



Southeast Conference

Economic Development Committee
Comprehensive Economic Development Strategy (CEDS) Steering Committee

Thursday, February 24, 2011
10:00 AM

SEC Board Room or Teleconference 1 888 550-5602 code 8249-4332

Agenda

1. Call to Order – Chair Patricia Phillips
2. Roll Call
3. Approve Agenda

UNFINISHED BUSINESS

4. Comprehensive Economic Development Strategy 5 Year Plan
 - a. CEDS Steering Committee (*packet page 2*)
 - b. Community Questionnaire & Survey (*packet page 3-6*)
 - c. SMART criteria for goal setting (*packet page 7*)
 - d. Regional Project Lists (*packet page 8-10*)

NEW BUSINESS

5. Mid Session Summit
6. Letter to Secretary of Defense Robert M. Gates on rare earth minerals (*packet page 11-12*)
7. Action Items
8. Committee Comments
9. Adjourn



CEDS Steering Committee

Who should be on this committee?

The Steering Committee must represent the main economic interests of the region, and **must include Private Sector Representatives as a majority of its membership**. In addition, the Steering Committee must also include:

- Public officials;
- Community leaders;
- Representatives of workforce development boards;
- Representatives of institutions of higher education;
- Minority and labor groups; and
- Private individuals.

Why commit your time to another committee?

A CEDS integrates a region's human and physical capital planning in the service of economic development. Integrated economic development planning provides the flexibility to adapt to global economic conditions and fully utilize the region's unique advantages to maximize economic opportunity for its residents by attracting the private investment that creates jobs for the region's residents.

A CEDS must be the result of a continuing economic development planning process developed with broad-based and diverse public and private sector participation, and must set forth the goals and objectives necessary to solve the economic development problems of the region and clearly define the metrics of success.

A CEDS provides a useful benchmark by which a regional economy can evaluate opportunities with other regions in the national economy.



Southeast Alaska Comprehensive Economic Development Strategy 2011-2015 Plan Questionnaire

Thank you for helping ***Southeast Conference & Central Council Tlingit & Haida Indian Tribes of Alaska*** (Central Council) to prepare the update for the 2011-2015 Comprehensive Economic Development Strategy (CEDS) 5 Year Plan, a joint regional project.

In these challenging times, we can all gain strength by working together for the economic health of the region. For this year's CEDS document we are asking you to participate in updating your community's profile, online and in print. The Community Profile includes infrastructure information such as population, employment, transportation infrastructure, health and education services, community facilities and other information.

With this new 5 year plan we are asking your community to single out the 5 top projects that have the greatest likelihood of completion before 2016. We are also looking for your ideas about regional projects that might be considered and what Southeast Conference and Central Council can do to help your community and the region as a whole. This letter and questionnaire, along with last year's community project lists are being mailed to your municipal office, economic development office and tribal representatives in your community.

In addition to updating your list of projects, please take a few minutes to complete this survey by answering the questions in the attached packet. Feel free to add additional documentation or pages if necessary.



COMMUNITY CONTACT INFORMATION

Please update any incorrect information and answer the questions on the following pages. Feel free to attached additional documentation. If you are a Chamber, Visitor Center or Tribal Organization and the CEDS Community Profile section is blank you may skip that section and answer questions 1 through 11 to the best of your ability. A complete profile has been sent to your community for updating.

Community or Organization:

Economic Development Contact:

Job Title:

Mailing Address:

Phone:

Fax:

Email:

Website:

CEDS Community Profile:

Community Description:

Populations Census 2010:

Populations April 2011:

Government:

Electric Utility (**Please provide your current rate for home heating fuel**):

Water & Sewer Utility:

Solid Waste:

Transportation Facilities:

Transportation Services:

Schools:



Health Care:

Federally Recognized Tribe:

