



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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FY2011 CITY AND BOROUGH OF SITKA STATE LEGISLATIVE PRIORITIES TABLE OF CONTENTS

TABLE OF CONTENTS

CITY AND BOROUGH OF SITKA STATE LEGISLATIVE PRIORITIES

CBS Resolution Supporting FY2011 State Legislative Priorities
FY2011 Sitka School District State Legislative Priorities
Restore Equitable Alaska Marine Highway Service to Sitka

CITY AND BOROUGH OF SITKA LEGISLATIVE CAPITAL PROJECT REQUESTS

Expansion to Maximum Capacity of the Blue Lake Hydroelectric Project
City-owned Sitka Community Hospital Roof Replacement
Paving Failed Collector Streets
Purchase and Upgrade of Hames Wellness Center
Ultraviolet Disinfection for Sitka Municipal Drinking Water Supply
Takatz Lake Hydroelectric Feasibility Analysis
CBS Commercial Passenger Vessel and Visitor Facilities Improvements
Expansion of CBS Granite Creek Rock Quarry and Biosolids Area
Kettleton Memorial Library Upgrade
Whitcomb Heights Subdivision Water and Sewer Trunk Lines
Sitka Rocky Gutierrez Airport Terminal Remodel and Expansion
Transmission Improvements for Hydroelectric Energy Projects
Sawmill Cove Industrial Park Bulkhead Dock
Sitka Swan Lake Recovery and Improvements
Sitka Moller Park Baseball Field Improvements
Expand CBS Biosolids Landfill

CBS REQUESTS FOR STATE FUNDING FOR STATE FACILITIES

State Public Safety Academy Driver Training Facility Upgrade
State Owned Halibut Point Road Resurfacing, Drainage Improvements, Bridge Replacement
Complete Waterline Loop System and Other Japonski Island Infrastructure Upgrades
Upgrade State DNR-Owned Nelson Logging Road and Transfer Ownership to CBS
Co-Funding for Major Maintenance for State/City Office Building
Upgrade State Owned Eagle Way and Transfer Ownership to CBS
Support for State Services at Sitka Jail Facilities; Co-Funding for Justice Center Design

CITY AND BOROUGH OF SITKA

RESOLUTION 2009-52

**A RESOLUTION BY THE CITY AND BOROUGH OF SITKA (CBS)
SUBMITTING CBS 2011 STATE LEGISLATIVE PRIORITIES
TO STATE OF ALASKA AND 2010 LEGISLATURE**

WHEREAS, the City and Borough of Sitka has long supported cooperative efforts and resources with the State of Alaska to maximize public services for the citizens of the State of Alaska in the most efficient, cost effective manner; and

WHEREAS, the State of Alaska has reduced its cooperative resources and efforts, resulting in not adequately maintaining State owned facilities and passing unfunded mandates on to municipalities; and

WHEREAS, the City and Borough of Sitka and other municipalities have suffered major budget impacts from State management of the PERS/TRS system, State harbors, State roads and utilities, and other State responsibilities which should be compensated;

NOW, THEREFORE, BE IT RESOLVED that the Assembly of the City and Borough of Sitka, Alaska, adopts the following FY2011 State Legislative Priorities and urges the Alaska State Legislature to support them to the maximum extent possible:

- **State Revenue Sharing/Community Dividend/Local Tax Relief** - The City and Borough of Sitka supports State Revenue Sharing provided on a sustainable basis drawn from proposals such as the Community Dividend or similar means of equitably compensating Alaska communities for providing local services.
- **Education** - State funding should be increased to cover escalating transportation expenses, inflation, the rising costs of fuel and energy, and reasonable new costs to improve the quality of education.
- **Local Control and Maximum Local Self-Government Guaranteed by the Alaska Constitution**- The Legislature should defeat any legislation that creates new unfunded mandates or takes away existing powers of local governments. The State should fund existing unfunded State mandates.
- **Public Transit and Community Transportation** – The City and Borough of Sitka supports the creation by the State of a forward funded statewide Transit Trust Fund, with the income from the Fund used to find or match Federal funding for local public transit.
- **Deferred Maintenance of Harbors** – The State should fully fund the deferred maintenance of State harbors being transferred to local governments. In addition, the state should fully fund the harbor 50 percent matching funds program legislated by SB 291, the Municipal Harbor Facility Grant Fund, to assist with future harbor upgrades.

NOW FURTHER BE IT RESOLVED that the Assembly submits the enclosed FY2011 City and Borough of Sitka Legislative Priorities, CBS Legislative Capital Project Requests and CBS Requests for State Funding for State Facilities in priority order to the 2010 Session of the Alaska State Legislature and State of Alaska.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, on this 22th day of December, 2009.

Scott McAdams, Mayor

ATTEST:

Sara Peterson, Acting Municipal Clerk

FY2011 SITKA SCHOOL DISTRICT STATE LEGISLATIVE PRIORITIES

Submitted by Sitka School District

Sitka School District Federal Tax ID Number: 92-6000113

The Sitka School District strongly encourages the Legislature to fund a covered work area at Sitka High School for vocational education. Sitka winters with frequent rain or snow mean that a covered area is essential during the winter months to continue with their vocational training. Currently training is done either in the classroom or out in the elements. Due to the size of the construction and auto shop classrooms the student demand for these courses is greater than space allows. **A covered vocational education area will allow for additional students and improve the quality and safety of the program. Approximate cost for an adequate covered space and equipment is \$1,433,000.**

The District, through the use of other funds has installed a wireless network for Blatchley Middle School and Keet Gooshi Heen Elementary School. However, we have been unable to complete a wireless network for Sitka High School, Pacific High School and Baranof Elementary School due to infrastructure limitations. Wireless connectivity is standard in many Alaskan high schools and visiting athletes are surprised to find that they cannot access their school assignments during Sitka High meets and tournaments. Similarly local high school students are constrained by the lack of wireless access when working on projects and completing assignments outside of class but inside the school buildings. **The Sitka School District requests the funds to complete its wireless network. Approximate cost for this project is \$175,000.**

Pacific High School, our alternative high school, does not have an area for student exercise. **The Sitka School District is requesting \$35,000 for a concrete pad to be used for basketball and other recreational programs.**

Currently at Blatchley Middle School most of the classroom desks are 15-30 years old. Much of the current furniture and classroom equipment was handed down from Sitka High School when it was renovated in 1999. **The Sitka School District requests \$125,000 for the purchase of desks and chairs for our students and teachers at Blatchley Middle School.**

The Sitka School District strongly encourages the Legislature to adopt the recommendations from the Educational Funding Task Force and the Governor by adding an additional \$100 to the \$5,680 base student allocation of the funding formula. In addition, Sitka School District supports we support the effort to fund the additional 37.5 percent of the District Cost Factors equally over the next 3 years. **The Sitka School District, City and Borough of Sitka Assembly and Sitka Tribe of Alaska are all on record in support of a resolution to implement 100 percent of the recommended District Cost Factors.**

The Sitka School District strongly urges the Legislature to forward fund education. It is difficult to develop a sound budget in April when the District must wait until the following November for the verified student count to be sure of its funding. If State funding was formulated on the current year student count for the next budget year, it would be tremendously beneficial for all districts.

The Sitka School District, like most rural districts, continues to experience a decline in student enrollment at a rate greater than anticipated. As such, it is nearly impossible to budget accurately for the coming school year. The legislature recently approved a provision in HB273 for a “hold harmless” clause in the new foundation formula. The “hold harmless” provision does not take effect until at least a 5% drop in district enrollment has been experienced. For small and medium size rural school districts this can be exceptionally devastating, especially when 85 percent or more of the budget may be dedicated to personnel costs. By the time of the final count at the end of October, the administration cannot legally or ethically reduce staff. Meanwhile, the school board has had to produce a budget on predicted student numbers from the previous year. **Thus, the Sitka School District urges the Legislature to amend the hold harmless threshold to a 2.5 percent drop in enrollment instead of 5 percent.**

Studies have shown that Early Childhood Education, specifically preschool programs, greatly increase the social and academic success of students due to the increased development of language at an early age. **It would increase academic achievement statewide if the Legislature would fully fund preschool programs in districts throughout the State.**

The Sitka School District appreciates the recent efforts to create a frequent, reliable and efficient ferry service throughout Southeast. It is understood that it is not possible to have ferry service at all times but it would be beneficial if there was advance planning or flexibility to modify the schedule during activities that a majority of the students in Southeast attend. **School districts in Southeast Alaska depend on ferry access to provide reliable and economically feasible transportation between communities for numerous academic and athletic activities.** The lack of frequent and dependable scheduled ferry service often makes it difficult or impossible to utilize the AMHS in school sponsored trips. The only alternative for many of the communities served by the AMHS is to arrange travel by air which markedly increases transportation costs and in some cases causes trips to be canceled entirely.

