Record of Decision Juneau Access Improvements Project

State Project Number: 71100 Federal Project Number: STP-000S(131)

I. Decision

This Record of Decision (ROD) was developed pursuant to 40 Code of Federal Regulations (CFR) 1505.2 and 23 CFR 771.127. The Alaska Department of Transportation and Public Facilities (DOT&PF), in cooperation with the Federal Highway Administration (FHWA), has identified a need to improve surface transportation to and from Juneau within the Lynn Canal corridor in Southeast Alaska. The purpose of this improvement was to:

- Provide the capacity to meet transportation demand in the corridor
- Provide flexibility and improve opportunity for travel
- Reduce travel times between the communities
- Reduce State costs for transportation in the corridor
- Reduce user costs for transportation in the corridor

The project purpose and need was most recently described in Chapter 1 of the *Juneau Access Improvements Final Supplemental Environmental Impact Statement* (Final SEIS).

The selected alternative for the Juneau Access Improvements (JAI) Project is Alternative 1 – No Action. This alternative is the alternative selected by the State of Alaska. Alternative 1 – No Action includes a continuation of mainline¹ ferry service in Lynn Canal and incorporates two Day Boat Alaska Class Ferries (ACFs) previously programmed for construction by the Alaska Marine Highway System (AMHS). Alternative 1 – No Action is not a direct continuation of 2018 ferry service; rather, it is a continuation of the current AMHS plan and reflects the most likely AMHS Lynn Canal operations in the absence of any capital improvements specific to the JAI Project. The following assumptions are incorporated in Alternative 1 – No Action:

1. No new roads or ferry terminals in Lynn Canal would be built, and there would be no improvements to existing facilities beyond those already programmed.

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¹ Mainline ferry service consists of larger vessels that travel the length of the system from Bellingham, WA, or Prince Rupert, B.C., in the south to Haines and Skagway in the north. The vessels have overnight accommodations for passengers and crew. "Day boats" have no such accommodations. Day boats typically depart and return to the same port each day.

- 2. Previously programmed improvements that are part of Alternative 1 No Action would be:
 - a. Use of two Day Boat ACFs. One Day Boat ACF would sail between Auke Bay and Haines, while the other would sail between Haines and Skagway. Travelers going between Auke Bay and Skagway on the Day Boat ACFs would be required to transfer ferries in Haines. Other AMHS ferries that are currently operating as summer day boats in Lynn Canal will be deployed elsewhere in the system or will be laid up.
 - b. Programmed improvements to vehicle and passenger staging areas at the Auke Bay and Haines Ferry Terminals to optimize traffic flow on and off the Day Boat ACFs.
 - c. Programmed expansion of the Haines Ferry Terminal to include a new double end berth for loading/unloading of the Day Boat ACFs.
- 3. Mainline ferries would continue to serve northern Lynn Canal.

In compliance with the Amended Judgment in *Southeast Alaska Conservation Council et al. v. FHWA et al.* (Doc. No. 117), Case No. 1:06-cv-009 (D. Alaska), the State of Alaska and FHWA prepared a Supplemental Environmental Impact Statement pursuant to the National Environmental Policy Act (NEPA) of 1969 (as amended), 40 CFR Parts 1500-1508, and FHWA regulations (23 CFR Parts 771, 772, and 777). A Draft SEIS for the JAI Project was approved on September 19, 2014, and circulated for comment until November 25, 2014. DOT&PF and FHWA held Public Hearing sessions on October 14, 2014, in Juneau; October 15, 2014, in Haines; and October 23, 2014, in Skagway.

A Final SEIS (and responses to comments received on the Draft SEIS) was approved on June 18, 2018 and is incorporated by reference here. The Final SEIS has identified Alternative 1 – No Action as the preferred alternative and will be distributed to the public and federal and State agencies beginning on July 16, 2018. For more detailed information on topics presented in this ROD, please refer to the Final SEIS.

