

DISCUSSION / DIRECTION on the
FY17 City and Borough of Sitka Legislative Priorities



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To: Mayor McConnell and Members of the Assembly

From: Mark Gorman, Municipal Administrator
Maegan Bosak, Planning and Community Development Director

Subject: DRAFT Fiscal Year 2017 CBS Legislative Priorities

Date: October 6, 2015

Enclosed are the draft Fiscal Year 2017 CBS Legislative Priorities for Assembly review. Most of these requests for state assistance are from previous years or centered around community initiatives. Sitka's legislators have requested a limited selection of priorities, specifically highlighting matching grant funds in case a rare opportunity for funding becomes available.

For fiscal year 2017, CBS has been advised to highlight funding requests that include matching funds. Unfortunately at this time, the State budget is limited and those requests that leverage the highest amount have the best shot of being funded.

Many of the project requests outlined in the draft fiscal year 2017 Legislative Priorities are for infrastructure upgrades, which if not co-funded by the state (such as Harbor Matching Grants paying 50 percent of costs), will still have to be done with 100 percent CBS funding. If legislative funding was awarded, CBS does not accept any grant without Assembly approval and authorization to match, most of which rely on CBS enterprise funds (Harbor, Electric, Water and Waste Water) to cover the match.

This year's Legislative Priorities approach is streamlined over past years. Having spoken with CBS Lobbyist Larry Markley, he recommended a one sheet to help keep information top of mind for state officials. In addition to the one sheet a full report of each project will be submitted into the Alaska Division of Legislative Finance Capital Projects database (CAPSIS).

Unfortunately, the likelihood for State funding for Sitka projects is bleak. It is no secret that the State of Alaska is facing budget obstacles that will push Legislators to make hard decisions and be conservative with filling funding requests.

Our goal is to focus on matching funds projects and state initiatives that might open the door to the municipality making changes without oversight of the State. Strategically, staff believes it is still important to make Legislative Priority requests. At some point in the future, funding will resume and we want to make sure Sitka's projects are top priority.



CITY AND BOROUGH OF SITKA

2017 LEGISLATIVE PRIORITIES

CBS HIGHEST MUNICIPAL PRIORITIES AND LEGISLATIVE CAPITAL PROJECT REQUESTS

MAINTENANCE OF CRITICAL HARBOR INFRASTRUCTURE... MUNICIPAL HARBOR FACILITY GRANT PROGRAM CRESCENT HARBOR FLOAT REPLACEMENT-PHASE I

The City and Borough of Sitka (CBS) requests that the state fund \$5,000,000 for Phase I of the Crescent Harbor Float Replacement Project under the Municipal Harbor Facility Matching Grant Program legislated by SB 291.

Total Project Cost...\$11,000,000 (100%)
FY 2017 State Funding Request...\$5,000,000
Municipal Harbor Grant (46%)
Additional Funding Required (CBS Harbor Fund)...\$6,000,000 CBS (54%)

OUR HARBORS ARE KEY TO OUR ECONOMY... HARBOR SYSTEM CAPITAL IMPROVEMENT PROJECTS

The City and Borough of Sitka (CBS) requests \$5,200,000 from the State of Alaska to partner in upgrading city owned and maintained harbor infrastructure. The CIP Plan identifies \$118,000,000 of harbor system infrastructure needs over the next 50 years. Our goal is to maintain critical harbor infrastructure deeded to CBS from Alaska Department of Transportation and Public Facilities (ADOT&PF).

Total Project Cost...\$5,200,000 (100%)
FY 2017 State Funding Request...\$5,200,000 (100%)

ENHANCED VISITOR SERVICES... COMMERCIAL PASSENGER VISITOR FACILITIES- LINCOLN STREET IMPROVEMENTS

The City and Borough of Sitka requests \$1,900,000 funding from the State of Alaska to complete a capital project to enhance commercial passenger vessel services and passenger safety, and support cruise ship visitor activities. This project includes replacing failing asphalt, curb & gutter and sidewalk along the Central Business District.

Total Project Cost...\$1,900,000 (100%)
FY 2017 State Funding Request...\$1,900,000 (100%)

WATER AND SEWER ARE ESSENTIAL SERVICES... ADEC MUNICIPAL MATCHING GRANT (MMG) REQUESTS

The State of Alaska needs to continue to fund the FY 2017 Alaska Municipal Matching Grant program to help CBS complete these essential infrastructure replacement projects: South Lake Street, West DeGroff Street and Marine Street Water and Sewer Replacement, Wastewater Treatment Plant HVAC Replacement, and Channel, Crescent and Landfill Lift Stations Replacement.

