

DC Trip Report

April 29 - May 3, 2024

Council Member Rachel Lord & Special Projects Coordinator Jenny Carroll

Jenny and I had a very productive, whirlwind trip to DC. We left Homer Monday afternoon, took a redeye flight and arrived in DC on Tuesday afternoon. We met Chris & Reggie of J&H Consultants Wednesday morning and then set off for a full day of meetings, which are recapped below. Thursday morning we met with Drue Pearce and Kaleb Froehlich from Holland & Hart to better understand the opportunities for federal lobbying and strategizing for the City of Homer. That is also recapped below. Later Thursday morning, we went on a Capitol tour with a member of Sen. Murkowski's staff. We flew home Thursday night, arriving in Anchorage in the wee hours and driving home Friday. Many thanks to the Council for supporting this trip - Congress was in the middle of appropriations, and we were told many times how valuable it was to have a physical presence in the Capitol to discuss our priorities and Congressional Designated Spending (CDS) requests with staff.



Jenny and I sent postcards to Senator Stevens and Representative Vance, and we sent cards of appreciation to those we met with in DC upon our return home. It was great to have Chris & Reggie set up our meetings, and join us on nearly every meeting (except with the Corps). Chris took notes during our meetings, and together they were a familiar presence even in DC.

Sen. Murkowski's Staff: Dana Herndon, Legislative Assistance; Matt Robinson, Staff; Matt Jones, Staff; Amanda Klawinski, Staff/USCG Fellow

- Reviewed in detail the City's CDS requests in order of priority, answering staff questions on each project:
 - 1: Systems 1 & 4 Float Replacement (other funding sources include PIDP proposal, Denali Commission)
 - Staff assured us that the full Delegation is working on a joint letter of support for our PIDP proposal.
 - Staff confirmed that the Senator does not have a PIDP account available this year, but that the Senator will work with Representative Peltola, who is taking PIDP requests.
 - 2: Spit Erosion Mitigation
 - Noted that we will work with Senator Murkowski's staff in the next week to refine the language here to focus more on climate resiliency vs. road protection, to better align with the NOAA available funds
 - 3: A-Frame Water Transmission Main Replacement
 - 4: Beluga Slough Lift Station
- Discussed how everyone is really re-learning, or learning for the first time, the appropriations process.

- The Homer team was complimented on the information they have provided both in person and through the CDS application process. Sen. Murkowski's staff looks forward to the continuing relationship with Homer.

Sen. Murkowski

- We expressed sincere appreciation for her partnership and support for Homer's General Investigation.
- Focused GI status, financial commitments from the City and State, appreciation for inclusion in the President's FY25 budget, and the hope for bridge funding in the Corp's FY24 work plan.
- We asked for the Senator's support in getting an Economic Survey through the lengthy USACE approval process, as it's been with the Federal partners since December. The survey will help identify and document economic activity, and is intended to supplement the USACE's standard economic model. We reviewed our understanding of its current status - that it has passed through the lengthy USACE review and is now heading to the Office of Management and Budget (OMB).
- Sen. Murkowski appreciates long range planning and patience of the Homer team. She continues to support the project.



Senator Dan Sullivan

Erin Johnson, Staff

Jason, staff

Eric Ulman, Staff/USCG Fellow

- We expressed sincere appreciation for the Senator's support for Homer's General Investigation. Senator Sullivan expressed he is very supportive of the study.
- We provided an update on the GI status, financial commitments from the City and State, appreciation for inclusion in the President's FY25 budget, and the hope for inclusion of some bridge funding in the Corp's FY24 work plan budget.
- We emphasized the need for the Economic Survey to be approved, as it's been with the Federal partners since December. We reviewed our understanding of its current status - that it has passed the lengthy USACE review process and is now heading to the Office of Management and Budget (OMB).
- Sen. Sullivan will continue to monitor Army Corp funding and meets with them at least quarterly. He also said he would keep an eye on the Economic Survey and track it through OMB.
- Staff confirmed the full Delegation is working on a joint letter of support for our PIDP proposal.

