

CITY AND BOROUGH OF SITKA

RESOLUTION 2012-21

A RESOLUTION BY THE CITY AND BOROUGH OF SITKA
SUBMITTING CITY AND BOROUGH OF SITKA 2014 STATE LEGISLATIVE PRIORITIES
TO STATE OF ALASKA AND 2013 LEGISLATURE

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

WHEREAS, municipalities have suffered unfunded mandates and budget impacts from State management of the PERS/TRS system, inadequate maintenance of 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 FY 2014 State Legislative Priorities and urges the Alaska State Legislature to support them to the maximum extent possible:

- State Revenue Sharing/Local Tax Relief - The City and Borough of Sitka supports the State Revenue Sharing on a sustainable basis to equitably compensate Alaska communities for providing local services.
Education - State funding should be increased to cover escalating transportation expenses, 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.
Deferred Maintenance of Harbors - The State should fully fund the deferred maintenance of State harbors transferred to local governments. In addition, the State should fully fund the 50 percent matching grants legislated by the Municipal Harbor Facility Grant Fund to assist with future harbor upgrades.

NOW FURTHER BE IT RESOLVED that the Assembly submits the enclosed FY 2014 City and Borough of Sitka Legislative Capital Project Requests and Requests for State Funding for State Facilities in priority order to the 2013 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 25th day of September, 2012.

Cheryl Westover, Mayor

ATTEST:

Colleen Ingman, MMC
Municipal Clerk



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

September 19, 2012

TO: Jim Dinley, Municipal Administrator  
Mayor and Assembly

FROM: Marlene Campbell, Government Relations Director

SUBJECT: Draft FY'2014 CBS Legislative Priorities

Assembly approval is requested for CBS Resolution 2012-21 to submit the FY'2014 City and Borough of Sitka Legislative Capital Project Requests and Requests for State Funding of State Facilities to the Alaska State Legislature and State of Alaska.

City and Borough of Sitka was very fortunate to receive more than \$43.5 million in State assistance for FY'2013. This funding enabled 16 priority projects to move forward. However, 10 other project requests were not funded, and 5 more will require additional assistance. These projects form the basis for the FY'2014 CBS Legislative Priorities.

The largest and most immediate of these is Expansion to Maximum Capacity of the Blue Lake Hydroelectric Project, for which \$43 million is requested. This is the difference between the estimated construction cost for this project (\$50 million) and the successful bid of \$93 million. CBS cannot afford to take on this massive additional debt; therefore, the State is asked to provide further assistance. The Retire Green Lake Dam Hydroelectric Project Indebtedness request is also intended to assist CBS to keep electric rates affordable and encourage economic development.

The rest of the City and Borough of Sitka requests are primarily related to funding major maintenance or upgrade projects which must be addressed soon. Every request on the CBS FY'2014 Legislative Priorities is a high priority.

If additional information is needed, please contact me by phone at 747-1855 or e-mail [campbell@cityofsitka.com](mailto:campbell@cityofsitka.com).

**FY 2014 CITY AND BOROUGH OF SITKA  
STATE LEGISLATIVE PRIORITIES**

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CITY AND BOROUGH OF SITKA

**DRAFT**

RESOLUTION 2012-21

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SUBMITTING CITY AND BOROUGH OF SITKA 2014 STATE LEGISLATIVE PRIORITIES  
TO STATE OF ALASKA AND 2013 LEGISLATURE**

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**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska, on this 25<sup>th</sup> day of September, 2012.

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Cheryl Westover, Mayor

ATTEST:

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Colleen Ingman, MMC  
Municipal Clerk

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

|  |                      |
|--|----------------------|
| Total Project Cost:                              | \$145,000,000 (100%) |
| Funding Already Secured (State FY 09/10/11):     | \$ 49,000,000 (34%)  |
| (CBS Bond FY 11):                                | \$ 21,000,000 (14%)  |
| FY 2014 State Funding Request:                   | \$ 43,000,000 (30%)  |
| Additional Funding Required (CBS FY 14):         | \$ 32,000,000 (22%)  |
| City and Borough of Sitka Federal Tax ID Number: | 92-0041163           |

The City and Borough of Sitka (CBS) requests the State of Alaska provide \$43,000,000 to “close the gap” and enable CBS to construct the \$145,000,000 expansion of the Blue Lake Hydroelectric Project to its maximum energy capacity. This request is based on the construction bids coming in \$43,000,000 higher than budgeted and CBS already committing to bonding for \$52,000,000 for CBS share, which was more than 50 percent of the estimated cost of the project until the bid opening. However, CBS cannot bond for this additional \$43,000,000 without committing Sitka to massive debt.

