

## Friends of Pilgrim Hot Springs meet with CBNA administrator

By Laurie McNicholas

The Friends of Pilgrim Hot Springs, a group of Nomeites who are concerned about the future of the historic 320-acre site located off the Kougarok Road about 60 miles northeast of Nome, decided to form an organization under state law during a town meeting June 11 in the City Council Chambers.

In 1917 Pilgrim Hot Springs was deeded to the Catholic Church, which operated a boarding school and orphanage there from 1918 until the early 1940s. A church, other buildings, a cemetery and hot tubs are located on the site. A number of Seward Peninsula children whose parents died in the influenza pandemic of 1918 were raised at the orphanage. The property was listed on the National Register of Historic Places in 1977.

The Friends of Pilgrim Hot Springs also decided to write individual letters to Sen. Donny Olson and Rep. Richard Foster requesting a legislative waiver of the right of way requirement for the seven-mile public access road leading from the Kougarok Highway to Pilgrim Hot Springs. The road's 25-year right of way expired in 2005, explained Tom Buzek, business administrator for the Catholic Diocese of Fairbanks, which owns Pilgrim Hot Springs. Renewal of the right of way is a complex process that could take three years to complete, he explained.

Buzek also noted that the Bering Straits Native Corp. and the Mary's Igloo Native Corp. each own land along the road and have control of the access to Pilgrim Hot Springs. Several large holes in the road are filled with about three feet of water that currently prevents cars (but not trucks) from traversing the entire route.

Questions about the future of Pilgrim Hot Springs arose in March 2008 when the Catholic Bishop of Northern Alaska, which is the legal corporate name for the Diocese of Fairbanks, filed for bankruptcy reorganization under Chapter 11 because it lacked the resources to settle about 150 claims of sexual abuse by a few priests and volunteers. As part of the reorganization process the diocese advertised nationally and across the state in print, radio and television asking possible victims to file claims. In response the number of claimants nearly doubled to close to 300.

In a press release issued April 1, 2009, the CBNA stated that the reorganization plan the diocese has filed in bankruptcy court proposes to mortgage or sell many diocesan assets. The release said CBNA also will appeal to donors and conduct other fundraising to pay people who have filed claims for sexual abuse and cover reorganization costs.

The CBNA received possession of Pilgrim Hot Springs from the leaseholder, Art Neuman of PS, Ltd. in federal bankruptcy court last December, Buzak reported. He said the diocese had given a 99-year lease on the property to PS, Ltd. in 1969 in exchange for \$500 a month and 10 percent of royalties generated

through development of the site.

In court testimony Neuman cited impossibility and mutual mistakes as reasons he had not developed the property, and he did not ask to continue as leaseholder, Buzak said. The court returned possession of Pilgrim Hot Springs to the diocese because PS, Ltd. was a non-performing leaseholder.

Rather than sell the land, diocesan administrators hope to develop income-producing ventures on the property to help pay claimants. When Buzek joined the diocesan staff in 2000 he found that Pilgrim Hot Springs was one of the only income-producing properties owned by the diocese because it was leased out, he noted.

Buzek held informational meetings to discuss ideas for development of Pilgrim Hot Springs in Nome Feb. 2 and in Teller Feb. 7. At last week's meeting in Nome he said the reorganization plan filed by the diocese in bankruptcy court calls for development of projects at Pilgrim Hot Springs that will generate up to \$3 million for the plan over a five-year period.

### Geothermal energy potential

Buzek identified four phases of potential development for Pilgrim Hot Springs--geothermal, agriculture, preservation of historic buildings and tourism. Development of the area's geothermal resource could produce a cheaper power source for Nome than diesel fuel and could generate some income for the CBNA bankruptcy plan. Buzek is seeking investors willing to spend up to \$94 million to build a 5-megawatt geothermal plant. Noting that Nome may not need that much power, he said a less expensive 2-megawatt plant could be planned if that is feasible.

