

# General Correspondence

## Public Works Assembly Update 1-16-13

### **\*Centennial Hall & Library Site and Parking Lot Development:**

The bids for the Crescent Harbor and Centennial Hall Parking Lot project were opened December 27, 2012. The Assembly approved award of a contract to S&S General Contractors in the amount of \$2,613,651.00 at the January 8, 2013 Assembly meeting. The project includes removal and re-construction of associated curb, gutter, sidewalk, asphalt and other surfacing, utilities and storm drain, site and parking lot lighting, pedestrian amenities and landscaping. The first Phase of the project, which includes relocating and replacing the 60-inch storm drain outfall from Swan Lake located in the Kettleson Memorial Library parking lot, will begin late January or early February. The total project budget is \$3,950,000.

### **\*Swan Lake Restoration / Dredging Project (Project # 90747):**

The US Army Corps of Engineer (COE) permit application for the Swan Lake dredging and minor fill was sent to the COE on December 31, 2012. Dredging is anticipated during the summers of 2013 and 2014.

This project will dredge prioritized selected locations to improve water flow through the lake, winter habitat for fish, access and recreation in general. Our first quarterly grant reports are due January 15, 2013. After the reporting is complete we will begin working with Dan Tadic, the designated Senior Engineer, to begin developing the bid documents and strategy.

### **\*ANB Harbor Replacement:**

The Assembly awarded a Professional Services Contract to Moffatt & Nichol for the ANB Harbor Replacement Project on a time and materials basis not to exceed \$527,765.00 on January 10, 2013. A kick-off meeting, survey and geotechnical work are all scheduled for mid to late January. Two harbor layouts will be presented to the general public for feedback at a February 11, 2013 Ports & Harbor Commission meeting and the following night at the Assembly meeting.

The latest estimate for ANB Harbor Replacement (to include design, permitting, construction, and contingency) is \$8.22 million. CBS received a FY13 State of Alaska Municipal Harbor Facility Matching Grant for the ANB Harbor Replacement Project. This grant will cover 50% of eligible construction costs not to exceed \$4,250,000 in match funding. CBS has submitted a bonding application to the Alaska Municipal Bond Bank to issue revenue bonds in the amount of \$4,500,000. The bonding application was approved by the Bond Bank Board of Directors at their meeting on November 13, 2012. The proceeds from the bonding will be used to pay the municipality's portion of the project expenses. Bond proceeds are expected to be received in mid-March 2013.

**\*Water Service Leaks:**

The Water Division responded to one service leak call in, during the last two weeks. Operators have been assisting the owners to develop a plan to replace their leaking water service line entirely. Water and Wastewater operators have also traced the utilities on the section of O’Cain Ave. where the leaking old 2” galvanized “main” is, to prepare for designing a replacement for this ~350’ stretch of main.

**\*Wastewater Division-busy with Lift Station maintenance:**

The Wastewater Division has remained busy with lift station (LS) maintenance issues over the past few weeks. Pump problems continue at LS #5 on Japonski Island. Operators will continue to monitor this LS more frequently until the problem is completely corrected.

This winter most all Wastewater operators are working on training to advance their certifications – or for the two new employees to become qualified to sit for their first certification exams. Six operators are working through correspondence courses. The two new employees are registered for the 40 hr Hazwopper class in Sitka during the last week of January 2013.

**\*Sea Walk – Crescent Harbor Park to National Historic Park:**

The current phase of the Sea Walk extends from the Centennial Hall Parking Lot to the Sitka National Historic Park boundary near Kelly Street. The Sea Walk is funded by way of the following: \$1,000,000 FY 2011 State of Alaska Grant (Sea Walk Extension Part C), \$1,000,000 FY 2011 State of Alaska Grant (Crescent Park Sidewalk Widening) and \$80,000 Paul Sarbanes Transit in the Parks Programs (TRIP) Grant (applied for and administered by National Park Service).

All required project permits have been received including a United States Army Corps of Engineers Nationwide Permit. Public Works and the consultant team are continuing to value engineer the project in an effort to bring project costs within budget. Numerous additive alternates have been identified through this process. The design will continue to progress to the 95% milestone where the project will be presented to the Assembly in early 2013. Public Works anticipates design and permitting completed in early 2013 with construction during spring/summer 2013.