The original estimated project cost of \$100,000,000 has escalated \$145,000,000. Total project cost up to this point was based on engineer’s cost estimates of \$49,000,000 for project construction. Construction bid results in July 2012 were all substantially above estimated construction costs with bids ranging from \$84,000,000 to \$101,000,000.

If CBS is forced to bond an additional \$43,000,000 as well as the \$52,000,000, electric rates would have to increase by 60 percent to pay for the bonds. This could cripple Sitka’s economy and result in even greater population loss and community hardship long into Sitka’s future. This additional power cost would make CBS noncompetitive with other communities in the region and cause even greater economic loss when it is no longer feasible for some businesses to locate or remain in Sitka. Sitka must have additional electric power but also must have economic expansion. Unreasonably high power cost would drive away economic expansion and further diminish the family wage jobs that make it possible for families to remain in Sitka. These are already serious problems in Sitka. Therefore, the State’s assistance is urgently needed to enable the Blue Lake Hydroelectric Project to be constructed.

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 structure and a new section of penstock to supply a new powerhouse to be constructed adjacent to the existing powerhouse. The new powerhouse will replace the existing two 3MW generators with three 5.3MW generators. This will increase installed capacity from 7.5MW to 17MW, with an increase in Sitka’s average total annual hydroelectric energy production by about 32,000 MWh or 29 percent of system capacity. Sitka has received the FERC amended license and is plans to enter the construction phase with the general construction contract awarded in November 2012. Planned construction will begin in 2012 to bring this new hydroelectric capacity on line by 2015.

Sitka has exhausted its hydroelectric resources. Load studies predict up to 5 million 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. 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 significant 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 needs to complete the project as quickly as possible.

## FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

**Project Title: RETIRE GREEN LAKE DAM HYDROELECTRIC PROJECT INDEBTEDNESS**

**FY 2014 State Funding Request: \$ 42,000,000**  
**City and Borough of Sitka Federal Tax ID Number: 92-0041163**

**The City and Borough of Sitka respectfully requests an appropriation of \$42,000,000 in order to assist the Municipality in retiring the remaining indebtedness associated with the Green Lake Dam Hydroelectric Project.** This amount is composed of \$26,050,513 in future principal payments and \$15,927,308 in future interest payments that the Municipality is currently obligated to make which are directly attributable to the original indebtedness on this project.

In 1979, the City and Borough of Sitka issued \$54,000,000 in utility revenue bonds to finance the Green Lake Dam Hydroelectric Project. An equivalent amount of indebtedness in 2012 dollars would be \$140,168,273. Since 1979, the citizens of Sitka have shouldered 100% of the financial burden of repaying this debt, making the municipality relatively unique within Alaska in regard to the amount borrowed and repaid per capita for hydroelectric power.

The increased costs of the Blue Lake Dam Hydroelectric Project, which the Municipality is now undertaking, will cause average electric rates to increase by over 60 percent unless some manner of further assistance from the State of Alaska is obtained. These projected average electric rates will cause the Municipality to be at a severe disadvantage when competing to attract and retain private businesses and their associated jobs.

This situation is very similar to that faced by Sitka in 1979, when the original indebtedness for Green Lake Dam was incurred. The Municipality incurred the indebtedness, unheard of at that time for a small community, in order to secure an affordable supply of electricity for the Alaska Pulp Corporation mill and the economic growth and development it promised for Sitka.

What was more unique was the fact that Sitka agreed to shoulder this huge debt burden alone, without State of Alaska assistance, and has made every required payment on the debt, without State of Alaska assistance, for 33 consecutive years. This stands in stark contrast to other Alaskan municipalities, which have received substantial State assistance in constructing their own hydroelectric generation infrastructure.