CEEDS Community Survey

1. Have there been any major changes in the organization of your community's government structure or operations over the past 5 years? If so, what changes?
2. In the past 5 years, have there been major changes to the ownership, operation, or facilities in your community for the following categories? If so, what changes?
 - a. Schools:
 - b. Health Care Facilities:
 - c. Water/Sewer Services:
 - d. Electric Energy Services:
 - e. Land Fill/Solid Waste Facilities:
 - f. Transportation Facilities (docks, airports, etc.):
 - g. Transportation Services (ferry service, air service, etc.):
 - h. Industry support facilities (boat lift, cold storage, etc):
 - i. Recreation facilities (pool, sports facilities and or fields, etc.)
 - j. Other major changes in community infrastructure or services:
3. Does your community have a mission statement and/or a vision statement? If so, please include them here. If not, please express in a few sentences what you think is the future vision of your community.
4. Does your community have a strategic plan for economic development? If so, in what year was it last updated?
5. How many staff members (full- & part-time) work in economic development including support staff?



6. What do you see as your community's strengths?

7. What do you see as challenges that might keep your community from reaching your vision?

8. You have given us your community project list. What **regional** projects do you think need to be considered and developed in Southeast Alaska in the near future?

9. To get a good understanding of the economic health of your community, can you tell us about:
 - a. Any recent loss or gain in population.

 - b. Any loss or gain in jobs or job opportunities.

 - c. Any shortages or excesses in housing.

 - d. Any businesses opening or closing in your community recently.

10. What role do you think Southeast Conference and Central Council should play in developing the economy and infrastructure of the region?

11. Is there anything in particular that Southeast Conference or Central Council can do to help your community?

Thank you for your time and assistance. **Please respond by Friday, May 2, 2011.**



Goal setting and project planning the SMART way

Be specific. Goals should be straightforward and emphasize what you want to happen. To identify a specific goal or project you must ask yourself the six “W”s.

Specific

Measurable

Attainable

Results-oriented

Time-bound

Who: Who is or will be involved?

What: What do we want to accomplish?

Where: Identify a location.

When: Establish a time frame.

Which: Identify what elements are or will be required and any constraints.

Why: Specific reasons, purpose or benefits of accomplishing the goal.

Be measurable. Establish concrete criteria for measuring progress toward the attainment of each goal you set. To determine if your goal is measurable, ask questions such as.....How much? How many? How will I know when it is accomplished?

Make it attainable. This means being realistic in what you can hope to achieve within the specified time frame.

See results. Goals should be outlined so that at any step in achieving that goal you can see what steps that have been taken.

Set a time. A goal should be grounded within a time frame. With no time frame tied to it there's no sense of urgency and no rush to see it accomplished.

Community	Priority	Tribal	Strategy	Project	Contact	Estimated Cost	Project Status	Potential Funding Sources
SE AK Regional Projects 2009 Project List			I.1	Southeast Alaska Energy Plan: develop G&T energy infrastructure including alternative energy sources	Southeast Conference 907-523-2310			AIDEA, DOE, DOT/PF, RD
			I.1	AMHS Organizational Plan	SEC		Planning	AMHS, State
			III.1	Regional Solid Waste Mgt. Plan & Facility	SEC		In Progress	DEC, RD, Congress
			II.4	Fisheries - Shellfish Industry Development	SEC			COE, EDA, FWS, RD
			I.1	BIA Roads	BIA/CCTHITA		Concept	
			I.1	Community Mapping	THRHA		Concept	
			II.4	Fisheries Revitalization	CCTHITA		Concept	
			I.2	Wellness Center	THRHA		Concept	
			II.1	SE Industrial Parks Business & Promotional Initiative	SEC	\$ 150 k	Concept	Legis., USDA, EDA, Local Community, Regional Industry, JEDC
			II.4	Value added Fish Waste Protein Stabilizing System & Consumer Product Mfg. Plant	SEC	\$ 8.5 m	Concept	Legis., USDA, EPA, DEC, Local Community, Industry
			II.1	Regionally Produced/Processed Products Promotional Initiative	SEC	\$ 250 k	Concept, Planning	Legis., USDA, DNR, Industry Groups, Local Communities, Congress
			I.1 & II.1	Freight Consolidation	SEC			
			I.2	Temporary Housing & Assisted Living Facility	BIHA, SEARHC, THRHA		Design	RD, Denali, HIS
			II.5	Secondary Wood Products Manufacturing Facility	SEC	\$ 250 k	Feasibility Study	
		II.1	New Regional Industry Opportunities Study & Additional Opportunities by Intertie	SEC		Concept	Legis., USDA, EDA, Local Community, JEDC	
		I.1	Village Safe Water Initiative					