II. Basis for Decision

In its 2006 ROD for the JAI Project, FHWA selected Alternative 2B, East Lynn Canal Highway, for advancement to design and construction. The 2006 FEIS supporting the 2006 ROD was found to be inadequate by the U.S. District Court in *Southeast Alaska Conservation Council et al. v. FHWA et al.*, (Doc. No. 117) Case No. 1:06-cv-009 (without FHWA, the State of Alaska appealed this decision to the 9th Circuit Court of Appeals and lost -- leaving the District Court's injunction in place). In 2014, the DOT&PF and FHWA approved a Draft SEIS identifying Alternative 2B as the preferred alternative, however, during development of the Final SEIS, the State of Alaska selected the no action alternative. That selection was, in part, because of current lower revenue and budget deficits affecting the State's ability to advance a build transportation alternative in Lynn Canal. As a result, DOT&PF and FHWA have identified Alternative 1 – No Action as the preferred alternative in the Final SEIS. The fiscal conditions underpinning the

change in preferred alternative are described in detail in Sections 2.5.1 and 2.5.3 of the Final SEIS.

The continued public controversy on the JAI Project contributed to the decision to identify Alternative 1 – No Action as the preferred alternative. This project has a history of division, with disagreement among both elected officials and the public on how to proceed. While the need to improve transportation in Lynn Canal is recognized by most, how best to accomplish that remains unresolved. Feelings are strong on both sides and sentiment has wavered over the years on whether the solution lies in building a road or improving ferry service. More information on the controversy is provided in Sections ES-8 and 2.5.3 of the Final SEIS.

In summary, DOT&PF and FHWA find the following:

- Declining oil prices have caused the need for cuts to State budgets.
- Declining revenues, particularly General Fund revenues, have resulted in substantive cuts to DOT&PF's capital and operating budgets.
- Controversy on the JAI Project is high among the public and disagreement remains among elected officials.

Given the State's budgetary reality, coupled with a high level of controversy, DOT&PF and FHWA have identified Alternative 1 – No Action as the preferred alternative.

III. Alternatives Considered

The JAI Project SEIS evaluated ways to improve surface transportation to and from Juneau within Lynn Canal. Currently, access to Juneau is possible only by air and water.

Consistent with NEPA, a full range of reasonable alternatives to address the purpose and need was identified and evaluated. Based on reconnaissance engineering studies, including alignment studies and a user benefit analysis, the 2014 Draft SEIS evaluated eight reasonable alternatives: a no build alternative, two primarily highway alternatives, and five marine alternatives. The eight reasonable alternatives are summarized below. All build alternatives include one or more ferry links, and four include one or more new sections of highway. For more information on the alternatives presented here and those dropped from further consideration, please refer to Chapter 2 of the Final SEIS.

A. Alternative 1: No Action (Selected Alternative)

Alternative 1 – No Action includes a continuation of mainline ferry service in Lynn Canal and incorporates two Day Boat ACFs previously programmed for construction by AMHS (see Figure 2-5 of the Final SEIS). Alternative 1 – No Action is not a direct continuation of 2018 ferry service; rather, it is a continuation of the AMHS's *current plan* and reflects the most likely AMHS Lynn Canal operations in the absence of any capital improvements specific to the JAI Project.

In summer, there would be eight round-trips per week between Juneau and Haines or Skagway. Mainline ferries would make two trips per week, and Day Boat ACFs would make the remaining six trips. In winter, Alternative 1 – No Action would provide four round-trips per week between Juneau and Haines, and four round-trips between Juneau and Skagway.

B. Alternative 1B: Enhanced Service with Existing Alaska Marine Highway System Assets

Alternative 1B is a Transportation System Management alternative that includes operational improvements that focus specifically on increasing the service provided by the transportation system within Lynn Canal using existing AMHS assets (including programmed improvements and other system enhancements).

C. Alternative 2B: East Lynn Canal Highway to Katzehin with Shuttles to Haines and Skagway

Alternative 2B consists of a new 50.8-mile-long highway from the end of Glacier Highway at Echo Cove to a point north of the Katzehin River delta. A new ferry terminal would be constructed at the end of the new highway, with shuttle ferry service to both Skagway and Haines from the new terminal.