The source of geothermal energy (called the hot spot) in the Pilgrim Hot Springs area is unknown. Buzek said the University of Alaska Fairbanks Alaska Center for Energy and Power applied for a \$2.3 million renewable energy grant from the Alaska Energy Authority to conduct an assessment of the geothermal resource at Pilgrim Hot Springs. The proposal was recommended for funding, but was not among the final projects funded with the \$25 million available this year in the second round of funding. However, ACEP's organizational director Gwen Holdmann told Buzek on June 11 that she may have found funds to conduct geotechnical research at Pilgrim Hot Springs this summer.

Buzek noted that a geothermal plant probably will need to draw from a larger area than the 320 acres owned by the CBNA. Property surrounding Pilgrim Hot Springs is owned by the Mary's Igloo Native Corp. The 1918 flu pandemic and a tuberculosis epidemic two years later devastated the village of Mary's Igloo, which currently has no year-round residents. Matt Ganley, vice president of lands and resources, Bering Straits Native Corp., said the regional corporation deeded subsurface rights to the of Mary's Igloo Native Corp. when BSNC was bankrupt

in the 1980s.

Buzek said a 45-mile transmission line could be built along the Kougarok Road to transmit energy from the geothermal plant to Nome. Ganley noted that BSNC, Sitsnasuk, the Bureau of Land Management and the State own land along the route. "There could be existing easements on the road," he added.

Buzek emphasized that efforts to provide a geothermal plant at Pilgrim Hot Springs will require support from Nome residents and a commitment from Nome Joint Utility System to buy power from the plant.

### Other potential uses of site

Buzek said geothermal development would require a long timeframe and a large monetary investment compared to projects based on agriculture, tourism or the preservation of historic buildings. He suggested that the Friends of Pilgrim Hot Springs, the BSNC and the Mary's Igloo Native Corp. discuss uses of the property in terms of its value to all of the people of the Seward Peninsula. He said it could be used for a spiritual retreat, health retreat, community gardens, a new community and/or a museum. "All kinds of things could be done with it," he noted.

Agricultural crops and livestock

were grown at Pilgrim Hot Springs during its years as a boarding school and orphanage. Louie Green, who worked for many years as caretaker of the property for PS, Ltd., said pretty good crops were produced there from 1975 to 1982. He recalled clearing 10 acres and planting mostly oats, barley and some potatoes and other vegetables. On June 3 of one year, flooding washed away the alfalfa seeds he had planted, he added.

Ganley said he has looked into a national source of funding for preservation of historic buildings and learned you cannot use the funds to directly benefit a religious organization. "This is a problem," he noted. "To improve the actual church, the way the law is, it must be separate from the [CBNA] itself. The best option is for those kinds of funds, but you can't get at them [as long as CBNA owns the church]." Ganley also questioned what would happen to investments in projects at Pilgrim Hot Springs if at the end of five years the CBNA has not derived the income from the property required under the bankruptcy plan.

Buzek displayed an aerial photo taken several days prior to the June 11 meeting that showed structures at Pilgrim Hot Springs surrounded by many large pools of water caused by flooding of the Pilgrim River this

year. Green pointed out strips of land that are dry enough in summer months to produce crops.

Jana Varrati said wetlands sink when water is removed from them. Buzek replied that hot water is pulled from about 5,000 feet below the surface to produce geothermal energy, so the process does not affect wetlands. While showing photographs of a 30-megawatt geothermal plant in Nevada, he explained that high pressure water pumps drive hot water through pipes to create steam from a coolant in two separate loops. In this closed loop system, water is injected back into the ground, he added. He said a geothermal plant at Pilgrim Hot Springs would be enclosed, unlike the Nevada plant.

Some visitors enjoy soaking in tubs of hot mineral water and watching a variety of migratory birds at Pilgrim Hot Springs in summer months. Buzek asked Green how many tourists come there. "In 2007, 350 in July, 200 to 250 in June, and in August it trailed off," Green replied.