FY2011 CITY AND BOROUGH OF SITKA STATE LEGISLATIVE PRIORITIES

RESTORE EQUITABLE ALASKA MARINE HIGHWAY SERVICE TO SITKA

The Summer 2007 Alaska Marine Highway schedule was a major improvement for Sitka. Passengers had much better connections to and from Sitka and the rest of the System. Increases in traffic were substantial for Sitka – 32 percent increase for passengers and 22 percent for vehicles. In 2007, the City and Borough of Sitka promoted increased fast ferry service (five days per week Juneau-Sitka-Juneau service) as well as three southbound and one northbound mainlines with a “Let’s Go, Sitka” campaign. The great increase in use of ferries in and out of Sitka in Summer 2007 proved the latent demand for improved service and had substantial positive economic impacts for the entire Southeast Region.

Unfortunately, in 2008, due to maintenance problems with the Fairweather, Sitka did not receive fast vehicle ferry service until July, almost halfway through the summer season. AMHS stated the “three year” schedule would continue in 2010, but again Sitka is not scheduled to receive five days per week fast vehicle ferry service until July. **Sitka requests supplemental service for May and June if the Fairweather is not yet fully serving Sitka.**

The loss of all direct service by the LeConte between Sitka and Kake, Angoon, Tenakee, and Hoonah in 2006 continues to cause serious hardship. These direct round-trip connections have existed since the 1960’s. **At a minimum, once per week direct round trip connections between Sitka and Kake, Angoon, and Hoonah need to be restored.** Sitka’s largest employer (Southeast Alaska Regional Health Consortium) can no longer use the ferries to transport most of its clients throughout Southeast Alaska to Sitka for in-patient hospital care and specialty clinics causing many adverse impacts. Many elderly, ill, and fixed-income clients are not able to fly and can’t get to Sitka for care. **THIS IS UNACCEPTABLE.**

Sitka appreciates the Angoon dock modifications to accommodate the fast vehicle ferry (FVF) which could permit direct round-trip connections with Sitka as long as regular FVF ferry service to Sitka continues. The LeConte could resume service to Sitka to connect the villages by adding a third mate position. The six-day passenger only service proposal may be another cost-effective solution for expanding Sitka/village service.

Sitka appreciates continuing FVF trips to Sitka through December, but the rest of the winter schedule is very poor. DOTPF should partner with Sitka to address these issues. **SITKA’S WINTER SCHEDULE NEEDS TO BE INCREASED TO THE SAME BASE LEVEL AS OTHER MAINLINE PORTS.** Sitka passenger and freight traffic would increase enormously with a year-round consistent, connective schedule.

The Southeast Transportation Plan needs to be updated to reflect alternative solutions to the above issues. DOTPF’s Sitka Access study never completed. DOTPF’s study which led to rerouting direct village service away from Sitka with NO inclusion of Sitka needs be revised to include direct Sitka-village connections. DOTPF needs to analyze proposals to improve Sitka connectivity since though Sitka is actively pursuing a powerline corridor to Takatz that will connect Sitka with Chatham Strait, the main ferry route.

The City and Borough of Sitka again requests to partner with the DOTPF and AMHS to evaluate the feasibility and costs of developing a road connection to Chatham Strait in cooperation with the proposed development of the Takatz Hydroelectric Project. CBS further requests that the State not increase Sitka fares any more than is proposed for the rest of the System, especially since Sitka receives so much less service and connectivity with the villages than other mainline ports.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: EXPANSION TO MAXIMUM CAPACITY OF THE BLUE LAKE HYDROELECTRIC PROJECT

Total Project Cost:	\$65,000,000 (100%)
Funding already secured:	\$12,500,000 State FY2009 (19%)
FY2011 State funding request:	\$ 7,500,000 (12%)
Other funding requests:	\$12,500,000 federal request (19%)
Additional Funding Required/Outstanding:	\$32,500,000 municipal (50%)
City and Borough of Sitka Federal Tax ID Number:	92-0041163

The City and Borough of Sitka requests financial assistance in constructing a \$65M expansion of the Blue Lake Hydroelectric Project to its maximum energy capacity. **\$7,500,000 further assistance is requested from the State of Alaska, to fully fund the State's interest in the Blue Lake Hydroelectric Project Expansion**, which has increased due to an increase in project costs. A Federal request is still pending. Sitka will match each dollar of State or Federal assistance with the goal of ultimately financing the project 50 percent with State and Federal funds and 50 percent municipal funds.

The scope of the Blue Lake Hydroelectric Project is to raise the height of the existing dam by 83 feet to 425 feet, construct a new intake gate and a new section of power tunnel to supply a new powerhouse to be constructed adjacent to the existing powerhouse. The new powerhouse will replace the existing two (2) 4MW generators with three (3) 6MW generators. This will increase installed capacity from 8MW to 18MW, with an increase in Sitka's average total annual hydroelectric energy production by about 35,400 MWh or 29 percent of system capacity. Sitka is aggressively engaged in the preliminary engineering and licensing phase of this expansion of its hydroelectric capability at Blue Lake. The goal is to complete the construction and bring this new hydroelectric capacity on line in 2015.

Sitka has exhausted its hydroelectric resources and load studies predict up to 5M gallons of fuel oil for the use of supplemental diesel generators will be required prior to completion of the Blue Lake Expansion Project. Sitka homes and businesses are moving from the high cost of heating oil to clean, renewable hydroelectric energy. The total energy requirements of Sitka are currently met by about 80 percent oil and 20 percent hydroelectric energy resources. Total annual KWh sold in FY'09 increased by 3.36 percent over FY'08, which follows load increases of 4.5 percent in FY'08, and 8 percent in FY'06. Base-case load studies have predicted annual load growth at approximately 1.2 percent yet the electric system has seen unprecedented growth, averaging 3.8 percent annually since 1973. The existing hydroelectric generation is now operating at over 96 percent capacity. It is expected that volatile oil prices will continue the trend of exponential system load growth and that any new hydroelectric capacity will be fully utilized to displace oil for space and water heating.

Despite CBS actively promoting energy conservation, hydroelectric energy usage is escalating at a rate that will shortly exceed system capacity. Therefore, Sitka is actively working to complete the project as quickly as possible and is pledging 50 percent of the total project costs.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: CITY OWNED SITKA COMMUNITY HOSPITAL ROOF REPLACEMENT

Total project cost:	\$1,100,000 (100%)
Funding already secured:	\$ 0
FY2011 State funding request:	\$1,100,000 DOTPF (100%)
Other Funding Requests:	\$ 0

City and Borough of Sitka Federal Tax ID Number: 92-0041163

CBS requests \$1,100,000 in funds from the State of Alaska to assist CBS in replacing the roof of the City owned Sitka Community Hospital. Due to the financial constraints faced by Sitka's small rural Hospital and the City and Borough of Sitka, only a limited and absolutely necessary amount of remodeling or upgrading of the Hospital building and the grounds has been performed in the recent past. When money is tight, normal maintenance and replacement is deferred until and unless it becomes an operationally threatening situation. This project will allow Sitka to utilize the existing building for years to come.

The existing roof is the original construction from 1983 except for the pavers, which were replaced in 1994. The roof has a 15-year warranty and is eleven years past its warranty expiration. The hospital maintenance and engineering departments have worked very hard to maintain this flat roof in Sitka's rain forest environment. Numerous patches and repairs have been performed over the last ten years. Over time roofing membranes age and ultimately fail, leaking at an increasing rate. It is more cost effective to replace the roof before the failures are widespread. City staff engineers and various contractors have all recommended replacing the roof as the most viable option.

Maintenance of community owned assets is a high priority, and when that asset provides services such as Sitka's community hospital has provided, it becomes an essential community service. Sitka Community Hospital continues to work closely with regional Southeast Alaska Regional Health Consortium (SEARHC) Mt. Edgecumbe Hospital where possible. However, the majority of Sitka's 8,000+ residents are not eligible for SEARHC services. Providing the community with such a critical service and facility 24/7 brings financial strains to a community but does not alleviate the need for hospital services for an isolated community with no road connections.

The many State personnel and interests in Sitka, as well as all of Sitka's non-SEARHC clients, require a safe, dry, life-saving hospital facility. The State is requested to fund this greatly needed roof replacement project, the cost of which is estimated at \$1,100,000.