**Centennial Hall Renovation:**

The Centennial Hall facility assessment, including as-built drawings of the current facility was presented to the Building Design Committee (BDC) and the Public in October and December 2012. The assessment lists various building deficiencies and suggested improvements and the costs associated to make corrections (assessment report will be distributed to the Assembly). The recent BDC meetings focused on developing a priority list to address the deficiencies and “wish list” items noted in the building assessment.

MW Drilling is scheduled to drill a test well on the seaward side of the Centennial Hall in January 2013, to determine the feasibility of utilizing a well for a seawater heat pump system.

Current grant funding allocated to the project is \$8,230,000 and the project has a current total project cost of \$15.2 million including a new museum wing. Additional FY14 Legislative Priority Requests consists of \$4,200,000, for the building improvements and \$3,341,000 for combined Library/Centennial Hall heating system improvements. Additionally, we have \$2-million from the Marine Passenger Fee Fund that would be eligible for this project. If additional funds are not secured, the scope of the project will need to be phased with additional expansions planned for the future if and when funding becomes available.

- The Assembly awarded the design contract to McCool Carlson Green on June 12, 2012.
- The building facility assessment was performed by the design team September 11-13, 2012.
- The project schedule and process was presented to the Assembly on September 25, 2012.
- The second meeting of the Building Design Committee (BDC) was held October 29, 2012 followed by a Public meeting October 30, 2012.
- The third meeting of the Building Design Committee (BDC) was held December 17, 2012 followed by a Public meeting December 18, 2012.
- The next planned BDC meeting is scheduled for January 21, 2013 with a Assembly work session scheduled for the January 22, 2013 meeting.

**\* Water Division Prepares for Blue Lake Project:**

The Water Division continues to work closely with the Engineering Division and Barnard Construction towards the installation of two T's and four valves in the 30" transmission main which will facilitate the rerouting of a section of the transmission main – the main that brings water from the Blue Lake Water Plant to town. Rerouting this main is necessary for construction of the new powerhouse. This work will require stopping the flow from Blue Lake to town for approximately 8 hours, the maximum time period allowed to assure water supply is maintained to all customers from our 3 storage tanks. Barnard dug up the transmission main at the second T location during the first week of January 2013 to confirm its location and determine the location of the joints between pipe sections to design the large thrust block required to hold pipe joints together near the water plant. This work requires close coordination with the Water Operators to assure the water is adequately treated and the storage tanks can supply town during the outage.

Our Water/Wastewater Electrician has been working with the Electric Department and their SCADA consultant to get a SCADA connection from the new turbidimeter installed at the campground hydro location. This turbidimeter will act as an early warning device for turbid (cloudy) water heading towards the water plant.

Water and Wastewater Divisions continue to spend significant time assisting Barnard in 'settling in' at the Sawmill Cove Industrial Park (SMCIP) site. Barnard is leasing property at the SMCIP site and is in the process of connecting water and sewer services for 9 trailer/fifth wheel living spaces and a shower/washroom facility for the Blue Lake Tunnelers. This type of work on much of the SMCIP site is rather complicated by old pulp mill concrete foundations and pipes in the ground that make excavation difficult. All locates possible have been completed and we expect the tap into the 8" potable water main to take place January 14, 2013.

**\*Alternative Water Source Investigation Filtration (Blue Lake Project):**

Due to the lack of well potential in the Indian River Valley, temporary surface water filtration will need to be utilized during the Blue Lake Project outage. We are working with consultants and vendors on a temporary infiltration system for Indian River. The consultant provided a draft report evaluating possible filtration methods. The Indian River location has the least development costs because of existing power and infrastructure. The consultant visited the site August 20, 2012 and submitted the draft report for development of the filtration concept design on October 12, 2012. The consultant is currently developing a project scope to prepare design drawings to install the piping system required and ordering the filtration units required. The preliminary design has a projected design and construction cost of \$2,500,000.

**\*Alternative Water Source Investigation Wells (Blue Lake Project):**

An additional test well was drilled near the Tony Hrebar Rifle Range before Christmas. A 24-hour pump test maxed out the capacity of the pump at 500+ gallons per minute with only 6 feet of water drawdown in the aquifer. Water quality samples were collected and sent to the laboratory for testing. Additional pump testing at a previously drilled well should be completed by mid-January. Between the four Starrigavan test wells, there is likely +/- 1500 gallons per minute potential. Initial water quality tests were very positive and showed a low risk for groundwater under the influence of surface water. A final report will be submitted after the completion of test well drilling. This report of findings and recommendations will assess potential well yields and will include water quality testing data relative to drinking water criteria. Given that the Blue Lake Penstock will need to be shut down for inspection every five years, finding an alternative water source is important beyond the initial Blue Lake project outage in 2014.