Community	Priority	Tribal	Strategy	Project	Contact	Estimated Cost	Project Status	Potential Funding Sources
			II.4 II.2	PSP Lab Fiber Optics Technology Connectivity of Communities	SEC SEC		Feasibility Concept	
			I.1	Port Development Process for minerals, freight, fisheries transshipment	Municipality of Skagway, ADEA, mining companies	TBD	Concept, Planning	
			I.1 II.1 II.2	STIP IRP Regional Broadband service	DOT SEC SEC			
			II.1	Business Incubator & Central Location Building for Economic Development Groups	Juneau Economic Develop. Council 907-463-3662		Concept	
Northern Southeast			I.1 II.1 I.1	Access between Juneau, Haines & Skagway Agricultural Product Development Linkage of Proposed Natural Gas Line to SE AK at Haines	SEC SEC Haines Borough 907-766-2231 Haines Chamber of Commerce, SEC	\$ 200 m+	Concept, Planning Concept Concept	DOT/PF, Congress
Southern Southeast			I.1	Portland Canal Marine Infrastructure	Ketchikan, Saxman, Hyder 907-789-1402	\$ 11.2 m	Planning	T-21, DOT/PF, Congress, AK Legis., Local, USFS

Community	Priority	Tribal	Strategy	Project	Contact	Estimated Cost	Project Status	Potential Funding Sources
			II.4	Oceans Alaska Aquarium & Marine Science Laboratory/Study Center	Oceans Alaska 907-225-9605	\$ 20 m	Construction	Federal, State, Private, Public
			I.1	Container Ship Loading Facilities			Concept	
			I.1	Bradfield Road	SEC		Concept	DOT/PF, Congress
Prince of Wales	1		I.1	Peratrovich Airport Improvements	Prince of Wales Community Advisory Council 907-826-3870	\$ 5 m	Design	FAA, RD, TEA-21, DOT/PF
	2		II.4	Paralytic Shellfish Poisoning Testing Laboratory		\$ 500 k	Concept	ADF&G, DEC, HIS
	3		I.1	Tolstoi Bay Deep Seaport Development		\$ 2.5 m	Planning	EDA, RD, USACE
	4		I.2	Expanded Island Wide Healthcare Services		\$ 2 m	Design/Planning/Construction	HIS, ANTHC, AMHT
	5		II.1	Island Wide Economic Planning		\$ 55 k	Concept	JEDC, DCED, Denali
	6		I.1	Bicycle & Pedestrian Paths along POW Roads		\$ 600 k	Planning	DOT/PF, STIP, TEA-21, USFS
	7		II.6	Borough Study		\$ 55 k	Concept	
	8		I.1	Intertie		\$ 5 m	Concept	AEA, DOE
	9		I.1	North POW Campground		\$ 2.5 m	Concept	USFS
	10		I.1	Island-wide Transportation Plan & Implementation System		\$ 3 m	Planning, Funding & Implementation	STIP, USFS, DOT/PF
	11		I.1	West Coast Kayak & Skiff Route		\$ 150 k	Planning	USFS, Denali
	12		II.5	Dry Kiln Facility		\$ 850 k	Concept	USFS
	13		III.1	Solid Waste Facility		\$ 750 k	Concept	EDA, RD, USACE
	14		II.4	Island-wide Cold Storage		\$ 100 k	Concept	EDA, RD, State, Denali
	15		I.1	Cultural Interpretive Center & Museum		\$ 100 k	Concept	ANS, BIA & Tribes
	16		I.1	Kidco Dock Upgrades (25 acres) & Dev.Plan		\$ 150 k	Concept	AIDEA