OK

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: PAVING FAILED COLLECTOR STREETS

Total project cost:	\$3,300,000 (100%)
Funding already secured:	\$200,000 (6%)
FY2011 State funding request:	\$2,640,000 DOTPF (80%)
Additional funding required/outstanding:	\$460,000 CBS (14%)
City and Borough of Sitka Federal Tax ID Number: 92-0041163	

The City and Borough of Sitka requests \$2,640,000 from the State of Alaska to partner in upgrading City owned and maintained collector roads connected to Sitka State highways. The current estimated cost to fix the failed City owned streets totals over \$38 million and continues to grow each year. The majority of asphalt pavement surfaces of Sitka's existing streets are in cascading failure. A comprehensive pavement condition survey in 2009 showed that 53 percent of the City's 23 miles of paved streets are nearing the end of their service life. The majority of the most severely degraded streets are in the heart of the city, directly feeding into the State's highway system. The City and Borough of Sitka must repair and upgrade these city streets to ensure public safety, ADA compliance, and to provide improved drainage systems.

The majority of the city streets were paved over 20 years ago with the State's support, and since that time, limited funding has been available to maintain or repair them. Given the extent of the overall needs for road improvements, CBS is focusing its FY2011 request on the following top priority projects:

1. Edgumbe Drive (\$2,000,000): Edgumbe Drive is approximately 1 mile in length and is the only alternate route to Halibut Point Road which is the only State highway servicing the north end of Sitka. This important collector is also the only street servicing the primary elementary school and one of the most populated residential areas in Sitka. The proposed project would include overlaying the existing 40-ft wide paved surface and making minor improvements to the sidewalks and drainage.

2. Jeff Davis Street (\$1,300,000): Jeff Davis Street is a high use collector that provides important relief to Sawmill Creek Road which is the only State highway servicing the south end of Sitka. Jeff Davis is instrumental in dissipating traffic in the downtown area, relieving the congestion on the State's Sawmill Creek Road associated to the Baranof Elementary School zone and the Halibut Point Road/Sawmill Creek Road intersection. Jeff Davis is commonly used as a detour route associated to State work on Sawmill Creek Road and was used during the construction of the State's roundabout this summer. As a result of the heavy use and increase in traffic and truck loading, it has demonstrated a high rate of deterioration. The proposed project would consist of a complete reconstruct of this street including curb, gutter, and sidewalk.

The severity of the degraded streets is a high priority for Sitka and has resulted in proposition that was put on the October 2009 ballot as a sales tax rate increase to support a \$7-million dollar road rehabilitation plan. This plan was to be bonded and paid back over a 20-year period which is stretched beyond the life span of the improvements. Although this proposition failed, it was evident through the process that the community recognized the overall need and support was demonstrated by organizations such as the Chamber of Commerce.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: PURCHASE AND UPGRADE OF HAMES WELLNESS CENTER

Total Project Cost:	\$15,800,000 (100%)
Funding already secured:	\$ 0
FY2010 State Funding Request:	\$ 10,000,000 (63%)
Other Funding Requests:	\$ 2,800,000 (18%) (grant applications)
Additional funding required:	\$ 3,000,000 (19%) (tax increase & bond)
City and Borough of Sitka Federal Tax ID Number: 92-0041163	

City and Borough of Sitka requests \$7,100,000 from the State of Alaska to purchase and upgrade Hames Athletic and Wellness Center. The Center is owned by now defunct Sheldon Jackson College (SJC), leased by City and Borough of Sitka (CBS) and operated by Sitka School District's Community Schools. It was constructed in 1987 but due to the College's chronic financial difficulties was never adequately maintained. When SJC closed its doors, the Sitka Assembly recognized the Center's critical economic and wellness role to Sitka and directed CBS to lease it and develop an operating plan, but help is needed to fund its purchase and upgrades.

Hames Center is a 33,000 square foot facility with a full-size basketball court, two racquetball courts, Pilates studio, fitness equipment area, locker rooms, pool, several conference rooms and office space. Hames Center Task Force volunteer board provides administrative and other support. Hames Center is Sitka's only publicly available indoor recreation facility for physical exercise, socialization, health and constructive use of time for persons of all ages and means.

The Hames Athletic and Wellness Center provides an essential community economic, social, recreational, health and wellness function and serves a vital role by contributing to the quality of life of Sitka's residents. It's the only place available to the public for cardio and strength fitness equipment and racquetball courts. All of Sitka's indoor recreation facilities, gymnasiums and pools, including the Hames Center, are fully utilized. This fact, along with Sitka's inclement weather, makes the Hames Center critical to the community's health. It is used by 33 organizations and agencies and offers indoor recreational opportunities for up to 1484 community members and school district students each week, including the U.S. Coast Guard.

The State has a major interest in Hames Center, which supports critical training functions for Alaska Public Safety Academy students and Mt. Edgecumbe State High School students. Many students from the "Bush" wouldn't learn to swim without access to Hames Center's pool. Sitka High School "C" team basketball, Pacific High recreation and the youth basketball programs depend on the Hames' gym availability. With Sitka's existing indoor recreational venues booked to capacity, programs using Hames Center would be negatively affected due to lack of gym or pool space if the facility isn't kept open. The loss of programs would negatively affect Sitka's economy and quality of life. Studies have shown communities with recreation centers have lower drug use, domestic violence, crime, and health-care costs.

An appraisal estimates the value of the facility and land at \$2.5 million. Major deferred maintenance is estimated at \$13.3 million to upgrade the facility to a "30-year maintainable life cycle" (2009 Facility Condition Assessment & Repair Cost Estimate; HVAC system repairs; pool system and structural repairs; and roof replacement; etc). CBS will accept ownership of the building contingent upon sufficient funds to purchase and upgrade it. The City will work with the School District and others to secure grants and other tax revenues to bond and fund upgrades and keep the facility operational for the future.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: ULTRAVIOLET DISINFECTION FOR SITKA MUNICIPAL DRINKING WATER SUPPLY

Total Project Cost:	\$6,500,000 (100%)
Funding already secured:	\$ 0
FY2011 State Funding Request:	\$ 825,000 SFY2011 ADEC ADWF Loan (13%)
Other funding requests:	\$2,275,000 SFY2011 ADEC Municipal Matching Grant (35%)
Additional funding required:	\$3,400,000 CBS Water Fund, Future ADWF Loans and Municipal Matching Grants

City and Borough of Sitka Federal Tax ID Number: 92-0041163

Compliance with the Federal Long Term Enhanced Surface Water Treatment Rule

The enhanced surface water treatment rules (ESWTRs) were issued by EPA requiring drinking water systems to provide additional microbial and disinfection controls for surface water systems. The Long Term 1 & 2 ESWTRs require public health protection against *Cryptosporidium*, while addressing risk tradeoffs with disinfection by-products. This additional treatment must be in operation and individually validated by the State DEC before October 1, 2014.

CBS is blessed with a superior water source, Blue Lake, and is one of a few communities across the country that has met the federal requirements to remain unfiltered. Construction of a filtering system for CBS has been estimated in the \$6-10 million range. CBS desires to remain unfiltered. CBS, with the assistance of consultants CH2MHill, has evaluated alternative treatment methods to comply with the ESWTRs which was reported in Comparison of *Cryptosporidium* Treatment Alternatives for the City and Borough of Sitka's Water Treatment Facilities, May 23, 2008. This work selected Ultraviolet (UV) disinfection as the most cost effective and viable alternative for CBS. Additionally, CBS explored conceptual designs for UV treatment systems; comparing and evaluating major manufacturer's UV systems. This was summarized in the June 2008 report, UV Disinfection Feasibility Study. CBS has purchased sophisticated laboratory equipment and has compiled UV absorbance values and water quality data for over a year to aid in proper design and sizing of the equipment.

*The state FY2011 funding request for \$825,000 as an Alaska Drinking Water Fund loan will provide the funding for a detailed engineering design and site selection of the UV disinfection equipment. Following the detailed design, more accurate construction cost estimates can be made. This design work allows CBS to take the next step in this multi-year process towards complying with the federal requirements for protecting public health against *Cryptosporidium* while maintaining Sitka's unfiltered status.*

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: TAKATZ LAKE HYDROELECTRIC FEASIBILITY ANALYSIS

Total Project Cost:	\$3,000,000
Funding already secured:	\$ 514,684 AEA Grant Round I
FY2011 State funding request:	\$2,000,000 AEA Round III
Other funding requests:	\$ 0
Additional Funding Required/Outstanding:	\$ 485,316 Municipal

City and Borough of Sitka Federal Tax ID Number: 92-0041163

The City and Borough of Sitka has submitted a grant application to the Alaska Renewable Energy Fund Round III in the amount of **\$2,000,000 to conduct a Feasibility Analysis of the Takatz Lake Hydroelectric Project.** This is to request approval of that funding.