Recent changes in the way the Alaska Department of Environmental Conservation (ADEC) classifies Sitka's alternate/emergency water source at Indian River will require CBS to find an alternate water source during any disruption to the Blue Lake water supply. On April 10, 2012, the Assembly authorized the expenditure amount not to exceed \$700,000 for the purpose of exploring alternative water source alternatives. In an effort to provide all or at least a portion of the required water demand, a test well drilling program began September 21, 2012. The hydrogeologist consultants, Pacific Groundwater Group, have contracted with MW Drilling, Inc. out of Anchorage, to complete the test well work.

**Blue Lake Project and Ultra Violet (UV) Water Tees:**

New water tees are required in the existing 30" transmission water main near the Sawmill Cove Industrial Park to facilitate eventual relocation of the main for the Blue Lake project and the future UV Treatment Facility respectively. Design packages were developed and permits have been received from the Alaska Department of Transportation and Public Facilities and the Alaska Department of Environmental Conservation (ADEC). Due to construction timing issues, the Blue Lake General Contractor (Barnard) will take on the Blue Lake Tees as a change order to their contract in order to complete the work in February 2013 and not hold up their subsequent work on the powerhouse. The UV tees will be bid separately and will follow the Blue Lake Tees in 2013. The Blue Lake Tees are funded by the Blue Lake project. The UV Tees are funded by ADEC loan funds and grants. The engineer's estimate for both projects is approximately \$487,500.

**Ultra Violet (UV) Water Disinfection Facility:**

CBS has completed its review of the pre-purchase proposal to move forward with purchasing the UV reactors/equipment ahead of the project given the long lead time to have this equipment manufactured. The pre-purchase design segment of the project has a \$10,000 budget. Based on current testing results in Ketchikan and Kodiak we will focus on Low Pressure UV reactors for the project. The Low Pressure UV reactors are rated for many different UV rates which allow the reactors to be set specifically for the water flow rate. The Low Pressure reactors also have a lower operating cost. The overall project is on track for the required completion in 2014. The project has funding by way of the following: \$2,500,000 FY 2011 loan & \$1,500,000 principal forgiveness, \$2,550,000 FY 2012 loan, \$3,587,500 FY 2012 Grant and \$1,026,020 FY 2013 Grant, for a total of \$11,163,520. The current project budget is \$8,966,000. The loans will be used to pay for the required CBS match for the grants.

**Turnaround Skate Park Cover and Recycle Yard Building:**

Coastal Excavation was awarded the design-build contract by the Assembly on April 24, 2012. The Contract amount was for \$270,875.00. The Skate Park Cover roof panels have been installed with only minor items left to be finished. The Recycle Yard building is framed in and nearing completion. The original Skate Park Cover project budget was \$225,279.00, which consists of \$38,255.00 remaining in a Land and Water Conservation Grant and \$187,024.00 of matching CBS funds. The Recycle Yard building has a budget of \$80,000 funded by the Solid Waste Fund

**\*Library Development Planning:**

The library expansion options were presented to the Assembly on September 25, 2012. The Assembly approved the 50% - 60% option moving forward to a Request for Proposals (RFQ), to design the project. Three RFQ's for design have been received and are being reviewed with a planned contract award in early February 2013. The design phase is expected to take 12 months with advertisement for construction planned for spring 2014. The project construction may be completed in late 2014 or in

2015. The State funding of \$5.7 million awarded to CBS is a direct appropriation with no funding match requirements. Additionally, we received a donation of approximately \$400,000.00. This leaves the total project budget at \$6.1 million of which \$400,000.00 of the budget is allocated to the Centennial Hall Parking Lot Project to relocate the Swan Lake Storm Drain.

**Baranof Street Sewer and Water:**

The Design Contract award was approved by the Assembly on March 13, 2012. This project will be completed in two phases. A small contract for the work within the Sawmill Creek Road was completed July 27, 2012. Grants for the water and wastewater portions of the project have been received and the final loan for the water portion of the project is being processed by the Alaska Department of Environmental Conservation. The project is planned to advertise for bids early 2013.

