Unit. The entire Sub-Unit is covered by a development lease where the Borough is both the lessor and lessee (see Chapters 3 and 6 for additional information about the lease).

The Sub-Unit is located in the Talkeetna Mountains, generally characterized by mountainous terrain with some benches and moderate to steep river valleys and ravines. The predominant soils in the Sub-Unit are rock outcrops and shallow low-permeability clays.

Generally this Sub-Unit is located with Fishhook Creek to the north, and the Mountain Sub-Unit to the south and west. The Palmer-Fishhook Road (Hatcher Pass Road) and Little Susitna River is to the east.

Borough Tax Maps

Independence Mine 11, 12, 13 and 14.

Current Land Use

The Sub-Unit experiences a wide variety of general all-season dispersed non-motorized recreational uses that occur year round.

Surrounding Land Use

State and Borough-owned land surround this Sub-Unit. Currently the same general dispersed recreational uses that occur in this Sub-Unit occur on the surrounding land. The use will become more concentrated if proposed Alpine ski facilities are developed.

Community Council Area

Fishhook Community Council.

Existing Land-Use Plans

- Alaska Department of Natural Resources, *Revised Hatcher Pass Management Plan (2010)*
- Federal Transit Authority, Environmental Impact Statement, *Hatcher Pass Recreational Area Access, Trails, and Transit Facilities (2010)*
- Federal Transit Authority, Record of Decision for the *Hatcher Pass Recreational Area Access, Trails, and Transit Facilities (2011)*
- Mat-Su Borough, *Hatcher Pass – A New Beginning (2008)*
- Mat-Su Borough, *Recreational Trails Plan (2007)*



- Mat-Su Borough, *Parks, Recreation and Open Space Plan* (2001), which is currently being updated

Existing Land-Use Classifications

None

Seismic Activity and Natural Hazards

Earthquakes and heavy precipitation events can trigger landslides, ground failure and rock falls.

The entire Hatcher Pass area is located in a tectonically active area that overlies a subduction zone. Locally, a section of the Castle Mountain fault lies just south of this Sub-Unit.

Avalanche paths have been mapped and are present on the northeast side of Government Peak and an additional path in the gully between Bald Mountain Ridge and Government Peak. None of the avalanche zones extend into the area proposed for the Alpine base area facilities, however, they may affect the location of ski lifts and ski runs.

See avalanchemapping.org and the Access Environmental Impact Statement (pages 45 – 51) for additional information on seismic activity, soil conditions and natural hazards.

Summary of Resources and Uses – Northern Sub-Unit

Cultural Resources and Heritage Sites

There are no documented historical or heritage sites within the Sub-Unit. The area that has been proposed for an Alpine ski area was inventoried (about one-third of the sub-unit) as part of the Access Environmental Impact Statement. No indication of cultural and heritage resources were found in that inventory.

Fish and Wildlife Habitat and Resources

Moose, black bear and brown bear are found within this Sub-Unit. Wildlife populations are moderate to high. The Sub-Unit has habitat for bears and the habitat base supports the current population of moose with no evidence of over-browsing. Moose calving and rearing is known to take place in the area with cows with calves seen from the summertime into the fall.

Moderate numbers of furbearer species occur throughout the general region.

A wide variety of birds can be found throughout the area. The Alaska Department of Fish and Game has identified the general area as a high priority Ptarmigan habitat. There are no known eagle nests within the Sub-Unit. This was confirmed during an aerial survey as part of the Access Environmental Impact Statement process.

A detailed description of fish and wildlife resources can be found in Chapter 4: “General Goals, Management Intent, and Management Guidelines by Resource, Program or



Management Tool – Fish and Wildlife Habitat.” Information is also available in the Access Environmental Impact Statement, pages 55 – 68.

There are no commercial lodges or fish camps in the area.

Private Property

There is no private property within or immediately adjacent to the Sub-Unit.

Public Recreation and Tourism

The primary recreational uses include bird watching, berry picking, parasailing, skiing, snowshoeing and hiking,

There is nothing currently in this Sub-Unit that would attract tourists in significant numbers. However, if an Alpine ski facility with lifts is located in the Sub-Unit growth in visitor and tourism would increase significantly at least during the winter months. With a day lodge available with a visitor’s center and the possibility of lifts being operated, even on a limited basis in the summer, the visitor and tourist visits could extend into the spring, summer and fall as well.

Roads and Trails

There are is an existing access road into the Sub-Unit from the Palmer-Fishhook Road (Hatcher Pass Road) at Mile 11.5. The Access Environmental Impact Statement found that this road needs to be extended in length to obtain a maximum of a 10% grade and to provide turning radii suitable for two-way traffic for buses. The access road leads to a primitive and relatively small parking area which will be expanded when the public transit facility is constructed and the Alpine ski facilities are developed.

There is one trail, the Old Government Peak Trail (trail 216), recognized in the Borough’s *Recreational Trails Plan* within the Sub-Unit. The *Recreational Trails Plan* recommends removing this pedestrian trail from the plan because it is overgrown from lack of use, barely discernable on the ground and has little recreational value.

Rock, Sand and Gravel

Numerous field investigations by potential developers and by DOWL HKM as part of their research related to the Access EIS indicates that there are no known lands with commercial quantities of rock, sand or gravel resources within the Sub-Unit. There may be rock, sand or gravel resources present in enough quantity to support small projects such as for trails or ski lift bases within the Sub-Unit.

Management Intent – Northern Sub-Unit

The long-term management intent for the Northern Sub-Unit shall be to manage the area for a regional Alpine skiing and boarding area, along with other compatible recreational summer and winter non-motorized dispersed recreational activities. While managing for both concentrated and dispersed recreational activities, it is also an important management intent to protect important water resources, habitat and viewsheds. Possibly allow some



limited residential development provided it does not significantly deter from the recreational opportunities in the area and that is consistent with the other requirements of this Plan and the *Hatcher Pass Management Plan*.

The short-term management intent for the Sub-Unit shall be to manage the area for recreational summer and winter non-motorized dispersed recreational activities. Until an Alpine facility is constructed the area designated as Public Recreation – Developed shall be managed the same as if the area was designated as Public Recreation – Dispersed. Once an alpine facility is developed, the existing non-motorized uses shall be allowed to continue unless specifically found that the existing uses are incompatible with Alpine ski operations.

Nothing shall be authorized or permitted that would be incompatible with the development and long-term operation of an Alpine skiing and boarding facility in the area.

Land-Use Designations – Northern Sub-Unit

Figure 25: Land-Use Designations for the Northern Sub-Unit

Designation	Classification	Management Intent
<i>Primary</i>		
Public Recreation - Developed ⁸	Public Recreation Lands	<p>Develop a regional Alpine skiing facility with a transit facility, parking, day lodge, ski lifts and multiple ski runs.</p> <p>This designation will apply where the actual facilities may, or will be located. It does not cover all the areas where ski runs are or may be located. Some of these areas may be located in areas designated Dispersed Recreation.</p> <p>Until the alpine facilities are built the area shall be managed the same as if the lands were designated Public recreation – Dispersed. Existing non-motorized back country uses shall be allowed to continue once the Alpine</p>

⁸ The area designated and classified is located mostly on Borough-owned land and is the same as indicated and shown in the *Hatcher Pass Management Plan*.



Designation	Classification	Management Intent
		<p>facility is developed unless it is specifically found that such uses are incompatible with Alpine ski operations.</p> <p>Some limited residential development may be permitted.</p>
Public Recreation - Dispersed ⁹	Public Recreation Lands	<p>Recognize and manage remainder of the sub-unit for dispersed recreational uses and habitat values, subject to restrictions on the types of uses that relate to the development and use of the recreational facilities located on the Public Recreation – Developed land. Dispersed recreation uses are to be consistent with this Plan, the <i>Hatcher Pass Management Plan</i> and 11 AAC 96.014.</p> <p>Some improvements, such as ski lifts and runs, may be located on these lands. Other than the area land owned by the Borough, the land within the Hatcher Pass Public Use Area is to be managed for dispersed recreation uses.</p>
Water Resources ¹⁰	Watershed Lands	<p>All flowing waterbodies, riparian areas and important wetlands <u>located on Borough-owned land.</u></p> <p>Any flowing waterbodies, riparian areas or important wetlands <u>on Borough-owned</u></p>

⁹ The area designated and classified is located on both Borough and State land and includes land within the Hatcher Pass Public Use area. This is the same as indicated and shown in the *Hatcher Pass Management Plan*.

¹⁰ This designation and classification only applies to Borough-owned land.



Designation	Classification	Management Intent
		<u>land</u> determined after adoption of this plan to be anadromous, important for resident fish, or important wetlands for fish and wildlife shall also be similarly designated and classified ¹¹ .
Secondary		
None		

Also, see Map 22, “Land-Use Designations,” on page 5-24 at the beginning of this section.

Management Guidelines – Northern Sub-Unit

In addition to the general resource and program guidelines described in Chapter 4, the following shall apply:

A. Buffers

1. All flowing waterbodies as shown on Map 21 (page 5-23) on Borough owned land shall be protected by retaining the hydrologic feature and by providing a 150-foot natural vegetation buffer along all sides of the hydrologic feature.

Limited uses, such as hiking, skiing, mountain biking, and equestrian activities can occur within these buffered areas as long as the integrity and purpose for the buffer is maintained. Roads and trails shall not run parallel to waterbodies within the buffered areas, wherever practical. Road and trail crossings should cross over any waterbodies as close to perpendicular as possible to the waterbody

2. The access road at Mile 11.5 Palmer-Fishhook Road (Hatcher Pass Road) that provides access to the Alpine facility does not need to be buffered because of terrain conditions and land ownership. The area adjacent to the access road is either State or Borough owned and within or immediately adjacent to the Hatcher Pass Public Use Area. The *Hatcher Pass Management Plan* and this Plan does not intend for road upgrading or developments that would necessitate buffering the access road,
3. Alpine ski runs and trails that are constructed for other than Alpine skiing and boarding use do not need to be buffered. The primary use of the land in this Sub-Unit is Alpine skiing and boarding purposes. No other activity shall be permitted or authorized that would limit or infringe upon this primary use.

¹¹ Such designation and classification shall be considered as a “minor change” to the Plan (See Chapter 6, “Procedures for Changes to the Plan, Goals, and Guidelines.”)



B. Commercial and Residential Development

1. No commercial and/or residential development shall occur in this Sub-Unit until the Alpine facilities are being constructed or are operational.
2. No independent or stand-alone commercial developments shall be located in this Sub-Unit other than those commercial and industrial facilities directly related to the operation of the Alpine facility (day lodge, upper mountain chalets, transit facility and maintenance facility). However, accessory services (ski school, ski rental and sales, food and beverage service, health care, etc.) may be provided in the day lodge and chalets that are directly related to the Alpine facilities and uses.
3. Limited high density multi-family condominiums and townhouses (which include caretaker and/or employee housing) are allowed if specifically approved by the Borough Assembly following submittal of an acceptable master and/or development plan. The minimum requirements for a master and/or development plan can be found in Chapter 4: “Commercial and Settlement Development”
4. Any terms and conditions of an approved master and/or development plan should be included in any enforceable contract for the lease, sale, permit or other authorization approved by the Borough Assembly.
5. Any approved residential housing:
 - a) Should be located to maximize retention of public open space and minimize impacts on the natural setting. This can be done, for example, through the retention of natural grades, natural drainage ways and natural vegetation.
 - b) Should have no more than 6 units per building and no more than 16 buildings per acre. However, the limit of capacity ultimately is subjective. The density limitations may be reconsidered during the master and/or development plan process if the developer can justify an increase based on such factors as market demand, functional relationships, environmental considerations, financial feasibility and carrying capacity.
 - c) Should be at “human scale.” Ways to create human scale including splitting what might be one large simple form into multiple smaller forms; breaking up long otherwise featureless facades with changing rooflines, material colors, and façade depths; and dividing numerous inviting, attractive and clearly defined building openings – door, windows and porches - that suggest human presence.



Utilize design styles, materials and colors that reflect the mountain setting (e.g., gabled roofs, covered entry ways, larger eaves) so that a collection of individual residential uses at the mountain base creates a reasonably harmonious and attractive whole.

- d) Should consider the winter climate such as the use of gabled roofs and by planning for snow shedding off roofs to not endanger people, vehicles or other items of value.
 - e) Should take advantage of sun direction in the layout of buildings, particularly entries and decks.
 - f) Shall provide off-street parking for each unit at the following rate:
 - 1. multi-family one bedroom and efficiency units: one and one-half spaces per unit;
 - 2. multi-family two bedroom unit: two spaces per unit; and
 - 3. multi-family three bedroom and greater unit: two and one-half spaces per unit.
 - g) Shall plan for snow storage and removal.
 - h) Should, depending on terrain, provide a reasonable amount of useable open and/or common space between buildings and in the housing area in order to maintain the open recreational and natural setting of the general area. There is a threshold beyond which housing, combined with other ski area facilities, can degrade the natural setting and the quality of the experience. Snow storage and parking areas do not constitute open and/or common space.
 - i) Should plan for safe and enjoyable on and off-site circulation including walkways connecting parking with building entry areas and for pedestrian connections between the housing area and surrounding uses.
5. Dimension standards are established to maintain the general dominance and functional health of the natural environment, to encourage smaller footprint buildings and to provide flexibility for quality design.

All primary and accessory uses for this Sub-Unit should be subject to the standards set forth in Figure 26 below.



Figure 26: Northern Sub-Unit Dimensional Standards

Uses	Lot Dimensions		Minimum Setbacks			Height and Coverage		
	Min. Area	Min. Width	Front	Side	Rear	Max Bldg. Height	Max Lot Building Coverage	Max Impervious Surfaces
Alpine Facilities								
Buildings – 3500 SF or less			15 feet	10 feet	10 feet	35 feet	30%	40%
Buildings – 3500 SF or more			25 feet	20 feet	20 feet	50 feet	30 %	40%
On Mountain Lodge/Chalet						35 feet		
Residential								
Multi-Family and Townhouse (≤4/acre)			20 feet	15 feet	15 feet	35 feet		
Multi-Family and Townhouse (≥4/acre)			25 feet	20 feet	20 feet	35 feet		

C. Summary of Allowed and Conditionally Allowed Uses within the Northern Sub-Unit Designated as “Public Recreation – Developed”

Figure 27 is a summary listing of allowed uses within the area designated as Public Recreation – Developed within the Northern Sub-Unit. Figure 28 is a listing of conditionally allowed uses with this same area. Uses and activities not explicitly listed in Figures 22 (Chapter 4), and 27 and 28 (this Chapter) are not permitted and may only be authorized by a plan amendment.



Figure 27: Listing of Allowed Uses within the Northern Sub-Unit Designated as “Public Recreation – Developed”

<i>Use Category</i>	<i>Use Category</i>	<i>Use Category</i>
Public/Institution		
Child Care	Government Uses (police, fire, etc.)	Cultural Facilities (museums, visitor center)
Bus Transit Center	Health Care	Utility (substation, distribution center ¹²)
Commercial		
Food and Beverage Kiosks	Restaurant (day lodge and chalet(s))	Bar/Tavern (day lodge only)
Sporting goods rental and retail (day lodge only)		
Commercial or Public		
Recreation/Ski day lodge	Alpine ski base facilities	Alpine ski runs and lifts
Upper mountain warming huts/chalets		
Lodging and Housing		
Multi-Family (see commercial/residential above)		
Industrial		
Maintenance Facility (related to Alpine facilities)	Snow Storage	
Public Recreation		
Hiking, sight-seeing, berry picking, etc.	Other trail-based non- motorized	

¹² Utility substations and distribution centers shall be sited to be as unobtrusive as possible and visually screened in a manner that blends with existing natural surroundings.



Figure 28: Listing of Conditionally Allowed Uses within the Northern Sub-Unit Designated as “Public Recreation – Developed.”

<i>Use Category</i>	<i>Use Category</i>	<i>Use Category</i>
Public/Institution		
Generation Facilities	Concealed communication towers ¹³	
Commercial		
Financial Office	Snowcat skiing/boarding	Outdoor amphitheater

D. Motorized Uses.

Consistent with the *Hatcher Pass Management Plan* and 11 AAC 96.014, the entire Sub-Unit shall remain closed to off-highway motorized vehicles (ATV, motorcycle, snowmobile, etc.), fixed wing aircraft and helicopter take-offs and/or landings. However, some limited motorized vehicle, fixed wing aircraft and helicopter use may be authorized with the use of a land-use permit, and are limited to uses necessary for the construction and maintenance of recreational facilities.

Motorized vehicles of any kind, helicopters and fixed wing aircraft conducting emergency operations are authorized at any time and do not require a permit.

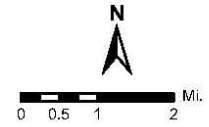
E. Other Resources and Programs

No additional specific guidelines are needed for this Sub-Unit. See Chapter 4 for resource and program guidelines that apply to all sub-units within the Government Peak Unit.

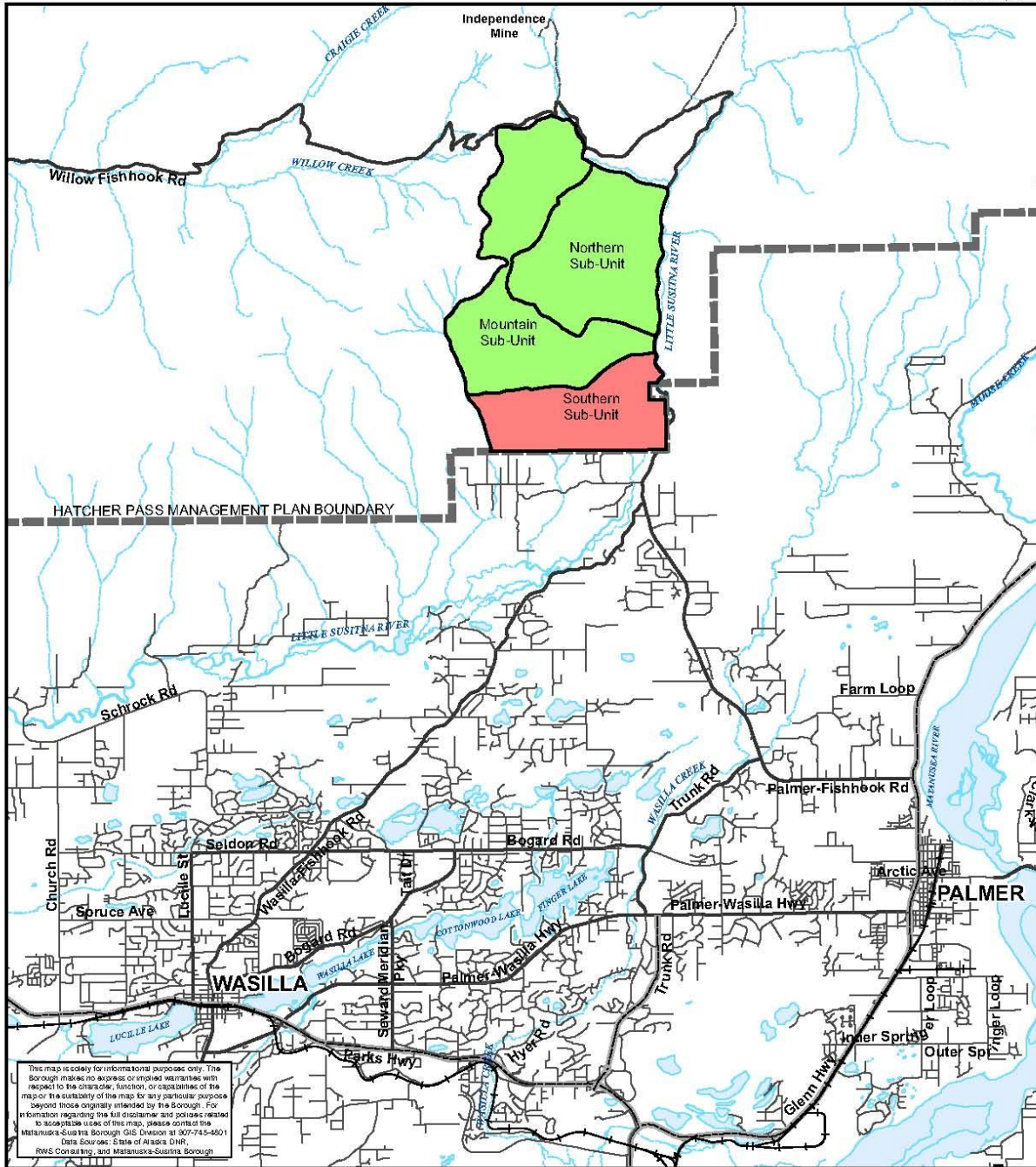
¹³ “Concealed communication towers” mean man-made trees, clock towers, bell steeples, ski lift towers, light poles or similar alternative design mounting structures that camouflage or conceal the presence of antennas or towers.



HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 23
SOUTHERN SUB-UNIT



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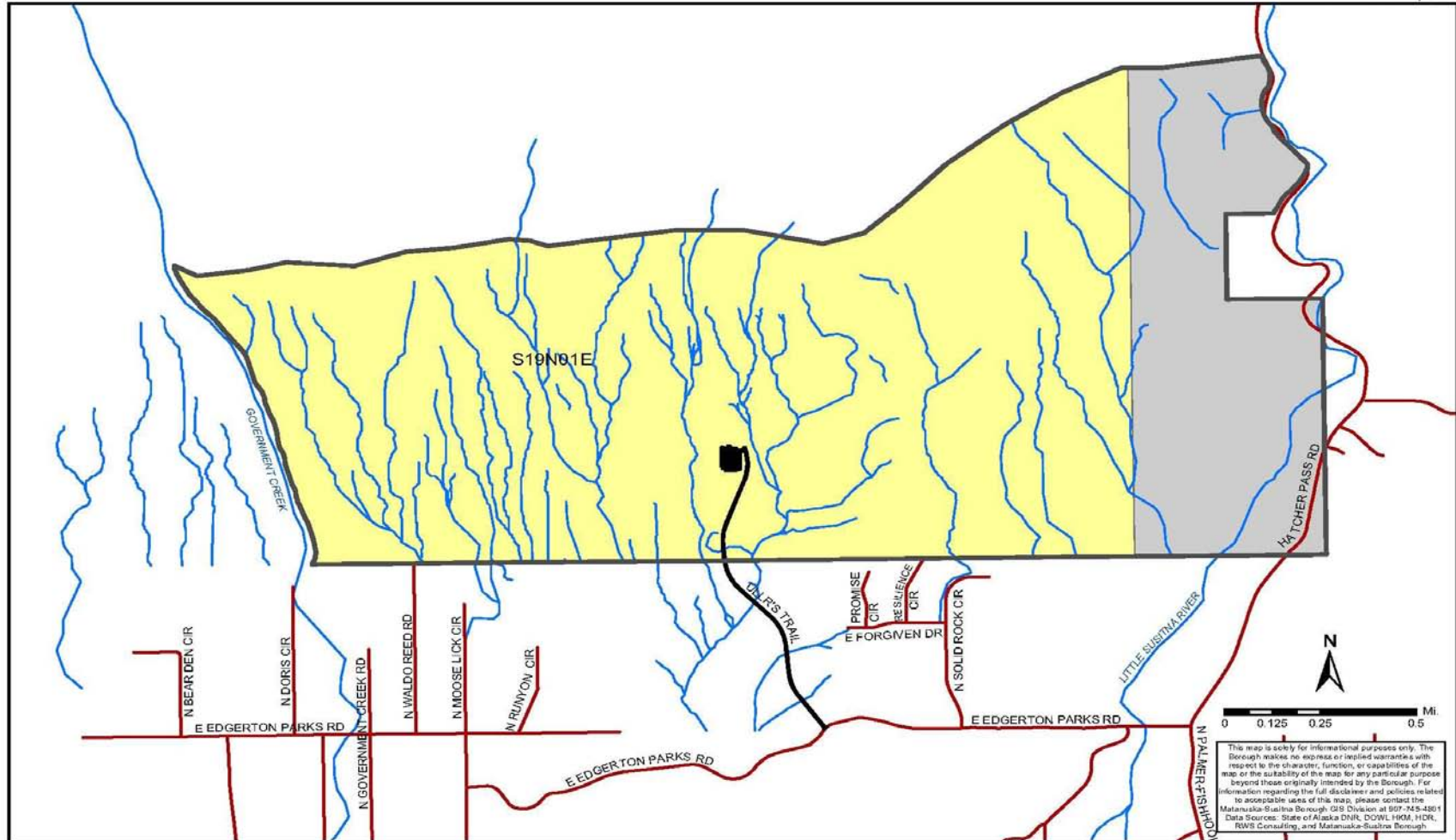




HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 24
SOUTHERN SUB-UNIT
LAND OWNERSHIP

- Southern Sub-Unit
- Ullr's Trail and Parking Lot
- Existing Roads
- Streams
- Borough
- State





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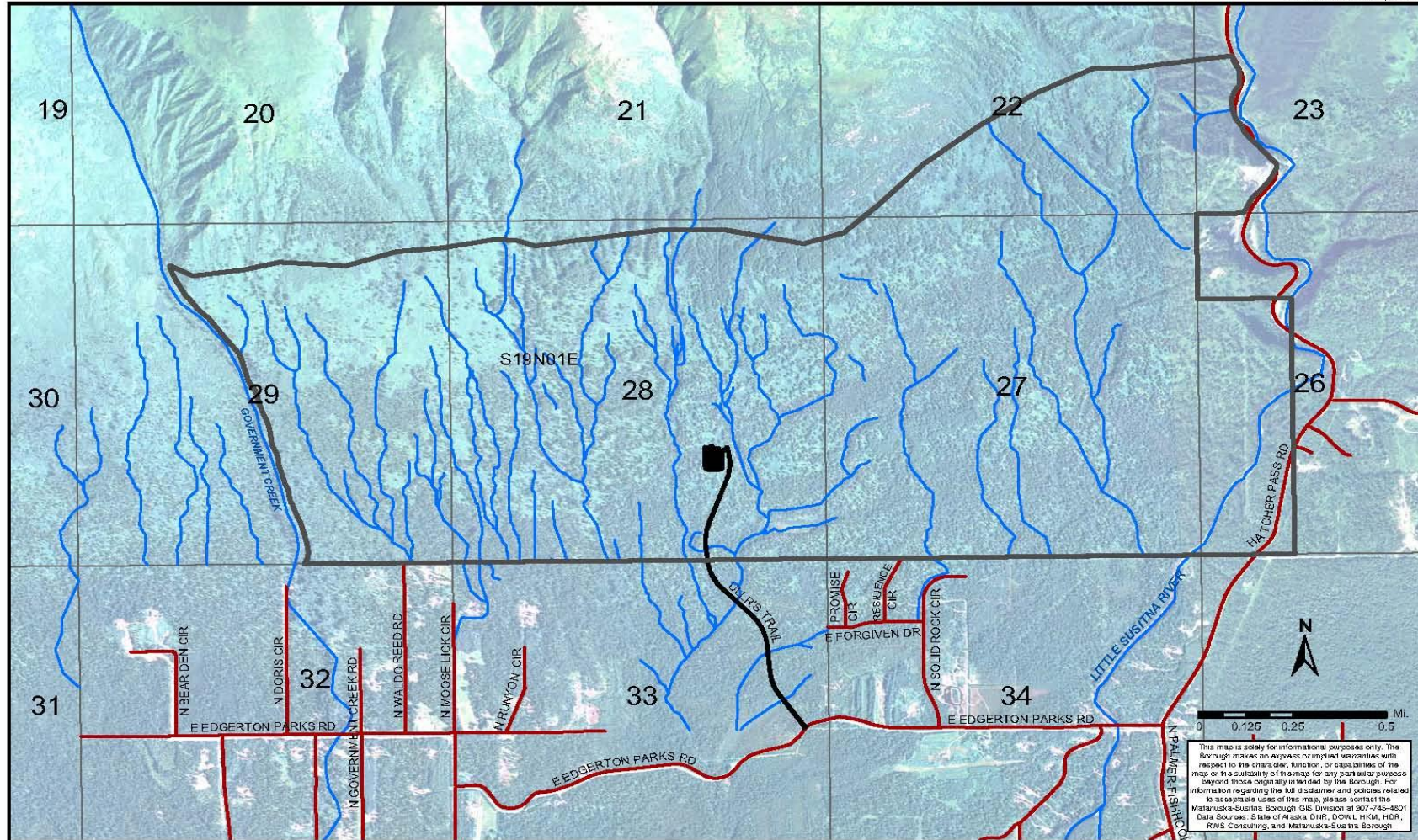


**HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan**

**MAP 25
SOUTHERN SUB-UNIT
PHYSICAL CHARACTERISTICS**

-  Southern Sub-Unit
-  Ullr's Trail and Parking Lot
-  Existing Roads
-  Streams

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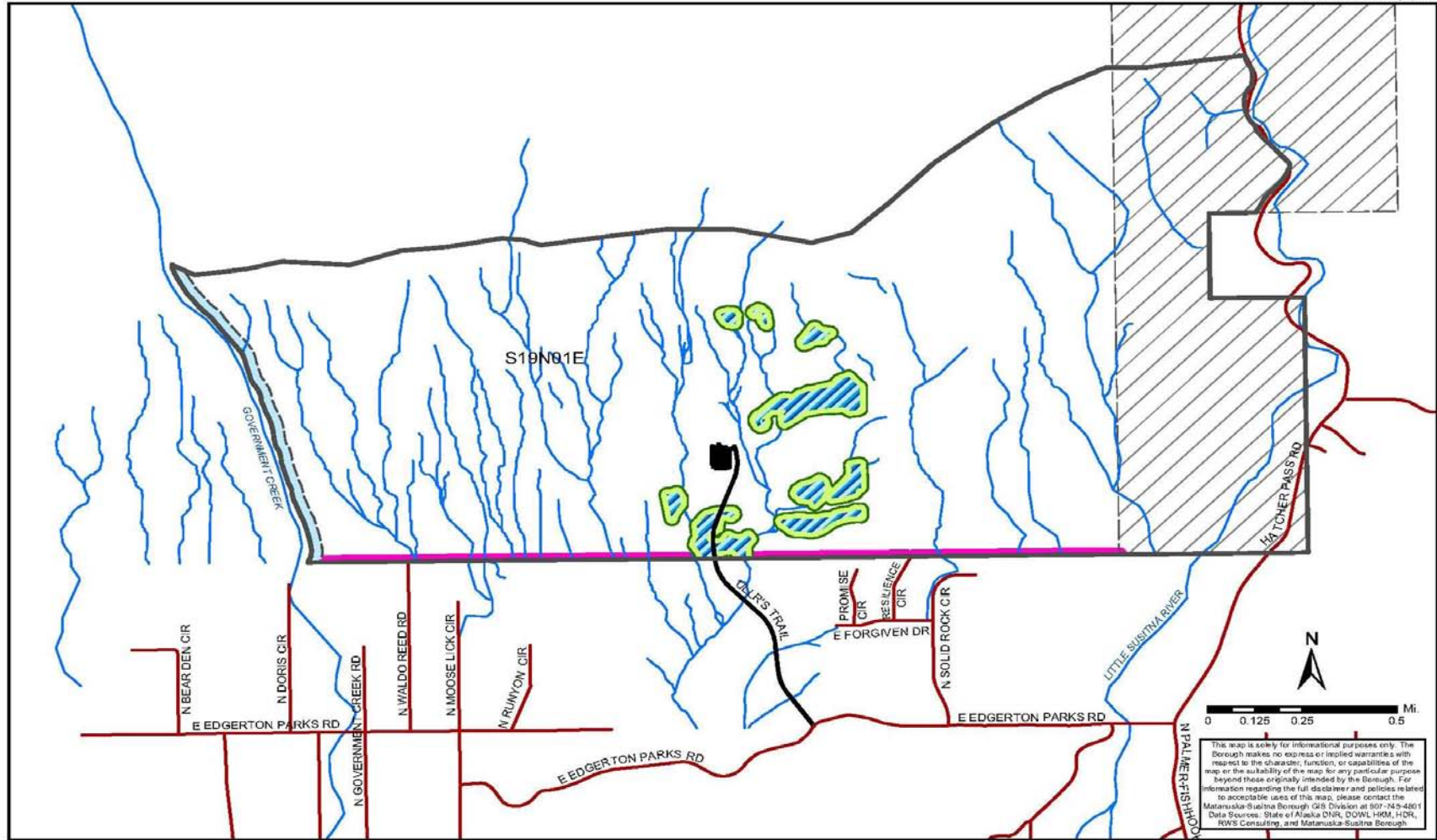




HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 26
SOUTHERN SUB-UNIT: ROADS, TRAILS,
WATERBODIES, WETLANDS & RIPARIAN AREAS

- Southern Sub-Unit
- HP Public Use Area
- Existing Roads
- Ullr's Trail and Parking Lot
- 100' Private Property Buffer
- Wetlands identified as "important"
- 100' Wetlands Limited Use Buffer
- Streams and Riparian Areas
- 150' Stream Buffer

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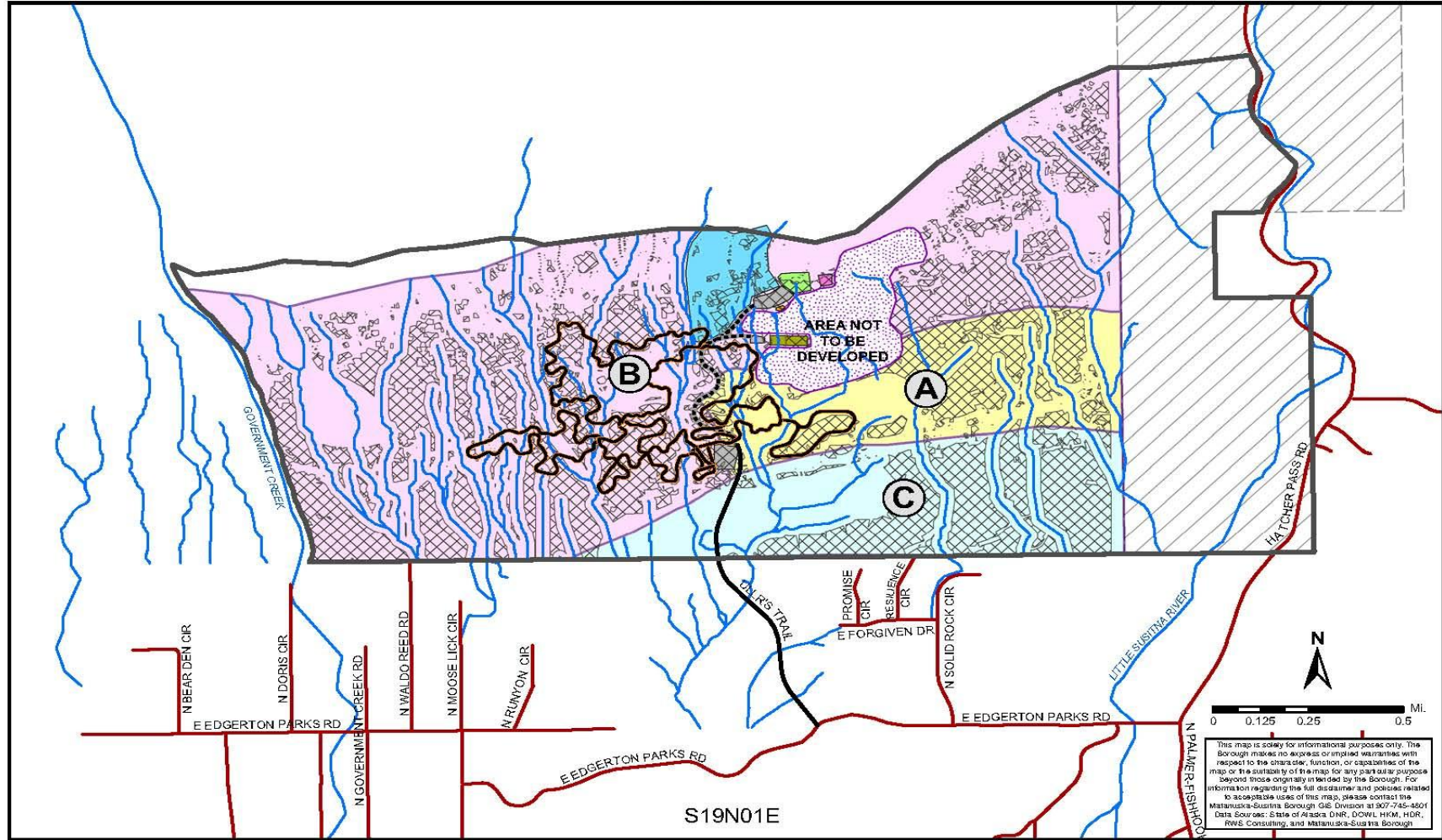
This map is solely for informational purposes only. The Borough makes no express or implied warranties with respect to the character, function, or capabilities of the map or the suitability of the map for any particular purpose beyond those originally intended by the Borough. For information regarding the full disclaimer and policies related to acceptable uses of this map, please contact the Matanuska-Susitna Borough GIS Division at 800-743-4861. Data Sources: State of Alaska DNR, DOWL HKM, HDR, RWS Consulting, and Matanuska-Susitna Borough.



HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 27
SOUTHERN SUB-UNIT: POTENTIAL COMMERCIAL
AND RESIDENTIAL DEVELOPMENT AREAS

- | | | |
|--------------------------------|----------------------|-----------------------------------------------------------------|
| Southern Sub-Unit | Biathlon Range | Potential Development Areas |
| HP Public Use Area | Chalet | |
| Phase 1 Trails | Family Sledding Area | |
| Access Road Extension | Alpine Hill | A - Highest Density Development (generally well draining soils) |
| Areas Suitable for Development | Parking Lots | B - Mixed Density Development (mixed soil conditions) |
| Area Not To Be Developed | Stadium | C - Lowest Density Development (generally poor draining soils) |

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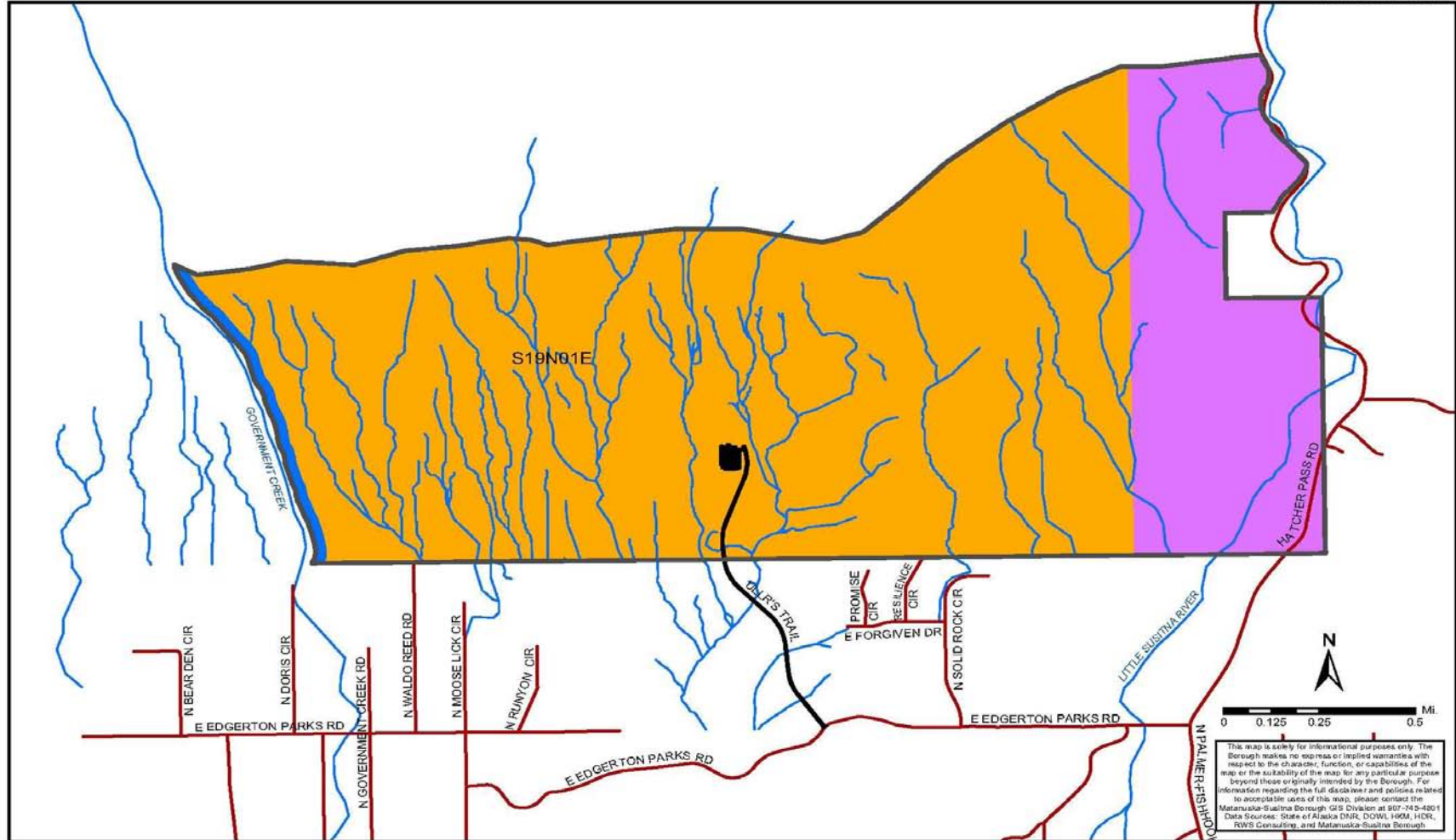




HATCHER PASS - GOVERNMENT PEAK UNIT
Asset Management and Development Plan
MAP 28
SOUTHERN SUB-UNIT
LAND USE DESIGNATIONS

- | | |
|------------------------------|--------------------------------------|
| Southern Sub-Unit | Primary Land Use Designations |
| Existing Roads | Water Resources |
| Ullr's Trail and Parking Lot | Public Recreation - Developed |
| Streams | Public Recreation - Dispersed |

MSB IT/GIS Division July 1, 2012





SOUTHERN SUB-UNIT Government Peak Management Unit

General Description – Southern Sub-Unit

The Southern Sub-Unit of the Government Peak consists of about 1,890 acres, of which 390 acres is owned by the State, all of which is located in the legislatively designated Hatcher Pass Public Use Area. The Borough currently owns about 1,500 acres within the Sub-Unit. The entire Sub-Unit is covered by a development lease where the Borough is both the lessor and lessee (see Chapters 2 and 7 for additional information about the lease).

This Sub-Unit is located with the Mountain Sub-Unit to the north, the Bald Mountain/Hillside Unit to the west, and the Little Susitna River and the Palmer-Fishhook Road (Hatcher Pass Road) to the east. Private land located either side of the Edgerton Park Road lies to the south of the Sub-Unit.

The area is generally characterized by moderately rising mountain slopes with numerous benches and Alpine meadows. Geotechnical investigations have determined that soils vary considerably but are predominantly deep well-drained soils. Glacial tills, peat, silt, alluvial/colluvial deposits, bedrock and land slide debris are also present in the area.

Borough Tax Maps

Independence Mine 11, 12, 13 and 14

Current Land Use

The Sub-Unit experiences a wide variety of general all-season dispersed recreational uses that occur year round. The area has been closed to off-highway motorized use since 1986. However, principally due to a lack of enforcement the area continues to receive some ATV and snowmobile use, mainly by local residents. The non-motorized recreational uses in this Sub-Unit are expected to increase significantly as the Nordic and other improved trail systems are developed.

Surrounding Land Use

State, Borough and private land surround this Sub-Unit. The same general dispersed recreational uses that occur in this Sub-Unit occur on the Borough and State land. The private land is mostly used for private residences.

Community Council Area

Fishhook Community Council

Existing Land-Use Plans

- Alaska Department of Natural Resources, *Revised Hatcher Pass Management Plan* (2010).



- Federal Transit Authority, Environmental Impact Statement, *Hatcher Pass Recreational Area Access, Trails, and Transit Facilities* (2010).
- Federal Transit Authority, Record of Decision for the *Hatcher Pass Recreational Area Access, Trails, and Transit Facilities* (2011).
- Mat-Su Borough, *Hatcher Pass – A New Beginning*” (2008)
- Mat-Su Borough, *Recreational Trails Plan* (2007).
- Mat-Su Borough, *Parks, Recreation and Open Space Plan* (2001), which is currently being updated.

Existing Land-Use Classifications

None

Seismic Activity and Natural Hazards

Earthquakes and heavy precipitation events can trigger landslides, ground failure and rock falls.

The entire Hatcher Pass area is located in a tectonically active area that overlies a subduction zone. Locally, a section of the Castle Mountain fault crosses a portion of this Sub-Unit.

Avalanche paths have been mapped and are present on the north side of the Sub-Unit that also extend into the Mountain Sub-Unit. None of the avalanche areas appear to extend into the area where the Nordic and possibly other facilities would be located. However, the avalanche zones could affect the location of various trails.

See www.avalanchemapping.org, the Access Environmental Impact Statement (pages 45 – 51), and the *Hatcher Pass Development Feasibility Study*¹⁴ for additional information on soil conditions, seismic activity and natural hazards.

Summary of Resources and Uses – Southern Sub-Unit

Commercial and Residential Development

DOWL HKM completed a Development Feasibility Study in November 2010. The following information is a synopsis of findings from that study. A complete copy of this study can be found in Appendix K in this Asset Management Plan.

Based on the site conditions and results of the research, fieldwork and laboratory tests, the Sub-Unit was divided into three study areas (A, B, and C) which were further divided into four levels of development suitability based on soils, hydrology, geologic hazards, and slope. The levels are:

- Unsuitable (topography, soils, location, etc.)
- Potentially suitable for low-density development

¹⁴ DOWL HKM, November 2010



- Potentially suitable for high-density development
- Unclassifiable (hydrology, geologic hazards, slope, water table)

Figure 29 summarizes the development suitability evaluation for the three study areas (Areas A, B, and C). The acreages given in Figure 29 do not account for potential conflicts with various proposed recreational facilities discussed in Chapter 3 of this plan. The ultimate decision on which recreational facilities to build versus having commercial and/or recreational development is outside the scope of this plan. Those decisions are a combination of social, economic and political influences that ultimately can only be made by the Borough Assembly and/or Borough voters.

Figure 29: Southern Sub-Unit: Development Suitability Evaluation

Development Suitability Evaluation	Size (Acres)
Areas Unsuitable for Development	
Streams including buffers, Hatcher Pass Public Use Area Slopes of 25% or greater, and areas with bedrock within 10 feet	
Area A: High Density Development (generally well draining soils) minus unsuitable areas	264 acres
Area B: Mixed Density (mixed soils) minus unsuitable areas	959 acres
Area C: Low-Density Development (poorly draining soils) minus unsuitable areas	145 acres
TOTAL	1,368 Acres
Areas Potentially Suitable for Development	
Area A: High Density Development (generally well draining soils) minus unsuitable areas	111 acres
Area B: Mixed Density (mixed soils) minus unsuitable areas	475 acres
Area C: Low-Density Development (poorly draining soils) minus unsuitable areas	147 acres
TOTAL	733 acres

The areas designated as potentially suitable and available for commercial and/or residential development are shown on Map 27 (Page 5 - 40), at the beginning of this section.



Based on certain assumptions, the study generally concluded that:

- 20% to 25% of the developable area will be used for roads, drainage and utilities.
- Area A will support one single-family residence per acre or two to three multi-family units per acre. Soil and groundwater levels are conducive to development of on-site septic systems.
- One-half of Area B can be developed at the same density as Area A, and the other half will only support the same density as Area C. The soils and groundwater levels in this area are variable and not understood to the detail necessary to identify good development areas from poor development areas and what kind of septic systems would be necessary. However, good subsurface conditions are present at least in portions of this area.
- Area C will require two and one-half to five acres per single-family residence or one to one and one-half acres per multi-family unit. Soils in this area are silts or sands and gravels with silt contents high enough that conventional on-site septic systems are not likely to work. Shallow groundwater conditions exacerbate the difficulty of developing this area. Specialized on-site treatment systems, holding tanks, or a community treatment system would be required.
- Each multi-family unit will have three bedrooms.
- Site specific investigations would need to be done to determine exact conditions, especially in Areas B and C.

Finally the Study concluded that all of the site soils, with exception of the surficial organic deposits and perhaps some of the silt deposits, will provide adequate support for structures and streets.

Cultural Resources and Heritage Sites

The majority of the Sub-Unit was inventoried as part of the Access Environmental Impact Statement. The only indication of cultural and heritage resources that were found was a rundown cabin (commonly referred to by local residents as the “trespass cabin”) and a portion of the overgrown historic Carle Wagon Road. For more information on this road see Chapter 4, Cultural Resources and Historic Sites, and the Access Environmental Impact Statement section on Historic, Archaeological, and Cultural Resources (pages 84 – 89).

Fish and Wildlife Habitat and Resources

Moose, black bear and brown bear are found within this Sub-Unit. Wildlife populations are moderate to high. According to the Access Environmental Impact Statement, the majority of the Sub-Unit has been identified by the Alaska Department of Fish and Game as being a



high priority for moose and grizzly bear. Moose calving and rearing is known to take place in the area with cows with calves seen from the summertime into the fall. The existing habitat base supports the current population of moose with no evidence of over-browsing.

Moderate numbers of furbearer species also occur throughout the general region.

A wide variety of birds can be found throughout the area. There are no known eagle nests within the Sub-Unit.

A detailed description of fish and wildlife resources can be found in Chapter 4: “General Goals, Management Intent, and Management Guidelines by Resource, Program or Management Tool – Fish and Wildlife Habitat” and in the Access Environmental Impact Statement (pages 55 – 68).

There are no commercial lodges or fish camps in the area.

Private Property

The entire southern boundary of the Sub-Unit is bordered by private property. There is no private property within the Sub-Unit.

Public Recreation and Tourism

The primary recreational uses include bird watching, berry picking, parasailing, skiing, snowshoeing and hiking,

There is nothing currently in this Sub-Unit that would attract tourists in significant numbers. However, when the Nordic and other improved trails and related facilities are built the growth in visitor and tourism will increase significantly.

Roads and Trails

The Access Environmental Impact Statement and resulting Record of Decision focused considerable effort in identifying potential routes into the Sub-Unit from the Palmer-Fishhook Road (Hatcher Pass Road) and from E. Edgerton Parks Road. The Access EIS did identify a suitable route. A combination of federal, state, and borough funds are being used to construct this route (Ullr’s Trail) into the Sub-Unit to access the Nordic trails, and eventually other facilities. Ullr’s Trail will terminate at a parking lot and public transit facility. This road may be extended in the future to access more Nordic trails, a chalet or day lodge, stadium area and other related facilities.

Waldo Reed Road is a dedicated right-of-way from E. Edgerton Parks Road to the Sub-Unit but a road has not been constructed.

The Carle Wagon Road is a historical route used to provide wagon access to the mine fields to the north. Portions of this route presently cross private property and no legal right-of-way exists. Today several existing roads, including Edgerton Parks Road and the Palmer Fishhook (Hatcher Pass) Roads, provide access to the areas formally served by the Carle Wagon Road.



Only a portion of the Carle Wagon Road was visible at the time the historic and cultural inventory was conducted as part of the Access Environmental Impact Statement. That area was on the western side of the Sub-Unit. The entire route could not be found at the time of the cultural inventory. The route is overgrown and while the road is historic significance that should be recognized with signage explaining the historical significance of the route, it is not a usable road or trail today. Portions of the route could be used for the non-motorized trail systems that will be developed in this Sub-Unit.

There are some authorized ski trails that begin from private property at the end of Moose Lick Circle into the middle area of the Sub-Unit. There is also an informal route/trail beginning from the same area that proceeds to Government Peak.

There are also numerous other informal trails within the Sub-Unit. These trails appear to be used by local residents and hunters.

Rock, Sand and Gravel

Numerous field investigations by potential developers and by DOWL HKM as part of their research related to the Access EIS indicate that there are no known lands with commercial quantities of rock, sand or gravel resources within the Sub-Unit. There may be some of these resources present in enough quantity to support small projects such as for trail construction and maintenance within the Sub-Unit.

Management Intent – Southern Sub-Unit

The entire Southern Sub-Unit shall be managed the area for a variety of summer and winter non-motorized trail activities such as Nordic skiing, general hiking, mountain biking, and equestrian activities. Other recreational opportunities can occur as well such as berry picking, bird watching, hunting, etc.

This same area could include some limited commercial and residential development subject to Borough Assembly approval after submittal of an acceptable development and/or master plan, and provided any commercial and/or residential development does not significantly affect the recreational opportunities and other values in the area.

For the entire Sub-Unit, protect important water resources, habitat and viewsheds.

The area shall be closed to off-highway vehicles, fixed wing aircraft and helicopter use consistent with 11 AAC 94.014, except for those limited activities that can be authorized under a permit under the same regulation.



Land-Use Designations – Southern Sub-Unit

Figure 30: Southern Sub-Unit Land-Use Designations

Designation	Classification	Management Intent
<i>Primary</i>		
Public Recreation - Developed ¹⁵ .	Public Recreation Lands	<p>The area between the Hatcher Pass Public Use Area and Government Creek for the development of Nordic skiing facilities and other multi-season recreational facilities and trails, such as for general hiking, equestrian, mountain biking, sledding and tubing, camping, etc.</p> <p>The area includes public transit facilities, parking, and day lodge/chalet.</p> <p>This designation will apply where the actual facilities will or may be located. It does not necessarily cover all the areas where various trails are or may be located.</p> <p>Commercial and/or residential development may be permitted with separate Borough Assembly approval.</p>
Public Recreation - Dispersed ¹⁶ .	Public Recreation Lands	<p>The area within the Hatcher Pass Public Use Area is to be managed for dispersed recreational non-motorized uses and habitat values.</p>

¹⁵ The area designated and classified is located entirely on Borough-owned land and is the same as indicated and shown in the *Hatcher Pass Management Plan*.

¹⁶ The area designated and classified is located entirely on State land and is entirely within the Hatcher Pass Public Use Area. The area is the same as indicated and shown in the *Hatcher Pass Management Plan*.



Designation	Classification	Management Intent
Water Resources ¹⁷	Watershed Lands	All flowing waterbodies, riparian areas and important wetlands <u>located on Borough-owned land.</u> Any flowing waterbodies, riparian areas or important wetlands <u>on Borough-owned land</u> determined after adoption of this plan to be anadromous, important for resident fish, or important wetlands for fish and wildlife shall also be similarly designated and classified ¹⁸ .
<i>Secondary</i>		
None		

Also, see Map 28, “Land-Use Designations” on page 5-41 at the beginning of this section.

Management Guidelines – Southern Sub-Unit

In addition to the general resource and program guidelines described in Chapter 4, the following shall apply:

A. Buffers

1. All flowing waterbodies as shown on Map 26¹⁹ (Page 5 – 39) and on Borough-owned land shall be protected by retaining the hydrologic feature and by providing a 150-foot natural vegetation buffer along all sides of the the hydrologic feature.

Limited uses, such as hiking, skiing, mountain biking, and equestrian activities, can occur within these buffered areas as long as the integrity and purpose for the buffer is maintained. Roads and trails shall not run parallel to the waterbodies within the buffered areas wherever practical. Road and trail crossings should cross over any waterbodies as close to perpendicular as possible to the waterbody.

¹⁷ This designation and classification will only apply to Borough-owned land.

¹⁸ Such designation and classification shall be considered as a “minor change” to the Plan (See Chapter 6, “Procedures for Changes to the Plan, Goals, and Guidelines.”)

¹⁹ The waterbodies portrayed on Map 26 were identified during the development of the Access EIS and from Alaska State Cadastral Survey No. 2002-01.



2. All wetlands as shown on Map 26²⁰ and any additional wetlands over 40 acres and smaller important wetland areas (see definition in Chapter 7: “Definitions/Glossary”) shall be protected by retaining the wetlands area and by providing a 100-foot natural vegetation buffer along the wetlands area.

Limited uses, such as hiking, skiing, mountain biking, and equestrian activities, can occur within these buffered areas as long as the integrity and purpose for the buffer is maintained. The wetland areas can be utilized when there is sufficient ice and snow cover to protect the underlying vegetation.

3. There shall be a 100-foot natural vegetation buffer on Borough land that is immediately adjacent to all private property along the exterior boundary of the Sub-Unit.
4. The access road (Ullr’s Trail) from E. Edgerton Parks Road leading into the Nordic and other recreational facilities does not need to be buffered because most of the adjacent land is owned by the Borough and the road right-of way is of sufficient size to provide adequate protection and natural areas.
5. The historic Carle Wagon Road does not require a buffer. While the Carle Wagon Road is a historical route that was used to provide wagon access to the mine fields to the north, no legal road right-of-way exists. Only a portion of the Carle Wagon Road was visible at the time the historic and cultural inventory that was conducted as part of the Access Environmental Impact Statement. The entire route could not be found at the time of the cultural inventory. The route is overgrown and alternate access routes (Edgerton Parks and Palmer-Fishhook (Hatcher Pass) Roads) are available today. While the road may be of historic significance, it is not a usable trail today.
6. All Nordic, general hiking, equestrian, and mountain biking, etc. trails do not need to be buffered at this time. Currently the primary use of the land in this Sub-Unit is for various trail and other general recreational activities. No other activities shall be permitted or authorized that would limit or infringe upon this primary use.

However, if the Assembly approves any commercial and/or residential development, buffers should be designed into and established between the trails and any development.

B. Commercial and/or Residential Developments

1. Commercial and/or residential developments may be allowed in this Sub-Unit if specifically approved by the Borough Assembly following submittal of an acceptable master and/or development plan. The minimum requirements for a master and/or development plan can be found in Chapter 4: “Commercial and Settlement.”



2. Developments should be limited to Area A and portions of Area B as shown on Map 27 in the beginning of this section. These areas are described in more detail in the section “Summary of Resources and Uses, Commercial and Residential Development” which is also located earlier in this section.
3. The types of commercial development should be decided in advance of accepting and approving any master and/or development plan. For example, a health care facility, restaurants, and utility sub-station may be considered as appropriate commercial uses. Large box stores, gas stations, dry cleaners may not be considered appropriate or only approved as a conditional use.
4. Any approved commercial development:
 - a) Should be located in a consolidated area and limited to the area around or in close proximity to the parking area and public transit facility that is being constructed as part of Phase I for the Nordic facility. When additional parking for Nordic skiers and other trail users is located further up the hillside during a later phase, the Phase I parking area, or portions of it, may be used for authorized commercial use(s) and to provide parking for the commercial area.
 - b) Should support the commercial needs of residents and visitors of the area, as well as support the various recreational activities in the management area, by providing conveniences to assist in the viability of the community and values in the area.
 - c) Should be based on a “town square” or “village” concept.
 - d) Should provide a generous pedestrian environment between central parking areas and retail centers.
 - e) Should require community water and sewer systems which offer the opportunity for higher density development. If community utility systems result in discharge to the natural environment, effluent must be treated to tertiary stands for sewage treatment to ensure the system does not lead to contamination of surface and subsurface water resources.
 - f) Architecture of the commercial area should blend into the scenic nature of the area and not dominate the landscape.
 - g) Should be at “human scale.” Ways to create human scale including splitting what might be one large simple form into multiple smaller forms; breaking up long otherwise featureless facades with changing rooflines, material colors, and façade depths; and dividing numerous inviting, attractive and clearly defined building openings.



