

## **April Monthly Report.**

From: Chris Hladick, City Lobbyist

Date: May 5, 2022

To: Mayor and City Council

Greetings:

The senate now has a capital budget in Senate Finance. Senate Bill 164 (version W) has \$3.2 Billion which includes federal funds and \$706.9 million from state General Funds. The operating budget and capital budget are combined. There have been some reductions from the original version already, and possibly we can expect more. I was in Juneau last week; I went down as soon as I heard there was a capital budget on the street. Basically, the Senate and House supposedly have a deal on the budget as they are trying to keep from exposing the budget to run rampant with projects, according to several staffers I talked to. They want to put money in the bank. From here there will be public testimony then a vote and it will head to conference committee to work out differences between House and Senate.

There are no projects for municipalities in this version though I have heard that Anchorage and the Port of Nome are working frantically to get something in the capital budget for their respective Port projects. Anchorage needs \$600 million and Nome \$160 million. This work is outside of an agreement between the House and Senate so is causing great frustration amongst leadership. There is money for the Alaska Department of Transportation, the state and University of Alaska deferred maintenance projects, rural power systems upgrades, Alaska Sealife Center, broadband equity, \$6 million in jail contracts, \$6 million in community block grants and lots for airport reconstruction and highway reconstruction. And remember legislators look at the downtown streets' rehabilitation project as money for Dillingham and anytime work is done on the Airport or state roads in Dillingham. But there is nothing for Dillingham Harbor Floats! It's not over yet but it is unlikely we will get funding this year.

There is a general feeling that all the federal funding available through programs is taking care of municipalities. Guidance is still being written for IJA federal funds that are going to require state match. Which means a supplemental capital budget may be needed.

I am in close communication with Representative Bryce Edgmon and staffers in Lyman Hoffman's office and will continue to monitor. In consultation with Representative Edgmon it appears that a visit to Juneau would not be a good idea at this time. The last day of legislature is May 18, 2022. That deadline may not be met given the amount of work left to do.

### **Harbor Float replacement update:**

I am continuing to work on grant opportunities for this project.

1. MARAD: United States Maritime Administration grants. PIPD or Port Infrastructure Development Grants. We are working with Bruce Lambert on how to best approach this grant cycle. PN&D has been retained to prepare a \$11.25 million grant request which includes the floats, utilities, bulkhead repair, and site preparation for the lease lots. The grant is due May 16, 2022. So that date is rapidly approaching
2. State of Alaska ADOT Ports and Harbors grant. No changes from the last report. The NOFO comes out soon, as previously stated this is a 50/50 match and would only fund the floats or \$5 million. That means the city must come up with \$2.5 million in matching funds. The City would need to seek alternative funding for the utilities.
3. Direct Federal Appropriation: We have requested funding for the Harbor Floats via the portal in Senator Murkowski's office. It is possible to receive this funding via an ear mark which is now called congressionally directed funding (or something close). Will continue to work this issue with Murkowski's office as well.

Other projects:

**Outer Breakwater at the Harbor:** I am working to identify where the match requirement would come from or approximately \$8 million dollars. Federal dollars cannot be used to match federal grants. However, if Senator Murkowski could get funding into a maintenance budget there might be a chance to get the match requirement taken care of. Abby Lyons is the Murkowski staffer I am working with on this project.

**Snag Point Erosion:** I need to meet with Bruce Sexaur from the Corps of Engineers to see how to proceed with the process. Typically, the Corps has some discretionary money that could be used as "startup" funding to initiate the project. If the initial review is positive the Corps would move to creating a Chiefs report which would be used to get the project authorized. Then appropriation would come after authorization is approved by Congress. It's a long process to be sure and could take years.

**EOC:** for Lake Road Firehall. Mark Lynch put in for a grant for this project. I have not heard whether it has been funded.

**Fire/EMS/Police station:** The request for \$500,000 would provide for engineering/architectural services to pick this project up and develop a practical alternative for the project. Exploring EDA funding for possible opportunities.

#### **Bills of interest:**

The Senate introduced SB 243 last week and moved it to Senate Rules. The bill increases PCE from 500 kilowatt hours per month to 750 kWh per month for a ceiling for the monthly subsidy.

SB177 and HB299 allows nuclear energy to be included in clean energy goals for Railbelt utilities. There has been lots of talk about small nuclear powerplants but in all the discussions I never heard how much it was going to cost. It is my understanding that a plant would have to be constructed at the Idaho National Laboratory and tested prior to permitting for public use. Maybe the Airforce can get around this requirement but not small utilities.

HB 411 Municipal tax exemptions and deferrals on economic development properties. Passed house

SB 172: increases residential property exemption from \$50,000 to \$75,000 for municipalities.

SB 178: Absentee ballots include option for voter to receive by mail

SB 33: Seafood Product development tax incentives extended

HB 131: Recall petitions must be filed within 365 days of certification by the clerk.

HB 190: Recall of Public Officials, money fund-raised for the recall must be used for recall.

HB 244: Annexation: must be approved by 2/3rds of votes cast by voters residing in the area to be annexed.

HB 225: Exempting Seniors from the first \$150,000 in valuation of real property for 65 year old residents or 60 year old widows.

HB74: allowing AHFC (Alaska Housing and Finance Corporation) to bond for water, sewer, highway and aviation projects

HB 75: PERS to charge rate of 22% of base salaries

HB 371: Broadband equalization, sets up mechanism to equalize broadband cost across the state.

HB 137: Motor Vehicle offices can't close in communities over 850 people.

HB 260: 50/50 POMV for PFD

HB 281: appropriations budget bill

HB 350: School Bond debt reimbursement, returns to original split for bond payments from city.

HB 166: One license plate per vehicle

HB 171: PFAS

HB 393: Fishery landing tax surcharge, taxes fisheries businesses .06 cents per pound but provides for exemption if owner is in state of Alaska.

HB 309: APOC Campaign contribution reporting

HB 376: Strategic Planning required of state agencies

HB 284: Supplemental Budget

HB 285: GO Bonds for infrastructure

HB 66: Elections voting ballots

HB 141: Appropriations

HB 16: Search and Rescue surplus state property

HB 188: Seafood product development tax credit

HB 378: Municipal property tax assessments

HB 367: Planning Commission appointments

HB 225: Municipal property tax senior exemption

HB 50: Municipal regulation of trapping

HB 256: Law enforcement registry use of force, Police Standards council to give yearly report to legislature

HB 270: Prohibit Police officer shoot at moving vehicle

HB 381: Repeal ballot measure 2, ranked choice voting

HB 123: State recognition of Tribes

SB 119: Oath of office requires public officials to read the State and Federal constitutions and read the declaration of independence.

Any questions don't hesitate to give a call