



Friends of Mat-Su

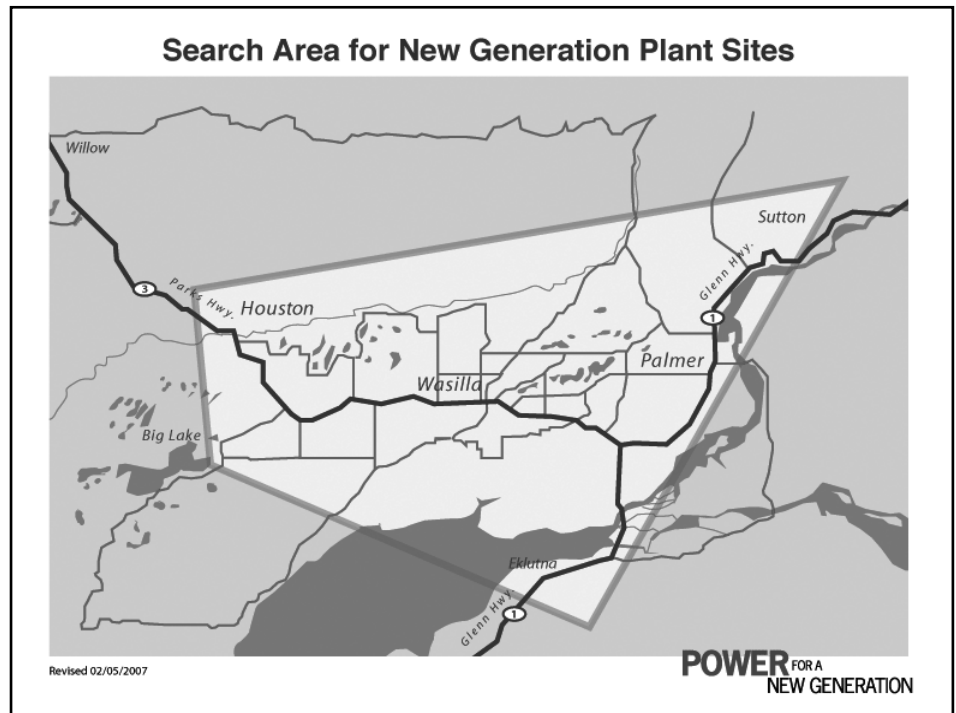
SPRING 2007 NEWSLETTER

Coal of the Wild

Matanuska Electric Association, Inc. is moving toward developing a way to generate its own power for consumers in the Mat Su Valley rather than continuing to purchase power from Chugach Electric. MEA's lease with Chugach expires January 1, 2015. This bold, new direction requires that MEA construct a brand new power plant somewhere in the Mat Su Valley.

MEA's engineering consultants, CH2MHill, suggest that our region's baseload will require 200 megawatts (mW) of new generation in 2015 when the energy lease with Chugach expires. The report further recommends that MEA provide 100mW of natural gas generation and 100mW of coal generation, using a clean coal technology called circulating fluidized bed or CFB. According to CH2MHill, a

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FoMS Annual Meeting – March 30

- 6:00 – 9:00 pm Friday, March 30
- Agate Inn (4725 Begich Circle, located off Palmer-Wasilla Highway, across from Valley Rental Center)
- Refreshments provided. Please join us & bring a friend!

Guest Speakers:

John Duffy MSB Manager
Bob Fowler Fowler Oil & Gas
Attorney General Talis Colberg (tentative)

New Mission Statement:

The FoMS Board met in January for their annual retreat and one of the topics was a revision of FoMS' mission statement. So, without further adieu, drum roll please....

FoMS provides land use information, advocates for borough wide planning, promotes citizen involvement and offers tools and support to develop a healthy and vibrant community.

Presidential Perspectives, 2007 Report



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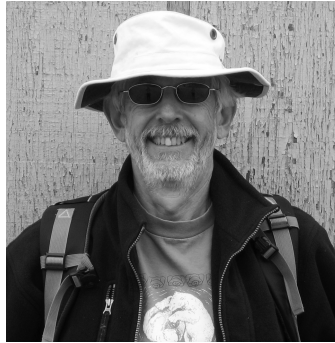
David Van Holstyn

Gil Lucero

Jim Chesbro

Roy Goodman

Mary Barrett



Where's the boundary that divides two people or two pieces of property?

What is yours and what is mine?

One process for figuring divisions out often began at what once was a common experience – a kitchen table. Kids learned that eating family style meant using a family's rules for apportioning everything from meat and potatoes to dessert.