- h) Should utilize design styles, materials and colors that reflect the mountain settings, such as covered entry ways and larger eaves, so that the collection of individual commercial businesses present a reasonably harmonious and attractive whole.
 - i) Should consider the winter climate, such as the use of gabled roofs, and by planning for snow shedding off roofs to not endanger people, vehicles or other items of value.
 - j) Shall plan for snow storage and removal.
 - k) Should plan for safe and enjoyable on- and off-site circulation, including walkways connecting parking with building entry areas.
 - l) Should design parking to help create a more attractive, pedestrian-oriented development. The number of parking spaces recommended for individual businesses may be varied by using a combination of off-street, on-street and shared parking. Specific parking locations, types of surfaces, runoff management and parking requirements shall be determined through the master and/or development plan process.
5. Any approved residential housing:
- a) Should be located to maximize retention of public open space and minimize impacts on the natural setting. This can be done, for example, through the retention of natural grades, natural drainage ways and natural vegetation.
 - b) Residential areas should be in clusters or “pods” with each pod containing similar types of housing. Within these areas existing vegetation patterns should be considered in planning roads, driveways and home locations.
 - c) With the exception of trails, no development shall occur above tree-line to avoid the “look” of the Anchorage Hillside area.
 - d) Trail systems should be a defining part of any residential development that connects the residents to the natural environment and provides opportunities to directly access the trail systems.
 - e) Adequate open space should be provided that provides for stream and wildlife corridors.
 - f) Should have no more than four units per building and no more than three buildings per acre, unless a community water and sewer system is constructed for the area. In that event there should be no more than six units per building and no more than 16 buildings per acre. However, the limit of capacity ultimately is subjective. The density limitations may be reconsidered



during the master and/or development plan process if the developer can justify an increase based on such factors as market demand, functional relationships, environmental considerations, financial feasibility and carrying capacity.

- g) Should on-site water and sewer systems be permitted in residential areas, the systems shall be consistent with State and Borough restrictions on lot sizes and protection of water quality. Community water and sewer systems which offer the opportunity for higher density development are encouraged. If community utility systems result in discharge to the natural environment, effluent must be treated to tertiary standards for sewage treatment to ensure the system does not lead to contamination of surface and subsurface water resources.
- h) Should be at “human scale.” Ways to create human scale including splitting what might be one large simple form into multiple smaller forms; breaking up long otherwise featureless facades with changing rooflines, material colors, and façade depths; and dividing numerous inviting, attractive and clearly defined building openings – door, windows and porches - that suggest human presence.
- i) Should utilize design styles, materials and colors that reflect the mountain setting such as covered entry ways and larger eaves so that the collection of individual residential uses at the mountain base create a reasonably harmonious and attractive whole.
- j) Should consider the winter climate such as the use of gabled roofs and by planning for snow shedding off roofs to not endanger people, vehicles or other items of value.
- k) Should take advantage of sun direction in the layout of buildings, particularly entries and decks.
- l) Shall provide off-street parking for each unit at the following rate:
 - 1. multi-family one bedroom and efficiency units: one and one-half spaces per unit;
 - 2. multi-family two bedroom: two spaces per unit; and
 - 3. multi-family three bedroom and greater: two and one-half spaces per unit.
- m) Shall plan for snow storage and removal.
- n) Should, depending on terrain, provide a reasonable amount of useable open and/or common space between buildings and in the housing area in order to maintain the open recreational and natural setting of the general area. There



is a threshold beyond which housing, combined with other ski area facilities, can degrade the natural setting and the quality of the experience. Snow storage and parking areas do not constitute open and/or common space.

- o) Should plan for safe and enjoyable on- and off-site circulation including walkways connecting parking with building entry areas and for pedestrian connections between the housing area and surrounding uses.
6. Dimension standards are established to maintain the general dominance and functional health of the natural environment, to encourage smaller footprint buildings and to provide flexibility for quality design.

All primary and accessory uses are subject to the standards set forth in Figure 31.

Figure 31: Southern Sub-Unit Dimensional Standards

Uses	Lot Dimensions		Minimum Setbacks			Height and Coverage		
	Min. Area	Min. Width	Front	Side	Rear	Max Bldg. Height	Max Lot Building Coverage	Max Impervious Surfaces
Recreational Facilities								
Buildings – 3500 SF or less	MSB Code (40,000 sq. ft. min.)	80 feet	20 feet	15 feet	15 feet	35 feet	10%	20%
Buildings – 3500 SF or more	MSB Code (40,000 sq. ft. min.)	100 feet	25 feet	20 feet	20 feet	35 feet	10 %	20%
Commercial Facilities								
Commercial “Main St.” 3500 sq. ft. or less	6,500 sq. feet	50 feet	5 feet	5 feet	10 feet	35 feet	60%	75%
Commercial “Main St.” ≥ 3500 sq. ft.	6,500 sq. feet	60 feet	15 feet	10 feet	10 feet	35 feet	60%	75%
Commercial Residential 3500 sq. ft. or	6,500 sq. feet		15 feet	15 feet	15 feet	35 feet	40%	50%



Uses	Lot Dimensions		Minimum Setbacks			Height and Coverage		
	Min. Area	Min. Width	Front	Side	Rear	Max Bldg. Height	Max Lot Building Coverage	Max Impervious Surfaces
less								
Commercial Residential ≥ 3500 sq. ft.	10,000 sq. feet		25 feet	20 feet	20 feet	50 feet	30%	40%
Accommodations 5000 sq. feet or less	6,500 sq. feet		25 feet	15 feet	15 feet	40 feet	40%	50%
Accommodations ≥ 5000 sq. feet	10,000 sq. feet		35 feet	20 feet	20 feet	50 feet	30%	40%
Residential								
Multi-Family and Townhouse (≤4/acre)			20 feet	15 feet	15 feet	35 feet		
Multi-Family and Townhouse (≥4/acre)			25 feet	20 feet	20 feet	35 feet		

C. Motorized Uses

Consistent with the *Hatcher Pass Management Plan* and 11 AAC 96.014, the entire Sub-Unit shall remain closed to off-highway motorized vehicles (ATV, motorcycle, snowmobile, etc.), fixed wing aircraft and helicopter take-offs and/or landings. However, some limited motorized vehicle, fixed wing aircraft and helicopter use may be authorized with the use of a land-use permit, and are limited to uses necessary for the construction and maintenance of recreational facilities and for commercial recreation.

Motorized vehicles of any kind, helicopters and fixed wing aircraft conducting emergency operations are authorized at any time and do not require a permit.

D. Other Resources and Programs

No additional specific guidelines are needed for this Sub-Unit. See Chapter 4 for resource and program guidelines that apply to all sub-units within the Government Peak Unit.



Chapter 6

Implementation and Recommendations

Table of Contents

Introduction	6 - 2
Coordination with Other State and Borough Plans and Procedures	6 - 2
Revised Hatcher Pass Management Plan (2010).....	6 - 2
Environmental Impact Statement and Record of Decision	6 - 3
Mineral Orders	6 - 4
Oil and Gas Leasing	6 - 4
Procedures for Changes to the Plan, Goals and Guidelines.....	6 - 4
Periodic Review	6 - 5
Changes to the Plan or Guidelines	6 - 5
Plan Amendments	6 - 5
Procedure for Plan, Including Guideline, Amendments	6 - 6
Special Exceptions	6 - 6
Special Exceptions to Guidelines Modified by “Shall” or “Will”	6 - 7
Procedure for Changes to Special Exceptions	6 - 7
Minor Change	6 - 7
Procedure for Minor Changes	6 - 7
Discretion Within the Guidelines	6 - 8
Procedure for Using Discretion Within the Guidelines	6 - 8
Funding, Education and Enforcement	6 - 8
Section Line Easements	6 - 9
Tri-Party Management Agreement	6 - 9
Existing Lease	6 - 10
Service Districts	6 - 11
Future Ownership and Management of Recreational Facilities	6 - 11
Introduction	6 - 11
Ownership and Management Considerations	6 - 12
Pros and Cons of Various Scenarios	6 - 13
Public	6 - 13
Non-Profit	6 - 15
Private	6 - 15
Hatcher Pass Development Authority	6 - 16



Introduction

This chapter includes information and recommendations necessary to implement this Asset Management Plan's goals, management intent and guidelines. Except for the section on "Procedures for Changes to the Plan, Goals, and Guidelines", the subjects in this chapter are informational and for guidance. The section on "Procedures for Changes to the Plan, Goals, and Guidelines" does establish policy and is subject to full public review and amendment only by the Borough Assembly. Topics covered in this chapter include:

- Coordination with Other State and Borough Plans and Procedures
- Procedures for Changes to the Plan, Goals and Guidelines
- Procedure for Using Discretion Within the Guidelines
- Funding, Education and Enforcement
- Tri-Party Management Agreement
- Existing Lease
- Service Districts
- Future Ownership and Management of Recreational Facilities

Coordination with Other State and Borough Plans and Procedures

Revised Hatcher Pass Management Plan (2010)

The original *Hatcher Pass Management Plan* (1986) and the *Hatcher Pass Management Plan Amendment* (1989) have been superseded by the revised *Hatcher Pass Management Plan* (2010). The 1986 and 1989 plans direction and requirements no longer apply.

The revised *Hatcher Pass Management Plan* (2010) must be followed, specifically the direction and requirements for the Government Peak Unit. See Appendix "C" for a copy of the portion of the *Hatcher Pass Management Plan* that applies to the Government Peak Unit.

The *Hatcher Pass Management Plan* recognizes that the Borough, as a land owner in the Government Peak Unit where the majority of the recreational facilities will be built and located, needs to make the decisions on how this recreational facility development will occur and be managed. At the same time, consistent with a litigation-related settlement agreement¹, the land owned by the Borough must be managed consistent with the *Hatcher Pass Management Plan*.

¹ Cascadia Wilderness Project v. State of Alaska, Department of Natural Resources, Division of Mining, Land and Water Management. Case No. 3AN-02-4403 Civil



In order to address both of these issues, the *Hatcher Pass Management Plan* assumed that a “step-down plan” would be adopted by the Borough that would implement the *Hatcher Pass Management Plan* and constitute the basis for subsequent management by the State and Borough in the Government Peak Unit. The area of application of this step-down plan would, generally, be the Northern and Southern Sub-Units (Northern and Southern Development areas) in the Government Peak Unit.

This Asset Management Plan fulfills that need and is that step-down plan. A letter, dated July 16, 2012 from the Alaska, Department of Natural Resources confirms that this Asset Plan conforms to the requirements of the *Hatcher Pass Management Plan*. This letter is in Appendix “P.”

Utilizing the general policies, management intent and guidelines established in the *Hatcher Pass Management Plan* and the regulations (11 AAC 96) that implement that plan, this Asset Management Plan provides more specific details on how the area will be developed and managed. It provides guidance on the location and the types of uses and provides a generalized analysis of the types of facilities that are likely to be developed in both the Sub-Units. The types of facilities that are identified in Chapter 3 of this Asset Management Plan must be consistent with the *Hatcher Pass Management Plan* and the management of the area enunciated in Chapters 4 and 5 of this Asset Plan are to be used to make determinations of appropriate use.

Additionally, this Asset Plan is intended to provide the basis for and provide guidance to the activities authorized in the Development Lease. The Development Lease shall be consistent with this Asset Plan.

This Asset Plan may affect uses when its standards are more restrictive than the *Hatcher Pass Management Plan*. At the same time this Asset Management Plan cannot allow a greater scope or intensity of use than those authorized in the *Hatcher Pass Management Plan*. A plan amendment to the *Hatcher Pass Management Plan* is required if other uses are to be restricted and/or if an expanded scope or intensity of use is intended.

In addition, a draft of this *Asset Management and Development Plan* has been reviewed by the Alaska Department of Natural Resources. Based on their comments many changes were made to bring this Plan into compliance and be consistent with the requirements of the revised *Hatcher Pass Management Plan* (2010). The Department will be provided another opportunity for further review of this draft Plan.

Environmental Impact Statement and Record of Decision

The findings of the January 6, 2011 Record of Decision related to the Access Environmental Impact Statement must also be followed, particularly the “Proposed Mitigation Measures and Best Management Practices” portion of the Record of Decision. A complete copy of the Record of Decision is located in Appendix “D” of this Asset Plan.

Although the Access Environmental Impact Statement and related Record of Decision did not cover, nor do they specifically apply to, the entire Government Peak Unit, the mitigation measures and Best Management Practices shall be followed throughout the entire area



covered by this Asset Plan. These mitigation measures and Best Management Practices are based on sound science and professional management practices that will help ensure consistency with all management and construction practices in the entire Government Peak Management Unit.

Mineral Orders

Alaska law, AS 38.05.185, requires that the State Department of Natural Resources Commissioner determine that mineral (sub-surface) entry and location is incompatible with significant surface uses in order to close State-owned mineral rights to mineral entry. If not specifically closed or subject to leasehold location, Borough land is available to mineral entry under State law.

The recreational activities within the Government Peak Management Unit were found to be incompatible with mineral entry and location in 1986. Accordingly the land within the Government Peak was temporarily closed to mineral entry under Mineral Closing Orders 541 and 549 in 1986. This closure was made permanent by the Department of Natural Resources in 1999.

Oil and Gas Leasing

This plan and other Borough land-use plans do not make decisions concerning leasing for oil and gas on State or federal mineral estates. Those decisions are made under separate processes under State and federal law and regulations.

Currently there are no known oil and gas resources located in the sub-surface estate within the Government Peak Management Unit. There are no active oil and gas leases that affect the unit.

Procedures for Changes to the Plan, Goals and Guidelines

Policies and management guidelines of this plan may be changed if conditions warrant. For example, changes in social, economic and environmental conditions may place different demands on Borough land, requiring different types of land uses than originally contemplated.

Accordingly, this section only directly applies to Chapters 4 (Unit Wide Goals, Management Intent and Management Guidelines) and 5 (Sub-Units: Background, Management Intent and Guidelines) and a portion of Chapter 6 (Implementation and Recommendations: “Procedures for Changes to the Plan Goals and Guidelines”).

Chapters 1 and 2 are informational in nature and do not establish any policies and/or management guidelines.

Chapter 3, while providing a “map” for the future development of the Government Peak Unit based on the knowledge of recognized industry experts, is subjective and should be



considered as informational in nature. The proposed phases are not meant to be binding on the Borough administration, or the present or future Borough Assemblies. Too many unpredictable factors come into play for planning future activities; flexibility is needed in moving priorities around to meet available and prospective funding sources and to meet public needs. This flexibility is important without having to go through a formal plan amendment process in these ever changing situations.

Chapter 6 (*Implementation and Recommendations*) other than the section on “Procedures for Changes to the Plan, Goals and Guidelines” is also informational in nature and does not establish any policies and/or management guidelines.

Periodic Review

This plan should be reviewed by Borough staff on a regular basis (approximately once every five years) to determine if revisions are necessary.

Following that review, the State Department of Natural Resources and the public should be informed about the results of that review and be provided an opportunity to comment. If there are going to be substantial changes to or deviations from the *Hatcher Pass Management Plan*, the Department of Natural Resources must confirm that the proposed changes or deviations are consistent and in conformance with the *Hatcher Pass Management Plan*. An amendment to the *Hatcher Pass Management Plan* will be required if the proposed changes or deviations are found to be inconsistent or not in conformance with the *Hatcher Pass Management Plan*.

Changes to the Plan or Guidelines

The method for changing the plan depends on the type of change required. There are three types of changes possible to a plan: amendments, special exceptions and minor changes. Amendments are considered to be plan revisions which require a full public review and comment process as well as adoption by the Borough Assembly. Special exceptions and minor changes are administrative decisions. In the case of special exceptions, a Best Interest Finding and public notice is required.

Changes to the plan or guidelines may be proposed by agencies or members of the public. Proposed changes are to be submitted to the Borough Manager who, in consultation with appropriate Borough staff, will determine if a proposed change constitutes an amendment, a special exception or a minor change.

Plan Amendments

An amendment permanently changes the Asset Plan, which includes the guidelines by adding to or modifying the basic management intent. For example, an amendment might change the guidelines for the type and/or size of a buffer or the location of a permanent facility. Only the Borough Assembly may change the Asset Plan, add, amend or delete a



guideline and change a land-use designation and/or classification. In addition, State review and concurrence are required for all Asset Plan amendments regarding changing uses, management intent or management guidelines to ensure compliance with the *Hatcher Pass Management Plan*.

Procedure for Plan, Including Guideline, Amendments

1. The Borough Manager, or his designee, shall prepare a written Best Interest Finding (see Appendix “B”, *Best Interest Finding General Format*) that specifies:
 - the reasons for the amendment such as changed environmental, social or economic conditions;
 - the alternative courses of action (what the plan, guidelines or classification are being proposed to be changed to), including a no change or action alternative; and
 - why the amendment is in the public’s best interest.
2. A public notice of the proposed decision shall be provided pursuant to Borough code. The public notice shall also be sent to the State Department of Natural Resources.
3. The Borough Manager, or his designee, shall submit a recommendation along with the comments and recommendation from the Alaska Department of Natural Resources and the comments received from the public to the Planning Commission for their consideration and a recommendation.
4. The Borough Manager shall submit a recommendation to the Borough Clerk for placing on the agenda for the Borough Assembly’s consideration. Included with the recommendation shall be the comments, recommendations, concurrence or non-concurrence from the Alaska Department of Natural Resources. Public comments and recommendations of the Planning Commission shall also be included.

Special Exceptions

A special exception does not permanently change the provisions of the guidelines. Instead, it allows a one-time, limited purpose variance of the guidelines, without changing their general intent.

Special exceptions may apply to prohibited uses or guidelines. A special exception might be made if complying with the guidelines would be excessively burdensome or impractical or if compliance would be inequitable to a third party, and if the purposes and spirit of the guidelines can be achieved despite the exception. For example, the use of helicopters in the area may be granted a special exception if they are needed to move equipment into an area for construction of trails or ski lifts.



A special exception might also be used to put a seasonal or temporary restriction in place to protect wetlands, wildlife congregation areas or a bear den during periods of heavy recreational use, construction or for other similar reasons.

Special Exceptions to Guidelines Modified by "Shall" or "Will"

Special exceptions to guidelines modified by the words "shall" or "will" may be allowed for individual actions. The decision not to follow a pertinent guideline modified by the term "shall" or "will" must comply with the procedures for special exceptions.

Procedure for Changes to Special Exceptions

1. The Borough Manager, or his designee, shall prepare a written Best Interest Finding (see Appendix "B", *Best Interest Finding General Format*) that specifies:
 - the reasons for the special exception (i.e., why a variance of the guidelines is needed, including reasons why the guideline is burdensome, impractical or why compliance would be inequitable to a third party);
 - the alternative action or course of action to be followed;
 - why the special exception is in the best interest of the public.
2. Appropriate Borough staff shall be given an opportunity to review the Best Interest Finding and to make a recommendation.
3. A public notice of the proposed special exception shall be provided pursuant to Borough code. The State Department of Natural Resources shall also be provided a copy of the public notice.
4. The Borough Manager shall make a final decision after considering any comments from the State Department of Natural Resources and the public.

Minor Change

A minor change is not considered a plan or guideline revision. A minor change is a change that does not modify or add to the guideline's basic intent and that serves only to clarify the guidelines, make them consistent, facilitate their implementation or make technical corrections.

Procedure for Minor Changes

Minor changes are made at the discretion of the appropriate Borough department director, after consulting with the Planning and Land Use, Community Development and/or Public Works Director, as appropriate.



A minor change does not require public review under Borough Code. However, affected individuals and groups may be notified and have an opportunity to comment.

The appropriate Borough director’s decision shall be prepared as a Best Interest Finding (see Appendix “B”: *Best Interest Finding General Format*) which may be appealed to the Borough Manager.

Discretion Within the Guidelines

Some guidelines, like those modified by the term “should,” are written to allow for exceptions if the conditions generally described in the management intent and the guidelines for the unit are met.

Allowing exceptions, following the procedures below, are not revisions or changes to the guidelines.

Procedure for Using Discretion Within the Guidelines

Exceptions to guidelines with discretionary terms such as those modified by the word "should" can be made by the Borough Manager, or his designee, after consulting with appropriate Borough staff.

Each discretionary guideline does state an intent that should (each guideline is specific as to shall, will or should) be met using the best managerial and professional practices for the given situation. These exceptions require a written “Best Interest Finding” (see Appendix “B”: *Best Interest Finding General Format*) in the administrative record.

The justification shall describe how the action meets the intent of the guideline or why particular circumstances justify deviation from the intended action or conditions.

Funding, Education and Enforcement

Adequate staff for active management, maintenance, monitoring, and enforcement are essential to implement this Management and Development Plan. Staff and funding levels should be reviewed on an annual basis.

Information about the proper use and enjoyment of Borough land for all uses and users is best done through education. Educational programs in schools, interacting with community councils, special interest groups, etc., and the use of various written and electronic mediums (i.e., web site) should be encouraged and funded.

While education is preferred to enforcement, it is a reality that education does not work effectively unless enforcement is available as a “last resort” management tool. It is recommended that the Borough Assembly give designated Borough staff limited authority (similar to animal control or code enforcement) to enforce trespass, theft of public



resources, activities that exceed those allowed in various land-use authorizations, vandalism, damage to public land and water resources, and unauthorized uses of Borough land.

Section Line Easements

Much of the land within the Government Peak Unit has been surveyed and is in the final process or being platted so the land can be patented to the Borough (that Borough has a final decision from the Alaska Department of Natural Resources which gives the Borough unrevocable and equitable title to the land). Once the survey and plats have been approved the Borough, working with the Alaska Department of Natural Resources, may want to vacate the section lines particularly where the improved trails and other facilities will be located.

The majority of the terrain where the facilities will be located is not conducive to road construction nor is there a foreseeable need for any major roads within the Government Peak Unit. However, vacating the section lines in the development areas is a good insurance policy against possible future encroachments.

Tri-Party Management Agreement

A management agreement between the Borough and the State Department of Natural Resources, Divisions of Mining, Land and Water (DMLW), and Parks and Outdoor Recreation (DPOR) has existed since 2002.

The agreement provides that DPOR and DMLW will be the lead agencies in the natural resource permitting and recreation management of State land. DMLW is responsible for land-use decisions on State land. The Borough is responsible for all land-use activities on land owned by the Borough. In the case of the Northern Sub-Unit (Alpine ski area) where the land is owned by both the State and Borough, the agreement calls for a mutual decision-making process. The agreement further states that DPOR shall function as the lead for enforcement of general recreation and related activities (i.e., traffic, parking, vandalism on State land and it is the intent of the agreement that DPOR will do the same on Borough-owned land.

Much has changed since this agreement was signed. For example, the Borough now owns land within the management area and, in reality, the management of recreation (and other uses) coincides with land ownership boundaries. The Borough also is the lessee and lessor for all the land in the Government Peak Unit. The effect of this is that the respective roles of the Borough and State are totally opposite of what existed when the agreement was originally signed. The Borough, not the State, is now the government entity to make decisions on how the area shall be developed.

The existing agreement states that the DPOR shall be the lead agency in the enforcement for public safety, natural resource protection and recreation. The DPOR indicated during the development of the revised 2010 *Hatcher Pass Management Plan* that they would not provide enforcement authority on Borough-owned land unless a formal transfer of the Borough's authority of public safety, natural resource protection and recreation takes place



and the Borough provides the necessary funding. This would in effect reverse the roles back to where the Borough would not fully manage the area and would have to pay all the costs associated with enforcement.

The current (2010) *Hatcher Pass Management Plan*, combined with this Asset Plan, clearly places the lead on the Borough for management decisions on both Borough and State land. In addition, and as this plan provides, the Borough has committed to start developing improved recreational facilities in the Government Peak Unit. The two examples provided above are not consistent with the *Hatcher Pass Management Plan* and this Asset Plan.

It is recommended that this agreement be terminated as the existing agreement does not provide any benefits to the Borough. Any management changes that are needed at a later date should be instituted with a new and more specific management agreement and/or through changes to the existing lease that are discussed later in this Chapter.

A copy of the current tri-party agreement can be found in Appendix “L”.

Existing Lease

A 55-year lease to develop the ski areas along with some residential and commercial facilities for most of the 1989 Government Peak Unit was issued by the State, Department of Natural Resources in 1993 (ADL 225965). The lease covers almost all of the Government Peak Unit and a portion of the Bald Mountain/Hillside Unit. Map 4 (Chapter 1, Page 1-11) shows the geographic relationship of the lease to the Government Peak Management Unit.

The lease, when originally issued envisioned a four-season resort complex. The lease was originally issued to Hatcher Pass Development Corporation (then Fred Rodgers) and later sold/transferred along with the Corporation to Davis Constructors and Engineers.

Management of the lease was transferred from the Department of Natural Resources to the Borough in 1997 (MSB 002724). The lease and the Corporation were obtained from Davis Constructors and Engineers in 1998 when they indicated they were no longer interested in developing the area under the terms and conditions of the 1989 *Hatcher Pass Management Plan*. The result is that the Borough is now lessor and lessee.

Since the lease was issued ownership in the Government Peak Unit has changed with the Borough acquiring about 2,735 acres of former State land and the boundaries of the Unit have changed. Many of the terms and conditions in the current lease are related to proposed four-season resort developments that were being contemplated in the late 1980’s and early to mid-1990’s. Few if any of those terms and conditions remain valid today and/or are inconsistent with the *Hatcher Pass Management Plan* and this Asset Plan.

In addition, and importantly, the current lease does not recognize that decisions relating to the development of ski and other recreational facilities in the Government Peak Unit are now controlled by the Borough, including decisions related to land use and development.

The lease is a very marketable document if the Borough decides in the future to privatize or have a third party manage the area. However, the lease needs to be amended to reflect the



applicable plans, environmental documents, land ownership and management prior to marketing and/or assigning the lease to a third party. The *Hatcher Pass Management Plan* also recommends that the lease be amended.

Because the State still has a property interest in the lease (State-owned land is included in the lease area), any changes to the lease must be reviewed and concurred with by the Department of Natural Resources, Division of Mining, Land and Water, Southcentral Regional Office.

The lease and lease assignments itself are very lengthy. Copies can be found at the Division of Mining, Land and Water, Southcentral Regional Office in Anchorage, and at the Matanuska-Susitna Borough, Division of Land and Resources office in Palmer.

Service Districts

Currently the Government Peak Management Unit is not located within any service districts. With roads and facilities, including structures being built, the Borough should consider either creating a full service district or adding the Borough-owned land (area where the improvements will be located) to existing service districts. At a minimum, this would be for fire protection (Greater Palmer Fire Service District – FSA #132) and for roads (South Colony Road Service Area - #16).

If the Government Peak Management Unit is going to continue to be developed as envisioned in Chapter 5, the Borough may want to consider creating a new “full service” district similar to the Port Mackenzie Service Area (#69) which provides for a variety of services including construction, reconstruction, establishment, maintenance and operation of roads, streets and sidewalks, natural gas distribution lines, water, sewer and septic waste collection and treatment facilities, road and street lighting, water supply and distribution, garbage and solid waste collection and disposal, sidewalks and related drainage facilities.

Either option has pluses and minuses that need to be weighed prior to making a final decision. However, one of the options should be adopted prior to making any further major improvements in the area in order to service and maintain the public and, possibly later, private facilities that will be located in the Government Peak Management Unit.

Future Ownership and Management of Recreational Facilities

Introduction

As recreational facilities are added and/or expanded to the Government Peak Unit, it is important to keep in mind the long-term ownership and management of the various recreational facilities. Eventually the Borough will need to make a decision in this regard.



As discussed in Chapter 2 (Background & History) several attempts have been made over the past 20 plus years to entice private developers to develop the area and, in one case, to form a private-public partnership. These efforts have not succeeded for various reasons. However, valuable lessons were learned from each attempt.

Ownership and Management Considerations

Appendices F through J (Operating Characteristics, Revenues, and Expenses; Alpine Skiing Market Conditions; Estimated Personnel Costs by Department and Function; Estimated Operational Costs by Function; and Financial Analysis and Sensitivity Analysis) was predicated on the assumption that the recreation areas at Government Peak would be funded and built by the Borough as an investment in its future. Since there is no private developer or non-profit (501(c)(3) organization ready to take over the area once it is operational, these same chapters assume that the Borough will also operate the facility but under a separate umbrella organization. This scenario was utilized in order to perform a thorough financial analysis of the project. The Borough could own and operate the Hatcher Pass facility but this is not recommended as the most efficient approach. It is, however, one of the options that should be considered.

There are several existing models of both public and public-private partnerships that are insightful in relation to making full implementation of all the phases of development as envisioned in Chapter 3 (Phased Development of Recreational Facilities) successful.

National and State parks were opened for recreation use through public investment but many contain private concessionaires that operate as for-profit ventures through their own investment with the public sector. Major attractions such as Sullivan Arena in Anchorage, the Rose Garden in Portland, Oregon, or Pier 39 in San Francisco would not have been possible without significant public investment.

In the Alaska Industrial, Development and Export Authority (AIDEA) report, *Development Potential for the Proposed Hatcher Pass Ski Area* (2004), Economic Research Associates and Ecosign Mountain Resort Planners, Ltd. identified six areas to compare and contrast as case studies. Their research is still pertinent today and should be used as examples on how Hatcher Pass can be developed and operated as a public facility, a semi-public facility or a public facility with private partnership(s). Some of the information for these areas has been updated and new examples have been added as well.

This information can be found in Appendix “M”.

When the 2004 AIDEA study was completed, various alternatives were considered that might enhance the operating results and attractiveness as a development opportunity. The resulting recommendations found that public sector involvement was necessary in order to attract private developers through incentives. That approach was tried unsuccessfully three separate times.

However, developing the area in a way that could attract future private or non-profit involvement to operate all or parts of the area are still important to keep in mind.



In *Hatcher Pass – “A New Beginning”* it was proposed that the Borough build all the infrastructure and the Nordic and Alpine ski-related facilities at Hatcher Pass without any residential or large commercial development during start up. This approach has never been seriously considered as a viable option in the past. The advantage to this approach is that the skiing facilities and other recreational opportunities that the public has long sought can finally become a reality without politically and economically unnecessary “by product or unwanted baggage.” Thus there remains the overriding question: how should the facilities be structured, managed and operated so that they become self-supporting?

The consulting team doing the 2004 AIEDA report found that pure public ownership and management seemed to carry some unnecessary “baggage” that could hinder efficient operations, most often in the form of a bureaucratic, slow-moving organization with higher labor costs and purchasing restrictions. At that time, the Borough clearly indicated that they did not want to become a ski area operator or developer. However, there are examples where public ownership, or a form of it, does work (see in Appendix “M”; Gore Mountain, Cannon Mountain, and Eaglecrest examples).

The team doing the AIDEA report found the preferred alternative to be public funding and ownership of selected assets and third-party development and management of the mountain facilities under either a for-profit or a not-for-profit 501(c)(3) corporation.

While a 501(c)(3) partner has some advantages in terms of ensuring reinvestment of proceeds into the appropriate recreational facilities, it did not appear to RWS Consulting that stabilized cash flow and proper capital reserves would be available to ensure such reinvestment would occur on a regular basis (see Alpenglow example). There are exceptions to this that have proved to be very successful (see Appendix “M”; Bogus Basin and Hilltop examples).

They found that a for-profit outside firm appeared to be the most favorable direction, especially one that already knows the business. They would be more efficient and opportunities may exist for the operator to cross-market multiple areas (see Mount Sunapee and Winter Park examples). However, these firms also carry baggage as well. Most for-profit companies operate a ski “resort” for its money-making capability which usually translates into an area’s real estate potential (see Appendix “M”; Winter Park/Intrawest example).

Pros and Cons of Various Scenarios

Public

As shown in the examples earlier in this chapter, public or semi-public ownership can be performed in two ways:

Option 1 - the facility owned and managed exclusively by the Borough using Borough employees.

Pros

- facility totally owned and managed by one entity



- funding and expenditures totally controlled by Borough Assembly
- all employees report to the Borough Manager
- ability to draw on expertise from other departments and employees
- potential revenue source to offset loss of property and other taxes

Cons

- likely higher wage and benefits than private industry
- establishing new job classes that may not pay comparable wages to other Borough employees
- employees subject to layoffs and “bumping” rights
- competition with services normally provided by private industry (i.e., food and beverage service)
- restrictive purchasing processes that cannot react to time sensitive situations
- limited flexibility to establish rates and programs
- Borough needs to ensure appropriate funding if facilities not in the “black”

Option 2 – semi-public ownership structured to be managed on a daily basis by an independent “enterprise” with a “Board of Directors” appointed by the Mayor and approved by the Assembly (see Winter Park prior to Intrawest partnership example).

Pros

- independent management that reports only to the Borough Assembly
- prepares and has responsibility for all financial and operational decisions
- ability to hire employees outside of Borough personnel system
- flexibility in setting wages and benefits
- ability to use purchasing processes more closely aligned and utilized by larger private industries
- ability to hire appropriate concessionaires outside of Borough contracting process
- flexibility to establish rates and programs
- ability to respond quickly to changing markets and conditions
- profits returned into continuing maintenance and development
- models and a history of successfully working in State government exist in Alaska (Alaska Railroad Corporation, Alaska Housing Authority, Alaska Aerospace Corporation and Alaska Industrial Development and Export Authority)

Cons

- employees may be part of the Borough’s wage and benefit system, unless organization or association is established to run independently of Borough government personnel and purchasing requirements (see Winter Park Resort example)



- public may still perceive that the facility is operated by the Borough with Borough employees
- competition with services normally provided by private industry (i.e., food and beverage service) unless those services are contracted out

Non-Profit

Ownership and management by a totally independent 501(c)(3) organization with no ties to the Borough other than some board members would be appointed by the Borough Mayor and approved by the Assembly.

Pros

- no Borough employees
- all profits must be reinvested into the ski and recreation areas
- area may be operated the same as a private facility

Cons

- no organization currently exists, nor has there been any interest from the public in creating one
- difficult to create and continue an organization that will manage both the Northern Sub-Unit (Alpine) and Southern Sub-Unit (Nordic and other trails) on an equal and equitable basis
- little, if any, Borough control over its investments
- no Borough revenue return on its investments
- non-profit groups do not have a solid history of managing recreational facilities throughout the country
- requires “active” management to be successful
- start-up and lean years may require outside funding
- no guarantee that programs for all segments and ages of the public will be offered

Private

Utilize a joint venture agreement for a manager and developer

Pros

- no Borough employees
- area operated as a private profit-making facility
- Borough will receive some direct revenue for its investment

Cons

- area will be managed for a profit and not necessarily support local needs



- hard to find private corporation to manage a recreational facility without a real estate (housing, hotels, etc.) component
- there has been no indication from the private sector that anyone is willing to enter into an agreement to operate just the skiing facilities and that have a proven track record
- very few if any firms exist in Alaska that have experience in successfully managing all the components necessary to operate a day-use skiing facility in Alaska

Hatcher Pass Development Authority

Hatcher Pass – “A New Beginning” suggested that, at some point during the expansion of the facilities in the Government Peak Unit, full management of the facilities should be by an independent “Hatcher Pass Development Authority.” The Authority would be selected by the Borough Mayor and Assembly and would be responsible for making decisions on all management and financial issues related to operating the area. The Borough would be an equity partner with the Authority reporting directly to the Assembly.

This same model exists in the State of Alaska government. Examples include: Alaska Housing Authority, Alaska Railroad Corporation, Alaska Energy Authority, Alaska Aerospace Corporation, and the Alaska Development and Export Authority. Similar examples also exist in local government such as the Heritage Land Bank and the Anchorage Parking Authority in the Municipality of Anchorage.

The Chief Operating Officer of the facilities would be separately selected and appointed by the Borough Mayor and Assembly. That person would be the only Borough employee of the Authority. All other employees would be treated as private sector employees serving at the pleasure of the Chief Operating Officer and the Hatcher Pass Development Authority Board of Directors.

Lastly the Plan would require that the Hatcher Pass Development Authority must, on a regular basis, try to fully privatize the complete management of the facilities to a point where the Borough would no longer be directly be involved in the financial and daily management of the facilities.

A draft ordinance that would establish and define the role of the “Hatcher Pass Development Authority” is included as Appendix “N”.



Chapter 7

Definitions/Glossary

Any terms used in this Asset Plan and not defined in this Definitions/Glossary section shall have the Webster's New Explorer College Dictionary definition.

AAC. Alaska Administrative Code

Access. A way or means of approach. Includes transportation, trail, easements, rights of way and public use sites.

ACMP. Alaska Coastal Management Plan

ADF&G. Alaska Department of Fish and Game

ADOT/PF. Alaska Department of Transportation and Public Facilities

Allowable Use. A use that is allowed within a specific geographic area. Also see "Prohibited Use."

Amendment (also called "Plan Amendment"). An amendment permanently changes the guidelines by adding or modifying the basic management intent for one or more of the Plan's sub-units, or a portion thereof, or by changing its allowed or prohibited policies or guidelines for the Government Peak Unit or a Sub-Unit.

Anadromous waters. A river, lake or stream from its mouth to its uppermost reach including all sloughs and backwaters adjoining the listed water, and that portion of the streambed or lakebed covered by ordinary high water used by salmon to spawn. Some, but not all, anadromous waters are shown in "The Atlas to the Catalog of Waters Important for Spawning, Rearing, or Migration of Anadromous Fishes" (referred to as the Anadromous Waters Catalog [AWC] compiled by ADF&G and DNR). Anadromous water bodies also include fresh water bodies or estuarine areas that have been determined to contain or exhibit evidence of anadromous fish in which event the anadromous portion of the water body extends up to the first point of physical blockage.

Area Plan. A plan approved by the Commissioner of the Department of Natural Resources under the authority of AS 38.04.065 that establishes the land and resource management policies for State land within a planning area. Such plans also assign land use designations to individual parcels of State land which are subsequently converted to land use classifications in a Land Classification Order.

AS. Alaska Statutes.

Authorization. Decisions made by the Borough or Alaska Department of Natural Resources that involve the disposal of Borough or State land or an interest in land. This also includes



the issuance of rights-of way that are functionally irrevocable. It does not include land-use permits or authorizations related to mining, where authorization occurs through different processes.

Authorized Use. A use allowed by permit or lease.

ATV. See Off-Highway Vehicles.

Best Interest Finding. A written document that is used as the basis for decisions involving land and natural resource interests. Best Interest Finding conclusions and decisions are based on the criteria of overall best interest of the public and/or Borough or State.

Best Management Practices (also referred to as BMP's). Methods, techniques, processes and activities that have been determined to be the most effective and practical means (including technological, economic and institutional considerations) that are the most efficient (least amount of effort) and effective way (best results) of accomplishing a task based on procedures that have proven themselves over time.

Borough. See *Matanuska-Susitna Borough*.

Buffer. An area of land, between two activities or resources, managed and used to reduce the effect of one activity upon another. Unless specifically authorized to the contrary, the buffer must remain in its undisturbed natural vegetative state.

Classification. See *Land Use Classification*.

Closed to Mineral Entry. Areas where the staking of new mineral claims is prohibited because mining has been determined to be in conflict with significant surface uses in the area. Existing mineral claims that are valid at the time of plan adoption are not affected by mineral closures.

Conditionally Allowed. A use that may be allowed in an adjudicatory decision if the use is consistent with the management intent of the Government Peak Unit or one of its Sub-Units and is otherwise consistent with Borough, State or DNR requirements for such uses.

Consultation. Processes followed to inform other groups of the intention to take some action and seek their advice or assistance in deciding what to do. Consultation is not intended to be binding on a decision. It is a means of informing affected organizations and individuals about forthcoming decisions and getting the benefit of their expertise.

Cultural Resources. Cultural resources include prehistoric resources, Native American resources (associated with ancestors of living Native Americans), and historic resources (after Euro-American contact and settlement). Prehistoric resources are physical properties resulting from human activities that predate written records and are generally identified as isolated finds or sites. Prehistoric resources can include village sites, temporary camps, lithic scatters (stone tools), roasting pits/hearths, milling features, petroglyphs (rock art), rock features and burials. Native American resources are sites, areas and materials



important to living Native Americans for religious, spiritual or traditional reasons. Historic resources can include archaeological remains and architectural structures.

DEC. Alaska Department of Environmental Conservation.

Designated Use. An allowed use of major importance in a particular management unit or sub-unit. Activities will be managed to encourage, develop or protect this use. Where a unit or sub-unit has two or more designated uses, the management intent statement and guidelines for the unit or sub-unit (Chapters 4 and 5) and existing ordinances, statutes, regulations, and procedures will direct how resources are managed to avoid or minimize conflicts between designated uses.

Designation. See *Land-Use Designation*.

Director. The appropriate division director of the Borough department responsible for managing, completing land-use plans, implementing adopted land-use plans or public work projects on Borough land.

Dispersed recreation. Recreational pursuits that are not site specific in nature, such as hunting, fishing, recreational boating or wildlife viewing.

DMLW. Division of Mining, Land and Water, a division of DNR.

DNR. Alaska Department of Natural Resources.

DOF. Division of Forestry, a division of DNR.

DPOR. Division of Parks and Outdoor Recreation, a division of DNR.

Easement. An interest in land owned by another that entitles its holder to a specific limited use.

Facility. Something built or established to serve a particular purpose. For this Asset Plan, facility includes all buildings, roads, parking areas, trails, and related infrastructure for and/or directly related to a recreational activity (Alpine ski area, Nordic ski area, etc.).

Feasible. Capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, technical and safety factors.

Feasible and Prudent. Consistent with sound technical practices and not causing environmental, social or economic problems that outweigh the public benefit to be derived from compliance with a plan guideline.

Fish. See *Fish and Wildlife*.

Fish Bearing Waters. Waters containing anadromous or high-value resident fish at any time of the year.



Fish and Wildlife. Any species of aquatic fish, invertebrates and amphibians, in any stage of their life cycle, and all species of birds and mammals, including feral animals, found in or which may be introduced into Alaska, except domestic birds and mammals.

Forest Land. Land that is or has been forested and is suited for long-term forest management because of its physical, climatic and vegetative conditions. Also refers to the plan designation of Forestry or the land classification of Forest Land.

Generally Allowed Uses. Refers to uses allowed on State land under 11 AAC 96.020. Such uses do not require a permit. Uses allowed on State land may differ from those that may be allowed on Borough or other public land.

Goal. A statement of basic intent or general condition desired in the long term. Goals usually are not quantifiable and do not have specified dates for completion. Goals identify desired long-range conditions.

Guideline. See *Management Guidelines*.

Habitat. Generally there are three categories of fish and wildlife habitat:

1. **Critical Habitat Areas** are those areas that are essential to the conservation of specific animal, bird and fish species. Some animals, birds and fish species in this category are on the endangered or threatened species list. In Alaska these areas are generally protected permanently by federal or State laws that have established special land-use protection areas such as, but not limited to, wildlife refuges, parks and critical habitat areas. There are no lands in this category subject to Natural Resource Management Unit Plans.
2. **Important Habitat Areas** are those areas that are important but have not been designated as “critical” to the life cycle of animals, birds and fish. They serve as a concentrated use area for fish and wildlife species during a sensitive life history stage where alteration of the habitat and/or human disturbance could result in a loss of healthy and diverse local populations. This designation, when used, applies to localized areas having particularly valuable or sensitive habitat within the planning boundary. The designation does not preclude human uses that are compatible with natural resources being managed for the benefit of fish and wildlife.
3. **General Habitat Areas** are those areas where animals, birds and fish are commonly located during some or all seasons of the year. All land within the Government Peak Unit falls within this category.

Hatcher Pass Road. Refers to portions of the Palmer-Fishhook and/or Willow-Fishhook Roads on the south from the intersection with Edgerton Parks Road to Little Willow Creek on the west.

High Value Resident Fish. Resident fish populations that are used for recreational, personal use, commercial or subsistence purposes.

ILMA or ILMT. See Interagency Land Management Agreement/Transfer.



Improvements. Buildings, ski lifts, or other similar types of structures permanently fixed to the land that were constructed and/or maintained by the applicant for business, commercial, recreation, residential or other beneficial uses or purposes.

Interagency Land Management Agreement/Transfer (ILMA/ILMT). An agreement between DNR and other State agencies that transfers some land management responsibility to these other agencies.

Invasive Species. An invasive species is when a species is both nonnative to the ecosystem in which it is found and capable of causing environmental, economic or human harm. Invasive species often compete so successfully in new ecosystems that they displace native species and disrupt important ecosystems processes. Plants, fish, insects, mammals, birds and diseases all can be invasive. Simply being nonnative in an ecosystem does not mean that a species will become invasive. It must possess certain characteristics that ideally suit it for colonization in a particular area. It is possible for a species to be invasive in one ecosystem but non-invasive in another. This can be due to a variety of factors such as the presence of a predator species or less-than-ideal habitat conditions.

Jurisdictional Wetlands. See *Wetlands*.

Land-Use Classifications. Land-use classifications identify the purposes for which Borough or State land will be managed. Most classification categories are for multiple uses; not all uses may be appropriate or permitted within a classification. Land-use designations further specify primary, secondary uses and, in some cases, prohibited uses.

Land-Use Designations. Categories of land allocations used to implement the management intent for specific areas or parcels of land as determined by a land-use or management plan. Designations identify the primary and, sometimes, the secondary uses of land. Other land uses can occur as long as they don't significantly detract or impair from the designated use(s). For example, public recreation can occur on land designated for water resources.

Land-Use Designation. A specific land use allocation determined by a land-use plan. Designations identify the primary use of Borough and State land. Chapter 5 sets out how the land-use designations of this Asset Plan will be classified according to MSB 23.05.100.

Lease. A Borough or State authorization for the use of Borough or State land according to terms set forth in MSB 23.10.010 – 090 or AS 38.05.070-105, respectively.

Legislatively Designated Area (also referred to as LDA). An area set aside by the State legislature for special management actions and retained in public ownership. Examples are State Game Refuges, State Recreation Areas and Public Use Areas.

Locatable minerals. Locatable minerals include both metallic (gold, silver, lead, etc.) and non-metallic (feldspar, asbestos, mica, etc.) minerals.

Management Guidelines. Specific standards or procedures used to implement management intent and decision that are found in land-use plans and are to be followed in the issuance of permits, leases or other authorizations for the use of land or resources.



Guidelines range in their level of specificity by providing detailed management direction, general guidance, or the identification of factors that need to be considered in decision making.

Management Intent. Statements that define the near and long-term management objectives and the methods to achieve those objectives.

Management Unit. In this Asset Plan, “management unit” refers to the Government Peak Management Unit. In the *Hatcher Pass Management Plan* a “management plan” refers to spatial areas of generally similar use or geographic characteristics. There are 10 of these within the geographic area covered by the *Hatcher Pass Management Plan*.

Matanuska-Susitna Borough (also referred to as Borough). The government or geographic area of the Matanuska-Susitna Borough.

Materials. “Materials” include but are not limited to common varieties of sand, gravel, rock, peat, pumice, pumicite, cinders, clay and sod.

Mineral Closing Order (also referred to as MCO). Mineral closing orders close State lands (mineral estate) to mineral entry. All State lands are open for the prospecting and production of locatable minerals unless the lands are specifically closed to mineral entry. The Commissioner of the Department of Natural Resources may close land to mineral entry if a finding has been made that mining would be incompatible with significant surface use on State land [AS 38.05.205]. A significant surface use of the land has been interpreted by DNR to include not only residential and commercial structures, but also fish and wildlife habitat, recreational and scenic values. The entire Government Peak Unit has been closed to mineral entry.

Mineral Entry. Acquiring exploration and mining rights under AS 38.05.185-38.05.275.

Minor Change. A change to a land-use plan that does not modify or add to the guideline’s basic intent and that serves only to clarify the guidelines, make them consistent, or facilitate their implementation or make technical corrections.

Multiple-Use. Multiple-use is a balanced approach to management and use of public land and its various resource values so they are utilized in a combination that best meets the present and future sustainable needs of the public and the resource.

Municipal Entitlement. Municipal entitlement refers to land conveyances from the State to municipalities and Boroughs under AS 29.65.040.

Off-Highway Vehicles. A vehicle, usually motorized, designed or adapted for cross-country operation over unimproved terrain, ice, or snow, many of which has been determined by the Alaska Department of Transportation and Public facilities to be unsuitable for general highway use.

Off-Road Vehicles. Same as off-highway vehicle.



Ordinary High Water Mark. The mark along the bank or shore up to which the presence and action of the non-tidal water are so common and usual and so long continued in all ordinary years as to leave a natural line impressed on the bank or shore and indicated by erosion, shelving, changes in soil characteristics, destruction of terrestrial vegetation or other distinctive physical characteristics [from 11 AAC 53.900(23)].

Permanent Use. A use that includes a structure or facility that is not readily removable.

Permit. A Borough or State authorization for use of Borough or State land respectively. Permits are usually issued for short-term or non-permanent uses of Borough or State land.

Planning Period. Refers to the length of time that this plan covers which is 20 years or until amended or revised. However, the plan remains valid until it is revised.

Policy. An intended course of action or a principle for guiding management actions. These are adopted by the Borough by ordinance or resolution and can be included (if specifically stated) in land use plans that are adopted by the Assembly. In this plan, policies for land and resource management include goals, management intent statements, land use classifications and designations, management guidelines, and implementation plans and procedures.

Primary Use. See Designated Use.

Prohibited Use. A use not allowed in a management unit because of conflicts with the management intent, designated primary or secondary uses, or management guidelines. Uses not specifically prohibited nor designated as primary or secondary uses in a management unit are allowed if compatible with the primary and secondary uses, the management intent statements for the unit and the plan's guidelines. Changing a prohibited use to an allowable use requires a plan amendment.

Public Use. Any human use of Borough or State land including commercial and non-commercial uses.

Recreation. Any activity or pastime that promotes refreshment of health or spirits by relaxation and enjoyment including but not limited to hiking, camping, skiing or activities such as hunting, fishing and sightseeing. "Recreation" does not refer to subsistence hunting and fishing.

Retained Land. Uplands, shorelands, tidelands, submerged lands and water that are to remain in Borough or State ownership.

Right-of-Way. An easement, lease, permit or license to occupy, use or traverse land.

Riparian Area. The area related to and adjacent to a water body. Although used primarily for anadromous waterbodies, this term applies to all waterbodies.

Secondary Use. A designated, allowed use considered important but intended to receive less emphasis than a primary use because it:



1. has less potential than a primary use or contributes less to achieving the management intent of the unit than a primary use; or
2. occurs only on limited sites.

In those very site-specific situations where a secondary use has a higher value than a primary use, the secondary use may take precedence over the primary use but only for a limited area of the management unit. Management for a secondary use will recognize and protect primary uses through application of guidelines, regulations and procedures. However, if a secondary use cannot take place without detrimentally affecting a primary use in the management unit as a whole, the secondary use will not be allowed. If more than one secondary use is identified in a unit or subunit, the uses are co-secondary. Co-secondary uses must be managed to be compatible with each other.

Settlement. The selling, leasing, or permitting of land to allow private, recreational, residential, commercial, industrial, or community use. May also refer to the designation of Settlement or the land classification of Settlement Land.

Shall. (Also see *will*). Requiring a course of action or a set of conditions to be achieved. A guideline modified with the word “shall” is required to be followed by resource managers or users. If a guideline constrained by the term “shall” is not complied with, a written decision justifying the variation is required.

Should. States intent for a course of action or a set of conditions to be achieved. Guidelines modified by the word “should” state the plan’s intent and allow the manager to use discretion in deciding the specific means for best achieving the intent or whether particular circumstances justify deviations from the intended action or set of conditions. A guideline may include criteria for deciding if such a deviation is justified. (See Types of Plan Changes, Chapter 6.)

Social Resources. Social elements of the environment, including population, housing, community facilities, religious institutions, social and employment services, cultural and social institutions, government, military installations and neighborhood cohesion.

State land. A generic term meaning all State land, including all State-owned and State-selected uplands, all shorelands, tidelands and submerged lands. “State Land” excludes lands owned by the University of Alaska, the Mental Health Trust Authority or by State agencies that have been acquired through deed.

Suitable. Land that is physically capable of supporting a particular type of resource development.

Temporary use. A use that is one year or less in duration requiring a Borough or State permit. Any structure associated with the use must be readily removable.

Unsuitable. Land that is physically incapable of supporting a particular type of resource development (usually because that resource doesn't exist in that location).



Uplands. Lands above mean high water (See Figure 1-1, Chapter 1 in Southeast Susitna Area Plan.)

Viewshed. For purposes of this plan, viewsheds are surfaces visible from a viewpoint on a road corridor.

Wetlands. Although federal agencies, states and text book authors vary in the way in which they define wetlands, in general terms, wetlands are lands on which water covers the soil or is present either at or near the surface of the soil or within the root zone all year or for varying periods of time during the year including during the growing season.

A. Clean Water Act. As defined by Section 404 of the *Clean Water Act*, wetlands are “those areas that are inundated or saturated by surface or ground water (hydrology) at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation (hydrophytes) typically adopted for life in saturated soil conditions (hydric soils). Wetlands generally include swamps, marshes, bogs, and similar areas (40 CFR 232.2(r)”.

B. Jurisdictional Wetlands. Jurisdictional wetlands are those that are regulated by the U.S. Army Corps of Engineers¹. These wetlands must exhibit:

1. at least periodically, the land supports predominantly hydrophytes; and
2. the substrate is predominantly undrained hydric soil; and
3. the substrate is non-soil and is saturated with water or covered by shallow water at some time during the growing season of each year.

C. Important Wetlands. Wetland areas that exhibit one or more of the three attributes of Jurisdictional Wetlands and that are proven to be important for fish and wildlife.

Wildlife. See *Fish and Wildlife*.

Wildlife Concentration Area. Area in which the density of animals of a given species exceeds the density of that species in the surrounding area and is necessary for the health and perpetuation of the local population.

¹ Wetlands in this category must exhibit all three characteristics: hydrology, hydrophytes, and hydric soils. It is important to understand that some areas that function as wetlands ecologically, but exhibit only one or two of the three characteristics, do not currently qualify as Corps of Engineers jurisdictional wetlands. Such wetlands may perform valuable functions. While not “jurisdictional”, the Environmental Protection Agency uses the same definition. The U.S. Fish and Wildlife Service defines wetlands as having one or more of the attributes and where any one or more of the attributes could serve as an ecological unit.



Will. Used interchangeably with and meaning the same as Shall (see definition above).



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Appendices

Table of Contents

Appendix A - Land Use Classifications and Designations..... A - 2

Appendix B - Best Interest Finding General Format..... A - 6

Appendix C - Hatcher Pass Management Plan; Government Peak Unit,
Management and Unit Requirements..... A - 7

Appendix D - Environmental Impact Statement; Record of Decision... .. A - 20

Appendix E - Estimated Capital Costs... .. A - 68

Appendix F - Operating Characteristics, Revenues and Expenses A - 83

Appendix G - Alpine Skiing Market Conditions A - 99

Appendix H - Estimated Personnel Costs by Department and Function A - 104

Appendix I - Estimated Operational Costs by Function A - 124

Appendix J - Financial and Sensitivity Analysis A - 128

Appendix K - Commercial/Residential Development Feasibility Analysis A - 131

Appendix L - Tri-Party Agreement A - 152

Appendix M - Examples of Public, Public-Private,
Non-Profit Ownership and Management A - 157

Appendix N - Hatcher Pass Development Authority..... A - 163

Appendix O – Summary and Response to Public Comments on the Draft Plan A - 192

Appendix P – Letter of Conformance from Alaska,
Department of Natural Resources A - 216



APPENDIX A - Land Use Classifications and Designations

Land Use Classifications

The following are land-use classifications, contained in Borough Code (MSB 23.05.100), and are available for use in classifying various types of land designated for various purposes. Changes are proposed to some of these definitions in this plan (See Volume I, Chapter 4; *Implementation and Recommendations*).

- “**Agricultural lands**” are those lands which, because of soils, location, physical or climatic features, or adjacent development, are presently or potentially valuable for the production of agricultural crops.
- “**Commercial lands**” are those lands which, because of location, physical features, or adjacent development, are presently or potentially valuable for trade and commerce.
- “**Forest management lands**” are those lands which, because of physical, climatic, and vegetative conditions, are presently or potentially valuable for the production of timber and other forest products.
- “**General purpose lands**” are those lands, which, because of physical features, adjacent development, location, or size of the area, may be suitable for a variety of uses, or which do not lend themselves to more limited classification under other land designations.
- “**Grazing lands**” are lands which have physical and climatic features which make it primarily useful for the pasturing of domestic or semi-domestic livestock.
- “**Homestead lands**” are lands made available for personal residential use under the borough’s homestead program.
- “**Industrial lands**” are lands which, because of location, physical features, or adjacent development, are presently or potentially valuable for industrial, manufacturing, or warehousing purposes.
- “**Land bank lands**” are those lands for which specific long-term uses have not yet been determined but, due to the land’s surface and sub-surface resources, are suitable for management utilizing the multiple use concept during the near term.
- “**Material lands**” are those lands which are chiefly valuable for earth materials, including, but not limited to, sand, gravel, soil, peat moss, sphagnum,



stone, pumice, cinders, and clay, where the removal of the material would seriously interfere with utilization of the lands for other purposes.

- **“Mineral lands”** are those lands which are chiefly valuable for minerals, including, but not limited to, coal, phosphate, oil, shale, sodium, sulphur, and potash, where the removal of the material would seriously interfere with the use of surface of the land.
- **“Private recreation lands”** are those lands which, because of location, physical features, or adjacent development, are presently or potentially valuable as outdoor recreational areas and may be best utilized by private development.
- **“Public recreation lands”** are those lands which, because of location, physical features, or adjacent development, are presently or potentially valuable to the public as natural or developed recreational or historic areas.
- **“Reserve use lands”** are those lands which have been transferred, assigned, or designated for present or future public use, or for use by a government or quasi-government agency, or for future development of new town sites, or for future expansion of existing public uses.
- **“Residential lands”** are those lands, which, because of location, physical features, or adjacent development, are presently or potentially valuable for either single family or multifamily dwellings.
- **“Resource management lands”** are lands which, because of surface or subsurface resources contained within the land or in connection with adjacent lands, are presently or potentially valuable for multiple use management.
- **“Watershed lands”** are lands that may be forested at a high or moderate relief which will direct water to low lying areas covered or saturated by surface or groundwater sufficient to normally support vegetation found in areas such as riparian, swamps, marshes, bogs, estuaries, and similar area.
- **“Wetland bank lands”** are lands which, because of location and physical features, are presently or potentially valuable for wetland mitigation banking.

Land Use Designations

Land use designations are categories of land determined through a land use plan. Land use designations can be for either a primary or secondary use.