**Blatchley Middle School:**

The project is approximately 89% complete, within its budget and on schedule for completion in 2013. Work continues in the Commons/Main Entry, including painting, the installation of wainscot, and entry lighting. The bulk of the installation of hallway wainscot in the corridors of the main portion of the school was completed over the Christmas Break, as was, the installation of new carpet and new countertops in the Administration Offices. Also completed, were new countertops in the Community Schools Office and the Concessions Area off the Commons. The coffered ceilings finish work painting and lighting installation in two stairways is nearing completion. The lighting control panels were programmed and the Electricians are in the process of working out the programming bugs.

Completion of the installation of remaining flooring finishes (carpeting, baseboard, and tile (including replacing the pool locker room flooring- 'Flotex' with tile matching existing pool locker room tile) was not completed during the Christmas break. The work scheduled for the Gym Locker Room over the break was postponed so the painting contractors could concentrate on the stairways.

Items on the Commissioning and TAB corrections list, which was developed during the November inspection, are still being addressed by the responsible contractor. The return of the Commissioning Agents, Engineers, Control Contractors, etc., for another inspection is scheduled the last week of January 2013.

The Commons, Front Entry and Classroom portion of BMS remain closed to the public after 4:00pm daily and on weekends. The Gym and MPR are being used for after school activities with restricted access. These areas are accessed from the pool entry, including pick up and drop off. The project budget is \$12.475 million. The contract substantial completion date is August 1, 2013.

**Pacific High School:**

Demolition of the existing school building is complete. The installation of the underground storm drain system and new utilities were substantially complete prior to the holidays. The construction crew pulled off the job for the holidays and is scheduled to be back onsite Monday January 14, 2013. The contractor schedule predicts the project completion prior to the required substantial completion. If the project is completed early it will allow the school to be open for the fall 2013 semester. The project budget is \$2.671 million. The contract substantial completion is December 1, 2013.

**Spruce Street and HPR Sink Hole:**

A large sink hole developed in front of the dentist office at Spruce Street and HPR due to a failed storm sewer pipe. A large section of the old 18" pipe was removed and a new section put in place to make sure that there is continual flow. CBS Public Works contracted with O'Neill Surveying & Engineering to provide sufficient survey data to assist in the development of a permanent solution. The survey data was received on November 30, 2012. Public Works will develop a solution and seek cost proposals from local Contractors in the next two weeks.

**\*Sawmill Cove Industrial Park (SCIP) Boat House Building:**

CBC Construction was awarded the contract by the Assembly on September 11, 2012, in the amount of \$139,260.42. The project consists of installation of fire protection, utilities (water, sewer, electric, heat) and minor interior improvements to allow the building to be leased for the Blue Lake Dam project. A Notice to Proceed was issued on October 16, 2012, with a substantial completion date of February 13, 2013. Clearing and grubbing and minor underground work has started at the project site. Funding is from a Federal Highway grant and Sawmill Cove Industrial Park.

**\*Sitka Community Hospital Roof Replacement:**

The Assembly approved award of a professional services contract to team led by GDM, Inc. for a not to exceed cost of \$75,630.10, for the Sitka Community Hospital Roof Replacement project, on October 23, 2012. The project is funded through a \$1,200,000 FY2013 State Legislative Grant.

Public Works and Building Department Staff are reviewing a Draft Condition Evaluation report prepared by GDM which presents several options for the project. GDM team representatives conducted a field investigation of the existing roof system on October 29-30, 2012, to determine whether regulated materials were present in the existing roof system. Minor areas of regulated materials were encountered and options for dealing with them are being reviewed. CBS Public Works anticipates delivery of bid ready documents late January 2013.

**Alaska Department of Transportation (ADOT) – HPR project:**



The Water Division has been working closely with Engineering and our design consultant, CDI, Inc. to develop plans for water and wastewater system work associated with the future ADOT repaving of HPR. The vast majority of CBS utility work is water system related; moving the 12" mains out from under the creeks and onto the bridges at Cascade and No Name Creeks, upgrading undersized services to large tracks of land, installing stub-outs for future opportunities to interconnect or loop the distribution system and inspecting/replacing bolts in the valves that were installed in the 90's, (this generation of valves have corrosion issues with bonnet bolts and nuts). Wastewater crew will install a new manhole and future connection stub-outs for potential Benchland development.