Unlike 1979, however, the citizens of Sitka can no longer bear the cost of electricity generation without additional assistance from the State of Alaska. To assist the Municipality now, in its time of great need, Sitka asks the State of Alaska to recognize the unfair burden of paying for electricity generation that its citizens have carried for 33 years, and to assist Sitka in retiring the remaining debt associated with the project.

## FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

**Project Title:** SITKA ALTERNATE/EMERGENCY POTABLE WATER SUPPLY

|   |                            |
|---|----------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 6,600,000 (100%)</b> |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 6,000,000 (91%)</b>  |
| <b>CBS Electric Fund:</b>                               | <b>\$ 125,000 (2%)</b>     |
| <b>CBS Water Fund FY 13/14/15:</b>                      | <b>\$ 475,000 (7%)</b>     |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>          |

**The City and Borough of Sitka requests \$6,000,000 in FY 2014 State funds to develop an approved alternate/emergency potable water source. CBS must develop DEC-approved alternate source(s) for drinking water before the forthcoming Blue Lake Dam expansion which will require the Blue Lake supply to be off in excess of 60 days in the fall of 2014. This alternate water source is desperately needed to avoid crippling CBS commercial customers as well as Sitka residents.**

Recent changes in the way the Alaska Department of Environmental Conservation (DEC) Drinking Water Program classifies Sitka's previous alternate/emergency water source and treatment system at Indian River will require that Sitka issue a community-wide boil water notice if City and Borough of Sitka provides water from the Indian River Water Treatment Plant. This occurs any time the Blue Lake supply is off line. Historically, the Blue Lake Penstock is isolated and drained for inspection for a 1–3 week period every 5 to 10 years. During these periods, Indian River Water Treatment Plant has provided water to the community. Indian River Water Treatment Plant was a major potable water source prior to Blue Lake coming on line in 1986 and has been used three times during the past 25 years when the Blue Lake system is out of service. Additionally, new federal regulations (LT2) will require increased treatment to provide inactivation of the protozoa *Cryptosporidium* by October 2014. This treatment is not available at Indian River Water Treatment Plant.

The ramifications of a community-wide boil water notice are wide reaching. Aside from inconveniencing residential customers, those with compromised immune systems and on dialysis are put at significant health risk when inadequately disinfected water is provided to their homes. The effect on commercial operations is dramatic. Restaurants and institutions providing food services, if they do not close, will not be able to wash dishes with tap water and will need to provide boiled/treated water for employee hand washing, etc. Fish processors will not be able to rinse fish or provide ice to fisherman with water that has not met DEC drinking water standards, effectively stopping their operation. Hospitals, doctor and dentist offices will be find it exceedingly difficult to operate. The list of undesirable consequences is seemingly endless.

Multiple options for providing this alternate potable water source for Sitka are currently being studied. They include: drilling wells and installing the pumping and disinfection capacity to provide the needed 3000-4000 gallons per minute, a separate raw water supply line from Blue Lake to the Blue Lake Water Treatment Plant and temporary filtration units that could be located at Indian River and/or Sawmill Creek or other surface water sources within the existing infrastructure system of Sitka. CBS is doing test well drilling at \$400,000 CBS expense. **Regardless of which alternative(s) is selected, the DEC mandate to provide an alternative potable water source requires that the City and Borough of Sitka act on this critical infrastructure need to provide residents, institutions, and businesses in Sitka with safe, adequate potable water supply from both primary and alternative/emergency sources.**

FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

DRAFT

Project Title: SITKA TRANSIENT FLOAT REPLACEMENT

|  |                     |
|--|---------------------|
| Total Project Cost:                              | \$ 5,240,000 (100%) |
| FY 2014 State Funding Request:                   | \$ 2,620,000 (50%)  |
| Additional Funding Required (CBS Harbor Fund):   | \$ 2,620,000 (50%)  |
| City and Borough of Sitka Federal Tax ID Number: | 92-0041163          |

The City and Borough of Sitka requests that the State fund the reconstruction of the Sitka Transient Float under the Harbor 50/50 Matching Grant Program legislated by SB 291. The float system has undergone many repair projects in the past nearly 40 years, including most recently in 2011. A recent dive inspection indicated **significant corrosion and failure of structural components**. This has heightened the concern for this aging facility. A preliminary estimate of the cost of the necessary repairs to bridal chains, longitudinal and transverse thru-rods, and rubber cushion brackets is \$75,000. **Despite best efforts to keep this facility maintained and functional, it has exceeded its useful life and must be replaced.**