Lake and DeGroff Street Water and Sewer Replacement...\$1,000,000...\$645,000
Marine Street Water and Sewer Replacement...\$1,000,000...\$785,000
WWTP HVAC Replacement...\$1,000,000...\$1,905,000
Channel, Crescent and Landfill Lift Stations...\$1,361,500...\$583,000

SUPPORTING ENERGY... SITKA ENERGY EFFICIENCY IMPROVEMENTS FOR THE WASTEWATER TREATMENT PLANT

The City and Borough of Sitka (CBS) requests \$667,000 from the Renewable Energy Fund in conjunction with Alaska Department of Environmental Conservation (ADEC) Municipal Matching Grants (MMG) program to support a project to replace oil-fired boilers at the Wastewater Treatment Plant (WWTP) with heat pumps and to make other energy-efficiency improvements.

Total Project Cost...\$2,905,000 (100%)
FY 2017 State Funding Request...\$667,000 (23%)
CBS Funding Committed and /or Expended ...\$113,000 (4%)
Additional Funding Required...\$2,125,000 (73%)

SEAFOOD IS INTEGRAL TO OUR ECONOMY... MARINE SERVICE CENTER BULKHEAD CRITICAL REPAIRS

The City and Borough of Sitka (CBS) requests \$7,940,000 to complete critical repairs to the Marine Service Center Bulkhead. The bulkhead is the only facility in Sitka with a hoist capable of loading/unloading large fishing vessels and also is used as a transient berthing facility for fishing vessels. The existing bulkhead is at risk of failure.

Total Project Cost...\$8,440,000 (100%)
FY 2017 State Funding Request...\$7,940,000 (94%)
Additional Funding Required (CBS Harbor Fund) ...\$500,000 (6%)

Providing for today...preparing for tomorrow



CBS SUPPORT FOR HIGH PRIORITY STATE INITIATIVES

HIGHWAY TO SITKA...

PROVIDE EQUITABLE SITKA ALASKA MARINE HIGHWAY SERVICE

The City and Borough of Sitka (CBS) requests the Alaska Marine Highway System create a plan to provide adequate and consistent service to the 9,000 residents of Sitka and the visitors trying to get to/from Sitka. The Alaska Marine Highway System acts as Sitka's highway, providing core service critical for Southeast region connectivity. Ferry scheduling needs to be increased to the same level as other mainline ports within Southeast Alaska. Consistent, connective Marine Highway service between Sitka and the rest of the Marine Highway System is critical to Sitka's and the region's economic future.

LET THE MUNICIPALITIES DECIDE...

LEGISLATIVE LANGUAGE CHANGES ALLOWING LOCAL FUEL TAX

The City and Borough of Sitka (CBS) requests the State of Alaska make language changes allowing municipalities to make decisions regarding local fuel tax options. This proposed change would give local governments the option of asking the voters to approve a local motor fuel tax that could support local transportation improvements, both capital and operational, currently mandated by the State.

JAPONSKI ISLAND NEEDS WATER...

REPLACE FAILING WATER SUPPLY LINE TO JAPONSKI ISLAND

The City and Borough of Sitka (CBS) requests the State contribute \$777,840 to partner with CBS to accomplish Phase 1 of this important project. The existing 12 inch concrete-lined steel water pipe suspended under the O'Connell Bridge is failing and requires replacement. Japonski Island is home to the Airport, SEARHC, Mt. Edgecumbe High School, University of Alaska, U.S. Coast Guard facilities, residential housing and municipal wastewater treatment plant.

Total Channel Crossing Water Mainline Project Cost...\$2,431,000 (100%)
FY 2017 State Funding Request...\$777,840 (32%)
CBS Water Fund FY 2016...\$75,000 (3%)
Other Funding Requests: DEC Grant/Loan...\$1,578,160 (65%)

PARKS MATTER...

RESTORE FUNDING ALASKA STATE PARKS IN SITKA

The City and Borough of Sitka (CBS) requests the Alaska State Parks Division resume funding for the State Parks within CBS, including; Halibut Point State Recreation Site, Old Sitka State Historic Site, Baranof Castle Hill State Historic Site, Sealion Cove State Marine Park, Magoun Islands State Marine Park and Big Bear/Baby Bear State Marine Park. These parks provide outdoor recreational opportunities while protecting the cultural and historic resources for all citizens.

ECONOMIC DEVELOPMENT OPPORTUNITIES FOR STATE...

SITKA AIRPORT INFRASTRUCTURE UPGRADES

The City and Borough of Sitka (CBS) requests the State of Alaska provide \$2,320,000 to Department of Transportation and Public Facilities (DOT&PF) to relocate DOT&PF and CBS Utilities located on Japonski Island along the old access road to the airport and within the airport property. This infrastructure upgrade could create opportunities for additional revenue through new lease space.

Total Project Cost...\$2,320,000 (100%)
FY 2017 State Funding Request...\$2,320,000 (100%)

QUALITY EDUCATION IS OUR FUTURE...

FULLY FUND BASE STUDENT ALLOCATION

The City and Borough of Sitka (CBS) requests the State of Alaska fully fund base student allocation (BSA). BSA is used to calculate the per student funding each school district receives from the State of Alaska and a portion of the formula that funds Alaska's K-12 education system. Sitka's schools are struggling and BSA is critical in determining future staffing, class size, curriculum, etc. CBS supports fully funding base student allocation.