Congressperson Mary Peltola
Logan Basner, Legislative Assistant

- Reviewed in detail the City's appropriation (CPF - Community Project Funding) requests in order of priority, answering staff questions on each project:
 - 1: Systems 1 & 4 Float Replacement (other funding sources include PIDP proposal, Denali Commission)
 - Logan confirmed the full Delegation is working on a joint letter of support for our PIDP proposal.
 - 2: Spit Erosion Mitigation (*quick* overview)
 - 3: A-Frame Water Pipe Replacement (*quick* overview)
 - 4: Beluga Slough Lift Station (*quick* overview)
- Rep. Peltola noted that she works closely with Sen. Murkowski on these projects.
- We reviewed the Harbor Expansion General Investigation and Rep. Peltola offered her support. She was recently in Homer, and appreciated how crowded the harbor was. We discussed different revenue streams at the harbor, City bonding capabilities, and the importance of the Homer Port & Harbor for the movement of goods and fleets that serve western Alaska.
- Rep. Peltola compliments Homer on sharing their resources and the long range planning vision of the community.



**Steve Kopecky, Deputy Chief Northwest Division Regional Integration Team, Civil Works,
US Army Corps of Engineers**
Team via Zoom: Dan / Regine / Ida / Rachel

HQ REGIONAL INTEGRATION TEAM (RIT)								
	SAD	SPD	MVD	SWD	LRD	NAD	NWD	POD
HQ SES RIT Champion	Pete Perez, SES Chief, Engineering & Construction		Eric Bush, SES Chief, Planning & Policy		Thomas Smith, SES Chief, Operations & Regulatory		Stephen Hill, SES Chief, Homeland Security	
RIT Deputy	Susan Lucas		Karla Roberts		Ryan Fisher		Steve Kopecky	
Programmer	Doris Valentin- Meyer Ingrid Bon	Julia Harvey	Sharon Sartor	Rebecca Albert	Joseph Aldridge	Anastasiya Kononova	Regine Maier	Vacant
Planner	Sue Wilcox Ingrid Bon	Charles Wilson	Ian Swisher Bryan Taylor	Eddie Douglass	Karen Miller	Nate Richards	Dan Hughes	Rachel Wooten
Endowed Chair	Nicole Liette	Rachel Watson	Rachel Hawes	Tony Porter,	Kaitlyn McClain/Arun Heer		Ida Royer	

On Wednesday afternoon, we met for over an hour with Steve Kopecky at the USACE DC headquarters. Steve is the Deputy Chief of the Northwest/Pacific Ocean Division Regional Integration Team - [here is a presentation](#) from early April about what the RIT is. Five members of his team joined via zoom, including two lead planners. We discussed the status of the Homer Harbor Expansion General Investigation study in depth, including the status of the Economic Survey approval. We asked that the team work with their Chief Economist to ensure that there is a solid Plan B, and timeline for this important documentation, in the event the survey approval gets delayed or lost within the OMB. Everyone we talked to considered OMB a concerning black box, especially for survey approval which has just been resumed after a long hiatus.



We expressed strong appreciation for our Project Development Team, and the need for continuation funding to match the City and State investments. We expressed sincere hope for inclusion in the FY24 work plan, and were (unsurprisingly) given no assurances one way or another, but that the workplan budget should be out within the next month. We discussed that the GI was in the President's proposed FY25 budget and Mr. Kopecky indicated that it is rare for a USACE budget item to be removed from the Federal proposed budget.

We had brief discussions about the overall GI process, and talked at length about the move nationally (especially for projects in Alaska and Hawaii) to shift from a strict >1 BCA to including an assessment of “comprehensive benefit” to evaluate potential projects. Steve talked through how they are beginning to better understand and integrate the challenges of holding all projects to economic modeling metrics that work for the Port of Los Angeles or Tacoma, for example, but have never worked for remote locations across the nation. We asked Steve for any further resources to help us better understand and communicate the concept of comprehensive benefit, and he said he would find something to share.

Steve and his team plan to meet with our Project Development Team following the release of the FY 24 work plan to review and update where we are for the Homer Harbor GI.

Drue Pearce & Kaleb Froehlich, Holland & Hart

On Thursday morning, we met with Drue Pearce - a lobbyist with Holland & Hart. Drue lived in Anchorage, and served in the Alaska Legislature from 1985-2001, serving as Senate President in 1995 and 1999. She provided us with detailed information about Holland & Hart’s federal lobbying services, their extensive Alaska connections, and the strong potential return on investment for having a federal presence.