The Sitka Transient Float (formerly known as Thomsen Harbor Floating Breakwater) was **originally designed and constructed by the ADOT&PF in 1973**. The float was reoriented in 1996, after construction of the rubble mound breakwater, and repurposed to provide much needed transient moorage space for the Sitka Harbor System. This facility was deeded to the City and Borough of Sitka along with Crescent Harbor, Sealing Cove Harbor, and Thomsen Harbor in 2004.

Understanding the need to maintain critical harbor infrastructure, the City of Sitka recently completed a Harbor System Master Plan which provides an engineering assessment of the existing condition of all Sitka harbor infrastructure, provides budgetary cost estimates for the necessary improvements, and organizes the projects into a Capital Improvement Projects (CIP) Plan. The Master Plan also recommends a moorage rate structure to provide the necessary capital funding to implement the CIP Plan. The Sitka Port and Harbors Commission unanimously supported the rate increases recommended in the Master Plan. The Sitka Assembly also unanimously approved adopting the recommended rate increases for FY 2013 effective October 1, 2012.

Based on construction during the fall of 2014, the cost of this project is estimated to be \$5,240,000. As a former State harbor facility, Sitka Transient Float would be a Tier 1 project under the Municipal Harbor Facility Grant Fund.

**CBS has committed \$2,620,000 to this harbor replacement project. The State of Alaska is encouraged to fully fund the FY 2014 Harbor Matching Grant Program to provide matching funds for the Sitka Transient Float Replacement project. This matching grant will help the City and Borough of Sitka recapitalize an important piece of harbor infrastructure and further the sustainability of Alaska's public harbor system.**



## FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

### Project Title: SAWMILL CREEK ROAD BYPASS DEGROFF STREET PAVEMENT AND UTILITY REPLACEMENT

|   |                            |
|---|----------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 5,493,000 (100%)</b> |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 5,493,000 (100%)</b> |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>          |

**The City and Borough of Sitka requests \$5,493,000 from the State of Alaska to upgrade City owned and maintained streets which will be used as detours when the State-owned Sawmill Creek Road between Jeff Davis and the Roundabout is reconstructed.** Degroff Street runs parallel to Sawmill Creek Road and will be an obvious choice for a primary detour during the reconstruction of Sawmill Creek Road. Lake Street, Hollywood Street, Monastery Street and Baranof Street are all one block links between Sawmill Creek Road and Degroff Street.

These roads were paved over 20 years ago. All of the roadways are at the end of their life cycles and exhibit failures such as excessive potholing, settlement and disintegration of the road edge. Additionally; the water, sewer and storm drain facilities are in need of replacement due to age or because the separation distance does not meet current standards. CBS has submitted Municipal Matching Grant requests to DEC for these roads to address the water, sewer and storm issues. However the DEC grants will only address the paving, sidewalk, curb and gutter replacement associated with the sewer and water facilities to be replaced. There is substantial pavement, sidewalk, curb and gutter that will require replacement that will not be covered by the DEC Municipal Matching Grants.

#### **Degroff Street - \$1,545,000**

This project includes approximately 1600 feet of roadway with curb and gutter on both sides and sidewalk on one side of the road. The improvements include water, sewer and storm drain.

#### **Lake Street - \$1,935,000**

This project includes approximately 670 feet of roadway with curb and gutter on both sides and sidewalk on one side of the road. The improvements include water, sewer and storm drain.

#### **Hollywood Street - \$687,000**

This project includes approximately 570 feet of roadway with curb and gutter on both sides. The improvements include water, sewer and storm drain.

#### **Monastery Street - \$1,396,000**

This project includes approximately 520 feet of roadway with curb and gutter on both sides. The improvements include water, sewer and storm drain.

#### **Baranof Street - \$617,000**

This project includes approximately 360 feet of roadway with curb and gutter on both sides. The improvements include water, sewer and storm drain.

## FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: COMMERCIAL PASSENGER VISITOR FACILITIES IMPROVEMENTS

|  |                     |
|--|---------------------|
| Total Project Cost:                              | \$ 4,200,000 (100%) |
| FY 2014 State Funding Request:                   | \$ 4,200,000 (100%) |
| City and Borough of Sitka Federal Tax ID Number: | 92-0041163          |

The City and Borough of Sitka requests \$4,200,000 funding from the State of Alaska to complete capital projects to enhance commercial passenger vessel services, enhance passenger safety, and support cruise ship visitor activities. In the past, Sitka has received up to 280,000 cruise ship visitors annually and needs to upgrade its municipal facilities. CBS appreciates the \$8,200,000 in Legislative Capital Project funding to rehabilitate the interior and exterior of Centennial Hall received in FY 2010, 2011, 2012, and 2013. This Hall is Sitka's primary public facility for cruise ship visitors and functions both as a gateway and hub to downtown as visitors disembark from lightering boats and access buses. Centennial Hall is also the designated emergency shelter for cruise ship passengers.

### FY 2014 Project: Centennial Hall Visitor Facilities Expansion

This \$4,200,000 funding is requested to construct additional building support facilities for cruise ship passengers within Centennial Hall. As the upgrades to Centennial Hall project have continued to move forward, the needs list has identified unmet needs for support space for the cruise ship passengers.

The rehabilitation project began with the development of the "Needs List" from user input. One of the major needs not covered by the existing funding for the Centennial Hall is the addition of new space to the existing building expansion associated with the cruise ship passenger support staff office and staging indoors for lightering passengers to get the passengers out of the weather. This new space will also be used for vendor space for the passengers to shop. These improvements include management office space and new meeting and multiuse function space. The facility currently has one large meeting area or auditorium used extensively for the cruise ship passengers. The facility also has two medium-size rooms and three very small rooms. Additional space is required to provide for the needs of the cruise ship passengers. During the off-season this additional space would also provide more usable convention space. Conventions typically require more separate meeting rooms for breakout classes or presentation. The additional funding requested would address the addition of new space for the cruise ship passengers and have a side benefit of off-season convention space.

**Project Title: MARINE SERVICE CENTER BULKHEAD RECONSTRUCTION**

|   |                            |
|---|----------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 8,550,000 (100%)</b> |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 7,695,000 (90%)</b>  |
| <b>Additional Funding Required (CBS):</b>               | <b>\$ 855,000 (10%)</b>    |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>          |

**The City and Borough of Sitka requests \$7,695,000 in funds from the State of Alaska to reconstruct the Marine Service Center Bulkhead, and CBS will provide \$855,000 matching funds for this project. This facility has received routine maintenance but is now 36 years old and near the end of its useful life.** The CBS reserve working capital within the Harbor Enterprise Fund is currently dedicated to pay the required local match for the ANB Harbor 50/50 Matching Grant leaving minimal available funding for this critical infrastructure upgrade.

A 2011 condition assessment of the facility noted considerable corrosion and steel material loss, particularly on the tie rods which support the bulkhead. It is critical that this facility be reconstructed before any of the tie rod supports fail, potentially undermining the cold storage building and rendering the site unsafe for its current use. The existing structure has a remaining service life of only 5 years, and replacement is required.

The Sitka Marine Service Center Bulkhead is a steel sheet pile structure, which was originally installed in 1976. Located along Katlian Street, the facility is bounded on the east by the Seafood Producers Cooperative (SPC) Dock and fish processing facility and on the west by the Petro Marine fuel dock. The bulkhead is 36 feet high by 356 feet long and is a traditional vertical wall design comprised of driven sheet piles. The sheet piles are restrained by two layers of tie rods which extend shoreward to a sheet pile anchor wall located 70-feet behind the face of the bulkhead. The bulkhead is the only facility in Sitka with a hoist capable of loading/unloading large fishing vessels and also presently experiences use as a transient berthing facility for fishing vessels. Overflow moorage use from vessels visiting the adjacent SPC dock is common along the eastern portions of the bulkhead. The facility also serves as a dock for small cruise vessels visiting Sitka during the summer months on occasion.

