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**HOUSTON, ALASKA  
RESOLUTION 12-14**

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**A RESOLUTION OF THE HOUSTON CITY COUNCIL RECOGNIZING THE IMPORTANCE OF THE KNIK ARM CROSSING TO ALASKA'S ECONOMY AND SUPPORTING THE ESTABLISHMENT AND FUNDING OF A PROJECT RESERVE TO ADVANCE THE CONSTRUCTION AND LOWER THE COST OF FINANCING FOR THE BRIDGE..**

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Whereas, the 1.74 mile bridge and connecting 18 miles of road will bridge the Knik Arm;  
and

Whereas, the Knik Arm Crossing will create 1,500 construction jobs every year for four years of construction and thousands more after bridge opening, benefitting Alaskans through good wages and good work experience; and

Whereas, the bridge will support additional activity at Port MacKenzie, the nation's northernmost deep water port, allowing export and import of bulk commodities such as base and rare earth mineral ores, coal, woodchips, gravel, cement and steel pipe; and

Whereas, the bridge will allow access to affordable land for industrial, commercial, and residential development; and

Whereas, the Knik Arm Crossing will lower costs for Alaskan households by lowering the cost of freight to the Interior and North Slope— over \$300 million truck freight savings in the first 10 years

Whereas, the bridge creates the first leg of a surface link to western Cook Inlet where over 47% of Kenai Borough lands are located, lands which are rich in natural resources such as coal, hydroelectric, oil and gas and geothermal resources; and

Whereas, the bridge will be developed using a Public Private Partnership, which leverages private equity, optimizes the life cycle cost of ownership, and pays back the cost of the bridge over time through user fees in the form of tolls; and

Whereas, the State has determined that utilizing a project reserve ensures the best value to the State by reducing the cost of financing; and

Whereas, future tolls are projected to generate \$1 billion cumulative surplus for the State of Alaska in the 35 years after opening, which can be spent on transportation infrastructure throughout the state on highways, bridges or ferries.

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NOW, THEREFORE, BE IT RESOLVED THAT: the City of Houston City Council recommends the establishment and funding of a Knik Arm Crossing project reserve in order for construction to proceed rapidly and for the state to realize the full economic benefit of the bridge, through construction jobs, better access to industrial, commercial and residential land, increased

1 activity at Port MacKenzie, and the first step toward accessing the rich natural resources in the  
2 western Kenai Peninsula Borough lands across Cook Inlet.

3 **BE IT FURTHER RESOLVED THAT: the City of Houston City Council authorizes**  
4 **the Mayor to sign on behalf of the City a joint resolution with the Matanuska-Susitna**  
5 **Borough, City of Palmer, City of Wasilla. The joint resolution will be presented to the**  
6 **Governor of Alaska.**

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8 PASSED AND APPROVED by a duly constituted quorum of the Houston City Council, Alaska  
9 this 9<sup>th</sup> day of August, 2012.  
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12 THE CITY OF HOUSTON, ALASKA

13 *Virgie Thompson*  
14 \_\_\_\_\_  
15 Virgie Thompson, Mayor  
16

17 ATTEST:

18 *Sonya Dukas*  
19 \_\_\_\_\_  
20 Sonya Dukas, City Clerk  
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23 Sponsored by; Mayor Thompson