We talked generally about City projects with a federal nexus, including the Harbor GI, spit erosion, other appropriations requests, and other projects. We were also joined by Kaleb Froehlich, who recently moved to Holland & Hart from his previous position as Chief of Staff to Senator Murkowski. Kaleb isn’t lobbying for H&H, but is providing some consulting services that may be useful for the City. Included with our report is the letter Drue provided us with more detailed information about their services. When we inquired about rough cost estimates, she gave a broad range of \$6,000 - \$7,500/month with an annual contract, depending on the level of services. All together, these materials and information should provide the Council and Port & Harbor Advisory Commission with good context for a robust conversation about how we might want to proceed.



A Side Note - Federal Lobbying:

According to OpenSecrets.org, other AK municipalities reporting federal lobbyists in 2023:

Anchorage	\$200,000	Blank Rome Government Relations
Sitka	\$160,000	Blank Rome Government Relations
Native Village of Eyak	\$120,000	Jack Ferguson Associates, Inc.
Juneau	\$120,000	Blank Rome Government Relations
Seward	\$80,000	Robertson, Monagle & Eastaugh
Akutan	\$80,000	Blank Rome Government Relations
Unalaska	\$75,996	Robertson, Monagle & Eastaugh
King Cove	\$72,000	Silver Legal Services
Dillingham	\$69,000	Chris Hladick Consulting
Haines	\$60,000	Windward Strategies/Isthmus LLC
Nome	\$50,000	Windward Strategies
Craig	\$45,000	Silver Legal Services/Robertson, Monagle & Eastaugh
Hoonah	\$40,000	Markley & Co
Kodiak	\$40,000	Robertson, Monagle & Eastaugh
Petersburg	\$40,000	Robertson, Monagle & Eastaugh
Kodiak Island Borough	\$40,000	Robertson, Monagle & Eastaugh
Wrangell	\$40,000	Robertson, Monagle & Eastaugh
Whittier	\$40,000	Robertson, Monagle & Eastaugh
Kotzebue	\$30,000	Holland & Hart
Valdez	\$20,000	Capitol Hill Consulting Group
State of Alaska	\$40,000	Brownstein, Hyatt et al

May 1, 2024

Special Projects and Communications Director Jennifer Carroll
Council Member Rachel Lord
City of Homer,
491 E. Pioneer Avenue
Homer, Alaska 99603

Dear Ms. Carroll and Member Lord,

Thank you for the opportunity and your consideration of our proposal for Federal Government Lobbying Services for the City of Homer. This letter is an introduction to Holland & Hart and outlines an offer of engagement to address municipal harbor expansion and funding, opportunities for additional federal grant funding, and other issues that may be of interest moving forward.

With a proven track record spanning decades, Holland & Hart is well-positioned to assist the City of Homer in advancing its federal presence, interests, and reputation in Washington. An Alaskan since 1977, I understand the unique challenges faced in our home state. My lengthy service in the State Legislature, including my eight years as Senate President and Finance Co-chair, left me with a unique understanding of the importance of federal funding to the state and its municipalities. My service at three federal agencies gives me an uncommon understanding of federal agency budgeting and the federal grant process. I am experienced at educating those in Washington, DC about what makes Alaska different and why a one-size-fits-all approach seldom works to address Alaska issues, especially for our more remote communities.

Because I divide my time between Alaska and Washington, DC, I'm able to keep my finger on the pulse of Alaska's people and the issues of the day. I'm also able to easily travel throughout the state. I am passionate about Alaska, especially about coastal communities. You may remember that my committees had jurisdiction over the spill prevention and mitigation laws passed by the Legislature after the Exxon Valdez, and I continued to monitor shipping as prime sponsor of the Marine Pilot reauthorizations until I left Juneau.

Given the present uncertainty about the annual appropriations process during an election year and beyond, this is an especially important time for the city to be involved in the decision-making process in Washington, DC. The Alaska Delegation will continue to work on broad Alaskan legislation focused on economic development and economic certainty for the tourism, mining, fisheries, and oil industries at the same time they secure Congressionally Directed Spending allocations for Alaskan projects. It is vital that the city keep members of Congress and

agencies in Washington updated on your views to ensure your concerns and interests are represented.