Since 2002, Sitka has invested over \$1,000,000 in environmental and engineering work to relicense its existing Blue Lake Hydroelectric Project. In addition, over \$600,000 has been budgeted to investigate other potential hydroelectric resources, including Takatz Lake. These expenditures and commitments by Sitka totaling \$1,600,000 reflect the recent municipal funds committed to the development of Sitka's hydroelectric resources.

Federal Energy Regulatory Commission issued a preliminary permit to the City and Borough of Sitka to determine the feasibility of the Takatz Lake Hydroelectric Project. The Takatz Lake Hydroelectric Project along with the expansion of the existing Blue Lake Hydroelectric Project can be fully utilized to displace much of the 9 million gallons of diesel fuel and gasoline currently being consumed in Sitka each year.

This work to determine the feasibility of the Takatz Lake Hydroelectric Project is the continuation of over one hundred years of hydroelectric power supply planning for Sitka dating back to early 1900's. The more recent engineering investigations over the decades resulted in the construction of the Blue Lake Hydroelectric Project in 1960, followed by the construction of the Green Lake Hydroelectric Project in 1982, the addition of two small hydroelectric units at the existing Blue Lake hydroelectric project in 1992, and now the expansion of the existing Blue Lake Hydroelectric Project to its maximum capacity which is expected to be completed and in service by 2015. The result of this planning is Sitka's power supply has been primarily hydroelectric for fifty years.

The community of Sitka is engulfed in an era of increasingly scarce and increasingly expensive oil which drives a sustained growth in the demand for hydroelectric energy. The development of Takatz Lake's hydroelectric potential to serve the City of Sitka could also serve other communities in Southeast Alaska as those communities become electrically interconnected. See the grant application dated November 7, 2009 to the Alaska Energy Authority for more detailed information.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: CBS COMMERCIAL PASSENGER VESSEL AND VISITOR FACILITIES IMPROVEMENTS

Total Project Cost:	\$5,000,000 (100%)
Funding already secured:	\$ 500,000 (10%)
FY 2010 State Funding Request	\$2,000,000 (40%)
FY2011 State Funding Request:	\$2,500,000 (50%)
Additional Funding Required:	\$ 0
City and Borough of Sitka Federal Tax ID Number:	92-0041163

CBS requests \$4,500,000 funding from the State of Alaska to complete capital projects to upgrade commercial passenger vessel services and watercraft infrastructure, enhance passenger safety, and support cruise ship visitor activities. Sitka receives up to 280,000 cruise ship visitors annually and needs to upgrade its municipal facilities. CBS appreciates the \$2,000,000 received for FY2009 for lightering facility improvements. However, the FY2010 companion project below was not funded.

FY2010 Projects: Sitka Centennial Hall Upgrade To Support Cruise Ship Visitor Uses.

Centennial Hall is Sitka's primary public facility for cruise ship visitors. It provides bus access and parking, restroom facilities, auditorium for performances, resting and viewing areas for visitors, visitor information services, museum and other historical, cultural and biological displays, and many other visitor attractions and amenities. It has not been upgraded for many years and has considerable unmet deferred maintenance and rehabilitation requirements.

This project will rehabilitate the inside and outside of the Hall including some minor remodeling and expansion to increase services. Upgrading the flooring, exterior/interior finishes, audio/video, and electrical are some of the essential features to updating and growing the Halls use. Minor expansions to increase the restroom capacity and visitors services are also needed. CBS requests \$2,000,000 not yet funded from 2010 request for this project. Cost of this project is estimated at \$2,000,000. Project Timetable is contingent on funding in FY2011, design completion in Summer 2010, and construction in Fall 2011 through Spring, 2012.

FY2011 Projects: Sea Walk Extension Part A; O'Connell Lightering facility to Harbor Way Construct Sea Walk link on waterfront zone between O'Connell lighter facility and Harbor Way near Library. Provide covered portions, if practical, due to weather exposure. Funding for design is included in award from FY2009 Legislative appropriation. Cost of this project is estimated at \$1,000,000.

Sea Walk Extension Part B; Crescent Park area to National Park Service Totem Park

Extend Sea Walk link on waterfront zone between play structures at southern end of Crescent Harbor, cross Creek with bridge to Sitka Sound Science Center, proceed along waterfront zone to National Park Service kiosk. Coordinate with Science Center to include improved salmon viewing opportunities. Cost is estimated at \$1,000,000.

Crescent Harbor Parking Lot – Repaving This parking lot is the major parking lot for Crescent Harbor and the vendors and businesses which serve the cruise industry. The lot is aged and at the end of its service life. Cost of this project is estimated at \$1,000,000.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: CBS GRANITE CREEK ROCK QUARRY EXPANSION

Total project cost: \$ 900,000 (100%)
FY2011 State funding request: \$ 630,000 (70%)
Additional funding required: \$ 270,000 Public/Private Partnership (30%)
City and Borough of Sitka Federal Tax ID Number: 92-0041163

Private and City and Borough of Sitka rock quarries in Sitka are near the end of their productive lives. There do not appear to be any good candidates for additional private quarries, leaving the City and Borough as the primary source of construction rock products in Sitka. Continued availability of a rock source is vital for most private and public construction in Sitka. The State airport runway expansion planned for 2010 is a prime example.

The City and Borough has identified additional quarry sites within the Granite Creek Industrial Site, north of the north fork of Granite Creek. These sites have been created by a formal subdivision process, which included platting of two separate access rights of way. This project would construct access to the additional quarry sites within the newly platted rights of way, from the existing operating portions of the Site. Construction would include an estimated 4,800 feet of "logging" road with turnouts, and a single bridge over the north fork of Granite Creek.

CBS requests \$630,000 from the State of Alaska to partner with the City and Borough of Sitka to develop a sufficient rock source for the several large municipal, State and Federal projects anticipated for Sitka in the near future. Sitka's local match would be provided through partnerships with private quarry operators, future public/private projects, and the City and Borough of Sitka.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: KETTLESON MEMORIAL LIBRARY UPGRADE

Total Project Cost:	\$15,000,000 (100%)
Funding already secured:	\$ 80,000 (.5%)
FY2011 State funding request for Phase I:	\$ 750,000 (5%)
Additional funding required/outstanding for Phase I	\$ 670,000 (4%)
Additional funding required for Phase II, Construction:	\$ 13,580,000 (90%)
City and Borough of Sitka Federal Tax ID Number: 92-0041163	

Kettleston Memorial Library was constructed in 1967 with 3,000 square feet. An addition of 4,500 square feet was added in 1983. Between 1983 and 2009. The collection has tripled. The our daily average visitor count has surged from 190 visitors per day to an average 467 visits per day and the number of items circulated has more than doubled from 69,735 items to the current 137,390 checkouts. The outcome of a 2004 needs assessment study indicated that the space needed by Kettleston to operate was slightly over double the current footprint, from 7,300 sq. feet to 16,500.

Though Sitka's population has remained relatively the same since 1980, Kettleston Library's patron use has dramatically increased due in part to heavy use by visitors, crew members from the cruise ship industry and seasonal workers, and students from Mt. Edgecumbe High School who make the library a destination on weekends. With the downturn in the economy, patrons are increasingly using the library to hunt for new work, conduct small business efforts and avail themselves of free access to informational, educational and entertainment needs. In response to the high demand for computer access, Kettleston jerry-rigged a network in the middle of the library. Retrofitting for computer access is rarely optimal. In this case means computing activity is highly disruptive, use is open to public scrutiny, and instruction is not available.

The Library hosts many events, requiring rearranging furniture and eliminating the Library's only reading area. With the closure of Sheldon Jackson College, the Sitka Library Network regained the C. L. Andrews collection of 1,000 rare and first edition books. Due to the current lack of space in Kettleston, the collection sits in archival boxes in City storage, safe for the time being, but virtually inaccessible.

Phase I, Design, is estimated at \$1,500,000. The constraints of the existing site will be a challenge to permit adequate expansion for optimum use. CBS will pursue funding through the Library Construction and Major Expansion Matching Grant Program sponsored by Senator Stedman. This grant may fund 50 percent of the cost, with matching 20 percent contributions from the local government entity and 30 percent from private donors. CBS requests the State fund the Matching Grant Program and permit Sitka to apply.