**\*Edgecumbe Drive Street Reconstruction:**

The project is funded through a \$2,900,000 FY2013 State Legislative Grant (Paving Failed Collector Streets). The project will include re-paving Edgecumbe Drive from Kimsham to Cascade Creek Road and will include drainage and isolated areas of sidewalk and other pedestrian improvements. Public Works staff has begun planning level work for this project. Test boring locations have been identified along Edgecumbe Drive in areas of suspected subgrade failure and in other areas of interest to determine the subgrade soil conditions. Public Works anticipates completion of drilling activities in mid-February 2013. This information will assist in the design of the improvements. Public Works anticipates soliciting professional surveying and engineering services in the near term with the goal of beginning construction during the summer of 2013.

**Alaska Community Forestry CBS Inventory:**

CBS Parks and Recreation staff will be working with the Alaska Community Forestry Program to complete a Community Forest management plan and survey for urban trees in park areas owned by CBS. The project is funded with a \$26,000 grant from the Alaska Community Forestry Program. The draft plan will be presented to the Tree and Landscape Committee, the Parks and Recreation Committee and to the Assembly for approval during the summer of 2013.

**\*Marine Services Center (MSC):**

This project was awarded to Wyatt Refrigeration on November 27, 2012, in the amount of \$61,745.00. This project will install a Direct Digital Control system on the refrigeration system at the MSC. This controls system will save an estimated \$14,300.00 (15%) in electrical costs per year. It is scheduled to be substantially complete March 15, 2013. The submittal process has just begun.

**\*Fire Hall Communications Room:**

This project was awarded to Schmolck Mechanical Contractors on December 26, 2012, in the amount of \$14,300. This project has a budget of \$21,000. The contract has been received from the contractor and is currently getting the appropriate CBS Staff signatures. The server room at the Fire Hall has a lot of electronic equipment which heats the room, to over 90 degrees. This electronic equipment degrades and needs to be replaced sooner when subjected to those temperatures. Installing an outside air fan

is the most economical way to cool this room. The substantial completion date is February 28, 2013.

**\*Airport Seating:**

The brown plastic seating in the lobby at the Airport dates from the 1987 remodel and is overdue for replacement. The seating in the hold room was replaced in 2004. One hundred seats have been purchased in the amount of \$44,250.00, to closely match the hold room seating to be distributed in the lobby. The budget for this procurement was in the FY13 budget at \$53,000 and was approved by the Administrator on October 11, 2012. Seating is scheduled to arrive mid February 2013.



## Memorandum

January 15, 2013

To: Assembly, City & Borough of Sitka  
Via: Jim Dinley, Municipal Administrator *JD*  
From: Christopher Brewton, Utility Director  
Subject: **EPA NESHAP Diesel Compliance Update**

I am very pleased to report that on January 15, 2013, EPA issued final NESHAP rules that exempted Southeast Utilities from the majority of the NESHAP requirements. As noted in the attached memorandum of December 16, 2011, these EPA proposed regulations were very restrictive, would provide little benefit for our community, and were strongly opposed by southeast utilities.

This results in the immediate cost savings of almost \$1 million dollars for our ratepayers. We must follow revised best management practices but this is a significant cost savings compared to full compliance.

Cc: Janet Schwartz, Budget Officer  
Tori Fleming, Grant Accountant



# Memorandum

*Background information*

December 16, 2011

To: General Assembly, City and Borough of Sitka  
Via: Jim Dinley, Municipal Administrator  
From: Christopher Brewton, Utility Director  
Subject: **EPA NESHAP RICE**

In June 2004, the U.S. Environmental Protection Agency (EPA) promulgated 40 CFR 63 Subpart ZZZZ, National Emission Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines (RICE). The purpose of Subpart ZZZZ was to regulate emissions of hazardous air pollutants (HAP) from stationary spark ignited engines (gasoline, natural gas, propane). On March 3, 2010, EPA revised 40 CFR 63 Subpart ZZZZ to include stationary compression ignited engines (diesels).<sup>1</sup> For the moment, this is a bad news – good news story. First the bad news.

These new regulations are applicable to all of our Jarvis Diesel Plant engines and must be in compliance no later than May 13, 2013. What are these requirements? There are specific testing, treatment, and monitoring requirements. Each engine must be independently tested to measure existing engine CO emissions.<sup>2</sup> Based on this initial evaluation, an emission control technology must be selected to provide a 70% reduction in measured CO. There are several technologies available, but the most common is active oxidation catalyst. This is similar to the catalytic convertor on automobiles but on a significantly larger scale. Finally, a continuous parameter monitoring system (CPMS) must be installed on each engine to constantly monitor the engine and catalyst to ensure emission reductions are met.