Interesting rules developed that were aimed at making the division "fair". For example, if I cut the pie you get to make the first choice of pieces. The goal, encourage the cutter to more evenly cut. The result, no one got left with the crumbs.

As populations grow and we move to shared public spaces we find a problem in deciding who gets to make the division. Looking at the borough as a whole there's the question of private space versus public. Controversy swirls around dividing land that can have multiple uses – wood chipping, mining, different forms of recreation, power plants, race tracks, residential areas and roads, to name just a few.

Local governments, such as the borough, are charged by law with making those divisions. It is not as simple as the ordinances suggest. Seven assembly members and a mayor, supported by borough staff meet for long periods, take testimony from many citizens, and make decisions that don't satisfy everyone.

The focus is upon the individuals who sit in elected or staff positions.

While not denying individual differences may have a role to play, I'd suggest another place where a difference can be made: all parties should engage in a discussion.

Here's an example: during a recent lengthy work session on economic development there were a number of impassioned statements made about the need for land to be made available for wood chipping and similar passionate statements about the harm that would come should that happen. Unfortunately the government model we use suggests that the borough will cut the pie of available land and divvy it up for different groups. This is like the parents in a family making the choice at the table after listening to their kids argue for bigger shares.

The first step in the process is to identify who is sitting at the table.

By that I mean that the wood chip industry may be more than one company, recreational users come in different forms, motorized, dog powered or human. One of the important tasks of learning to live with others involves finding out what others believe and want. Interestingly that's where FOMS comes in. Our mission is focused on helping various groups engage in discussion. The work we do is to help inform before a group locks into a lobbying position attempting to get a large piece to the exclusion of others.

Maybe what should happen is that each group appearing before the assembly should describe what another group should get, remembering that what they want will be similarly described by that other group. The borough could then allocate uses accordingly. Absent that happening, less contentious more balanced sharing of resources will come when we understand that we are more alike than different.

— *Mike Chmielewski, President*

Director's Report – Spring 2007

The conference title PLACE MATTERS said it all. Place Matters for all of us when we choose where to live, raise a family, work and play. I think everyone can agree that Alaska and the Mat-Su in particular is a beautiful, inspiring, wild and stunningly scenic location. The beauty, recreation opportunities, reasonably priced land and history of this place are some of the main reasons people live here. The basic premise that Place Matters and defining the "heart and soul" of a place seemed the perfect fit for exploring new ways to engage FoMS and residents in community planning in the Mat-Su. I registered for the conference because I wanted to go and mingle with, and learn from others who share the vision that a diverse community can find a way to come together, define their place, and work on ways to grow and develop their community without compromising their "heart and soul".

I discovered that most of the conference participants face uphill battles much like the Mat-Su in engaging citizens in the process of balancing their needs with their wants. Their communities are being

swept away by the booms of unfettered development and feel powerless to address the issues they face because they lack knowledge, support and funding to make growth happen in a sustainable way. Sound familiar?

Sessions covered a wide range of topics centered on planning for sustainable and vibrant communities. Tackling the big challenges of small town planning, transportation solutions, property rights, the role of media in local and regional planning, forging innovative partnerships for change, certifying and marketing sustainable community standards, tools for integrating ecological and community planning and seeing beyond backyards and bottom lines were just a few of the many issues and ideas offered.

So, for three days I had the privilege of gathering new ideas from many individuals and other perspectives. It was impossible to attend all of the sessions, but the ones I did attend were valuable and gave me new insights into how to engage the citizens in the Mat-Su to be more involved in what happens in



their borough. Most of us don't view our community from the big picture side. Instead we focus on our immediate surroundings and neglect the big picture.

Interestingly enough one of the sessions offered was Civic Engagement in Energy Facility Siting. Little did I know at the time of the conference that the Mat-Su would be facing that very issue with the proposed MEA coal-fired plant. This is a big picture item and I encourage all of you to weigh in on this and then go a step further by focusing more on what is happening borough wide so that our future planning and decisions will foster what is important to the heart and soul of the place that matters to us all.

—Kathy Wells/Executive Director

A Special Thank You

to Alaskan photographer Fred Hirschmann for his generous donation of one of his spectacular photos of the Mat-Su Valley. This photo will be featured on the cover of our new outreach brochure. Thank you Fred!

Coal of the Wild, cont.

blending of gas, coal and renewable resources is both economically feasible and environmentally responsible. MEA and CH2Mhill suggest that the clean coal technology has a favorable emissions profile. Although, CFB has never been used in Alaska, MEA's consultants assure us that it is highly reliable, based upon its successful performance elsewhere in the United States and throughout the world. The consultants also noted that building this CFB plant would cost more than twice as much as building a natural gas plant.