Sitkans and summer visitors rely very heavily on Kettleston Memorial Library and have repeatedly supported that the City and Borough of Sitka budget provide for daily service, including regular evening hours. This expansion is long overdue. Kettleston Library serves substantial State interests through its services to the University of Alaska, Mt. Edgecumbe High School, State agencies and other libraries statewide.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: WHITCOMB HEIGHTS SUBDIVISION WATER AND SEWER TRUNK LINES

Total project cost:	\$3,500,000 (100%)
Funding already secured:	\$ 500,000 Remainder of Legislative Grant 07-DC-494
FY2011 State funding request:	\$2,800,000 (80%)
Other funding requests	\$ 0
Additional Funding Required:	\$ 200,000 CBS General Fund (20%)

City and Borough of Sitka Federal Tax ID Number: 92-0041163

Kramer Avenue parallels the State Highway Halibut Point Road, through the southern portion of the City and Borough owned “Benchlands” properties. Kramer is the arterial street of the Whitcomb Heights subdivision in the Benchlands. The proposed project would extend the water main “trunk line” currently being constructed in the southern portion of Kramer Avenue, and to the Whitcomb Heights water tank, to the north end of the subdivision, and construct a parallel sewer main in the same alignment.

Construction of these water and sewer main lines within the Kramer Avenue right-of-way will provide a backbone upon which the neighborhoods of the subdivision can be served. The Subdivision is the only property in the City and Borough of Sitka that is both accessible and of suitable terrain to support public or private development of residential units, including sorely needed affordable housing. The Kramer Avenue water main will also provide a supply loop in parallel with the Halibut Point Road water main, ensuring that the added system water storage capacity provided by the Whitcomb Heights water tank can be distributed to all areas of the community water system.

Additional local match would be provided in the form of funding for construction of Whitcomb Heights subdivision neighborhood water and sewer mains, and individual service connections.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: SITKA ROCKY GUTIERREZ AIRPORT TERMINAL REMODEL & EXPANSION

Total Project Cost:	OPTION I	\$6,500,000 (Phase I - 100%)
Funding already secured:		\$ 200,000 (3%)
FAA discretionary funds- Construction		\$1,000,000 (15.5%)
FAA design grant		\$1,000,000 (15.5%)
FY2011 State funding request:		\$2,100,000 (32%)
Additional funding required: Projected CBS PFC's		\$2,200,000 (34%)
City and Borough of Sitka Federal Tax ID Number:		92-0041163

City and Borough of Sitka requests \$2,100,000 from the State of Alaska to remodel and expand the existing airport terminal building. The Sitka Airport is owned and operated by the State of Alaska, Department of Transportation & Public Facilities (ADOT&PF). The Sitka airport terminal building is owned and operated by the City of Sitka, who leases the ground it sits upon from the State of Alaska. The existing terminal building and terminal site are inadequate in meeting the needs placed on it in today's airport environment and range from security issues to dysfunctional issues including screening that does not meet TSA standards, inbound and outbound passenger circulation congestion/conflict, inadequate hold room/ boarding lounge space, hold room has no private search area, bathroom, or concessions area. Alaska Airlines baggage make up area is wholly inadequate, fish boxes clog the lobby during the busy summer season, and the baggage area is too small.

A 2005 master planning effort identifying terminal needs and possible siting locations for a new terminal building was conducted by ADOT&PF. This planning effort identified significant needs and deficiencies of the existing terminal building and looked at potential solutions ranging from remodeling and expanding the existing building to constructing a new terminal building in various new locations along the airport. The two preferred options resulting from the 2005 planning project were **I: Remodel and expand the current terminal building: II: Build a new terminal directly adjacent to the existing terminal building.**

The City is in the process of completing the next step in the terminal redevelopment plan where these two options are further developed. Specific building programs and concept plans are being developed, as well as, professional cost estimates, and a funding plans. The most affordable solution is to remodel the existing facility in a phased manner to accommodate operations during construction. The City is requesting funding for the first phase which would be a remodel of the existing facility to accomplish improvements and expansions to all essential operational areas of the airport.

The State and Federal governments have already completed major Sitka Airport upgrades, including re-routing the airport access road to make room for airport expansion and purchasing land to accommodate this development. More than \$50 million in Sitka Airport improvements are planned, with the Runway Run out Area Expansion project scheduled for 2010 construction. Sitka's 40 year old terminal facilities must be significantly improved to meet this major anticipated airport expansion.

The Sitka Airport is the life blood of the community. Not only is it Sitka's primary transportation link with the rest of the world, but an enormous economic engine for Sitka and the Southeast Region. Services are currently restricted and safety improvements are needed to improve TSA security, Alaska Airlines operations, and overall passenger use. The airplane capacities and security needs are projected to increase in the near future. These impacts will be problematic to the already over crowded operation.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: TRANSMISSION IMPROVEMENTS FOR HYDROELECTRIC ENERGY PROJECTS

Total Project Cost:	\$3,036,000 (100%)
Funding already secured:	\$ 0
FY2011 State funding request:	\$2,277,000 State (75%)
Other funding requests:	\$ 0
Additional Funding Required/Outstanding:	\$ 759,000 Municipal (25%)
City and Borough of Sitka Federal Tax ID Number: 92-0041163	

Transmission Tie Line 69kV Thimbleberry to Blue Lake Substation

Currently Sitka has a single transmission line to transport its hydroelectric power into town. The transmission line between the Blue Lake Hydroelectric Powerplant and the Thimbleberry Lake area runs high over the ridge by Hart Lake and is far from the roadway. This area is subject to rockslides and was responsible for a three day hydroelectric outage in 2002. Since it is difficult to get heavy line equipment up into this area, a more serious rockslide could isolate Sitka from its hydroelectric power plants for weeks until line repairs could be made.

The back-up Jarvis Street Diesel plant can only carry half the city load in winter so rolling blackouts would be required. A one week hydroelectric outage would require about 160,000 gallons of fuel (\$800,000 per week assuming \$5 per gallon price) and could cause a great deal of economic damage to the community, potentially millions of dollars if the fish processors are forced to shut down during commercial fishing.

CBS is working to establish a redundant and more easily repaired transmission tie to increase the reliability of Sitka's hydroelectric power supply and decrease the dependence on back-up diesel generation. CBS will construct a second 2.4 mile 69 kV transmission line along Sawmill Creek Road. The final decision on routing and design will be based on engineering evaluation, public comment, work with Alaska Department of Transportation, and other community factors. This funding request assumes the lowest cost option is constructed.

Blue Lake Hydroelectric Powerplant 69 kV Ring Bus

At this time we cannot properly maintain the Blue Lake Hydroelectric Power plant's switchyard and substation because shutting it down would isolate Sitka from its two hydroelectric power supply projects, Blue Lake and Green Lake.

This project would construct a 69 kV bypass line around the Blue Lake Hydroelectric Powerplant and Substation so that Green Lake Hydroelectric Power can flow to town while work is being done in the Blue Lake Powerplant or Substation. A smaller second phase of this project will be incorporated into the Blue Lake Hydroelectric Expansion Project (adds new powerhouse) to allow the old plant or the new plant or the substation to be isolated for maintenance. This bypass will be required to properly connect the new Blue Lake Powerhouse into the system.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: SAWMILL COVE INDUSTRIAL PARK BULKHEAD DOCK

Total Waterfront Development Project Cost:	\$ 9,844,000
Funding already secured:	\$ 143,000 (HUD Grant—1.5%)
FY2011 State Priority 1 Funding Request:	\$ 6,000,000 (State - 61%)
Other Priority 1 funding requests:	\$ 3,000,000 (Federal—30.5%)
Additional Funding Required:	\$ 701,000 (CBS Match—7%)
City and Borough of Sitka Federal Tax ID Number:	92-0041163

The City and Borough of Sitka took over the former Alaska Pulp Corporation mill site in 1999. Over \$10,000,000 of Federal, State and CBS funds, uplands utilities and system upgrades are complete. The State contributed \$1 million toward the raw water line, and the Wastewater Outfall Project is also completed. The Industrial Park is operational, with tenants including Cove Partners, Theobroma Chocolate Company and Silver Bay Seafoods, which processed over 25 million pounds of fish in 2009 and invested nearly \$10 million in facility upgrades and equipment. In 2009, the seafood processors had 175 seasonal employees. A 150-person dormitory is operational; a second is planned.

The 2002 Sawmill Cove Industrial Park Waterfront Plan details the improvements that must be completed to permit deep water port use of the Industrial Park. The existing docks and waterfront facilities are too old and unsafe for use and must be removed and new pilings, sheet pile bulkheads, dredging and shoreline protection, and other improvements must be completed.

