MEMORANDUM

TO: Fairbanks North Star Borough Assembly

THRU: Bryce Ward, Mayor

FROM: David Bredlie, Director
       Department of Public Works

DATE: January 13, 2022

SUBJECT: Ordinance 2022 – 08
          Special Election for Alaska Railroad Crossing Permit Fee for Moose Creek Service Area

The Moose Creek Service Area utilizes five railroad crossings within the Service Area. Those crossings are located at Claude Street, Cory Street, Baker Road, Bellwood Street, and Osage Street. None of these crossings have a permit with the Alaska Railroad Corporation (ARRC).

The administration and the ARRC have conditionally accepted the proposed permit language which includes an annual permit fee of $2,250.00. The fee shall increase each year by 3%.

This special election will ask the residents of the Moose Creek Service Area an advisory question on if they agree to the terms of the permit fees. The administration will take the election results under advisement when deciding whether or not to enter into this permit with the ARRC.

I urge adoption of this ordinance.

Attachments: Ordinance
              Service Area Map - Exhibit A
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2022 – 08

AN ORDINANCE PLACING ON THE BALLOT AT A SPECIAL ELECTION THE ADVISORY QUESTION OF WHETHER THE MOOSE CREEK SERVICE AREA SHOULD ENTER INTO A CROSSING PERMIT WITH THE ALASKA RAILROAD CORPORATION

WHEREAS, The Moose Creek Service Area utilizes five railroad crossings within the service area boundary; and

WHEREAS, The five utilized crossings are located at Claude Street, Cory Street, Baker Road, Bellwood Street, and Osage Street; and

WHEREAS, A permit for the crossings has not previously been obtained from the Alaska Railroad Corporation (ARRC); and

WHEREAS, The crossings can degrade over time and fall into disrepair; and

WHEREAS, ARRC states that crossing maintenance is outside ARRC's main operations, and financial means; and

WHEREAS, ARRC has stated that it may be forced to close such degraded crossings, which will limit road access for the residents of Moose Creek Service Area; and

WHEREAS, The ARRC and the Fairbanks North Star Borough (Borough) negotiated permit terms for the crossings to provide access to residents long-term; and

WHEREAS, The annual blanket permit fee will be $2,250.00 with an annual fee increase of 3%; and
WHEREAS, The ARRC would issue a blanket permit to the Borough for the five crossings formalizing the Moose Creek Service Area responsibility for performing maintenance functions for each crossing location; and

WHEREAS, For each permitted crossing, ARRC will pursue replacement of degraded timber plank structures with modern and durable concrete panels; and

WHEREAS, The ARRC has indicated its intent to coordinate with the Alaska Department of Transportation & Public Facilities to apply for federal grants to pay for the crossing upgrades; however, if grants are not obtained, payment for this work will need to be negotiated; and

WHEREAS, The projected tax revenue for the Moose Creek Service Area indicates that the service area will not need to increase its tax revenue cap if it enters into the permit.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. Election. A special election shall be held on the second Tuesday of April, April 12, 2022, within the area shown on the map attached to this ordinance as Exhibit A, to place before the registered voters residing within the Moose Creek Service Area the following advisory question:
"An Advisory Question of Whether the Fairbanks North Star Borough Should Enter Into a Railroad Crossing Permit For Various Crossings In The Moose Creek Service Area.

Should the Fairbanks North Star Borough enter into a Railroad Crossing Permit for the crossings located at Claude Street, Cory Street, Baker Road, Bellwood Street, and Osage Street in the Moose Creek Service Area? The Alaska Railroad Corporation blanket crossing permit includes an annual fee of $2,250.00 with an annual increase of 3% and places certain maintenance and other responsibilities with a financial impact on the service area.

A “YES” vote requests that the FNSB enter into the crossing permit.
A “NO” vote requests that the FNSB reject the crossing permit.

NOTE: A copy of the permit may be viewed online at [insert website here] or at the Borough Clerk's Office, 907 Terminal St., Fairbanks, AK."

Section 3. Effective Date. This ordinance is effective at 5:00 p.m. on the first Borough business day following its adoption.

ADOPTED THE _____ DAY OF _________ 2022.

__________________________
Mindy O'Neall
Presiding Officer

ATTEST:

__________________________
April Trickey, CMC
Borough Clerk

APPROVED:

__________________________
Jill S. Dolan
Borough Attorney