AKUTAN • COLD BAY • NELSON LAGOON
ALEUTIANS EAST
BOROUGH
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RESOLUTION 27-36

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH IN SUPPORT OF RAISING THE MAXIMUM AVAILABLE ALASKA DEPARTMENT OF TRANSPORTATION HARBOR FACILITY GRANT TO $7,500,000 FOR ELIGIBLE PROJECTS ON AN ANNUAL BASIS

WHEREAS, Senate Bill 291 established the Municipal Harbor Facility Grant Program on July 1st, 2006 in which the total amount of grant money made available to a municipality was limited to not exceed $5,000,000 in a fiscal year; and

WHEREAS, the Municipal Harbor Facility Grant is the single most significant funding tool available to communities to plan, maintain, and recapitalize port and harbor infrastructure; and,

WHEREAS, testimony from a legislator advocate stated, "SB 291 would establish the municipal harbor facility grant fund to which the Legislature would make an annual appropriation from the watercraft fuel tax account and from the state portion of the fisheries business tax. Both sources come from the marine industry so harbor users would generate the revenue for the program"; and

WHEREAS, Senate Bill 291 was envisioned to cap the funds that can be used per community per year at $5 million so that a large community couldn't take all the available funds in any given year. The expectation is that communities would establish, maintain, and run an enterprise fund into perpetuity; and

WHEREAS, the State of Alaska over the past nearly 30 years 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, these harbor facilities continue to require substantial municipal financial investment to maintain and for capital improvement projects; and

WHEREAS, construction, shipping and mobilization costs to remote portions of Alaska have outpaced the national consumer price index since the pandemic; and,

WHEREAS, the United States Bureau of Labor Statistics CPI calculator indicates that $5M in July 2006, when the Senate Bill 291 was enacted, would be inflated to $7,511,000 as of July 2023.

NOW THEREFORE, BE IT RESOLVED, the Aleutians East Borough urges the Governor and the Alaska Legislature to amend AS 29.60.800, raising the maximum Harbor facility grant fund award to $7,500,000 per eligible project.

PASSED AND ADOPTED by the Aleutians East Borough on this 12th Day of November 2026.

Alvin D. Osterback, Mayor

ATTEST:

Beverly Rosete, Clerk

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