There will be significant costs for engine testing and installation of catalyst and monitoring equipment and there will be increases in future operational costs as well. Although emissions testing have not been conducted for our specific engines, we have a good idea of estimated costs based on an evaluation completed for the Ketchikan Public Utilities (KPU) diesel plant. KPU has a Fairbanks Morse diesel that is similar in size and age to our three (3) Fairbanks Morse diesels. The estimated cost of an oxidation catalyst for the KPU engine is \$191,000, including CPMS. I expect a similar cost for our Caterpillar (D4) diesel, resulting in potential costs of \$764,000 for the Jarvis Diesel Plant, not including engineering design and installation costs.

Besides the initial capital costs, the regulations require further emission testing of the engines every 8,760 hours or 3 years. The active catalyst will also require replacement every 10,000 hours. In addition to the substantial reporting activities currently required for our diesel operations, semiannual compliance reports must be submitted as well. All told, this is a new **\$1,000,000** regulation we must comply with.

<sup>1</sup> Federal Register/ Vol. 75, No. 41/Wednesday, March, 2011/Rules and Regulations  
<sup>2</sup> EPA has identified 30 pollutants under HAP. However for the purposes of this regulation, EPA has selected formaldehyde (CH<sub>2</sub>O) as a surrogate for HAP emissions, and further selected carbon monoxide (CO) as a surrogate for CH<sub>2</sub>O, therefore, the emission standards are written in terms of CO reduction.

These regulations seem a bit of overkill. In fact, they are. In the notice, the EPA recognized that engines located in remote areas of Alaska have special challenges that should be taken into consideration.<sup>3</sup> The EPA defined the distinction between rural and urban areas with the provision that areas not accessible by the Federal Aid Highway System (FAHS) are deemed rural.

Now for the good news. The EPA recognized remote Alaska is different, and although not technically exempt from these regulations, they established a less rigorous emissions treatment standard for these rural engines. It is known as Generally Available Control Technologies (GACT). Whereas, the above mentioned oxidation catalyst treatment standard is Maximum Achievable Control Technology (MACT). GACT is described as methods, practices, and techniques which are commercially available and appropriate for application considering economic impacts and technical abilities of the sources.<sup>4</sup>

In terms of this regulation, GACT is essentially good maintenance practices; change oil and filters every 500 hours or annually, inspect air filters every 1,000 hours, and inspect hoses and belts every 500 hours. We can happily live with that. Although the oil change interval is greater than manufacturers recommended levels (1,000 hrs), and an oil change for D4 alone costs \$10,000. Unfortunately, due to a quirk in the regulations we are required to utilize MACT as Sitka is classified as an urban area. Why is this? As it turns out, the definition of rural in NESHAP was derived in part from a 1995 decision regarding diesel fuel.

In 1995, the Alaska Department of Environmental Conservation (ADEC) was required by EPA to develop a transition plan to ultra low sulfur diesel fuel (USLD).<sup>5</sup> In the development of this plan, it was clarified how marine highway communities were to be classified regarding rural/urban status. Basically, the communities that did not have regular year-round ferry service were considered remote/rural. Therefore, communities served by regular year-round ferry service, by definition, are urban. In addition to Sitka, this urban classification includes other major metropolitan areas such as; Angoon, Tenakee, Kake, Hoonah, and Hollis.

Fortunately, our Alaskan delegation is aware of this onerous regulation and recently sent a letter to EPA Administrator Lisa Jackson seeking relief.<sup>6</sup> Their request is to limit the application of NESHAP RICE to only communities served by the Alaska Railbelt electric grid. Should this effort fail, this expense is something Sitka can ill afford and we would have to scramble to ensure compliance. It is important to recognize this is a calculated risk we are taking by not taking immediate action to meet compliance. We could be subject to fines and prosecution if regulations stand and we cannot get the MACT installed before May 13, 2013.

We must complete several critical and expensive utility projects to ensure we can continue to provide reliable and reasonable cost energy to our customers. I cannot, in good conscience, recommend we waste our ratepayer's money to comply with a rule that is clearly inappropriate and does nothing to address our utility's urgent needs. This issue will be revisited after we have exhausted all avenues of relief from this regulation.

