

Agenda Statement

Meeting Date: July 21, 2026
To: City Council
From: Jackie C. Wilde, City Manager



Agenda Item: Amending Chapter 10.30 of the Whittier Municipal Code to Clarify the “Commercial Recreational Ground Passenger Fee” is a Fee and not a Toll on Roads Owned or Maintained by the Federal Government of the State of Alaska

BACKGROUND, JUSTIFICATION, & INTENT:

On November 19, 2024, the City Council adopted Ordinance 2024-005, establishing a Commercial Recreational Ground Passenger Fee with an implementation date of January 1, 2026. The Council later adopted Ordinance 2026-001 on February 17, 2026, to clarify reporting procedures and timelines for businesses registered and subject to the fee. On April 24, 2026, former Acting Attorney General Cox sent a letter to the City demanding repeal of the fee based on the State of Alaska’s concern that the fee may constitute a toll in violation of the 1997 toll agreement between the State of Alaska and the Federal Highway Administration. The City maintains that the fee does not charge for the privilege of using any road, including any federal or State road, but instead applies to services and facilities provided to passengers of recreational commercial ground transportation vehicles and to the industry itself. The proposed amendment is intended to preserve the City’s ability to use fee revenue for improvements to City-maintained roads that are not federally aided or State-owned or maintained, where those roads are frequented by recreational commercial ground transportation passengers and vehicles, while making expressly clear that the fee is not a toll.

CONSISTENCY CHECKLIST:

	Yes	No	N/A
1. Legislative Priorities	☐	☐	☒
2. Comprehensive Plan	☐	☐	☒
3. Whittier Code: <i>Chapter 10.30</i>	☒	☐	☐
4. Other: <i>April 24, 2026 Letter from former Acting Attorney General Cox</i>	☒	☐	☐

FISCAL NOTE: No fiscal impact.

ATTORNEY REVIEW: ☒ Yes ☐ No ☐ Not Applicable

RECOMMENDATION: Administration recommends Council adopt Ordinance 2026-003.