MEA's board also voted to include 5 mW of additional renewable capacity to be constructed concurrent with the 200 mW plant, this will be combined with MEA's current assignment of 17 mW of renewable hydroelectric power from Eklutna and Bradley Lake Hydroelectric Plants. Therefore, MEA claims that once fully integrated, at least 10 percent of the utility's energy portfolio will be comprised of renewable resources. The resulting total generation mix for MEA will include 45% natural gas, 45% clean coal, and 10% renewables in 2015. In addition to using coal from the Usibelli mine in Healy, MEA indicates that the clean coal plant could use other fuel sources like, waste wood and chips, as well as cardboard and even used tires.

On February 2nd and 3rd MEA held several public meetings to review CH2Mhill's Integrated Resource Plan and to answer questions from the public, which drew concerned MEA members and non members alike. Many people expressed disappointment with MEA's decision to favor the construction of a coal plant in the Valley. Frustrated residents focused their discussions on the negative

impacts that burning coal in our region would have on the quality of life in the Valley and elsewhere in Alaska. People expressed skepticism about "clean coal" and some urged MEA to put more consideration into utilizing natural gas and renewable energy rather than go back in time by using the one of the most polluting sources of fuel available.

The site selection, construction, and operation of this power plant will impact everyone in the Mat Su Valley and Anchorage. Interestingly, MEA plans to invite members to be part of the power plant site selection as part of its public process. The company will solicit private landowners who have at least 160 acres available to purchase for the construction of the new power facility. Once MEA chooses several adequate sites within the designated area (see above) representatives claim they will put the final site selection to a vote of MEA members, perhaps as early as this spring. MEA Board President, Lee Jordan has stated that, "MEA's mission is to deliver reliable service at the lowest possible cost." Unfortunately, the reality with burning cheap coal in any form is that it is dirty and the emissions are not "clean". Recently, studies have identified several fish species in Alaska that have high levels of mercury, most likely from coal burning emissions that have drifted from Asia. It seems hard to believe that MEA would want to contribute to this serious pollution problem, much less put residents who live downwind of the Valley in Anchorage and the Kenai Peninsula, in harms way.

MEA's decision to generate its own power for the benefit of its members should not be taken lightly and we urge our members to get involved with this process. Attend MEA board

meetings, write letters, make phone calls, and let MEA know how you feel about power for a new generation. FoMS will be following this issue closely and will be available to help our members voice their opinions about this important issue. Although MEA is allowing its members to vote on the site of this new power plant they are not providing members the opportunity to choose how their power will be generated for the next 50 years.

Friends of Mat-Su thanks the following foundations, corporations and companies for their generous support:

Alaska Conservation Foundation
Carr-Gottstein Properties
Full Metal Minerals
Patagonia Inc.
The Pumpkin Hill Foundation
United States Fish and Wildlife Service
Wal-Mart

Water, Water, Everywhere!

Within the last year Friends of Mat-Su has begun to realize the importance of not only keeping the public informed about the benefits of land use planning and public participation but also about the necessity of watershed planning and protection. Clean, high quality water is a resource that is important to everyone and through developing programs that will educate residents who live and recreate on our precious water bodies we hope to reach out to a more diverse group of caring citizens. We are looking forward to working on an issue that everyone can agree is important, so for these reasons we have begun work on the Mat-Su Landowner Watershed Education Project.

Currently, there are 33 water bodies in Alaska that the DEC has designated impaired, category 5, and many other water bodies categorized as level 4 are still recovering and continue to need improvement.

There are only 4 classified impaired water bodies in the Mat-Su Valley. Therefore, we are in a unique position to improve the water quality in the polluted creeks and lakes and also to prevent others from becoming impaired. The following water bodies are classified as impaired:

Cottonwood Creek: The entire 13 miles is considered an area of concern due to excessive foam and debris from urban runoff and urban development. Fish pathology reports from 1995, 1997, and 2001 document many dead sockeye salmon smolts in the creek with eroded fins and white patches on their bodies, there was a pathogenic bacteria present in the gills of some fish in large numbers and the report stated that "this condition is often associated with poor water quality conditions"

Lake Lucille: This popular lake has been listed impaired since 1994 for dissolved gas and nutrients, because a TMDL (total maximum daily load) was completed and approved by the EPA the water body was removed from the impaired list, but is still a priority with actions needed to complete development of a TMDL implementation plan and continue education on non point source pollution controls.

Matanuska River: Debris from illegal garbage dumping

Big Lake: Just moved to impaired list for 2006 due to petroleum hydrocarbons from motorized watercraft.