- **Agriculture (Ag)** Land that is agricultural or that, by reason of its climate, physical features, and location, is suitable for present or future agricultural



cultivation or development and that is intended for present or future agricultural use.

- **Forestry (F)** Land that is or has been forested and is suited for long-term forest management because of its physical, climatic, and vegetative conditions. This land will remain in public ownership.
- **Habitat (Ha)** Those areas that are important, but have not been designated as “critical” to the life cycle of animals, birds and fish. They serve as a concentrated use area for fish and wildlife species during a sensitive life history state where alteration of the habitat and/or human disturbance could result in a loss of healthy and diverse local populations. This designation, when used, applies to localized areas having particularly valuable or sensitive habitat. The designation does not preclude human uses that are compatible with natural resources being managed for the benefit of fish and wildlife.
- **Materials (Ma)** Sites suitable for extraction of materials, which include common varieties of sand, gravel, rock, peat, pumice, pumicite, cinders, clay, and sod. This land will remain in public ownership until the material on the site is no longer required for public purposes (such as road construction and maintenance, materials storage, and public facilities) after which these lands may be used for alternative purposes. These lands cannot be sold and cannot be used for an alternative use without re-designation and reclassification.
- **Public Recreation-Concentrated (PRc)** Areas used by concentrations of recreationists or tourists relative to the rest of the planning area or areas with a high potential to attract concentrations of people who recreate and tourists. These areas offer localized attractions or ease of access, and in some instances may include semi-developed facilities. Examples include scenic overlooks, road-accessible locations that are used for picnicking, sports fishing, etc. The recreation and tourism uses for which these units are designated may be either public or commercial. This land will remain in public ownership unless otherwise noted in the management intent for the unit. The primary management intent for these sites is to protect the opportunity of the public to use these sites, and their public values for recreation. Many of these sites require additional management attention because of the use they are receiving.
- **Public Facilities-Developed (PRde)** These sites are reserved for a specific infrastructure to serve public interests. Examples include developed campgrounds, lodges, visitor centers, ski lodges and lifts, etc. These units are usually classified as Reserved Use Land and shall remain in public ownership.
- **Public Recreation-Dispersed (PRdi)** This designation applies to those areas that offer or have a high potential for dispersed recreation or tourism and where desirable recreation conditions are scattered or widespread rather than



localized. Developed facilities are generally not necessary other than trails, trail signs, primitive campsites, and other minor improvements. This land will be retained in public ownership.

- **Resource Management (Rm)** Land that contains one or more resource values, none of which is of sufficiently high value to merit designation as a primary use, or, because size of the parcel, a variety of uses can be accommodated with appropriate siting and design controls. Resource management may also apply where there is a lack of resource, economic, or other information with which to assign a specific land use designation, and/or the lack of current demand implies that development is unlikely within the planning period.

- **Settlement (Se)** This designation applies to uplands suitable for sale, leasing, or permitting to allow private recreational or residential use. This designation will generally be used for areas appropriate for land offerings for residential or private recreational uses. Unsettled or unsold land in the unit will be managed for uses compatible with settlement. This may include uses such as selling additional lots, laying out new subdivisions, identifying greenbelts through subdivisions, reserving materials sites for subdivision roads and building lots, placing easements on access routes, or reserving lots for community facilities and open space.

- **Water Resources (Wr)** This designation applies to areas of important water sources and watersheds. The intent is to retain these lands in public ownership and to maintain them in an undisturbed, natural state. This land will be retained in public ownership. Authorizations within areas designated Water Resources are not to be considered appropriate unless necessary for public health and safety. Utilities and roads may be appropriate with appropriate design if wetland and water resource functions can be maintained. Seasonal (winter) activities may be permitted to occur once sufficient snow cover is present.

- **Wetlands (Wt)** This designation applies to areas determined to be important wetlands. Important wetlands are those areas that exhibit one or more of the following attributes, and that are proven to be important for fish and wildlife:

1. at least periodically, the land supports predominantly hydrophytes; or
 2. the substrate is predominantly undrained hydric soil; or
 3. the substrate is non-soil and is saturated with water or covered by shallow water at some time during the growing season of each year.
- These lands shall be retained in public ownership with the intent to maintain them in an undisturbed, natural state. Authorizations within areas designated Wetlands are not to be considered appropriate unless necessary for public health and safety. Utilities and roads may be appropriate with appropriate design if wetland resource functions can be maintained. Seasonal (winter) activities may be permitted to occur once sufficient snow cover is present.



APPENDIX B – Best Interest Finding General Format

The following outline is the desired format that may be used for recommending or making a decision relating to a land or natural resource decision. A similar format may be used for decisions relating to a policy, guideline, special exception, minor change, or other discretionary decisions, deleting the property site factors unless necessary for making a decision.

- I. Summary of Proposed Action
- II. Property Site or Issue Factors
 - A. Location
 - B. Legal Descriptions
 - C. Land Status
 - D. Restrictions
 1. Land Classification
 2. Land Use Plans
 3. Title Restrictions
 4. Covenants
 5. Zoning
 6. Easements & Other Reservations
 - E. Current Land Use
 - F. Surrounding Land Use
 - G. Existing Infrastructure
 - H. Soils & Terrain
 - I. Coastal Management
 - J. Resources
 - K. Assessment
- III. Public Review Comments
- IV. Analysis and Discussion
- V. Preliminary Recommendation
- VI. Board and Commission Comments & Recommendations
- VII. Final Recommended Decision



APPENDIX C – *Hatcher Pass Management Plan*; Government Peak Unit Management Unit Requirements

The following is from Chapter 3 of the 2010 *Hatcher Pass Management Plan*. The entire Plan can be seen at: <http://dnr.alaska.gov/mlw/planning/mgtplans/hatcher>.

GOVERNMENT PEAK MANAGEMENT UNIT

Background

The Government Peak management unit (Map 3-11) includes areas suitable for a variety of recreational uses, primarily for Alpine (Northern Area) and Nordic (Southern Area) ski facilities, and possible commercial and residential development. There has been great interest on the part of both the state and the borough over the last two decades to see these facilities developed.

The unit¹ is bordered on the north by the Mile 16 and Independence management units, to the west by the Bald Mountain/Hillside management unit, on the east by the Reed Lakes/Little Susitna management unit, and on the south by private land. The northern boundary does not include the Hatcher Pass Road while the eastern boundary does.

The Government Peak unit is easily accessed by Hatcher Pass Road and contains approximately 8,351 acres. In contrast to other units in the planning area where the state is the dominant land owner, ownership in this unit is split between the state (5,339 acres) and the borough (3,012 acres). The ownership pattern is depicted on Map 3-11. The area owned by the borough includes the more developable and accessible land within the management unit. The more mountainous areas within this unit are owned by the state. It is important to recognize this dual ownership since it greatly impacts how the unit is managed.

This area is located adjacent to the Hatcher Pass Road on hilly terrain, although some benches occur and are fairly level. Deciduous forest occurs adjacent to portions of the Hatcher Pass Road while other areas are covered by shrub at lower elevations and by shrub and dwarf shrub at middle elevations and alpine vegetation in the higher elevations. Most of the unit consists of

¹ The boundary of the Government Peak management unit is different in the 2010 Management Plan than in the 1986 Plan and the 1989 Plan Amendment. The three areas of principle difference occur within the eastern, northeastern, and southwestern boundaries. The eastern boundary is shifted to coincide with the Hatcher Pass Road, an obvious management feature. The area that is known as ‘Mile 16’ is dropped from the northeastern part of the Government Peak management unit and made a separate management unit. The intensity of use and level of conflict warranted the creation of this new management unit. The northern management unit boundary is Fishhook Creek, not the Hatcher Pass Road. This portion of the Hatcher Pass Road is now managed under the Mile 16 management unit. Also, much of the southwestern part of the unit has been modified, and generally coincides with Government Creek. This change was made to accommodate the current uses in this area, which include motorized uses.



uplands (99%) with the remainder either wetlands or streams. The majority of the wetlands and streams are in the Southern area.

There are 5 tributaries of the Little Susitna River with coho salmon and Dolly Varden spawning and rearing in each of them. Moose are present in the unit below an elevation of 3,000 feet on the eastern and southern sides of Government Peak. Black bear are also seen in the unit on occasion. Beaver are present and numerous beaver dams and lodges are present throughout the northeastern side of the unit.

Because of favorable terrain and ready access, this unit is very popular for winter sports, including skiing, snowmobiling, sledding, and snow shoeing. The northeastern slopes of Government Peak and Bald Mountain Ridge contain suitable terrain for alpine skiing. There is potential for commercially operated alpine skiing, with skiers coming from the Valley and surrounding communities. An access road and parking facility has been partially developed off of Hatcher Pass Road (Mile 11.2) by the borough to access this area. There has also been a demand by the public to develop Nordic ski facilities and the southern part of this unit contains topography suitable for this purpose. During the summer and fall the entire unit is popular for a variety of activities including hiking, mountain biking, mountain running, hunting, berry picking, whitewater kayaking, and mountaineering education. ORV use also occurs in the southern part, which is primarily associated with hunting in the fall.

A variety of existing administrative and statutory provisions control land use in the unit and will continue to do so under this management plan:

- Lands closed to mineral entry. The unit is closed to mineral entry under administrative mineral closing orders (MCO 549, 541) and pursuant to the authority of the Hatcher Pass Public Use Area, which closes the land within the PUA to mineral entry (AS 41.23.110(f)².
- Hatcher Pass Public Use Area. The PUA, which is also depicted on Map 3-11, requires that the land owned by the state be managed consistent with the purposes of the PUA, which focus on the provision of recreation and the protection of wildlife and fishery resources as well as the scenic resources of the area. Portions of the PUA exist within the Government Peak management unit, generally to the west of the Hatcher Pass Road and the Little Susitna River. Although settlement is precluded within the PUA, the types of developed recreational uses permitted in this plan, on both borough as well as state land, are consistent with PUA statutory provisions and legislative intent.
- Development Lease. Ownership and management of the Development Lease, originally issued by the state, has been transferred to the borough, reflecting the interest of the borough to develop the ski areas. When the lease was originally issued to Mistui Ltd. in 1989, the state was the only land owner in the Government Peak management unit. Since that time, the Borough became the principal land owner where the ski area facilities

² Note: Valid mining claims that existed on September 1, 1986 remained valid. These claims have since been abandoned or extinguished.



would be built and the state has transferred its management to the borough as it relates to ski area and related development. The state retains decision making authority on the use and management on other aspects of state land only.

- **Tri-Party Management Agreement.** A management agreement between the MSB, DPOR and DMLW has existed since 2002. This agreement provides that DPOR and DMLW will be the lead agencies in the natural resource permitting and recreation management of state land. DMLW is responsible for land use decisions on state land. The borough is responsible for all land use activities on land owned by the borough. In the case of the Alpine area where the land is owned by both the state and borough the agreement calls for a mutual decision making process. It is the intent that DPOR shall function as the lead for enforcement of general recreation and related activities (traffic, parking, vandalism, recreation, etc.) on both borough and state lands, but works in coordination with the borough.

Planning Issues

A variety of significant issues, affect this management unit. Perhaps the most significant are land use decisions affecting the development of Alpine and Nordic ski area facilities in the northern and southern portions of the unit. If constructed, the majority of the improved facilities will be located on borough owned land. Because federal funds will be used to develop certain transportation related elements that access the Alpine and Nordic ski areas, the borough has completed an Environmental Impact Statement. The areas of the proposed Alpine and Nordic skiing facilities are depicted on Map 3-11. Besides the EIS process, other planning processes are now underway (see below) that may affect development of both areas. The state supports the efforts of the borough in its development of both the Nordic and Alpine ski facilities and the recommendations that follow implement this concept. The Borough Assembly has adopted “Hatcher Pass – A New Beginning” which is a conceptual phased development plan for the ski area facilities.

Consistent with a litigation related settlement agreement, (Cascadia Wildlands Project v. State of Alaska, DNR, DMLW), the land owned by the borough must be managed consistent with the *Hatcher Pass Management Plan*. As a result of this settlement, the Borough must adopt this management plan along with the DNR.

Another significant issue affecting this management unit is the need for additional parking and trail facilities on the south side of this management unit. These facilities are almost certainly necessary, even with the proposed development of similar facilities in the Bald Mountain/Hillside management unit.



Applicability of Plan Requirements within the Government Peak Management Unit

The following requirements affect both the borough and DNR. It is intended that these requirements and the 2010 HPMP generally, function as the basis for the management of state and borough land within the Government Peak management unit. As such, the HPMP will function as the land use plan for the state and as the comprehensive plan for the borough as it relates to this unit. The borough intends to adopt the HPMP as the basis for its land use management and planning on borough owned land. The 2010 Plan supersedes the 1986 Plan and the 1989 Plan Amendment. The provisions of either do not apply once the 2010 Plan is adopted.

Plan Designations, Land Classifications, and Allowed Uses

Two plan designations affect this management unit. The areas depicted in Map 3-11 as 'Northern Development Area' and 'Southern Development Area' correspond to the plan designation of 'Public Recreation-Developed', while the plan designation of 'Public Recreation-Dispersed' affects all remaining areas. The state land in the unit is designated Public Recreation-Dispersed, except for a relatively small area associated with the Alpine ski facility development. The Public Recreation-Developed designation affects borough owned land and the small area of state land associated with the Alpine ski facility.

Borough land in the unit has been separated into two areas; Northern Area and Southern Area. The northern area may be developed as an Alpine ski facility, which would include parking, roads, and other structures intended to support this facility. Most structures would be concentrated on borough land, while the state land is intended to accommodate ski lifts and related ski facilities. The Southern Area may be developed as a Nordic ski facility, with ski trails, parking, roads and other facilities designed to support a Nordic ski area³.

Both designations convert to the land use classification of Public Recreation Land on both state and borough land. The borough owned land is currently unclassified but, when the HPMP is adopted by the Borough, the borough land will be classified Public Recreation Land.

Uses that are currently authorized on state and borough land remain authorized. Other uses, including settlement and commercial, may also be appropriate within this area, but under certain conditions. Commercial and settlement uses associated with public recreation or public recreation facilities are permitted within areas designated Public Recreation-Concentrated if authorized through borough planning and legislative processes. A plan amendment is not required under this procedure. Settlement or commercial uses that are not directly related to

³ Within lands owned by the borough, the borough may create subunits with more specific management rules and guidelines *as long as they are consistent with the management intent and plan designations* in the 2010 Plan. When these subunits are approved by the Borough Assembly, they also become part of the 2010 Plan. A plan amendment is not required for such changes.



public recreation including improved public recreation facilities are only to be allowed through an amendment of the 2010 HPMP.

Management Intent

Areas designated “Public Recreation-Dispersed” on state land are to be managed to accommodate current non-motorized uses. Motorized uses that may be authorized, include those motorized uses that are necessary to the support and operation of the Alpine and Nordic ski facilities. The description of uses under Plan Designations, Land Classifications, and Allowed Uses is included by reference.

Generally, development, except related to recreation, recreation related infrastructure, and public safety projects, is not intended in these areas. Some of these uses may be appropriate based on agency and public reviews, and adherence to the siting and design criteria identified under Management Guidelines and Management Recommendations of this section. DMLW shall not issue authorizations within this area that are incompatible with the proposed borough developments in the Northern and Southern areas. DNR shall coordinate with the borough on the authorization of all applications in the unit and shall not issue authorizations if the borough finds the proposed use(s) are inconsistent with the proposed borough developments in the Northern and Southern Areas. Uses are to be limited to those shown on the table below titled, “Listing of Uses Within the Government Peak Unit” and to those facilities that are recommended in the section under Management Recommendations.

Areas designated “Public Recreation-Developed” are to be managed to accommodate Alpine and Nordic ski facilities. Except for the small amount of state land, the land affected by this designation is borough owned. Borough land is to be managed to accommodate the development of Alpine and Nordic ski facilities, and those current uses consistent with these forms of development and land use. State land within the Northern Area will be managed to allow continued non-motorized uses and to accommodate structures related to the Alpine ski facility, such as ski lifts, and mid-mountain structures related to use of the ski areas.

Commercial and settlement uses within areas designated Public Recreation-Developed on borough land are appropriate if related to public recreation or public recreation facilities and if authorized through borough planning and legislative processes. Commercial or settlement use(s) that are directly related to the functions of the recreational facility (i.e. ski shop, caretaker housing, etc.) or those uses where revenue is derived from the sale of land or improvements that will be used for developing and operating the recreational facilities are considered appropriate, if authorized as indicated above. Commercial or settlement uses that are not directly related to the public recreation, shall only be allowed within areas designated Public Recreation-Developed or Public Recreation-Dispersed through a plan amendment. Motorized uses necessary to the operation of the Alpine ski facility and for maintenance, public health and safety, and security are recognized as appropriate on both state and borough land.



Generally Allowed Uses (State and Borough)

Requirements related to Generally Allowed Uses under 11 AAC 96.020 only affect state land. These same uses are also allowed on borough land. This management unit is closed to recreational motorized recreation and the use of motorized corridors on a year-round basis.⁴

Areas affected by the “Public Recreation-Dispersed” designation: All generally allowed uses are permitted except for year-round motorized use restrictions and those uses allowed by permit under the Special Land Use Designation (ADL 223585). Lawful trapping, hunting, and fishing, among other uses, are allowed on state land (11 AAC 96.020) and borough land. Motorized uses in support of both the Nordic or Alpine ski facilities and their operations are exempt from this restriction. The areas affected by this restriction are depicted on Map 3-11.

Areas affected by the “Public Recreation-Developed” designation: All generally allowed uses are permitted except for year-round motorized use restrictions as depicted on Map 3-11, except those authorized by permit under the same Special Use Designation (ADL 223585). Motorized uses in direct support of the Nordic or Alpine ski facilities and their operations are exempt from this prohibition. The area affected by this restriction is depicted on Map 3-11.

Uses Requiring Authorization

Uses requiring authorization by DNR and the Borough are to be consistent with state or borough code, as appropriate, and are to be allowed, prohibited, or conditionally allowed according to the listing provided in the table below (also shown for the entire HPMP area in Table 2-1) and consistent with Management Intent for this unit. In the event of discrepancies between the two tables, Table 3-1 controls.

⁴ The Matanuska-Susitna Borough Assembly passed two resolutions in 2010 requesting that the Government Peak Management Unit be closed to motorized recreational use on a year-round basis and that there be no motorized corridors within the management unit. See Resolution No. 10-036, which was passed on May 04,2010 and Resolution No. 10-103, which was passed on December 14, 2010.



Table 3-2: Listing of Uses Within the Government Peak Unit⁵

Potential Use	Allowed, Prohibited, or Conditionally Allowed	Stipulations	Comment
Agriculture	Not allowed.		
Commercial Recreation (not including Alpine and Nordic ski area development)	Allowed on state land.	Commercial recreation facilities may be authorized if in complementary or direct support of the commercial recreation activity and consistent with the stipulations that may be imposed in a borough adopted development plan or included in a Special Land Use Plan. The appropriateness of these uses is to be determined during the adjudication and public involvement process.	This use includes the various types of commercial recreation services that may occur within the management area. Examples include services like guided fishing, hunting or mountain climbing, or commercial tours.
General Commercial, including lodging	Conditionally allowed.	Commercial use is allowable if it is consistent with the management intent and management guidelines and, on borough land, will be subject to the stipulations that may be imposed in borough adopted development plan or included in a Special Land Use Plan.	On borough land commercial use is an allowed use if related to public recreation facilities and if authorized by the borough. See also the discussion under ‘Plan Designations and Land Classifications.’
Grazing Leases	Not allowed.		
Industrial, including uses similar to industrial in character	Not allowed.		This definition does not include alternative energy or hydroelectric power facilities, or facilities that would support ski development.
Material Extraction	Not allowed except for cut and fill situations as related to public safety and public transportation (road, trails, and the like), and development of commercial Alpine, Nordic or other recreational facilities.	Subject to all typical DNR or borough stipulations as appropriate for material extraction plus the restrictions noted for this use in Chapter 2.	Special care must be taken in the siting of material extraction adjacent to principal roads. Borough code related to mining and material extraction shall apply to both borough and state land.
Mining (including placer mining)	Not allowed.		

⁵ The borough intends to prepare and implement a special land use designation (SLUDs) for portions of the Government Peak management unit, and this may include state land as well as borough. SLUDs identified allowed, conditionally allowed, and prohibited uses. A SPUD adopted by the borough may affect uses in this listing when its standards are more restrictive. SPUD requirements, however, may not allow a greater scope or intensity of use that those authorized in the listing. A plan amendment to this plan is required if other uses are to be restricted and/or if an expanded scope or intensity of use for listed uses is intended.



Potential Use	Allowed, Prohibited, or Conditionally Allowed	Stipulations	Comment
Personal use firewood harvest and general forest management activities	Personal use firewood gathering is allowed if a collection area is identified by DOF and DMLW on state land, or by the borough on borough land.		DOF or the Borough may conduct timber removal operations for such administrative purposes as timber salvage, habitat manipulation, insect control, fire fuel reduction, or other forest management purposes determined by DOF or the Borough on their respective lands as necessary for forest health or where improvements will be located including roads, trails, utilities, etc.
Public Facilities	Public facilities related to public safety are allowed. Other types of public facilities are also allowed if identified in the management intent, management guidelines, or management recommendations in the Government Peak management unit.		Structures or facilities other than those noted in the second column are to be treated as conditionally allowed and must be authorized through a written decision.
Public Use, Recreational Use, Trapper and Remote Cabins	Public, administrative, or commercial recreation cabins are conditionally allowed. Personal use and trapper cabins are not allowed.	These types of structures may be allowed if consistent with management intent and management guidelines. All such uses are to go through borough or state adjudication and public review processes.	
Settlement	Not allowed, except that settlement may occur within the Government Peak Unit on borough land. See also 'Stipulations'.	Settlement is subject to the stipulations that may be imposed in the borough's development plan and/or Special Land Use District.	Settlement is an allowed use if related to public recreation facilities and if authorized by the borough. See also the discussion under 'Plan Designations and Land Classifications.'
Ski Facilities (including recreational facilities)	Allowed, subject to approval of a development plan.		The term 'ski facilities' means those uses and structures related to Alpine and Nordic ski complexes.
State Land Disposals for purposes of settlement or agriculture	Not allowed.		
Timber Harvest (Commercial)	Not allowed on state or borough land except for salvage and management for forest health and fire safety. May also be permitted where improvements will be located, including roads, trails, utilities, etc.	All such activities are to be coordinated with DOF, SCRO and the borough, and, if permitted, are to be consistent with the management intent for the unit.	Personal use harvest and general forest management is permitted. See below.



Potential Use	Allowed, Prohibited, or Conditionally Allowed	Stipulations	Comment
Trail Development and Management	Allowed.	Trails on state land are to be developed accordingly to DPOR Sustained Trail Standards.	<p>The management of trails shall be consistent with the 2010 Plan and with any step-wise plan approved by the Assembly.</p> <p>The tri-party management agreement should be consulted prior to trail development or management actions.</p>
Other Uses Not Otherwise Identified	Conditionally allowed.	Only uses consistent with the management intent and management guidelines for the Government Peak unit may be allowed.	Since not all uses that might occur in this area can be anticipated, such uses may be allowed but must go through DNR and/or borough adjudication and public review process(es).

Management Guidelines: State

The management guidelines that follow are based on the uses that are allowed, conditionally allowed, or prohibited in Table 3-1. Consistent with the management intent for this unit, except for public recreation and some utilities, few uses are intended.

Authorizations

- Authorizations issued by DNR are to be consistent with requirements of Table 3-1. Prohibited uses can only be authorized by a plan amendment. Conditional uses may be authorized but the written finding must conclude that the use is consistent with the management intent for the management unit and is in the overall best interest of the state and borough.
- Infrastructure, utilities and similar types of uses, including hydroelectric power generation facilities, are to be treated as a conditional use. Approval of facilities and structures of this type must be in the overall best interest of the state and borough and must be consistent with the requirements of this plan, particularly the management intent for this management unit and with the requirements for ‘utility lines’ in the Recreation section of Chapter 2.
- DNR shall not issue authorizations for uses or structures on state land that would be incompatible with the development and long-term operation of either the Alpine or Nordic ski facilities.
- Repeater and other forms of communication sites are conditionally allowed use on the higher peaks but must be situated to avoid being seen from the Hatcher Pass Road. If the latter is not feasible and some amount of visibility cannot be avoided, they should be sited and designed so that they do not stand out as a prominent skyline feature as viewed



from the road and so that they blend with the ridge. Sites are to be grouped together to the extent possible. Access routes to these sites are prohibited.

Management Guidelines: Borough

Authorizations

- Authorizations issued by the Borough are to be consistent with requirements of Table 3-1. Prohibited uses can only be authorized by a plan amendment. Conditional uses may be authorized but the written finding must conclude that the use is consistent with the management intent for the management unit, borough land use requirements and is in the overall best interest of the Borough.
- Commercial, infrastructure, utility, and other uses related to the development and operation of an Alpine ski facility, as well as the ski facility itself, are recognized as appropriate within the Northern Area. Commercial and/or residential development not directly related to public recreation or public recreation facilities shall require an amendment to this plan.
- The development of a Nordic ski facility as well as commercial, infrastructure, utility and other uses that may be related to the development and operation of such uses are recognized as appropriate within the Southern Area. Commercial or residential development not directly related to public recreation or public recreation facilities shall require an amendment to this plan.
- Public recreation uses may continue on lands owned by the borough unless, in an approved development plan or amendment to this plan, use restrictions are established.

Management Recommendations: State

- This management unit has been recommended for inclusion into the Hatcher Pass Special Use Area. Implement changes to the Generally Allowed Uses of 11 AAC 96.014 that reflect the changes to recreational motorized use depicted in Map 3-11. This management unit remains closed to year round motorized use except for those uses permitted under Special Land Use Designation (ADL 223585). Appendix D contains the proposed changes in regulation.
- Revise the Development Lease between the borough and DMLW to bring it up to date. Revision should occur prior to or concurrent with the approval of a development plan for the ski facilities. See Chapter 4 for details. The state is to coordinate with the borough on this revision.
- Although the borough has recommended (2010) that a north-south winter motorized corridor not be established within the Government Peak management unit, in the event that the borough changes its position in regards to this facility, the 2010 Plan recognizes such a facility and, when/if approved by the Borough Assembly, the plan is amended by



this action to automatically include it, although the state reserves the ability to alter corridor alignment in order to create a continuous facility on state and borough land. A winter motorized corridor on state land to connect with the corridor on borough land is similarly authorized in the 2010 Plan. Similarly, these connections are to be automatically included in the 2010 Plan, with the alignment following that identified in then current engineering studies (or a similar analytic process.) Neither of these actions will require a plan amendment.

- The 2010 Plan also recognizes the potential for an east-west winter motorized corridor on state land within a corridor immediately south of Fishhook Creek⁶. The development of this facility should be considered after the improvements to the existing parking lots on Hatcher Pass Road, the establishment of a new parking lot at the intersection of Archangel Road and the Hatcher Pass Road, and the upgrading of the current snowmachine access corridor that adjoins this road on its north side⁷ and a determination is made by DNR that these improvements are insufficient to handle current or expected requirements for snowmachine access from the East Side to the West Side, or a determination is made that improvements are required for reasons of public safety. Conceptually, this new winter motorized corridor would begin just south of the intersection of Fishhook Creek and the Hatcher Pass road, continue westward following (and within 500') of Fishhook Creek, and then cross that creek to eventually tie into the Fishhook parking lot. The actual alignment of this facility is to be determined in more detailed site analyses. A parking facility would need to be required on Hatcher Pass Road. This development can be made independent of a north-south corridor on borough land or it can be integrated with a borough facility. To provide for the potential development of this facility, a corridor of 500' (south) from Fishhook Creek is to be retained for this purpose. Other uses may occur within this area on an interim basis, but only to the extent that they do not preclude the potential development of this winter motorized corridor. Assuming that the written determination finds that the development of a winter motorized corridor is required, amendment of the 2010 Plan is not required.
- Consider the development of a summer hiking trail connecting Government Peak to Hatch Peak. The evaluation of this route is to be coordinated with the borough.
- Improve signage at entrance to the *Hatcher Pass Management Plan* area (Class A sign).
- Improve signage on all designated trails and parking areas.

Management Recommendations: Borough

- Consider the development of an all season motorized route aligned in an east-west direction within the Southern Area built to sustainable trail standards. If such a corridor is determined appropriate it is intended that a connection on state land be provided that

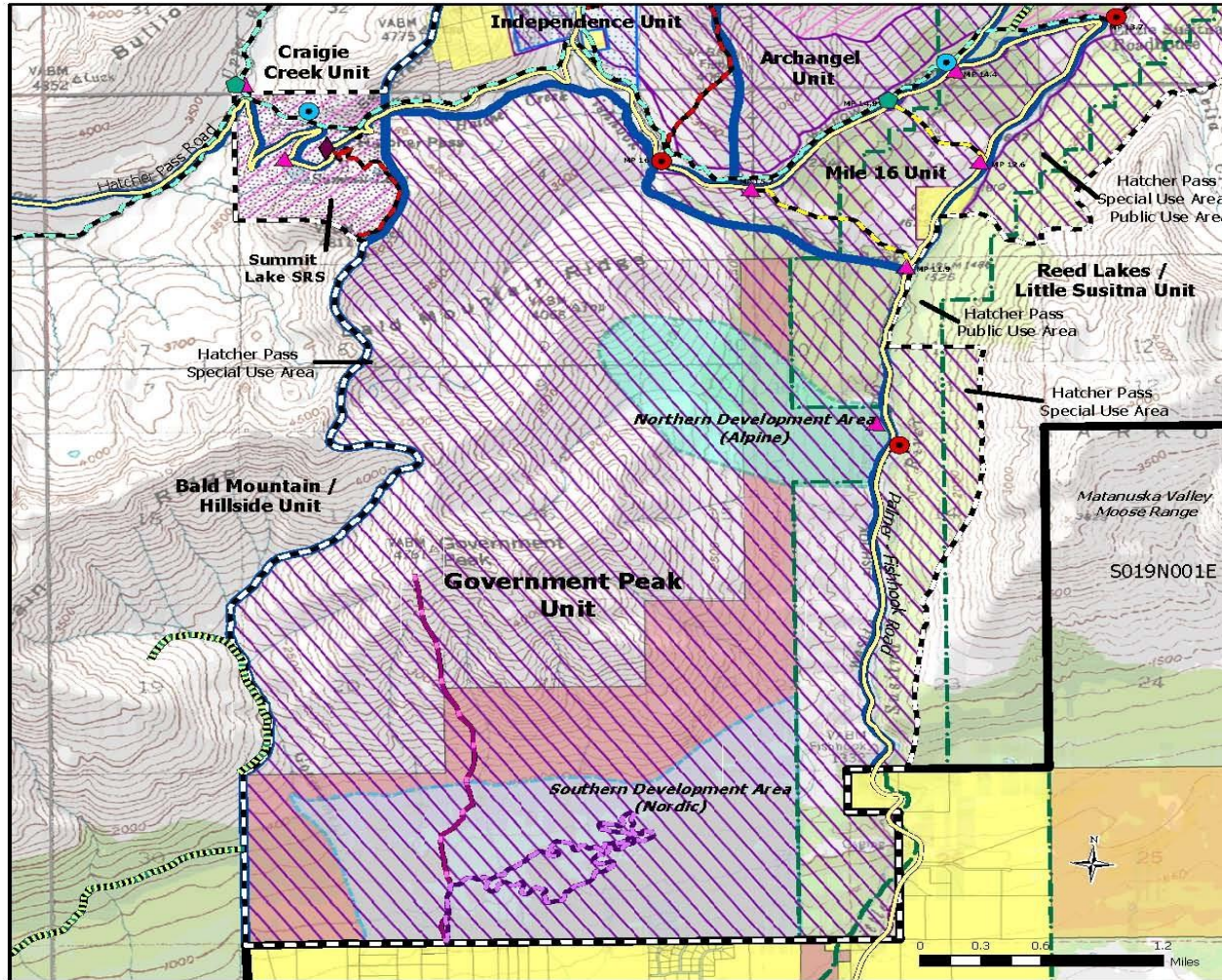
⁶ The 2010 Plan recognizes the strong desire by the public to get from the East Side over to the West Side (which has extensive areas available for snowmachine use) and acknowledges this as a legitimate need that the state must attempt to meet through the development of new and/or improved facilities.

⁷ These facilities are described in the Archangel management unit.



connects the segment in the borough with and through state land in the Bald Mountain/Hillside management unit. If this route is developed by the borough, it should be connected with the proposed motorized corridor beginning on Schrock Road and the Wet Gulch Trail in the Bald Mountain/Hillside management unit. If established, management of the corridor within borough land is to be the responsibility of the borough. Sections of the corridor that are located on state land will be the responsibility of DMLW or DPOR.

- Improve signage on all designated trails and parking areas.



Hatcher Pass Management Plan
Map 3-11
Government Peak Unit
 Land Status, Recreation, and
 Facility Recommendations

- Plan Boundary
- Plan Management Units
- Legislatively Designated Area
- Hatcher Pass Special Use Area 2010
- Summit Lake State Recreation Site
- Independence Mine Historical Park
- Non-Motorized Year
- Non-Motorized Summer
- Southern Development Area
- Northern Development Area
- Matsu Borough Land
- Mental Health Trust Land
- Private Land
- Federal Mining Claims
- Trails - Snow Machine
- Motorized Winter Corridor - New
- Trails - Non-Motorized
- Ski Runs
- Government Peak Trail
- Government Peak Nordic Trails
- Roads
- Parking Area - Existing
- Parking and Restrooms - Existing
- Parking Area - New
- Parking and Restrooms - New
- Parking and Trail Head - New

* General State Land Is Clear Topography
 * All land is managed according to the authority of the relevant management agency or property owner
 * Hatcher Pass Public Use Area Estb. AS 41.223.130
 * Hatcher Pass Special Use Area Estb. 11 AAC 96.014(b)(3)
 * Summit Lake Recreation Site Estb. 11 AAC 96.014(b)(3)
 * Special Use Area Applies To State and Borough Land Only

Alaska
 Department of Natural Resources
 Division of Mining, Land & Water
 Resource Assessment & Development Section
 Boundaries and Information
 Current to November 2010
*This map is for graphic representation only
 and is intended to be used only as a guide.
 Coordinate System: NAD_1983_UTM_Zone_6N*



APPENDIX D – Environmental Impact Statement; Record of Decision

RECORD OF DECISION FOR HATCHER PASS RECREATIONAL AREA ACCESS, TRAILS, AND TRANSIT FACILITIES PROJECT MATANUSKA-SUSITNA BOROUGH, ALASKA

DECISION

The Federal Transit Administration (FTA), pursuant to 23 CFR Section 771.127, hereby issues this Hatcher Pass Recreational Area Access, Trails, and Transit Facilities project (Hatcher Pass Transit Facility Project) Record of Decision (ROD) finding that the requirements of National Environmental Policy Act (NEPA) of 1969 have been satisfied for the construction and operation of access roads, parking lots, and transit facilities in both the Northern and Southern Areas of Hatcher Pass. This ROD also provides findings on other environmentally-related federal statutory requirements.

This Hatcher Pass Transit Facility Project ROD is based on the close monitoring and independent evaluation of the process followed by the Matanuska-Susitna Borough (MSB) in setting forth and considering the effects of the project and the available alternatives. The process included the preparation of the *Final Environmental Impact Statement (EIS) for the Hatcher Pass Recreational Area Access, Trails, and Transit Facilities project (Hatcher Pass Transit Facility Project)* (November 2010) and the determinations made herein.

This ROD describes the Hatcher Pass Transit Facility Project, the background to the project, alternatives considered, the public opportunity to comment, the public comments and responses thereto, and the basis for the decision and mitigation measures required. This document constitutes FTA's environmental record for the project. However, this summary does not supersede or negate any of the information, descriptions, or evaluations provided in the environmental review documents. This ROD and the associated published Environmental Review documents, which are incorporated herein by reference, constitute the FTA environmental record for the project. The summary descriptions are provided in this ROD to provide a summary of the basis of decision.

The proposed improvements are located in two existing recreational areas referred to as the Northern Area and the Southern Area that are currently used for a variety of outdoor activities.

The Project includes construction of the following improvements in each of the two areas:



- A paved access road (an upgrade and realignment of an existing gravel road in the Northern Area; a new access road in the Southern Area)
- A paved parking lot with lighting (an upgrade of an existing gravel parking lot in the Northern Area for 413 vehicles and two buses; a new parking lot in the Southern Area for 210 vehicles and six buses)
- A 20- to 30-passenger, enclosed, heated, and lighted transit facility with restrooms
- Utility extensions (i.e., telephone or fiber optic cable and electrical lines)

Additionally, the Southern Area includes a paved, separated pathway for non-motorized uses, parallel to the new access road.

BASIS FOR DECISION

PROCESS

This Project began in mid-2008 with pre-scoping activities, as described below. After early scoping, and additional agency feedback, FTA and MSB proceeded to prepare an EIS. FTA and MSB released a Draft EIS in June 2010 and the Final EIS in November 2010. Construction is anticipated to begin in summer 2011.

PURPOSE AND NEED

Purpose. The purpose of the Hatcher Pass Transit Facility Project is to develop transportation access and transit-related infrastructure in both the Northern and Southern Areas to support existing year-round recreational use. Hatcher Pass is located 55 miles north of Anchorage, Alaska in the Matanuska-Susitna Borough, the state's fastest growing region. Located within a one-hour drive of 42 percent of the state's population, it has seen a steady increase in use over the past decade. It attracts both tourists and local/regional visitors in both summer and winter months. Access has become increasingly inadequate. Moreover, the MSB has recognized a need to provide transportation to the area for people who prefer not to drive or lack access to cars.

Both the Northern and Southern Areas lack a separated pathway for non-motorized activities (and/or bike paths) that connect to the main road system. Access to proposed transit facilities and existing and proposed recreation areas is difficult for those who do not own a vehicle.

The Project's improvements would also support the MSB's proposed Phase I Nordic and Alpine Ski Area Developments in the Northern and Southern Areas of the Government Peak subunit of Hatcher Pass. The first phase of that development project is reasonably foreseeable, and its reasonably foreseeable impacts were considered and discussed in the Hatcher Pass Transit Facility Project's environmental analysis and in the Draft and Final EIS.

Need. The need for the Hatcher Pass Transit Facility Project results from the lack of sufficient public transportation, access, parking, and transit facilities to accommodate existing and future recreational use of the areas. Despite the limited access and parking,



use of both the Northern and Southern areas for summer and winter recreation continues to increase. Current recreational use of the area includes Nordic and Alpine skiing, snowboarding, ATV and snowmobile use, mountain biking, hiking, mountain racing, sledding, hunting, horseback riding, berry picking, and paragliding. Local high schools, including Palmer, Colony, and Wasilla, use the existing Nordic ski system for training and competitions throughout the winter.

Current access to the Northern Area is via a short, steep gravel road that intersects with Palmer-Fishhook Road and leads to an existing gravel parking lot that can accommodate about 50 vehicles. This gravel pad and access road were constructed by the State of Alaska Department of Transportation and Public Facilities (DOT&PF) during the Hatcher Pass Road upgrade project (completed in 2003) to serve as a construction staging area and as a location to store both waste soil that avalanched into the Palmer-Fishhook Road due to a slope failure. Both the road and gravel pad in the Northern Area were not constructed to meet MSB standard design criteria. The existing road's 11 percent grade makes it inaccessible to transit buses. Also, the gravel pad is undersized for the projected parking demand of this area and needs to be expanded.

Existing infrastructure in the Southern Area includes motorized and non-motorized winter trails as well as multiple-use trails created and maintained by local residents. Traditionally, access to the Southern Area has only been by adjacent private land owners or through trespass from Edgerton Parks Road. There is presently a temporary recreational-use easement on private property (expires in June 2011) via Moose Lick Circle that the public can use to access existing Nordic ski trails. The easement provides access to a graveled parking lot sized for approximately 30 vehicles. Because there is not enough space for buses to park or turn around, cars shuttle to and from the site causing overflow onto the roads surrounding the privately owned property and occasional interference with public transportation and services. With a continuing increase of recreational use of the area and no transportation improvements, the condition of the limited road access and parking lots will continue to deteriorate. Inadequate or nonexistent public access and transit facilities will decrease the area's function and value as a regional recreation resource for Southcentral Alaska, and increase trespass and disturbance impacts to privately owned lands.

The table below summarizes the needs for each Area:

Need for the Hatcher Pass Transit Facility Project (Northern Area)	
Insufficient Existing Access	The existing gravel road does not meet MSB standard design criteria; its 11 percent grade makes it inaccessible to buses and local transit vehicles. The existing 50-car gravel parking lot is undersized for the increasing parking demand of this area.
Lack of Public Transit Amenities	The area lacks public transportation facilities that would allow those who do not own a vehicle to access the area.
Lack of Lighting and Utilities	Lack of lighting and utilities reduces safety.
Lack of Solid Waste Receptacles	Lack of bear-proof solid waste receptacles increases the likelihood of litter and bear activity in the area.



Need for the Hatcher Pass Transit Facility Project (Southern Area)	
Lack of Existing Access	The area lacks access between existing transportation infrastructure and existing trails and recreational areas. The lack of road access and parking increases the likelihood of trespass through private property to access existing recreational areas.
Lack of Public Transit Amenities	The area lacks public transportation facilities.
Lack of Non-motorized Separated Pathway	The area lacks a non-motorized separated pathway and/or bike paths that connect to the main road system.
Lack of Lighting and Utilities	Lack of lighting and utilities reduces safety.
Lack of Solid Waste Receptacles	Lack of bear-proof solid waste receptacles increases the likelihood of litter and bear activity in the area.

OTHER NEPA CONSIDERATIONS

The Final EIS includes a record of the comments submitted on the DEIS and responses to the comments. The Final EIS also includes consideration of environmental findings and findings related to the Endangered Species Act and Magnuson-Stevens Act, Section 106 compliance, wetlands impacts, Section 4(f) and Section 6(f), environmental justice, and air quality conformity, all of which are summarized below and detailed in the Final EIS. On the basis of consideration of all of these Hatcher Pass Transit Facility Project Final EIS findings, as well as the findings on the Project’s purpose and need, the FTA finds that the Project has met all applicable standards and that this ROD is complete; and, further, FTA finds that it supports the determination that all NEPA requirements have been met.

RECORD OF DECISION PROJECT DESCRIPTION

The project for which this Record of Decision is issued is described as the Proposed Action in the FEIS, which is incorporated herein. The Project and its alternatives are summarized below.

Alternatives Considered

Numerous alternatives were evaluated throughout the various stages of the environmental review phase of the Project. The alternatives that were developed and considered for this Hatcher Pass Transit Facility Project are the result of previous planning efforts and studies, more recent fieldwork and planning studies, and public and agency scoping. The alternatives evaluation and screening process is designed to lead to a solution that satisfies the transportation need while still protecting environmental and community resources. Design criteria for the access roads were developed based on the need for transit bus access. The parking lots and transit facilities were designed to accommodate existing and projected use of the recreational areas.



Proposed Action

The Proposed Action includes the construction of the following components in both Areas:

Proposed Action for the Northern and Southern Areas

Northern Area	
Paved Access Road	Construct a paved access road, approximately 0.4-mile long (2100 feet long by 40 feet wide), using a portion of the existing gravel road, and including two 12-foot travel lanes and two 8-foot shoulders and requiring 200 feet of ROW.
Paved Parking Lot	Reconstruct/expand the existing gravel parking lot into a paved, terraced parking lot (163,050 sq.ft.), with a lower lot (103,980 sq.ft.) designed to accommodate approximately 293 vehicles and two buses and an upper lot (59,070 sq.ft.) designed to accommodate approximately 120 vehicles.
Enclosed Passenger Transit Facility	Construct an enclosed, lighted, heated, 20- to 30-passenger transit facility and restrooms (1,800 sq.ft.). Benches will be provided inside the facility. A lock-and-key poster board will also be included to post bus schedules and other MSB and state park official notices. The facility will meet ADA requirements.
Transit Bus Accommodations	Construct transit bus accommodations in the lower parking lot, namely, a one-way bus bay/layover area sized to accommodate two buses. A raised median will separate the area from the main parking lot. Bus pullouts will meet ADA requirements.
Lighting	Install lighting in the parking lot and passenger transit facility. A combination of light sensors and timing circuits will be used to reduce operating costs and minimize light impacts.
Solid Waste Receptacles	Install bear-proof trash receptacles adjacent to the enclosed passenger transit facility.
Utilities	Extend utilities such as telephone and electric from the existing gravel parking lot to the proposed enclosed transit facility. The proposed utility extension will be placed underground within the area of disturbance for the proposed parking lot.
Southern Area	
Property Acquisition	Acquire approximately 13.6 acres of privately owned property for construction of the proposed paved access road and non-motorized, paved, separated pathway.
Paved Access Road	Construct a paved access road almost 1 mile long (4,900 feet long by 40 feet wide) with two 12-foot travel lanes and two 8-foot shoulders, requiring 200 feet of ROW.
Paved Parking lot	Construct a paved parking lot (89,200 sq.ft.) that will accommodate



	approximately 210 vehicles and six buses.
Enclosed 20- to 30-Passenger Transit Facility	<p>Construct an enclosed, lighted, heated, 20- to 30-passenger transit facility and restrooms (1,800 sq.ft.).</p> <p>Benches will be provided inside the facility.</p> <p>A lock-and-key poster board will also be included to post bus schedules and other MSB and state park official notices.</p> <p>The facility will meet ADA requirements.</p>
Transit Bus Accommodations	<p>Construct transit bus accommodations in the proposed parking lot, namely, a one-way bus bay/layover area sized to accommodate six buses. A raised median will separate the area from the main parking lot.</p> <p>Bus pullouts will meet ADA requirements.</p>
Non-motorized Separated Pathway	<p>Construct a non-motorized, paved, separated pathway (4,900 feet long by 10 feet wide) adjacent to the proposed paved access road on the east side.</p> <p>The non-motorized, paved, separated pathway will be multi-use (supporting hiking, biking, running, horseback riding, etc.) and will meet ADA requirements.</p>
Lighting	<p>Install lighting in the parking lot and in the enclosed passenger transit facility. A combination of light sensors and timing circuits will be used to reduce operating costs and minimize light impacts.</p>
Solid Waste	<p>Receptacles Install bear-proof trash receptacles adjacent to the enclosed passenger transit facility.</p>
Utilities	<p>Extend utilities including telephone and electric from Edgerton Parks Road to the proposed parking lot and enclosed passenger transit facility and restrooms.</p> <p>The utility extension will be placed underground within the area of disturbance for the paved separated pathway along the proposed access road.</p>

FTA finds that the proposed action best meets the project purpose and need. The no-action alternative (described below) did not meet the purpose and need, and also resulted in adverse environmental effects. The alternatives that were not carried forward for analysis in the Draft EIS (also described below) failed to meet the project purpose and need as well, and/or caused additional or more severe environmental effects, and/or were infeasible.

No-Action Alternative

Under the No-Action Alternative, the Hatcher Pass Transit Facility Project would not occur. Public access improvements and transit facilities would not be constructed, and a fixed transit route would not be established. No improvements would be made to the Northern Area, and the existing 11 percent grade gravel roadway and undersized parking lot would remain unchanged. Access to both the Northern and Southern Areas would continue to be



limited for (a) sectors of the public who rely on public transit and (b) school groups that rely on bus transportation. Recreation use of the area would continue to increase despite the lack of adequate access. Increased use of existing parking facilities could impact privately owned lands, the environment, and human safety. Congestion, increased accident rates, and trespass through private properties along Edgerton Parks Road would continue and likely worsen with increased use of the Southern Area.

Alternatives Considered and Dismissed from Further Evaluation

The table on the following two pages summarizes the alternatives that were considered but dismissed from further evaluation. They are discussed in detail in the Final EIS in Section 3.3.

Alternatives Considered, but Dismissed

Concept Alternatives		
Northern Area		
Alternative	Access Road Start	Rationale for dismissing alternatives.
Alternative 1	Palmer-Fishhook Road at Existing Gravel Access Road	This road alignment could not be improved to meet MSB design standards for transit access due to steep gradient.
Southern Area		
Alternative	Access Road Start	Rationale for dismissing alternatives.
Alternative 1	Waldo Reed Road ROW	Requires bringing traffic farthest west on Edgerton Parks Road. Longer road length than Alternatives 2 and 3. Complex ROW acquisition required.
Alternative 2	Edgerton Parks Road Mile 1.5	Carried forward for further evaluation.
Alternative 3	Edgerton Parks Road Mile 0.9	Carried forward for further evaluation.
Alternative 4	Palmer-Fishhook Road	Requires new bridge over the Little Susitna River and road through public use area. Potential impact to major riparian habitat. Longest road length and greatest cost.
Refined Concept Alternatives		
Alternative	Access Road Start	Rationale for dismissing alternatives.
Alternative 2 (Red Alignment)	Edgerton Parks Road Mile 1.5	Carried forward for further evaluation.
Alternative 3 (Yellow Alignment)	Edgerton Parks Road Mile 0.9	Carried forward for further evaluation.
Alternative 3 (Blue Alignment)	Edgerton Parks Road Mile 0.9	Undesirable curvature. Extra length increases impacts to the environment and costs.
Alternative 5 (Green Alignment)	North end of North Solid Rock Circle	Topographically more challenging. Impacts existing residential area. Requires private land acquisition. Places recreational/collector traffic on residential street.



Preliminary Design Alternatives		
Alternative	Access Road Start	Rationale for dismissing alternatives.
Alternative 2 (Red Alignment, Option 1)	Edgerton Parks Road Mile 1.5	Road would be 1.5 miles long; longer than yellow alignments. Requires excessive cut and fill that increases cost and environmental impact. Impacts multiple land owners.
Alternative 2 (Red Alignment, Option 2)	Edgerton Parks Road Mile 1.5	Exceeds design standard for grade. Road would be 1.6 miles long (longest alternative). Impacts multiple land owners.
Alternative 3 (Yellow Alignment, Option 1)	Edgerton Parks Road Mile 0.9	Impacts to wetlands. Four creek crossings. Excessive cut and fill increases costs and environmental impact, or requires bridge, increasing cost. Approximately 1.4 miles long. Affects one private land owner. Meets design standard for grade.
Alternative 3 (Yellow Alignment, Option 2)	Edgerton Parks Road Mile 0.9	Exceeds design standard for grade. Six creek crossings. Approximately 1.4 miles long. Affects one private land owner.
Alternative 3 (Yellow Alignment, Option 3)	Edgerton Parks Road Mile 0.9	Seven creek crossings. Slightly longer road length (approximately 1.5 miles long) than Yellow Options 1 and 2. Meets design standard for grade. Affects one private land owner.
Preferred Alternative (Access)		
Alternative	Access Road Start	Rationale for preferred alternative.
Alternative 3 (Yellow Alignment, Option 4)	Edgerton Parks Road Mile 0.9	Final recommended alignment is a combination of Yellow Options 2 and 3 adjusted to reduce wetland impacts and to reach the relocated parking lot. Road length is approximately 1.0 mile. Crosses four creeks. Meets design standards for grade. Affects one private land owner.
Alternative 5	Palmer-Fishhook Road Mile 8.5	The slope directly adjacent to Palmer-Fishhook Road in this area is in excess of 60% grade. Significant cuts would drastically change terrain and would require blasting and clearing approximately 20 acres of land. A 40-foot drainage basin would have to be bridged for approximately 1,000 feet, five stream crossings, and wetland impacts.

PUBLIC OPPORTUNITY TO COMMENT

Information from the public and agencies on the purpose and need for the project, potential alternatives, and possible issues and concerns that need to be addressed was gathered throughout the EIS process. Appendix M of the Final EIS contains the “Scoping Summary Report” of comments received from the public and agencies during the initial scoping period. Public and agency scoping materials and comments are attached to the Final EIS in appendices K and L, respectively.



Public Scoping Meeting. Public scoping meetings were held on December 11, 2008, and May 27, 2009, at Colony Middle School in Palmer. To announce the meetings and help the public understand the Project's purpose, the project teams sent a flyer to all persons on the mailing and e-mail distribution list, posted to the project website, and advertised in the Anchorage *Daily News* and the *Frontiersman*, and ran radio advertisements on four local radio stations.

Approximately 55 people attended the first public scoping meeting, and 47 people attended the second public scoping meeting, not including project team members. Appendix L of the Final EIS includes a list summarizing comments received and how they were addressed.

Agency Scoping. Agency scoping began May 2, 2008, and continued through June 30, 2009. The project team sent e-mails and made phone calls to agency representatives thought to have jurisdiction over resources within the Hatcher Pass Transit Facility Project area. This effort was to learn what type of environmental resource data existed for the Project and learn what type of data and studies the agency representatives expected to see in the environmental analysis.

Agency scoping meetings took place in Palmer, Alaska, at the MSB offices, 305 East Dahlia Avenue, on Monday, December 8, 2008 and Tuesday, June 2, 2009.

A letter to agency representatives provided background information on the Project and invited the agencies to participate in the December 8 scoping meeting. Three e-mail reminders followed. A reminder phone call encouraging comments was made before the close of the comment period on January 14, 2009.

Appendix K of the Final EIS contains copies of the agency scoping list, attendance list, presentation, and notes from the June 2, 2009 meeting. Meeting materials from the December 8, 2008, agency scoping meeting are included in the Scoping Summary Report (Appendix M). Appendix K also includes a summary of agency comments received throughout the Final EIS process and how comments were addressed.

Participating and Cooperating Agencies and Tribes. Participating agencies are federal and non-federal agencies that may have an interest in the Project. Cooperating agencies are federal, state, and local agencies with jurisdiction or special expertise with respect to any environmental issues that should be addressed in the Final EIS.

On May 28, 2009, the FTA invited federal and non-federal agencies and Tribes to become participating and cooperating agencies in the Hatcher Pass Transit Facility Project EIS process. Only the United States Environmental Protection Agency (EPA) and the Alaska Department of Natural Resources accepted the invitation to become a participating agency. The National Marine Fisheries Service, Eklutna Incorporated, and Cook Inlet Region Incorporated declined the invitation to become participating or cooperating agencies.

Appendix K of the Final EIS contains documentation of the invitation to participate and cooperate and responses received from agencies and Tribes.



Agency Site Visits. Agency representatives from the Alaska Department of Fish and Game (ADF&G), EPA, and the United States Army Corps of Engineers (USACE) visited the project area on June 9, 2009. USACE visited the site a second time to clarify the methodology used in delineating and determining problematic wetland areas. Appendix K includes memoranda describing each site visit.

Section 106 and Government-to-Government Cultural Resources Consultation. On April 22, 2009, FTA initiated consultation under the National Historic Preservation Act of 1966, pursuant to 36 CFR 800.3, to help identify places including historic and archaeological resource sites that may have traditional religious and cultural importance to tribal organizations.

FTA initiated government-to-government consultation on April 22, 2009, with Cook Inlet Region Incorporated, Eklutna Incorporated, Native Village of Eklutna, Chickaloon Traditional Council, and Knik Tribal Council. The intent of the government-to-government consultation was to cooperatively identify and resolve issues of importance to tribal communities that could delay the environmental review process or could result in denial of any required approvals. None of the governments elected to participate further.

Appendix O of the Final EIS documents the Section 106 and government-to-government consultations.

Community Involvement Activities. The Hatcher Pass Transit Facility Project area is located within the boundary of the Fishhook Community Council and adjacent to the community of Buffalo/Soapstone. The project team supplied information about the Project to the presidents of the two community councils, and the team presented project information to the Fishhook Community Council on January 15 and June 3, 2009. The project team also made presentations to the MSB Assembly and the MSB Planning Commission at joint meetings on March 24 and June 23, 2009. On January 14, 2009, the project team presented to the Real Property Asset Management Board and the Parks, Recreation and Trails Advisory Board. In addition, the project team presented to the MSB Assembly during a special work session on January 5, 2010.

At each meeting, the team gave an overview of the Project and an update on the Project schedule and scoping process, then responded to questions and supplied information on how to submit comments. The Scoping Summary Report (Appendix M, Final EIS) includes the attendance lists, sign-in-sheets and notes from the meetings.

Draft Environmental Impact Statement Public Hearing. A public hearing was held on June 23, 2010, to receive public and agency comment on the Draft EIS. It took place at Colony Middle School in Palmer.

Sixteen individuals attended. They received a meeting agenda and comment form. Hard copies of the Draft EIS were available for review. Electronic copies (compact disk) of the Draft EIS and copies of the Executive Summary were available throughout the EIS process.



The *Federal Register* Notice of Availability for the Draft EIS appeared on May 28, 2010, announcing the date and location of the public hearing as well as the extent of the comment period. The project website carried an advertisement of the public hearing after June 5, 2010; the ad also ran in the Anchorage *Daily News* and the *Frontiersman* on May 28 and July 13, 2010. In addition, the project team sent a postcard invitation to property owners within the project area and interested parties. E-mail notifications were also sent to the public distribution list on June 8, 2010, and to the agency distribution list on May 14 and July 23, 2010. Appendix S of the Final EIS includes documentation relating to the Draft EIS public hearing.

An open-house introduction to the public hearing allowed the public to view the project material. Detailed graphics alternatives considered and environmental conclusions from the Draft EIS were placed around the meeting room. Comment sheets were available. The project team then summarized the project process, alternatives analysis, and results of the environmental analysis. The hearing was opened to the public for oral testimony. A court reporter formally recorded the presentation and public comments. Appendix S contains a full transcript of the hearing.

Final Environmental Impact Statement Review and Comment Period. The Notice of Availability (NOA) of the Final EIS was published in the *Federal Register* on November 19, 2010. The 45-day review period began on November 19, 2010 and ended on January 4, 2011. During the FINAL EIS review period, comment letters were received from EPA and three citizens. Comments and responses are attached as Appendix D to this ROD.

Secondary, Indirect and Cumulative Effects. NEPA requires federal agencies to evaluate not only the direct effects of any proposed federal action, but also the reasonably foreseeable effects of reasonably foreseeable actions other than the proposed action, whether related or not, that could affect the same environment.

The Project's Final EIS has analyzed the reasonably foreseeable impacts from other reasonably foreseeable actions, particularly Phase One of the MSB's Hatcher Pass Ski Area Development. The Final EIS has identified a number of measures that could, if implemented, avoid, minimize or mitigate those effects. Accordingly, FTA finds that the Project has complied with NEPA's secondary, indirect and cumulative effects requirements.

MITIGATION MEASURES TO MINIMIZE HARM

Attachment C, which is incorporated herein by reference, establishes the mitigation measures that are required of MSB under this Hatcher Pass Transit Facilities Project ROD and will be relied up by other federal permitting agencies including the U.S. Army Corps of Engineers. The mitigation commitments were identified in the Hatcher Pass Transit Facilities Project FEIS.



Implementation of the mitigation measures in Attachment C are material conditions of this Hatcher Pass Transit Facilities Project ROD and will be incorporated in any grant agreement that the FTA may award MSB for the construction of Project.

