



## **MEMORANDUM**

**DATE:** May 1, 2025

**TO:** Assembly Finance Committee

**FROM:** Alexandra Pierce, Visitor Industry Director

**SUBJECT:** Supplemental Funding to Support Mendenhall Services

On February 14, thirty-one federal employees were laid off at the Mendenhall Glacier Recreation Area (MGRA) leaving one staffer dedicated to the Mendenhall Visitor's Center remaining. Since that time, local U.S. Forest Service (USFS) leadership have scrambled to develop and implement a backup plan. CBJ, USFS, and organizations with co-stewardship or operating agreements at the MGRA (Tlingit & Haida and Discovery Southeast) settled on a plan that would keep the Visitor's Center open half time (7 hours/day) and maintain a small staff presence during the remaining "normal" operational hours to accommodate tour operations without the Visitors' Center (MGVC) by pulling staff from other areas of the USFS to cover shifts. This would have required external funding to supplement staff time by providing funds to organizations with operating agreements.

Fortunately, on March 20, CBJ staff received confirmation that the thirty-one positions connected to Mendenhall operations have been reinstated. Subsequently, USFS staff were offered another buyout, and more employees took the buyout than were reinstated. Currently, the MGVC is operating on a limited schedule with staff pulled from other areas of the local USFS. USFS staff have been notified that additional cuts may be coming over the next several months. The MGVC is profitable, and USFS leadership is working to gain access to the funds it collects. Currently, local USFS leadership does not have access to those funds and is under a hiring freeze for new employees.

Due to the tumultuous and uncertain nature of this situation, Ordinance 2024-01(b)(AM) requests a \$200,000 appropriation of State Commercial Passenger Vessel fees to the Manager's Office to be used as needed to support local organizations currently staffing the MGRA in the event of additional cuts or other unforeseen circumstances. Ideally, these funds could be used to fill existing positions by allowing partner organizations to hire terminated employees. Currently, the USFS, Tlingit & Haida, Discovery Southeast, and many local tour operators dependent on the MGRA are taking a collaborative approach to operations, with several tour operators stationing staff at the MGVC to direct traffic and answer questions. One potential use for a portion of the funds is a coordinating position to manage the donated personnel. Another option is to hold the funds in reserve to be used in the event of another reduction in force.

Additionally, Resolution 4010 affirms CBJ's support for continued public ownership of the Tongass National Forest and Mendenhall Glacier Recreation Area. This resolution will be shared with our federal delegation and underscores the importance of these lands to our community.

Staff remains hopeful that we will not need to spend the funds and that the MGRA will operate consistently and successfully all year. This is neither a long-term solution nor an attempt to prop up the federal government. However, with a full summer tourism season expected, and so many local businesses dependent on the MGRA, it is important that we have a secure backup plan that can be implemented quickly. All parties involved agree that the priority should be to ensure that the MGRA remains public land and that the many businesses and organizations dependent on this important facility are able to operate through the summer.

**Recommended Committee Action:**

Forward Ordinance 2024-01(b)(AM), a \$200,000 appropriation of State Commercial Passenger Vessel fees to the Manager's Office for supplementary services at the Mendenhall Glacier for approval at the May 19 Regular Assembly meeting.

Forward Resolution 4010 to the full Assembly for approval at the May 19 Regular Assembly Meeting.