Congress of the United States
Washington, DC 20510

January 28, 2011

Honorable Robert M. Gates
Secretary of Defense
1000 Defense Pentagon
Washington, DC 20301-1000

Dear Secretary Gates:

We write to express concern about the availability of rare earth materials. Many of our nation's most important military systems rely on rare earths and high performance magnets. In spite of our dependency on rare earth materials for components critical to weapon system performance, over ninety-seven percent of the worldwide rare earth oxide production is based in China, leaving the United States dependent on an unreliable foreign supplier. For example, Department of Defense (DOD) officials have stated magnets required for precision weapons, like the joint direct attack munition, are sourced directly from China, and there exists no alternative supply domestically or within allied nations.

Clearly, rare earth supply limitations present a serious vulnerability to our national security. Yet early indications are the DOD has dismissed the severity of the situation to date. Based on initial discussions with the DOD Office of Industrial Policy, we understand the effort to precisely ascertain and fully comprehend DOD consumption of certain rare earth elements is still an ongoing effort. In our view, it is a fundamental responsibility of DOD Industrial Policy to have a comprehensive understanding of the security of our defense supply chain, which requires understanding detailed knowledge of the sources and types of components and materials found in our weapon systems.

As the ultimate customer, the Department has the right and responsibility to require their contractors to provide a detailed accounting of the various rare earth containing components within their weapon systems. This information should then be aggregated into an element by element overall demand for DOD. With that knowledge, DOD could compare expected supply and demand of each rare earth element with overall consumption by the Department to identify critical vulnerabilities in our supply chain. This will enable the Department to establish policies to ensure the defense supply chain has access to those materials. For example, one policy may be for the DOD to establish a limited stockpile of rare earth alloys that are in danger of supply interruption to ensure security of supply of both metals and magnets.

Despite the uncertainty surrounding DOD consumption, DOD Industrial Policy Director Brett Lambert was recently quoted as saying, "the U.S. must only survive a few more years of

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Beijing's dominance over rare earths minerals supply and pricing, then American and key allies should be able to turn the tables." He has also argued market forces will naturally bring new supply sources on-line in the foreseeable future. However, the new sources of rare earths projected to be available in the near-term are primarily light rare earths. The recent Department of Energy Critical Materials Strategy notes some of the most critical materials are heavy rare earths.

Therefore, the new sources may not alleviate supply shortages faced by DOD. Additionally, manufacturing capabilities required to convert materials into the components needed for our defense systems are virtually non-existent in the United States today and to our knowledge, no prime contractor has long-term supply agreements to ensure access in a fully secure supply chain. Given the dwindling domestic supply chain and struggle to accurately identify DOD consumption of rare earth elements, we respectfully disagree with Director Lambert's initial assessment.

Our modern technological economy, from hybrid cars to direct drive windmills to consumer electronics, requires rare earth dependent components and will impact product availability. Fully understanding the aggregate demand for rare earth materials and necessity of the demand will be essential to understanding the supply limits, the future market, and formulating U.S. policy on these materials. Therefore, we urge the Department to wholly recognize the national security implications of limited rare earth materials, define aggregate demand by requiring a full accounting of consumption by its contractors, define DOD's current and future demand for these materials by comparing usage to future years weapons inventories, and propose real solutions on rare earth availability in the report due to Congress (Section 843 of Public Law 111-383, the National Defense Authorization Act for Fiscal Year 2011). We also request the expected delivery date of this report so that we can discuss this issue in greater depth and cooperatively address this growing concern.

Sincerely,



Mark Begich
United States Senator



Lisa Murkowski
United States Senator



Mike Coffman
United States Representative