The designation of impaired is NOT a death sentence for a water body! Although challenging and intimidating there are many ways that water quality can be improved and many reasons why it should. For example, in 1996 Swan Lake was designated impaired by the DEC for solid waste debris including wood, oil tanks, waste metals, and plastics. In June 2000 Sitka completed the Swan Lake Watershed Recovery strategy that eventually allowed this lake to be removed from the impaired list. The strategy included: providing regular maintenance and cleaning of problematic storm water outfalls, collecting accurate baseline data on water quality involving local high school students, and an annual volunteer cleanup of the lake removing 6,000 pounds of debris and garbage in 2000 and 1,000 pounds in 2001! So it can be done!

Residents of the Valley can improve our watersheds and Friends of Mat-Su believes that we have the obligation to restore our impaired water bodies here in our community. Healthy watersheds are important to

all of us. With this new goal in mind, FoMS received a grant through the US Fish and Wildlife Service's Alaska Coastal Program to conduct an outreach program to educate residents who live along impaired water bodies.

FoMS is using these funds to develop the Mat-Su Landowner Watershed Education Project outreach program that targets residents who live on Lake Lucille and Cottonwood creek. The project entails recruiting college and high school students to help us conduct a door-to-door canvass during the first two weeks of April. The canvassing teams will provide basic information to land owners about watershed health, best management practices for living along water bodies and shoreline landscaping guidelines. We will also conduct a small survey to gather information about what kinds of activities people do that may affect water quality. Prior to canvassing we plan to host a "watershed training school" in which partners from DEC and the soil and water conservation districts will present information on water ecology and water health, and best management practices. A professional canvasser will train the teams so that we know we are effective in relaying pertinent information during our door-to-door canvass.

We are excited about this project and future watershed education projects that will be designed to foster rehabilitation of impaired water bodies, such as Big Lake and prevent other watersheds from becoming impaired. As always this project would not be possible without the support from our loyal members.

— *Mimi Peabody,*
Projects Coordinator

Castle Mountain Coalition & Coal Mining in Chickaloon

In the fall of 2005, the Alaska Mental Health Trust Land Office (MHTLO) proposed a lease offering of 16,500 acres in Chickaloon. This came to the community's attention in early October 2005, when a local resident happened to see the lease notification in the Frontiersman legal notices. The MHTLO did not notify the Chickaloon Community Council or any adjacent landowners of the lease offering. In December 2005, the community council passed a resolution requesting suspension of the coal lease offering until there was an accurate best interest decision that included public participation, with assessment of economic, social, and environmental impacts, land uses, and consistency with the Chickaloon Comprehensive Plan. The community council received no response from MHTLO to its letter and accompanying resolution. The MHTLO went forward with the coal lease, offering over 30,000 acres of MHT subsurface lands in April of 2006. The sole bidder Full Metal Minerals LLC from Vancouver, BC was awarded the lease for \$4 an acre on approximately 21,000 acres. Finally, in August a meeting was held in Chickaloon with MHTLO, DNR, Full Metal Minerals, and the Mat-Su Borough to present information and answer questions and concerns from the Chickaloon community.

On October 1, 2006, the coal lease between MHTLO and FMM went into effect. The January 10, 2007 coal exploration permit application prepared by Alaska Earth Sciences, Inc. for FMM were submitted to the DNR, Division of Mining, Land and Water for review. The public comment period was extended as a result of overwhelming public outcry at the February 7 community

meeting. Those in attendance heard two hours of eloquent and impassioned testimony, covering an extensive range of concerns about the proposed exploration and extraction of coal in the Chickaloon area. It is important to remember that at this point this is a permit for exploration only and does not necessarily mean there will be a coal mining operation.

Some of the Chickaloon community's concerns are:

- In 2005, the public was asked to comment on a 16,500 lease. The sale was then amended to include an additional 14,000 acres, and the public was not allowed to comment on this acreage. In the exploration plan, three different lease sizes are referenced: 21,019, 22,625, and (can't find third).
- More than 15,000 acres of state-owned surface lands are impacted by this lease- lands designated for wildlife habitat and recreation in the Matanuska Valley Moose Range Plan.
- Residential roads and recreational trails will be used to access the lease area.
- The route of the proposed gas spur line is incorrectly depicted in the permit application.
- The lease acreage includes lands excluded to mineral extraction by the Matanuska Valley Moose Range Plan.
- Some of the acreage falls within the purview of the Coastal Zone Management Plan and should automatically trigger a review by several agencies that have yet to be included - Alaska Department of Fish and Game has now just learned of this coal lease.

