

# CITY OF TENAKEE SPRINGS

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July 19, 2023

Kathy Leary  
City Administrator  
City of Gustavus, Alaska

**Re: City of Tenakee Springs on SB 1889**

Dear Ms. Leary,

Below is a brief summary of the City of Tenakee Springs' interactions with Senator Murkowski and the Cedar Group, regarding Senate Bill 1889.

Last year, and again in 2023, we worked with Murkowski staff and the Cedar Group in good faith to:

1. create replacement land selections for about 2,500 acres, or approximately 11% of the total 23,040 acres proposed for conveyance to the Tenakee Urban Corporation in SB 1889; and
2. provide watershed protections for key salmon habitat on lands on the southwest side of Tenakee Inlet.

As of the date of this summary, Senator Murkowski has not yet made these modest requested changes. Additionally, Senator Murkowski has included an unrelated BLM land conveyance of ½ acre that benefits only a few Tenakee residents, and which the City of Tenakee Springs did not agree to.

This proposed ½ acre conveyance to the City of Tenakee Springs gives the appearance of Tenakee support for SB 1889. That is untrue. We oppose SB 1889 as currently written, and will continue to oppose it unless our 2,500 acres of land adjustments are implemented, and watershed protections are added for the absolutely critical cold water salmon streams southwest of Tenakee Inlet.

- Mayor and council members and the public met with Senator Murkowski in September of 2022 in Tenakee Springs to discuss Tenakee's position on a bill proposed by the Senator to create five new SE Alaska Urban Native Corporations, one of which would occur in and around Tenakee Springs. The city also discussed several other concerns including our unfinished hydro electric project, BLM land lease issues, our helipad, and garbage issues.
- During this meeting, the city made it clear that we were not opposed to righting past wrongs to native populations, nor would we oppose this bill if protection for our southwest shore salmon watersheds could occur as a compromise/offset for the huge impact that privatizing 23,040 acres in and around Tenakee Inlet would have.
- It has been a longstanding position of the city to defend our southwest inlet shores and headwaters watersheds from development, since they are unique and vitally important salmon rearing habitat. We provided stream temperature data collected over 17 years indicating the special importance of these watersheds, as compared to watersheds elsewhere in SE Alaska. Notably, they provide fresh, cold water from north facing slopes that is critical to salmon health and survival in our warming climate. They are

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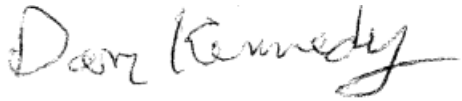
some of the best remaining salmon streams in SE Alaska.

- As stated at the outset, we urged Senator Murkowski to amend her bill to make approximately 2,500 acres of “tweaks” to the total 23,040 acres the Tenakee Urban Corporation would receive in the bill. The most important adjustments were to move selections out of Crab Bay, Seal Bay, and at the head of the inlet. This would relocate fewer than 11% of the original land selection acres, and grant the Tenakee Urban Corporation the exact same number of acres (23,040 acres) as they originally requested. The second change would provide for LUD II protected land status for the critical salmon streams on the southwest shore of Tenakee Inlet.
- Over the next several months, City Council members met and worked with Murkowski staff and the Cedar Group to come up with alternative land selections so that roughly 2,500 of original SB 1889 selections in Crab Bay, Seal Bay, and the head of Tenakee Inlet (Pegmatite) would be removed and replaced by lands chosen by the Urban Corporation in Freshwater Bay. Additionally, our council members worked to have the area selected at Game Connect to be slightly modified to move the selection away from a potential road connection between Hoonah and Tenakee.
- While it is true that no promises were made by Murkowski staff or the Cedar Group, our council members and mayor felt that the alternative land selections would be agreed to because they are very minor. Throughout the winter and spring, council members were in contact with Murkowski staff to inquire about the status of the bill, and numerous times requested that we be informed if the bill was going to be introduced and if Tenakee’s watershed protection proposal was included. We were told we would be informed.
- In February of 2023, Murkowski staff visited Tenakee to further discuss the bill and indicated that they were working on a proposal for a BLM land conveyance of approximately ½ acre to the City of Tenakee Springs, which was one of several issues besides the Landless Native bill the mayor and council had discussed with Senator Murkowski during her fall visit.
- In April of 2023, Mayor Kennedy received an email from Murkowski staff indicating that the Senator felt comfortable pursuing a legislative fix to convey the land to the city without cost to the city. Mayor Kennedy replied by email that it seemed like a good solution to the BLM land lease issues and told Murkowski staff he would bring the proposal to the City Council about accepting ownership of the BLM lands.
- The city received more details of the land conveyance proposal, which now included costs to be paid by the city and restrictions to the management/lease arrangements to be conducted by the city. Our City Council reviewed the proposal at the April meeting and decided to table the discussion until more information could be gathered. At the following City Council meeting, we still had the original vague proposal and no additional information, so the City Council once again tabled the item to get clarification. Our council at this time had more questions than answers regarding the BLM land conveyance proposal.
- **On June 7<sup>th</sup>, 2023, the city learned that Senate Bill 1889 had been introduced by Senator Murkowski. As currently drafted, SB 1889:**
  1. **does not honor our request for 2,500 acres of land adjustments/tweaks; and**
  2. **does not contain any protection for the critical watersheds southwest of Tenakee Inlet and at the head of the inlet; and**
  3. **did not modify the Game Creek Connection parcel AND included the ½ acre BLM land conveyance which we never agreed to and do not support.**

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In June of 2023, by phone call and then with a follow-up letter to Murkowski and staff, I, Mayor Kennedy, informed the Senator that the **city would oppose the bill as currently written, and reiterated Tenakee's position to protect the world class salmon rearing watersheds, and furthermore insisted on removal of the Tenakee BLM land conveyance portion of the bill.**

Thank you for your time and consideration,

A handwritten signature in black ink that reads "Dan Kennedy". The signature is written in a cursive, flowing style.

Dan Kennedy, Mayor  
City of Tenakee Springs