<sup>3</sup> Federal Register/ Vol. 75, No. 41/Wednesday, March, 2011/ Rules and Regulations, page 9658

<sup>4</sup> Senate Report No. 101-228, December 20, 1989

<sup>5</sup> ADEC communication, June 25, 2010

<sup>6</sup> Ltr to EPA dtd December 14, 2011, from Sen. Murkowski, Sen. Begich, Congressman Young



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

January 16, 2013

The Honorable Sean Parnell  
Governor, State of Alaska  
P.O. Box 11001  
Juneau, AK 99811-0001

Dear Governor Parnell:

The City and Borough of Sitka and citizens of Sitka have many questions concerning your decision to abandon the Alaska Class Ferry Project. As one of the many communities whose economy is heavily reliant on Alaska Marine Highway service, Sitka has strongly supported the efforts of the Marine Transportation Advisory Board and many Alaskans who have advocated for getting the Alaska Class ferry on line as a start to replacing Alaska's aging fleet of mainline vessels.

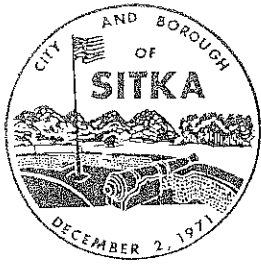
The sudden change in the State's direction to proactively develop a new generation mainline vessel and replace it with three smaller shuttle ferries does not appear to achieve this mission. Shuttle ferries will not be able to serve Sitka, do not achieve the intent of the Alaska Class ferry project, and were committed to without any Marine Transportation Advisory Board or public input. All communities using the Alaska Marine Highway System would appreciate having some opportunity to learn what the State plans to do with shuttle ferries, why the Alaska Class ferry project was cancelled, and how the mission for the Alaska Class ferry will be met and have an opportunity to comment before such important decisions are finalized.

Please permit the Marine Transportation Advisory Board to thoughtfully consider this issue and comment, and preferably open this proposal up to public involvement before the decision to abandon the Alaska Class ferry project is finalized. Alaska Marine Highway's future could be enormously disadvantaged by not developing an Alaska Class mainline vessel to transition to a more reliable future mainline system. Thank you for considering this request.

Sincerely,

Mim McConnell, Mayor

cc: Marine Transportation Advisory Board  
Municipal Administrator and Assembly



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

January 4, 2013

State of Alaska Department of  
Transportation and Public Facilities (DOTPF)  
Division of Program Development, ATTN: STIP  
P.O. Box 112500  
Juneau, AK 99811-2500 Sent also by e-mail: [dot.stip@alaska.gov](mailto:dot.stip@alaska.gov)

RE: Comment on STIP Amendment 4

Dear DOTPF:

City and Borough of Sitka submits the following comment on the unexpected elimination of two Sitka projects which had been included in previous STIPs:

Need ID: 23436 Name: Cross Trail Construction – High School to Baranof, Charles, Yaw, and Pherson Streets

Need ID: 26110 Name: Sawmill Creek Road Resurfacing and Pedestrian Improvements

The Sitka Cross Trail Construction was fully funded and ready for design/build before it was eliminated from the proposed STIP Amendment 4. For several years, the "ground rules" for this project have continued to change: requiring a 9 percent match Sitka had not previously been told was necessary; requiring DOTPF manage the project since Federal funds were involved, which required more funding for DOTPF overhead; and most recently the DOTPF assumption that substantial compensatory mitigation funding would be required, all of which has delayed and continued to increase the cost of the project. Sitka has responded to each challenge with efforts to locate the funding and cooperate with DOTPF to enable this high priority multimodal pathway project to get to construction. Now, with no prior discussion with the Sitka partners, the project was eliminated from proposed Amendment 4 with no expectation for any future funding.

CBS sympathizes with DOTPF about the Map 21 changes and redirection of Federal funds in the STIP and subsequent de-funding of projects statewide. However, the Cross Trail Multimodal Pathway central segments construction was a direct partnership co-funded by DOTPF, City and Borough of Sitka, Sitka Trailworks, USDA Forest Service, State of Alaska, and Federal TRAAK funds and planned and funded over several years. To terminate this project funding by deleting the project in STIP Amendment 4 without even contacting Sitka partners to inform them of the problem and look for solutions was extremely discouraging.

