

1 Introduced by: Borough Manager's Office Thru The Mayor
2 Drafted by: Borough Manager
3 Introduced on: 01/21/2021
4 Adopted on: 01/21/2021
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6 **KODIAK ISLAND BOROUGH**
7 **RESOLUTION NO. FY2021-28**
8

9 **A RESOLUTION OF THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH IDENTIFYING**
10 **FEDERAL PROGRAM PRIORITIES AND A CAPITAL IMPROVEMENT PROGRAM FOR**
11 **FEDERAL FISCAL YEAR 2021 & 2022.**
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13 **WHEREAS,** the Alaska Congressional Delegation has requested the views of the Kodiak Island
14 Borough on which federal programs and projects should be considered priorities, in no particular
15 order, for rural Alaskan communities and their residents.; and
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17 **NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KODIAK ISLAND**
18 **BOROUGH that:**
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20 the Kodiak Island Borough's views and recommendations on priority Federal programs and
21 projects are as follows:
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- 23 **1. COVID-19 Relief Funding – State, Local & Tribal Government (SALT) Assistance:**
24 The \$908 billion in additional COVID-19 relief recently enacted included favorable funding
25 for small businesses, vaccine distribution, individuals, the unemployed the fishing industry
26 and other affected groups. Unfortunately, it did not provide additional SALT relief included
27 in earlier drafts of the legislation such as the bi-partisan Senate-House working group's
28 proposed \$160 billion in funding. Previously, the Borough was able to make productive
29 use of the SALT relief contained in the CARES Act, partnering with the City to establish a
30 program for assistance to Kodiak's small businesses and non-profits, many of whom failed
31 to qualify for Paycheck Protection Program funding or whose PPP awards fell short of their
32 financial needs. The new Administration is expected to submit legislation that will include
33 a substantial amount of SALT relief. Additional funds would support continuation of the
34 Borough/City small business/non-profit relief program; fill shortfalls in the Borough's
35 budget due to declines in revenue as a result of the economic impact of the pandemic in
36 2020 and anticipated in 2021. This includes losses as a result in the decline in tourism
37 this past year. Additional SALT relief would assist the Borough in education costs incurred
38 by the pandemic that may not be covered by the education-specific funding in the \$908
39 billion package, including school bonding expenses and other school operational and
40 program expenses. We urge the Delegation to support SALT relief as part of the next
41 COVID-19 legislative package and to provide maximum flexibility on how those funds
42 might be used.
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2. **Groundfish Surveys:** The Kodiak Island Borough continues to remain concerned about the possibility of reduced groundfish trawl surveys in the Gulf of Alaska. We appreciate the Alaska Congressional Delegation’s support to maintain this coverage these past two years and for favorably considering the Borough’s prior year requests. Groundfish are very important to Kodiak fisheries, representing 60 percent of all our landings. These surveys provide data on groundfish species abundance which is then used to set fishing quotas. Inadequate data creates the possibility of reduced quotas as fisheries managers seek to control fishing effort on a precautionary basis. The Commerce, Justice, Science Appropriations Title, which funds the National Marine Fisheries Service (NMFS), of the FY 2021 Omnibus Appropriations Bill includes a directive to NMFS to contract for no less than six Alaska bottom trawl groundfish surveys, with one survey to capture fish movements out of historical survey areas to account for climate change-related migration. The Borough request that this directive and number of surveys be carried forward in the FY 2022 appropriations bill for NMFS.
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3. **Gulf of Alaska Pacific Cod Fisheries Disaster:** After a long and delayed process, funds for the Gulf Pacific cod in 2018 are nearing readiness for distribution to eligible fishermen and processors. Applications will be provided and processed by the Pacific States Marine Fisheries Commission once the State’s final expenditure plan has been approved. Pacific Cod remains a very important fishery for Kodiak fishermen and processors. We appreciate the Delegation’s support for the relief during various stages of the decision-making and funding process and ask for continued monitoring to ensure its full and timely distribution.
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4. **North Pacific Observer Program:** Observers are an important part of managing the halibut and groundfish fisheries in the Gulf of Alaska. Kodiak benefits from a well-run and adequately funded observer program through expanded economic opportunities for its groundfish and halibut fleet and processing sector. Gulf of Alaska fishery participants pay into the North Pacific Observer Fund to cover the costs of “partial coverage” for Gulf fishing sectors but there has been a shortfall in funding to cover observer costs in recent years. Last year Congress provided \$1 million to supplement the partial coverage program. For FY 2021, the Omnibus Appropriations Bill includes report language with additional funding to the program to be used to offset observer costs normally paid for by harvesters in fisheries that are undertaking a transition to electronic monitoring and reporting. The report also encourages NMFS to identify and implement efficiencies that would mitigate the cost burden shouldered by small vessel operators in the fixed-gear fleet. The Borough supports incorporating these provisions as well as \$2 million in supplemental funding, consistent with the amount we requested last year, for the program in the FY 2022 appropriations bill.
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5. **Homeporting U.S. Coast Guard Vessels and Kodiak Base Infrastructure Improvements:** Continued infrastructure development at the USCG Base in Kodiak along with Coast Guard vessel homeporting expansion plans remain a high priority for the Kodiak Island Borough. We welcome the investments the Coast Guard has sought, and Congress funded with strong Delegation support to pursue environmental remediation,