Holland & Hart can help the city take full advantage of federal support for infrastructure development. There is an abundance of open federal agency grant programs which can be used to diversify and strengthen the local economy, including the proposed harbor expansion.

The city's priorities will inevitably be evaluated by federal agencies and even by the Alaska Delegation in the context of the myriad priorities advanced by the Borough, by other municipalities within the region, by CIRI and local Tribes, by the State of Alaska, and by local utilities and other interests, such as AIDEA. Coordination, collaboration, and consultation (the three C's) with your competitors for federal dollars are essential to the city's success; you need allies, as do they. I bring over thirty years of government service and experience to your priorities; I've written both the State capitol and operating budgets as well as federal agency budgets, lobbied for local, state, and federal projects, managed federal grant programs, issued millions of dollars of grants, and managed large projects that required federal, state, local, and Tribal coordination. I understand the promises of the Statehood Compact, and the differences faced by Alaska and its people. I know the region and am a gifted advocate who will use those three C's to help you build support for the city's priorities in a very crowded setting.

Plan of Action

As part of a strategic government relations lobbying effort on the City of Homer's behalf, Holland & Hart will conduct a careful analysis of your current needs, assets, and historic efforts relative to your harbor expansion. I will come to Homer to meet and have in-depth discussions with City officials about your needs and expectations. This analysis will review your existing relationships with government decision-makers on Capitol Hill and within relevant agencies to identify areas where an investment of effort and resources will best strengthen your current relationships and address any existing deficiencies. We will pursue your priorities by promoting the city's views before Congress and the Executive Branch.

We will work directly with the Mayor and the City's team, with our agency contacts, and with the relevant committee authorizers and appropriators. Key target committees will include both the Senate and House Appropriation Committees, and other committees where our Delegation plays key roles, such as House Transportation and Infrastructure, Senate Commerce, Science and Transportation, and Armed Services.

Parallel to the Congressional outreach, Holland & Hart will also help maintain and enhance strong lines of communication with officials in federal agencies and the White House.

Earlier COVID restrictions have had a positive effect in that Members, staff, and Administration officials are much more willing to utilize virtual technologies that were pioneered by the Alaska Legislature decades ago. This allows city officials to speak directly to politicians and career staff in DC without the cost and time away from home required to travel to DC. Our efforts on behalf of the city would combine both in-person and virtual elements.

I would be the principal lobbyist on the account. It is critical to establish regular and effective communication and I will work with Homer officials via monthly update and strategy calls and written reports as well as coming to Homer for meetings when appropriate. I am available daily to consult with City officials via email, phone, and text as issues and questions arise. While I will be the Holland & Hart lead working on behalf of the City of Homer, the Firm has additional DC resources to track legislation and Congressional and executive branch developments. We would prepare briefing materials, testimony, talking points, and correspondence as needed. In addition, we would identify the most relevant decision-makers, schedule high value meetings, and accompany City officials in virtual or in-person meetings when appropriate. Further, Holland & Hart would work with you to coordinate and implement recommended initiatives and advise you regarding necessary follow-up. We would also provide proactive guidance and strategic support as appropriate.

As you know, Kaleb Froehlich recently rejoined the Firm after his three years of serving as Senator Murkowski's Chief of Staff. Kaleb is, of course, an extraordinary asset to the Firm but will also be an asset to Homer as we work together to move the harbor expansion project forward.

Biography

With over 30 years of state and federal elected and appointed service and a decade of private sector experience, I have expertise in a diverse range of roles while navigating the federal landscape in Alaska and Washington, D.C. Apart from my most recent federal service as the Deputy Administrator of the Pipeline and Hazardous Waste Safety Administration (PHMSA) at the U.S. Department of Transportation (USDOT), I have focused exclusively on Alaska issues.

My approach to lobbying combines substantial expertise, strong Hill and executive branch relationships, and the development and implementation of specific strategies. I believe it is important to work closely with clients to understand their priorities and tailor lobbying goals to current legislative and political conditions. I prefer to build long-term relationships with clients to allow for more effective pursuit of annual and multi-year initiatives. My extensive knowledge of regulatory processes and stakeholders gives me invaluable insight into the critical issues that affect clients.