A large cold storage building (140 feet long by 150 feet wide) is located 30 feet behind the face of the bulkhead and directly above the anchor wall/tie rod supports. The City of Sitka owns the cold storage building. Two local seafood processors lease space in this building to store frozen fish product. It is estimated that 5,500 tons of fish product move through the facility each year at an estimated value of 32 million dollars. Needless to say, this facility is a critical piece of infrastructure for Southeast Alaska’s fishing and seafood processing industry.

Understanding the need to maintain critical harbor infrastructure, the City of Sitka recently completed a Harbor System Master Plan which provides an engineering assessment of the existing condition of all Sitka harbor infrastructure, provides budgetary cost estimates for the necessary improvements, and organizes the projects into a Capital Improvement Projects (CIP) Plan. The Marine Service Center Bulkhead is a high priority project in the CIP Plan. The Assembly recently passed the first year of a proposed 5-year implementation of moorage rate increases in order to assist with this and other critical infrastructure needs. However, even with very aggressive rate increases, it is difficult to build up sufficient working capital to fund this project before it reaches the end of its projected safe and useable life. Securing State funding for this project will ensure that this critical piece of harbor infrastructure remains in service to help support a healthy and vibrant commercial fishing industry in Southeast Alaska.

## FY 2014 CBS LEGISLATIVE CAPITAL PROJECTS REQUEST

### Project Title: SAWMILL COVE INDUSTRIAL PARK SHORELINE STABILIZATION AND WATERFRONT DEVELOPMENT

|  |                     |
|--|---------------------|
| Total Waterfront Stabilization Project Cost:     | \$ 9,310,000 (100%) |
| FY 2014 State Priority 1 Funding Request:        | \$ 3,750,000 (40%)  |
| FY 2014 State Priority 2 Funding Request:        | \$ 5,560,000 (60%)  |
| City and Borough of Sitka Federal Tax ID Number: | 92-0041163          |

The City and Borough of Sitka requests the State partner with CBS to help stabilize the existing waterfront infrastructure at Sawmill Cove Industrial Park (SCIP) which is failing due to erosion from wave action. Total project cost is estimated at \$9,310,000. The Industrial Park's uplands, utility infrastructure, and recently installed pavement are at risk and need protection. The CBS has plans to develop a marine services industry at the Industrial Park. Shoreline stabilization and waterfront development will help protect existing assets and provide the base infrastructure needed to develop the industry.

**The Shoreline Stabilization and Waterfront Development Project at Sawmill Cove Park is crucial to protect the Industrial Park's assets and for future waterfront development.** Two large sections of the waterfront uplands are being eroded. The top priority area is located adjacent to the proposed bulkhead dock. It is the most heavily eroded area. Millions of dollars of infrastructure are at risk in this area, including the bulk raw water line. **Priority 1 includes removal of failing infrastructure, constructing a sheet pile bulkhead, adding rock fill, and uplands improvements for \$3,750,000.** Not only will this project protect infrastructure and stabilize the shoreline, but it will allow for base infrastructure to be constructed for future marine industries.

**Priority 2 area is adjacent to the lease area for the NSRAA fish hatchery (Lot 2) and is targeted as a future site for a marine haul out.** The second priority includes removal of failing infrastructure, a sheet pile bulkhead, rock fill, and upland improvements for \$5,560,000. In addition to replacing failing infrastructure and stopping erosion of the waterfront, this project will provide upland infrastructure for the first phase of the conceptual plan for the marine haul out.

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 failing and unsafe for use and must be removed and new pilings, bulkheads, dredging and shoreline protection, and other improvements must be completed to allow the Industrial Park access to the ocean transportation avenues.

The history of Sawmill Cove Industrial Park began in 1993 when the Alaska Pulp Corporation mill operation shut down, resulting in the loss of over 400 family wage jobs in the community of Sitka. The City and Borough of Sitka took over the former Alaska Pulp Corporation mill site in 1999. Over \$11,000,000 of Federal, State and CBS funds were used to complete upland utilities, system upgrades, and paving. The State contributed \$1 million toward a raw water line to allow for bulk water export. A Wastewater Outfall Project has also been completed to support fish processors. The Industrial Park is operational, with tenants including Cove Partners Walter Bottling, Fortress of the Bear, Island Fever Diving, Monarch Tannery, Audio Workshop, Child Song Dolls, NSRAA Salmon Hatchery, and Silver Bay Seafoods. Total private investment into the industrial park is over \$20,000,000. Development at the Industrial Park has created 60 full time jobs and seasonal employment for over 320 people.

