

Should this item be pulled from the consent agenda the following motion is suggested:

**POSSIBLE MOTION**

**I MOVE TO** approve Resolution 2018-23 on  
first and final reading.

Note: The Port and Harbors Commission, at their meeting of October 10, approved a motion in support of Resolution 2018-23.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
Keith Brady, Municipal Administrator

**From:** Stan Eliason, Harbormaster

**Date:** October 10<sup>th</sup> 2018

**Subject:** Approval of Resolution in Support of Full Funding from the State of Alaska for the Municipal Harbor Facility Grant Program

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### **Background**

The substantive portions of this resolution were drafted by the Alaska Association of Harbormasters and Port Administrators (AAHPA), of which CBS Harbor Department is a member. This resolution recommends full funding for the State of Alaska Department of Transportation's Harbor facility Grant Program. CBS has been a beneficiary of approximately \$11.6 million in harbor grant funding since the program's inception (2006).

The CBS has submitted two applications this year for a total of \$1.7M for Eliason Harbor electrical upgrades and for the installation of zinc anodes in Thomsen Harbor. The City & Borough of Sitka along with the municipalities of the City of Ketchikan, the City and Borough of Juneau, the Municipality of Anchorage and the City of Angoon have offered to contribute \$7,409,439 in local match funding for FY2020 towards seven harbor projects of significant importance for Alaska.

### **Recommendation**

Approve Resolution 2018-23.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2018-23

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA SUPPORTING FULL FUNDING FROM THE STATE OF ALASKA FOR THE MUNICIPAL HARBOR FACILITY GRANT PROGRAM**

**WHEREAS**, a majority of the public boat harbors in Alaska were constructed by the State during the 1960s and 1970s; and

**WHEREAS**, these harbor facilities represent critical transportation links and are the transportation hubs for waterfront commerce and economic development in Alaskan coastal communities; and

**WHEREAS**, these harbor facilities are ports of refuge and areas for protection of oceangoing vessels and fishermen throughout the State of Alaska, especially in coastal Alaskan communities; and

**WHEREAS**, over the past 30 years, the State of Alaska has transferred ownership of most of these state-owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

**WHEREAS**, the municipalities accepted ownership from the State of Alaska despite knowing that the harbor facilities were in poor condition at the time of transfer due to the State's failure to keep up with deferred maintenance; and

**WHEREAS**, consequently, when local municipal harbormasters formulated their annual harbor facility budgets, they inherited a major financial burden that their local municipal governments could not afford; and

**WHEREAS**, in response to this financial burden, the Governor and the Alaska Legislature passed legislation in 2006, supported by the Alaska Association of Harbormasters and Port Administrators, to create the Harbor Facility Grant Program, AS 29.60.800; and

**WHEREAS**, the Department of Transportation and Public Facilities administers this program by reviewing, scoring, and ranking applicants seeking the limited state funds; and

**WHEREAS**, for each harbor facility grant application, the municipalities have committed to invest 100 percent of the design and permitting costs and 50 percent of the construction cost; and

**WHEREAS**, the City and Borough of Sitka along with the municipalities of the City of Ketchikan, the City and Borough of Juneau, the Municipality of Anchorage, and the City of Angoon have offered to contribute \$7,409,439 in local match funding for FY2020 towards seven harbor projects of significant local importance, as required by the Municipal Harbor Facility Grant Program; and

**WHEREAS**, completion of these harbor facility projects is dependent on the 50 percent match from the State of Alaska's Municipal Harbor Facility Grant Program; and

**WHEREAS**, during the last ten years the Municipal Harbor Facility Grant Program has only been fully funded twice; and

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55 **WHEREAS**, during the last ten years the backlog of projects necessary to repair and replace these  
56 former state-owned harbors has increased to over \$100,000,000.  
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59 **NOW, THEREFORE, BE IT RESOLVED** by the Assembly of the City and Borough of Sitka that the  
60 City and Borough of Sitka urges full funding in the amount of \$7,409,439 by the Governor and the  
61 Alaska Legislature for the State of Alaska's Harbor Facility Grant Program in the FY2020 State Capital  
62 Budget in order to ensure enhanced safety and economic prosperity among Alaskan coastal  
63 communities.  
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65 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska on  
66 this 23<sup>rd</sup> day of October, 2018.  
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71 Gary L Paxton, Mayor

72 ATTEST:  
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75 Sara Peterson, MMC  
76 Municipal Clerk  
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78 1<sup>st</sup> and final reading 10/23/18  
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80 Sponsor: Administrator