Introduced By: Date: 12/17/2019 Action: Approved Vote: 12/17/19

CITY OF SELDOVIA RESOLUTION 20-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELDOVIA, ALASKA URGING THE ALASKA LEGISLATURE TO OVERRIDE A \$5,000,000 VETO OF ALASKA MARINE HIGHWAY SYSTEM FUNDING FOR FY2020

WHEREAS, the Alaska Marine Highway System (AMHS) is a fundamental and critical method of transportation for State of Alaska and its coastal communities; and

WHEREAS, the Legislature passed its FY2020 budget in June, 2019 reducing AMHS funding by \$44 Million and prompting DOT to propose reduced ferry service to coastal communities with gaps in ferry system for as much as six to eight months; and

WHEREAS, the Inlandboatmen's Union of the Pacific (IBU) went on strike starting July 24, 2019, which shut down all ferry operations for approximately two weeks; and

WHEREAS, the IBU strike and cessation of ferry operations required AMHS to refund some passenger fares, resulting in an unanticipated \$3 Million reduction in AMHS revenue; and

WHEREAS, HB 2001 passed by both the House and Senate on July 29, 2019, added back \$5 Million in operating funds for AMHS in FY2020; and

WHEREAS, on August 19, 2019 Governor Dunleavy vetoed the additional \$5 Million of AMHS operating funds; and

WHEREAS, Alaskan communities rely on the Alaska Marine Highway System as their highway and lifeline to the rest of the state and AMHS will continue to play an integral role in the future economy and the health of Alaska; and

WHEREAS, the Alaska Marine Highway System has been operating year-round since 1963, providing regular scheduled passenger and vehicle service to over 30 communities in Alaska many of which are not accessible via the road system; and

WHEREAS, according to a study on the Economic Impacts of the Alaska Marine Highway System in January 2016, two-thirds of AMHS passengers were Alaska residents- including significant numbers from non-AMHS communities like Anchorage, Palmer/Wasilla, and Fairbanks/North Pole, who were in the top 10 of communities of residence booked, with Anchorage coming in as number two; and

WHEREAS, the Alaska Marine Highway System is critical to supporting the Alaska seafood industry, to supporting commerce routes across Alaska, and to supporting local businesses, communities, families and individuals with employment, groceries, supplies, access to healthcare, and connectivity; and

WHEREAS, the Alaska Marine Highway System is vital to all Alaskans as it reaches

communities both coastal and within the interior; and

WHEREAS, the City of Seldovia is one small rural community among 86% of the State of Alaska communities that are not connected to the road system; and

WHEREAS, the City of Seldovia depends heavily on the Alaska Marine Highway System as their main and only highway connecting the community to the rest of the State of Alaska for employment, transportation, groceries, supplies, and general livelihood that cannot be readily reached without the assistance of boats or planes; and

WHEREAS, the Legislature can override a veto within the first five days of its next session immediately following a veto.

NOW, THEREFORE BE IT RESOLVED THE CITY COUNCIL OF THE CITY OF SELDOVIA:

Section 1. That the City of Seldovia urges the Alaska Legislature to override the \$5 Million veto of AMHS funding for FY2020.

Section 2. That the City of Seldovia strongly supports AMHS reform that is sustainable and responsive to the needs of coastal communities.

<u>Section 3.</u> A copy of this resolution will be sent to members of the Alaska State Legislature.

<u>Section 4.</u> This resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of Seldovia on this <u>17th</u> day of <u>December</u>, 2019.

ATTEST:

Heidi Geagel, City Clerk

APPROVED:

Bobbi Sweatt, Acting Mayor