I have experience working for municipal and state government entities as well as private sector clients. I believe I can best serve individual clients that do not have competing priorities. In my experience, a lobbyist who goes to the Delegation with a myriad of requests for several entities in the same region is inevitably asked to prioritize the requests. Therefore, I would not attempt to take on other clients in the Kenai Borough without consulting you.

As my attached resume makes clear, I have unique experience and perspective with issues involving federal and state lands management, responsible resource development, ANCs and Alaska Natives and Tribal governments, and Arctic issues.

Holland & Hart has offices in both Anchorage and DC; I divide my time between the two as necessary to best serve my clients.

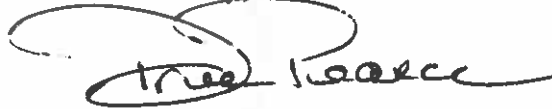
Past and present clients include the North Slope Borough Mayor, the Alaska Gasline Development Corporation, AIDEA, the State of Alaska, the City of Kotzebue, a major oil and gas corporation, an international transportation project and a foreign mining interest. During my 17 years of elected service in the Alaska Legislature, my constituents in West Anchorage were my clients.

Compensation Structure

We would propose a monthly retainer with an annual contract. We would also expect out-of-pocket travel expenses, as needed and approved in advance by the city.

I am excited about the prospect of partnering on behalf of Holland & Hart with the City of Homer and thank you again for your consideration. Please call me at 907.230.8558 if you have any questions. I can also be reached at DPearce@hollandhart.com.

Sincerely,



Drue Pearce
Government Affairs Director
Holland & Hart LLP
907.865.2600 AK
202.393.6500 DC

cc: Mr. Reggie Joule

Attachment

Drue Pearce

221 East Seventh Avenue, #313, Anchorage, AK 99501 15415 Tanyard Road, Sparks Glencoe, MD 21152
907.230.8558 Mobile druepearce@att.net

Present and Past Positions

Director of Government Affairs

Holland & Hart, Anchorage, AK and Washington, D.C.

March 2021 – Present
January 2021 – August 2017

Provide strategic government affairs services to clients in the energy, utility, local and state government sectors focused on Alaska, Arctic Council, Arctic Policy, energy security and resource development issues.

Deputy Administrator, Pipeline and Hazardous Materials Safety Administration (PHMSA) at USDOT

President Donald W. Trump Administration, Washington, D.C.

August 2017 – January 2021

Non-career SES Appointee: served as the Agency's second in command; responsible to the Administrator for providing overall leadership, planning and policy direction for the agency. Had direct responsibility for Rulemaking. TS/SCI security clearance.

Senior Policy Advisor

Crowell & Moring, LLP, Anchorage, AK and Washington, D.C.

November 2010 – January 2017

Provide strategic government affairs services to clients in the energy, utility, local and state government sectors focused on Alaska, Arctic Council, Arctic Policy, energy security and resource development issues.

Federal Coordinator for Alaska Natural Gas Transportation Projects

President George W. Bush Administration, Washington, D.C.

December 2006 - January 2010

Presidential appointee confirmed by the U.S. Senate. The Office of the Federal Coordinator (OFC) was responsible for advancing the nation's energy, environmental, and economic security by expediting the delivery of Alaska natural gas to North American markets. This Executive Level III position entailed the startup of an independent agency of the federal government responsible for coordinating the activities of more than 20 federal agencies, the State of Alaska, the Government of Canada, project proponents, and myriad stakeholders. As Federal Coordinator, I was responsible for all aspects of managing the agency, including policy development, staffing, budget, strategic planning, implementation, and governmental and public affairs. TS security clearance.

Senior Advisor to U.S. Secretary of the Interior

U.S. Interior Department, Washington, D.C.

June 2001 - December 2006

Federal Schedule C Political Appointee. Directed Secretarial level activities of seven U.S. Interior Department agency Alaska regional offices and served as Alaska intergovernmental and congressional liaison. Participated in decision making and advised on policy decisions of national importance, including National Energy Policy implementation. TS security clearance.

State Senator, Alaska Legislature

January 1989 – June 2001

Elected to the Alaska State Senate for four terms, first woman to serve two terms as Senate President, twice as co-chair of the Senate Finance Committee and as Rules Committee chairman.

