

POSSIBLE MOTION

I MOVE TO approve Resolution
2014-15 on first and final reading.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2014-15

**A RESOLUTION BY THE CITY AND BOROUGH OF SITKA
SUBMITTING CITY AND BOROUGH OF SITKA
FY 2016 STATE LEGISLATIVE PRIORITIES
TO STATE OF ALASKA AND 2015 LEGISLATURE**

WHEREAS, the City and Borough of Sitka advocates cooperating and sharing resources with the State of Alaska to maximize public infrastructure and services for the citizens of Alaska in the most efficient, cost effective manner; and

WHEREAS, the attached City and Borough of Sitka FY 2016 Legislative Requests will enable the municipality and State of Alaska to continue to cooperate to make our communities and state more sustainable; and

WHEREAS, City and Borough of Sitka continues to support cooperation between cities and State of Alaska to achieve our common goals.

NOW FURTHER BE IT RESOLVED that the Assembly of the City and Borough of Sitka, Alaska, adopts the attached FY 2016 City and Borough of Sitka Legislative Priorities and urges the Alaska State Legislature to support them to the maximum extent possible.


PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, on this 9th day of September, 2014.

Mim McConnell, Mayor

ATTEST:

Colleen Ingman, MMC
Municipal Clerk

September 3, 2014

TO: Mayor and Assembly 
FROM: Marlene Campbell, Government Relations Director
Via Mark Gorman, Municipal Administrator
SUBJECT: Fiscal Year 2016 CBS Legislative Priorities

Enclosed are the draft FY'2016 CBS Legislative Priorities for Assembly review. Most of these are requests for state assistance from FY'15 or the top priority projects from CBS infrastructure master plans. Sitka's legislators have requested a broad selection of requests, in case a rare opportunity for funding becomes available (in addition to more likely grant applications).

At the Assembly work session, Assembly member Esquiro expressed concerns about requesting legislative loans and other capital project funds leading to more municipal expenses. He suggested listing the CBS projects by need and priority. Mr. Gorman committed to respond, and asked that in addition to the CBS standard legislative priority packet which follows, also attached is a listing of project requests by category (in the same order as the regular packet) which provides a differentiation between critical infrastructure projects, facility improvements, and community facilities and services, regardless of their ability to be legislatively funded. This alternative format could be used for a revised legislative request format, but all priorities listed need to be considered legislative priorities.

Legislative requests are usually for grants but may require matching funds. Most of these requests 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. Even if legislative funding were awarded, CBS does not accept any grant without Assembly approval and authorization of match, most of which rely on CBS enterprise funds (Harbor, Electric, Water and Waste Water) to cover the match.

Department of Environmental Conservation (DEC) Municipal Matching Grant Program is also a greatly beneficial funding source. CBS is requesting four Water and Sewer projects this year. The grants pay 70 percent of the total project cost, and CBS can apply for a 30 percent 1.5% interest loan for the remainder. Funding for this program comes from federal sources requiring an outside Financial Capacity Review "to ascertain the ability of the applicant to repay the loan, to protect the taxpayer resources provided, and to ensure that other communities will be able to re-use these loan dollars – as they are repaid – for future projects." A copy of a review is attached for reference. Its transmittal e-mail states: "The City has improved its financial capacity in the water and wastewater system over time which was one of the purposes for Congress creating the Drinking Water Revolving Fund. I always enjoy having the opportunity to review the City of Sitka's loan requests because the improvements are notable."

An important consideration of DEC grants and loans is that sewer, water, and stormwater are included. These funds will pay for road upgrades required when the utilities are rebuilt. Thus DEC grants/loans can have the added benefit of funding road projects which would otherwise

be unfunded road deferred maintenance requiring General Fund expense. The alternative to not upgrading failing infrastructure is catastrophic failure which is far more costly and traumatic than planned upgrades, and no grants/loans would be available for emergency repairs.

Another strategy CBS used to secure scarce state funds for construction of the artificial turf field at Moller Park was through Alliance for Alaska American Legion, which develops sports fields statewide. Since this project was so successful, a second turf field is proposed in case funding becomes available. It is certain that if CBS does not include a request in the legislative priorities, no funding is possible. However, a direct legislative appropriation to CBS is very unlikely.

CITY AND BOROUGH OF SITKA FY 2016 LEGISLATIVE PRIORITY PROJECTS BY CATEGORY

HIGHEST PRIORITY CBS INFRASTRUCTURE PROJECTS

Blue Lake Hydroelectric Project Partnership with State of Alaska
Reconstruction of Sitka's Failing Paved Roads
Municipal Harbor Facility Grant Program Crescent Harbor Float Replacement
New Secondary Potable Water Supply

CBS Capital Projects

Harbor System Capital Improvement Projects
Commercial Passenger Vessel Visitor Facility Improvements—Lincoln Street
Marine Service Center Bulkhead Critical Repairs
Gary Paxton Industrial Park Shoreline Stabilization and Waterfront Development
ADEC Municipal Matching Grant Requests
--DeGross Street Water and Sewer Replacement
--Marine Street Water and Sewer Replacement
--Waste Water Treatment Plant HVAC Replacement
--Channel, Crescent, and Landfill Lift Stations

CBS Infrastructure Improvements

Co-Funding City/State/Justice Center Design Study
Roads to Resources – Granite Creek to Starrigavan
Sitka Energy Efficiency Improvements for Waste Water Treatment Plant
Sitka Swan Lake Recovery and Improvements
Information Technology Improvements
Whitcomb Heights Subdivision Utility Improvements

CBS Community Facilities and Services

Completion of Sitka Moller Park Baseball Field Improvements
Sitka Multi-Purpose Ballfield Improvements
Sitka Community Playground
Tony Hrebar Shooting Range Improvements
Sitka Multi-Purpose Track and Field Improvements