The highest priority Waterfront Development Project is the Sawmill Cove Bulkhead Dock Completion – total cost \$9,844,000. CBS requests \$6,000,000 State funds; \$3,000,000 Federal funds and \$701,000 CBS match. This multi-purpose dock facility, a sheet pile bulkhead cargo and freight dock, will be located in the center of the Industrial Park waterfront (Lot 9). **Phase 1 includes a 120 linear foot rock-filled sheet pile bulkhead dock, fender system, and uplands improvements to allow freight to come over the dock for \$5,119,000.** It will allow CBS to utilize this bulkhead dock to assist with the proposed Blue Lake Dam Expansion. The Sawmill Cove Industrial Park will be the ideal location to accept and stage materials for the expansion project. Currently there is no docking facility at the industrial park to accommodate the future need to deliver freight and rock for the Blue Lake Dam expansion. **Phase 2 includes 8 breasting/mooring dolphins and 900 linear feet of catwalks to allow bulk water tankers and larger vessels to utilize the dock for \$4,725,000.** The completion of this intermodal dock will permit the \$1.94 million Federal Transit Administration FY2004 earmark to be used to pave the uplands to accommodate public bus service.

Sitka is the only urban port in Southeast Alaska without a deep water dock. The former Pulp Mill deep water dock formerly served ocean going container ships transiting across the Pacific Ocean. Sitka is closer to open ocean than any other SE port, yet has no ability to function as a deep water port. The Waterfront Development Project at Sawmill Cove Park is the key to enabling Sitka to develop an economically viable deep water port intermodal facility.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: SITKA SWAN LAKE RECOVERY AND IMPROVEMENTS

Total Project Cost:	\$ 4,000,000 (100%)
Funding already secured: (CIAP Legislative Grant):	\$ 774,900 (20%)
FY2011 State Funding Request:	\$ 1,650,000 (41%)
Additional Funding Required:	\$ 1,575,100 (39%)
City and Borough of Sitka Federal Tax ID Number:	92-0041163

Swan Lake, 'Sitka's Central Park', is a eutrophic dying lake. The CBS has been working to improve water quality and recreational opportunities surrounding the lake for many years. Dredging Swan Lake is not "just a nice thing to do" but is absolutely necessary to retain Swan Lake as an integral part of Sitka's future. In the spring and summer parents and children fish and boat on the lake; in the winter Swan Lake is the only location in town for ice skating.

Swan Lake is not only special to Sitka residents and visitors. It has a very special place in Alaska history. It was created in 1851 when the Russian occupants of New Archangel connected and deepened a series of ponds by dredging, rerouting a creek and building a log dam at the outlet. The newly formed lake was created so that ice could be harvested for shipment to California. This was a successful business venture for the Russian occupants which received special attention during the purchase of Alaska by the United States.

An active multi-year water body recovery project began in the late 1990's. The guide for these efforts has been the Swan Lake Watershed Recovery Strategy and Total Maximum Daily Load Report, which was completed during 2000. In 1981 Swan Lake was named an Area Meriting Special Attention under the Coastal Management Program. This included water quality and watershed protection policies which have continued to evolve. In 1985, to respond to citizen concerns about the eutrophication of the lake, the CBS commissioned the Swan Lake Recreational Improvements Geotechnical Assessment and Construction Analysis. This study reported depth and bottom substrate measurements throughout the lake and recommended dredging the majority of the lake to increase overall depth. The lake averages less than seven feet in depth. CBS has actively sought funds for dredging ever since.

There have been three strategic dredging projects in Swan Lake since 2001, funded by a combination of Coastal Impact Assistance Program (CIAP), DEC/EPA 319 grants and municipal matching funds (totaling approximately \$450,000). These small projects have been successful at improving water flow in and out of the lake, increasing access for recreational activities and improving winter fish habitat. These projects were very popular with the Sitka residents. Small dredging projects, however, are not cost effective. Mobilization costs are high for projects such as this; for our small projects mobilization/demobilization consumed up to 35 percent of the project budget. Larger projects are much more cost effective because the mobilization costs are nearly fixed and not proportional to the volume of material dredged.

With the availability of state designated Coastal Impact Assistance Program funds (CIAP) of \$774,988 designated to CBS which will meet all grant requirements and permit continuing rehabilitation of Swan Lake, CBS will be able to mount a more strategic project. Sitka requests \$1,650,000 State funds to partner with CBS to complete a major long-term recovery of Swan Lake. Once completed, Swan Lake will provide its historical, environmental and recreational richness to all well into the foreseeable future.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: SITKA MOLLER PARK BASEBALL FIELD IMPROVEMENTS

Total Project Cost:	\$3,655,000 (100%)
State Funding Already Secured:	\$ 560,000 (15%)
City & Donated Funding Secured:	\$ 730,000 (20%)
FY2011 State Funding Request:	\$2,315,000 (63%)
Other Funding Requests: Baseball Tomorrow Fund	\$ 50,000 (1%)
Additional Funding Required:	\$ 0 (State request completes project)
City and Borough of Sitka Federal Tax ID Number:	92-0041163

State funding is being requested to complete the final phase of the \$3.655 million Sitka Moller Park baseball field improvements project. Total project cost for synthetic ballfield turf is estimated at \$2,530,000 (anticipated \$165,000 in-kind labor). The State legislative funding request is for \$2,315,000 to complete the installation of a synthetic turf for Moller baseball field.

Improving the baseball facility at Sitka's Moller Park is a multi-year phased project that began in earnest in 2004 when a group of parent volunteers constructed a batting cage facility complete with synthetic turf, nets, pitching machines and heat. This facility was built with 100 percent local funds and donated labor -- a \$275,000 value. Currently a new \$350,000 concession/announcer/ scorekeeper/restroom building is 95 percent complete. This facility was constructed with \$140,000 in donated in-kind labor & materials, \$100,000 City and Borough funds and \$110,000 FY07 State grant.

The next phase which will be implemented in FY10-11, will utilize FY09 State grant funds and volunteer labor (estimated value of \$50,000) to install field lights, new covered bleachers/grandstand with new relocated dugouts.

Improving the outfield playing conditions by adding synthetic turf will allow more active use of the field and reduce maintenance costs significantly. The current field surface has underlying muskeg resulting in poor drainage. The saturated turf limits players' ability to utilize the outfield during rainy weather. During wet weather the swampy outfield gets very soft resulting in unsafe, slippery conditions which cause ankle and leg injuries and also damage the grass surface. At times the outfield grass cannot be mowed because the tractor mowers sink into the muddy field. Three years ago the high school team hand carried and spread 30 cubic yards of sand onto the most dangerous areas in the outfield before games could continue. Currently, all Sitka High School, Jr. League, Sr. League and some men's softball league games are played on this one field. Hundreds of children participate in youth and high school programs annually, and with the outstanding successes of the Sitka High School and Little League's baseball programs, use of the field continues to increase.

Sitka's Little League and volunteer baseball group is very well organized and has a proven track record of leveraging funding to provide more 'bang for the buck' as demonstrated by the batting cage facility and the new building. This group is committed to this same partnership for all planned Moller Baseball Park upgrades. The project's budget to date includes \$780,000 (20 percent of total) in community sweat equity, donated materials, City and Borough funds.

For FY2011, Sitka requests \$2.315 million for synthetic outfield turf to complete the final phase of the upgrade project to make the field playable nearly year-round. The previously State funded Moller Improvements projects will have great economies of scale with cost efficiencies in both design and construction if combined with the synthetic turf. Once these improvements are completed, no further State assistance is anticipated. Sitka will have a safer facility with lower maintenance costs that will provide for increased activities for Sitka's youth.

FY2011 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: EXPAND CBS BIOSOLIDS LANDFILL

Total project cost: \$ 500,000 (100%)
FY2011 State funding request: \$ 400,000 (80%)
Additional funding required: \$ 100,000 CBS Solid Waste Fund(20%)
City and Borough of Sitka Federal Tax ID Number: 92-0041163

The CBS biosolids landfill is located in the Granite Creek Industrial Site. Biosolids are what remains after Sitka's wastewater is treated and must be disposed of in a permitted location approved by the State Department of Environmental Conservation (DEC) and U.S. Army Corps of Engineers (ACOE). In 2005 the City's existing landfill at Kimsham was reaching capacity and a new landfill was necessary. CBS, at that time, initiated a new solid waste strategy which included shipping the majority of municipal solid waste to a landfill in Washington State, while getting permits for and constructing new landfill areas for biosolids and inert waste in the Granite Creek valley. The containment berm for the first half of the biosolids landfill has been constructed and the landfill is currently in use.