State Representative, Alaska Legislature

January 1985 – January 1989

Elected in 1984 to the Alaska House of Representatives for two terms, Minority Whip in second term.

Accomplishments

- Member of Coordinating Subcommittee of the National Petroleum Council's Arctic Research Report: *Arctic Potential: Realizing the Promise of U.S. Arctic Oil and Gas Resources, 2015*, and *Dynamic Delivery: America's Evolving Oil and Natural Gas Transportation Infrastructure, 2019*.
- Signatory for Department of the Interior to 2006 Memorandum of Understanding Related to an Alaska Natural Gas Transportation Project and coordinated project activities (2004-2006).
- Appointed by Secretary of Transportation to Pipeline and Hazardous Materials Safety Administration Technical Liquid Pipeline Safety Standards Committee (2003-2009).
- Appointed by Secretary of the Interior as Federal Trustee to the Exxon Valdez Oil Spill (EVOS) Trustee Council and as Interior Representative to the Inter-Agency Research Policy Council (IARPC) (2001-2006).
- Appointed by Secretary of Defense to Defense Advisory Committee on Women in the Services (2001-2002).
- Chaired Alaska Legislative Committees of jurisdiction that authored complete rewrite of Alaska's oil and hazardous waste prevention, contingency planning, and response statutes, as well as the state pilotage laws and other updates because of the Exxon Valdez oil spill. Prime sponsor of legislation to bring non-tanker vessels into compliance with prevention and response statutes.
- Served as Chair and Executive Committee member of The Energy Council, a legislative organization of energy-producing states in the United States, Canadian provinces, and the nation of Venezuela (1989-2001).

International Experience

- Engaged all levels of Canadian federal, provincial, and First Nations officials in coordinating activities on both sides of the international border to permit a 2,700-mile natural gas pipeline. Developed close working relationships in Ottawa, Calgary, Yellowknife, Whitehorse, and Vancouver.
- Co-led Alaska Legislature and Business Delegation to Alberta and Northwest Territories to establish intergovernmental protocols (2001).
- Member of the U.S. Delegation to the Arctic Council. Directed Interior Department participation in the Arctic Climate Impact Assessment (ACIA), Oil and Gas Assessment, and other working group projects. Served on the Sustainable Development Working Group and participated in Arctic Council Senior Arctic Official (SAO) and Ministerial Meetings in Finland, Russia, Iceland, and Norway. Member of Executive Committee that organized the first U.S.-Canada Arctic Research Forum (2001 – 2009).
- American Co-Chair, U.S. West Coast – Russian Far East Business Commission Ad Hoc Working Group. Chaired numerous meetings in the U.S., Sakhalin Island, and Vladivostok. Hosted Sakhalin and Khabarovsk regional Duma delegations in Alaska and signed official protocols with both (1996 – 1998).
- As officer of the Energy Council, led delegations to Venezuela, Mexico, Bolivia, Costa Rica, and Canada. (1993 – 2000).
- Associate Fellow, The Nautical Institute, London, United Kingdom.
- Co-Chair of the Arctic Circle Task Force on Shipping and Ports.

Civic and Professional Positions

- Principal Owner, Cloverland Farm, White County, IL and Hunt Valley, MD (1990 – present).
- Founding Board Member of the Damage Prevention Action Center (2024).
- Former Chair & Member of Executive Committee, Institute of the North Board of Directors (2010 – 2017).
- Member of the Board of the Marine Exchange Alaska (2011 – 2017).
- Vice Chair, Alaska Aerospace Corporation Board of Directors (2011 – 8/2016).
- Vice Chair, Alaska Gasline Development Corporation Board of Directors (2013 – 2015).
- Member of the Executive Committee, Arctic Power (2010 – 2016).
- Resources Consultant, Arctic Slope Regional Corporation (1987 – 2000).
- Legislative Ex Officio Member of the Boards of Anchorage Economic Development Corporation and the Alaska Women's Aid in Crisis (1990 – 2001).
- Alaska National Bank of the North, Fairbanks, Anchorage, and Manager in Kotzebue

Education

- The Executive Program (TEP), Darden School of Business, University of Virginia (1989).
- MPA, Kennedy School of Government, Harvard University (1984).
- BA, Biological Sciences, Indiana University (1973).