- The Chickaloon Special Land Use District requires a conditional use permit for natural resource extraction or processing

- The Glenn Highway corridor is designated a National Scenic Byway – the coal lease borders both sides of the highway near King Mountain for approximately 3 miles.

- The proposed routes used to access drill site will open up the area to recreational traffic and have a devastating impact on its wildlife and the peaceful community of Chickaloon.

- The lease area is an important migratory corridor for raptors, waterfowl, sand hill cranes and other birds. It is important moose, brown bear and black bear habitat.

- Environmental impacts could potentially affect the Matanuska River watershed all the way to Palmer.

- Coal truck traffic will affect all residents along the transportation route.

As a result of this coal exploration issue the Castle Mountain Coalition formed to protect the Matanuska Watershed and the residents of the area. For more information about the coalition you can contact them.

Castle Mountain Coalition
P.O. Box 1244
Chickaloon, Alaska 99674

castlemountaincoalition@yahoo.com
www.castlemountaincoalition.org

Land Use Issues and Updates

BOROUGHWIDE RACETRACK

ORDINANCE – Adopted by the MSB Assembly in December. This will provide public notice to all residents within an area near a racetrack that wants to expand or if a racetrack is going to be built. This also triggers a public process. The public can provide comments and conditions can be implemented on a racetrack.

COALBED METHANE, OIL, GAS & COAL – No movement from MSB planning yet to draft an ordinance for conventional gas drilling, Fowler Oil & Gas is planning to explore for coalbed methane in the Mat-Su, Chickaloon coal exploration permit is under consideration at the Dept. of Natural Resources.

FARMLAND PROTECTION – FoMS is working with the Alaska Farmland Trust and a local farmer to secure a permanent conservation easement so that it will remain a farm. This farm is very close to obtaining the matching funding to make this possible.

HATCHER PASS SPECIAL USE DISTRICT (SPUD) – planning commission has held work sessions and two public hearings and will hold another hearing on May 21, 2007 to take public input.

KNIK PUBLIC USE AREA PLANNING – FoMS attended the public open houses and provided comments on the first round of scoping issues.

LAND USE ACKNOWLEDGEMENT PERMIT – was passed by the MSB Assembly March 6, 2007.

MSB LONG RANGE TRANSPORTATION PLAN – is available at the borough web site and public comments are due March 27, 2007.

MENTAL HEALTH TRUST LAND – We continue to monitor land sales, exploration and development of natural resources such as oil, gas and coal.

MULTI FAMILY HOUSING – The ordinance was adopted by the Assembly on February 6, 2007.

TIMBER SALES IN THE BOROUGH – MSB is still working on ordinances and best management practices for harvesting on borough lands.

Community Planning:

KNIK FAIRVIEW - is working on a comprehensive plan for the dogsled district.

LAZY MOUNTAIN – continuing work on a comprehensive plan

MEADOW LAKES – working on Special Use District Plan

SOUTH KNIK COMMUNITY – comprehensive plan has started.

WILLOW – in the process of beginning a comprehensive plan

Y AREA – comprehensive plan was adopted by the Assembly March 6, 2007.

CORE AREA COMPREHENSIVE PLAN – waiting for final product from consultant for public meeting in April

SUTTON – comp plan being updated

SHEEP MOUNTAIN SUB-DISTRICT – a special use district plan will have a public hearing on March 20 at the Planning commission

Thank You, Thank You, and Thank You!

Meagan Lynn, our enthusiastic student intern, for her countless hours of volunteer work in our office.

Michael Miller, our webmaster, for diligently updating the FoMS website.

Alex Papasavas for providing a lovely catered lunch during the annual board retreat.

Whittington-Evans Communications for generously publishing our Newsletter.

Friends of Mat-Su • Membership Renewal Form

Friends of Mat-Su (FoMS) provides land use information, advocates for borough wide planning, promotes citizen involvement and offers tools and support to develop a healthy and vibrant community.

RETURN TO FOMS: P O BOX 116 • PALMER, AK • 99645 • PH: 746-0130 • FAX: 746-0142

Name (please print) _____

Agency/Organization/Company Name: _____

Mailing Address: _____ City _____ State _____ ZIP _____

Street Address: _____ City _____ State _____

Phone: _____ Fax: _____ Email: _____

Membership: New Renewal

Annual Individual \$30.00

Annual Family \$50.00

Annual Student \$20.00

Community Council \$35.00

Homeowner Association \$100.00

Business/Corporation \$100.00

Lifetime Membership \$500.00

Donation \$ _____

Payment: \$ _____ TOTAL

Cash Check