The Federal Transit Administration finds that with the accomplishment of these mitigation commitments, MSB will have taken all reasonable, prudent and feasible means to avoid or minimize impacts from the Project.

Mitigation Monitoring Program to Ensure Compliance

To ensure compliance with required mitigation and to assist with FTA oversight, MSB shall establish a mitigation-monitoring program, to be approved by FTA, which will track, monitor and report the status of the environmental mitigation actions identified in this ROD. The mitigation-monitoring program may, upon approval of FTA, be revised as necessary during the permitting process in order to facilitate implementation of those measures during final design and construction. Under this program, MSB will conduct regular reviews for compliance with environmental mitigation commitments with corrective actions as may be required.

MSB will submit to FTA each quarter a Hatcher Pass Transit Facilities Project Environmental Mitigation Program Status Report describing the status of the mitigation-monitoring program. Implementation of identified mitigation measures during final design and construction will be MSB's responsibility.

DETERMINATION AND FINDINGS

FTA has prepared this ROD in compliance with NEPA and its implementing regulations (40 CFR 1500-1508), FTA's NEPA regulations (23 CFR 771), and the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). The Notice of Intent (NOI) to prepare the Final EIS was published in the Federal Register on November 17, 2008.

National Environmental Policy Act, Environmental Quality Improvement Act and Executive Order 11514, Protection and Enhancement of Environmental Quality

Title 42, sections 4321 through 4347 and 4371 through 4375 of the United States Code, and Executive Order 11514 on the Protection and Enhancement of Environmental Quality, require federal agencies to evaluate the environmental impacts of their actions and integrate such evaluations into their decision-making processes, and require that each federal department and agency affecting the environment implement appropriate policies. The environmental record for the Hatcher Pass Transit Facility Project includes the previously referenced *Final Environmental Impact Statement (EIS) for the Hatcher Pass Recreational Area Access, Trails, and Transit Facilities project (Hatcher Pass Transit Facility Project)* (November 2010) as well as earlier NEPA documents cited and included as the Environmental Review Documents. These documents, all incorporated herein by reference,



represent the detailed statements required by NEPA and by 49 United States Code Section 5324(b) on:

- The environmental impacts of the proposed project;
- the adverse environmental effects that cannot be avoided should the proposed project be implemented;
- alternatives to the proposed project; and
- the irreversible and irretrievable impacts on the environment which may be involved in the project should it be implemented.

Having carefully considered the environmental record noted above and the findings below, the mitigation measures as required below, the written and oral comments offered by other agencies and the public on this record, and pursuant to 49 U.S.C. Section 5324(b) for consideration of economic, social and environmental interests, FTA has determined that:

- The Project's environmental review application includes a record of the environmental impact of the proposal, of the adverse environmental effects that cannot be avoided, of alternatives to the proposal, and of irreversible and irretrievable impacts on the environment;
- FTA has cooperated with the Secretary of the Interior and the Administrator of the Environmental Protection Agency on the Project;
- a public hearing on the Project has been held and FTA has reviewed each transcript of a public hearing submitted under 49 U.S.C. Section 5323(b) to establish that an adequate opportunity was afforded for the presentation of views by all parties with a significant economic, social, or environmental interest in the Project; and having reviewed the record of those views, FTA makes the following findings:
 - a) Consideration has been given to the preservation and enhancement of the environment and to the interests of the community in which the Project is located;
 - b) all reasonable steps have been taken to minimize adverse environmental effects of the Project;
 - c) where adverse environmental effects remain, there exists no feasible and prudent alternative to avoid the effects, and all reasonable steps have been taken to minimize and mitigate the effects; and
 - d) the Project meets its purpose and need, and the requirements of NEPA have been met.

Executive Order 12372 on Intergovernmental Review of Federal Programs

This order directs federal agencies to consult with and solicit comments from state and local governments whose jurisdictions would be affected by a federal action.



During the course of the environmental review, the project team directly involved state and local agencies in the Project. Agency staff, executives and elected/appointed officials were coordinated with during each Project phase. These efforts are documented in Chapter 8 of the FEIS and Appendix K of the Final EIS. Accordingly, FTA concludes that the Project has complied with Executive Order 12372.

Executive Order 13175 on Consultation and Coordination with Indian Tribe Governments

FTA invited the following Native Alaskan Governments to consult and coordinate on the Project: the Cook Inlet Region Incorporated, Eklutna Incorporated, Native Village of Eklutna, Chickaloon Traditional Council, and Knik Tribal Council. Although all of the governments declined to participate, FTA finds that the Project has complied with Executive Order 13175.

Endangered Species Act (ESA)

The Endangered Species Act of 1973 provides a means to conserve the ecosystems on which threatened and endangered species depend, and a program to conserve such species. The ESA requires federal agencies to ensure that any action authorized, funded or carried out by them is not likely to jeopardize the continued existence of any listed species or result in direct mortality or destruction or adverse modification of critical habitat of listed species. This requirement is fulfilled by consultation and review of the proposed actions and mitigation with the appropriate agency responsible for the conservation of the affected species.

The Project is not likely to affect any species listed as endangered or threatened, or any habitat designated as critical. The US Fish and Wildlife Service and National Marine Fisheries Service have concurred in this assessment. Accordingly, FTA finds that the Project has complied with ESA.

Magnuson-Stevens Act

The Magnuson-Stevens Act (MSA) directs Federal agencies to consult with NMFS on all actions, or proposed actions that may adversely affect Essential Fish Habitat (EFH). Adverse effects include the direct or indirect physical, chemical, or biological alterations of the waters or substrate and loss of, or injury to, benthic organisms, prey species and their habitats, and other ecosystem components, if such modifications reduce the quality or quantity of EFH.

NMFS was properly consulted and concluded on August 4, 2010 that the Project's impacts on EFH will be temporary, localized, and minimal, given the conservation measures identified in the EIS. Those measures are incorporated into the mitigation measures identified in this ROD. Accordingly, FTA finds that the Project has complied with the MSA.

Fish and Wildlife Coordination Act

The Fish and Wildlife Consultation Act (FWCA) requires consultation with the U. S. Fish and Wildlife Service (USFWS), with a view to the conservation of wildlife resources, whenever the waters of channel of a body of water are modified by a department or agency of the U.S.



The project team consulted with USFWS from scoping onward, provided opportunities for USFWS review and comment on environmental analyses and documents, and responded to USFWS's comments. Accordingly, FTA finds that the Project has complied with the FWCA.

Migratory Bird Treaty Act, Executive Order 13186 on Migratory Birds, and the Bald and Golden Eagle Protection Act

The Migratory Bird Treaty Act (MBTA) generally prohibits the taking, killing, or possessing of native migratory birds. Executive Order 13186 directs federal agencies to support the conservation intent of the migratory bird treaties and the MBTA by integrating bird conservation principles, measures, and practices into agency activities and by avoiding or minimizing, to the extent practicable, adverse impacts on migratory bird resources when conducting agency actions. Separately, the Bald and Golden Eagle Protection Act prohibits the taking or possessing of Bald or Golden Eagles.

The Final EIS and this ROD identify avoidance and mitigation for impacts to birds protected by the Act. These conditions reflect direction from USFWS. Accordingly, FTA finds that the Project has complied with the Migratory Bird Treaty Act, Executive Order 13186 on Migratory Birds, and the Bald and Golden Eagle Act.

National Historic Preservation Act (Section 106), Executive Order 11593 on Protection and Enhancement of the Cultural Environment, and Executive Order 13007 on Protection and Accommodation of Access to Indian Sacred Sites

Section 106 of the National Historic Preservation Act of 1966 (NHPA), as amended⁸, requires that federal agencies identify and assess the effects of federally assisted undertakings on historic resources, archaeological sites, and traditional cultural properties, and requires agencies to consult with interested parties to find acceptable ways to avoid or mitigate adverse effects.

To comply with Section 106's consultation regulations, FTA has consulted with the Alaska State Historic Preservation Officer (SHPO) and the U.S. Department of the Interior to determine whether the Project would adversely affect protected resources. FTA also invited consultation and coordination with potentially interested Native Alaskan entities: the Cook Inlet Region Incorporated, Eklutna Incorporated, Native Village of Eklutna, Chickaloon Traditional Council, and Knik Tribal Council.

A survey of the Project's Area of Potential Effects (APE) revealed no archaeological resources eligible for listing in the National Register of Historic Places (NRHP). A nearby historic wagon trail has been recommended eligible for inclusion on the NRHP, but it is located outside the APE. If any archaeological sites are discovered that may be eligible for listing on the NRHP, then consultation with SHPO regarding inadvertent discovery, documentation, evaluation,

⁸ Related laws also addressed in this section include the Archaeological and Historic Preservation Act of 1974, the Native American Graves Protection and Repatriation Act, and the Antiquities Act of 1906.



assessment, and mitigation measures, if necessary, will be necessary. An inadvertent discovery plan has been provided to the Alaska SHPO.

Accordingly, FTA finds that the Project has complied with NHPA and the related laws, regulations, and executive orders.

Department of Transportation Act, Section 4(f)

Section 4(f) of the Department of Transportation Act of 1966 requires that use of land from a significant publicly owned park, recreation area, wildlife and waterfowl refuge, or historic site, be approved and constructed only if: 1) There is no feasible and prudent alternative to the use of the land; and 2) the project includes all possible planning to minimize harm to the site.

The Department of Interior concurred in a letter to FTA dated July 26, 2010, that the Project's use of recreational area land was "consistent with the applicable management plan for the area" and that "there was no reasonable and prudent alternative to achieving these anticipated recreational enhancements."

Accordingly, FTA finds that the Project has complied with Section 4(f).

Executive Order 12898 on Environmental Justice

Executive Order 12898 provides that "each Federal agency shall make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority and low-income populations." The Department of Transportation Order to Address Environmental Justice in Minority Populations and Low-Income Populations (No. 5680.1) requires agencies to 1) explicitly consider human health and environmental effects related to transit projects that may have a disproportionately high and adverse effect on minority and low income populations; and 2) implement procedures to provide "meaningful opportunities for public involvement" by members of these populations during project planning and development.

The project team's extensive efforts to engage all members of the community are described above in this ROD and in Chapter 8 of the Final EIS. In addition, the Final EIS shows that the Project would, in general, not result in disproportionately high and adverse human health, environmental, social, and/or economic impacts. The Project would facilitate public transportation, increasing opportunities for low-income populations to enjoy a major recreational area. Should Phase One of the ski area development be developed, the transit facilities may also afford additional employment opportunities for low-income residents in the area.

Accordingly, FTA finds that the Project would not have disproportionately high and adverse effects on the minority or low-income populations of the MSB or the Fishhook/Palmer area,



particularly in light of the offsetting benefits to low-income populations, and therefore has complied with Executive Order 12898 on Environmental Justice.

Americans with Disabilities Act and Architectural Barriers Act

The Americans with Disabilities Act (ADA) and Architectural Barriers Act (ABA) address several issues relating to accessibility, including access to places of public accommodation and commercial facilities (title III). The Act states that “Each service, program, or activity must be operated so that, when viewed in its entirety, it is readily accessible to and usable by individuals with disabilities, unless it would result in a fundamental alteration in the nature of a service, program, or activity or in undue financial and administrative burdens.” The Architectural Barriers Act further specifies accessibility standards. Mitigation commitments in this ROD require the Project’s transit facilities to be designed to meet all ADA and ABA requirements.

Accordingly, FTA finds that the Project has complied with the ADA and ABA.

Clean Air Act

The Project is located in an area designated as “unclassifiable,” where there is not information to determine whether the area is in attainment with regulatory standards for air pollutants. The Project is therefore not subject to the conformity requirements imposed by the Clean Air Act (CAA). Nevertheless, the project team prepared a planning-level, qualitative air quality analysis in order to allow comparisons between the No-Build Alternative and the Proposed Action. The analysis found a small increase in some local emissions, but not enough to change regional air quality levels. The project team also analyzed short-term impacts from construction activities. The Final EIS identifies several best management practices to reduce construction-related emissions, which are incorporated into this ROD as mitigation measures.

Accordingly, FTA finds that the Project has complied with the Clean Air Act.

Water Quality: Clean Water Act (Sections 401 and 402)

Discharges of water are addressed in the Clean Water Act (CWA) in Section 401 and the Section 402. Under Section 402, a discharge of domestic or industrial wastewater into marine or fresh surface water requires a National Pollutant Discharge Elimination System (NPDES) permit (including a General Construction Permit for applicable construction activities). The program is administered in Alaska by ADEC and overseen by EPA.

The Project will not discharge any runoff from a point source into a surface water body. As described in the Final EIS, runoff from impervious surfaces will be directed to grassy swales or settling basins for infiltration.

The Project’s mitigation measures include a number of actions to prevent construction impacts to water quality. MSB shall comply with the requirements of EPA’s General



Construction Permit, and to coordinate with ADEC in developing and complying with permit conditions.

Over-withdrawal of water for the Project could adversely affect water quality. The MSB has obtained from the Alaska Dept. of Natural Resources the appropriate water-rights permit for the Project. Withdrawals for the proposed ski area development would require separate permits.

Accordingly, FTA finds that the Project has complied with Sections 401 and 402 of the CWA.

Wetlands: Clean Water Act, Executive Order 11990 on the Protection of Wetlands

The Clean Water Act (Section 404) and Executive Order 11990 on the Protection of Wetlands apply to federally permitted projects that affect wetlands and other waters of the United States. Section 404 of the Clean Water Act, administered by the USACE and EPA, regulates placement of dredge or fill material into the waters of the U.S., including wetlands.

The Northern and Southern Areas contain both wetlands and other waters of the United States. The project team prepared two separate wetland reports consistent with U.S. Army Corps of Engineers guidance for conducting wetland determinations and delineations: A reconnaissance level wetland delineation (Wetlands Reconnaissance Report [WRR]) (Final EIS, Appendix F), and a detailed Preliminary Wetlands Delineation [PWD] (Final EIS, Appendix G). On March 19, 2010, the USACE concurred with the PWD and its delineation of waters of the United States, including wetlands, under USACE's regulatory jurisdiction (Final EIS, Appendix R). The Final EIS shows that the Project will permanently fill approximately 75 acres of wetlands and will culvert about 867 linear feet of waters of the United States; construction activities will fill an additional .36 acres of wetlands and culvert 380 additional linear feet of waters of the United States.

The mitigation measures included in this ROD require MSB to mitigate impacts to these wetlands through a wetland mitigation bank that the MSB has recently established. In the event that the bank is not yet available, MSB will mitigate wetlands impacts through an in-lieu fee program. The final mitigation package will be developed during final design and through the appropriate permitting processes in compliance with the requirements of and in coordination with the U.S. Army Corps of Engineers, EPA, and local jurisdictions as may be required.

Accordingly, FTA finds that the Project has complied with the Clean Water Act (Section 404) and Executive Order 11990 on Protection of Wetlands.

Noise Control Act of 1972, Quiet Communities Act

Several federal regulations require protection from noise impacts. These regulations include the Noise Control Act of 1972 and the Quiet Communities Act, which require federal agencies to develop programs to promote an environment free of noise that jeopardizes public health or welfare and that agencies comply with state and local noise ordinances. FTA



consequently developed criteria, most recently documented in Transit Noise and Vibration Impact Assessment Manual, May 2006). The FEIS shows that there are no sensitive noise receptors within the noise screening boundaries established by FTA. There may be some limited, short-term construction related noise impacts. This ROD includes mitigation measures to minimize those impacts.

Accordingly, FTA finds that the Project has complied with these acts.

Wild and Scenic Rivers Act

The Wild and Scenic Rivers Act preserves in their free-flowing condition certain selected rivers of the Nation which, with their immediate environments, possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural or other similar values. There are no designated rivers in the Project area.

Accordingly, FTA finds that the Wild and Scenic Act does not apply to the Project.

Executive Order 11988 on Floodplain Management

Executive Order 11988 on Floodplain Management describes measures to prevent a reduction in the capacity of floodplains to absorb runoff. The Project will not affect any floodplains. Though the MSB participates in the National Flood Insurance Program, no flood hazard mapping for the Hatcher Pass Transit Project area was available from the Federal Emergency Management Agency (FEMA) or the USACE Flood Hazard website. According to MSB Code Compliance Services, the Project area is located outside MSB mapped flood hazard areas.

Accordingly, FTA finds that the Executive Order 11988 does not apply to the Project.

The Safe Drinking Water Act of 1974 (Sole Source Aquifers)

The Safe Drinking Water Act of 1974 requires EPA review and approval of federally funded projects that have the potential to contaminate sole source aquifers so as to create a significant hazard to public health. There are no designated sole source aquifers in the Project area.

Accordingly, FTA finds that the Safe Drinking Water Act does not apply to the Project.

Land and Water Conservation Fund Act of 1965, Section 6(f)

Section 6(f) of the Land and Water Conservation Fund Act prohibits the conversion of property acquired or developed with LWCA Fund grants to a non-recreational purpose without the approval of the Department of Interior's National Park Service (NPS). There are no lands purchased with assistance from this Fund.

Accordingly, FTA finds that Section 6(f) does not apply to the Project.



Marine Mammal Protection Act

The Marine Mammal Protection Act's purpose to keep is species and population stocks of marine mammals from diminishing beyond the point at which they cease to be a significant functioning element in the ecosystem of which they are a part, and prevent them from diminishing below their optimum sustainable populations. No marine mammals would be directly or indirectly harmed by the Project.

Accordingly, FTA finds that the Marine Mammal Protection Act does not apply to the Project.

Farmland Protection Policy Act

The Farmland Protection Policy Act (FPPA) requires federal agencies are required to account for the adverse effects of their programs on the preservation of farmland. There is no farmland in the Project area.

Accordingly, FTA finds that the FPPA does not apply to the Project.

Based on the foregoing findings, this Hatcher Pass Recreational Area Access, Trails and Transit Facilities Project Record of Decision is hereby approved.

{SIGNED}

Date: January 6, 2011

R. F. Krochalis, Regional Administrator
Federal Transit Administration
Region X



Appendix A: Permits Required for the Proposed Action

Regulated Activity (Required Permit/Approval)	Permitting Agency	Authority	Description
Federal Authority			
Wastewater discharges to waterways via stormwater, Alaska Pollution Discharge Elimination System (APDES) Permit for Stormwater Discharges	DEC	Section 402, Federal Water Pollution Control Act of 1972 (Clean Water Act) (33 USC 1251)	DEC must authorize any activity or wastewater system that would discharge waste from one or more points into a waterway.
State of Alaska 401 Certification	DEC	Pursuant to Section 401 of the Clean Water Act	Under the APDES program, the state of Alaska does not have permitting enforcement authority for stormwater. However, the State of Alaska, DEC certifies the USEPA general permits by issuing a 401 Certification.
Discharge of Dredged or fill material into U.S. waters, including wetlands (review of United States Army Corps of Engineers [USACE] Section 404 Permit)	USEPA	Section 404, Federal Water Pollution Control Act of 1972, as amended in 1977 (Clean Water Act) (33 USC 1344)	USEPA reviews (USACE) Section 404 Permit under its Section 404(b)(1) "Guidelines for Specifications of Disposal Sites for Dredged or Fill Material."
Discharge of dredged or fill material into U.S. waters, including Wetlands (USACE permit)	USACE	Section 404, Federal Water Pollution Control Act of 1972, as amended in 1977 (Clean Water Act) (33 USC 1344)	The USACE must authorize the discharge of dredged or fill material into, and excavation in U.S. waters, including wetlands. The USACE determines compliance with the Section 404(b)(1) guidelines.
Development possibly affecting historical or archaeological sites (Review and Comment)	Advisory Council on Historic Preservation	National Historic Preservation Act (NHPA) of 1966, as amended (16 USC 470)	The Advisory Council on Historic Preservation must be given a reasonable opportunity to review and comment on the adequacy of the management/mitigation for historic or archaeological sites potentially impacted by any federally permitted or licensed project.
Destruction or modifications	All Federal Agencies	Executive Order 11990	All federal agencies must avoid, to the extent possible, impacts



Regulated Activity (Required Permit/Approval)	Permitting Agency	Authority	Description
Federal Authority			
of wetlands (Wetlands Protection Considerations)		(Environmental Justice) May 24, 1977	associated with destruction and modification of wetlands, including direct or indirect support of new construction in wetlands, wherever there is a practicable alternative.
Essential Fish Habitat (EFH)	All Federal Agencies	Magnuson-Stevens Fishery Conservation and Management Act of 1976	All federal agencies are required to consult with the Secretary of Commerce on any action that may impact EFH.
Actions that could adversely affect threatened and endangered species or their critical habitat	Department of the Interior and United States Fish and Wildlife Service	Endangered Species Act of 1973 (16 USC 1531)	All federal agencies must ensure that any action is authorizes, funds, or carries out, does not “adversely impact” any listed species, or “destroy or adversely modify” any critical habitat for that species.
Development possibly affecting publicly owned parks, recreational areas, wildlife and waterfowl refuges, or public and private historical sites	Department of the Interior and official(s) with jurisdiction over the Section 4(f) resource	Section 4(f) of the Department of Transportation Act of 1966 (49 USC 1653(f))	All Department of Transportation agencies cannot approve the use of land from publicly owned parks, recreational areas, wildlife and waterfowl refuges, or public and private historical sites unless there is no feasible or prudent alternative to the use of land; or the action includes all possible planning to minimize harm to the property resulting from use.
Actions that could cause takes of protected birds	Department of the Interior and United States Fish and Wildlife Service	Migratory Bird Treaty Act (16 USC 703-711); Bald and Golden Eagle Protection Acts (16 USC 668-668d) and Executive Order 13186	All federal agencies must avoid, to the extent possible, the “take” of migratory birds and bald and golden eagle, eggs, feathers or nests.
Conversion of property purchased or improved with funds from the Land and Water Conservation Fund	Department of the Interior	Section 6(f), Land and Water Conservation Fund Act of 1965 (36 CFR 59)	All Department of Transportation Agencies must ensure that the requirements of Section 6(f) (3) of the Land and Water Conservation Fund Act would be met should a proposed



Regulated Activity (Required Permit/Approval)	Permitting Agency	Authority	Description
Federal Authority			
			conversion be implemented.
Actions that cause disproportionately high and adverse human health or environmental effects on minority or low-income populations	All Federal Agencies	Executive Order 12898 (Environmental Justice)	All federal agencies must identify and address the disproportionately high and adverse human health or environmental effects of actions on minority and low income Populations to the greatest extent practicable and permitted by law.



Appendix B: Determinations and Findings

The following table summarizes the environmental impacts associated with the Proposed Action Alternatives for the Northern and Southern Areas as well as FTA's determination and findings for each environmental resource. Additional detail on each resource category is included in Chapters 4 and 5 of the Final EIS.

Resource Category	Environmental Impacts Associated with the Proposed Action
Air Quality	<p><i>Direct and Indirect Impacts</i> Short-term localized direct impacts to air quality would occur during construction.</p> <p><i>Secondary (or Indirect) Impacts</i> There would likely be an increase in air emissions from the construction and operation of the MSB's proposed Phase I developments when compared to the No- Action Alternative.</p>
Climate Change	<p><i>Direct and Indirect Impacts</i> The Proposed Action would not likely impact climate change, but would likely be impacted by climate change as regional temperature and precipitation amounts are predicted to increase.</p>
Geology	<p><i>Direct and Indirect Impacts</i> The Proposed Action would directly alter surficial topography and soils through excavation activities, vegetation removal, and grading.</p> <p>Proposed transit infrastructure is located in mapped low-hazard avalanche areas.</p> <p><i>Secondary (or Indirect) Impacts</i> The area is susceptible to earthquakes and avalanches, and facilities would be designed to withstand and meet local standards. Structures and facilities would be placed in low-hazard areas wherever possible.</p> <p>An avalanche safety plan would need to be developed and followed to manage the avalanche hazards in the area.</p>
Biological Resources	<p><i>Direct and Indirect Impacts</i> Vegetation would be directly affected through excavation or clearing. Wildlife and fish would be impacted by loss and fragmentation of habitat.</p> <p><i>Secondary (or Indirect) Impacts</i> Vegetation would be affected by clearing for development of ski facilities.</p> <p>Wildlife and fish would be affected by loss and fragmentation of habitat, increased human presence, and changes in water quantity caused by the water withdrawal for snowmaking.</p>
Wetlands and Other Waters of the United States	<p><i>Direct and Indirect Impacts</i> Construction impacts would result in the loss of approximately 0.75 acres of wetlands and 866.42 linear feet of Other Waters of the U.S.</p>



Resource Category	Environmental Impacts Associated with the Proposed Action
(U.S.)	<p>The areas that would be affected are similar to other wetlands and Other Waters of the U.S. near the Hatcher Pass Transit Facility Project area and would not be expected to substantively reduce wetlands habitat and Other Waters of the U.S. in the area.</p> <p>Runoff from new impervious surfaces (i.e., roadway modifications, parking lots, and transit facilities) could increase pollutant loads to wetlands.</p> <p><i>Secondary (or Indirect) Impacts</i> The day lodge will not impact wetlands or Other Waters of the U.S., but the ski lifts, trails, maintenance road, and night lighting may have some impacts, the extent of which cannot be determined at this stage in the conceptual plan.</p> <p>The proposed Nordic ski trails will impact wetlands and Other Waters of the U.S. the extent of which cannot be determined at this stage of conceptual development.</p>
Water Resources and Water Quality	<p><i>Direct and Indirect Impacts</i> Water quality may be temporarily impacted during construction, due to stormwater runoff over disturbed areas.</p> <p>The MSB would require the Contractor to prepare an “Erosion and Sediment Control Plan” (ESCP), a “Stormwater Pollution Prevention Plan” (SWPPP), as well as a “Hazardous Materials Control Policy” (HMCP).</p> <p>These plans would detail erosion and siltation control measures, other pollution prevention measures, and BMPs that would be used during project construction to minimize water quality impacts.</p> <p><i>Secondary (or Indirect) Impacts</i> Potential impacts to area streams and drainages due to increased runoff from artificial snowmaking and vegetation clearing for the Alpine area development include natural slope and channel erosion, local landslides or slumps, and erosion of existing roads and ski area structures. These potential impacts could lead to increased turbidity and sedimentation of surface waters.</p> <p>Potential impacts to the Little Susitna River from permitted water withdrawals associated with the MSB’s proposed Phase I development in the Northern Area, which includes snow making.</p>
Navigable Waterways	<p><i>Direct and Indirect Impacts</i> There would be no impact on navigable waters.</p> <p><i>Secondary (or Indirect) Impacts</i> No impacts to navigable waters are anticipated to result from the MSB’s proposed Phase I developments.</p>
Coastal Resources	<p><i>Direct and Indirect Impacts</i> There would be no impact to coastal zone resources.</p>



Resource Category	Environmental Impacts Associated with the Proposed Action
	<p><i>Secondary (or Indirect) Impacts</i> No impacts to coastal zone resources are anticipated to result from the MSB's proposed Phase I developments.</p>
<p>Historic, Archaeological, and Cultural Resources</p>	<p><i>Direct and Indirect Impacts</i> There would be no direct impacts to cultural and historic resources.</p> <p><i>Secondary (or Indirect) Impacts</i> Potential secondary (or indirect) impacts could result from an increase in the number of visitors to the area.</p> <p>Direct impacts to known archaeological or historic resources are not anticipated from the MSB's proposed ski area developments.</p> <p>However, the increase in recreational use of the area may result in impacts to archaeological or historic resources that were not discovered during the cultural resources investigation that was conducted for this project.</p>
<p>Visual and Aesthetic Resources</p>	<p><i>Direct and Indirect Impacts</i> Temporary impacts to visual and aesthetic resources may occur during construction due to the presence of heavy construction equipment in the Hatcher Pass Transit Facility Project area.</p> <p>Proposed development within the Northern Area is expected to have limited impacts to visual resources within the Little Susitna Valley.</p> <p>In the Southern Area, impacts to visual resources and aesthetics will be limited due to the fact that the proposed development will be primarily out of sight from travelers driving along Edgerton Parks and Palmer-Fishhook Roads.</p> <p><i>Secondary (or Indirect) Impacts</i> Impacts to visual resources could occur due to the proposed development of the Northern Area.</p>
<p>Land Ownership and Use</p>	<p><i>Direct and Indirect Impacts</i> The Proposed Action is consistent with adopted state and local land use plans and will enhance future land use and encourage the use of public transit.</p> <p>The Proposed Action will require acquisition of approximately 13.6 acres from parcel number A1 (NW ¼ of Section 33, T 19, R 1 E). Parcel A1 is undeveloped and the current owner is a willing seller to the MSB.</p> <p><i>Secondary (or Indirect) Impacts</i> Everything proposed by the MSB is within its ownership and lease area, and is consistent with the area's land use plans. Therefore, no impacts to land ownership or land use are anticipated to result from the MSB's proposed Nordic and Alpine ski developments, other than increased recreational use and visitation to the area.</p>
<p>Parks, Trails, and Recreation</p>	<p><i>Direct and Indirect Impacts</i> Transit services will provide access to those who do not own their own vehicles.</p>



Resource Category	Environmental Impacts Associated with the Proposed Action
	<p>The change in the character of recreation use from low density backcountry use to more populated front-country use could impact some users.</p> <p>Development of the Proposed Action will reduce impacts on private property south of the Southern Area.</p> <p><i>Secondary (or Indirect) Impacts</i> The impact of the MSB's proposed Phase I Nordic and Alpine ski area development on recreation is expected to be generally beneficial, in terms of providing more opportunity for recreational access, in accordance with the HPMP.</p> <p>Further development of trails and downhill skiing facilities will increase the recreational opportunities in the Hatcher Pass Transit Facility Project area.</p>
Section 4(f)	<p><i>Direct and Indirect Impacts</i> There would be no impact on Section 4(f) resources.</p> <p><i>Secondary (or Indirect) Impacts</i> No impacts to Section 4(f) resources are anticipated to result from the MSB's proposed Phase I development.</p>
Section 6(f)	<p>The Proposed Action would have no impact on Section 6(f) resources.</p>
Transportation	<p><i>Direct and Indirect Impacts</i> Traffic will increase in the area. Implementing MASCOT's fixed route service will encourage transit ridership and reduce private-vehicle parking congestion.</p> <p><i>Secondary (or Indirect) Impacts</i> The addition of MASCOT's fixed route service will decrease traffic volumes on surrounding roads.</p> <p>MASCOT could reevaluate their service to provide a fixed route service between Miles 13 and 16 for the Hatcher Pass Road ski run, which would significantly decrease traffic volumes and enhance safety on Hatcher Pass Road.</p>
Utilities	<p><i>Direct and Indirect Impacts</i> The Proposed Action would extend electric service from Edgerton Parks Road to power the lighting proposed for the transit facility in the proposed parking lot in the Southern Area.</p> <p>No additional utilities would be required for the Northern Area. Temporary, intermittent disruptions in utilities may be experienced during construction of the Proposed Action.</p> <p><i>Secondary (or Indirect) Impacts</i> The MSB's proposed Phase I Nordic and Alpine ski area developments are anticipated to have secondary and indirect impacts to utilities in the Alpine area.</p>
Hazardous Waste and Materials	<p><i>Direct and Indirect Impacts</i> There are no active or inactive sites within a half-mile radius of the Hatcher</p>



Resource Category	Environmental Impacts Associated with the Proposed Action
	<p>Pass Transit Facility Project area. Therefore, there is little to no potential to encounter contaminated sources during construction.</p> <p>No hazardous wastes or petroleum products will be generated at the proposed transit facilities. However, minor drips from vehicles using the parking lots are expected.</p> <p><i>Secondary (or Indirect) Impacts</i> The MSB's proposed Phase I Nordic and Alpine ski area developments may increase the risk of accidental release of petroleum hydrocarbons.</p>
Environmental Justice	<p><i>Direct and Indirect Impacts</i> No effects related to environmental justice are expected from construction of Hatcher Pass Transit Facility Project.</p> <p><i>Secondary (or Indirect) Impacts</i> No impacts related to environmental justice are expected from the MSB's proposed Phase I developments.</p>
Economic Impacts	<p><i>Direct and Indirect Impacts</i> Construction of the Proposed Action would likely create a short-term increase in economic activity, employment, and income in the area. This short-term direct impact to the economy could have longer-term indirect economic impacts as a high percent of the increased income is spent in the MSB.</p> <p><i>Secondary (or Indirect) Impacts</i> The economic impact of the MSB's proposed Phase I developments is expected to be positive for the MSB and local business owners as more winter-recreation spending would be done locally.</p>
Social and Community Impacts	<p><i>Direct and Indirect Impacts</i> The Hatcher Pass Transit Facility Project is not expected to change the demographics of the Fishhook community or the sense of neighborhood.</p> <p>The proposed project will improve access into existing recreation areas could strengthen community cohesion by providing areas for people from the community to meet more frequently and will decrease the likelihood of trespass through private property.</p> <p>The Proposed Action may cause an increase in demand for public services, such as police, fire, emergency medical, and security protection, within the Fishhook community as use of the area as a recreational resource is made more accessible to the public.</p> <p><i>Secondary (or Indirect) Impacts</i> The impact of the MSB's proposed Phase I developments on the social and community environment is expected to be beneficial, as it will provide more opportunities to gather locally.</p> <p>Will result in an increase in demand for police, fire, and emergency management services.</p>



Resource Category	Environmental Impacts Associated with the Proposed Action
Noise and Vibration	<p><i>Direct and Indirect Impacts</i> No residences are located close enough to the Proposed Action to meet the criteria for analysis of noise and vibration impacts.</p> <p>The Proposed Action would result in short-term localized direct noise impacts during construction due to heavy equipment operations. Construction noise would be most noticeable in the Southern Area due to the location of residential properties in the vicinity of the Hatcher Pass Transit Facility Project area. Construction noise will be short-term and periodic. No indirect noise effects are anticipated as a result of construction.</p> <p><i>Secondary (or Indirect) Impacts</i> The MSB's proposed Phase I developments are not expected to cause noise or vibration impacts, as there are no residences located close enough to the proposed facilities.</p>



Appendix C: Mitigation Measures

The mitigation measures identified for the Hatcher Pass Transit Project in the Project’s Final Environmental Impact Statement must be implemented by the MSB if the Project proceeds with FTA financial assistance. Those measures are incorporated herein by reference and are now commitments incorporated into the definition of the Hatcher Pass Transit Project. The MSB shall implement them, provide funding for their implementation, or ensure that other agencies fund and implement them.

To ensure compliance with required mitigation and to assist with FTA oversight, MSB shall establish a mitigation-monitoring program, to be approved by FTA, which will track, monitor and report the status of the environmental mitigation actions identified in this ROD. The mitigation-monitoring program may, upon approval of FTA, be revised as necessary during the permitting process in order to facilitate implementation of those measures during final design and construction. Under this program, MSB will conduct regular reviews for compliance with environmental mitigation commitments with corrective actions as may be required.

MSB will submit to FTA each quarter a Hatcher Pass Transit Facilities Project Environmental Mitigation Program Status Report describing the status of the mitigation-monitoring program. Implementation of identified mitigation measures during final design and construction will be MSB’s responsibility.

The mitigation measures and other project features that reduce adverse impacts are summarized below.

Proposed Mitigation Measures and Best Management Practices

Resource Category	Proposed Mitigation Measures and Best Management Practices (BMPs)
Air Quality	<p>Dust will be minimized by watering during dust producing activities throughout construction as needed.</p> <p>Exposed earthwork attributable to the Hatcher Pass Transit Project will be stabilized as soon as possible to reduce windblown particulate in the area.</p> <p>Reasonable control technologies and practices will be followed that will reduce emissions from heavy equipment and machinery during construction, including at least:</p> <ul style="list-style-type: none"> - Properly maintaining construction equipment. - Reducing construction-related traffic trips and unnecessary idling of equipment. - Establish idling limit of 5 to 10 minutes per hour. - Use newer “cleaner” equipment.
Geology	<p>Use of standard engineering practices for tectonically active regions will be employed to minimize the impacts of earthquakes on constructed components of the Proposed Action.</p> <p>Erosion and slope instability will be minimized by minimizing excavation and vegetation removal, terracing excavation areas, and using diversion ditches and retaining walls.</p>



Resource Category	Proposed Mitigation Measures and Best Management Practices (BMPs)
	<p>Existing surficial peat and organic silt will be completely removed from the traffic areas and replaced with properly compacted structure fill, except where the roadway will be built up over soft silts.</p> <p>Embankments will be constructed with a combination of structural fill and classified fill and will generally have maximum finished side slopes of 2:1 (horizontal:vertical).</p> <p>All embankment materials will be compacted to a minimum density of 95 percent. In addition, a geotextile will be used if any soft silty material is encountered to separate the new backfill from the existing soft material.</p> <p>Retaining walls will be used to construct the upper and lower parking lots in the Northern Area. All retaining structures and subgrade walls will be designed to withstand the lateral pressures imposed by the backfill soils, groundwater, and any surcharge or point loads behind the wall.</p>
Biological Resources	<p>To avoid impacting bald or Golden Eagle nests, a second eagle nest survey will be conducted by qualified observers prior to construction to verify that no new nests have been established. The survey will be designed to detect Bald or Golden Eagle nesting activity within one mile of planned construction activities in the Northern Area. If a nest is found, USFWS will be consulted and avoidance and/or minimization measures such as the establishment of a buffer around the nest will be implemented to reduce any potential impact. An eagle nest permit will be obtained from the USFWS if necessary.</p> <p>To protect nesting birds, all vegetation clearing will be done outside the bird nesting window of May 1 to July 15.</p> <p>Stream crossings will be designed to promote natural hydrology and instream flows to maintain passage of fish and other aquatic organisms and mammals.</p> <p>Culverts and bridges will be designed to provide fish and aquatic organism passage and minimize changes in the stream's hydrologic function. In addition, stream simulation methods will be used to minimize changes in the aquatic environment in culverts.</p> <p>The MSB will maintain and clean debris from within and around culverts to ensure fish passage is maintained.</p> <p>The MSB will comply with restrictions and requirements in its water rights permit.</p> <p>The MSB will continue long-term monitoring of water quality in the Little Susitna River to ensure compliance with its water rights permit.</p> <p>The MSB will collect water quantity data in the Little Susitna River so that Alaska DNR can ensure adequate instream flows are maintained to protect salmonids.</p> <p>Non-disturbed vegetated buffers of at least 75 feet will be maintained between developed facilities where streams or wetlands parallel the proposed access road</p>



Resource Category	Proposed Mitigation Measures and Best Management Practices (BMPs)
	<p>and parking lot (per the MSB’s BMPs for development around water bodies).</p> <p>To reduce the risk of creating nuisance bears, bear-proof trash receptacles will be located in parking lots and at transit facilities.</p> <p>To increase safety, public information will be posted on how to avoid conflicts with bears.</p> <p>The ROW limits will be cleared up to 10 feet beyond the cut or fill slope per State of Alaska Department of Transportation and Public Facilities (DOT&PF) standard practice for a low-volume/low-speed roadway.</p> <p>Clearing of tall woody vegetation will increase visibility and reduce the potential for moose-vehicle collisions.</p> <p>The ROW will be heavily seeded with red fescue to deter moose forage near roads.</p> <p>Moose crossing signs will be placed within the ROW to alert users to the presence of moose in the area.</p> <p>To avoid introducing invasive plant species into the project area, the following BMPs will be followed for weed control:</p> <ul style="list-style-type: none"> - Using certified weed-free straw, topsoil, gravel, and other new materials brought into the site. - Seeding all disturbed areas with native species.
Wetlands and Other Waters of the U.S.	<p>The MSB will mitigate wetland impacts through the MSB’s wetlands mitigation bank if it is established at the time mitigation is required. If mitigation bank service area does not exist at the time mitigation is required, the MSB will offset wetland impacts through in-lieu fee mitigation.</p> <p>Wetland boundaries will be flagged, and operation of construction vehicles will be limited to the permitted boundaries within the Hatcher Pass Transit Project area or on existing roads and pads. There are no mandated wetland buffer zones in the state of Alaska.</p> <p>Equipment servicing and fueling operations will not occur within 200 feet of any drainage channels, wetlands, or other water bodies. Adequate sorbent materials will be kept on-site to be used to contain and clean up any spill of petroleum products.</p> <p>An “Erosion and Sediment Control Plan” (ESCP) will be developed to outline measures to be taken by the Contractor, to be approved by MSB, during construction.</p> <p>BMPs will be used during construction activities to minimize water quality impacts to wetlands, streams or rivers, and other water bodies. The Contractor will be required to develop and implement a “Stormwater Pollution Prevention Plan” (SWPPP), to be approved by MSB, in compliance with the DEC Alaska Pollution Discharge Elimination System (APDES) General Permit for Construction Activities in Alaska.</p>



Resource Category	Proposed Mitigation Measures and Best Management Practices (BMPs)
	<p>Staging areas will not be allowed within 200 feet of any wetland, stream, or river. Protective transfer measures will be implemented, and the Contractor will be required to identify all fuels that will be used and/or stored in the Hatcher Pass Transit Project area, prepare a waste disposal plan, and prepare a spill prevention, control, and countermeasure plan.</p> <p>Fuels and hazardous substances will not be stored within 200 feet of any wetland, stream, river, other water body or drainage.</p> <p>Access road and parking lot side slopes will be steepened from 3:4 to 2:1 where wetland impacts exist.</p>
<p>Water Resources and Water Quality</p>	<p>Stormwater runoff from the addition of impervious area, buildings, and other nonvegetated surfaces would be diverted to vegetated swales or settling basins prior to being discharged.</p> <p>All exposed earthwork attributable to the Hatcher Pass Transit Project will be stabilized at the earliest date possible to prevent erosion both during and after project completion. This will also be addressed in the ESCP and the SWPPP.</p> <p>The MSB and its Contractor will be required to develop a “Hazardous Materials Control Policy” (HMCP) to address hazardous material that will be used during project construction and to detail measures to control discharges of such materials into Waters of the U.S.</p> <p>Equipment servicing and fueling operations will not occur within 200 feet of any drainage channels, wetlands, or other water bodies. Adequate sorbent materials will be kept on-site to contain and clean up any spill of petroleum products.</p> <p>An ESCP will be developed to provide an outline for measures to be taken by the Contractor during construction. BMPs will be used during construction activities to minimize water quality impacts to wetlands, streams or rivers, and other water bodies.</p> <p>The MSB and its Contractor will be required to develop and implement a SWPPP in compliance with the DEC APDES General Permit for Construction Activities in Alaska.</p> <p>Staging areas will not be allowed within 200 feet of any wetland, stream, or river. Protective transfer measures will be implemented, and the Contractor will be required to identify all fuels that will be used and/or stored in the Hatcher Pass Transit Project area, prepare a waste disposal plan, and prepare a spill prevention, control, and countermeasure plan.</p> <p>Compliance with the conditions of the Alaska DNR’s current and any future water rights permit.</p> <p>Fuels and hazardous substances will not be stored within 200 feet of any wetland, stream or river, and other water bodies or drainages.</p> <p>A temporary water use permit will be obtained from Alaska DNR prior to withdrawal of fresh water from any well, spring, or creek.</p>



Resource Category	Proposed Mitigation Measures and Best Management Practices (BMPs)
	<p>The proposed access roads in the Northern and Southern Areas will be designed using Class I riprap as an erosion control measure where necessary.</p> <p>Proper engineering of earthwork and drainage, including re-vegetation, will be required to minimize problems due to runoff from proposed development.</p> <p>Erosion and slope instability will be minimized by minimizing excavation and vegetation removal, terracing excavation areas, and using diversion ditches and retaining walls.</p>
Historic, Archaeological, and Cultural Resources	<p>The MSB will not undertake earth-disturbing activities until it has prepared a plan for responding to inadvertent discoveries of archaeological and cultural resources during construction.</p> <p>The plan shall be approved by the Alaska SHPO and shall provide that, should the Contractor's operation encounter prehistoric artifacts, burials, remains of dwelling sites or paleontological remains, it shall cease operations in the area immediately and Contractor shall notify the Engineer, FTA, and the Alaska SHPO.</p> <p>No artifacts or specimens shall be further disturbed or removed from the ground, and no further operations shall be performed in that area until so directed by the Engineer and appropriate agencies.</p>
Visual and Aesthetic Resources	<p>The MSB will maintain forest screening as much as possible to reduce visual impacts.</p> <p>The transit facilities will use hooded or downward-directional lighting, light sensors, and timing circuits to preserve the night skies of the surrounding area.</p>
Parks, Trails, and Recreation	<p>The Contractor will develop a "Traffic Control Plan", to be approved by MSB, to minimize impacts to traffic flow.</p> <p>During construction, traffic impacts will be mitigated through traffic control practices and construction timing to avoid peak use periods.</p> <p>The MSB will limit hours of construction to reduce impacts to nearby residential areas in the Southern Area.</p>
Social and Community Setting	<p>The Contractor will develop a "Traffic Control Plan", to be approved by MSB, to minimize impacts to existing communities and access into existing residential areas.</p> <p>The MSB will limit hours of construction to reduce impacts to nearby residential areas in the Southern Area.</p>
Utilities	<p>The Contractor will notify the local community of work on utility systems prior to construction activities.</p>
Noise and Vibration	<p>Construction equipment will be equipped with mufflers that meet the minimum original equipment manufacturer specifications to reduce noise.</p> <p>The MSB will limit hours of construction to reduce noise-related impacts to nearby residential areas in the Southern Area.</p>
Hazardous Waste and	<p>The Contractor will be required to prepare and implement a HMCP to address hazardous material that would be used or encountered during project</p>



Resource Category	Proposed Mitigation Measures and Best Management Practices (BMPs)
Materials	<p>construction and to detail measures to control discharges of such materials into the Waters of the U.S.</p> <p>Adequate sorbent materials will be kept on-site to contain and clean up any spill of petroleum hydrocarbons.</p> <p>Fuels and hazardous substances will be kept at least 200 feet from wetlands and streams, rivers, and other water bodies or drainage.</p> <p>Equipment servicing and fueling will not occur within 200 feet of any drainage channels, wetlands, or other water bodies.</p> <p>Adequate sorbent materials will be kept on-site to contain and clean up any spill of petroleum products.</p>
Transportation	<p>The Contractor will develop a Traffic Control Plan, to be approved by MSB, to minimize impacts to existing communities and access into existing residential areas.</p>



Appendix D: Comments and Responses

Comment 1: “Thank you for all of the work that you have done on this project. We are very happy with the depth of the final EIS. Currently within the EIS the plan for mitigation of wetland impacts for this project is through the MSB's mitigation bank, Su-Knik. We are currently in the process of completing the certification process for a mitigation bank that includes wetland resources less than two miles from the impacts for this project. Not only will we have wetland assets that are geographically adjacent, they will also be similar in type and function. We would like the design team to be aware of an option that may be more appropriate for mitigation of the wetland impacts that they expect.”

Response: Thank you for your comment.

Comment 2: “If this were economically viable a private enterprise would undertake it. It isn't, and I do not think our tax dollars should be expended on it nor the government agencies financed to create, promote and operate it as is proposed. It would be nice to keep a relatively undeveloped area accessible where a person has a chance to see some back country. Lighted parking lots and such are surely not something to look forward to.”

Response: 1. “The purpose of this FTA project is to provide access and transit improvements to the Hatcher Pass area. Funding of the MSB's proposed future recreation improvements is beyond the scope of this EIS. These comments will be forwarded to the MSB for consideration in their future development plans for the area. 2. The FTA is proposing to fund construction of an access road and transit facilities to improve access to the Hatcher Pass area for existing and future recreation uses. The MSB's proposed ski facility improvements are outside the scope of the FTA project, except to the extent the ski facility's impacts are reasonably foreseeable and thus have been analyzed in the transit project's environmental impact statement. Comments opposing the proposed ski facility improvements will be forwarded to the MSB for consideration in their future development plans for the area.”

Comment 3: “Why was no compensatory mitigation proposed for the loss of breeding bird habitat? Has the USFWS required any mitigation?”

Response: Compensatory mitigation for the loss of breeding bird habitat is rarely required and USFWS did not require it for this project. The USFWS did comment on the project, stating that the MSB must schedule land-clearing activities to avoid impacting nesting migratory birds.

USFWS also requested more detail on the potential number of migratory birds, categorized by species, that might be affected by the Proposed Action. That analysis has been added to the EIS (see Section 5.4.1.2.3).

In addition, EPA submitted a letter stating its finding that the potential impacts from the Project were properly evaluated.



BASIS FOR DECISION

FTA's decision is based on information contained in the Final EIS, which constitutes a detailed statement on environmental impacts required by NEPA and the Federal transit statutes (49 USC 5324(b)). The statement identifies the Preferred Alternative and includes a review of the purpose and need for the Project, its goals and objectives, consideration of alternatives, environmental impacts, and measures to minimize harm. FTA has reviewed this statement and notes that the alternatives selected for the Northern and Southern Areas were selected over other alternatives considered because they meet the purpose and need of the project and best optimize the goals and objectives established for the project as described and evaluated in the final EIS.

{SIGNED}

Date: January 6, 2011

R.F. Krochalis, Regional Administrator
Federal Transit Administration
Region 10



APPENDIX E – Estimated Capital Costs

Appendix E is provided to give “ball park” estimates of the capital costs of building the various facilities for the phases described in Chapter 3. Potential capital costs are an important factor in seeking funding and to determine where to invest any available funds.

When reviewing or using this information, please remember that like most cost estimates, the information provided is only a “snap shot” at a given point in time. The information provided in these appendices in many cases is based on location and design concepts rather than engineering, design, bid documents, utility analysis, etc.

Also, when considering capital improvements it is prudent to also consider potential operating costs and management options. This information is contained in Appendix F (Operating Characteristics, Revenues and Expenses). The information in appendix F is supported by the information in Appendices G (Alpine Skiing Market Conditions), H (Estimated Personnel Costs by Department and Function), and I (Estimated Operational Costs by Function).

These costs are also an important factor in determining where to invest capital funds as some facilities, such as general hiking trails, require minimal or moderate operating and/or maintenance costs, but also generate little if any revenue. Other facilities, such as the Alpine skiing and boarding, have high operating and maintenance costs, but also offer the best opportunity to generate a positive revenue stream. Other facilities, such as the Nordic trail and related facilities fall somewhere in between.

A financial break-even and sensitivity analysis is provided in Appendix J to help resolve the uncertainty of forecasting operating revenues and operating costs based on a new, start-up operation.

Management options are discussed in Chapter 6 (Implementation and Recommendations), with supporting information in Appendix M (Examples of Public, Public-Private, Non Profit Ownership and Management), and Appendix N (Hatcher Pass Development Authority).

The information in Appendices E through J, combined with the facility phasing in Chapter 3, and Chapter 6 combined with the information in Appendices M and N of this Asset Plan, should help guide future decisions on future ownership and operation of the various facilities.



Estimated Capital Costs

In the present situation, it is possible to build and operate one type of facility (Alpine or Nordic for example) without the other, but a combined operation, even done in phases, is more economical, with costs spread over a much larger potential revenue base.

The proposed conceptual plan presented in Chapter 3 creates a local/regional day use facility that is attractive to a wide variety of users; is built at a size that meets the present user and customer base; and it operates at a size and scale that can be “built-out” or enlarged in future years without duplicating costs. One such example is eliminating the need to re-stage construction equipment, tear up and re-build existing roads and trails to install infrastructure, such as trail lighting, that could be deferred to save “up front” expenses.

The estimated capital costs have been broken into accounts or categories that are generally accepted by various recreational and construction organizations⁹. Capital expenses common to the entire project (vehicles, groomers, etc.) are also included.

Within each of the major accounts, sub-projects either have been calculated as a lump sum or, where appropriate, displayed on a per unit basis. These capital cost estimates are based on construction and/or installation costs experienced within the Borough or by other ski areas in western Canada and United States. The cost estimates do not reflect any adjustments downward for any work that is done by volunteers or non-profit organizations. Most trails could be constructed by such groups at a considerable cost savings.

Most capital costs are estimated in 2008 – 2009 dollars. The only exception is the Southern Sub-Unit access road and lower parking lot where current bid documents were available. Costs from actual suppliers were also used in some instances. For example, quotes were utilized from Doppelmayr CTEC, Inc. for all the ski lifts. Doppelmayr is one of two major suppliers and installers of ski lift equipment in North America and Europe.

The following charts show the estimated capital costs by phases for this project. Immediately following the charts is an explanation of what each of the categories includes and the limitations and assumptions that were made.

⁹ North American Ski Industry for the Alpine facilities, International Ski Federation for the Nordic facilities, International Mountain Bike Association for mountain biking, American Trail Association for hiking and equestrian facilities, and generally accepted construction standards for buildings, roads, etc.