D. Alternative 3: West Lynn Canal Highway

Alternative 3 would widen Glacier Highway from Echo Cove to Cascade Point and extend Glacier Highway from Cascade Point to Sawmill Cove in Berners Bay (5.2 miles total). Ferry terminals would be constructed at Sawmill Cove and William Henry Bay, and shuttle ferries would operate between the two terminals. A new 38.9-mile two-lane highway would be constructed from William Henry Bay to Haines, with a bridge across the Chilkat River/Inlet connecting to Mud Bay Road.

E. Alternatives 4A and 4C: Shuttle Ferry Service from Auke Bay to Haines and Skagway

Each of these alternatives would provide daily summer shuttle service from Auke Bay to Haines and Skagway with two new ferries. Alternative 4A would use Fast Vehicle Ferries (FVFs) between Auke Bay and Haines or Skagway to make two round-trips daily from Auke Bay to Haines and Skagway. Alternative 4C would use the programmed Day Boat ACFs to make one round-trip daily (one between Auke Bay and Haines and one between Auke Bay and Skagway). Mainline ferry service between Auke Bay and Haines/Skagway would continue, with two weekly trips estimated in summer and one in winter. In winter, one of the ferries would provide daily (Alternative 4A) or every other day (Alternative 4C) service to Haines and Skagway. Mainline AMHS service from Auke Bay to Haines/Skagway would continue, with two weekly trips estimated for both summer and winter service. A Haines/Skagway shuttle service would continue. Under Alternative 4A, the Day Boat ACFs would no longer operate in Lynn Canal. Both alternatives include improvements to the Auke Bay Ferry Terminal. Alternative 4C would also require improvements to the Skagway Ferry Terminal.

F. Alternatives 4B and 4D: Shuttle Ferry Service from Berners Bay to Haines and Skagway

These alternatives would extend Glacier Highway 5.2 miles from Echo Cove to Sawmill Cove in Berners Bay, where a new ferry terminal would be constructed. Daily summer shuttle service would be provided from this new terminal to Haines and Skagway. In winter, service to Haines and Skagway would be provided from the existing Auke Bay Terminal. Mainline AMHS service from Auke Bay to Haines/Skagway would continue, with two weekly trips estimated for both summer and winter service. Haines/Skagway shuttle service would continue. The difference between the two alternatives is that Alternative 4B would use two new FVFs, while Alternative 4D would use the programmed Day Boat ACFs.

G. Environmentally Preferred Alternative

Alternative 4C is the Environmentally Preferred Alternative. While Alternatives 1B, 4A, and 4C would have few increases in potential environmental impacts relative to Alternative 1 – No Action, Alternative 4C would have the least. Because of its sailing schedule, use of conventional monohull shuttle ferries, and no roadway component, it would produce less greenhouse gas emissions than any of the other alternatives except Alternative 1 – No Action. Due to its lower speed vessels, Alternatives 1B and 4C would also have a lower potential for impacts to marine mammals than Alternative 4A, as the Day Boat ACFs have a slower travel speed than the FVFs.

Alternative 4C would have no terrestrial impacts and no marine fill or dredge impacts in Lynn Canal. No wetlands would be filled or excavated, no streams would be crossed, and no fish or wildlife habitat would be lost or fragmented. No potential would be created for increased access related problems in currently undeveloped areas.

IV. Section 4(f)

The proposed action of selecting the no-build alternative would not result in the use of land from any public park, recreation area, wildlife or waterfowl refuge, or significant historic site protected by Section 4(f) of the United States Department of Transportation Act of 1966, as amended.

V. Measures to Minimize Harm and Mitigation Monitoring Measures

Since Alternative 1 – No Action has been identified as the Selected Alternative and therefore pursuant to 40 CFR 1505(c) the question of whether all practical means to avoid or minimize environmental harm is moot. No mitigation or monitoring measures are required or proposed.

VI. Comments on the Final EIS

Appendix JJ of the Final SEIS contains public, agency, and interest group comments on the Final SEIS and responses to those comments.

VII. Conclusion

Based on the information set forth above, and as the State of Alaska has determined not to build the proposed project and to select Alternative 1 - No Action, it is also my decision to select Alternative 1 - No Action as the proposed action for this project.

June 18, 2018

Sandra A. Garcia-Aline, Division Administrator

Federal Highway Administration