



KETCHIKAN GATEWAY BOROUGH

Lobbying Executive Committee

August 30, 2023

Assembly Chambers, White Cliff

Call to Order

The meeting was called to order by Mayor Dial at 12:00 p.m. Members present were:

<u>Ketchikan Gateway Borough</u>	<u>City of Ketchikan</u>	<u>City of Saxman</u>
Mayor Dial	Vice Mayor Flora	Vice Mayor Thomas
Assembly Member EchoHawk	Assistant Manager Simpson	Acting Administrator Berg
Manager Duran		
Clerk Paxton		

Borough and City Lobbyist Ray Matiashowski was in attendance.

Citizen Comments

There were no citizen comments provided.

New Business

Review and Prioritization of FY 2025 Community of Ketchikan Policy Issue Statements

Mayor Dial read the list of prioritized Borough policy issues adopted through Resolution 3023, and requested the committee to approve the list as community priorities. Assistant City Manager Simpson noted a council request to urge the Alaska Department of Transportation to address pedestrian improvements and safety issues as a policy issue.

M/S SIMPSON/FLORA to approve the list of policy issues as follows:

1. Opposing Actions by the State of Alaska to Shift the Costs of its Constitutional Obligation to Maintain a System of Public Schools Open to all Children of the State:
 - a. Opposing any effort by the State to shift its responsibilities for education to municipalities by reducing or allowing further erosion of the base student allocation by inflation, or by altering the method of calculation of average daily membership (ADM), or the multipliers set forth in the public school funding formula contained in AS 14.17.410, et seq.
 - b. Opposing any legislation which would increase the burden on PERS and TRS employers beyond the current employer contribution limits of 22 percent for PERS and 12.56 percent for TRS, including reducing on-behalf rates, imposition of termination study

- costs, and efforts to shift more of the net pension liability for PERS or TRS onto municipalities.
- c. Opposing the Required Local Contribution (RLC), which unfairly saddles some residents of the State with a requirement to fund a State obligation, and which selective imposition has no rational basis in law, and opposing any effort by the State to increase the RLC.
 - d. Applauding the FY 2023 retroactive payment of School Bond Debt Reimbursement (SBDR) withheld from the municipalities during the moratorium on the program enacted in AS 14.11.100(s), and supporting efforts to return SBDR to pre-moratorium levels.
2. Urging Continuance of Funding for the Alaska Marine Highway System (AMHS).
 3. Encouraging Continuance of the Current Arrangement for Sharing of the State excise tax on Commercial Passenger Vessels.
 4. Urging the State of Alaska to transfer into Borough ownership certain parcels of land owned by the Alaska Department of Natural Resources to facilitate the development of housing as follows:
 - Requesting the State of Alaska Department of Natural Resources transfer the green spaces inside the Mud Bight subdivision created in 1980 by the State through Alaska State Land Survey 79-243, Plat No. 80-35, which will enable the Borough to make progress towards completion of the subdivision, per Resolution 2952.
 - Requesting the State of Alaska Department of Natural Resources transfer the green spaces inside the Mt. Point subdivision created in 1981 by the State through Alaska State Land Survey 80-187, Plat No. 82-29, which will allow the Borough to realign roads in an otherwise inaccessible subdivision, thereby opening 89 parcels in private ownership to development of housing, per Resolution 2953.
 - Requesting expedited approval of the Borough's .810 Conveyance application ADL No. 109314, for lot 78 of the Mountain Point Group of Homesites which is the only parcel required for completion of a right of way between Roosevelt and Whitman drives.
 5. Urging the Alaska Department of Transportation and Public Facilities to implement pedestrian safety improvements along Tongass Avenue.

Upon roll call the vote on the MOTION was:

YES: BERG, FLORA, SIMPSON, DURAN, ECHOHAWK, DIAL

MOTION DECLARED CARRIED

Review and Prioritization of FY 2025 Community of Ketchikan Capital Project Priorities for Submission to the Governor's Office

City of Saxman Vice Mayor Thomas joined the meeting at 12:10 p.m.

Mayor Dial announced the top capital project as adopted by each municipality and suggested they be considered as the list of community priority projects. Manager Duran affirmed that the Ketchikan Airport Ferry Improvement Project was the Borough's first priority. Assistant Manager Simpson confirmed that the Park Avenue and Harris St. Road, Sewer, and Water Project was the first priority for the City of Ketchikan. City of Saxman Acting Administrator Berg stated the Saxman Water Line was the top project request for Saxman.

M/S FLORA/ECHOHAWK to approve the Community of Ketchikan capital project priorities as:

1.	Ketchikan Airport Ferry Improvements	
	New Small Passenger Vessel	\$27,000,000
	Oral Freeman Major Refurbishment	\$3,500,000
2.	Park Avenue and Harris St. Road, Sewer, and Water	\$11,000,000
3.	Saxman Water Line Replacement	\$10,000,000

Upon roll call the vote on the MOTION was:

YES: BERG, FLORA, SIMPSON, DURAN, ECHOHAWK, DIAL

MOTION DECLARED CARRIED

Other Lobbying Activities and Topics of Mutual Concern

Lobbyist Matiashowski forecasted that the upcoming session was expected to be similar to the last with a divided Legislature. He noted that the size of the dividend would drive the budget and funding, and the BSA would likely be the highest policy funding priority. In response to Mayor Dial's question about education funding, Lobbyist Matiashowski explained oil revenue and the permanent fund were the two major revenues, and there was not the ability to control either one. He added that there could be hearings early in session for a supplemental appropriation for education funding in the current fiscal year.

Vice Mayor Flora asked about a potential statewide income or sales tax. Lobbyist Matiashowski said neither of the two current revenue sources were steady, and the topic of a statewide tax had been discussed.

Assembly Member EchoHawk commented that there was no identified funding source for the capital project requests, such as new ferries, and the fiscal outlook of State revenues was to maintain the status quo of services. Lobbyist Matiashowski affirmed, barring a new revenue source for the State, such as a broad-based tax. He added that recent Federal legislation allowed for Federal funds for AMHS operations.

Vice Mayor Flora asked about a food security program for the community. Mayor Dial reported on his role in the Alaska Defense Task Force which was working on the project.

Mayor Dial added that the Governor was looking at making Ketchikan one of two economic development examples in the State. Projects that had been identified so far, he said, were the transfer of state land to the Borough for road realignment, and tax deferral. He invited suggestions for other projects for the State to invest into the community to spur economic development opportunities.

Committee Member Comments

Assistant Manager Simpson thanked members for their time and commitment.

Lobbyist Matiashowski commented the Ketchikan process was good and unique given the three governments. He reported that the policy makers viewed Ketchikan as one community.

Vice Mayor Thomas was hopeful the projects would be funded.

Acting Administrator Berg thanked the members for the process.

Assembly Member EchoHawk looked forward to projects being funded.

Vice Mayor Flora thanked the committee for the collaborative work.

Clerk Paxton reported on the timeline and process for projects to be submitted to the Governor and Legislature:

- Recommendations of committee to be forwarded to respective governing bodies;
- September – Municipal governing bodies approve community capital project priority list;
- End September – Borough Clerk's office submits capital priority project list to Governor with letter signed by three mayors;
- November/December – Staff enters all capital projects into the Legislature's Online Capital Project System (CAPSIS).

Adjourn

The meeting adjourned at 12:29 p.m.