**GOVERNMENT PEAK
ESTIMATED CAPITAL COST BY PHASE
NORTHERN SUB-UNIT**

NORTHERN AREA TOTALS	Phase I	Phase II	Phase III/IV
	\$16,559,623	\$4,431,228	\$7,494,219

Northern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
BUILDINGS						
Transit Facility and Vault Toilets	square feet	1,200	\$325	\$390,000		
Alpine Day Lodge	square feet	13,000	\$350	\$4,725,000		
Alpine Day Lodge Expansion (21,000 sq. ft.)	square feet	8,000	\$350			\$2,800,000
Mid-Mountain (composting toilets, no water)	square feet	1,000	\$350		\$350,000	
Mid Mountain (water, toilets, min. food service)	square feet	2,000	\$350			\$700,000
Maintenance Building	square feet	3,000	\$300	\$900,000		
Explosives Storage	square feet	200	\$250	\$50,000		
Lift Operator Huts	Hut	3	\$10,500	\$31,500		
Lift Operator Huts (expansion)	Hut	5	\$10,500		\$52,500	
SUB-TOTAL				\$6,096,500	\$402,500	\$3,500,000

Northern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
LIFTS (cost includes design, engineering, construction and construction management)						
Lift 1 (double fixed grip chair)	Lump Sum	1	\$833,660	\$833,660		
Lift 2 (quad chair)	Lump Sum	1	\$2,585,363	\$2,585,363		
Lift 2 (conversion to high speed detach quad)	Lump Sum	1	\$2,306,919			\$2,306,919
Lift 3 (triple fixed grip chair)	Lump Sum	1	\$1,577,678		\$1,577,678	
Terminal Grading	Lump Sum	2	\$6,500	\$13,000		
Terminal Grading	Lump Sum	2	\$6,500		\$13,000	
SUB-TOTAL				\$3,432,023	\$1,577,678	\$2,306,919



**GOVERNMENT PEAK
ESTIMATED CAPITAL COST BY PHASE
NORTHERN SUB-UNIT**

Northern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
Ski Trail, Lighting and Snow making						
Trails Lift 1	Acres	2	\$15,000	\$30,000		
Trails Lift 2	Acres	64	\$3,400	\$217,600		
Trails Lift 2 expansion (total 80 acres)	Acres	16	\$3,400		\$54,400	
Trails Lift 2 expansion (total 116 acres)	Acres	36	\$3,400			\$122,400
Trails Lift 3	Acres	49	\$1,750		\$85,750	
Night Lighting (snowmade trails only)	Acres	30	\$6,000	\$180,000		
Night Lighting expansion (total 60 acres)	Acres	30	\$6,000			\$180,000
Snowmaking	Acres	30	\$45,000	\$1,350,000		
Snowmaking expansion (total 60 acres)	Acres	30	\$45,000		\$1,350,000	
Pumping System	Lump Sum	1	\$56,500	\$56,500		
Snowmaking Water Supply	Gallons	2,000,000	\$0.20	\$400,000		
SUB-TOTAL				\$2,234,100	\$1,490,150	\$302,400

Northern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
ROADS, MAINTENANCE AND PARKING						
Parking Lot (Gravel)	Acres	3	\$120,000	\$360,000		
Access Road Upgrade (Gravel)	Lineal Feet	1,950	\$500	\$975,000		
Access Road and Parking Lot Paving	Square Feet	280,000	\$3	\$840,000		
On-Hill Mountain Roads	Lineal Feet	12,000	\$20		\$240,000	
On-Hill Mountain Roads expansion (total 20,000 ft.)	Lineal Feet	8,000	\$20			\$160,000
Maintenance Facility & Parking Apron	Lump Sum	1			\$250,000	
SUB-TOTAL				\$2,175,000	\$490,000	\$160,000



**GOVERNMENT PEAK
ESTIMATED CAPITAL COST BY PHASE
NORTHERN SUB-UNIT**

Northern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
MOUNTAIN INFRASTRUCTURE						
Mountain Electrical Power & Telephone	Lineal Feet	5,000	\$35	\$175,000		
Mountain Electrical Power & Telephone expansion (total 7,130 ft.)	Lineal Feet	2,100	\$35	\$73,500		
Lift Switchgear & Transformer	Lump Sum	1	\$38,500	\$38,500		
Base Power, Switch Gear, Transformer	Lump Sum	1	\$55,000	\$55,000		
Mountain Communications	Lump Sum	1	\$11,000	\$11,000		
Potable Pump System (day lodge)	Lump Sum	1	\$22,000	\$22,000		
Potable Pump System (mid-mountain)	Lump Sum	1	\$18,000			\$18,000
Potable Water Storage (day lodge)	Lump Sum	1	\$55,000	\$55,000		
Potable Water Storage (mid-mountain)	Lump Sum	1	\$45,000			\$45,000
Potable Water Distribution Lines (day lodge)	Lump Sum	1	\$11,000	\$11,000		
Potable Water Distribution Lines (mid-mountain)	Lump Sum	1	\$10,000			\$10,000
Sewer (day lodge)	Lump Sum	1	\$1,250,000	\$1,250,000		
Sewer (mid-mountain)	Lump Sum	1	\$900,000			\$900,000
SUB-TOTAL				\$1,516,000	\$0	\$973,000



**GOVERNMENT PEAK
ESTIMATED CAPITAL COST BY PHASE
NORTHERN SUB-UNIT**

Northern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
EQUIPMENT						
Grooming Equipment with winch	Per Vehicle	1	\$275,000	\$275,000		
Grooming Equipment	Per Vehicle	2	\$250,000	\$500,000		
Grooming Equipment expansion	Per Vehicle	1	\$250,000		\$250,000	
Quad (4 or 6-wheeler)	Per Vehicle	1	\$6,500	\$6,500		
Snow machines	Per Vehicle	4	\$8,000	\$32,000		
Snow machine expansion (total 5)	Per Vehicle	1	\$8,000		\$8,000	
Snow machine expansion (total 6)	Per Vehicle	1	\$8,000			\$8,000
Ski Rental Equipment	Per Set	300	\$300	\$90,000		
Ski Rental Equipment expansion (total 400 sets)	Per Set	100	\$300		\$30,000	
Ski Rental Equipment expansion (total 900 sets)	Per Set	200	\$300			\$60,000
Radios	Per Radio	15	\$1,100	\$16,500		
Radios expansion (total 19)	Per Radio	4	\$1,100		\$4,400	
Radios expansion (total 23)	Per Radio	4				\$4,400
Computer System (ticket, food, office, etc.)	Lump Sum	1		\$20,000		
Telephone System	Account			\$30,000		
Telephone System expansion	Account					\$10,000
Maintenance Tools and Equipment	Lump Sum	1		\$27,500		
Maintenance Tools and Equipment expansion	Lump Sum	1				\$14,000
Office Equipment	Lump Sum	1		\$25,000		
Office Equipment expansion (total \$35,000)	Lump Sum	1			\$10,000	
Office Equipment expansion (total \$45,000)	Lump Sum	1				\$10,000
Lift Operations Tools	Lump Sum	1		\$11,000		
Lift Operations Tools expansion	Lump Sum	1				\$5,500
Ski Patrol Safety Equipment	Lump Sum	1		\$22,500		
Ski Patrol Safety Equipment expansion	Lump Sum	1			\$33,500	
Ski Patrol Safety Equipment expansion	Lump Sum	1				\$45,000
Signage	Lump Sum	1		\$50,000		
Signage expansion	Lump Sum	1			\$55,000	
Signage expansion	Lump Sum	1				\$65,000
Miscellaneous Equipment for Above	Account				\$80,000	\$30,000
SUB-TOTAL				\$1,106,000	\$470,900	\$251,900



**GOVERNMENT PEAK
ESTIMATED CAPITAL COST BY PHASE
SOUTHERN SUB-UNIT**

SOUTHERN SUB-UNIT TOTALS	Phase I	Phase II	Phase III/IV
	\$8,098,500	\$12,025,500	\$5,818,000

Southern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
BUILDINGS						
Transit Facility and Vault Toilets	Square Feet	1200	\$325	\$390,000		
Chalet/Day Lodge including Vehicle Storage	Square Feet	12,000	\$350		\$4,200,000	
Chalet/Day Lodge Expansion	Square Feet	8,000	\$350			\$2,800,000
SUB-TOTAL				\$390,000	\$4,200,000	\$2,800,000

Southern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
TRAILS (cost includes design, engineering, construction and construction management)						
Competition Ski Trails (Phase I)	Kilometers	2	\$60,500	\$121,000		
Competition Ski Trails expansion (Phase II)	Kilometers	4	\$60,500		\$242,000	
Recreational Ski Trails (Phase I)	Kilometers	9	\$53,500	\$481,500		
Recreational Ski Trails expansion (Phase II)	Kilometers	16	\$53,500		\$856,000	
General Purpose Hiking Trails	Kilometers	10	\$19,500			\$195,000
Equestrian Trails	Kilometers	12	\$93,500			\$1,122,000
Mountain Biking Trails	Kilometers	20	\$19,500			\$390,000
Night Lighting (Nordic trails)	Kilometers	12	\$23,000			\$276,000
Biathlon Loop and Rifle Range	Lump Sum	1	\$125,000			\$125,000
Sledding Hill	Lump Sum	1	\$15,000	\$15,000		
SUB-TOTAL				\$617,500	\$1,098,000	\$2,108,000



**GOVERNMENT PEAK
ESTIMATED CAPITAL COST BY PHASE
SOUTHERN SUB-UNIT**

Southern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
ROADS AND PARKING						
Primary Access Road (gravel)	Lineal Feet	4,900	\$1,000	\$4,900,000		
Primary Access Road (paving)	Lineal Feet	4,900	\$120	\$588,000		
Road to Middle and Upper Lots (gravel)	Lineal Feet	5,000	\$1,000		\$5,000,000	
Road to Middle and Upper Lots (paving)	Lineal Feet	5,000	\$120		\$600,000	
Lower Parking Area (gravel)	Acres	3	\$120,000	\$360,000		
Lower Parking Area (paving)	Square Feet	110,000	\$3	\$330,000		
Middle and Upper Parking Lots (gravel)	Acres	4	\$120,000		\$480,000	
Middle and Upper Parking Lots (paving)	Square Feet	160,000	\$3		\$480,000	
Stadium Area Improvements (gravel)	Acres	2	\$64,750		\$127,500	
Road to Equisterian Center (gravel)	Lineal Feet	1,000	\$700			\$700,000
Road to Equisterian Center (paving)	Lineal Feet	1,000	\$120			\$120,000
Equisterian Parking/Trailhead/Corral Area	Square Feet	90,000	\$10			\$90,000
SUB-TOTAL				\$6,178,000	\$6,687,500	\$910,000



**GOVERNMENT PEAK
ESTIMATED CAPITAL COST BY PHASE
SOUTHERN SUB-UNIT**

Southern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
INFRASTRUCTURE						
Base Power and Transformer	Lump Sum	1	\$55,000	\$55,000		
Potable Pump System	Lump Sum	1	\$50,000	\$50,000		
Potable Water Storage	Lump Sum	1	\$55,000	\$55,000		
Potable Water Distribution Lines	Lump Sum	1	\$45,000	\$45,000		
Sewer	Lump Sum	1	\$500,000	\$500,000		
SUB-TOTAL			\$705,000	\$705,000		

Southern Sub-Unit	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
VEHICLES AND EQUIPMENT						
Telephone System	Lump Sum	1	\$20,000		\$20,000	
Computer System (reservations, office)	Lump Sum	1	\$20,000		\$20,000	
Grooming Machines	Per Vehicle	1	\$200,000	\$200,000		
Snowmobile (rescue, trail maintenance)	Per Vehicle	1	\$8,000	\$8,000		
SUB-TOTAL			\$248,000	\$208,000	\$40,000	



**GOVERNMENT PEAK
ESTIMATED CAPITAL COST BY PHASE
GENERAL**

General Project Costs	Units	Quantity	Unit Price	Phase I	Phase II	Phase III/IV
Project Management/Planning	Lump Sum			\$150,000	\$150,000	\$150,000
Engineering (Misc., Southern Sub-Unit costs included in estimates. Northern Sub-Unit most costs included in estimates.)	Lump Sum			\$100,000	\$75,000	\$75,000
4x4 Pick-up with Plow and Sanding Box	Per Vehicle	1	\$55,000	\$55,000		
Road Grader	Per Vehicle	1	\$300,000	\$300,000		
SUB-TOTAL				\$605,000	\$225,000	\$225,000
Contingency Northern and Southern Sub-Units	Account	10%		\$2,828,812	\$1,596,172	\$1,331,222
TOTAL				\$3,433,812	\$1,821,172	\$1,556,222



CAPITAL COST SUMMARY	Phase I	PHASE II	PHASE III/IV
NORTHERN SUB-UNIT	\$16,560,000	\$4,431,000	\$7,494,000
SOUTHERN SUB-UNIT	\$8,099,000	\$12,026,000	\$5,818,000
GENERAL PROJECT COSTS	\$3,434,000	\$1,821,000	\$1,556,000
TOTAL	\$28,092,000	\$18,278,000	\$14,868,000

Capital Cost Assumptions and Limitations

The capital cost estimates were prepared based on the following assumptions and limitations.

Building Development

Building costs include:

- Alpine day lodge (ticket sales, washrooms, food and beverage services, lockers and changing rooms, ski school, ski rental and retail sales)
- maintenance building
- Building for explosive storage (used to remove avalanche hazards)
- Mid-mountain chalet (restrooms, food and beverage service, lift, chair and gondola storage, ski patrol storage and first aid)
- Nordic Day Lodge/Chalet (washrooms, limited food and beverage services, ski waxing and equipment area, warming, group meeting area, and vehicle storage)
- Public transit waiting and information area
- Architectural and engineering costs

Building costs also include costs of the furniture, fixtures and equipment that are required for facility operation.

The lifts all require operator huts at both the top and bottom stations. The mid-mountain chalet will also serve as one of the huts for the upper end of Lift 2.

The Northern Sub-Unit day lodge and Southern Sub-Unit day lodge/chalet can both serve multiple purposes; such as rental and meeting spaces for group events, community meetings, and a visitor and interpretative center.



Ski Lifts

In the 2002 AIDEA report, Ecosign assumed that all ski lifts would be new equipment to conform to the ANSI B77.1-1999 lift safety code. At that time, used lifts were not available in North America, as major resorts had replaced the older fixed grips lifts with high speed detachable lifts. Additionally, any used lifts that were available required significant upgrading and overhaul to meet the lift safety code. There is no indication that the situation has changed. While individual parts and components for lift systems are available, it is not known whether complete used lift systems that meet the specifications for the Government Peak Unit exist, and if so in the time period required for the Borough to purchase them.

The estimates provided assume that all lifts will be new equipment, engineered and constructed on a turn-key basis. The turn-key contract will include terminal superstructure and load testing, but not operator huts. Site clearing and terminal grading falls beyond terms of a turnkey lift contract. The budget figures provided are an August, 2008 estimate from Doppelmayer CTEC, Inc.

Ski Trails, Lighting and Snow Making

In the Northern Sub-Unit:

- Lift 1 will require substantial grading to achieve an average 12 percent gradient with a 150-foot width for beginner skiers and boarders.
- The majority of trail clearing on Lift 2 will be the removal of scrub vegetation with a "Hydro-Ax", articulated, four-wheel drive hydraulic brush cutter with minor localized grading and smoothing to ensure skiable conditions under low snowpack conditions.
- Lift 3 will not require any clearing for trails.
- All ski trails will be contoured and re-vegetated where required
- Snowmaking has been planned on two to four trails (approximately 30 acres) to ensure that the ski area can operate under low snowpack conditions.
- Night lighting has been planned for 60 acres, on trails that meet necessary safety and navigation conditions. Night lighting will be used only on the trails that have sufficient snow cover. At a minimum, this will include the trails that utilize snow making

In the Southern Sub-Unit:

- All trails will be cleared, contoured and re-vegetated where required



- Night lighting has been planned for 12 kilometers of Nordic trails
- No snow-making has been planned

Roads and Parking

Roads into both sub-units are based on gravel 40 foot width (two 12-foot driving lines and two 8-foot shoulders). In the Southern Sub-Unit the width of the right-of-way will be about 200 feet to accommodate a separated pathway and utilities.

The road estimates, particularly for the Southern Sub-Unit road extensions, are admittedly “ball park” figures. Until the exact alignment, number of water body crossings and length are known, it is impossible to come up with any better cost estimate.

Parking lots include earthwork, signage, curb and gutter, lighting and landscaping.

Mountain Infrastructure

Matanuska-Electric Association has already provided 3-phase electrical power to the base of the Alpine day lodge/parking area. At this point, underground electrical distribution lines will need to be installed to the base area, also to the top of Lift 2, which will include the mid-mountain chalet, and to the bottom of Lift 3. The cost estimate includes trenching, power cable and back filing. Each of the major lifts and the base area will require switch gear and power transformers for full operation. The base switchgear and transformer will also supply power to the day lodge and Lift 1.

Telephone and natural gas (if available) will need to be provided into the Northern Sub-Unit.

Electricity, telephone and natural gas (if available) will need to be provided into the facilities in the Southern Sub-Unit.

Potable water will need to be supplied at suitable locations in both the Northern and Southern Sub-Units. Day users consume approximately ten gallons per day per person. If necessary, this volume can be reduced through the use of low flow fixtures to approximately eight gallons per day. Non-potable water for snow making in the Northern Sub-Unit can be supplied from the water infiltration system that the Borough investigated and partially designed in 2002.

Between 13,000 to 24,000 gallons of water per day will be needed, depending on the size of the day lodge and whether a fixed grip or high speed quad lift is installed. A pumping system will be required to pump potable water up to a 30,000 gallon storage reservoir which will feed the day lodge and maintenance building by gravity pressure. Water for fire protection should be available from the snowmaking reservoir.

A lump sum has been allocated for two-stage primary treatment septic tanks and secondary drainage exfiltration trenches for the Alpine day lodge, mid-mountain chalet and Nordic day



lodge/chalet. More extensive field investigation will be needed to determine if such systems are feasible and prudent.

Vehicles and Equipment

The items in this category are self-explanatory and are based on unit costs derived from manufacturer's current pricing. Lump sums have been allocated for other equipment components such as maintenance tools, office equipment, lift operations tools, ski patrol equipment and signage. An allocation for miscellaneous equipment has also been made based on 10 percent of total equipment. The miscellaneous equipment cost accounts for all small ticket items or equipment not directly attributable to a specific project account.

General Project Costs

Costs associated with developing both the Northern and Southern Sub-Units are included in this category.

Project Management and Planning includes costs for a Borough representative to coordinate all development efforts leading up to construction. This includes preparing development options, selecting contractors, providing briefings and recommendations, preparing budgets, etc.

Architecture and engineering costs have been included in each of the buildings cost estimates which includes structural, mechanical and electrical engineering and plans preparation for the buildings.

Engineering costs include design, engineering and construction management and is based on 9% of the ski runs and trails infrastructure, parking areas, alpine on-hill roads, trail lighting, and snowmaking.

Additional planning, design, and engineering work will be required to prepare a detailed master plan with precise ski trail and terminal locations, terminal grading plans, etc. for the Alpine area. Engineering costs for all access roads and the Southern Sector trails, including lighting, are included in the cost estimates for these items.

Some of the planning, engineering and layout work for the trails has already been done for the Southern Sub-Unit facilities. Road layout, permitting, design, drainage and grading plans were part of the Access Environmental Impact Statement process.

Permitting costs have not been included except for the Southern Sub-Unit access road and parking areas. Necessary permits and related costs are difficult to predict until final locations, designs and engineering have been completed.

Vehicles that will be used to maintain both the Northern and Southern Sub-Unit facilities are included in this cost category as well.



No costs have been included for miscellaneous legal expenses such as operating agreements, contracts with suppliers, etc. This amount has not been included in this budget as this is an operating expense that can be handled by the Borough Attorney's Office.

All projects of this magnitude include contingencies to cover the costs of any unforeseen conditions. Since most of the total account budgets do not allow for contingencies, 10% has been added as an overall goal.

Financing

Costs have not been included and will need to be determined as to the most appropriate means of financing any future development. As such, no debt service can be projected as it is unknown as to type, cost, duration and requirements.



APPENDIX F – Operating Characteristics, Revenues and Expenses

Possible operating costs are provided in this appendix. These costs are also an important factor in determining where to invest capital funds as some facilities, such as general hiking trails, require minimal or moderate operating and/or maintenance costs, but also generate little if any revenue. Other facilities, such as the Alpine skiing and boarding, have high operating and maintenance costs, but also offer the best opportunity to generate a positive revenue stream. Other facilities, such as the Nordic trail and related facilities fall somewhere in between.

Appendices G (Alpine Skiing Market conditions), H (Estimated Personnel costs by Department and Function), and I (Estimated Operational Costs by Function) provide additional analysis for the information contained in this appendix.

A financial break-even and sensitivity analysis is provided in Appendix J to help resolve the uncertainty of forecasting operating revenues and operating costs based on a new, start-up operation.

Information in Chapter 6 combined with additional information in Appendices M (Examples of Public, Public-Private, Non-Profit Ownership and Management), and N (Hatcher Pass Development Authority) discuss options for ownership and management of the Government Peak Unit.

Appendix E is provides a “ball park” estimate of the capital costs of building the various facilities for the phases described in Chapter 3. The potential capital costs, combined with operating costs are an important factor in seeking funding and to determine where to invest any available funds.

The information in Appendices E though I, combined with the facility phasing in Chapter 3, and Chapter 6, combined with the information in Appendices M and N of this Asset Plan, should help guide future decisions on future ownership and operation of the various facilities.

When reviewing or using this information, please remember that like most cost estimates, the information provided is only a “snap shot” at a given point in time.



Introduction

Financial success of the recreational facilities in the Government Peak Unit is dependent on a number of factors that are identified by four categories: Operating Characteristics, Skier Forecasts, Revenue Projections and forecasted Operating Costs. This appendix discusses these four categories along with key factors, assumptions and sources. The discussion will include operating income forecasts for the first nine operating years.

Operating Characteristics

Each ski area has its own dynamics and characteristics, which are significantly influenced by the size and geographic location of the area, as well as proximity to population centers.

The focus for the recreational facilities in the Government Peak Unit is to be a day-use area to serve residents of the borough and the surrounding region. This is similar to Eaglecrest in Juneau, or Hilltop, Alpenglow, and Kincaid Park in Anchorage, or Mount Baker, in Washington. The day-use approach provides a destination area for a variety of recreational activities. The proposed ski-area development will offer a limited menu of food, ski and snow board equipment rental and related services. Other goods and services including most retail sales, major food service, housing, hotels and similar activities will be supplied by businesses in nearby local communities.

Under this approach, the following are operational characteristics for the area:

- Length of winter season – 140 to 150 days
- Operating days per season: Alpine - 95 to 105 days
- Operating days per season: Nordic – 150 days
- Daily lift capacity Phase I (Lift 1 and 2), 1,300 – 1,500; Phase II (Lift 1, 2 and 3), 1,800 – 2,400; Phase III (Lift 1, 2(converted to high speed quad) and 3, 2,900

Skier Forecasts (Ski Season, Days of Operation, Expected Use Rate)

Based on similar sized “day-use” Alpine ski areas, operations are based on a 150-day season, with the ski area operating for approximately 100 days during the season. The following chart shows expected utilization of the Alpine facility. This chart uses 2009 – 2010 as an example of a typical season.

The available number of operating days has been adjusted for skiing periods when user levels are traditionally lower due to snow and other weather conditions. Adjustments were



also made for early weekdays when skier levels are also traditionally below acceptable operating costs and expected revenue.

Alpine Ski Area, Typical Utilization (2009 – 2020 example)

2009						2010											
November			December			January			February			March			April		
20	Fri	L	5	Sat	M	1	Fri	H	3	Wed	L	3	Wed	L	1	Thur	L
21	Sat	M	6	Sun	M	2	Sat	H	4	Thur	L	4	Thur	L	2	Fri	L
22	Sun	M	12	Sat	M	3	Sun	H	5	Fri	L	5	Fri	L	3	Sat	M
26	Thur	H	13	Sun	M	6	Wed	L	6	Sat	M	6	Sat	M	4	Sun	M
27	Fri	H	19	Sat	M	7	Thur	L	7	Sun	M	7	Sun	M	10	Sat	M
28	Sat	H	20	Sun	M	8	Fri	L	10	Wed	L	10	Wed	L	11	Sun	M
29	Sun	H	21	Mon	M	9	Sat	M	11	Thur	L	11	Thur	L	17	Sat	M
			22	Tue	M	10	Sun	M	12	Fri	L	12	Fri	L	18	Sun	M
			23	Wed	M	13	Wed	L	13	Sat	M	13	Sat	M			
			24	Thur	M	14	Thur	L	14	Sun	M	14	Sun	M			
			25	Fri	H	15	Fri	L	15	Mon	M	15	Mon	M			
			26	Sat	H	16	Sat	M	17	Wed	L	16	Tues	M			
			27	Sun	H	17	Sun	M	18	Thur	L	17	Wed	M			
			28	Mon	H	18	Mon	M	19	Fri	L	18	Thur	M			
			29	Tue	H	20	Wed	L	20	Sat	M	19	Fri	M			
			30	Wed	H	21	Thur	L	21	Sun	M	20	Sat	M			
			31	Thur	H	22	Fri	L	24	Wed	L	21	Sun	M			
						23	Sat	M	25	Thur	L	24	Wed	L			
						24	Sun	M	26	Fri	L	25	Thur	L			
						27	Wed	L	27	Sat	M	26	Fri	L			
						28	Thur	L	28	Sun	M	27	Sat	M			
						29	Fri	L				28	Sun	M			
						30	Sat	M				31	Wed	M			
						31	Sun	M									

Source: RWS Consulting and Kirk Duncan (Eaglecrest Ski Area)

L= Low Utilization Level. M= Moderate Utilization Level. H = High Utilization Level.

Low utilization levels typically occur on weekdays. Night skiing is the most popular during this utilization level. Weekends typically exhibit moderate utilization levels. Some one-day holidays and during spring break are included in this utilization level as well. High utilization levels usually occur during typically holidays such as Thanksgiving Weekend and the Christmas – New Years break.

Carrying Capacity

“Skier Comfortable Carrying Capacity” is an Alpine ski area’s combined ski lift skier capacity per day. This is not to be confused with “Lift Capacity” which is the total number of people the lifts can transport a day. “Skier Carrying Capacity” takes into account skiers and boarders making multiple trips, lift loading efficiencies, available trails and skier terrain, etc.

The chart below 23 illustrates the Skier Comfortable Carrying Capacity that an Alpine facility in the Northern Sub-Unit could be expected to operate at the low end during the first two phases of development. The third phase is not shown, as that phase is not expected to



occur for at least 10 years. The skier numbers are very likely to change based on ticket pricing, special events, special programming, etc.

Alpine Skier Day Levels based on Comfortable Carrying Capacity

	Type of Day (Utilization Level)		Days	1,300 Skiers Per Day ¹⁰	2,400 Skiers Per Day ¹¹
	Weekday (Low)	Day/Night	1	400	500
November	Weekend (Medium)	Day	2	2,000	3,600
	Holiday (High)	Day	4	5,200	9,600
	Weekday (Low)	Day/Night	0	0	0
December	Weekend (Medium)	Day	10	10,000	18,000
	Holiday (High)	Day	7	9,100	16,800
	Weekday (Low)	Day/Night	12	4,800	6,000
January	Weekend (Medium)	Day	9	9,000	16,200
	Holiday (High)	Day	3	3,900	7,200
	Weekday (Low)	Day/Night	12	4,800	6,000
February	Weekend (Medium)	Day	9	9,000	16,200
	Holiday (High)	Day	0	0	0
	Weekday (Low)	Day/Night	10	4,000	5,000
March	Weekend (Medium)	Day	13	13,000	23,400
	Holiday (High)	Day	0	0	0
	Weekday (Low)	Day	2	800	1,000
April	Weekend Medium)	Day	6	6,000	10,800
TOTAL			100	82,000	140,300

Source: RWS Consulting and Kirk Duncan (Eaglecrest Ski Area)

The next chart shows Alpine skier levels adjusted for average seasonal fluctuations factors which is also referred to as a facilities utilization factor.

Alpine Skier Levels Utilization Factor

	1,300 Skiers Per Day	2,400 Skiers Per Day
ADJUSTED AVERAGE FOR SEASONAL FLUCTUATIONS (Utilization Factor)	70%	75%
Percent Utilization	57,400	105,225
Number of Week Days (low utilization)	44%	44%
Number of Weekend Days (medium utilization)	37	37
Number of Holidays (high utilization)	49	49
Adjusted Average Low Utilization Day	14	14
Adjusted Average Medium Utilization Day	280	375
Adjusted Average High Utilization Day	700	1,500
	910	1,800

Source: RWS Consulting and Kirk Duncan (Eaglecrest Ski Area)

¹⁰ These figures represent an unadjusted low utilization level for weekdays of 400 skiers per day, medium utilization for weekends of 1,000 skiers per day, and a high utilization for holidays of 1,300 skiers per day.

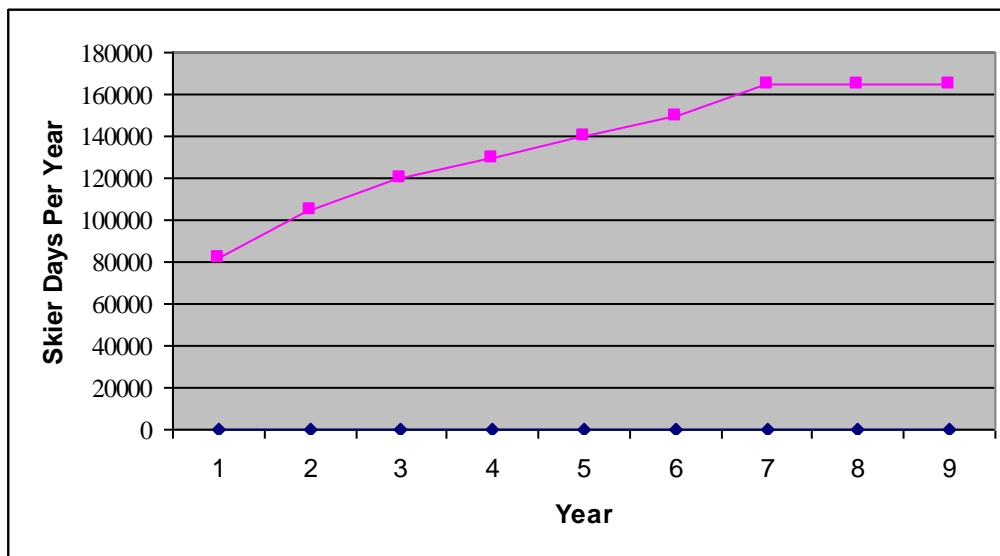
¹¹ These figures represent an unadjusted low utilization level for weekdays of 500 skiers per day, medium utilization for weekends of 1,800 skiers per day, and a high utilization for holidays of 2,400 skiers per day.



As is shown in the above table, high forecasts through Phase I are based on a calculation to accommodate approximately 1,300 skiers per day. This figure was used as it coincides with on-site parking capacity. It is assumed that after one or more seasons of operation at Phase I levels and with the addition of Lift 3 during Phase II, adjustments in skier numbers may be required once potential demand for off-site “park-and-ride” service is understood.

It is expected, based on other similar ski area openings, that the initial full season may yield as few as 82,000 skiers and boarders. This should quickly climb to 105,000 by year two and continue to climb over the next three years until it stabilizes around 140,000 skier days per season. With the addition of Lift 3 (say by year 6) this number should increase to a higher level of 165,000 skier days per season. As shown the following figure, RWS Consulting and Northern Economics believe that these estimates are at the low end of the scale. All indications are that the skier numbers will increase as the area becomes more popular and special programming and events are held.

Estimated Skier Days Per Operating Year



Source: Northern Economics and RWS Consulting

The stabilized daily Comfortable Carrying Capacity is estimated at 2,400 skiers per day during Phase I and at the beginning of Phase II. This was derived from the rated uphill capacity of the lifts (Phase I lifts total 3,600 persons per hour and Phase II lifts total 5,400 persons per hour) plus the carrying capacity of the main and “park-and-ride” parking lots.

This scenario implicitly assumes that a “park-and-ride” system will be used on an ad hoc basis. While the number of projected skiers stabilizes around the third full season, utilization of the Alpine area is expected to continue to rise for the next three years (years 3 through 6) when both the number of skiers and area utilization of the area should stabilize. Individual skier days during the season may generate use in excess of 100% of Comfortable Carrying Capacity, but these days will be rare.



This level of skier and boarder use is significantly below the projected available market¹². The available market is likely to number between 140,000 and 165,300 skier days in the first full year of operation, and as high as 168,100 to 225,500 by the tenth year of operation. It is expected that stabilized performance will coincide with the low estimate within 5-years.

Revenues

Revenues for any ski area come from a variety of sources.

- Mountain Operations (lift operations, snow sport schools, snow sport equipment rentals and repairs)
- Food and Beverage Service
- Retail Sales (goggles, gloves, poles, etc.)
- Locker Rentals

In order to determine the possible revenues, it is necessary to establish rates, or in some cases, compare income derived from other North American comparable facilities, especially in Alaska.

Alpine Mountain Operations

Revenue for snow sport activities consist of four main categories:

- Season pass prices
- Daily lift tickets
- Rentals
- Ski school, group rates

The chart that follows (“Comparison of Rate Structures of Various Selected Alpine Areas”) illustrates various mountain operations and prices charged for services (potential revenue sources) at ski areas comparable to what is contemplated for the Government Peak Unit, Northern Sub-Unit. The figure also shows a beginning point for establishing a rate structure for Government Peak. This same rate structure was used for projecting net operating income for day use facilities found later in this Appendix.

This proposed rate structure accounts for differences in skiable terrain, length of season, type of lifts, etc., from the comparable ski areas.

While not an exact fit, Eaglecrest in Juneau, Alaska is the closest comparison and could be used as a benchmark. The proposed rate structure also takes into consideration the rates

¹² The projected available market was discussed in Chapter 4, *Hatcher Pass – “A New Beginning”* and in prior reports prepared by the Alaska Industrial and Development Authority and Hatcher Pass Development Corporation.



ski facilities charge for similar services in Southcentral Alaska. The rates charged at similar Alaskan ski areas were compared to rates charged at other Western North American ski areas as reported to the National Ski Area Association for the most recently reported period, 2006/07.

The chart also indicates possible discounts and special rates for skiers. The indicated discounts and special rates reflect a trend by the industry to reverse the decreasing skier-use trend seen over the last 20 years. These discounts are made with the intent to increase the number of participants and to draw younger Alpine enthusiasts into the sport.

An Alpine facility in the Government Peak Unit Pass needs to follow this trend to help ensure adequate skier use. Market analysis suggests a major portion of patronage will come from local residents, school groups, etc. that are typically heavy consumers of discounted pricing options. By providing reasonable rates for local residents, long-term growth is more likely to come from both existing skiers and boarders and from those that live within an hour's drive of Hatcher Pass.

The rates for daily lift tickets, season passes, rentals and ski school group rates are shown. These are further broken down by age group. While not all ski areas separate age groups in the same way, they can generally be categorized as:

- Adult: 19 – 60 years old
 - Senior: 60 plus years old
 - Student: 13 – 18 years old
- In some locations, military personnel are included in this category.
- Child: Up to 10 to 12 years old



Comparison of Rate Structures of Various Selected Alpine Areas

AREA	OWNERSHIP	DAILY LIFT TICKET				SEASON PASS				
		ADULT	STUDENT	CHILD	SENIOR	ADULT	STUDENT	CHILD	SENIOR	MID-WEEK
		DAY/HALF-DAY	DAY/HALF-DAY	DAY/HALF-DAY	DAY/HALF-DAY					
Alyeska	Private	\$50/\$30	\$35/\$30	\$10/\$10	\$10/\$10	\$1,000	\$910	\$270	\$50	\$700
Alpenglow -	501(C)(3)	\$28/\$19	\$20/\$15	Free	Free	None	None	None	None	Closed
Hilltop	501(C)(3) & Public	\$26/\$24	\$24/\$22	\$14/\$14	\$26/\$24	\$500	\$475	\$325	\$500	None
Eaglecrest - Juneau, AK	Public	\$35/\$30	\$30/\$25	\$25/\$20	\$30/\$25	\$499/\$349*	\$399/\$299*	\$149/\$149*	\$399/\$299*	None
Bridger Bowl - Bozeman, MT	Private	\$43/\$35	\$35/\$35	\$15/\$15	\$35/\$35	\$620	\$420	\$200	\$435	\$435
Bogus Basin - Boise, ID	501(C)(3)	\$46/\$35	\$20/\$20	Free	Free	\$300 Alpine \$100 Nordic	\$49 Alpine \$29 Nordic	Free w/ Adult	Free	None
Hatcher Pass		\$38/\$33	\$33/\$27	\$28/\$23	\$33/\$27	\$499/\$349*	\$399/\$299*	\$149/\$149*	\$399/\$299*	None

AREA	RENTALS					SKI SCHOOL - GROUP RATES			
	SKI or SNOWBOARD PACKAGE				LOCKERS for the SEASON	ADULT	STUDENT	CHILD	SENIOR
	ADULT	STUDENT	CHILD	SENIOR					
DAY/HALF-DAY	DAY/HALF-DAY	DAY/HALF-DAY	DAY/HALF-DAY						
Alyeska	\$32/\$32	\$32/\$32	\$10/\$10	\$25/\$25	????	\$35 - \$50	\$35 - \$50	\$35 - \$50	\$35 - \$50
Alpenglow	Not Available				Not Available	Not Available			
Hilltop	\$32/\$26	\$32/\$24	\$14/\$14	\$32/\$24	Not Available	\$50	\$50	\$50	\$50
Eaglecrest - Juneau, AK	\$27/\$22	\$24/\$19	\$21/\$16	\$24/\$19	Ski's \$189 Boards \$149	\$39	\$27	\$27	\$27
Bridger Bowl - Bozeman, MT	\$25/\$25	\$15/\$15	\$10/\$10	\$15/\$15	Ski's \$280 Boards \$185	\$33	\$33	\$33	\$33
Bogus Basin - Boise, ID	Ski \$22/\$20 Boards \$27/\$21 Nordic \$14/\$10	Ski \$22/\$20 Boards \$27/\$21 Nordic \$14/\$10	Ski \$18/\$14 Boards \$24/\$18 Nordic \$10/\$8	Ski \$22/\$20 Boards \$27/\$21 Nordic \$14/\$10	????	Alpine \$30 Nordic \$25	Alpine \$30 Nordic \$25	Alpine \$30 Nordic \$25	Alpine \$30 Nordic \$25
Hatcher Pass	\$31/\$26	\$28/\$22	\$25/\$20	\$28/\$22	Ski's \$189 Boards \$149	\$39	\$29	\$29	\$29

Source: RWS Consulting

* season pass/15 pass punch card. The punch card can be used at any time, but many skiers consider and use it as an equivalent to a mid-week pass.



Season Passes

Projected season pass sales by skier type are shown in the following table, along with the estimated percentage of each skier category. Seasonal ticket sales are generally independent of the number of visitors, mountain facilities, and other services and reflect the number of highly committed skiers within a reasonable distance. Separating season pass revenues from other lift ticket revenues is important because season pass holders do not always use the facilities on a regular basis. In fact, in some locations season pass holders purchase season passes and use them less than six times a season, if at all.

The following chart is a projection of season pass sales by age category and estimated revenue.

Alpine Season Pass Projection, by Skier, Category and Estimated Revenue

	Purchase Before Oct. 31	Purchase After Nov. 1		Passes	Revenue
Adult	\$349.00	\$399.00	55%	1244	\$446,810
Senior	\$299.00	\$349.00	1%	590	\$185,162
Student/ Military	\$299.00	\$349.00	26%	32	\$9,894
Child	\$149.00	\$149.00	12%	277	\$37,112
Preschool	\$49.00	\$49.00	5%	108	\$4,763
			100%	2250	\$683,741

Source: RWS Consulting and Kirk Duncan (Eaglecrest Ski Area)

Nordic Operations

Unlike Alpine operations, there is no single source of statistical information on rates charged for use of ski trails. Those Alpine areas that do have Nordic facilities charge \$2.00 to \$10.00 per day for trail use. Most of these facilities have extensively groomed Nordic trail systems and provide some lighting for evening operations.

Very few have season pass options. For those that do, charges are \$50.00 to \$100.00.

Many of the areas contract with a local ski club for operating and maintaining their Nordic facilities. Local ski clubs either use membership fees or sell “ski pins” to pay for operational costs. This is the case at Kincaid Park in Anchorage. The Anchorage Ski Club maintains most trails and uses a voluntary program of pin sales to offset costs. The Club has pretty good compliance with regular skiers because discounts for entering competitive and special events are offered to pin holders.

Kincaid Park does charge \$2.00 per skier for special trail events where they want exclusive use of the trails for a set period of time.



For projecting Government Peak Nordic ski revenues, we are assuming an average per skier rate of \$5.00 per day. This average price includes day skiers, season passes, and special events.

It is recommended that a parking pass system, rather than a trail user system be used to implement this program. This is the same method used at the Eagle River Visitor Center. A parking pass system is much cheaper to implement, monitor and enforce.

The Eagle River parking pass allows visitors to utilize any of the trails, access the visitor center and to participate at no additional charge for any of their programs.

Once the Southern Sub-Unit chalet/day lodge is open the fee system and rates should be re-examined.

Other Trail User Income

Besides Alpine and Nordic trails and facilities, general hiking, equestrian and mountain biking trails have been integrated into the overall trail systems in the Southern Sub-Unit. Historically, these other trail uses and users have not been charged solely for trail use. However, these other uses and users do produce an operational costs; such as for maintaining the trails, providing parking, garbage pick-up, maintaining restroom facilities, etc.

Like Nordic trail users, it is recommended that a parking pass system be used to help defray the overhead expenses. Most of these other trail users indicate that they are willing to pay such a fee as long as the facilities they are using are maintained.

Charging a parking fee to these other users would be the same as the State Division of Parks and Outdoor Recreation charges for use of their parking facilities located elsewhere in the general Hatcher Pass area.

Unfortunately, there is no way to predict the amount of income from these other users until some history of trail and facility use patterns have been established.

Combined Alpine, Nordic and Other Trail User Income

Based on the above analysis, the chart on the following page provides a snapshot of Alpine and Nordic projected income for the first nine operating years. The chart also shows several key assumptions used for projected income for both Alpine and Nordic ski operations.



Alpine and Nordic Assumptions and Projected Income for First Nine Operating Years

Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Alpine Ski Area									
Alpine Skier Carrying Capacity	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Operating Days: Weekday	37	37	37	37	37	37	37	37	37
Weekend	49	49	49	49	49	49	49	49	49
Holiday	14	14	14	14	14	14	14	14	14
Total	100	100	100	100	100	100	100	100	100
Season Capacity	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000
Skier Days: Weekday	14,800	14,800	14,800	14,800	14,800	14,800	14,800	14,800	14,800
Weekend	83,300	83,300	83,300	83,300	83,300	83,300	83,300	83,300	83,300
Holiday	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400
Annual Skier Days	127,500	127,500	127,500	127,500	127,500	127,500	127,500	127,500	127,500
Ramp Up Factor	80%	85%	90%	95%	100%	100%	100%	100%	100%
Expected Annual Skier Days	102,000	108,375	114,750	121,125	127,500	127,500	127,500	127,500	127,500
Expected Utilization	42.50%	45.16%	47.81%	50.47%	53.13%	53.13%	53.13%	53.13%	53.13%
Adult Ticket Price	\$38.00	\$38.00	\$38.00	\$39.00	\$39.00	\$40.00	\$40.00	\$40.00	\$41.00
Realized Revenue per Skier	\$18.62	\$18.62	\$18.62	\$19.11	\$19.11	\$19.60	\$19.60	\$19.60	\$20.09
Realized Lift Gross Revenue	\$1,899,240	\$2,017,943	\$2,136,645	\$2,314,699	\$2,436,525	\$2,499,000	\$2,499,000	\$2,499,000	\$2,561,475
Nordic Ski Area									
Skier Days: Weekday	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Weekend	9,860	9,860	9,860	9,860	9,860	9,860	9,860	9,860	9,860
Holiday	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290
Annual Skier Days	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Average Ticket Price	\$5.00	\$5.00	\$5.00	\$5.50	\$5.50	\$5.50	\$5.75	\$5.75	\$5.75
Nordic Gross Revenue	\$75,000	\$75,000	\$75,000	\$82,500	\$82,500	\$82,500	\$86,250	\$86,250	\$86,250
Realized Nordic Gross Revenue	\$26,250	\$52,500	\$63,750	\$78,375	\$82,500	\$82,500	\$86,250	\$86,250	\$86,250
Gross Revenue, Alpine, Nordic	\$1,925,490	\$2,070,443	\$2,200,395	\$2,393,074	\$2,519,025	\$2,581,500	\$2,585,250	\$2,585,250	\$2,647,725

Source: RWS Consulting, Northern Economics, Inc., and National Ski Areas Association



Other Revenue Sources

Other income or revenue sources include food and beverage sales, retail sales, and locker rentals, and facility rentals (weddings, receptions, birthdays, etc.). The projected revenue from these sources can vary wildly depending on supply (for example, how many lockers) and what levels of services are being offered (for example, full line of food and beverage service or a limited menu).

For these projections, a combination of information from the “*Economic Analysis Survey*” (2007-2008) by the National Ski Areas Association and from Kirk Duncan, the manager of Eaglecrest Ski Area in Juneau were utilized.

Combined Revenue Projection

Projected operating net revenues from all sources are shown in the following table. This table projects expected revenue for the first 9 operating years. The revenue projections are based on July 2008 dollars without an inflation or cost of living factor. These years coincide with the proposed Phase I development (first 5 years) and the addition of Phase II after that.

The figures on this chart were extrapolated from the Economic Analysis Survey conducted by the National Ski Areas Association Report (and modified by RWS Consulting, Northern Economics and Kirk Duncan (Eaglecrest Ski Area) to fit the Government Peak Unit model (Chapter 3) and to provide a conservative view of projected revenues from all sources.

Net Revenue by Department and Total Projected Operating Income for the First Nine Operating Years

Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Net Revenue, by Department									
Lift Operations	\$1,899,240	\$2,017,943	\$2,136,645	\$2,431,470	\$2,436,525	\$2,499,000	\$2,499,000	\$2,499,000	\$2,561,475
Nordic	\$26,250	\$52,500	\$63,750	\$78,375	\$82,500	\$82,500	\$86,250	\$86,250	\$86,250
Subtotal, Alpine and Nordic	\$1,925,490	\$2,070,443	\$2,200,395	\$2,509,845	\$2,519,025	\$2,581,500	\$2,585,250	\$2,585,250	\$2,647,725
Snow Sports School	\$137,200	\$282,632	\$353,492	\$406,932	\$441,199	\$454,435	\$468,069	\$482,111	\$496,574
Food & Beverage	\$140,000	\$288,400	\$360,706	\$415,236	\$450,204	\$463,710	\$477,621	\$491,950	\$506,708
Retail	\$76,300	\$157,178	\$196,585	\$226,304	\$245,361	\$252,722	\$260,303	\$268,113	\$276,156
Repair	\$46,036	\$94,835	\$118,611	\$136,542	\$148,040	\$152,482	\$157,056	\$161,768	\$166,621
Locker Rentals	\$12,403	\$25,551	\$31,957	\$36,788	\$39,886	\$41,082	\$42,315	\$43,584	\$44,892
Rentals, Repair	\$151,550	\$312,193	\$390,464	\$449,493	\$487,345	\$501,966	\$517,025	\$532,535	\$548,511
Subtotal, Department Operating Rev	\$563,489	\$1,160,789	\$1,451,815	\$1,671,295	\$1,812,035	\$1,866,397	\$1,922,389	\$1,980,061	\$2,039,462
Total Operating Income	\$2,488,979	\$3,231,232	\$3,652,210	\$4,181,140	\$4,331,060	\$4,447,896	\$4,507,638	\$4,565,310	\$4,687,187

Source: RWS Consulting, Northern Economics, Inc., Kirk Duncan (Eaglecrest Ski Area), and National Ski Areas Association.



Operational Costs

Operating Costs are best analyzed by looking at labor and non-labor cost centers. These expenses will vary slightly by year depending on the relative sensitivity to skier day activity. Some program activities are relatively fixed, and others are more dependent on the level of activity generated.

Labor Costs

Labor costs can vary widely based on the geographic area and the type of management (public, public/private, or private) that is ultimately chosen. However, the basic labor force remains constant no matter whom the owner or operator ultimately is.

While there are certainly higher labor costs for management and skilled labor positions, the majority of personnel used for operating a winter sports area are seasonal employees, many of whom work for less money than similar jobs in other private sector markets. The main reason for this is that these workers seek the benefits of working at a ski area on a temporary basis. Many ski areas provide very affordable housing and all offer free or highly discounted rates for use of the facilities.

It is not unusual to have ski area employees from foreign countries that travel seasonally between the northern and southern hemisphere to seek out new places to ski and visit during each hemispheres winter season. This area of employment has become highly scrutinized in the past couple of years by the federal government because of changes to immigration and labor laws.

Appendix “J” provides a detailed summary of the labor force needed to operate a ski facility. As a way to make a comparison of labor costs Appendix “J” was compiled utilizing costs as if the Borough operates the facilities at Government Peak with Borough employees. After compiling and reviewing this information, it is recommended that the Borough does not utilize this approach. The costs, not surprisingly, are higher because of expected higher hourly labor cost per employee, as well as benefits such as vacation, medical and retirement.

The following chart uses labor figures extrapolated by Northern Economics from the “Economic Analysis Survey” that is conducted annually by the National Ski Areas Association. These figures are North American averages, which for the vast majority are from areas that are privately owned and operated. In other words, private sector labor costs are shown, versus public or governmental labor costs.

These labor costs most resemble the organizational and management structure by similar profit and non-profit organizations that own and/or manage similar facilities throughout North America.



Labor Expenses by Department for the First Nine Operating Years
(With an Annual Inflation Factor of 1.03%)

Lift Expenses (Labor)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Lift Operation	\$299,000	\$307,970	\$317,209	\$326,725	\$336,527	\$346,623	\$357,022	\$367,732	\$378,764
Nordic	\$17,000	\$17,510	\$18,035	\$18,576	\$19,134	\$19,708	\$20,299	\$20,908	\$21,535
Ski Patrol	\$34,000	\$35,020	\$36,071	\$37,153	\$38,267	\$39,415	\$40,598	\$41,816	\$43,070
Grooming	\$34,000	\$35,020	\$36,071	\$37,153	\$38,267	\$39,415	\$40,598	\$41,816	\$43,070
Maintenance & Repair	\$94,000	\$96,820	\$99,725	\$102,716	\$105,798	\$108,972	\$112,241	\$115,608	\$119,076
Ticket Sales	\$36,000	\$37,080	\$38,192	\$39,338	\$40,518	\$41,734	\$42,986	\$44,275	\$45,604
Snowmaking	\$67,000	\$69,010	\$71,080	\$73,213	\$75,409	\$77,671	\$80,002	\$82,402	\$84,874
Subtotal, Lift	\$581,000	\$598,430	\$616,383	\$634,874	\$653,921	\$673,538	\$693,744	\$714,557	\$735,993
Other Expenses (Labor)									
Snow Sport School	\$54,600	\$112,476	\$140,675	\$161,942	\$175,579	\$180,847	\$186,272	\$191,860	\$197,616
Food & Beverage	\$58,800	\$121,128	\$151,497	\$174,399	\$189,085	\$194,758	\$200,601	\$206,619	\$212,817
Retail Shop	\$10,150	\$20,909	\$26,151	\$30,105	\$32,640	\$33,619	\$34,628	\$35,666	\$36,736
Rental Shop	\$29,400	\$60,564	\$75,748	\$87,200	\$94,543	\$97,379	\$100,300	\$103,309	\$106,409
Gen & Admin	\$486,000	\$500,580	\$515,597	\$531,065	\$546,997	\$563,407	\$580,309	\$597,719	\$615,650
Marketing	\$76,000	\$78,280	\$80,628	\$83,047	\$85,539	\$88,105	\$90,748	\$93,470	\$96,275
Other Operating	\$82,000	\$84,460	\$86,994	\$89,604	\$92,292	\$95,060	\$97,912	\$100,850	\$103,875
Snow Removal	\$1,400	\$2,884	\$3,607	\$4,152	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067
Property operation	\$34,300	\$70,658	\$88,373	\$101,733	\$110,300	\$113,609	\$117,017	\$120,528	\$124,143
Subtotal Other	\$832,650	\$1,051,939	\$1,169,271	\$1,263,247	\$1,331,477	\$1,371,421	\$1,412,564	\$1,454,941	\$1,498,589
Total Staff	\$1,413,650	\$1,650,369	\$1,785,654	\$1,898,121	\$1,985,398	\$2,044,959	\$2,106,308	\$2,169,497	\$2,234,582

Source: RWS Consulting and Northern Economics, Inc.

Non-Labor Costs

Non-labor costs are for the most part fixed or stable; they do not change for whoever operates the facilities. These are costs for such things as the heating of buildings, providing electricity for lights and operating the lifts, buying office supplies and other commodities. A detailed breakdown of these operational costs by department or category can be found in Appendix "K". As noted earlier, financing costs will ultimately be determined by the Borough, along with final capital-cost structure and related depreciation expense.

The chart of the following page shows estimated non-labor expenses for the first nine operating years.



Non-Labor Expenses by Department for the First Nine Operating Years (With an Annual Inflation Factor of 3%)

Lift & Trail Expenses (Non-labor)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Lift Operation	\$233,000	\$239,990	\$247,190	\$254,605	\$262,244	\$270,111	\$278,214	\$286,561	\$295,157
Nordic	\$8,000	\$8,240	\$8,487	\$8,742	\$9,004	\$9,274	\$9,552	\$9,839	\$10,134
Ski Patrol	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753	\$6,956	\$7,164	\$7,379	\$7,601
Grooming	\$27,000	\$27,810	\$28,644	\$29,504	\$30,389	\$31,300	\$32,239	\$33,207	\$34,203
Maintenance & Repair	\$52,000	\$53,560	\$55,167	\$56,822	\$58,526	\$60,282	\$62,091	\$63,953	\$65,872
Ticket Sales	\$18,000	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802
Snowmaking	\$62,000	\$63,860	\$65,776	\$67,749	\$69,782	\$71,875	\$74,031	\$76,252	\$78,540
Subtotal, Lift	\$406,000	\$418,180	\$430,725	\$443,647	\$456,957	\$470,665	\$484,785	\$499,329	\$514,309
Other Operating Expenses (Non-Labor)									
Snow Sport School	\$18,800	\$20,188	\$25,249	\$29,067	\$31,514	\$32,460	\$33,433	\$34,436	\$35,470
Food & Beverage	\$160,100	\$177,366	\$221,834	\$255,370	\$276,875	\$285,181	\$293,737	\$302,549	\$311,625
Retail Shop	\$65,600	\$83,636	\$104,605	\$120,419	\$130,559	\$134,476	\$138,510	\$142,665	\$146,945
Rental Shop	\$22,000	\$28,840	\$36,071	\$41,524	\$45,020	\$46,371	\$47,762	\$49,195	\$50,671
General & Administration	\$235,000	\$242,050	\$249,312	\$256,791	\$264,495	\$272,429	\$280,602	\$289,020	\$297,691
Marketing	\$178,000	\$183,340	\$188,840	\$194,505	\$200,341	\$206,351	\$212,541	\$218,918	\$225,485
Other Operating	\$52,750	\$61,285	\$76,650	\$88,238	\$95,668	\$98,538	\$101,494	\$104,539	\$107,675
Snow Removal	\$4,800	\$5,768	\$7,214	\$8,305	\$9,004	\$9,274	\$9,552	\$9,839	\$10,134
Property operation	\$166,000	\$170,980	\$176,109	\$181,393	\$186,834	\$192,439	\$198,213	\$204,159	\$210,284
Subtotal Other	\$903,050	\$973,453	\$1,085,884	\$1,175,610	\$1,240,311	\$1,277,520	\$1,315,846	\$1,355,321	\$1,395,981
TOTAL	\$1,309,050	\$1,391,633	\$1,516,610	\$1,619,258	\$1,697,267	\$1,748,185	\$1,800,631	\$1,854,650	\$1,910,289

Source: RWS Consulting and Northern Economics, Inc.

Summary

The figure on the next page shows an operating cost (loss) in the first year of operations, something that is expected of any new facility. Once a steady clientele is realized, new programs are established and accepted, and new facility operations are stabilized, the revenue picture improves. The numbers presented are based on proposed operations; detailed costs, depreciation schedules. Financing arrangements are an unknown and not predictable at this time which will have an impact on these projections.

In years five and six the income levels off, in fact declines slightly with the addition of additional facilities (for example, the Alpine Lift 3). This decrease is attributable to the increased operating costs of the new facilities that are not totally offset by the projected increase in user revenue. It is expected that this will change for the better no later than year 7.

The revenue shown in continues to decline from years seven through nine. That is because revenue, principally for lift and trail (or parking) revenue, is shown as remaining relatively stable. These stable revenues are directly attributable to little change in the cost of lift tickets, season passes or parking fees in this analysis. Because industry market pricing is



unknown in these future years, the pricing structure established during the first year was left unchanged.

Summary Projected Net Operating Income for the First Nine Operating Years
(With an Annual Inflation Factor of 3% rounded to nearest dollars)

Operating Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Total Alpine, Nordic Lift Revenue	\$1,925,490	\$2,070,443	\$2,200,395	\$2,509,845	\$2,519,025	\$2,581,500	\$2,585,250	\$2,585,250	\$2,647,725
Total Revenue, Other Departments	\$563,489	\$1,160,789	\$1,451,815	\$1,671,295	\$1,812,035	\$1,866,396	\$1,922,388	\$1,980,060	\$2,039,462
Total Operating Revenue	\$2,488,979	\$3,231,232	\$3,652,210	\$4,181,140	\$4,331,060	\$4,447,896	\$4,507,638	\$4,565,310	\$4,687,187
Operating Expenses									
Lift Expenses (Non-labor)	\$406,000	\$418,180	\$430,725	\$443,647	\$456,957	\$470,665	\$484,785	\$499,329	\$514,309
Lift Operation, Labor	\$581,000	\$598,430	\$616,383	\$634,874	\$653,921	\$673,538	\$693,744	\$714,557	\$735,993
Other Operating, Expenses	\$903,050	\$973,453	\$1,085,884	\$1,175,610	\$1,240,311	\$1,277,520	\$1,315,846	\$1,355,321	\$1,395,981
Other Expenses Labor	\$832,650	\$1,051,939	\$1,169,271	\$1,263,247	\$1,331,477	\$1,371,421	\$1,412,564	\$1,454,941	\$1,498,589
Total Operating Expenses	\$2,722,700	\$3,042,002	\$3,302,263	\$3,517,379	\$3,682,665	\$3,793,145	\$3,906,939	\$4,024,147	\$4,144,872
Net Operating Income (Loss)	(\$233,721)	\$189,229	\$349,947	\$663,761	\$648,396	\$654,752	\$600,699	\$541,163	\$542,315

Source: RWS Consulting and Northern Economic



Appendix G- Alpine Skiing Market Conditions

Since the mid 1990's various studies were conducted to determine the level of participation that would be needed to make an Alpine skiing venue financially successful in the Hatcher Pass Area. The information in this appendix is statistically valid as of August 2008.

Analyses conducted in 1995 and 2002 indicated that a great deal of effort was put into developing various growth and participation scenarios. These analyses showed a range of potential population growth assumptions and alpine skier day potential. Unfortunately, there was no analysis done for Nordic skiing or other use potential in these earlier reports, but there are clear demands for this type of recreational use as shown from Chapter 2 (Recreation and Tourism).

Actual growth in the Borough has exceeded the high end of the range predicted in those reports. In the 2002 analyses, the estimated high end population was 72,900 for 2005. The State's Department of Commerce, Community and Economic Development certified population for the Borough in 2006 was 74,000. The population at the end of 2007 was estimated at 80,056, which is up from 59,322 in the 2000 census.

The U.S. Census Bureau 2006 American Community Survey estimates the Borough population at 80,480, which is up 5.7% over their earlier estimate. This compares to state growth at 1% and the Municipality of Anchorage at 1.1%. No matter which figures are used, the Matanuska Susitna Borough continues to be the fastest growing area in the state.

In the 2002 ERA report, published data was used that showed population trends and projections for the area to the years 2010 and 2015. As mentioned above, these figures are now low. These projections as shown beginning on page 2 of this chapter have been updated to use current population estimates and for an extended time period. The revised projections support the need for planned development, and emphasize the need for recreation centers to provide for the faster than expected population growth.

Other than the tremendous population growth, the overall Borough development and use patterns of the population in the surveyed area has not changed dramatically. In 2002, it was found that the physical demarcations for the population analysis used in 1995 were equally valid in establishing market area definitions. There is no apparent reason to change these boundaries for this new analysis.

Both the 1995 and 2002 analysis used primary consumer research to measure the local population's propensity to ski in comparison to the National Sporting Goods Association survey. Not surprisingly, the local participation rate approached those of geographical areas that also had close proximity and access to skiing areas.



In the 1995 analyses, two growth scenarios were developed showing a range of potential population growth and indicated skier day potential. Since the development pattern of the greater region has not changed dramatically, these scenarios can still be used today. The areas defined in the 1995 scenario were the South Anchorage area, North Anchorage and Chugiak/Eagle River, and the Mat-Su Valley. The North and South Anchorage areas were defined by an artificial east to west line that represented an approximate equal drive time to Hatcher Pass versus Alyeska to the South.

Both the 1995 and 2002 analyses showed there were more than adequate available skier days, or market share to support a new alpine ski facility without adversely affecting other ski facilities in the region. More important, because of the faster-than-expected population growth, skier participation at Hatcher Pass can easily meet and significantly exceed the estimates completed in 2002.

What cannot be determined from this analysis is how many of the potential users will actually use the various venues. Response to this facility, size of the facilities, fee structure, types of skiing and trail uses offered, programs offered, weather, hours of operation, parking, etc. are all somewhat unpredictable. However, comparison to similar facilities does allow a degree of reasonable estimation.

The following two charts show the Low and High estimate of potential participation in Alpine skiing at Hatcher Pass based on the most recent population surveys available at the end of 2007. The compound growth rate for the area's population at the low estimate is 0.7 percent per year, while the high estimate is 1.9 percent per year; both are well within the limits of reasonable projections.



HATCHER PASS SKIER DAYS LOW ESTIMATE

	2006	2010	2015	2020	2025
Total Population (000)					
N. Anchorage/Eagle River	33.9	34.1	34.7	35.5	36.5
S. Anchorage	248.8	249.7	254.8	260.4	265.4
Mat-Su Valley	77.2	81.6	90.1	99.2	109.5
TOTAL	359.9	365.9	379.6	395.0	411.0
Mat-Su Valley as % of Total	21.5%	22.3%	24.0%	25.1%	26.6%
Age Qualified (000)*					
N. Anchorage/Eagle River	30.5	30.7	31.2	32.0	32.9
S. Anchorage	223.9	224.7	229.3	234.4	238.9
Mat-Su Valley	69.5	73.4	81.1	89.3	98.6
TOTAL	323.9	328.8	341.6	355.7	370.4
Per Capita Participation Rate*					
N. Anchorage/Eagle River	6.9%	6.9%	6.9%	6.9%	6.9%
S. Anchorage	8.0%	8.2%	8.2%	8.2%	8.2%
Mat-Su Valley	8.1%	10.2%	10.2%	10.2%	10.2%
Percent Who Ski per Year*					
N. Anchorage/Eagle River	70.0%	70.0%	70.0%	70.0%	70.0%
S. Anchorage	68.0%	70.0%	70.0%	70.0%	70.0%
Mat-Su Valley	56.0%	70.0%	70.0%	70.0%	70.0%
Number of Active Skiers (000)					
N. Anchorage/Eagle River	2.1	2.1	2.2	2.2	2.3
S. Anchorage	17.9	18.4	18.8	19.2	19.6
Mat-Su Valley	5.6	7.5	8.3	9.1	10.1
TOTAL	25.6	28.0	29.3	30.5	32.0
Average Days Skied					
N. Anchorage/Eagle River	15.5	15.5	15.5	15.5	15.5
S. Anchorage	14.5	14.5	14.5	14.5	14.5
Mat-Su Valley	15.0	15.0	15.0	15.0	15.0
Total Days Skied (000)					
N. Anchorage/Eagle River	32.6	32.6	34.1	34.1	35.7
S. Anchorage	259.6	266.8	272.6	278.4	284.2
Mat-Su Valley	84.0	112.5	124.5	136.5	151.5
TOTAL	376.2	411.9	431.2	449.0	471.4
86% Adjustment for Confidence Factor = Net Local Alaska Skier Days (000)					
Net Local Alaska Skier Days (000)					
N. Anchorage/Eagle River	28.0	28.0	29.3	29.3	30.7
S. Anchorage	223.3	229.4	234.4	239.4	244.4
Mat-Su Valley	72.4	96.8	107.1	117.4	130.3
TOTAL	323.7	354.2	370.8	386.1	405.4



	2006	2010	2015	2020	2025
Market Share					
N. Anchorage/Eagle River		43.8%	47.5%	47.5%	47.5%
S. Anchorage		22.0%	24.0%	24.0%	24.0%
Mat-Su Valley		80.0%	80.0%	80.0%	80.0%
Hatcher Pass User Days (000)					
N. Anchorage/Eagle River		12.3	13.9	13.9	14.6
S. Anchorage		50.5	56.3	57.5	58.7
Mat-Su Valley		77.4	85.7	93.9	104.2
TOTAL		140.2	155.9	165.3	177.5

* Percentages and formulas carried forward from 1995 analysis based on community survey conducted at that time for Alaska Industrial Development and Export Authority by: Fox Practical Management & Marketing, Economics Research Associates, Christopher Beck & Associates, HDR Engineers, and Ecosign Mountain Resort Planners Ltd.

