

RESOLUTION NO. 4526

**A RESOLUTION BY THE CITY OF FAIRBANKS URGING CONGRESS
TO RETAIN THE CURRENT LEVEL OF FUNDING FOR THE ALASKA
RAILROAD UNDER FEDERAL TRANSIT ADMINISTRATION
FORMULA FUNDING**

WHEREAS, the Alaska Railroad, a state-owned entity, operates both passenger and freight services to the interior of Alaska, greatly benefitting the interior of Alaska by providing year-round regularly scheduled public transportation; and

WHEREAS, the Alaska Railroad, which operates in a very rural state, is the only U.S. public rail transportation operation being singled out for formula funding reductions that would strip away \$25-30 million or more from the typical \$36 million allocation – which is essential to the operation, maintenance and bond guarantees of the Alaska Railroad; and

WHEREAS, the Alaska Railroad issued bonds in 2006 and 2007 with the full federal backing of the Federal Transit Authority (FTA) formula funds and could risk defaulting on \$135 million if the formula funding is changed; and such default would limit future financing options needed for the funding of required capital projects including the North Pole Road/Rail Crossing Reduction project, which is vital for increasing public safety, reducing transportation conflicts, improving Alaska Railroad operational efficiency, and opening up land for development through the realignment of 8 miles of track; and

WHEREAS, while essential to the Alaska Railroad, the \$36 million represents less than one-tenth of a percent of the total \$8 billion of FTA formula funds distributed and that cut would not reduce the federal deficit because the amount taken from the Alaska Railroad is divided among the other public transportation rail operators outside of Alaska; and

WHEREAS, the US Senate's current Surface Transportation Legislation (S. 1813/MAP-21) is a step backward in terms of fair and equal treatment, ignoring 90% of the Alaska Railroad route miles from Seward to Fairbanks and counting only a small portion of service in the Anchorage area; and

NOW THEREFORE, BE IT RESOLVED that the City of Fairbanks urges Congress to retain the current level of funding for the Alaska Railroad under the Federal Transit Administration formula funding; and

BE IT FURTHER RESOLVED, THAT THIS Resolution be distributed to: Governor of the State of Alaska; Senators Murkowski and Begich; Congressman Don Young; Interior Delegates of the Senate and House of the State of Alaska; Commissioner of ADOT&PF; Alaska Municipal League and Conference of Mayors; Fairbanks North Star Borough Mayor and Assembly; North Pole Mayor and Council; Fairbanks Metropolitan Area Transportation System Executive Director and Policy Committee Chair; Fort Wainwright Garrison Commander and Commanding General USAARAK; and Eielson Air Force Base Commander.

PASSED and APPROVED this 21st Day of May 2012.



Jerry Cleworth, City Mayor

AYES: PASSED and APPROVED on the Consent Agenda

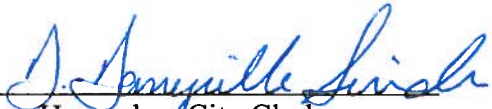
NAYS:

ABSENT:

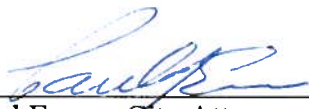
APPROVED: May 21, 2012

ATTEST:

APPROVED AS TO FORM:

for


Janey Hovenden, City Clerk



Paul Ewers, City Attorney