Presented by: Mayor Botelho Introduced: 03/22/2004 Drafted by: J.W. Hartle

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2259

A Resolution Relating to the Proposed Relocation of the Alaska Marine Highway System Headquarters.

WHEREAS, the Assembly of the City and Borough of Juneau, Alaska, has the utmost appreciation and respect for the community of Ketchikan, Alaska, and the administration of the Honorable Frank H. Murkowski, Governor of the State of Alaska; and

WHEREAS, the Governor has proposed relocating the headquarters of the Alaska Marine Highway System from its present location in Juneau to a new location in Ketchikan; and

WHEREAS, such a move would result in the relocation of approximately 44 employees and their families out of this community; and

WHEREAS, Alaska Statute 19.65.050, governing administration of the Alaska Marine Highway System, includes a mission statement aspiring to prudent management and operation, cost management and accurate budgeting, consistency with the public interest and sound fiscal policy, and the achievement of stability in the level of service of the Alaska Marine Highway System; and

WHEREAS, as of this time there has not been a substantial public process to analyze in depth the merits of relocating the Alaska Marine Highway System administration; and

WHEREAS, the only study offered at this time in support of the move is a discussion paper, rather small in scope, and apparently conclusory in its findings that the relocation would result in a five-percent savings in operating costs; and

WHEREAS, the only in-depth study of the proposed move, a report from 1997, concluded that "the top level employees of the AMHS are the individuals who most need to interact with the legislature and other DOT/PF administration offices" and that movement of their offices "would create significant problems in the operation of the system"; and

WHEREAS, proximity to Alaska Department of Transportation and Public Facility policy-makers, U.S. Department of Transportation offices, U.S. Coast Guard officials, and the Governor and Legislature, is important for successful management of the Alaska Marine Highway System, particularly in light of the challenges facing the system at this time; and

WHEREAS, according to the Juneau Economic Development Council, the direct and indirect loss to Juneau would be in excess of 70 jobs and an annual payroll of \$3.8 million in the community; and

WHEREAS, even larger is the loss of Juneau families, friends, and neighbors, people who make Juneau a richer place to live, and the disruption to the lives of AMHS employees forced to relocate their homes.

Now, Therefore, Be it Resolved by the Assembly of the City and Borough of Juneau, Alaska:

Section 1. The Assembly of the City and Borough of Juneau, Alaska, respectfully requests that Governor Murkowski delay implementation of the proposed relocation of the Alaska Marine Highway System headquarters until an analysis is completed, incorporating the following elements:

- Identification of the economic and non-economic impacts on the State and the employees affected by the proposed move;
- The operational impacts of the proposed move; and
- The economic impacts on the communities of Juneau and Ketchikan of the proposed move.

If the information contained in such analysis supports relocating the Alaska Marine Highway System headquarters, only then should the relocation proceed.

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Section 2. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this 22nd day of March, 2004.

Bruce Botelho, Mayor

Attest:

Laurie J. Siga, Clerk

Vote: Unanimous