Sources: Alaska Department of Labor and Workforce Development, Research & Analysis Section; "Alaska Projections- 2007-2030", "Hatcher Pass Ski Area Survey 1995" conducted by: Fox Practical Management & Marketing, Economics Research Associates, Christopher Beck & Associates, HDR Engineers, and Ecosign Mountain Resort Planner Ltd.

HATCHER PASS SKIER DAYS HIGH ESTIMATE

	2006	2010	2015	2020	2025
Total Population (000)					
N. Anchorage/Eagle River	33.9	36.5	39.5	42.5	45.3
S. Anchorage	248.9	267.3	289.7	311.9	332.3
Mat-Su Valley	77.2	87.4	102.5	118.8	137.0
TOTAL	359.9	391.2	431.7	473.3	514.6
Mat-Su Valley as % of Total	21.4%	22.3%	23.7%	25.1%	26.6%
Age Qualified (000)*					
N. Anchorage/Eagle River	30.5	32.9	35.6	38.3	40.8
S. Anchorage	224.0	240.6	260.7	280.7	299.1
Mat-Su Valley	69.5	78.7	92.3	106.9	123.3
TOTAL	324.0	352.1	388.6	426.0	463.1
Per Capita Participation Rate*					
N. Anchorage/Eagle River	7.2%	7.2%	7.2%	7.2%	7.2%
S. Anchorage	8.1%	8.2%	8.2%	8.2%	8.2%
Mat-Su Valley	8.2%	10.4%	10.4%	10.4%	10.4%
Percent Who Ski per Year*					
N. Anchorage/Eagle River	71.0%	68.0%	68.0%	68.0%	68.0%
S. Anchorage	68.0%	68.0%	68.0%	68.0%	68.0%
Mat-Su Valley	56.0%	68.0%	68.0%	68.0%	68.0%



	2006	2010	2015	2020	2025
Number of Active Skiers (000)					
N. Anchorage/Eagle River	2.2	2.4	2.6	2.8	2.9
S. Anchorage	18.1	19.7	21.4	23.0	24.5
Mat-Su Valley	5.7	8.2	9.6	11.1	12.8
TOTAL	26.0	30.3	33.6	36.9	40.2
Average Days Skied					
N. Anchorage/Eagle River	17.3	17.3	17.3	17.3	17.3
S. Anchorage	16.3	16.3	16.3	16.3	16.3
Mat-Su Valley	16.8	16.8	16.8	16.8	16.8
Total Days Skied (000)					
N. Anchorage/Eagle River	38.0	41.5	45.0	48.4	50.2
S. Anchorage	295.0	321.1	348.8	374.9	399.4
Mat-Su Valley	95.8	137.8	161.3	186.5	215.0
TOTAL	428.8	500.4	555.1	609.8	664.6
86% Adjustment for Confidence Factor = Net Local Alaska Skier Days (000)					
Net Local Alaska Skier Days (000)					
N. Anchorage/Eagle River	32.7	35.7	38.7	41.6	43.2
S. Anchorage	253.7	276.1	300.0	322.4	343.5
Mat-Su Valley	82.4	118.5	138.7	160.4	184.9
TOTAL	368.8	430.3	477.4	524.4	571.6
Market Share					
N. Anchorage/Eagle River		43.8%	47.5%	47.5%	47.5%
S. Anchorage		22.0%	24.0%	24.0%	24.0%
Mat-Su Valley		77.5%	80.0%	80.0%	80.0%
Hatcher Pass User Days (000)					
N. Anchorage/Eagle River		15.6	18.4	19.8	20.5
S. Anchorage		60.7	72.0	77.4	82.4
Mat-Su Valley		91.8	111.0	128.3	148.0
TOTAL		168.1	201.4	225.5	250.9

* Percentages and formulas carried forward from 1995 analysis based on community survey conducted at that time for Alaska Industrial Development and Export Authority by: Fox Practical Management & Marketing, Economics Research Associates, Christopher Beck & Associates, HDR Engineers, and Ecosign Mountain Resort Planners Ltd.

Source: Alaska Department of Labor and Workforce Development, Research & Analysis Section; "Alaska Projections- 2007-2030", "Hatcher Pass Ski Area Survey" 1995" conducted by Fox Practical Management & Marketing, Economics Research Associates, Christopher Beck & Associates, HDR Engineers, and Ecosign Mountain Resort Planner Ltd..



APPENDIX H – Estimated Personnel Costs by Department and Function



Labor Costs

There are different ways to manage operational expenses at Hatcher Pass with labor the largest cost category. The information in this Appendix is on the high end of the spectrum; all operations and management by borough employees. While staffing levels are the same, the total personnel costs are not the same as shown in Chapter 4 of the report. The Labor costs shown in Chapter 4 are based on national averages as reported by the National Ski Areas Association in the 2006/2007 “Economic Analysis Survey.”

The job functions described in the following charts will not change for whoever owns or manages the ski area facilities. The costs provide a comparison and basis for analysis on the best ownership and management structure. Any “real” cost savings achieved due to reduced labor costs will help reach break-even level sooner.

The following table is a summary of labor costs per month by department for one year of operations.

Labor Cost by Month

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
Administration	\$54,879	\$82,319	\$54,879	\$54,879	\$54,879	\$54,879	\$54,879	\$54,879	\$82,319	\$54,879	\$54,879	\$54,879	\$713,433
Snow Safety				\$22,170	\$31,317	\$27,842	\$34,792	\$27,842	\$45,237	\$27,842			\$217,041
Lift Ops	\$12,558	\$18,837	\$12,558	\$17,006	\$38,350	\$38,350	\$42,750	\$38,350	\$60,275	\$38,350	\$12,558	\$12,558	\$342,496
Mt Maintenance	\$11,518	\$17,278	\$11,518	\$11,518	\$19,525	\$19,525	\$23,000	\$19,525	\$32,762	\$19,525	\$11,518	\$15,522	\$212,734
Food & Beverage				\$2,824	\$19,816	\$28,704	\$28,704	\$28,704	\$43,056	\$21,136			\$172,944
Rental				\$8,376	\$17,528	\$23,952	\$26,702	\$23,952	\$38,678	\$17,528			\$156,716
Lodge's & Buildings					\$13,600	\$22,752	\$22,752	\$22,752	\$34,128	\$17,824			\$133,808
Snow Sports				\$10,003	\$20,005	\$20,005	\$20,005	\$20,005	\$30,008	\$12,227			\$132,257
Marketing			\$2,335	\$5,990	\$7,310	\$7,310	\$7,310	\$7,310	\$10,966	\$5,990			\$54,523
Snowmaking				\$13,200	\$13,200	\$13,200							\$39,600
	\$78,956	\$118,433	\$81,291	\$145,967	\$235,530	\$256,519	\$260,894	\$243,319	\$377,429	\$215,301	\$78,956	\$82,959	\$2,175,552



The following tables show the expected full-time staffing levels, other types of employees, and annual cost for a full year's operation. The position titles are color coded to reflect the level of benefits projected for each employee.

Full Benefits
PERS Benefits
Minimum Benefits

	Salary	Medical	Benefits	Total
General Manager	\$95,000	\$15,600	\$37,050	\$147,650
Director, Mt. Ops.	\$70,000	\$15,600	\$27,300	\$112,900
Director, Base Ops.	\$60,000	\$15,600	\$23,400	\$99,000
Director, Snow Sports	\$60,000	\$15,600	\$23,400	\$99,000
Director, Snow Safety	\$60,000	\$15,600	\$23,400	\$99,000
Manager, Admin.	\$50,000	\$15,600	\$19,500	\$85,100
Bld'g Maintenance	\$39,700	\$15,600	\$15,483	\$70,783
Total	\$395,000	\$109,200	\$169,533	\$713,433

Asst Director	\$26,400	\$9,000	\$10,296	\$45,696
Senior Patroller	\$21,600	\$9,000	\$8,424	\$39,024
Senior Patroller	\$21,600	\$9,000	\$8,424	\$39,024
Patroller	\$19,040		\$7,426	\$26,466
Patroller	\$19,040		\$7,426	\$26,466
Patroller	\$19,040		\$7,426	\$26,466
Overtime	\$10,000		\$3,900	\$13,900
Total	\$136,720	\$27,000	\$53,321	\$217,041



Lift Manager	\$50,000	\$15,600	\$19,500	\$85,100
Lift Supervisor	\$45,000	\$15,600	\$17,550	\$78,150
Senior Operator #1	\$22,400		\$8,736	\$31,136
Senior Operator #2	\$22,400		\$8,736	\$31,136
Beginner Lift #1	\$16,640		\$1,664	\$18,304
Beginner Lift #2	\$16,640		\$1,664	\$18,304
Main Lift #1	\$16,640		\$1,664	\$18,304
Main Lift #2	\$16,640		\$1,664	\$18,304
Upper Lift #1	\$16,640		\$1,664	\$18,304
Upper Lift #2	\$16,640		\$1,664	\$18,304
Overtime	\$6,500		\$650	\$7,150
Total	\$246,140	\$31,200	\$65,156	\$342,496

Mechanic	\$45,760	\$15,600	\$17,846	\$79,206
Mechanic Assistant	\$20,160		\$7,862	\$28,022
Lead Groomer	\$39,520	\$15,600	\$15,413	\$70,533
Groomer	\$20,160		\$7,862	\$28,022
Overtime	\$5,000		\$1,950	\$6,950
Total	\$130,600	\$31,200	\$50,934	\$212,734

	Salary	Medical	Benefits	Total
Kitchen Manager	\$22,400	\$8,400	\$8,736	\$39,536
Lead Cook	\$15,600		\$1,560	\$17,160
Cook	\$13,200		\$1,320	\$14,520
Cook	\$13,200		\$1,320	\$14,520
Cook	\$11,440		\$1,144	\$12,584



	Salary	Medical	Benefits	Total
Utility	\$9,680		\$968	\$10,648
Lead Cashier	\$15,600		\$1,560	\$17,160
Cashier	\$10,560		\$1,056	\$11,616
Lead Bartender	\$14,400		\$1,440	\$15,840
Bartender	\$8,800		\$880	\$9,680
Busser	\$8,800		\$880	\$9,680
Total	\$143,680	\$8,400	\$20,864	\$172,944

Rental Manager	\$24,000	\$9,000	\$9,360	\$42,360
Lead Tech.	\$17,920		\$1,792	\$19,712
Tech	\$13,200		\$1,320	\$14,520
Tech	\$12,320		\$1,232	\$13,552
Tech	\$9,680		\$968	\$10,648
Tech	\$9,680		\$968	\$10,648
Tech	\$9,680		\$968	\$10,648
Lead Cashier	\$16,800		\$1,680	\$18,480
Cashier	\$9,680		\$968	\$10,648
Overtime	\$5,000		\$500	\$5,500
Total	\$127,960	\$9,000	\$19,756	\$156,716

Revenue Supervisor	\$20,800	\$0	\$8,112	\$28,912
Cashier (Alpine #1)	\$12,320	\$0	\$1,232	\$13,552
Cashier (Alpine #2)	\$12,320	\$0	\$1,232	\$13,552
Cashier (Mid-Mountain)	\$12,320	\$0	\$1,232	\$13,552
Cashier (Nordic)	\$12,320	\$0	\$1,232	\$13,552



Payroll Supervisor	\$9,600	\$0	\$960	\$10,560
Janitor #1	\$18,240	\$0	\$1,824	\$20,064
Janitor #2	\$18,240	\$0	\$1,824	\$20,064
Total	\$116,160	\$0	\$17,648	\$133,808

	Salary	Medical	Benefits	Total
Snow Sports Supervisor	\$22,400	\$0	\$8,736	\$31,136
Instructors	\$91,929	\$0	\$9,193	\$101,121
Total	\$114,329	\$0	\$17,929	\$132,257

Marketing Manager	\$26,880	\$0	\$10,483	\$37,363
Marketing Admin	\$15,600	\$0	\$1,560	\$17,160
Total	\$42,480	\$0	\$12,043	\$54,523

Snowmakers	\$36,000	\$0	\$3,600	\$39,600
Total	\$36,000	\$0	\$3,600	\$39,600

The detailed labor cost by function for all employees (full time, seasonal, temporary, and part-time) is shown in the following charts. Like the analysis provided above, these costs are based on using Borough employees, which is not recommended. The estimates given are for a median range of 1,850 skiers per day. Full time staff will not change, nor will some of the functions such as snow making, grooming and lift operations. What will vary, depending on visitors; will be such things as food service, snow sports school, rentals and retail sales.



Labor Budget - Administration

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
General Manager	\$7,308	\$10,962	\$7,308	\$7,308	\$7,308	\$7,308	\$7,308	\$7,308	\$10,962	\$7,308	\$7,308	\$7,308	\$95,000
Director, Mt. Ops.	\$5,385	\$8,077	\$5,385	\$5,385	\$5,385	\$5,385	\$5,385	\$5,385	\$8,077	\$5,385	\$5,385	\$5,385	\$70,000
Director, Base Ops.	\$4,615	\$6,923	\$4,615	\$4,615	\$4,615	\$4,615	\$4,615	\$4,615	\$6,923	\$4,615	\$4,615	\$4,615	\$60,000
Director, Snow Sports	\$4,615	\$6,923	\$4,615	\$4,615	\$4,615	\$4,615	\$4,615	\$4,615	\$6,923	\$4,615	\$4,615	\$4,615	\$60,000
Director, Snow Safety	\$4,615	\$6,923	\$4,615	\$4,615	\$4,615	\$4,615	\$4,615	\$4,615	\$6,923	\$4,615	\$4,615	\$4,615	\$60,000
Manager, Admin.	\$3,846	\$5,769	\$3,846	\$3,846	\$3,846	\$3,846	\$3,846	\$3,846	\$5,769	\$3,846	\$3,846	\$3,846	\$50,000
Bld'g Maintenance	\$3,054	\$4,581	\$3,054	\$3,054	\$3,054	\$3,054	\$3,054	\$3,054	\$4,581	\$3,054	\$3,054	\$3,054	\$39,700
Sub-Total	\$33,438	\$50,158	\$33,438	\$33,438	\$33,438	\$33,438	\$33,438	\$33,438	\$50,158	\$33,438	\$33,438	\$33,438	\$434,700
Benefits	\$13,041	\$19,562	\$13,041	\$13,041	\$13,041	\$13,041	\$13,041	\$13,041	\$19,562	\$13,041	\$13,041	\$13,041	\$169,533
Medical	\$8,400	\$12,600	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$12,600	\$8,400	\$8,400	\$8,400	\$109,200
Total	\$54,879	\$82,319	\$54,879	\$54,879	\$54,879	\$54,879	\$54,879	\$54,879	\$82,319	\$54,879	\$54,879	\$54,879	\$713,433

Full Benefits
 PERS Benefits
 Minimum
 Benefits

	Salary	Medical	Benefits	Total		Salary	Medical	Benefits	Total
General Manager	\$95,000	\$15,600	\$37,050	\$147,650	Director, Snow Safety	\$60,000	\$15,600	\$23,400	\$99,000
Director, Mt. Ops.	\$70,000	\$15,600	\$27,300	\$112,900	Manager, Admin.	\$50,000	\$15,600	\$19,500	\$85,100
Director, Base Ops.	\$60,000	\$15,600	\$23,400	\$99,000	Bld'g Maintenance	\$39,700	\$15,600	\$15,483	\$70,783
Director, Snow Sports	\$60,000	\$15,600	\$23,400	\$99,000	Total	\$395,000	\$109,200	\$169,533	\$713,433



Labor Budget - Snow Safety

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
Asst Director				\$3,520	\$3,520	\$3,520	\$3,520	\$3,520	\$5,280	\$3,520			\$26,400
Senior Patroller				\$2,880	\$2,880	\$2,880	\$2,880	\$2,880	\$4,320	\$2,880			\$21,600
Senior Patroller				\$2,880	\$2,880	\$2,880	\$2,880	\$2,880	\$4,320	\$2,880			\$21,600
Patroller				\$1,360	\$2,720	\$2,720	\$2,720	\$2,720	\$4,080	\$2,720			\$19,040
Patroller				\$1,360	\$2,720	\$2,720	\$2,720	\$2,720	\$4,080	\$2,720			\$19,040
Patroller				\$1,360	\$2,720	\$2,720	\$2,720	\$2,720	\$4,080	\$2,720			\$19,040
Overtime					\$2,500		\$5,000		\$2,500				\$10,000
Sub-Total				\$13,360	\$19,940	\$17,440	\$22,440	\$17,440	\$28,660	\$17,440			\$136,720
Benefits				\$5,210	\$7,777	\$6,802	\$8,752	\$6,802	\$11,177	\$6,802			\$53,321
Medical				\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$5,400	\$3,600			\$27,000
Total				\$22,170	\$31,317	\$27,842	\$34,792	\$27,842	\$45,237	\$27,842			\$217,041

Full Benefits

PERS Benefits

Minimum

Benefits

	Salary	Medical	Benefits	Total		Salary	Medical	Benefits	Total
Asst Director	\$26,400	\$9,000	\$10,296	\$45,696	Patroller	\$19,040		\$7,426	\$26,466
Senior Patroller	\$21,600	\$9,000	\$8,424	\$39,024	Patroller	\$19,040		\$7,426	\$26,466
Senior Patroller	\$21,600	\$9,000	\$8,424	\$39,024	Overtime	\$10,000		\$3,900	\$13,900
Patroller	\$19,040		\$7,426	\$26,466	TOTAL	\$136,720	\$27,000	\$53,321	\$217,041



Labor Budget - Lift Operations

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
	\$2,009	\$2,009	\$2,009	\$2,009	2009	2009	2010	2010	2010	2010	2010	2010	
Lift Manager	\$3,846	\$5,769	\$3,846	\$3,846	\$3,846	\$3,846	\$3,846	\$3,846	\$5,769	\$3,846	\$3,846	\$3,846	\$50,000
Lift Supervisor	\$3,462	\$5,192	\$3,462	\$3,462	\$3,462	\$3,462	\$3,462	\$3,462	\$5,192	\$3,462	\$3,462	\$3,462	\$45,000
Senior Operator #1				\$1,600	\$3,200	\$3,200	\$3,200	\$3,200	\$4,800	\$3,200			\$22,400
Senior Operator #2				\$1,600	\$3,200	\$3,200	\$3,200	\$3,200	\$4,800	\$3,200			\$22,400
Beginner Lift #1					\$2,560	\$2,560	\$2,560	\$2,560	\$3,840	\$2,560			\$16,640
Beginner Lift #2					\$2,560	\$2,560	\$2,560	\$2,560	\$3,840	\$2,560			\$16,640
Main Lift #1					\$2,560	\$2,560	\$2,560	\$2,560	\$3,840	\$2,560			\$16,640
Main Lift #2					\$2,560	\$2,560	\$2,560	\$2,560	\$3,840	\$2,560			\$16,640
Upper Lift #1					\$2,560	\$2,560	\$2,560	\$2,560	\$3,840	\$2,560			\$16,640
Upper Lift #2					\$2,560	\$2,560	\$2,560	\$2,560	\$3,840	\$2,560			\$16,640
Overtime							\$4,000		\$2,500				\$6,500
Sub-Total	\$7,308	\$10,962	\$7,308	\$10,508	\$29,068	\$29,068	\$33,068	\$29,068	\$46,102	\$29,068	\$7,308	\$7,308	\$246,140
Benefits (Perm)	\$2,850	\$4,275	\$2,850	\$4,098	\$5,346	\$5,346	\$5,346	\$5,346	\$8,019	\$5,346	\$2,850	\$2,850	\$54,522
Benefits (Non-Perm)					\$1,536	\$1,536	\$1,936	\$1,536	\$2,554	\$1,536			\$10,634
Medical	\$2,400	\$3,600	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$3,600	\$2,400	\$2,400	\$2,400	\$31,200
Total	\$12,558	\$18,837	\$12,558	\$17,006	\$38,350	\$38,350	\$42,750	\$38,350	\$60,275	\$38,350	\$12,558	\$12,558	\$342,496

Full Benefits
PERS Benefits
Minimum Benefits



Labor Budget - Lift Operations

	Salary	Medical	Benefits	Total
Lift Manager	\$50,000	\$15,600	\$19,500	\$85,100
Lift Supervisor	\$45,000	\$15,600	\$17,550	\$78,150
Senior Operator #1	\$22,400		\$8,736	\$31,136
Senior Operator #2	\$22,400		\$8,736	\$31,136
Beginner Lift #1	\$16,640		\$1,664	\$18,304
Beginner Lift #2	\$16,640		\$1,664	\$18,304
Main Lift #1	\$16,640		\$1,664	\$18,304
Main Lift #2	\$16,640		\$1,664	\$18,304
Upper Lift #1	\$16,640		\$1,664	\$18,304
Upper Lift #2	\$16,640		\$1,664	\$18,304
Overtime	\$6,500		\$650	\$7,150
Total	\$246,140	\$31,200	\$65,156	\$342,496



Labor Budget - Mountain Maintenance

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	TOTAL
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
Mechanic	\$3,520	\$5,280	\$3,520	\$3,520	\$3,520	\$3,520	\$3,520	\$3,520	\$5,280	\$3,520	\$3,520	\$3,520	\$45,760
Mechanic Assistant					\$2,880	\$2,880	\$2,880	\$2,880	\$4,320	\$2,880		\$1,440	\$20,160
Lead Groomer	\$3,040	\$4,560	\$3,040	\$3,040	\$3,040	\$3,040	\$3,040	\$3,040	\$4,560	\$3,040	\$3,040	\$3,040	\$39,520
Groomer					\$2,880	\$2,880	\$2,880	\$2,880	\$4,320	\$2,880		\$1,440	\$20,160
Overtime							\$2,500		\$2,500				\$5,000
Sub-Total	\$6,560	\$9,840	\$6,560	\$6,560	\$12,320	\$12,320	\$14,820	\$12,320	\$20,980	\$12,320	\$6,560	\$9,440	\$130,600
Benefits	\$2,558	\$3,838	\$2,558	\$2,558	\$4,805	\$4,805	\$5,780	\$4,805	\$8,182	\$4,805	\$2,558	\$3,682	\$50,934
Medical	\$2,400	\$3,600	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$3,600	\$2,400	\$2,400	\$2,400	\$31,200
Total	\$11,518	\$17,278	\$11,518	\$11,518	\$19,525	\$19,525	\$23,000	\$19,525	\$32,762	\$19,525	\$11,518	\$15,522	\$212,734

Full Benefits
PERS Benefits
Minimum Benefits

	Salary	Medical	Benefits	Total
Mechanic	\$45,760	\$15,600	\$17,846	\$79,206
Mechanic Assistant	\$20,160		\$7,862	\$28,022
Lead Groomer	\$39,520	\$15,600	\$15,413	\$70,533
Groomer	\$20,160		\$7,862	\$28,022
Overtime	\$5,000		\$1,950	\$6,950
TOTAL	\$130,600	\$31,200	\$50,934	\$212,734



Labor Budget - Snowmaking													
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	TOTAL
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
Snowmakers				\$12,000	\$12,000	\$12,000							\$36,000
Benefits				\$1,200	\$1,200	\$1,200							\$3,600
Total				\$13,200	\$13,200	\$13,200							\$39,600

Full Benefits
PERS Benefits
Minimum Benefits

	Salary	Medical	Benefits	Total
Snowmakers	\$36,000		\$3,600	\$39,600



Labor Budget - Rental													
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	TOTAL
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
Rental Manager				\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$4,800	\$3,200			\$24,000
Lead Tech				\$1,280	\$2,560	\$2,560	\$2,560	\$2,560	\$3,840	\$2,560			\$17,920
Tech					\$1,200	\$2,400	\$2,400	\$2,400	\$3,600	\$1,200			\$13,200
Tech					\$1,120	\$2,240	\$2,240	\$2,240	\$3,360	\$1,120			\$12,320
Tech					\$880	\$1,760	\$1,760	\$1,760	\$2,640	\$880			\$9,680
Tech					\$880	\$1,760	\$1,760	\$1,760	\$2,640	\$880			\$9,680
Tech					\$880	\$1,760	\$1,760	\$1,760	\$2,640	\$880			\$9,680
Lead Cashier				\$1,200	\$2,400	\$2,400	\$2,400	\$2,400	\$3,600	\$2,400			\$16,800
Cashier				\$0	\$880	\$1,760	\$1,760	\$1,760	\$2,640	\$880			\$9,680
Overtime							\$2,500		\$2,500				\$5,000
Sub-Total				\$5,680	\$14,000	\$19,840	\$22,340	\$19,840	\$32,260	\$14,000			\$127,960
Benefits (Perm)				\$1,248	\$1,248	\$1,248	\$1,248	\$1,248	\$1,872	\$1,248			\$9,360
Benefits (Non-Perm)				\$248	\$1,080	\$1,664	\$1,914	\$1,664	\$2,746	\$1,080			\$10,396
Medical				\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,800	\$1,200			\$9,000
Total				\$8,376	\$17,528	\$23,952	\$26,702	\$23,952	\$38,678	\$17,528			\$156,716

Full Benefits
PERS Benefits
Minimum Benefits



Labor Budget - Rental

	Salary	Medical	Benefits	Total
Rental Manager	\$24,000	\$9,000	\$9,360	\$42,360
Lead Tech	\$17,920		\$1,792	\$19,712
Tech	\$13,200		\$1,320	\$14,520
Tech	\$12,320		\$1,232	\$13,552
Tech	\$9,680		\$968	\$10,648
Tech	\$9,680		\$968	\$10,648
Tech	\$9,680		\$968	\$10,648
Lead Cashier	\$16,800		\$1,680	\$18,480
Cashier	\$9,680		\$968	\$10,648
Overtime	\$5,000		\$500	\$5,500
TOTAL	\$127,960	\$9,000	\$19,756	\$156,716



Labor Budget - Snow Sports													
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	TOTAL
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
Snow Sports Supervisor				\$1,600	\$3,200	\$3,200	\$3,200	\$3,200	\$4,800	\$3,200			\$22,400
Instructors				\$7,071	\$14,143	\$14,143	\$14,143	\$14,143	\$21,214	\$7,071			\$91,929
Sub-Total				\$8,671	\$17,343	\$17,343	\$17,343	\$17,343	\$26,014	\$10,271			\$114,329
Benefits (Perm)				\$624	\$1,248	\$1,248	\$1,248	\$1,248	\$1,872	\$1,248			\$8,736
Benefits (Non-Perm)				\$707	\$1,414	\$1,414	\$1,414	\$1,414	\$2,121	\$707			\$9,193
Total				\$10,003	\$20,005	\$20,005	\$20,005	\$20,005	\$30,008	\$12,227			\$132,257

Full Benefits
PERS Benefits
Minimum Benefits

	Salary	Medical	Benefits	Total
Snow Sports Supervisor	\$22,400		\$8,736	\$31,136
Instructors	\$91,929		\$9,193	\$101,121
Total	\$114,329		\$17,929	\$132,257



Labor Budget - Lodge's & Buildings													
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	TOTAL
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
Revenue Supervisor					\$3,200	\$3,200	\$3,200	\$3,200	\$4,800	\$3,200			\$20,800
Cashier (Alpine #1)					\$1,120	\$2,240	\$2,240	\$2,240	\$3,360	\$1,120			\$12,320
Cashier (Alpine #2)					\$1,120	\$2,240	\$2,240	\$2,240	\$3,360	\$1,120			\$12,320
Cashier (Mid-Mountain)					\$1,120	\$2,240	\$2,240	\$2,240	\$3,360	\$1,120			\$12,320
Cashier (Nordic)					\$1,120	\$2,240	\$2,240	\$2,240	\$3,360	\$1,120			\$12,320
Payroll Supervisor					\$800	\$1,600	\$1,600	\$1,600	\$2,400	\$1,600			\$9,600
Janitor #1					\$1,520	\$3,040	\$3,040	\$3,040	\$4,560	\$3,040			\$18,240
Janitor #2					\$1,520	\$3,040	\$3,040	\$3,040	\$4,560	\$3,040			\$18,240
Sub-Total					\$11,520	\$19,840	\$19,840	\$19,840	\$29,760	\$15,360			\$116,160
Benefits (Seasonal)					\$1,248	\$1,248	\$1,248	\$1,248	\$1,872	\$1,248			\$8,112
Benefits (Non-Perm)					\$832	\$1,664	\$1,664	\$1,664	\$2,496	\$1,216			\$9,536
Total					\$13,600	\$22,752	\$22,752	\$22,752	\$34,128	\$17,824			\$133,808

Full Benefits

PERS Benefits

Minimum Benefits



Labor Budget - Lodge's & Buildings

	Salary	Medical	Benefits	Total
Revenue Supervisor	\$20,800		\$8,112	\$28,912
Cashier (Alpine #1)	\$12,320		\$1,232	\$13,552
Cashier (Alpine #2)	\$12,320		\$1,232	\$13,552
Cashier (Mid-Mountain)	\$12,320		\$1,232	\$13,552
Cashier (Nordic)	\$12,320		\$1,232	\$13,552
Payroll Supervisor	\$9,600		\$960	\$10,560
Janitor #1	\$18,240		\$1,824	\$20,064
Janitor #2	\$18,240		\$1,824	\$20,064
Total	\$116,160		\$17,648	\$133,808



Labor Budget - Food & Beverage													
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	TOTAL
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
Kitchen Manager				\$1,600	\$3,200	\$3,200	\$3,200	\$3,200	\$4,800	\$3,200			\$22,400
Lead Cook					\$2,400	\$2,400	\$2,400	\$2,400	\$3,600	\$2,400			\$15,600
Cook					\$1,200	\$2,400	\$2,400	\$2,400	\$3,600	\$1,200			\$13,200
Cook					\$1,200	\$2,400	\$2,400	\$2,400	\$3,600	\$1,200			\$13,200
Cook					\$1,040	\$2,080	\$2,080	\$2,080	\$3,120	\$1,040			\$11,440
Utility					\$880	\$1,760	\$1,760	\$1,760	\$2,640	\$880			\$9,680
Lead Cashier					\$2,400	\$2,400	\$2,400	\$2,400	\$3,600	\$2,400			\$15,600
Cashier					\$960	\$1,920	\$1,920	\$1,920	\$2,880	\$960			\$10,560
Lead Bartender					\$1,200	\$2,400	\$2,400	\$2,400	\$3,600	\$2,400			\$14,400
Bartender					\$800	\$1,600	\$1,600	\$1,600	\$2,400	\$800			\$8,800
Busser					\$800	\$1,600	\$1,600	\$1,600	\$2,400	\$800			\$8,800
Sub-Total				\$1,600	\$16,080	\$24,160	\$24,160	\$24,160	\$36,240	\$17,280			\$143,680
Benefits (Perm)				\$624	\$1,248	\$1,248	\$1,248	\$1,248	\$1,872	\$1,248			\$8,736
Benefits (Non-Perm)				\$0	\$1,288	\$2,096	\$2,096	\$2,096	\$3,144	\$1,408			\$12,128
Medical				\$600	\$1,200	\$1,200	\$1,200	\$1,200	\$1,800	\$1,200			\$8,400
Total				\$2,824	\$19,816	\$28,704	\$28,704	\$28,704	\$43,056	\$21,136			\$172,944

Full Benefits
PERS Benefits
Minimum
Benefits



LABOR BUDGET – FOOD & BEVERAGE

	Salary	Medical	Benefits	Total
Kitchen Manager	\$22,400	\$8,400	\$ 8,736	\$39,536
Lead Cook	\$15,600		\$1,560	\$17,160
Cook	\$13,200		\$1,320	\$14,520
Cook	\$13,200		\$1,320	\$14,520
Cook	\$11,440		\$1,144	\$12,584
Utility	\$9,680		\$968	\$10,648
Lead Cashier	\$15,600		\$1,560	\$17,160
Cashier	\$10,560		\$1,056	\$11,616
Lead Bartender	\$14,400		\$1,440	\$15,840
Bartender	\$8,800		\$880	\$9,680
Busser	\$8,800		\$ 880	\$9,680
TOTAL	\$143,680	\$8,400	\$20,864	\$172,944



Labor Budget - Marketing													
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	TOTAL
	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	
Marketing Manager			\$1,680	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$5,040	\$3,360			\$26,880
Marketing Admin.				\$1,200	\$2,400	\$2,400	\$2,400	\$2,400	\$3,600	\$1,200			\$15,600
Sub-Total			\$1,680	\$4,560	\$5,760	\$5,760	\$5,760	\$5,760	\$8,640	\$4,560			\$42,480
Benefits (Perm)			\$655	\$1,310	\$1,310	\$1,310	\$1,310	\$1,310	\$1,966	\$1,310			\$10,483
Benefits (Non-Perm)				\$120	\$240	\$240	\$240	\$240	\$360	\$120			\$1,560
Total			\$2,335	\$5,990	\$7,310	\$7,310	\$7,310	\$7,310	\$10,966	\$5,990			\$54,523

Full Benefits
PERS Benefits
Minimum Benefits

	Salary	Medical	Benefits	Total
Marketing Manager	\$26,880		\$10,483	\$37,363
Marketing Admin.	\$15,600		\$1,560	\$17,160
Total	\$42,480		\$12,043	\$54,523



APPENDIX I- Estimated Operational Costs by Function

	Phase I	Phase II
Ski Area Administration		
Office Supplies	\$2,500	\$4,500
Uniforms	\$3,500	\$3,500
Materials & Consumables	\$4,000	\$8,000
Telephone	\$18,000	\$18,000
Advertising	\$5,000	\$5,000
Insurance (Liability, Fire, etc.)	\$175,661	\$287,951
Dues & Subscriptions	\$3,500	\$3,500
Bank Card Fees (1.5% of total sales)	\$40,000	\$70,000
Customer Equipment Damage/Loss Contingency	\$800	\$1,500
Mileage	\$2,500	\$2,500
Training & Education	\$7,500	\$7,500
Sub-Total	\$262,961	\$411,951
Snow Safety Program		
Materials & Consumables	\$25,000	\$25,000
Uniforms	\$4,500	\$4,500
Minor Equipment	\$3,500	\$7,500
Signs	\$5,000	\$5,000
Repairs	\$2,500	\$2,500
Training & Education	\$15,000	\$15,000
Gear Allowance	\$10,000	\$10,000
Sub-Total	\$65,500	\$69,500
Lift Operations Program		
Tools	\$2,500	\$2,500
Materials & Consumables	\$35,000	\$35,000
Minor Equipment	\$5,000	\$5,000
Repairs	\$5,000	\$5,000
Contractual Services	\$8,000	\$8,000
Training & Education	\$5,000	\$5,000
Miscellaneous	\$5,000	\$5,000
Sub-Total	\$65,500	\$65,500



	Phase I	Phase II
Maintenance Program		
Fleet Gasoline	\$10,000	\$15,000
Tool & Uniform	\$1,500	\$2,500
Materials & Consumables	\$15,000	\$25,000
Gasoline & Oil (100 day season, 3 cats, 6 gallons/hour @ \$3.25 per gallon, 8 hour day)	\$46,800	\$46,800
Lubricants	\$5,000	\$5,000
Minor Equipment	\$5,000	\$7,500
Repairs	\$1,500	\$3,500
Equipment Rental	\$3,500	\$5,000
Contractual Services	\$2,500	\$2,500
Training & Education	\$2,500	\$2,500
Miscellaneous	\$2,500	\$5,000
Sub-Total	\$95,800	\$120,300
Lodge Operations		
Office Supplies	\$1,500	\$3,500
Materials & Consumables	\$10,000	\$15,000
Minor Equipment	\$2,500	\$5,000
Refuse Disposal Services	\$6,000	\$9,000
Electricity	\$150,000	\$175,000
Natural Gas	\$50,000	\$60,000
Sewer Service	\$7,500	\$15,000
Repairs	\$15,000	\$25,000
Contractual Services	\$10,000	\$15,000
Training & Education	\$2,500	\$2,500
Miscellaneous	\$1,500	\$5,000
Sub-Total	\$256,500	\$330,000
Snow Sports School		
Office Supplies	\$1,000	\$1,500
Dues & Subscriptions	\$1,000	\$1,000
Contractual Services	\$2,500	\$5,000
Training & Education	\$2,500	\$2,500
Miscellaneous	\$1,500	\$2,500
Gear Allowance	\$2,500	\$5,000
Sub-Total	\$11,000	\$17,500



	Phase I	Phase II
Food & Beverage Service		
Consumable Inventory	\$127,031	\$234,774
Minor equipment	\$2,500	\$2,500
Duplicating/Printing	\$1,250	\$1,850
Contractual Services	\$2,500	\$3,750
Miscellaneous	\$3,500	\$4,500
Sub-Total	\$136,781	\$247,374
Ski Rental Shop		
Office Supplies	\$1,500	\$2,500
Retail - Hard Goods (skis, boards, etc.)	\$3,500	\$5,500
Rental Inventory (replace 1/3 per year)	\$60,000	\$60,000
Retail - Soft Goods (T-shirts, gloves, hats, etc.)	\$32,800	\$61,246
Materials & Consumables	\$5,000	\$7,500
Minor Equipment	\$5,000	\$7,500
Dues & Subscriptions	\$1,000	\$1,000
Contractual Services	\$1,000	\$2,500
Training & Education	\$1,500	\$1,500
Miscellaneous	\$1,000	\$1,000
Sub-Total	\$112,300	\$150,246
Equipment Replacement		
Sub-Total	\$150,000	\$200,000
Vehicle Maintenance		
Snowcat #1	\$9,000	\$12,000
Snowcat #2	\$9,000	\$12,000
Snowcat #3	\$9,000	\$12,000
Pick-up Truck #1	\$1,500	\$1,500
Pick-up Truck #2	\$1,500	\$1,500
4 wheelers/ski-doo's	\$3,000	\$3,000
Snow blower	\$800	\$800
Road Grader	\$1,500	\$1,500
Miscellaneous	\$5,000	\$5,000
Sub-Total	\$40,300	\$49,300



	Phase I	Phase II
Marketing/Special Events		
Materials & Consumables	\$15,000	\$20,000
Duplicating/Printing	\$15,000	\$20,000
Advertising	\$25,000	\$37,500
Miscellaneous	\$8,000	\$10,000
Postage	\$5,000	\$10,000
Sub-Total	\$68,000	\$97,500
Snowmaking		
Materials	\$5,000	\$5,000
Repairs	\$5,000	\$5,000
Miscellaneous	\$8,000	\$8,000
Sub-Total	\$18,000	\$18,000

Total	\$1,145,861	\$1,529,797
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Source: RWS Consulting and Kirk Duncan, Eaglecrest



APPENDIX J – Financial and Sensitivity Analysis

The forecasted operating revenues and operating costs from Appendices H through K are based on a new, start-up operation and have a high degree of uncertainty relating to actual costs, timing, and skier use.

This appendix provides two types of financial analysis to help resolve some of this uncertainty; breakeven and sensitivity analyses are presented.

The first technique, breakeven analysis, is used to determine when total revenues equal total costs (within a given year) and what income might be expected after the breakeven point is reached.

The second technique, sensitivity analysis, is used to estimate how projections will change with different assumptions about revenues and costs such as greater (or smaller) dollar sales, less costs, more fixed costs, etc.

Break-Even Analysis

A break-even analysis is a financial technique used for studying and evaluating the relationships among fixed costs, variable costs, pricing and skier visits. Until the break-even point is reached, where total cost equals total revenue, the ski area operates at a loss. Above the break-even point, each additional skier visit adds to operating income.

For this analysis, the break-even is defined on a cash basis, since decisions about capital costs and financing are pending. The break-even is defined as the number of skier visits required to meet annual cash operating expenses, given fixed costs (e.g., lift equipment, management, general and administrative costs, property maintenance, etc.) for the proposed operation and variable costs (direct labor, a portion of materials, lift electricity, etc.) for actual skiing.

The following variables are part of breakeven calculations.

Sales Revenues

For Government Peak, the weighted average ski lift ticket price is used as the key revenue factor. The technique to generate a revenue yield per ticket is drawn from the National Ski Areas Association “2006/07 Economic Analysis” and other ski areas that provided information. Essentially, all revenues for a season are divided by the number of adult tickets sold to generate an average revenue yield per ticket. The revenue will be less than the average price per ticket, as not all tickets are used.



Fixed Costs

Fixed costs are those that remain constant over a full period, usually a year. Typical fixed costs are insurance, rent, debt service, general and administrative staff costs, and others. Fixed expenses include those which are committed regardless of the number of days the area operates, or the number of skier visits recorded.

Variable Costs

Variable expenses are tied directly to sales (i.e., skier revenue). Variable expenses include liability insurance, sales taxes, and fees, certain types of direct labor (i.e., lift employees), direct materials (i.e. grease for lift cables) and overhead (i.e., time spent directly on skier-related activities).

Break – Even Calculation

The formula used to calculate break-even is:

$$\text{Breakeven} = \frac{\text{Fixed Costs}}{\text{Selling Value} - \text{Variable Costs}}$$

Results from this formula are shown in the figure below. Source data were based on the numbers previously discussed in the previous section of this Chapter (Operating Characteristics, Revenues and Expenses). No depreciation or debt service estimates were included in this table.

Cash Operation Break-Even Data

Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Fixed Costs	\$1,775,400	\$1,838,087	\$1,902,936	\$1,970,023	\$2,039,422	\$2,100,605	\$2,163,623	\$2,228,531	\$2,295,387
Rev per skier day	\$31.84	\$32.21	\$32.60	\$33.56	\$33.97	\$34.89	\$35.35	\$35.81	\$36.76
Variable Costs	\$1,284,200	\$1,367,995	\$1,455,661	\$1,547,356	\$1,643,243	\$1,692,540	\$1,743,316	\$1,795,616	\$1,849,484
VC/skier day	\$12.59	\$12.62	\$12.69	\$12.77	\$12.89	\$13.27	\$13.67	\$14.08	\$14.51
B/E: skier days	92,251	93,821	95,534	94,802	96,743	97,202	99,794	102,588	103,133
B/E: Revenue	\$2,936,862	\$3,022,365	\$3,114,832	\$3,181,112	\$3,286,257	\$3,390,949	\$3,528,109	\$3,673,307	\$3,791,416

Source: Northern Economics Inc

As shown, the number of break-even skier days is approximately 92,300 to 103,100 days per season for Year 1 to Year 9. For the same period, breakeven revenue ranges from \$2.9 million to \$3.8 million. Revenue and expenses from other recreational facilities in the Government Peak Management Unit are an unknown at this time and were not factored into these calculations. Despite this limitation, the results appear obtainable, given market projections for Alpine skiers alone.



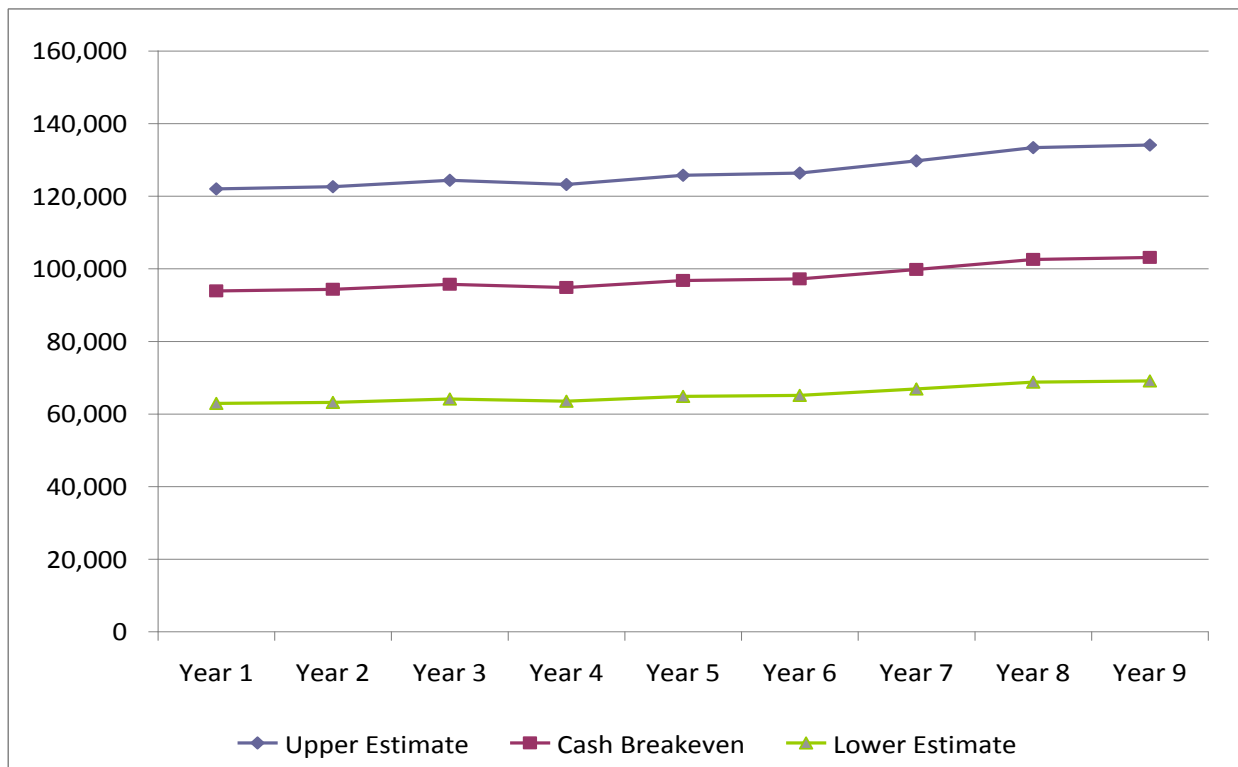
Sensitivity Analysis

The key variable for development in the Government Peak Unit is the number of skiers and other users who pay a fee within the current market area. Will they drive to the Government Peak Unit for day use? The next figure illustrates a likely upper bound of skiers who would use the area over a season. Nordic skiers and other trail users have not been used in this calculation because no user historic or survey data is available at this time.

The middle line shows the number of skiers needed to reach Cash Operating Breakeven over the time from Year 1 to Year 9. The projected number appears achievable and well within the upper and lower bounds shown, based on a plus or minus 30 percent variation in actual skiers. The lower bound is an estimate of how many skiers might use the area under less than optimal conditions; it is subjective, and not likely but illustrates what might happen if snow conditions are poor (even with snow making equipment), or if less than the full development is constructed.

The area's strong demographics (i.e., age structure, younger families, education, and high disposable income), coupled with the state's highest population growth, and a greater-than-average snow season could easily result in a very high demand by skiers (and boarders). The revised concept presented in this analysis was designed to emphasize the area's strengths while reducing both capital and operating costs.

Sensitivity Analysis, Number of Skier Days, Cash Break-Even Analysis



Source: Northern Economics, Inc.



APPENDIX K – Commercial/Residential Development Feasibility Analysis

Hatcher Pass – Government Peak Management Unit

Development Feasibility Analysis

DOWL HKM

2002

Note: This appendix does not include all the maps, graphs and other data from the original report because of their size. The information that is not included is listed immediately following the bibliography of this analysis. This additional information is available for viewing at the Matanuska-Susitna Borough office in Palmer and DOWL HKM in Anchorage or Palmer.



Executive Summary

The Matanuska-Susitna Borough hired DOWL HKM (formally known as DOWL Engineers) to conduct this study to assess the feasibility of development in the southern portion of Matanuska-Susitna Borough's lease area within the Government Peak Subunit of Hatcher Pass. Thirty-five test pits were excavated, sampled, and logged between May 19 and 28, 2010. Percolation tests were performed in eight of the test pits. The soil samples were visually classified, moisture content was measured, and particle size distribution tests were performed.

The results of this 2010 Subsurface Investigation were used, along with the May 2003 Subsurface Investigation, to produce a map showing three areas of development suitability ranging from unsuitable to potentially suitable for high density development. The areas were delineated based on soils, hydrology, geologic hazards, and slope.

INTRODUCTION

The Matanuska-Susitna Borough (MSB) hired DOWL HKM (formally known as DOWL Engineers) to conduct this survey to determine if the Hatcher Pass development area will be able to support future roads, parking areas, and construction areas associated with potential development. The study area is located within the MSB lease area, north of Edgerton Parks Road on the southern slopes of Government Peak in Palmer, Alaska (Figure 1).

Purpose of Geotechnical Investigation

The purpose of the geotechnical investigation was to obtain subsurface information for engineering purposes regarding the potential development of the southern portion of MSB's lease area within the Government Peak Subunit of Hatcher Pass. This report is designed to supplement the information obtained in the preliminary geotechnical report completed by DOWL HKM, May 2003.

Scope of Work for Geotechnical Investigation

A geotechnical exploration program was delineated in a proposal dated January 14, 2009. Written authorization to proceed with the project was received on April 14, 2009. The original scope presented in our proposal was modified several times to reflect changes in the MSB's plans for the area. The original schedule for this effort was fall 2009; however, this was shifted to spring/summer 2010 due to funding issues. In accordance with the proposal, DOWL HKM performed the field exploration in May 2010 after there was enough thaw to access the site and perform the exploration.

Thirty-five test pits were excavated to depths of 9 to 14 feet for the study area. Approximate locations of the test pits are shown on Figure 1 and are also included in Appendix A.



PHYSICAL SETTING

The proposed project area is situated within the MSB lease boundary in Hatcher Pass, at the base of the Talkeetna Mountains. The project area is bounded by Edgerton Parks Road to the south, Palmer-Fishhook Road to the east, and undeveloped land to the north and west.

Regional Geology

Palmer is situated within the Lower Matanuska Lowland, a part of the Cook Inlet lowland physiographic subprovince that borders Cook Inlet. The present topography of the Palmer area is primarily the product of five major glacial advances that invaded the area, as well as the effect of colluvial and alluvial deposits consequent with or subsequent to the advances. The surficial soils at this site are generally glacial deposits of sand, gravel, and cobbles, with varying amounts of silt in the soil matrix.

The local bedrock in the area of Government Peak is Cretaceous in age and belongs to the Arkosa Ridge Formation. This formation is comprised of sedimentary rock varying between arkosic sandstone, conglomerate, graywacke, siltstone, and shale. The Arkosa Ridge Formation rests unconformably on Jurassic granitic and metamorphic rock and is up to 2,000 feet thick.

Climate

Palmer is located in a transitional climate zone. Weather patterns are influenced by the Chugach Mountains and Cook Inlet. The climatological data presented was taken from a range of sources; including the State of Alaska Department of Commerce, Community, and Economic Development Community Database, Environmental Atlas of Alaska, and the Alaska Climate Research Center.

Mean Annual Precipitation	17 in
Mean Annual Snowfall	50 in
Mean Maximum Temperature July	70°F
Mean Maximum Temperature January	30°F
Mean Minimum Temperature July	49°F
Mean Minimum Temperature January	7°F
Average Summer Temperature Range	40°F - 60°F
Average Winter Temperature Range	15°F - 35°F
Freezing Degree Days (°F-day)	2,000
Thawing Degree Days (°F-day)	3,300
Heating Degree Days (°F-day)	10,254



Average monthly temperatures and precipitation for Palmer for the period between 1971 and 2000 are shown in Table 1.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Temperature (°F)	14.8	19.4	27.6	38.3	48.2	55.7	59.4	57	48.9	34.7	21.3	16.8
Precipitation (in)	0.63	0.74	0.57	0.47	0.77	1.15	2.31	2.58	2.87	1.84	1.25	1.09

The construction season in Palmer typically begins early in May and ends in early to mid-October. Snowfall can occur as early as late September and continuous freezing temperatures generally begin in late October and extend to mid-April. The ground generally begins to freeze in November and can remain frozen at depth into late May.

SITE CONDITIONS

This section reports interpretations and opinions concerning the surface and subsurface soil and groundwater conditions at the site. The site conditions described are valid for the data collected within the scope of work. If additional data becomes available, some or all of the interpretations and opinions expressed herein could change. We should be notified immediately if the conditions found at the site are different from those encountered during this investigation.

The soil descriptions contained herein and the classifications shown on the test pit logs are the project geotechnical engineer's *interpretation* of the field logs, the visual soil classification performed in the laboratory, and the results of the laboratory soil testing.

Refer to the Test Pit Log Descriptive Guide in Appendix B following the test pit logs for a more detailed presentation on sample sizes, sample quality, frost classifications, soil types, and soil classification procedures.

Surface

The topography of the site is a product of glacial and alluvial processes which have shaped the area into a series of drainages and benches. In general, the area consists of consecutive short, steep slopes and relatively flat benches increasing in elevation to the north until the steep slopes at the base of the mountains are reached.

Several hiking trails, Nordic ski trails, and all-terrain vehicle (ATV) trails are present across the area. The trails consist of cleared paths with several small “bridges” typically consisting of a single wood plank or two which cross seasonal creeks and drainages. A small cabin, which appeared to be unoccupied, is present east of Test Pit 13. Debris consisting of old appliances and garbage was observed around the cabin.

Vegetation in the study area consists of mature birch, spruce, and cottonwood trees. Thick alders were generally observed along creek beds and in low-lying areas. Grasses, devil’s club, as well as other bushes were observed in higher concentrations along creek beds and



in low-lying areas and were observed more sparsely throughout the study area. Glacial erratics and bedrock outcrops are visible across the site, primarily at higher elevations.

Subsurface

The subsurface soils are inconsistent across the area. Below an organic mat of peat (PT) the soils consist of silts, and sands and gravels with varying amounts of silt.

Silts. The silts (ML) were typically encountered beneath the organic surface. The silts have high frost susceptibility (F4), contain nonplastic to low plasticity fines, and in situ moisture contents of 28 to 55 percent. Organics, typically consisting of rootlets, grasses, and small twigs were often observed in the silts encountered less than 5 feet below the ground surface.

Sands. Silty sand with gravel (SM) and poorly graded sands (SP, SP-SM) with varying amounts of silt and gravel were observed throughout the area. The sands have no to high frost susceptibility (NFS to F4), contain both nonplastic and low plasticity fines, and have in situ moisture contents of 6 to 32 percent. Cobbles and boulders were frequently observed within the sand layers.

Gravels. Silty gravel with sand (GM) and poorly graded gravel with variable quantities of sand and silt (GW-GM, GP-GM) were also observed in the area. The gravels have low to high frost susceptibility (F1 to F4), contain both nonplastic and low plasticity fines, and have in situ moisture contents of 14 to 32 percent. Cobbles and boulders were frequently observed in the gravel layers.

Groundwater

Groundwater was observed in 26 of the test pits while excavating at depths of 2 to 11.5 feet. A slotted PVC standpipe was installed in 31 of the test pits and the water levels allowed to stabilize over a period of several days before they were measured. The water levels will tend to fluctuate 2 to 3 feet seasonally, especially during periods of heavy precipitation and spring “breakup.” Larger fluctuations in the water table may occur in the vicinity of creeks and wetland areas. In addition, some of the test pits contained loose backfill and relatively impermeable pit walls, possibly causing the test pit to fill with water which could give an erroneous groundwater measurement.

The groundwater levels observed while excavating are shown on each test pit log and measured groundwater levels are noted at the end of each pit log. In addition, Table 2 summarizes our observations of the groundwater within the project area. “N.E.” indicates the groundwater table was “not encountered” while the test pit was excavated or during subsequent measurements through the standpipes.



Table 1: Observed and Measured Groundwater Levels

Test Pit	Depth to Water (feet)	
	While Excavating (May 19 through May 28, 2010)	Measured Depth (June 3, June 4, and June 23, 2010)
1	7	--
2	9	7 - 8
3	2	--
4	3	0.4
5	N.E.	--
6	7	12.5 - 13.5
7	11	0.3
8	4	2.5 - 3.5
9	5	1.1
10	6	8 - 10
11	N.E.	N.E.
12	N.E.	N.E.
13	11.5	11.3
14	4	N.E.
15	N.E.	N.E.
16	7	Obstructed
17	N.E.	Surface
18	10	8 - 9
19	13	--
20	2	1.5 - 2.5
21	7	4 - 5
22	4	2.5 - 3.5
23	10	1 - 2
24	N.E.	2.5 - 3.5
25	2	1 - 2
26	8.5	2.5
27	5	Surface
28	N.E.	10 - 12
29	N.E.	N.E.
30	5	N.E.
31	9	0.8
32	2	0.4
33	3	2.3
34	6	4.2
35	4	--



Permafrost

In Test Pits 9 and 26 cold soils were observed that may have been frozen. Permafrost may be an issue in some small isolated areas of the site. The contractor should be aware that if any evidence of frozen soil is encountered in any of the excavations, we should be notified immediately to evaluate the situation.

RESEARCH AND FIELD EXPLORATION

This section presents the technical data obtained from office research and the geotechnical field investigation. The methods and procedures used in obtaining the data are presented. The data should be considered accurate only at the locations specified and only to the degree implied by the methods used. The data presented were obtained specifically to address the needs of the design, and may not be adequate for construction purposes.

Research

Several subsurface investigations have been conducted in the project area in support of the collection of additional geotechnical data. During the winters of 2002 and 2003, DOWL HKM conducted an initial subsurface investigation of the project area. The investigation consisted of 16 test borings and 41 test pits in support of the initial plan. The report has been included as Appendix D, 2003 Hatcher Pass Southside Report. The locations of the borings and pits completed in the vicinity of the current investigation are shown on Figure A-1, Test Boring/Pit Location Map.

Water well information has also been identified within the vicinity of the project area. A list of these wells has been included in Appendix E, Well Log Data.

Field Exploration

The test pit exploration for the Hatcher Pass Development Feasibility Study was conducted from May 19 to May 28, 2010. Thirty-five test pits were excavated, sampled, and logged in the vicinity of the research area to depths ranging from 9 feet to 14 feet. The test pits were excavated at accessible locations spread throughout the project area. Each test pit was excavated to competent mineral soils, shown as refusal either by large boulders or possibly bedrock, or by reaching the limits of the excavator.

The test pits were excavated using a Hitachi EX-120 tracked excavator owned by Territory North Constructors, LLC. and operated by Hayden Amsden or Matt Amsden of Palmer, Alaska. An engineer or geologist supervised the test pit exploration and obtained samples from the test pits.

Each test pit was located in the field using a hand-held Magellan Global Positioning System (GPS). The accuracy of the GPS unit is dependent on several factors, including the number of satellites available and the position of the satellites. The approximate locations of the test pits are shown in Figure A-1 and the northings and eastings are provided on each test pit log located in Appendix B.