The CBS has an ACOE permit for expansion of the biosolids landfill by construction of additional containment berm, which expires in June 2012. Therefore, construction must be completed prior to June 30, 2012, or CBS will need to go through a new and challenging permitting process. Once the landfill containment berm is built, CBS will have as long as is required to place biosolids behind the berm, under CBS' DEC permit to operate the landfill.

CBS has used an estimated 25 percent of the existing biosolids landfill area so far, so gaining the extra permitted capacity is critical as a medium-term goal for Sitka's solid waste management. Based on Sitka's two and a half of experience with the biosolids landfill, we predict a remaining life of the existing landfill of approximately seven years. The as-yet undeveloped portion of the biosolids area would approximately double the capacity of this area. The \$500,000 estimate for construction of the additional biosolids area includes shot rock berm, filter fabric, and clearing and grubbing. The State's partnership in this project can permit it to be completed soon and benefit the many State interests in Sitka which utilize this facility.

FY2011 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES

Project Title: STATE PUBLIC SAFETY ACADEMY DRIVER TRAINING FACILITY UPGRADE

Total project cost: \$ 5,000,000(approx.—100%)
Funding already secured: \$ 600,000(Federal appropriation 12%)
FY2011 State Dept. of Public Safety funding request: \$ 4,400,000 (88%)

The State's Public Safety Training Academy in Sitka has been a primary resource for the State of Alaska in law enforcement and public safety training since 1968. It has always been extremely important to Sitka, providing direct employment, major economic benefits, and substantial sharing of resources for law enforcement training with Sitka agencies as well as the University of Alaska Sitka Campus (UAS). The City and Borough of Sitka (CBS) has supported Academy upgrades including a female wing, shooting range upgrade, and other completed improvements. An on-site cafeteria is also an urgent unmet need.

The largest and by far most important upgrade that has not been accomplished is the construction of a safe, secure driver training facility. City and Borough of Sitka has committed to manage the \$600,000 2005 Federal appropriation to complete the engineering, environmental and design phase of this project. The Sitka Driver Training Facility is a very high priority of the Department of Public Safety. CBS requests the State budget for construction phase as soon as possible.

With the steep rise in construction costs, a rough estimate for development of the Public Safety Academy property and purchase of additional land, rock and paving costs, and road easements and construction, the total project is projected to cost around \$5,000,000.

A professional driver training facility is a major safety need and essential component of continued viability of the Sitka Public Safety Academy whose program includes 60 hours of training devoted to emergency vehicle operations. The current facility borrows the parking lot between UAS, Mt. Edgumbe High School, and Sitka Channel used by many students. It has always been woefully inadequate to provide security and safety necessary for driver training and has proved unsafe for participants and the public. Vehicles have spun out and ended up in Sitka Channel. Police and other emergency first responders deserve the best driver training available to cope with the diverse weather and road conditions in Alaska. A public parking lot cannot provide this.

The new driver training facility will be located on the Academy's property separate from any public use. It will provide the SE Region and the State with multiple emergency vehicles operations and training for emergency response professionals in law enforcement, fire and emergency medical services.

The Sitka Assembly unanimously approved Resolution 2008-16 on May 27, 2008, "A RESOLUTION OF THE CITY AND BOROUGH OF SITKA SUPPORTING THE PUBLIC SAFETY ACADEMY DRIVING RANGE AND FACILITIES UPGRADE". CBS continues to partner with the DPS to complete this upgrade.

FY2011 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES

Project Title: STATE OWNED HALIBUT POINT ROAD RESURFACING, DRAINAGE IMPROVEMENTS AND BRIDGE REPLACEMENT

Total Project Cost:	\$16,500,000 (100%)
FY2011 State Funding Request:	\$15,100,000 ADOT-PF CIP (92%)
Additional Funding Required/Outstanding:	\$ 1,400,000 ADOT-PF CIP (8%)

This project is on the 2010-2013 Alaska Department of Transportation and Public Facilities (ADOT-PF) STIP as Need ID 23395. The scope in the STIP includes pavement rehabilitation on Halibut Point Road from the Sawmill Creek Road intersection to just beyond the Alaska Marine Highway terminal, including drainage improvements, improved accommodations for the Sitka Community Ride bus system pull-outs, and replacement of the two highway bridges included in the length of the project area. The STIP estimates this scope of work to cost \$15,100,000. **Sitka strongly supports fully funding this important project.**

Additional scope for this project has been discussed with ADOT-PF and is requested by the City and Borough of Sitka. That additional scope would continue the pavement rehabilitation beyond the Alaska Marine Highway Terminal to the end of Halibut Point Road, and add pavement rehabilitation on Sawmill Creek Road from its intersection with Halibut Point Road to the Jeff Davis Street intersection. As with the scope in the STIP, the paving on these connected State Highway areas is at the end of its useful life and must be replaced before reliable transportation begins to be disrupted by widespread paving failures. Once these two connecting links are upgraded and Sawmill Creek Road Phase 3 is completed, the entire length of both Halibut Point Road and Sawmill Creek Road State highways will finally be serviceable for the foreseeable future.

Halibut Point Road is the transportation link between the Alaska Marine Highway terminal and downtown Sitka. The Road also provides access from downtown Sitka to recreation facilities at the State of Alaska Starrigavan boat ramp, and USFS Starrigavan campground, and the Tony Hrebar shooting range in Starrigavan Valley. The Alaska State Troopers operate their own shooting range alongside the Tony Hrebar range in Starrigavan valley. The Road sees a significant portion of Sitka's commercial/industrial traffic, from the two barge landings situated near the Alaska Marine Highway terminal, the private rock quarry in the 4000 block of the Road, and from the City and Borough's Granite Creek Industrial Site.

The City and Borough of Sitka appreciates ADOT-PF's commitment to maintain this vital piece of the State's Highway system. CBS supports the inclusion of this project, including the expanded scope, in the ADOT-PF's FY10 budget.

FY2011 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES

Project Title: COMPLETE WATERLINE LOOP SYSTEM AND OTHER JAPONSKI ISLAND INFRASTRUCTURE UPGRADES

Total Waterline Loop project cost:	\$1,900,000 (100%)
Funding already secured:	\$ 0
FY2011 State funding request:	\$ 540,000 FY 2011 Legislative Grant (28%)
Other funding requests	\$1,260,000 SFY2011 ADEC Municipal Matching Grant (66%)
Additional Funding Required/Outstanding:	\$ 100,000 CBS Water Fund (6%)
City and Borough of Sitka Federal Tax ID Number:	92-0041163

CBS requests the State contribute \$540,000 to partner with City and Borough of Sitka to replace the 12-inch concrete-lined steel water pipe suspended under the O'Connell Bridge with a new line, and transfer it to permanent City and Borough of Sitka ownership and maintenance. Replacement could be by installation of a new steel water line attached to the bridge, installation of a submarine HDPE water line directly below the bridge, or installation of a submerged water line at another location on the south end of Japonski Island. Since this waterline serves several State institutions, the State has a major interest in upgrading this failing water system.

This is one of the final projects remaining from the 2003 Japonski Island Infrastructure Master Plan "Island Water Supply Improvements" project, The existing 12-inch line was constructed in 1980 by the Bureau of Indian Affairs (BIA), has recently been discovered to be leaking and needs to be replaced to provide a looped water system for adequate supply and pressure. No agencies claim ownership of this waterline which serves municipal, State and Federal institutions. Once upgraded, CBS will assume ownership and maintenance of the waterline as part of its "loop" system.

Sitka supplies potable and fire protection water to the Japonski Island State, Federal and municipal institutions and residents across the 900 foot wide Sitka Channel. Japonski is the site of the Sitka Rocky Gutierrez Airport, SEARHC Hospital, Mt. Edgecumbe High School (State boarding school), University of Alaska Sitka Campus, U.S. Coast Guard Air Base, U.S. Coast Guard Buoy Tender Base, Sitka Wastewater Treatment Plant, Sealing Cove Harbor, and proposed City and Borough seaplane base.

If the proposed SFY2011 Municipal Matching grant for this project is not available, CBS requests the State of Alaska fully fund the Department of Environmental Conservation Matching Grants SFY 2011 Program and provide matching funds to assist with this project. CBS also requests a SFY 2011 legislative grant for replacement of this important waterline.

The City and Borough is also continuing its efforts to secure the additional Federal and State funding to permit completion of the remainder of the Japonski Island utility upgrades: construct the Japonski Island utility corridor relocation, \$1.5 million; Sewage Lift Station Improvements, \$2.7 million; Water Tank Demolition, \$0.5 million; and U.S. Coast Guard Housing Water Improvements, \$0.75M.