DOTPF STIP Comment

January 4, 2013

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**CBS recommends DOTPF submit an FY'2013 supplemental funding request to the State of Alaska specifically to re-fund those projects, like Sitka's, which were fully funded with TRAAK funds, close to construction, reasonably small projects which could be brought back to life with modest (\$1 million or less) State funding rather than just being cut from the STIP and discarded. If this supplemental funding were restricted only to a small amount of funding for high priority fully funded multimodal projects with match, memos of agreement, and direct connection to the State road system all in place, the Cross Trail Construction could proceed in 2013.**

This project will complete a critical segment of Sitka's multi-use trail system that has direct benefits for DOTPF's State roads to which it connects. This project will broadly implement the Sitka Non-Motorized Transportation Plan, improve Sitka's "Bicycle Friendly Community" status, and give DOTPF high marks for cooperating in the development of a truly multimodal transportation system in Sitka.

The other deleted Sitka project in STIP Amendment 4 is the State's own deteriorated Sawmill Creek Road Resurfacing and Pedestrian Improvements project. While the pavement patches currently in place will provide a short-term "bandaid" on this substandard stretch of Sawmill Creek Road, the patches do nothing to address the safety and ADA accessibility issues from the Roundabout to Jeff Davis street. These include the electric poles in the middle of the sidewalk leaving wheelchairs with nowhere to go except into the street and other serious safety problems including the DeGross/Sawmill Creek intersection which is very dangerous for pedestrians. This is a highly congested stretch of road on which Super 8 Motel, Baranof Elementary School, Salvation Army, Elks Lodge, Presbyterian Church, and businesses and homes are located.

DOTPF did a good job in the previous STIP of summarizing the value and need for this project to improve safety and accessibility with its STIP project title: *Sawmill Creek Road Resurfacing and Pedestrian Improvements* and Project Description: *Improve Sawmill Creek Road to make it more accessible to pedestrians including those with disabilities and improve mobility of bikers. This project will widen sidewalks on the north side of Sawmill Creek Road from the Roundabout at HPR/Lake/SCR to Jeff Davis. Narrow travel lanes and add 4 foot bike lanes. Install concrete median to better delineate SCR and DeGross. Resurface the entire project length. Make the connection from the existing bike path to the Jarvis crosswalk ADA compliant.* DOTPF needs to remain committed to this upgrade and at least keep a "placeholder" for its own well planned safety project until it can be funded from priority safety funds.

**CBS recommends this project be funded for construction in the near term before serious accidents or failure of the roadway occur. ADA accessibility and serious safety issues need to be addressed. This project should not be deleted from the STIP but rather included as a safety upgrade project for planning and right-of-way in Amendment 4 and construction by 2016.**



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City and Borough of Sitka continues to try to partner with the Alaska Department of Transportation and Public Utilities to address common issues of routine and major maintenance of Sitka's roads and utilities and to cooperate to reduce duplication and costs. The elimination of many projects statewide from the STIP Amendment 4 in response to changing Federal requirements with no prior notice to affected communities once more points out the need for DOTPF to work more closely and effectively with communities in each region. If Rural Transportation Planning Organizations were in place, there would have been a vehicle for two-way communication and planning to identify the problem and look for solutions cooperatively or at least plan for equitable distribution of project funds for the future.

Thank you for the opportunity to comment. If there are any questions, please contact me by phone at 907-747-1823 or e-mail [michael@cityofsitka.com](mailto:michael@cityofsitka.com).

Sincerely,



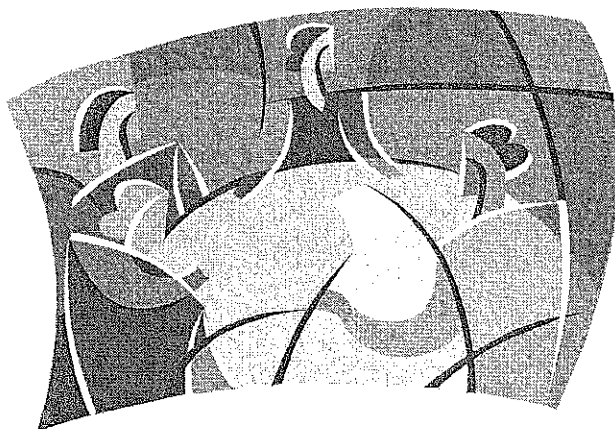
Michael Harmon  
Public Works Director

Mayor and Assembly  
Jim Dinley, Municipal Administrator  
Marlene Campbell, Government Relations Director

Correspondence – Scheduled

Government to Government Update

Sitka Tribe of Alaska



Chairman:

Michael Baines

Council Members:

Lillian Feldpausch, Clara Gray, Harvey Kitka, Mike Miller,  
Benjamin Miyasato, Rachel Moreno, Woody Widmark