A slotted PVC standpipe was installed in 31 of the test pits and the depth to the groundwater was measured after the water levels appeared to have stabilized. The PVC standpipes were installed as vertical as possible; however, backfilling activities may have caused a batter or curvature to their final placement.

As the soil samples were recovered, they were visually classified and sealed in plastic bags to preserve the natural water content. The samples were then transported to DOWL HKM's laboratory in accordance with ASTM 4220, for further testing.

Infiltration Test. Infiltration tests were performed in eight of the test pits in accordance with ASTM D3385, Standard Test Method for Infiltration Rate of Soils Using Double-Ring Infiltrometer, modified to meet MOA standards. This test is performed in the field and allows for an in situ measurement for Infiltration using a confined surface area of soil and falling head measurements. The results of the Infiltration tests are shown in Table 3 below and are included on the test pit logs.

A grain size analysis of the material removed from each of the Infiltration test holes has been included in Appendix C, Laboratory Test Results.

Table 2: Infiltration Tests

Test Pit Number	Test Depth (ft)	Soil Classification	Infiltration Rate	
			in/min	in/hr
2	4	Well Graded Gravel with Silt and Sand	4.60E-02	2.7
6	4	Silty Sand with Gravel	2.30E-01	14.0
11	4	Well Graded Gravel with Silt and Sand	2.30E-01	14.0
15	5	Silty Sand with Gravel	5.60E-02	3.4
17	5	Silty Sand with Gravel	2.30E-02	1.4
19	6	Sandy Silt	3.30E-03	0.2
28	4.5	Silty Sand with Gravel	1.50E-01	9.0
29	5	Silty Sand with Gravel	6.30E-03	0.4

No environmental testing or monitoring was conducted as a part of this investigation.

LABORATORY TESTS

This section of the report presents the technical data obtained during the soil laboratory testing in narrative, tabular, and graphic form. The methods and procedures used in obtaining the data are described herein. The data should be considered accurate only to the degree implied by the methods used.

An engineering technician visually classified each sample recovered and the natural water content was measured. Index tests were performed on selected samples and consisted of grain size analyses.

Visual Classification

In the laboratory, an engineering technician visually classified each soil sample obtained from the field exploration. The visual classification procedure consists of:



- identifying the color of the soil,
- estimating the percentages of gravel, sand, and minus No. 200 particle sizes,
- estimating the maximum particle size,
- estimating the size range of the sand particles,
- identifying the shape of the particles,
- estimating the dry strength of the soil when a water content test is performed,
- estimating the plasticity description of the soil and plasticity index,
- comparing the natural water content with respect to the Atterberg limits, and
- identifying the Unified Soil Classification System group.

Moisture Content

The natural water content of each sample collected, with exception to the samples collected after the percolation tests were performed, was determined in accordance with ASTM D2216, Standard Test Method for Laboratory Determination of Water (Moisture) Content of Soil and Rock. The water contents are reported on the graphic test pit logs, Appendix B.

Particle Size Distribution Tests

Seventeen particle-size distribution tests were performed on selected soil samples in accordance with ASTM D422. These tests consisted of mechanical sieving, the results of which are presented graphically in Appendix C.

Determination of Development Suitability

The characteristics used to determine development suitability included soils, hydrology, geologic hazards, and slope. Areas determined to be “not suitable” for development included streams (including a 100-foot buffer around them), areas where bedrock lies less than 10 feet below the ground surface, and areas with slopes greater than 25 percent. The critical factors determining the recommended density of development are groundwater and the suitability of the soils and subsoils for excavation, site preparation, and on-site sewage disposal.

Soils

The soils in the area were laid down by glaciers as a dense silty till. As the glaciers retreated, streams graded the soils into pockets of clean sands and gravels. Silts built up in ponds and depressions, and sand, gravels and silts mixed together in the other areas. Rocks and soils slid off the steep mountain slopes and covered the lower areas, which has produced a mixture of soil materials. Generalizing soil conditions in this area is difficult and risky because soils vary dramatically between boring and pit locations, and the current topography does not give a good indication of the soil types. Because of this, development of any specific area will require a detailed soils investigation prior to project design.



Natural Resources Conservation Service Soil Data

The Natural Resources Conservation Service (NRCS) soils are depicted on Figure 3 showing the soil types present and associated development suitability in the study area.

The NRCS rates eight of these ten soil types as “severely limited” and the other two as “moderately limited” for building development.



Table 3: Mapped Natural Resources Conservation Service Soils in the Study Area

Symbol	Soil Name	Percentage of Hydric Soil	Hydrologic Soil Group	Water Transmission	Gravel in Soil	Sands in Soil	Building Sites	Highly Erodible Land Rating	Highly Water Erodible Land Rating	Highly Wind Erodible Land Rating
116	Cryaquepts, depression, 0 to 7% slopes	85% or more	Very slow infiltration rate (high runoff potential) when thoroughly wet consisting of clays that have a high shrink-swell potential, high water table, clay pan or clay layer at or near the surface, and soils that are shallow over nearly impervious material.	Very slow	15% or less	15% or less	Severely limiting	Not highly erodible land	Not highly erodible land	Not highly erodible land
117	Cryods, 35 to 90% slopes	15% or less	Moderate infiltration rate when thoroughly wet consisting of moderately deep well-drained soils that have moderately fine texture to moderately coarse texture.	Moderate	15% or less	15% or less	Severely limiting	Highly erodible land	Highly erodible land	Not highly erodible land



Symbol	Soil Name	Percentage of Hydric Soil	Hydrologic Soil Group	Water Transmission	Gravel in Soil	Sands in Soil	Building Sites	Highly Erodible Land Rating	Highly Water Erodible Land Rating	Highly Wind Erodible Land Rating
135	Estelle, hilly-disappoint complex	15 to 50%	Moderate infiltration rate when thoroughly wet consisting of moderately deep well-drained soils that have moderately fine texture to moderately coarse texture.	Moderate	15% or less	15% or less	Moderately limiting	Highly erodible land	Potentially highly erodible land	Highly erodible land
136	Estelle, undulating-disappoint complex	15 to 50%	Moderate infiltration rate when thoroughly wet consisting of moderately deep well-drained soils that have moderately fine texture to moderately coarse texture.	Moderate	15% or less	15% or less	Moderately limiting	Highly erodible land	Potentially highly erodible land	Highly erodible land
159	Kidazqeni, Cool and Nikalson, cool soils, 4 to 12% slopes	15% or less	Moderate infiltration rate when thoroughly wet consisting of moderately deep well-drained soils that have moderately fine texture to moderately coarse texture.	Moderate	85% or more	85% or more	Severely limiting	Potentially highly erodible land	Potentially highly erodible land	Not highly erodible land



Symbol	Soil Name	Percentage of Hydric Soil	Hydrologic Soil Group	Water Transmission	Gravel in Soil	Sands in Soil	Building Sites	Highly Erodible Land Rating	Highly Water Erodible Land Rating	Highly Wind Erodible Land Rating
162	Kidazqeni-Nikalson Complex, 0 to 2% slopes	15% or less	High infiltration rate when thoroughly wet consisting of deep, well-drained to excessively drained sands or gravelly sands.	High	85% or more	85% or more	Severely limiting	Not highly erodible land	Not highly erodible land	Not highly erodible land
181	Qeni, Cool-Niklavar, cool-cryods, cold complex, 0 to 25% slopes	15 to 50%	Slow infiltration rate when thoroughly wet consisting of soils having a layer that impedes the downward movement of water or soils of moderately fine texture or fine texture.	Slow	50 to 85%	50 to 85%	Severely limiting	Potentially highly erodible land	Potentially highly erodible land	Not highly erodible land
183	Rock Outcrop-Cryumbrepts Association, Extremely Steep	15% or less	Very slow infiltration rate (high runoff potential) when thoroughly wet consisting of clays that have a high shrink-swell potential, high water table, clay pan or clay layer at or near the surface, and soils that are	Very slow	15% or less	15% or less	Severely limiting	Highly erodible land	Highly erodible land	Not highly erodible land



Symbol	Soil Name	Percentage of Hydric Soil	Hydrologic Soil Group	Water Transmission	Gravel in Soil	Sands in Soil	Building Sites	Highly Erodible Land Rating	Highly Water Erodible Land Rating	Highly Wind Erodible Land Rating
			shallow over nearly impervious material.							
188	Talkeetna Very Fine Sandy Loam, warm, 15 to 35% slopes	15% or less	Moderate infiltration rate when thoroughly wet consisting of moderately deep well-drained soils that have moderately fine texture to moderately coarse texture.	Moderate	15% or less	15% or less	Severely limiting	Highly erodible land	Highly erodible land	Highly erodible land
189	Talkeetna-Talkeetna, thick-surface complex, 15 to 35% slopes	15% or less	Moderate infiltration rate when thoroughly wet consisting of moderately deep well-drained soils that have moderately fine texture to moderately coarse texture.	Moderate	15% or less	15% or less	Severely limiting	Highly erodible land	Highly erodible land	Highly erodible land



The reason for these ratings are listed by soil component name, and include slope, depth to saturated zone, organic matter content, subsidence, ponding, flooding, and depth to hard bedrock. The ratings for dwellings are based on the soil properties that affect the capacity of the soil to support a load without movement and on the properties that affect excavation and construction costs. The properties that affect the load-supporting capacity include depth to a water table, ponding, flooding, and subsidence. The properties that affect the ease and amount of excavation include; depth to a water table, ponding, flooding, slope, and depth to bedrock.

“Somewhat limited” indicates that the soil has features that are moderately favorable for the specified use. The limitations can be overcome or minimized by special planning, design, or installation. Fair performance and moderate maintenance can be expected. “Very limited” indicates that the soil has one or more features that are unfavorable for the specified use. The limitations generally cannot be overcome without major soil reclamation, special design, or expensive installation procedures. Poor performance and high maintenance can be expected.

Characterizing Soils for Development Feasibility

When evaluating the development feasibility from a soils perspective, the following assumptions were made.

- Soils having less than about 15 percent finer than the No. 200 sieve will have fast percolation rates.
- Soils having fast percolation rates will allow for smaller lot sizes leading to the highest density development at the least cost.
- Soils having slow percolation rates or groundwater within three feet of the ground surface will result in a need for larger lots and the highest development cost.

Methodology Used to Characterize the Site:

The fines content and groundwater levels were sketched on a map of the site. Clusters of clean soils, dirty soils, and general shallow groundwater tables were analyzed to determine whether or not the clusters reasonably correlate with the site geology. Clusters were selected where clean or very silty soils are predominant and where some correlation with geology exists. Based on the recent borings and a previous geotechnical report (DOWL HKM, 2003), the soils were generally divided into three areas as shown on Figure 2 and described below:

This study, and previous studies, has developed a good general understanding of the site. The site is developable and the engineering challenges of working on a hillside with wetlands, multiple drainages, and widely varying subsurface conditions can be overcome. Rough estimates of the range of developable units are presented for both low-density single-family residences to high-density multi-family units for each soil region to quantify the potential of the study area. The estimates are based on general rules of thumb and our



experience. The general assumptions are listed below. The actual development density, of course, will depend on a number of factors including, but not limited to: The desired mix of low and high density development; the quantity of green space and public areas; and the very specific topography, soils and groundwater conditions in each planned phase of development.

Assumptions Used to Compute the Rough Estimate of Development Density

- 20% to 25% of the developable area is used for roads, drainage and utilities;
- Area A will support one single-family residence per acre or two to three multi-family units per acre.
- Area C will require two and a half to five acres per single-family residence or one to one and a half acres per multi-family unit.
- One half of area B can be developed at the same density as Area A and the other half will only support the same density as area C.
- Each multi-family unit will have about 3 bedrooms.
- All computed densities are rounded down to reflect the conservatism appropriate for the available data.

It is not possible to assign meaningful costs to the development at this stage. However, there is no reason to expect the costs to develop this site are significantly more or less than developing any other hillside area in South central Alaska. The next phase leading toward development will involve selecting the desired type or mix of development, the specific desired location to be developed within this large study area and then performing the engineering and design for that specific location. At that point, realistic costs can be determined and the development can be optimized for sale value versus construction costs.

Area A - Generally Well-Draining Soils

There is a bench on the east side of the site that is located around the 1,080-foot contour. This side of the site has been heavily modified as evidenced by the irregular contours, deep drainages, and the series of steps and benches. The greatest concentration of clean soils was encountered on this bench, probably deposited there by alluvial and colluvial means. The area of this bench is identified as Area A on Figure 2 and contains approximately 375 acres of land.

Soils and groundwater levels in Area A are conducive to development of on-site septic systems. This area would support the smallest lot size and highest development density.

Area A could support on the order of 250 to 300 single-family residences or 550 to 800 multi-family units with about three bedrooms per units.



Area B - Mixed Soils

There is insufficient data to identify soil clusters in Area B. The borings and test pits encountered a range of clean and very silty soils. The soils and groundwater levels in Area B are variable and not understood to the detail necessary to identify good development areas from poor development areas. However, good subsurface conditions are present at least in portions of this region. This area contains approximately 1,434 acres of land.

Area B could support on the order of 600 to 750 single-family residences or 1,350 to 2,000 multi-family units with about three bedrooms per units. .

Area C - Generally Poorly Draining Soils

Below the steep downhill aspect of Area A, there is a relatively flat area. In general, the soils here have silt contents of more than 30 percent and the groundwater table was measured to be at, or within a few feet of, the ground surface through most of the area. This area is identified as Area C on Figure 2 and contains approximately 292 acres of land.

Soils in Area C are silts or sands and gravels with silt contents high enough that conventional on-site septic systems are not likely to work. Shallow groundwater conditions exacerbate the difficulty of developing this area. Specialized on-site treatment systems, holding tanks, or a community treatment system would be required.

Area C could support on the order of 40 to 80 single-family residences or 150 to 200 multi-family units with about three bedrooms per units.

Qualifiers

- The evidence for Areas A and C is not overwhelming. Others could interpret the data differently.
- Soils are not consistent within any of these areas.
- Groundwater measurements are based on observations during excavating test pits and at best, one reading in a standpipe a few days after excavating or drilling. In silty, low permeable soils, it often takes a considerable amount of time for the water level in the standpipe to stabilize. Also, the cluster of shallow water table measurements were taken this spring and could be due entirely to surface runoff, not a general high groundwater table.
- There is a 60- to 70-acre region in the eastern portion of area A where no subsurface exploration has been performed because the area is within the Hatcher Pass Public Use Area and is therefore “unsuitable” for development.

Hydrology

Surface water is abundant in the study area, as numerous streams flow from the side of Government Peak toward the Little Susitna River. Wetlands were mapped in portions of the



study area and shown on Figure 4. Development of wetland areas generally requires a permit from the U.S. Army Corps of Engineers if the wetlands are found to be under their jurisdiction.

Groundwater was observed in 27 of the 35 test pits. Figure 4 shows the location of the streams and the tests pits with and without groundwater. Well logs for the area show that the existing wells were drilled in the early 1980s that range between 30 and 80 feet. The well logs suggest the likelihood of several separate aquifer zones within unconsolidated deposits, including both unconfined and confined aquifers. Water quality data for public water systems in the vicinity show that drinking water quality in the area is well within the U.S. Environmental Protection Agency drinking water standards.

Geologic Hazards

Potential geologic hazards in the study area include avalanches, earthquakes, landslides, and flooding. There are known avalanche paths on the slopes of Government Peak, just north of the study area boundary. Figure 5 shows the known locations of these hazards. While no flood hazard maps are available for the area, Figure 5 does show the stream locations with a 100-foot buffer.

A potential historic landslide area was identified in the 2003 geotechnical report around Test Boring 4-03 (Figure 5). Some of the 2010 Test Pits (TP 9-09, TP 13-09, TP 25-09, and TP 27-09) also encountered organic soil layers covered with 3 to 4.5 feet of material, indicating a similar landslide event. It is likely this upper material slid over the former surficial organics during a landslide or mudslide or was deposited during a flooding event. These test pits were located along the proposed access road that generally follows the edge of a well-defined drainage area.

Both of these potential historic landslide areas are shown on Figure 5. Based on the geotechnical data and the presence of mature vegetation, these were not recent events, and could have been hundreds or even thousands of years ago. Therefore, these areas are not considered hazardous, and are not categorized as unsuitable for development in this report. However, it would be prudent to conduct additional, more detailed geotechnical investigations of these areas prior to construction of any subdivisions or residential development.

Slope

Figure 5 shows where slopes are greater than 25 percent occur in the study area. Typically, slopes greater than 25 percent are unsuitable for development due to engineering and septic concerns.

Development Suitability

Based on the site conditions and results of the research, fieldwork, and laboratory tests, the study area was divided into four levels of development suitability, as listed below.

- unsuitable



- potentially suitable for low-density development
- potentially suitable for high-density development
- unclassifiable

Table 5 below summarizes the development suitability evaluation for the three study areas. Within Areas A, B, and C, the following areas were determined to be unsuitable for development: streams including a 100-foot buffer, the Hatcher Pass Public Use Area, all areas with slopes of 25 percent or greater, and areas with bedrock within 10 feet.

Table 4: Development Suitability Evaluation

Development Suitability Evaluation	Size (Acres)
Areas Unsuitable for Development	
Streams and 100-foot buffers, Hatcher Pass Public Use Area (PUA) Slopes of 25% or greater, and areas with bedrock within 10 feet	
Area A: High Density Development (generally well draining soils) minus unsuitable areas	264
Area B: Unclassifiable (mixed soils) minus unsuitable areas	959
Area C: Low-Density Development (poorly draining soils) minus unsuitable areas	145
TOTAL	1,368
Areas Potentially Suitable for Development	
Area A: High Density Development (generally well draining soils) minus unsuitable areas	111
Area B: Unclassifiable (mixed soils) minus unsuitable areas	475
Area C: Low-Density Development (poorly draining soils) minus unsuitable areas	147
TOTAL	733

* Development in the PUA is not limited by environmental conditions, but by the legislation creating the PUA.

The areas designated as potentially suitable for development are shown on Figure 7. The area designated as potentially suitable for low-density development is Area C minus any unsuitable portions. The area designated as potentially suitable for high-density development is Area A minus any unsuitable portions. Area B was designated as unclassifiable due to the complicated mixture of soil and groundwater conditions found during the investigation. Portions of this area may be suitable for either low or high-density development; site-specific investigations would need to be done to determine conditions.

Other Factors to Consider in Characterizing the Site for Development

The site characterization for areas A, B, and C is based *primarily* on soils and measured groundwater levels. When other factors are weighed together with the soils, the site characterization could be completely different from the A, B, and C areas presented herein. For example, Area A is between two steep slopes, and there is an identified wetland and poorly drained area between the proposed road and the majority of Area A. Area A is also cut by several steep well-defined drainages. It could be that constructing access to Area A could cost more than developing an area where the soils are perhaps not so well-draining.



All of the site soils, with exception of the surficial organic deposits and perhaps some of the silt deposits, will provide adequate support for structures and streets. It would not be surprising if access turns out to be the primary consideration for site development. There are no soils conditions that will seriously impede development of the vast majority of this site with the application of good planning and engineering.

Future Geotechnical Work

Additional geotechnical work should be performed as development plans progress to the point where building areas and streets are defined well enough to focus the investigation, but still flexible enough to take advantage of the findings. Prior to final planning and design of any proposed development, a detailed geotechnical investigation should build on the previous reports and clearly define the site-specific soils and their engineering properties. A geologic reconnaissance should be performed as part of the investigation to help quantify the apparent risk of landslides and flooding and better define the localized geology.

REFERENCES

- DOWL, 2003, *Subsurface Investigation for Hatcher Pass Southside*, Matanuska-Susitna Borough, Anchorage, Alaska, DOWL HKM, 128p.
- Pewe, T.L., 1975, *Quaternary Geology of Alaska*, U.S. Geological Survey, Professional Paper 835, U.S. Government Printing Office, Washington, 145p., 1 map, 2 tables in pocket.
- Staff, 1996, *Community Information Summary - Anchorage*, Department of Commerce, Community, and Economic Development, Research and Analysis Section, Anchorage, Alaska.
- Wahrhaftig, Clyde, 1965. *Physiographic Divisions of Alaska*, US Geological Survey Professional Paper 482, US Government Printing Office, Washington D.C., 52p., 6 plates.



The following is information not included in this Appendix from the original *Development Suitability Report* because of their size :

Figure 1 Vicinity Map
Figure 2 Study Areas Approximate Test Locations
Figure 3 Natural Resource Conservation Service Maps
Figure 4 Hydrology
Figure 5 Geology and Geologic Hazards
Figure 6 Development Suitability Analysis
Figure 7 Areas Suitable for Development

Appendix A Test Pit Location Map
Appendix B Test Pit Logs and Descriptive Guide
Appendix C Laboratory Test Results
Appendix D 2003 Hatcher Pass Southside Report
Appendix E Well Log Data

The complete report including the Figures and Appendices listed above are available for review at the Matanuska-Susitna Borough or DOWL HKM offices.



APPENDIX L - Tri-Party Agreement

Hatcher Pass Management Unit Management Agreement Between The Department of Natural Resources and the Matanuska-Susitna Borough

February 2002



MANAGEMENT AGREEMENT
BETWEEN THE
DEPARTMENT OF NATURAL RESOURCES
AND THE
MATANUSKA-SUSITNA BOROUGH

This AGREEMENT is made and entered into between the State of Alaska, Department of Natural Resources, Division of Parks and Outdoor Recreation (Parks), Division of Mining, Land and Water (MLW) and the Matanuska-Susitna Borough (Borough) and outlines the responsibilities of each party and the procedures to be followed in the management of the Hatcher Pass Management Unit (HPMU).

- I. PURPOSE: This Agreement sets forth the procedures and responsibilities of the parties in cooperatively implementing management and enforcement activities within the HPMU, establishing priority actions, defining lead responsibilities and approaches to funding the development and management of the unit.
- II. AUTHORITY: This Agreement is made pursuant to the authority contained in AS 29.35.010, AS 41.21.020, AS 41.21.950, AS 41.21.955, AS 41.23.100 - 130 and MSB 23.10.160.
- III. LEGAL DESCRIPTION: Land within the HPMU and covered by this Agreement are those lands owned and/or managed by the Borough or MLW as described in Alaska Department of Natural Resources, Division of Land Lease 225965 (MSB 002724) and land adjacent to the lease in the Hatcher Pass Public Use Area and land in the Government Peak subunit of the Hatcher Pass Management Plan as amended. The land within the lease area has been included in this Agreement by action of the Borough Assembly and is to be managed as part of the HPMU.
- IV. ENFORCEMENT: It is the intent of this Agreement that Parks will be the lead agency in the enforcement of the land covered by this agreement for public safety, natural resource protection and recreation.
- V. MANAGEMENT INTENT: It is the intent of this Agreement that Parks and MLW will remain the lead agencies in the natural resource and recreation management of State lands and the Borough will remain the lead agency for the management of Borough lands. Each party to this Agreement will work cooperatively with the other to ensure coordination of efforts.
- VI. PARKS RESPONSIBILITIES:
 1. Provide for enforcement of the Management units' regulations and natural resource protection.



2. Manage recreation use activities, except those recreational activities agreed to mutually by the parties to this agreement as noted in amendments to this agreement.
3. Provide for maintenance and operations of State recreation facilities through park staff, services contracts, volunteers, inmate labor, cooperative agreements or concession contracts.

VII. MLW RESPONSIBILITIES

1. Working cooperatively with the Borough and parks, implement the HPMP and its provisions in a manner consistent with local ordinances, state statutes and regulations, and any agreements where all the parties concur.
2. Issue and manage water rights.
3. Close and manage mining activities.

VIII. MATANUSKA-SUSITNA BOROUGH RESPONSIBILITIES:

1. The Borough shall by virtue of this Agreement, and by Assembly action, designate Borough-owned and/or managed land within the HPMU as part of HPMU and abide by the management intentions and guidelines of the Hatcher Pass Management Plan, as amended.
2. The Borough shall not establish or dedicate any other interests in the land that are not consistent with the Hatcher Pass Management Plan, as amended.
3. Provide technical assistance and review of designs, engineering specifications and management activities to include regulatory efforts.
4. Work jointly with Parks in providing, if possible, local seasonal employment, youth employment, volunteer assistance and Borough labor, equipment, materials and technical assistance in cooperatively managing HPMU.
5. Pursue funding for the development, operation and maintenance of the HPMU.

IX. SHARED RESPONSIBILITIES OF THE PARTIES:

1. Review site plans and engineering specifications for sponsored projects within the HPMU.



2. Cooperate with other agencies and organizations to further the purposes of this Agreement.
3. Meet annually, if possible, to evaluate field operations and provide comments and suggestions for improving management to better serve the public.
4. Each party will solely represent itself and be solely responsible for the actions of its employees, contractors or agents.

X GENERAL PROVISIONS:

1. Each party is solely responsible for its construction work and will apply for and be the responsible agent for any necessary permits.
2. This Agreement does not obligate any party to spend funds not specifically appropriated for actions described herein.
3. This Agreement may not be assigned without written agreement of all the parties.
4. None of the parties are subject to claims of liability for actions of the other party.

XI TERM: This Agreement and any subsequent amendments shall remain in effect unless HPMU is terminated by act of the State Legislature, or pursuant to Section XII below.

XII TERMINATION/AMENDMENT:

1. The terms and conditions of this Agreement shall be reviewed annually. A party may terminate its participation by providing notice in writing to the other parties at least ninety (90) days in advance of the date on which its termination becomes effective.
2. Any termination of this Agreement shall not extinguish the use of the area for outdoor recreation purposes.
3. Amendments to this Agreement may be proposed in writing by any party and shall become effective upon approval by all of the parties.

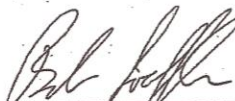



XIII ADOPTION:

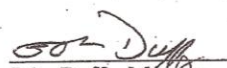
This Agreement shall be effective from the date of signature of the parties and ratification by the Matanuska-Susitna Borough Assembly. All parties agree that this management agreement does not foreclose the Borough's right to either:

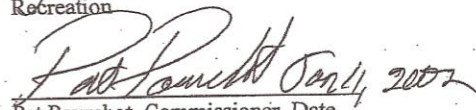
1. Exchange Borough lands within the HPMU for State lands outside the HPMU, which are available or may become available; or
2. Relinquish the selection of Borough lands within the HPMU and have the acreage of such relinquished lands credited to the Borough selection entitlement.
3. Select available additional land within the HPMU for conveyance to the Borough under AS 29.65 or AS 38.05.

This Agreement has been reviewed, agreed to, and executed by the following parties:

 1/9/02
 Bob Loeffler, Director Date
 Division of Mining, Land
 And Water

 9 Jan 2002
 Jim Stratton, Director Date
 Division of Parks and Outdoor
 Recreation

 2/07/02
 John Duffy, Manager Date
 Matanuska-Susitna Borough

 Jan 4, 2002
 Pat Pourchot, Commissioner Date
 Department of Natural Resources



APPENDIX M – Examples of Public, Public-Private, Non-Profit Recreational Ownership and Management

Gore Mountain, New York

Gore Mountain, located in New York's seven million-acre Adirondack State Park, has a vertical drop of approximately 2,100 feet and skiing terrain of approximately 24 miles. The resort is owned and operated by the Olympic Regional Development Authority – a New York State Agency that also operates nearby Whiteface Mountain, site of skiing events for the 1980 Winter Games. The state has owned and operated the facility since opening in 1964.

Although the state operates the facility (which covers its maintenance and operating costs), it maintains a concessionaire relationship for its food and beverage and ski rental operations. The food and beverage operator does not pay a fixed lease fee; instead, the operator pays approximately 20 to 25 percent of its gross sales to the state.

Cannon Mountain, New Hampshire

Cannon Mountain, located in Fanconia, New Hampshire, has a vertical drop of approximately 2,150 feet and skiing terrain of approximately 12 miles. The mountain is owned and operated by a state agency, the New Hampshire Division of Parks. Since 1998, the operation has been self-funded. Previously, the park's operating budget was derived from the state's general fund. Generally, the resort produces an operating profit; however, in the event of a budget shortfall, the state makes up the deficit. Cannon Mountain is one of two of New Hampshire's state-owned areas; the other, Mount Sunapee, is discussed later in this chapter.

Cannon has been owned and operated by the state since opening in 1938. Employees such as lift operators, maintenance personnel, and administrative staff are included on the state's payroll. Food and beverage workers, however, are employed by a local concessioner that leases space from the state. The concessioner does not pay a fixed lease fee; instead, they pay a percentage of its gross sales to the state. The state collects approximately 25% of the liquor sales and approximately 20% of the food and beverage sales from the concessioner. Other resort operations, such as ski/snowboard rentals and the ski school, are operated by the state.

In discussing some of the negative aspects of being a state-owned and operated facility, management stated that it is difficult for Cannon to complete improvements and renovations, because it is difficult to raise money or to generate adequate operating revenue. In addition, management stated that the resort faces a challenge in that it must work within certain non-discretionary, state-dictated mandates, such as offering New



Hampshire discounts to residents. Privately owned and operated areas do not need to work within these constraints, giving them an advantage over the current structure.

A few years ago, the Division of Parks issued a Request for Proposal to attempt to attract private operators interested in operating both Cannon and Mount Sunapee. The eventual outcome of this process was that Mount Sunapee was leased out to Okemo Mountain (the operator of a resort of the same name in Vermont). Since Okemo began managing the property, the resort has increased its operating revenue, which has enabled Mount Sunapee to complete needed improvements and renovations.

Mount Sunapee Resort, New Hampshire

Mount Sunapee Resort, located in the New Hampshire town of the same name, has a vertical drop of approximately 1,500 feet and skiing terrain of 250 acres. Like Cannon Mountain, Mount Sunapee is also owned by the New Hampshire Division of Parks. However, unlike Cannon Mountain, Mount Sunapee is operated by Okemo Mountain, a private company that also owns and operates a resort to the same name in Vermont. Okemo pays a fixed yearly fee plus 3% of gross revenues to the state as its lease payment. Management believes that this leasing agreement has worked out favorably for the resort, since it has been able to complete needed renovations and improvements.

Winter Park Resort, Colorado

Winter Park Resort, located in Winter Park, Colorado, contains approximately 2,886 acres of skiing and has a vertical drop of about 3,050 feet. Until 2005, the City and County of Denver owned the resort, and the Winter Park Recreation Association, an independent commission, operated it. The City and County of Denver retained a certain amount of control over the resort since the Board of Supervisors had the authority to appoint some members to the Winter Park Recreation Association.

The operating structure changed in 2002 when the City and County of Denver formed a joint venture with Intrawest¹³, a Vancouver-based company that has been successful in developing mountain and other resort properties. Presently Intrawest has an interest in 12 resort properties. Winter Park is the only resort of the twelve that Intrawest does not have any ownership interest; however, they are the lessee, manager, and developer of the resort.

Prior to forming the joint venture, Winter Park was structured to operate as a profit center; as such, the facility did not receive any subsidies from the city. Workers at the resort were not employed by the City of Denver; instead they were on the payroll of the Winter Park Recreation Association. Certain employees, however, were employed by the concessionaries to operate selected segments of the resorts' operations, such as food and

¹³ Intrawest ULC is a world leader in the development and management of experiential destination resorts. Founded in 1976, Intrawest began as a residential and urban real estate firm. In the mid-1980s the company combined its real estate and mountain operations expertise to form unique village-centered offerings.



beverage service. Unfortunately, the details of the exact terms of the former agreement between the concessionaires and the resort, or the terms of the current joint venture agreement could not be disclosed.

Giants Ridge, Minnesota

Located in the town of the same name, Giants Ridge is a small, state-owned and operated facility that has a vertical drop of approximately 500 feet and 202 acres of skiing terrain. The Iron Range Resort Rehabilitation Board (IRRRB), an adjunct agency of the State government, operates the facility. The area originally opened in the 1950's and was operated by a private corporation until 1984, when the State of Minnesota, through IRRRB, purchased it. The predominant reason for purchasing the property was to diversify the area's economy away from mining and to encourage tourism to the area. Since purchasing the ski resort, Giants Ridge has also developed two regulation golf courses on the resort property.

While the ski resort is operated by the state through IRRRB, the golf courses, as well as the resort's food and beverage operations, are managed by Troon Golf, a large golf management company with a national presence. While management did not disclose the exact structure at the time the 2004 AIDEA report was written, the fee likely consists of a base payment somewhere in the neighborhood of \$50,000 to \$100,000 plus about 3 to 5% of the gross revenues. Another local concessionaire manages rental operations for ski and snowboard equipment during the winter, as well as canoes and kayaks during the summer. This concessionaire does not have a fixed lease payment; instead, they pay 20 to 25% of gross revenues to the state.

Management stated that the resort would prefer to have its ski operations managed by a private company, since it would not be bound by state restrictions. For example, currently ski resort employees are on the state's payroll, and as a result, they receive wages and benefits that are higher than would be paid if a private company operated the resort. Management believes that the state's running of the ski area increases its labor cost basis, thereby depressing operating profits and stifling growth. Management would like to transition the operations of the ski resort to a private company; however, state rules prohibit the displacement of current state employees. When structuring operations of the golf component, which opened at a later date, management was careful to avoid the structural problems associated with the ski area's operations, and decided to employ a golf management firm to operate the course.

Bogus Basin, Idaho

Bogus Basin, located in Boise, Idaho, contains approximately 2,600 acres of skiing terrain and has a vertical drop of about 1,800 feet. The resort is neither owned nor operated by a government or a public agency. Instead, the resort is structured as a non-profit 501(c)(3) corporation. Under this operating structure, the resort is exempt from corporate taxes; however, all excess profits must be reinvested in the company. The resort has also set up a



sister non-profit 501(c)(4) foundation, which accepts donations earmarked for the ski resort. The foundation can channel funds to the ski resort for certain types of projects. While Bogus Basin is not an example of a municipality-owned or operated ski area, it nonetheless provides an example of a possible operating structure for Hatcher Pass.

Eaglecrest, Juneau

Eaglecrest, Alaska's second largest ski area, opened in 1976. Eaglecrest is located on Douglas Island, 12 miles from downtown Juneau, and 20 miles from the major residential population area of the Mendenhall Valley.

The ski area has two chairlifts and a beginner platter pull. Two additional lifts are being installed in the summer of 2008. These lifts access over 600 acres of skiing and snowboarding with a 1,400-foot vertical drop. Two large bowls are also accessible for those who wish to hike to ungroomed terrain. With the rise in popularity of snowboarding, it is estimated that approximately 45% of the users are snowboarders and 55% are either alpine or telemark skiers.

Eaglecrest is operated as a special revenue fund of the City and Borough of Juneau. Eaglecrest employs 6 full time employees and has a seasonal staff of another 130 local residents. The total budget is \$2.1 million per season with a payroll of \$1.1 million.

The City and Borough of Juneau has underwritten the ski area, with 30% of the budget coming through general fund support. In 2000 and 2002 low snow years created a deficit, which is now approximately \$650,000. For the past 2 seasons, Eaglecrest has been paying down this negative balance through increased revenues and reduced expenses.

Eaglecrest is operated by a general manager who is hired by a board of seven members of the general public appointed by the City and Borough of Juneau Assembly. The general manager reports directly to the Board of Directors.

Approximately 1,800 people purchase season passes with 55% being adults, 28% being youth and seniors and 17% being child and preschool. Currently, Eaglecrest sells an additional 12,000-day tickets during an average season. 67% of total lift revenue is derived from season pass sales with day tickets accounting for 33% of the sales. Eaglecrest does not have a way to determine season pass usage. If the average season pass holder used the mountain 15 times per season (a low estimate according to the National Ski Areas Association), total visits would be 39,000 per winter season, which is equal to all its current winter visits.

Eaglecrest offers every middle school student the opportunity to visit the mountain two days a season as part of the school district's educational program. These visits are not included as part of the 39,000 annual winter visits. This program allows middle school students to experience the alpine environment and enjoy outdoor recreation which may be missing from many children's lives in today's society.



Eaglecrest is unique in that most ski areas do not offer transportation to the mountain for local residents. A fleet of four busses runs every weekend to provide transportation for those who either wish not drive, or are too young to drive to the mountain. Eaglecrest operates the bus service themselves, rather than contracting for this service.

Eaglecrest has expanded its summer operations to include a zip line, which is operated by Alaska Zipline Adventures. Eaglecrest also hosts many summer weddings, meetings and other special events.

Hilltop, Anchorage

Hilltop Ski Area is owned and operated by Youth Exploring Adventures, Inc., which is a non-profit 501(c)(3) organization, dedicated to providing recreational programs for Anchorage youth. The ski area transitioned from a rope tow operation to a full service day use area in 1983, adding snowmaking in the summer of 1984.

The facility has three lifts (triple chair, rope tow and platter lift) that serves 30 acres of groomed easy terrain. The ski area has a vertical distance of 294 feet with a slope distance of 2,090 feet. Annual skier visits average 50,000 skiers per year with approximately 70 percent of those being snowboarders. The ski area is primarily a beginner area, which serves as a feeder to larger ski areas with more challenging terrain.

Hilltop ensures its winter season with the use of manmade snow. Hilltop is primarily a night skiing operation opening at 3:00 pm most days and 9:00 am to 9:00 pm on weekends and holidays.

The ski school provides a large variety of programs for all ages in snowboard and ski instruction. Hilltop also provides a full assortment of equipment rental packages for skiers or snowboarders. They also have a snack bar service that provides hot and cold beverages and food.

Hilltop Ski Area is located on Municipality of Anchorage parkland and operates under the provisions of a long-term lease (30 years). Although Hilltop is located on Municipal land, Hilltop does not receive operational funding from the municipality or the state. Hilltop is completely self-sufficient for its operating budget, which can be challenging during lean snow years.

Hilltop has an annual budget of approximately \$1.2 million. The ski area employs 4 full time staff and 80 – 100 seasonal staff. The annual payroll averages \$500,000. Season pass sales generate approximately \$250,000 annually and generated \$50,000 from fundraising efforts.

Hilltop's non-profit board consists of 15 volunteers. The board members come from a wide range of expertise (engineers, lawyers, small business, pollsters, homemakers and private consultants). The full board meets monthly with one annual meeting when elections are held. There is an executive committee consisting of the President, 1st Vice-President, 2nd



Vice-President, Treasurer and Secretary. The Executive Committee meets twice per month. The CEO has been given a very broad range of responsibility and control. These include direct day-to-day operations, annual budgeting, program development, infrastructure development, capital improvements, public relations/marketing and risk assessment.

Alpenglow, Anchorage

Alpenglow, located at the head of Arctic Valley is operated by the Anchorage Ski Club whose sole purpose is to operate and develop Alpenglow. The Club holds a long-term lease for the portion of the facility that is within Chugach State Park.

Three lifts serve the area, which is spread out over 500 acres of skiable terrain. A T-bar is located next to the day lodge and has a vertical rise of 984 feet. Chair 1 has a vertical rise of 813 feet. Chair 2 has a vertical rise of 1,241 feet.

The Club was founded in 1937 and has actively worked with the military and Chugach State Park to develop and maintain Alpenglow since 1940. The club obtained 501(c)(3) status in 2001.

All maintenance of the facilities, as well as area management and administration is performed by volunteers. A “club owned” ski area such as Alpenglow is unusual, and a ski facility the size of Alpenglow that is operated with all volunteer labor is rare, if not unique in the United States.

Because of the volunteer work force, the facility operates only on weekends. Presently Alpenglow has no snow making capability or night lighting, although the area did have those capabilities in the 1980’s and 90’s. The area did operate with paid employees from 1961 – 1996.



APPENDIX N – Hatcher Pass Development Authority

The following is a DRAFT ordinance that would create the Hatcher Pass Development Authority and define the Authorities goals, purpose and responsibilities.

CODE ORDINANCE

By: Borough Manager
Introduced:
Public Hearing:
Action:

**MATANUSKA-SUSITNA BOROUGH
ORDINANCE SERIAL NO. XX-**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING A NEW TITLE XX, HATCHER PASS RECREATIONAL AND DEVELOPMENT AUTHORITY, AND CREATING NEW CHAPTERS, GENERAL PROVISIONS, CREATION OF AUTHORITY, POWERS AND DUTIES, ADMINISTRATIVE PROVISIONS, FINANCE, PURCHASING, PERSONNEL, AND DEFINITIONS.

WHEREAS, there exists within the Matanuska-Susitna Borough a need to see the orderly development of the recreational and other opportunities within the Government Peak Sub-Unit of the Hatcher Pass Management Plan area; and

WHEREAS, the establishment and expansion of recreational and business enterprises in the borough are essential to the development and use of the long-term economic growth of the borough, and will directly and indirectly increase employment in the borough; and

WHEREAS, the borough lacks the recreational business enterprises and facilities to encourage adequate development of its potential and developed commercial recreational resources and the sustained and balanced growth of such an economy; and

WHEREAS, there is a need in Borough code to establish a chapter, establishing the Hatcher Pass Development Authority, to develop the recreational and other business opportunities within the Government Peak Sub-Unit of the Hatcher Pass Management Plan and to operate and manage these facilities outside normal borough or other governmental control.

BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Borough code.

Section 2. Adoption of Chapter. MSB Title xx, Hatcher Pass Recreational and Development Authority, is hereby adopted as follows.



TITLE xx: HATCHER PASS RECREATIONAL AND DEVELOPMENT AUTHORITY.

Chapter

- xx.10 GENERAL PROVISIONS
- xx.20 CREATION OF AUTHORITY
- xx.30 POWERS AND DUTIES
- XX.40 ADMINISTRATIVE PROVISIONS
- XX.50 FINANCE
- XX.60 PURCHASING
- XX.70 PERSONNEL
- XX.100 DEFINITIONS

Chapter xx.10 GENERAL PROVISIONS

Section

- xx.10.010 Purpose and Intent
- xx.10.020 Applicability

xx.10.010 Purpose and Intent.

(A) It is the policy of the borough to promote, stimulate growth, and see the orderly development and expansion of the recreational and other opportunities within the Government Peak Sub-Unit of the Hatcher Pass Management Plan. The achievement of the goal of developing both the public and private recreational and other business opportunities, increasing employment, and establishing and continuing operation and development of commercial recreational, small business, and business enterprises in the borough will be accelerated and facilitated by the creation of an instrumentality of the borough to build, operate, and manage activities within Government Peak Sub-Unit of the Hatcher Pass Management Plan.

xx.10.020 Applicability.

(A) To the extent allowed by law, this title applies to all land owned and managed by the state or borough within the Government Peak Subunit of the Hatcher Pass Management Plan, as amended.

xx.20 Hatcher Pass Recreational and Development Authority

Section

- xx.20.010 Creation of Authority
- xx.20.020 Board of Directors

xx.20.010 Creation of Authority.

(A) There is hereby created the Hatcher Pass Recreational and Development Authority. The authority is a public corporation of the state and a body corporate and politic constituting a political subdivision within the Matanuska-



Susitna Borough, but with separate and independent legal existence.

xx.20.020 Board of Directors.

(A) The Board of Directors of the authority consists of seven public members appointed by the mayor, and approved by the borough assembly. All members shall serve at the pleasure of the mayor.

(B) The Board of Directors shall consist of members with professional or other expertise in:

- (1) alpine skiing and alpine facilities
- (2) Nordic skiing and Nordic facilities
- (3) commercial tourism
- (4) profit and non-profit corporation financing and management
- (5) environmental affairs and policies
- (6) finance and commercial banking
- (7) private sector development

(C) The borough manager shall serve as a member of the Board of Directors as an ex officio and non-voting member except as provided in xx.40.010. If the manager is unable to attend a meeting of the authority, the manager may, by an instrument in writing filed with the authority, designate the assistant borough manager or a department director to act in the manager's place at the meeting.

(D) Members of the Board of Directors of the authority shall serve three-year terms. Terms shall be staggered. If a vacancy occurs in the membership of the authority, the mayor shall immediately appoint a member for the unexpired portion of the term.

(E) Notwithstanding the provisions of 4.05.040, members of the authority do not have to be residents or registered to vote within the borough.

(F) Notwithstanding the provisions of 4.05.050, there shall be no term limits for members of the authority.

xx.30: POWERS AND DUTIES

Section

- xx.30.010 Powers of Authority
- xx.30.020 Powers of Authority with Assembly Approval
- xx.30.030 Duties

xx.30.010 Powers of Authority



(A) In furtherance of its corporate purposes, the authority has the following powers in addition to its other powers:

- (1) to sue and be sued;
- (2) to have a seal and alter it at pleasure;
- (3) to make and alter bylaws for its organization and internal management;
- (4) to adopt policies and procedures governing the exercise of its corporate powers;
- (5) to accept, hold and manage property interests within the Government Peak Sub-Unit of the Hatcher Pass Management Plan;
- (6) to lease to others land or facilities within the Government Peak Sub-Unit of the Hatcher Pass Management Plan and upon the terms and conditions the authority may consider advisable, including, without limitation, provisions for options to purchase or renew;
- (7) to sell, by installment sale or otherwise, exchange, donate convey, or encumber in any manner by the creation of any security interest, personal property, including equipment owned by it, in which it has an interest, which in the judgment of the authority, the action is in furtherance of its corporate purposes;
- (8) to accept gifts, grants, or loans from, and enter into contracts or other transactions regarding them, with a federal agency or an agency or instrumentality of the state, a municipality, private organization, or other source;
- (9) to enter into contracts or agreements with respect to the exercise of any of its powers, and do all things necessary or convenient to carry out its corporate purposes and exercise the powers granted in this chapter;
- (10) to enter into contracts or other transactions with a federal agency, with an agency or instrumentality of the state or of a municipality, or with a private organization or other entity consistent with the exercise of any power under this chapter;
- (11) to manage, and operate recreational based projects and facilities as the authority considers necessary or appropriate to serve a public purpose on land within the Government Peak Sub-Unit of the Hatcher Pass Management Plan;
- (12) to charge fees or other forms of remuneration for the use of the recreational facilities described in (11) of this section and in accordance with the agreements described in (9) and (10) of this section;
- (13) to participate with government or private industry in programs for technical assistance, technology,



transfer, or other programs related to the operation, leasing or sale of the recreational facilities;

(14) provide training for office staff and other individuals involved in operations and financing of commercial recreational facilities;

(15) to coordinate to the maximum extent possible its efforts to promote all-season recreational activities and facilities with other private and public programs designed to provide similar programs and activities;

(16) appoint persons as officers it considers advisable, including a general manager, a financial director or comptroller, and may employ other professional advisory, counsel, technical experts, agents, and other employees it considers advisable or necessary. Provided that all persons shall not be an employee of the borough and shall not be able to participate in any borough bargaining unit activities or benefits.

xx.30.020 Powers of Authority with Assembly Concurrence

(A) With borough assembly concurrence and in furtherance of its corporate purposes, the authority has the following powers in addition to its other powers:

(1) to deposit or invest its funds;

(2) sell, by installment sale or otherwise, exchange, donate convey, or encumber in any manner by mortgage or by creation of any other security interest, real property in which it has an interest, which in the judgment of the authority, the action is in furtherance of its corporate purposes;

(3) to enter into loan agreements with and upon the terms and conditions the authority considers advisable;

(4) to purchase or insure loans to finance the costs of recreation based enterprise activities;

(5) to enter into loan agreements with respect to recreational based projects and facilities upon the terms and conditions the authority considers advisable.

xx.30.030 Duties of the Authority

(A) Duties of the authority include, but are not limited to:

(1) adopting and maintaining a short and long range all-season recreational development plan for the Government Peak sub-Unit of the Hatcher Pass Management Plan;

(2) promoting and enhancing the recreational facilities and opportunities provided and managed by the authority;



(3) establishing education programs and activities that meet the recreational needs of local residents and visitors to the area;

(4) providing affordable pricing structures for families, groups and individuals of the recreational facilities, but in a way does not jeopardize or diminish the ability of the authority to provide an adequate financial return to pay for the operational costs and depreciation of the facilities and to generate income for continued maintenance and expansion of the recreational facilities and opportunities in the area;

(5) preparing and adopting an annual operating and capital budget;

(6) preparing and maintaining a strategic economic plan for the area which shall include a marketing, management, financial and facility development strategy. The plan shall identify goals, objectives and an anticipated course of action to attain those goals and objectives; and

(7) encouraging participation by private industry in the development, management and operation of the recreational facilities.

(B) The authority shall on an annual basis assess the opportunity to sell, assign, or form a partnership with private enterprise to take over ownership, management and operation of some or all of the recreational facilities within the Government Peak Sub-Unit of the Hatcher Pass Management Plan.

xx.40 ADMINISTRATIVE PROVISIONS

Section

XX.40.010 Meetings

xx.40.020 Officers

xx.40.030 Compensation

xx.40.040 Ethics

xx.40.010 Meetings

(A) A majority of members of the board of directors of the authority constitutes a quorum for the transaction of business or the exercise of a power or function at a meeting of the authority.

(B) In the absence of a quorum, any business action transacted is null and void. The only action that can legally be taken in the absence of a quorum is to adjourn, recess, or take measures to obtain a quorum.

(C) In case of a tie vote on a motion or resolution pending before the board of directors the motion or resolution shall be presented to the borough manager and if approved, is considered adopted by the authority.



(D) The board of directors may meet and transact business by electronic media, and has the same legal effect as a meeting in person if:

(1) public notice of the time and locations where the meeting will be held by electronic media has been given in the same manner as if the meeting were held in a single location; and

(2) participants and members of the public in attendance can hear and have the same right to participate in the meeting as if the meeting were conducted in person; and

(3) copies of pertinent reference materials, statutes, ordinances, regulations, and audio-visual materials are reasonably available to participants and to the public.

(E) All meetings shall be conducted in accordance with the current edition of *Robert's Rules of Order, newly Revised*.

(F) Board meetings shall be held regularly at a designated time and place, or as otherwise provided by resolution of the authority. The chair or majority of the board may call a special board meeting. All meetings shall be open to the public except as provided by this section.

(G) If subject excepted from public meetings are to be discussed, the meeting shall first be convened as a public meeting and the question of holding an executive session to discuss matters that come within the exceptions contained in subsection (H) shall be determined by a majority vote of the authority. Subjects may not be considered while in an executive session except those mentioned in the motion calling for the executive session unless auxiliary to the main question. Action may not be taken at an executive session, except to give direction to an attorney or labor negotiator regarding the handling of a specific legal matter or pending labor negotiations or issue.

(H) Upon adoption of a motion stating the purpose for an executive session, the board of directors in closed session may discuss:

(1) matters, the immediate public knowledge of which would clearly have an adverse effect upon the finances of the authority;

(2) subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion;

(3) matters which by federal, state or municipal law are required to be confidential;

(4) matters involving consideration of records that by law are not subject to public disclosure.



(I) Reasonable public notice, setting out the date, time and place and agenda shall be given for all board of director meetings, using a combination of print and broadcast media.

(J) The board of directors shall keep minutes of each meeting and send or have delivered a certified copy to the borough clerk within 5 business days of approval of the minutes by the members of the authority.

xx.40.020 Officers.

(B) The members of the board of directors shall elect a chairman from among themselves. A vice-chairman may be elected by the board from among its other members. The vice-chairman presides over all meetings in the absence of the chairman and has other duties which the authority may direct.

(C) The duties of the chairperson are:

(1) to open the meeting at the appointed time and determine that a quorum is present;

(2) to enforce the rules relating to debate, order, and decorum;

(3) to state and put to a vote all questions that legitimately come before the board as motions or that otherwise arise in the course of the meeting;

(4) if a motion is not in order, to rule it out of order; and

(5) to assign a member to note those members present and absent and ensure minutes are taken on all actions by the board at each meeting.

xx.40.030 Compensation.

(A) The public members of the board of directors may:

(1) receive compensation for each day spent on official business of the authority at a rate set by the authority's board of directors;

(2) be reimbursed by the authority for actual, necessary, and other pre-approved expenses incurred on authorized authority business;

(3) a board member whose business takes them outside the borough for any reason shall receive approval from the board of directors in advance to be eligible for reimbursement;

(4) request a waiver of compensation for any reason or no reason by submitting the request in writing to the general manager of the authority

(5) For the purposes of compensation, meetings shall be narrowly construed as official and advertised board meetings, and shall include regularly scheduled and special or emergency meetings and work sessions.



xx.40.040 Ethics.

(A) All board members shall abide by and are subject to the borough code of ethics, MSB 2.70.

xx.50 FINANCE

Section

XX.50.010 Fiscal Year

xx.50.020 Budget Submittal, Message and Contents

xx.50.030 Budget and Capital Program

xx.50.040 Budget Adoption

xx.50.050 Special Accounts

xx.50.060 Treasury and Accounting

xx.50.070 Audit

xx.50.010 Fiscal Year.

(A) The fiscal year for the authority shall begin on the first day of July and end on the last day of June.

xx.50.020 Budget Submittal, Message, and Contents.

(A) On before the first day of May of each year, the general manager shall submit a comprehensive budget and budget message to the board of directors.

(B) The budget message shall explain the budget both in fiscal terms and in terms of work programs. It shall outline the proposed financial policies for the ensuing fiscal year, describe important features of the budget, indicate any major changes from the current year in financial policies, expenditures and revenues, together with the reason for the changes, summarize the debt position, and include other material as the general manager deems desirable or the board of directors requests.

(C) The budget shall contain a complete financial plan of all authority funds and activities for the ensuing fiscal year and shall be in a form as the general manager deems desirable or the board of directors may require. It shall begin with a clear general summary of its contents, shall show in detail all estimated income, and show in detail all proposed expenditures, including debt for the ensuing fiscal year, and shall be arranged as to show comparative figures for estimated income and expenditures of the current fiscal year and actual income and expenditures for the previous fiscal year. The total of proposed expenditures shall not exceed the total of estimated income and other available funds from the prior year.

xx.50.030 Budget and Capital Program.



(A) The authority shall publish a general summary of the budgets and the capital program. A public hearing on the budgets and capital program shall follow the required publication by at least one week. The board of directors may adopt, with or without amendment, the proposed annual budget and the proposed capital program. The board of directors may make supplemental and emergency appropriations. No payment may be authorized or made and no obligation incurred against the authority except in accordance with appropriations duly made.

xx.50.040 Budget Adoption.

(A) The board of directors shall adopt the budget by June 15 of the fiscal year currently ending. Adoption of the budget shall constitute the total amounts specified in the budget or each expenditure from the funds indicated.

(B) Notwithstanding subsection (A), classification and pay plans shall be adopted separately in accordance with xx.60.

xx.50.050 Special Accounts.

(A) The Hatcher Pass Recreational and Development Budget Reserve Account is established in the authority. The budget reserve account does not lapse on a fiscal year basis.

(B) The board of directors may create additional special accounts either in the budget reserve account or outside the budget reserve account.

(C) Special accounts set up outside the budget reserve account can be for such things, but not limited to:

- (1) cash donations;
- (2) personal property donations;
- (3) real property donations.

(D) Funds in the budget reserve account shall be from unexpended funds from the annual budget or from profits in excess of what was predicted or expected.

(E) Funds from the budget reserve or special reserve accounts can be spent for the purpose they were donated, or for contingencies, unplanned or needed maintenance, including replacement of recreation related equipment or supplies, major repairs, or renovation.

(F) Any funds in excess of \$500,000 in the budget reserve account shall be appropriated annually to the borough's general fund, subject to general appropriation by the borough assembly.

xx.50.060 Treasury and Accounting.

(A) The board of directors shall be responsible for treasury management, including investment and reinvestment of all revenues of the authority.



(B) The board of directors shall be responsible for all accounting functions related to the powers and duties of the authority except those powers and duties specifically retained by the borough assembly in xx.30.020.

xx.50.070 Audit.

(A) The board of directors shall submit standard financial statements reporting the financial position and operations compared with budget of the authority for each fiscal year. The authority shall provide for an annual audit of these financial statements by a certified public accountant, designated by the board of directors, who has no personal interest, direct or indirect, in the fiscal affairs of the authority.

(B) A copy of the audit or an annual report summarizing the results of the audit shall be prepared annually. A copy of the audit or annual report shall be presented to the borough clerk and made available to the public.

xx.60 PURCHASING

Section

- XX.60.010 Procurement Authority
- xx.60.020 Contract Authority
- xx.60.030 Contracts Enforceable Against the Authority
- xx.60.040 Availability of Funds
- xx.60.050 Execution of Contracts
- xx.60.060 Authority Approval of Contracts
- xx.60.070 Contract Amendments
- xx.60.080 Multi-year Contracts
- xx.60.090 Competitive Sealed Bidding
- xx.60.100 Award Only To Qualified Responsive and Responsible Bidder
- xx.60.110 Procedures For Award
- xx.60.120 Waiver of Irregularities
- xx.60.130 Competitive Sealed Proposals; Negotiated Procurement
- xx.60.140 Open Market Procedure
- xx.60.150 Proprietary Requirements
- xx.60.160 Professional Services
- xx.60.170 Waiver of Formal Bidding Procedures
- xx.66.180 Board of Directors Report
- xx.60.190 Bonds
- xx.60.200 Bid Protest and Appeal Procedures



xx.60.010 Procurement Authority.

(A) All rights, powers and authority pertaining to the procurement of supplies, services, and professional services required by the authority are vested in the authority.

(B) Except as otherwise provided in this chapter, the authority shall:

(1) procure all supplies, services and professional services required by the authority;

(2) sell, trade or otherwise dispose of surplus supplies and equipment belonging to the authority;

(3) maintain all records pertaining to the procurement of supplies and services, and the disposal of supplies by the authority;

(4) compile and maintain, to the extent practicable, bidders' and vendors' lists for supplies, services, professional services utilized the authority;

(5) compile and maintain a log of all contracts awarded for supplies, services, professional services, together with any amendments to the contracts.

(C) All rights, powers and authority pertaining to the procurement of construction, surveying, architectural, and engineering shall be performed by the borough and be conducted pursuant to 3.08.

xx.60.020 Contract authority.

(A) The authority may, pursuant to an award in accordance with this chapter, contract with any person to acquire any supplies, services, or professional services required by the authority.

xx.60.030 Contracts Enforceable Against The Authority.

(A) A contract for supplies, services, or professional services, or any amendment to the contract, may not be enforced against the authority unless its terms have been approved in accordance with this chapter, and unless the contract or amendment to the contract has been set forth in writing, and executed in accordance with this chapter.

xx.60.040 Availability of Funds.

(A) A contract for supplies, services, or professional services may not be executed unless funds are available for the authority's performance under the contract.

xx.60.050 Execution of Contracts.

(A) All authority contracts for supplies, services, and professional services, and any amendments to the contracts shall



be signed by the general manager, finance director, or comptroller.

xx.60.060 Authority Approval of Contracts.

(A) A contract for supplies, services, or professional services which obligates the authority to pay more than \$100,000 may not be executed unless the authority has approved a memorandum setting forth the essential terms of the contract. To the extent applicable for particular contracts, the following essential terms shall be set forth:

- (1) the identity of the contractor;
- (2) the contract price;
- (3) the nature and quantity of the performance that the authority shall receive under the contract;
- (4) the time for performance under the contract.