89 housing and shoreside infrastructure projects to ready the Base for the new class of
90 vessels being built. This includes infrastructure funding for the homeporting of two new
91 Fast Response Cutters and an Offshore Patrol Cutter at Kodiak. With the enactment of
92 the FY 2021 Omnibus Appropriations Bill, the construction of the first two Polar Security
93 Cutters (PSC) has been funded, with the first PSC expected to be completed in 2024. The
94 FY 2021 National Defense Authorization Act (NDAA) authorizes a total of six PSCs, with
95 current Coast Guard plans to purchase three heavy class breakers and three medium
96 class breakers. After the Russians entered the U.S. EEZ this summer during one of their
97 war exercises and threatened U.S. fishing vessels, we have heard that the Coast Guard
98 is considering leasing two ice breakers for North Pacific deployment until the PSCs come
99 online so we can have a stronger presence to protect against future Russian incursions.
100 We encourage the Delegation to support at least temporarily homeporting those vessels
101 in Kodiak if the Coast Guard moves forward with the leases. Overall, we appreciate the
102 Delegation's support for the Base as a future homeport for the new vessel classes and
103 urge continued advocacy as future Coast Guard decisions are made.
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105 **6. Payment-In-Lieu-of-Taxes (PILT):** The Borough submitted FY 2021 Federal requests
106 with the Alaska Congressional Delegation last this year for continued funding of PILT as
107 we have done in years past and seek to do so again for FY 2022. We appreciate that the
108 program was fully funded in the FY 2021 Omnibus Appropriations Bill. This is a very
109 important revenue source to the Borough, given that there are over 2.8 million acres
110 removed by the Federal Government from taxation within our boundaries. This is land that
111 would otherwise be available to the private sector to develop, creating jobs for the
112 residents of Kodiak and the rural Kodiak Island communities. PILT funds supplement
113 Borough resources to provide basic social services, including medical facilities,
114 emergency fire and rescue services, roads, and schools to our island communities.
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116 **7. National Wildlife Refuge Fund ("Refuge Revenue Sharing"):** The Kodiak Island
117 Borough opposes the termination of appropriations for this program. The last two
118 Administrations have sought to zero out its funding. The Congress thankfully has rejected
119 these proposed cuts each year, providing level funding for the program in FY 2021. While
120 not as significant as PILT, the National Wildlife Refuge Fund is a critical source of
121 replacement revenue to communities like ours that have the presence of a large Federal
122 wildlife refuge within their boundaries. The Borough thanks the Delegation for on-going
123 support of the program and seeks continued funding for it in FY 2022.
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125 **8. Essential Air Service (EAS):** The most recent COVID-19 Relief Bill and the CARES Act
126 provided emergency supplemental funding to the EAS Program so that EAS carriers could
127 receive additional support to make up for the loss of passengers this past year due to the
128 pandemic. Without these supplemental payments along with regular annual funding for
129 the program, the Borough would lose or have vastly reduced air service to our island
130 communities. The FY 2021 Omnibus Appropriations Bill fully funds EAS. We support
131 continued funding for EAS in FY 2022 along with any supplemental funding should it be
132 needed due to further pandemic impacts on EAS carriers in 2021.