Noting that the CBNA does not have a business arrangement with Green, who plans to leave town later this month, Buzek said he must find someone to take a lease on the prop-

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Photo by Denise Olin

**WHO, ME?—Sameria Ross denies being of much help in Nome and the region. As the director of the Bering Sea Women's Group (BSWG) shelter, Ross is more help than she realizes. The BSWG hosted a dinner for the NSVRC leaders at the XYZ Center on June 2.**

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erty. He said the leaseholder would need liability insurance. He agreed with Varrati's comment that the algae-covered hot tubs are unappealing.

"There has not been much maintenance of the property for the past 40 years," Buzek noted. "Louie could testify that he did not have the resources. It should have been done per the lease of 1969. If PS, Ltd. had paid attention, the buildings could have been preserved. They are in terrible shape now. I hope the hot spot is not under the church."

Janet Tobuk recalled that her father, Tony Krier, had volunteered much time and labor to maintenance tasks at Pilgrim Hot Springs. "He replaced bridges and the next year had to replace them again," she said. "I asked my dad, 'Why put money into what's not yours?' He said he'd had a good time there."

Buzek said he is getting close to deciding to close Pilgrim Hot Springs to visitors this summer and clean up the area. He said he may post a sign on the property.

"I am saddened to hear what was said," commented Richard Benneville, who has transported tourists to Pilgrim Hot Springs for at least 15 years. "It's going against the spirit of it all."

"Maybe your business should put in a proposal first," replied Buzek. He suggested that Benneville call him.

Buzek spent last weekend at Pilgrim Hot Springs assessing conditions in the area. When he returned to Nome Sunday evening, he told *The Nome Nugget* that Pilgrim Hot Springs will be closed until further notice due to the 2009 Pilgrim River flood.

Buzek also said he has listened to many "heart stories" in the past few months from persons who remember good times at Pilgrim Hot Springs, have relatives buried in the cemetery on its grounds, or had friends and forebears who were raised at the orphanage or attended boarding school there. He suggested that they and all other friends of Pilgrim Hot Springs send their stories directly to him or to Bishop Donald Kettler in individual letters and state why it is important to them to keep the area accessible to the public. The mailing address for Tom Buzek and Bishop Kettler is: Catholic Diocese of Fairbanks, 1316 Peger Road, Fairbanks, AK 99709.

Buzek plans to return to Nome July 11 or 12 to spend a week at Pilgrim Hot Springs. He invited volunteers to help him clean up and paint structures at the site during that week.

The next meeting of the Friends of Pilgrim Hot Springs is scheduled June 25 at 7:30 p.m. at the Polar Cub Restaurant. Everyone is welcome to attend the meeting and to become a member of the organization.

## • NSVRC

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cacy center and even the Troopers. I was impressed with [Trooper] Col. [Audie] Halloway and the local troopers there that were very interested in primary prevention and respecting folks' history and culture, and working towards where this doesn't have to happen," Diamond said.

Diamond said the visit served as an opening of a dialogue between those who work on a national level and Nome in regard to confronting sexual abuse. Such connections could help lead to national policy being written to help citizens in some of the most rural parts of the country.

Diamond said one area where that could make a difference is with the Violence Against Women Act, which heavily considers population under its funding formulas. "The council members involved in that are going

to go back and try to influence some change in how that legislation gets written, to make sure that there are some considerations to geography," she said. "Just the transportation costs alone are so much larger here than in many other places. ... I think they look to get some change in the national policy level around resource allocation. That could be a huge help if they are successful at that."

Despite all the challenges that come with Alaska's remote location and sparse population, council members were able to come away with some positive reflections. "It was really inspiring to see the voluntary efforts that people put in when everybody has their own struggles and challenges, and yet they find time to help others in the community," Diamond said. "There seems to be a really strong spirit of that that I think is something to build upon."



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