(B) If contracts are awarded to more than one bidder pursuant to an invitation for bids, contracts with different bidders shall be considered separately for purposes of determining the application of subsection (A) of this section. If any contract to be awarded under a given bid is subject to approval by the board of directors, the award of other contracts pursuant to the same invitation for bids may, at the discretion of the general manager, be delayed pending board of director approval.

xx.60.070 Contract Amendments.

(A) Contract amendments shall not be used to avoid procurement by the competitive procedures established under this chapter

(B) Contracts for supplies, services, or professional services may be amended by the general manager, finance director, or comptroller with approval of the authority, as set forth in xx.60.070, only for the following reasons:

- (1) to change the quantity ordered or date of delivery under contract for supplies, where necessary to meet unforeseen authority requirements;
- (2) to change the quantity of services or professional services to be rendered, or to change the scope of a project under a contract for services or professional services where necessary to meet unforeseen changes in authority requirements;
- (3) to change the scope of a project or the scope of services or professional services to meet unforeseen authority requirements;
- (4) to change the time for completing a project under a contract for services or professional services;



(5) to correct an error in contract specifications made by the authority in good faith or to resolve a good faith dispute between the authority and a contractor as to a party's rights and obligations under the contract; and

(6) to change administrative provisions of a contract without materially altering the contract terms governing the quantity or quality of supplies, services, or professional services furnished the authority.

(C) No contract amendment or change order that will cause the total value of the contract to exceed the limits specified below may be executed unless the authority has approved a memorandum setting forth the essential terms of the amendment or change order request:

(1) For contracts with an original award value of \$100,000 or less; a contract amendment or change order, or cumulative contract amendments or change orders, that will cause the total contract amount, as amended, to exceed \$100,000.

(2) For contracts with an original award value great than \$10,000 up to \$500,000; a contract amendment or change order, or cumulative contract amendments or change orders, that will cause the total contract amount, as amended, to exceed 125 percent of the original contract award or to increase the original contract by \$100,000, whichever is less.

(3) For contracts with an original award value greater than \$500,000 up to \$2,000,000; a contract amendment or change order, or cumulative contract amendments or change orders, that will cause the total contract amount, as amended, to exceed 120 percent of the original contract award, or to increase the original contract by \$200,000, whichever is less.

(4) For contracts with an original award value greater than \$2,000,000; the director/general manager shall recommend, with concurrence of the authority, the maximum contract amendment or change order value that can be executed without further authority approval. This value shall be established and approved concurrently with the contract award under xx.60.060.

(D) For all contracts covered under subsection (C) of this section, all contract amendments or change order that will cause the total value, based on any previously approved increase, of the contract to exceed the limits specified above must be approved by an authority memorandum setting forth the essential terms of the amendment or change order request prior to execution.

(E) For contract that contain one or more optional contract periods, and where the authority desire to exercise the option, a follow-on-period may be executed in an amount



consistent with the original contract terms, notwithstanding subsection (A) of the section. The individual option period is considered a separate action and not an amendment or change order. However, a contract amendment or change order, or cumulative contract amendments or change orders, issued within the original or any optional contact period shall be subject to subsection (C) of this section. If the original contract period or any optional period is otherwise subject to xx.60.060, such approval shall be received prior to contract execution.

xx.60.080 Multiyear Contracts.

(A) The authority may enter into contracts for a term exceeding one year, provided that funds for the authority's performance during the fiscal year in which the contract term commences are available.

(B) The authorities payment and performance obligations for succeeding fiscal years after issuance of a multiyear contract shall be subject to the availability of funds lawfully appropriated therefore.

xx.60.090 Competitive Sealed Bidding.

(A) Unless otherwise authorized under this chapter or other provisions of law, all authority contracts for supplies, professional services, or services shall be awarded by competitive sealed bid.

(B) Sealed bidding shall be initiated by issuing an invitation for bids. The invitation for bids shall state, or incorporate by reference, all specifications and contractual terms and conditions applicable to the procurement.

(C) Public notice of the invitation for bids shall be:

(1) published at least once in a newspaper of general circulation in the borough at least 14 calendar days before the last day on which bids shall be accepted;

(2) posted at the offices of the authority;

(3) posted on the authorities or Hatcher Pass web site, if available.

(D) The contents of the notice shall be sufficient to inform interested readers of the general nature of the supplies, professional services or services being procured and the procedure for submitting a bid. The general manager shall mail or otherwise deliver notices to a sufficient number of prospective bidders from a current bidders and vendors mailing list maintained by the authority to afford equitable opportunity for competition. The failure of any person to receive notice under this section shall not affect the validity of any award or contract.



(E) The general manager shall establish and maintain a list of contractors who indicate a wish to provide goods or services to the authority. Upon an invitation for bids, each contractor on the list with the indicated necessary qualifications to bid shall receive a notice of the invitation to bid.

xx.60.100 Award Only To Qualified Responsive and Responsible Bidder.

(A) A contract award under this chapter shall be made only to a qualified, responsive and responsible bidder. The general manager shall determine whether a bidder is qualified, responsive and responsible based on;

(1) the skill and experience demonstrated by the bidder in performing contracts of a similar nature;

(2) the bidder's record of honesty and integrity;

(3) the bidder's capacity to perform in terms of facilities, personnel and financing;

(4) the bidder's record of supplying required goods or equipment in a timely manner;

(B) At all times the best interests of the authority shall be recognized in awarding bids.

xx.60.110 Procedures For Award.

(A) Contracts shall be awarded by written notice issued by the general manager to the lowest qualified, responsive and responsible bidder, provided that, if the lowest bids are approximately equal, that is, within the lesser of \$2,000 or 5 percent of each other, preference may be given to local bidders who maintain and operate businesses with the boundaries of the borough.

(B) The general manager may reject any or all bids if the general manager determines that it is in the best interest of the authority.

(C) If the lowest qualified, responsive and responsible bid exceeds the amount of funds available, and if sufficient additional funds are not made available, the scope of the procurement may be reduced to bring its estimated cost within the amount of available funds. The general manager shall issue a new invitation for bids for the reduced procurement, or, upon finding that the efficient operation of the authority requires that the contract be awarded without delay, the general manager may negotiate with the three lowest qualified, responsive and responsible bidders, and may award, or recommend to the board of directors for award, the reduced contract to the best negotiated proposal.



xx.60.120 Waiver of Irregularities.

(A) The general manager shall have the authority to waive irregularities on any and all bids, except that timeliness and manual signature requirements shall not be waived.

xx.60.130 Competitive Sealed Proposals: Negotiated Procurement.

(A) If the general manager determines that use of competitive sealed bidding is not practicable or advantageous, the authority may procure supplies, professional services, or services by competitive sealed bids under this section.

(B) The general manager shall solicit competitive sealed proposals by issuing a request for proposals. The request for proposals shall state, or incorporate by reference, all specifications and contractual terms and conditions to which a proposal shall respond, and shall state the factors to be considered in evaluating proposals and the relative importance of those factors. Public notice of a request for proposals shall be given as deemed appropriate by the general manager. One or more pre-proposals may be held by the general manager. A request for proposals may be modified or interpreted only in written addenda issued by the general manager.

(C) Sealed proposals shall be designated as such on an outer envelope and shall be submitted by mail or in person at the place, and no later than the time, specified in the request for proposals. Proposals not submitted at the place, in the method prescribed, or within the time specified shall not be opened or considered.

(D) Proposals shall be received at the time and place designated in the request for proposals, and shall be opened so as to avoid disclosing their contents to competing proposers and the public during the process of negotiation. Proposals, tabulations and associated documentation submitted in response to a proposal require pursuant to this section shall be open to public inspection only after contract award. However, the general manager shall, after notice of successful proposal, and upon request by a competing respondent, make the recommended awardees' proposal, tabulations, and associated documents open for review by a competing proponent.

(E) In the manner provided in the request for proposals, the general manager may negotiate with those qualified and responsible proponents whose proposals are determined by the general manager to be reasonably responsive to the request for proposals. Negotiations shall be used to clarify and assure full understanding of the requirements of the request for



proposals. The general manager may permit proponents to revise their proposals after submission and prior to award to obtain best and final offers. Proponents deemed eligible or negotiations shall be treated equally regarding any opportunity to discuss and revise proposals. In conducting negotiations and requesting revisions, neither the general manager, nor any other officer or employee shall disclose any information derived from proposals of competing proponents.

(F) Awards shall be made by written notice to the qualified and responsible proponent whose final proposal is determined to be most advantageous to the authority. No criteria other than those set forth in the request for proposals may be used in proposal evaluation. If the general manager determines that it is in the best interest of the authority to do so, the authority may reflect any or all proposals.

xx.60.140 Open Market Procedure.

(A) The general manager may, in the best interest of the authority, procure all supplies, services, or professional services having an estimated value of not more than \$25,000 on the open market without formal advertising or other formal bid procedures.

(B) Whenever practicable, at least three informal bids or quotations shall be solicited for any procurement under this section. The solicitation may be either oral or written, and in a form reasonably calculated to yield the lowest responsive bid by a qualified and responsible bidder.

(C) Award, where practicable, shall be made to the lowest responsive, qualified and responsible bidder. The general manager shall keep a record of all open market bids received and awards made on the bids.

(D) When requested by the Board of Directors, the general manager shall provide a report to the board on all procurements under this section.

(E) Contracts for rental of equipment, including operators and procurement of required materials, for normal maintenance and upgrading may be procured under the open market method even though the limit values of subsection (A) of this section may be exceeded.

xx.60.150 Proprietary Requirements.

(A) The authority may award a contract for supplies, professional services or services without competition where the general manager determines in writing that the authority's requirements reasonably limit the source for the supplies, professional services or services to one person.



(B) When requested by the board of directors, the general manager shall provide a report to the board of directors of all procurements under this section.

xx.60.160 Professional Services.

(A) Except as provided by xx.60.150, professional services may be procured in accordance with the terms of this section.

(B) Persons interested in providing professional services for the authority may submit statements of qualifications to the general manager.

(C) To the extent practicable, notice of the need for professional services shall be given by the general manager. The notice shall describe the services required and shall list the type of information and data required of each person submitting a proposal.

(D) The general manager, and other persons the general manager may so choose, may conduct discussions with any person who has submitted a proposal to determine the person's qualifications for further consideration. Discussions shall not disclose any information derived from proposals submitted by other persons.

(E) Award shall be made to the person determined by the general manager to be the best qualified, and shall be for an amount of compensation determined to be fair and reasonable. If compensation cannot be agreed upon with the best qualified person, negotiations shall be formally terminated with that person. If proposals were submitted by one of more other persons determined to be qualified, negotiations may be conducted with the person, in order of their respective qualification ranking. The contract may be awarded to the person then ranked as best qualified if the amount of compensation is determined to be fair and reasonable.

(F) Legal service may be procured by direct negotiation with an attorney or law firm qualified to handle the type of legal problems presented. No negotiations or contracts for the services of legal counsel may be pursued or awarded without the prior approval of the Board of Directors.

xx.60.170 Waiver of Formal Bidding Procedures.

(A) The general manager may waive, in writing, some or all of the formal bidding procedures of this chapter when there is not sufficient time to comply with the waived requirements, or the best interests of the authority shall be served by the waiver.

(B) All contracts for which formal procedures are waived under this section shall be reported to the board of directors.



The report shall contain the information described in xx.60.180 and shall state the reasons for proceeding under this section.

xx.60.180 Board of Directors Report.

(A) In a contract for the purchase of any supplies, services, or professional services, if the manger waives formal bidding procedures or if the contract is awarded to other than the low bidder, a report on the procurement contract shall be make to the board of directors no later than the next regular meeting following the award of contract.

(B) A report to the board of directors shall include:

- (1) the identity of the contractor;
- (2) the contract price;
- (3) the nature an quantity of the performance that the authority shall receive under the contract;
- (4) the time for performance under the contract; and
- (5) a description of the waiver or toher procedure followed.

xx.60.190 Bonds .

(A) If a requirement for a performance and payment bond or some other form of surety is included in the terms of the invitation to bid, the purchasing officer may require that a person awarded a borough contract furnish a performance or payment bond, issued by a company qualified by law to do business as a surety in the state. If some other form of surety is used, it must be approved in advance by the general manger and acceptable by legal counsel.

(B) The bond shall be in an amount determined by the general manager and in a form approved by legal counsel. The bonds shall, at a minimum, guarantee the full and faithful performance of all contract obligations and the payment of all labor and materials to be used under the contract.

(C) The general manager, with board of director concurrence, may grant exceptions for bonds or other form of surety.

xx.60.200 Bid Protest and Appeal Procedures .

(A) The authority shall establish and adopt by resolution a bid protest and appeal procedure that promotes the fair and efficient resolution of disputes over contracts awarded by the authority pursuant to the provisions of xx.60 regarding bids and requests for proposals. Bid protest and appeal procedures shall be established that ensure the integrity of the bidding process and that recognize that time is of the essence in any bid or appeal.



xx.70 PERSONNEL

Section

- XX.70.010 Administration
- xx.70.020 Application
- xx.70.030 General Purpose
- xx.70.040 Defense and Indemnification
- xx.70.050 Executive and General Positions
- xx.70.060 Classification Plan
- xx.70.070 Compensation
- xx.70.080 Pay Ranges and Salary Increases
- xx.70.090 Persons With Disabilities, Nepotism, Minimum Ages
- xx.70.100 Discrimination Prohibited
- xx.70.110 Hours of Work, Holidays, Overtime
- xx.70.120 Leaves
- xx.70.130 Personnel Files
- xx.70.140 Grievances
- xx.70.150 Training
- xx.70.160 Official Travel

XX.70.010 Administration.

(A) The general manager is the personnel officer of the authority. However, the general manager may delegate, contract for or appoint a personnel officer.

xx.70.020 Application.

(A) This chapter shall apply to all executive and general employees of the authority.

(B) As required by xx.30.020, all persons employed by the Authority are not borough employees and may not participate in borough employee programs, including but not limited to:

- (1) collective bargaining with the Matanuska-Borough Public Employees Association;
- (2) public Employees Retirement System;
- (3) annual, sick or personal leave programs;
- (4) medical and other similar benefit programs.

(C) The authority and its employees shall pay into the Social Security, Medicare system, and any other payroll deduction programs as required by federal or state law.

(D) The authority may by resolution, and with borough assembly concurrence, become part of the borough's medical benefit program, provided the authority and its employees pay all costs associated with joining and participating in the program.

(E) The authority may by resolution become part of another persons medical benefit program, or establish its own program,



provided that all costs associated with establishing or joining a program be paid by the authority and its employees.

(F) Nothing in this chapter shall prevent the authority from joining with other employee units or organizations for the purpose of health, medical, retirement and other benefits.

xx.70.030 General Purpose

(A) The general purpose of this section is to:

(1) recruit, train and retain the best qualified persons reasonably available to meet the regular, temporary, part-time and seasonal needs of the authority;

(2) provide employees definite duties and responsibilities; sound practical training, supervision, and administrative direction, merit and fitness-based opportunities for promotion; and appropriate compensation in accord with that paid similar employees in public or private industry;

(3) achieving and maintaining a safe work environment free from alcohol and drug abuse, through education, intervention and disciplinary measures, where appropriate, to assure the safety of protection of employees, volunteers, citizens, and facilities.

xx.70.040 Defense and Indemnification.

(A) The authority shall defend and indemnify current or former employees and appointed officials against all costs, expenses, judgments, and liabilities, including attorney fees, incurred by or imposed upon that person in connection with a civil or criminal proceeding arising from the person's affiliation with the authority if the person acted on behalf of the authority and within the scope of the person's official duties or powers.

(B) "Appointed official" for the purposes of this section shall mean a duly appointed member of the board of directors of the authority.

xx.70.050 Executive and General Positions.

(A) The authority shall consist of two levels of employees that consist of:

(1) executive employees shall consist of the general manager and any other executive positions as determined by the authority's board of directors;

(a) a general manager selected by the authority's board of director's and confirmed by the borough assembly. The general manager may be terminated with cause by the board of directors of the authority, or without cause by the board of directors of the authority and approval of the borough assembly;



(b) other executive employees serve at the pleasure of their respective appointing authority and may be dismissed with or without cause.

(2) general employees shall consist of all other regular, part-time, seasonal, and temporary employees and may be only terminated with cause by their respective appointing authority.

xx.70.060 Classification Plan

(A) The classes of positions, job titles, and job descriptions shall constitute the classification plan based on which all positions shall be classified and for which salary ranges and pay steps within salary ranges shall be established.

(B) The general manager shall establish and maintain the classification plan for general employees. The general manager shall establish, subject to board of director approval, the classification plan for executive positions.

(C) Positions sufficiently similar in kind, responsibility and difficulty of work to warrant the same pay rate, ranges of pay rates, and the same general selection standards shall be grouped together in a single class of position with the same title.

(D) The classification plan shall consist of a list of class titles and description of the nature and requirements or work in each class. The class titles shall be used as the means of reference in all records and transaction, but working titles acceptable to the general manager may be used in correspondence and other dealings with the public.

(E) The general manager shall establish job descriptions for each class of position.

(F) The general manager shall assign positions to the appropriate classes of positions in the classification plan and make reassignments of positions when change in duties and responsibilities justifies the action for general employees. Requests for reclassification shall be submitted to the general manager for review at such times and in such form as the general manager may require. Changes shall become effective upon approval of the general manager.

(G) Changes for executive employees shall be approved by the board of directors.

xx.70.070 Compensation.

(A) The official pay plan of the authority shall consist of a table showing the assignments of salary range to each class of positions included in the classification plan.

(B) It shall be the policy of the authority to provide compensation for classifications which will permit the authority



to remain competitive with employers in the appropriate labor market in which the authority is competing. The general manager shall periodically review the pay plan and recommend changes to the board of directors.

(C) A pay plan table with hourly, monthly, and annual rates for all positions shall be established by resolution of the board of directors.

(D) Salary rates shall be based on full-time employment for general employees. Part-time, temporary or seasonal employees shall be based on hourly rates.

(E) Salary rates for executive employees may be based on full-time or part-time employment.

(F) All employees of the authority shall be paid in accordance with the pay plan.

xx.70.080 Pay Ranges and Pay Increases.

(A) The pay ranges provided for the job classes shall be applied as follows:

(1) The minimum rate for each range shall be the normal entering rate. However, the general manager may authorize initial appointment above the minimum rate in recognition of recruiting difficulties at the minimum rate. The appointment also may be authorized in the case of a candidate who possesses exceptional skills or superior training, or whose experience or special achievements are such that the candidate's addition to the authority staff at a higher rate is deemed warranted.

(2) The performance of each employee, including regular, part-time and seasonal employees shall be reviewed annually prior to the submittal of the annual budget by the general manager to the board of directors.

(3) An employee who does not receive a satisfactory evaluation shall be terminated.

(4) The general manager shall prescribe conditions and procedures under which salary adjustments may be made for regular, part-time and seasonal employees.

(5) Proposed salary adjustments shall be included in the annual budget submittal.

xx.70.090 Persons With Disabilities, Nepotism, Minimum Ages.

(A) *Persons with disabilities.* The authority shall encourage the employment of qualified persons with disabilities.

(B) *Nepotism.* It shall be the policy of the authority to practice nondiscrimination in hiring and promoting its workforce. No employee shall suffer a discharge, demotion, or



other arbitrary action when circumstances find an employee and a member of the employee's immediate family working within contact of each other. However, no employee may serve in a supervisory capacity over a member of he employee's immediate family.

(C) *Minimum ages.* The minimum ages for employment with the authority shall be in accordance with the minimum ages prescribed by state law.

xx.70.100 Discrimination Prohibited.

(A) A person may not be appointed to or removed from, or in any way favored or discriminated against with respect to any authority position or authority administrative office because of the person's race, religion, color, or national origin, physical or mental disability, age, sex, marital status, changes in marital status, pregnancy, or parenthood when the reasonable demands of the position do not require distinction of the basis of age, physical or mental disability, sex, marital status, changes in marital status, pregnancy or parenthood.

xx.70.110 Hours of Work, Holidays, Overtime.

(A) *Hours of Work.* Because of the nature of most of the work related to recreational activities conducted by the authority, it is recognized that a standard work week including regular work hours for employees cannot be established. However, a standard work week for employees shall not exceed 40 hours.

(B) *Holidays.* The authority, by resolution, shall establish holidays with pay, what types of employees qualify for holiday pay, a substitute day off, or some other form of compensation. These holidays should be those recognized by the state as official holidays as much as practical.

(C) *Overtime.* The authority, by resolution, shall establish a policy on overtime to include, but not limited to:

- (1) what type of employees are eligible;
- (2) authorized work on normal days off;
- (3) compensatory time off or overtime pay;
- (4) unit work week;
- (5) approving authority for overtime.

xx.70.120 Leaves.

(A) The authority, by resolution, shall establish a policy for annual, sick or personal leave that includes:

- (1) eligible job classes;
- (2) accrual rate;
- (3) usage;
- (4) maximum accumulation;



- (5) payment in lieu of leave taken;
 - (6) administrative leave for military, jury duty or other reasons;
 - (7) leave without pay.
- (B) The authority, by resolution, shall establish a policy for leave without pay and for unauthorized absence.

xx.70.130 Personnel Files.

(A) The general manager shall maintain central personnel files for records of the work history of each employee in the authority's service. Personnel files may not be maintained elsewhere in the authority either by the general manager or any other employee of the authority.

(B) Records maintained in the personnel files shall include the employee's original application, reports of the results of other employment investigations, and tests, reports of work performance, reports of the employee's progress and disciplinary actions, and other records as may be significant in the employee's service to the authority.

(C) Only the general manager, personnel officer if applicable, the employee's supervisor, and department head if applicable, and the employee who is the subject of the file. Other persons shall be permitted access to personnel files upon written approval of the manager or written approval of the employee.

(D) An employee may not be disciplined or discharged on the basis of any information not included in an employee's personnel file.

xx.70.140 Grievances.

- (A) The authority, by resolution, shall establish a policy for grievances that includes:
- (1) a general policy;
 - (2) a determination on which job classes may utilize the grievance process;
 - (3) a policy on discrimination, coercion or reprisal;
 - (4) the grievance steps and appeal process.

xx.70.150 Training.

(A) The general manager shall develop and conduct such practical training programs are suited to the special recreational based activities that the authority is responsible for. Training programs shall particularly emphasize accident prevention, employee and public safety, public relations, first aid, and increased competence.



xx.70.160 Official Travel.

(A) The authority, by resolution, shall establish a policy for travel on official conference, meetings or training.

(B) The authority, by resolution, shall establish a policy on reimbursement to an employee for food, lodging and other travel costs while on travel status.

xx.100 Definitions

Section

xx.100.050 General Provisions

xx.100.010 Definitions

xx.100.050 General Provisions

(A) The definitions listed in this section shall apply to the words and phrases used in MSB Title xx unless otherwise described within the individual chapters, or the context clearly indicates or requires a different meaning.

- (1) words used in the present tense shall include the future;
- (2) Words in the singular number shall include the plural number and the plural number shall include the singular;
- (3) The word "shall" is mandatory;
- (4) The words "include," "including," and "includes" shall be interpreted as being followed by the phrase "but not limited to"

(B) In instances where a word is not included in this section, reference will be made first to the most recent publication of "Black's Law Dictionary", then to "Webster's New Universal, Unabridged Dictionary."

xx.100.010 Definitions

- "Architectural-engineering-land surveying services" means those professional services within the scope of the practice of architecture, engineering or land surveying, as defined by Alaska law.
- "Area" means the geographic area as defined as the government peak subunit of the Hatcher Pass Management Plan.
- "Authority" means the Hatcher Pass Recreational and Development Authority.
- "Borough" means the Matanuska-Susitna Borough.
- "Borough assembly" means the elected assembly for the Matanuska-Susitna Borough.



- “Construction” means the on-site erection, alteration, extension or repair of improvements to real property, including painting or redecorating buildings, roads, or other improvements, but does not include:
 - (a) routine operation, repair or maintenance of existing buildings or improvements which are recurring services nominally performed in connection with the ownership, occupancy or use of the building or improvement;
 - (b) building or installation of an improvement to real property by the property owner when the improvement is expressly required by this code.
- “Contract” means all types of agreements, regardless of what they may be called, for the procurement or disposal of supplies, services, professional services or construction, but does not include collective bargaining agreements, subdivision agreements, water or sewer main extension agreements or other similar agreements in which the owner or a person acting under the direction of the owner of real property agrees to construct improvements of a public nature on property to be dedicated to the authority.
- “Contract Amendment” means any change in the terms of a contract accomplished by agreement of the parties, including change orders.
- “General manager” means the director or general manager of the Hatcher Pass Recreational and Development Authority. The general manager reports directly to the board of directors of the authority.
- “Immediate family” shall be defined as spouse, children, mother, father, or other close relation that resides permanently with the employee.
- “Part-time employee” means an employee whose work is done during a portion of a work day, such as on a morning, afternoon, or night shift, and totaling less than 40 hours a week. Part time employees may be “permanent” or “on-call.”
- “Person” means any individual, or any business or non-business association recognized by law, whether or not organized for profit, or any governmental unit or entity.
- “Professional service” means those advisory, consulting, architectural, engineering, research or developmental services that involve the exercise of discretion and independent judgment together with an



advanced or specialized knowledge, expertise or training gained by formal studies or experience.

- "Regular employee: means any employee whose position is considered to be a part of the regular complement continuously needed for performing authority business.
- "Seasonal employee" means an employee because of the job class is needed on an annual and regular basis, but only during certain times of the year. For example, food service at a day lodge, lift operators, and groomers.
- "Services" means those services of a non-professional nature which are described within contract specifications and which are needed or desired by the authority.
- "Supplies" means any tangible person property.
- "Temporary employee" means any employee whose work to be performed is not to exceed six months. A temporary employee is used for an anticipated need by reason of duration of the work to be performed. For example, when additional staff is needed for a special event, peak operating times during holidays, or for a special project.
- "Terms and conditions of employment" means the hours of employment, the compensation and fringe benefits, and the employer's personnel policies affecting the working conditions of the employees, but does not mean the general polices describing the function, purpose and budget of the authority.

Section 3: Effective Date. This ordinance shall take effect _____, 20__.

ADOPTED by the Matanuska-Susitna Borough Assembly this ____ day of _____, 20__.

xxxxx, Borough Mayor

ATTEST:

xxxxx, Borough Clerk
(SEAL)



APPENDIX O – Response to Public Comments on the Draft Plan

The Matanuska-Susitna Borough requested the public to comment on the Public Review Draft of the Development and Asset Management Plan for the Hatcher Pass – Government Creek Unit during the period of March 30, 2012 through June 15, 2012

Notice of the public review period was mailed to all land owners within one-mile of the unit's boundary, all community councils, and a list of people and organizations who had participated in the development of the DNR *Hatcher Pass Management Plan*. Notice was published in the *Frontiersman* on May 1 and 4, 2012. Additional notice in the *Frontiersman* was provided along with information about public meetings on the Plan on May 15, 18 and 22, 2012. Notice was also provided in the Borough's web site along with a copy of the Plan. Paper copies of the Plan were available at the city and borough libraries and borough offices in Palmer.

A briefing on the Plan was presented to the Fishhook Community Council on May 22nd; an open house was held on May 23rd at the Central Emergency Services facility in Wasilla.

At the conclusion of the public comment period, 43 individuals and groups submitted over 70 comments, suggestions, edits and suggested other topics they thought should be addressed in the draft Plan.

The tables that follow are a general summary of the comments that were received. The tables and comments are organized by general plan comments, followed by specific topic and specific chapter comments. The comments on specific issues are in alphabetic order for each category or topic.

The summary does not include the details of everyone's comments. The summary generalizes the comments and concerns expressed into categories or topics. A response to all the comments and concerns is provided as well. The specific comments and suggestions that were received were all considered and used, where appropriate, in revising the Plan.

All the written comments received are on file in the Matanuska-Susitna Borough, Planning and Land Use Department, Division of Planning offices.



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan			
TOPIC	COMMENTS/ISSUE	RESPONSE	COMMENTS/ISSUE
GENERAL PLAN COMMENTS			
Carrying Capacity	Alaska Quiet Rights Coalition Mimi Peabody Not So Silent Majority ¹⁴	The entire area covered by the <i>Hatcher Pass Management Plan</i> lacks details about anything dealing with studying and establishing carrying capacity.	Carrying capacity is outside the scope of this Asset Plan. Any such studies should be specific as to topic, desired end product and specifically funded. Any studies related to recreational carrying capacity are difficult because of the inherent difficulty in reaching agreement on desired recreational use levels and the inability of agencies to impose the types of restrictions that may be required if such an analysis were to occur. Some limited carrying capacity studies for commercial and residential development (soils, geology, water, septic/sewer systems) will occur as part of the master plan process.
Content	Alaska Quiet Rights Coalition Not So Silent Majority	Plan is comprehensive and well thought out. Applaud the borough for getting ahead of the curve.	Thank you.

¹⁴ The Not So Silent Majority Coalition includes the: Alaska Quiet Rights Coalition, Arctic Air Walkers, Concerned Property Owners in the Southside Area of Government Peak, Friends of Mat-Su, Mat-Su Birders, Mat-Su Ski Club, Mat-Su High School X-C Ski Coaches, Members of the Mat-Su School X-C Ski Teams, Mountaineering Club of Alaska, and Valley Mountain Bikers and Hikers.



Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
	<p>Tricia Kenney</p> <p>Appreciative and excited about the work that is currently taking place regarding the development of the Sub-Unit.</p>	
	<p>Alaska Department of Fish and Game (Carla Carter)</p> <p>There are many fish and wildlife resources found throughout the Unit. ADF&G appreciates the Borough’s efforts to consider wildlife habitat as well as anadromous fish stream buffers and protections into the development design of the area.</p>	
Grammatical & Typographical Errors	Several commenter’s pointed out grammatical the typographical errors.	Thank you. Corrections were made throughout the Plan.
Plan Implementation	Quit using tax payers dollars to develop Hatchers Pass to aid developers.	This is an issue that is outside the scope of this Asset Plan.
Relationship of the Plan to the <i>Hatcher Pass Management Plan</i>	The Plan fulfills the requirements of the 2010 <i>Hatcher Pass Management Plan</i> for a step-down plan for the Government Peak Unit.	That is one of the primary purposes of this Asset Plan.
Title of the Plan	Change title to “Asset and Development Plan” because assets must evaluated and recognized first in order to implement thoughtful and responsible development.	The title of the Plan has been changed to “Asset Management and Development Plan”



**Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan**

TOPIC	COMMENTS/ISSUE	RESPONSE	
Traffic and Road Corridors	Alaska Quiet Rights Coalition Not So Silent Majority	Traffic and road corridor plans should be considered to enhance traffic flow, ease of access, economic opportunities, and impact on the Fishhook community.	This is outside the Scope of this Asset Plan. Concern will be shared with state and borough traffic planners.
SPECIFIC PLAN TOPICS			
Alpine Skiing	Esther Huddleston	Supports alpine ski venue, but at a low key level (no lounge/bar) with parking located outside of the Unit.	No change to the Asset Plan. Because of terrain limitations, on-site parking will be limited. Numerous studies and experience have proven that some commercial businesses are a key factor to the financial success of any Alpine facility.
	Robin Turk	The Borough should research possibilities and set guidelines, but not build, pay and/or run any Alpine ski resort.	This subject is outside the purpose of the Asset Plan. The Plan does provide research on the possibilities and sets guidelines. The decision on how to build and/or manage the area is also discussed in the Plan. (See pages 6-11 though 6-16.) Specific decisions on how to proceed will be made after the Asset Plan is adopted.
Carle Wagon Road	Alaska Outdoor Access Alliance Ted Bell Sharon Harris	1. The Carle Wagon Road was the first route into the Hatcher Pass mining area and should be identified and recognized.	1. The Carle Wagon Road is recognized in the Asset Plan (see page 5-46). It is agreed that its historic value should be recognized with informational signage.



**Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan**

TOPIC	COMMENTS/ISSUE	RESPONSE
<p>Al Plisousky Richie Ramstad William Reed James Roach Jim Lot Turner</p>	<p>2. The Carle Wagon Road should be included as a summer equestrian and winter snowmobile access route in the Asset Plan.</p>	<p>However, as stated in the Plan, portions of the route currently cross private land and the entire historic route cannot be easily located on the ground. In addition alternate and better routes exist today.</p> <p>2. Portions of the route that can be identified may be used for non-motorized trails in the future.</p> <p>Motorized uses will not be permitted because of its potential impact on the Southern Sub-Unit trail non-motorized ski area developments, proposed Alpine ski area development, environmental permitting issues, construction and maintenance costs, health and safety issues, and significant public opposition to permitting a motorized use that has not been available since 1986.</p> <p>The Borough Assembly has gone on record not supporting the development of a north-south motorized corridor through the Government Peak Unit.</p>



Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
Commercial and Residential Development	<p>Esther Huddleston</p> <p>Opposed to any commercial and/or residential development in the Unit.</p>	<p>No change to the Asset Plan.</p> <p>The <i>Hatcher Pass Management Plan</i> provides that commercial and residential development may take place, provided that any revenue must be used to develop, operate and manage the recreational facilities in the Unit.</p> <p>Specific decisions will be made after the Asset Plan is adopted</p>
	<p>Alaska Quiet Rights Coalition</p> <p>Mimi Peabody</p> <p>Not So Silent Majority</p> <p>Helen Woodings</p> <p>Recognizes that there may be commercial development, but it should not take precedent over the primary intent for public recreation.</p>	<p>No change to the Asset Plan.</p> <p>The Plan, as written, is very clear that public recreation is the primary intent.</p>
	<p>Master plan and SPUD (zoning) should occur before development occurs with lots of public input.</p>	<p>The Asset Plan currently requires that a master plan is required that must undergo agency and public input and review and be approved by the Assembly.</p> <p>The minimum requirements for a master plan are in Chapter 4, architectural and dimensional standards are in Chapter 5. These standards are similar to what might be found in a SPUD.</p>
	<p>Gary Wolf</p> <p>Supports commercial and residential development with the potential ski area as being assets.</p>	<p>No change to the Asset Plan.</p> <p>The Plan provides guidelines for commercial and residential development. The decision to</p>



**Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan**

TOPIC	COMMENTS/ISSUE	RESPONSE
		develop the area will be made by the Borough Assembly independently from this Plan.
Enforcement	Alaska Quiet Rights Coalition Mimi Peabody Not So Silent Majority Gary Wolf	Enforcement is mandatory to maintain to ensure success of this development.
Handicap and Disability Access	George Strother	What provisions are being made with those people that are mobility impaired or with handicaps?
Hotel	Esther Huddleston	Opposed to a hotel in the Unit.
		The requirements for complying with the Americans with Disabilities Act and Architectural Barriers Act is listed as a Conceptual Goal on page 3-5 and as a discussion item on page 3-45. More emphasis has been placed on this subject by including it as a separate “titled” subject on page 3-6.
		No change to the Asset Plan. The Plan requires that a master development plan be approved by the Assembly prior to any construction. That approval requires a separate public process and authorization from this plan. This Asset Management Plan (Chapter 5) does establish guidelines and requirements for what must be included in the master development plan.



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
Management Intent	Alaska Quiet Rights Coalition Mimi Peadbody Not So Silent Majority Robin Turk Helen Woodings	The primary intent for the area as stated in Chapter 5 should continue to be for Public Recreation.
Motorized Uses	Alaska Quiet Rights Coalition Mimi Peabody Not So Silent Majority Winter Wildlands Alliance Gary Wolf Helen Woodings	No motorized activities, other than that necessary to maintain trails or conduct general construction and maintenance activities should be allowed. Motorized uses are incompatible and jeopardize public safety.
	Norm Stout	The General Goals for the Unit currently states under Trails: “Enhance an area wide regional trail system for both motorized and on-motorized users.” Any reference to motorized users should be deleted as the Unit is closed to motorized use.
	Esther Huddleston James and Lydia Lyons Al Plisousky	Allow both motorized and non-motorized activities in the Government Peak Unit.



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan			
TOPIC	COMMENTS/ISSUE	COMMENTER'S NAME	RESPONSE
			have gone on record opposes opening the area to motorized uses.
Mountain Biking	Include mountain biking trails in the development of the Southeast Sub-Unit.	Logan S. Bean River Bean Sarah Mittelstadt Bean Josh Berberich Julie Berberich John Cox Annette Johnson Kyle Johnson Tricia Kenney Ed Kessler Erin Kessler Mitch Laird Jared Phelps Brian Vaughan Traverse Zink	The Asset Plan recommends that mountain biking trails be included in future phases of development.
Nordic Facilities	Opposed to Nordic ski trails and Nordic stadium in the Unit.	Esther Huddleston	No change to the Asset Plan. <i>Hatcher Pass “A New Beginning”, the Access EIS and the Hatcher Pass Management Plan were all written and adopted assuming that a Nordic facility would be located in the Southern Sub-Unit.</i>



Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
	<p>Robin Turk</p> <p>Continue with plan for Nordic ski area to further goals of recreation and economic opportunity.</p>	<p>No change to the Asset Plan.</p> <p>The Plan lays out a proposed phased development. Implementing the development is the role of the Borough administration and Assembly.</p>
<p>Phased Development (Alpine or Nordic)</p>	<p>Mimi Peabody Robin Turk</p> <ol style="list-style-type: none"> 1. The Alpine area may not be suitable for an alpine ski area due to short winter days, lots of flat light, unreliable snow pack, lack of sufficient slope and adverse weather. 2. Focus on completing the Nordic area before considering the alpine ski area. 	<p>These two subjects are outside the scope of this Asset Plan.</p> <p>However, as points of information:</p> <ol style="list-style-type: none"> 1. The Northern Unit has been studied numerous times for an Alpine area and the shortcomings you listed have been identified. These shortcomings are common with similar facilities in northern climates. All these shortcomings have been or can be addressed. 2. What area(s) get built and when is a matter of economics, combined with social and political desires.
<p>Roads with Bike/Pedestrian Trails</p>	<p>Alaska Quiet Rights Coalition Mimi Peabody Not So Silent Majority Helen Woodings</p> <p>All roads accessing or serving the area should have walking/biking trails alongside or nearby.</p>	<p>Language has been added to the Asset Plan (Chapter 4; Transportation and Utilities) to require pedestrian and bike trails on all roads where practical and feasible. All rights-of-way should be large enough for roads, underground utilities and bike/pedestrian trails.</p>



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
<p>Scenic Values</p> <p>Alaska Quiet Rights Coalition Mimi Peadbody Not So Silent Majority Helen Woodings</p>	<p>1. Important asset and sprawl up the mountainsides should be avoided.</p> <p>2. Public buildings should blend in with the view sheds.</p>	<p>These provisions are already in the Asset Plan.</p> <p>1. The possible development zones limit where commercial and residential development could occur. These areas are below tree line (see page 5-52).</p> <p>2. Architectural and dimensional guidelines provided in the plan (see pages 5-50 through 5-55).</p>
<p>Signage</p> <p>Alaska Quiet Rights Coalition Mimi Peabody Not So Silent Helen Woodings</p>	<p>Signage is critical to maintaining orderly and functional non-motorized opportunities.</p>	<p>No change to the Asset Plan.</p> <p>The Plan recognizes that signage (education) is an important aspect of implementing any plan (see Page 6-8).</p>
<p>Soil Testing</p> <p>Alaska Quiet Rights Coalition Mimi Peabody Not So Silent Majority Norm Stout Robin Turk Helen Woodings</p>	<p>There still remains a lack of comprehensive and complete soil testing which should occur before further development occurs.</p> <p>The “Potential Commercial and Residential Development Areas” map (Page 5-40) misrepresents the factual geography.</p>	<p>This issue is partially outside the scope of this Asset Plan.</p> <p>It is recognized that the existing soils work is not comprehensive. The work that has been done has given us a good indicator of what generally can and cannot be done in the area.</p> <p>It is agreed that it is prudent to conduct more detailed analyses on several fronts (soils, geology, water, slopes, vegetation, etc.) prior to proceeding with any extensive development.</p>



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
Snowmaking Water Source	<p>Alaska Quiet Rights Coalition Not So Silent Majority</p> <p>Taking water from the Little Susitna River is problematic due to low flow throughout the entire year.</p>	<p>This issue is recognized, but is outside the scope of this Asset Plan. Water rights have been applied for to DNR. Part of that authorization process is to establish a base line for water quantities over a long-term.</p> <p>There are numerous federal and state agencies that are studying and closely monitoring water quality and quantity on the Little Susitna River, primarily to protect the fisheries resource.</p> <p>These agencies are not going to allow the taking of water in any quantity at any general or specific time of year that would place the fish resources in danger.</p>
Snowmobile Corridors	<p>Alaska Outdoor Access Alliance Orville Gilman III Sharon Harris Al Plisousky Richie Ramstad William Reed James Roach Jim Lot Turner</p> <p>The commenter's recommended that the Asset Plan establish two motorized corridors and a new parking area:</p> <ul style="list-style-type: none"> • Establish a north-south winter motorized corridor from the fishhook area to the Hatcher Pass snowmobile trail system at the Fishhook parking area at mile 15, Hatcher Pass Road. • Establish an east-west winter 	<p>No change to the Asset Plan.</p> <p>These same proposals were recommended for study in the May 30, 2012 report; <i>Recommendations for Constructing or Improving Parking Areas and Trailheads for Snowmobilers in the Hatcher Pass Area</i>. Preparation of that report included active participation by representatives of snowmobile and other motorized organizations as well as non-motorized users. Draft recommendations were made available for public review and</p>



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
	<p>motorized corridor from the above north-south corridor west to the winter motorized corridor established the State DNR in the Bald Mountain/Hillside Unit.</p> <ul style="list-style-type: none"> Establish a parking area trailhead for the above winter motorized corridors off the road (Ullr's Trail) currently being built to access the Government Peak south side area in a location south and east of the Nordic Skiing Parking Area. 	<p>comment.</p> <p>The final report recognized that, while the <i>Hatcher Pass Management Plan</i> closed the Government Peak Unit to all motorized uses, it did allow the Borough to establish motorized corridors through the Unit into areas open to motorized uses.</p> <p>The <i>Recommendations for Constructing or Improving Parking Areas and Trailheads for Snowmobilers in the Hatcher Pass Area</i> report found that establishing motorized corridors in these areas would be very expensive to construct and maintain because of numerous steep gullies, anadromous stream crossings and wetland issues.</p> <p>Numerous stream crossings of Little Susitna tributaries would be required. There are a lot of state and federal agency efforts going into protecting these tributaries because of its salmon and resident fish. It would be very difficult to obtain the necessary permits for constructing multiple tributary crossings.</p> <p>Numerous non-motorized trails are being and</p>



**Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan**

TOPIC	COMMENTS/ISSUE	RESPONSE
		<p>will be built in this Unit. It is also possible that portions of the Government Peak Unit may be developed for commercial and/or residential purposes. Adding a snowmobile parking/trailhead and transportation corridors would likely exacerbate conflicts that can be avoided by not locating such facilities in this location.</p> <p>The Fishhook Community Council and the Borough Assembly have both gone on record opposing any type of motorized access within the Government Peak Unit, including corridors.</p>
CHAPTER 1		
Borough/State Management Areas (Page 1-15)	Alaska Department of Natural Resources (Bruce Phelps) Alaska Department of Fish and Game (Marla Carter)	The Plan needs to be clear that the Northern and Southern Sub-Units will be managed consistent with this Asset Plan, and the Mountain Unit will be managed according to the <i>Hatcher Pass Management Plan</i> .
Lease (Page 1-22)	Alaska Department of Natural Resources (Bruce Phelps)	Clarify the relationship of the development lease to this Asset Plan.
	The language on the referenced page has been changed to make it clear that the Asset Plan will be followed for the Northern and Southern Sub-Units and the <i>Hatcher Pass Management Plan</i> will be followed for the Mountain Sub-Unit. Language throughout the Asset Plan has been checked, and amended where needed to be consistent with the above.	The current lease needs to be brought into compliance with the <i>Hatcher Pass Management Plan</i> and this Asset Plan. Language has been added to the Asset Plan that the lease cannot



**Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan**

TOPIC	COMMENTS/ISSUE	RESPONSE
		be used to exceed or expand what is allowed or not allowed in the Asset Plan or the <i>Hatcher Pass Management Plan</i> .
State Management Authorities (Page 1-12)	Alaska Department of Natural Resources (Bruce Phelps) The authorities for management between the Division of Mining, Land and Water, and the Division of Parks and Outdoor Recreation needs to be clarified.	The Asset Plan has been changed to make it clear that responsibilities that each division has are based on a management agreement between the two divisions.
Relationship of <i>Hatcher Pass Management Plan</i> to the Asset Plan (Page 1-21)	Alaska Department of Natural Resources (Bruce Phelps) The relationship of the <i>Hatcher Pass Management Plan</i> and this Asset Plan is correctly described in the second paragraph on the referenced page.	Agree and the language is consistent with the change made to the Borough-State Management Areas of Responsibility on page 1-15 (see above).
CHAPTER 2		
Nordic Skiing as a Management Intent	Ed Strabel The commenter desires that additional language be added on Nordic skiing when discussing the 1989 HPMP.	No change to the Asset Plan. The language quoted in the Asset Plan is directly from the 1989 <i>Hatcher Pass Management Plan</i> and is general in nature. Inserting other “bits and pieces” of specific management intent from the 1989 plan puts the general statement out of context that it was originally intended for. The current 2010 <i>Hatcher Pass Management Plan</i> and the Asset Plan clearly state that Nordic skiing is a recognized activity.



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan			
TOPIC	COMMENTS/ISSUE	COMMENTS/ISSUE	RESPONSE
CHAPTER 3			
Funding Priorities	Mat-Su Ski Club	<p>The Mat-Su Ski Club recommended the following priorities for future funding:</p> <ol style="list-style-type: none"> 1. Trail lighting of the lower stadium and Matanuska Loop 2. Extension of Ullr’s Trail to the competitive stadium area and construction of the competitive loops. 3. Large day lodge and community center 4. Trail lighting of competitive stadium area and ski trails, sledding hill and construction of a biathlon range. 	<p>The draft Asset Plan pretty much followed these priorities.</p> <p>The Plan has been changed to break the trail lighting out into two parts and to move the Mat-Su Ski Club’s first priority up to a higher priority in the Asset Plan. The remaining ski club’s priorities are the same as already exists in the Asset Plan.</p>



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
Half Pipe and Terrain Park	Ed Strabel This chapter should include the construction of a half pipe and terrain park near the day lodge with a separate lift. This is an area of dramatically increasing popularity and can be a real attraction for paying customers.	Language mentioning those facilities has been added to the Asset Plan. The economics, liabilities and insurance cost of such facilities has not been assessed which should be done prior to or during the time a mountain design is finalized.
Parking and Transit Facility; Southern Sub-Unit (Page 3-31)	Ed Strabel Elevation should be 1,020 feet, not 1,620 feet	Correction has been made.
Trail Stream Crossings (Page 3-39)	Alaska Department of Fish and Game (Marla Carter) ADF&G has statutory responsibility to protect freshwater anadromous fish habitat and provide free passage for anadromous and resident fish (AS 16.05.841-.871). This authority should be recognized.	Agree. The language suggested by the commenter has been added to the Asset Plan.
CHAPTER 4		
Buffers – Riparian (Page 4-18 and 5-49).	Norm Stout It should be made clear that the 150 foot buffer applies to all sides of waterbodies.	Agree. The language in the Asset Plan has been changed to reflect that riparian 150 foot buffers apply upland from the ordinary high water mark from all sides of all waterbodies.
Buffers – Private Property (Page 4-18)	Norm Stout 1. Buffers from private property should be increased to 500 feet. People who own property along the government Peak	No change to the Asset Plan. 1. The 100 foot buffer provided in the Plan is the same as provided by the <i>Alaska</i>



Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
	<p>Unit should have their privacy protected and respected.</p> <p>2. Development adjacent to their homes would largely reduce their home value.</p>	<p><i>Forest Practices Act</i> and the Borough’s <i>Asset Management Plan for Natural Resource Management Unit’s</i>. It is not common practice to allow private property owners to utilize borough public property for one’s personal privacy or to use for a personal purpose without paying permit fees and/or taxes for that right. The rights of a private property owner generally end at their property boundary.</p> <p>2. The statement by the commenter is not proven. Values can go up, down or not change depending on the location and type of development.</p>
<p>Buffers – Trails (Page 4-19)</p>	<p>Trailers should have a 500 foot buffer because trail use and maintenance can dramatically impact a resident whom has resided adjacent to this property for years.</p>	<p>No change to the Asset Plan for the same reasons as stated above (Buffers – Private Property).</p>
<p>Figure 22, Potential Uses (Page 4-10 and 4-12)</p>	<p>Alaska Department of Natural Resources (Bruce Phelps)</p> <p>That part of the table that relates to “Infrastructure, Utilities, and Similar Uses” needs to be changed for solar, hydroelectric and wind (page 4-10) and roads (page 4-12) in the state column. These uses were not</p>	<p>The language has been changed as recommended to state those uses are conditionally allowed and subject to stipulations in Table 3-1 of the <i>Hatcher Pass Management Plan</i>.</p>



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
	identified in the <i>Hatcher Pass Management Plan</i> .	
Fish and Wildlife – Management Intent (Page 4-29)	Alaska Department of Fish and Game (Marla Carter) Please include the following language to the first sentence, “...wildlife habitat shall be specifically addressed prior to any development activity <u>in consultation with ADF&G.</u> ”	Agree. The recommended language has been added to the Asset Plan.
Fish and Wildlife – Management Guidelines, Mitigation (Page 4-30)	Alaska Department of Fish and Game (Marla Carter) Please include the following language to the first paragraph on page 4-30; “All land use activities shall be conducted with ... <u>public and agency</u> input and ...”	Agree. The recommended language has been added to the Asset Plan.
Fish and Wildlife – Management Guidelines, Riparian Zones (Page 4-30)	Alaska Department of Fish and Game (Marla Carter) Any authorization that is below the ordinary high water mark of an anadromous fish stream will require a permit from ADF&G.	Agree. The language in that section has been modified to make it clear a permit from ADF&G is needed in addition to any other authorizations.
Generally Allowed Uses (pages 4-5 & 6)	Alaska Quiet Rights Coalition Not So Silent Majority Language is confusing.	No change to the Asset Plan. The indented language is a direct quote from the <i>Hatcher Pass Management Plan</i> . The language from that Plan could possibly have been written differently, however, its intent is very clear. Generally allowed uses are authorized throughout the entire Hatcher Pass Management Area, except within the



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
		Government Peak Management Unit.
Management Intent (pages 4-7 & 8)	Alaska Quiet Rights Coalition Mimi Peabody Not So Silent Majority Helen Woodings	Recommended that the management intents be generally listed in a priority order. See June 11, 2012 letter from the Not So Silent Majority for their recommended priority listing.
Rock, Sand and Gravel Resources – Buffers (Page 4-45)	Alaska Department of Fish and Game (Marla Carter)	For material extraction the Asset Plan refers to standard mining stipulations. These buffer widths should be listed and included in the plan.
		Language in the Asset Plan has been changed to reference “material (sand and gravel), not “mining. No change to the Asset Plan as far as the size of the buffers. Standard mining and material extraction stipulations come from a separate set of borough and state ordinances and laws that are subject to change independent of this Plan. Listing widths and/or stipulations in this Plan that are subject to change outside of the Plan amendment process could easily lead to confusion and conflict as to authorities.
Solar, Hydroelectric and wind generation electrical power (page 4-10)	Alaska Department of Natural Resources (Bruce Phelps) Ed Strabel	Solar, hydroelectric and wind generation on state land should be conditionally allowed, subject to stipulations shown on Table 3-1 of the HPMP.
		Correction made to the Asset Management Plan



**Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan**

TOPIC	COMMENTS/ISSUE	RESPONSE
CHAPTER 5		
Authorized Uses (Page 5-8)	Alaska Department of Natural Resources (Bruce Phelps)	The Asset Plan needs to be clear that current non-motorized uses are appropriate and are the stipulated use for the Northern Sub-Unit until the development of the Alpine facilities.
Commercial Recreation (Pages 5-19, 5-34 and 5-35)	Alaska Department of Natural Resources (Bruce Phelps) Chris Gierysmki	Delete references to commercial recreation or indicate that such uses may be appropriate as part of the development and operation of Alpine and Nordic ski facilities. Current state regulations do not allow this type of activity.
Current Land Use - Southern Sub-Unit (Page 5-42)	Norm Stout	The “Current Land Use” paragraph should be revised to indicate a stronger statement than what currently exists. As written, the “although technically closed to motorized use ...” does not reflect the



Summary and Response to Public Comments Hatcher Pass – Government Peak Unit Development and Asset Management Plan

TOPIC	COMMENTS/ISSUE	RESPONSE
	facts that the area has been designated as non-motorized since the <i>Hatcher Pass Management Plan</i> was originally adopted in 1986. The Fishhook Community Council and the Borough Assembly have both passed resolutions supporting keeping this area closed to motorized uses.	experience some non-authorized off-road motorized activities.
Dispersed Recreational Uses in an area designated for Developed Recreational Uses (Page 5-29)	Alaska Department of Natural Resources (Bruce Phelps)	It should be made clear in Figure 25 the dispersed recreation uses are to be consistent with the <i>Hatcher Pass Management Plan</i> and 11 AAC 96.014 requirements.
Hunting (Page 5-47)	Ed Strabel	Hunting should be added as a permissible activity
Hydrologic Mapping -Southern Sub-Unit (Pages 5-37 through 5-41)	Norm Stout	The mapping of waterbodies near Waldo Reed Road appears in error and the size of the buffer shown is not correct.
		Hunting has been added as a permissible activity. It should be noted that the area is closed to the discharge of firearms under state law (11 AAC 94.014).
		The most current digital information available was used for all the mapping. That does not mean there are not errors. Maps will be corrected as more accurate information becomes available.
		Regardless of the location shown on the maps in the Asset Plan, all waterbodies and resulting



**Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan**

TOPIC	COMMENTS/ISSUE	RESPONSE
		buffers will apply to the actual physical location of the waterbody prior to any development activities taking place around or over them.
Land Exchange (Page 5-8 and 5-48)	Alaska Department of Natural Resources (Bruce Phelps)	The land exchange has been approved by both the borough and state. Language in the Asset Plan should reflect this.
Land Use Designations – Northern Unit (Page 5-28)	Alaska Department of Natural Resources (Bruce Phelps) Chris Gieryski	Figure 25 needs to be modified to include the management intent for the Northern Sub-Unit is to maintain the status-que for non-motorized activities in the Northern Sub-Unit until the alpine facilities are developed.
Motorized Uses (Page 5-8)	Alaska Department of Natural Resources (Bruce Phelps)	Make it clear that motorized uses related to those uses necessary to support Alpine and Nordic ski development are permitted, but only if authorized under 11 AAC 96.014.



**Summary and Response to Public Comments
Hatcher Pass – Government Peak Unit Development and Asset Management Plan**

TOPIC	COMMENTS/ISSUE	RESPONSE
CHAPTER 6		
Management by a non-profit (page 6-15)	The commenter pointed out that the Mat-Ski Club and the Back Country Horseman (both are non-profit organizations) have been actively involved in the design, building and maintain trails in the area.	No change to the Asset Plan. The commenter is correct in his statements. However, the section referenced deals with operations and management of the entire area, not just one portion of it. Organizations, such as those mentioned by the commenter, are important but are not currently structured to deal with all financial, employment, construction and management issues for the entire Unit.
Tri-Party Agreement (Page 6-9 and 10. Reference is also made to Page 1-12)	Alaska Department of Natural Resources (Bruce Phelps)	Support recommendation to terminate the current tri-party agreement between the State DNR (Division’s of Mining, Land and Water, and Parks and Outdoor Recreation) and the Borough.
	Ed Stabel	If the tri-party agreement is terminated who will be responsible for enforcement.
		No change to the Asset Plan. The current tri-party agreement does not address the land ownership, management and enforcement issues that exist today. Enforcement as envisioned by the borough in the current agreement has been non-existent. The Asset Plan currently recommends that the Borough needs to decide whether to adopt and take over enforcement authority or to contract with an enforcement agency (DOP/OR) for that function. (See pages 6- 8 through 10.)



APPENDIX P – Conformance Letter from the Alaska, Department of Natural Resources

**Letter from the
Alaska
Department of Natural Resources
Stating the
*Hatcher Pass – Government Creek Unit
Asset Management and Development Plan
Conforms to the Requirements of the
Hatcher Pass Management Plan***

July 16, 2012



SEAN PARNELL, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER
RESOURCE ASSESSMENT & DEVELOPMENT SECTION

550 WEST 7TH AVENUE, SUITE 1050
ANCHORAGE, ALASKA 99501-3579
PHONE: (907) 269-8534
FAX: (907) 269-8915

July 16, 2012

Ms Eileen Probasco, Chief
Planning Section
Matanuska Susitna Borough
3500 E. Dahlia Av.
Palmer, AK 99645

Subject: Hatcher Pass – Government Peak Unit: Development and Asset Management Plan

Dear Ms Probasco,

The Department of Natural Resources (DNR) has reviewed the aforementioned management plan.

DNR had previously provided comments on this plan and we are pleased that many of our suggestions have been or will be incorporated into the final plan. It is our understanding that this plan will shortly go through the borough plan review process, first the Planning Commission and then the borough Assembly. Under the terms of a settlement that the borough was a party to, the borough agreed to conform to the Hatcher Pass Management Plan and any successor revisions to that plan. The Department has previously adopted the Hatcher Pass Management Plan (March 2010), and it also our understanding that this plan and the Hatcher Pass Management Plan will go through the borough review and adoption shortly.

The Hatcher Pass Management Plan contains a wide variety of recommendations but the ones pertinent to the borough are those that affect the Government Peak management unit. Under the management guidelines for the Government Peak unit, DNR is to manage its lands to be consistent with the developments that are either underway or will be developed by the borough on land that it owns. The Hatcher Pass Management Plan requires the development of a step-down management plan for the areas of borough and certain units of state land adjacent to borough land. The step-down plan was to have dealt with management and land use issues at a greater level of detail than can be covered in a management plan like the state plan, and it was to conform to the general requirements of the Hatcher Pass Management Plan for that management unit. A further requirement was for the DNR to review the step-down plan and determine that it is consistent with the Hatcher Pass Management Plan as the latter applies to the area affected by the borough asset management plan.

"To responsibly develop Alaska's resources by making them available for maximum use and benefit consistent with the public interest."



Ltr Supporting MSB Asset Mgmt Plan
7/16/12
Page 2 of 2

The Department has reviewed the management plan for conformity with the requirements of the Hatcher Pass Management Plan as they pertain to the Government Peak management unit. We have just concluded that review and have found the Development and Asset Management Plan to be in conformity to the Hatcher Pass Management Plan and that it meets the requirement that a more detailed plan is developed by the borough in order to provide a more detailed level of management than afforded by the Hatcher Pass Management Plan.

Should you have any questions about this determination, you may contact me at 269-8592 or at bruce.phelps@alaska.gov

Sincerely,

Bruce Phelps
Bruce Phelps, Chief