133 9. **U.S. Navy Arctic Presence:** The Russian war games mentioned earlier, Russian plans
134 for a large ice breaker fleet, as well as China's, as part of its Belt and Road Initiative, the
135 growing importance of the Arctic from a national security perspective, the prospects for an
136 ice-free Northwest Passage as a future maritime trade route, the movement north of fish
137 species important to commercial fishing – all are matters that the Borough has been
138 monitoring. The Navy's just-released report – A Blue Arctic – calls for an increased Navy
139 presence in the region. The document discusses the importance of an increased
140 "regionally postured" focus. While it does not provide specific details, it lays the
141 groundwork for a follow-on report mandated by Congress that is supposed to examine
142 Navy base options in the region and State. That report will be released this year. As has
143 been included in our past Resolutions, selection of Kodiak as a potential Navy base or
144 staging area as the U.S. expands its security presence in the Arctic is a long-term goal for
145 the Borough. The Borough seeks to continue to keep Kodiak "on the radar screen" with
146 the Delegation and Department of Defense as Arctic plans develop. There is adequate
147 land at our Coast Guard Base as well as a deep water port at Womens Bay that could
148 support the Navy's presence.

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150 10. **Anton Larsen Bay Road Extension Project:** The Kodiak Island Borough has submitted
151 this project as a Federal request to the Delegation the last few years in hopes that
152 Congress will resume the practice of Congressionally directed spending, otherwise known
153 as earmarks. The House is considering reinstating earmarks this year, so the Borough is
154 submitting this project as a Federal request in case they are adopted in the FY 2022
155 appropriations cycle. An extension of the Anton Larsen Bay Road to ice free waters will
156 provide year around access to those communities located in the Kupreanof Strait as well
157 as those who use the island's west side for commercial and recreational purposes.
158 Extending the road to ice free waters makes traveling safer, providing access to critical
159 services located in the City of Kodiak, including hospitals and businesses. Both the
160 Ouzinkie Native Corporation through its subsidiary, the Spruce Island Development
161 Corporation, and the Sun'aq Tribe of Kodiak have agreed to partner on the project. Its
162 total project cost is \$8 million.

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164 11. **Broadband Service to Rural Areas:** The Borough reiterates the importance of improving
165 broadband service to our rural island communities. The poor internet service experienced
166 by many of our communities has a negative impact on the delivery of important public
167 services as well as commerce. We support full funding and implementation of the Federal
168 Communications Commission's (FCC) Alaska Plan to encourage significant investments
169 by Alaska telecom providers in rural broadband. These investments will help bring
170 improve Internet service speed and coverage to the more remote parts of the State by
171 2025. The Borough advocates for "middle" and "last" mile investments on the Island which
172 is necessary for our villages to receive internet service. We continue to urge the Alaska
173 Delegation to encourage telecom providers in our region to make those investments as
174 part of implementation of the FCC Alaska Plan. We also support funding for USDA's rural
175 broadband grant/loan programs (Telecommunications Infrastructure Loan Program &
176 Community Connect Grant Program) that could fund "last mile" broadband infrastructure

177 programs as the Alaska Plan moves forward. The recent COVID-19 Relief Bill includes
178 \$7 billion for broadband deployment, including funding set asides for rural areas and
179 tribes. We are also aware that the new Administration is interested in pursuing further
180 broadband funding as part of comprehensive public infrastructure investment legislation.
181 Should the Borough, in cooperation with a local internet provider, pursue funding at a later
182 date with USDA's programs or other Federal sources, we would seek Delegation support
183 for our application.
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185 **BE IT FURTHER RESOLVED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH** that:

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187 the Kodiak Island Borough administration is hereby instructed to advise Congress and the
188 appropriate agencies of the United States Federal Government of the Capital Improvement
189 Program and priorities adopted by the Kodiak Island Borough Assembly.
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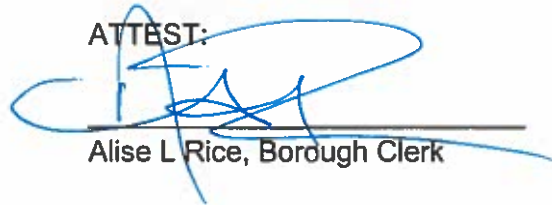
191 **ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH**
192 **THIS TWENTY FIRST DAY OF FEBRUARY, 2021.**
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194 KODIAK ISLAND BOROUGH

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198 William Roberts, Mayor
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ATTEST:


Alise L Rice, Borough Clerk

VOTES:

Ayes: Arndt, Dvorak, Kavanaugh, Symmons, Turner, and Williams

Noes:

Absent: Smith