FY2011 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES

Project Title: UPGRADE STATE DNR-OWNED NELSON LOGGING ROAD AND TRANSFER OWNERSHIP TO CBS

Total project cost:	\$2,100,000 (100%)
Funding already secured:	\$ -
FY2010 State funding request:	\$2,100,000 ADNR (100%)
Additional funding required/outstanding:	\$ -
City and Borough of Sitka Federal Tax ID Number: 92-0041163	

Nelson Logging Road is owned by the State of Alaska but receives no State maintenance. The City and Borough of Sitka provides basic maintenance but the deteriorated condition of the road is causing both safety and maintenance issues. There is inadequate sight distance at the intersection with Halibut Point road, and the road is sloughing off into the estuary. It is especially dangerous in winter when ice makes it nearly impossible. It is so narrow in places that vehicles run into stumps along the edges of the road.

Nelson Logging Road is 1.2 miles long and runs from Halibut Point Road alongside the Starrigavan estuary and creek to the City and Borough's Tony Hrebar Shooting Range, State Public Safety Academy Shooting Range, USDA Forest Service Off-Road Vehicle Recreation Area and logging areas, and upper Starrigavan Valley in the Tongass National Forest. The road is in the Alaska Department of Natural Resources (ADNR) inventory, rather than under the control of the Alaska Department of Transportation and Public Facilities (ADOT-PF).

The proposed scope would re-crown the entire roadbed for an estimated \$430,000 upgrade an inadequate bridge for \$100,000, and make significant safety improvements to the Halibut Point Road/Nelson Logging Road intersection. The ADOT-PF Needs List shows this project as "Nelson Logging Road Rerouting", with an out of date estimated cost of \$2,000,000.

CBS requests the State of Alaska to provide the \$2,100,000 funding to upgrade this deteriorated State-owned road to reasonable condition, the City and Borough of Sitka will agree to take over long-term ownership and maintenance.

This road is increasing in year-round use, but no funds have been committed for a substantial safety upgrade. The Alaska State Troopers need access to their range year round, and thousands of other users are now using the road for selective logging, access to trails, the shooting range, and the Tongass National Forest. In addition to the Public Safety Training Academy's firearms training, the Sitka Police Department, U.S. Forest Service, Coast Guard, National Guard and Alaska Department of Fish and Game all use the shooting ranges year round to qualify for firearms use. Nelson Logging Road must be kept open year round for these and other required uses.

FY2011 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES

Project Title: CO-FUNDING FOR MAJOR MAINTENANCE FOR STATE/CITY OFFICE BUILDING

Total Project Cost:	\$518,000 (100%)
Funding already secured:	\$176,000 (Municipal – 34%)?
FY2011 State funding request:	\$342,000 (State – 66%)
Additional Funding Required/Outstanding:	\$ 0
City and Borough of Sitka Federal Tax ID Number: 92-0041163	

In 1974 the State of Alaska and City and Borough of Sitka (CBS) entered an agreement to construct, operate and maintain a joint State Court and Office Building. In 1993, the agreement was modified to reflect the Municipality occupying and paying for 34 percent of building maintenance and utility costs, and the State paying 66 percent for its greater occupancy. CBS also provides maintenance and management for the facility.

Except for the City's Police Department, the tenants are State agencies, which are unhappy with the deteriorated condition of the building. Some of the most serious problems have been fixed recently including the roof replacement, new heating boilers and mechanical upgrade, replacement of the emergency generator, and replacement of the Underground fuel Storage Tank (UST) with an Above Ground Storage Tank. The City's Electric Department installed an interruptible electric boiler as a dual heat source with heating oil, to reduce fuel costs. CBS is very pleased to have these problems solved before catastrophic failure occurred. Now, the tenants deserve to have the other poor conditions improved.

Several projects have been budgeted but not yet funded, including lighting retrofit, \$228,000 (priority 1); restrooms remodel, \$250,000 (priority 2); and window replacement, \$40,000 (priority 3). These various State office tenants are providing professional services and deserve a clean, safe, professional office facility. The lighting retrofit will take approximately 14 years to payback in energy savings. **THE STATE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES IS REQUESTED TO FUND ITS SHARE OF THE ABOVE, LONG-OVERDUE BUILDING UPGRADES.**

FY2011 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES

Project Title: UPGRADE STATE OWNED EAGLE WAY AND TRANSFER OWNERSHIP TO THE CITY AND BOROUGH OF SITKA

Total project cost	\$850,000 (100%)
Funding already secured:	\$ 0
FY2010 State funding request:	\$850,000 DOTPF (100%)
Additional funding required/outstanding:	\$ 0
City and Borough of Sitka Federal Tax ID Number: 92-0041163	

Eagle Way is a State owned road. It has a gravel surface in poor condition, and domestic water and sewer facilities that range from very poor condition to nonexistent. Eagle Way was formerly a portion of the Sawmill Creek Road State highway right of way. This is a dead end road serving multiple residences.

In past years, the City and Borough of Sitka Public Works Department has done some limited surface maintenance on this road, but only on specific occasions and in the absence of appropriate State maintenance. Sitka based DOTPF maintenance personnel agree that this is a State facility, but are unable to add either maintenance or upgrade of this road to their regular operating budget. The Sitka residents who live on this road have not been properly served and continue to request that they receive adequate roads and water and sewer facilities.

The State Department of Transportation and Public Facilities needs to upgrade or replace the water and sewer mains and services within the rights of way and upgrade Eagle Way with at least new gravel surfaces and storm drain systems. DOTPF can then transfer the Eagle Way road to the City and Borough of Sitka for ownership and all future maintenance.

FY2011 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES

Project Title: SUPPORT FOR STATE SERVICES AT SITKA JAIL FACILITIES

Last year, approximately 87 percent of the inmates held in the Sitka Jail Facility were being held on State charges. By law, the State is responsible for caring for persons charged under State law. The City and Borough of Sitka is willing to provide a professional, cost-effective service to house and care for the State's prisoners in Sitka, **but the State must provide the funding required to reimburse the Municipality for these services.** Each year, the Municipality pays more to manage the Community Jail Contract than the State will reimburse. Costs for personnel, food services, and laundry services have all risen sharply. For FY2008, Sitka's contract was budgeted at \$522,267, but the State only reimbursed about \$419,450. **The State is requested to fully fund the Community Jail Contract.**

Non-Criminal Detoxification (Title 47) has great liability and is staff intensive because of the frequent checks required. In FY2008, the Sitka Community Jail took 81 people into protective custody under Title 47 but received no reimbursement from the State. The State does receive revenues from State excise tax on alcohol. **CBS requests some of these funds be passed on to CBS, which provides frequent services to those incapacitated by alcohol,** to help defray the direct costs associated with their care, **through the Community Jail Contract.**

Juveniles: Under the Juvenile Detention Protective Act (JDPA), adult jails may not house juveniles. The Sitka Police Department has worked well with the Division of Family and Youth Services and the Court to provide secure housing for juveniles but has borne the cost and liability of this housing without reimbursement. The lack of an appropriate lock-down facility in Sitka for "at risk" juveniles creates a serious problem for the Department as well as the community. **The City and Borough of Sitka requests the State Division of Family and Youth Services provide funding for alternative secure housing for "at risk" juveniles, to include appropriate "lock down" quarters, as part of the Community Jail Contract.**

Project Title: CO-FUNDING FOR CITY/STATE/TRIBAL JUSTICE CENTER DESIGN

Total project cost:	\$150,000 (100%)
Funding already secured:	\$ 75,000 (CBS Municipal—50%)
FY2010 State funding request:	\$ 75,000 (State—50%)
Additional funding required/outstanding:	\$ 0

City and Borough of Sitka Federal Tax ID Number: 92-0041163

State and Municipal justice facilities in Sitka are antiquated and inadequate to serve current needs. Most are housed in the 35 year-old State/City Building. The City and Borough of Sitka and Sitka Tribe of Alaska are collaborating with other key stakeholders, including State agencies, to plan a "one stop shopping center" housing a broad range of justice-related services. The new facility could potentially house the offices of Sitka Police Department and Community Jail and Sitka Tribe of Alaska Social Services, plus several State facilities: Alaska Assistant District Attorney, Alaska Children's Services, Alaska Department of Corrections/Division of Probation and Parole, Alaska Division of Juvenile Justice, and Alaska District Court, none of which have adequate or secure facilities. The Design Study will result in a concept plan, including cost estimates, feasibility and design study. The new multi-use State/City facility could include a new larger and longer-term Community Jail to ease the overall stress on the Department of Corrections Lemon Creek Facility in Juneau, and potentially initiating and implementing an electronic monitoring program for the region.