**Project Title: SITKA MULTI-PURPOSE TRACK AND FIELD IMPROVEMENTS**

|   |                            |
|---|----------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 6,500,000 (100%)</b> |
| <b>Funding Already Secured (American Legion):</b>       | <b>\$ 100,000 (2%)</b>     |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 6,400,000 (98%)</b>  |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>          |

**The City and Borough of Sitka requests \$6,400,000 to develop an all-weather turf Multi-Purpose Track and Field Complex for year-round use. This project will provide a complete accessible facility for Sitka’s youth and a safer facility with lower maintenance costs. The project will have great economies of scale with cost efficiencies in both design and construction.**

The original construction of Sitka’s Track and Field located at Lower Moller Park was reported to have started in August 1974 by O’Leary Construction. A cleared area and gravel access road existed on the site prior to field construction in 1974. The field was built in a swampy area and continues to settle. Track width varies between 26 feet and 30 feet and is wide enough to accommodate six track lanes. During periods of heavy rain small pot holes will develop requiring continual maintenance. There is no straightway or chute extensions for the sprinting events. The south end of the field is used as a discus and shot put pad area. The existing field surface is approximately 160’ x 360’ in size. It is composed of a silt surfacing cap that during rain events becomes quite soft resulting in unsafe, slippery conditions which cause ankle and leg injuries. The track is uneven and substandard. A grass surface exists around the field perimeter and on each end of the field. In 2001, grass was removed from the main playing field for safety and drainage reasons.

The existing track and field location lacks many of the amenities required for hosting track meets; particularly regional or state level meets. There are no public restrooms or concession facilities located directly at the field level. Concession stand and restrooms are located on the Upper Moller field. Storage of track, field and football equipment is limited, inadequately sized, and has no power. Spectator seating is limited to one metal bleacher section on each side of the field; parking is limited; and there is no accessible access route to the field.

FY 13 State funding of \$100,000 will be administered by the Alliance for Alaska American Legion and will be utilized for a feasibility study of location, design, and installation of the Sitka Multi-Purpose Track and Field Improvements.

One possible location for the Multi-Purpose Track and Field would be to utilize newly named Krueger Field at the Kimsham Sports Complex. The Kimsham Sports Complex has three softball fields and a multi-purpose field. The multi-purpose field is in need of replacement. It is a grass field that is not establishing very well as it was installed on a rock type sub-grade. The field will not sustain grass, is an uneven surface, and has drainage problems. The City and Borough of Sitka is going to have to replace the grass with some sort of all weather turf to make it sustainable in the Southeast climate. The field has access to restrooms, concession facility, and parking located in the Sports Complex.

The new track/football/soccer multi-purpose fields with all-weather year-round surfaces would permit Sitka’s schools, including Sitka High School and the State boarding school Mt. Edgecumbe High School, to host track (running and jumping) and field (shot-put, discus, high jump and long jump) events, and permit Sitka’s youth, as well as adults, to use regulation track, football, and soccer facilities safely throughout the entire year.

**Project Title: SITKA SWAN LAKE RECOVERY AND IMPROVEMENTS**

|  |                           |
|--|---------------------------|
| <b>Total Project Cost:</b>                               | <b>\$ 4,961,236(100%)</b> |
| <b>CBS Funding - Work Previously Completed:</b>          | <b>\$ 450,000 (9%)</b>    |
| <b>Funding Already Secured (CIAP Legislative Grant):</b> | <b>\$ 771,236 (16%)</b>   |
| <b>FY 2014 State Funding Request:</b>                    | <b>\$ 3,740,000 (75%)</b> |
| <b>City and Borough of Sitka Federal Tax ID Number:</b>  | <b>92-0041163</b>         |

**The City and Borough of Sitka requests \$3,740,000 State funds to partner with CBS to continue the major long-term recovery and preservation of Swan Lake. Once completed, Swan Lake will provide its historical, environmental and recreational richness for locals and visitors alike well into the future.**

Swan Lake, “Sitka’s Central Park”, is a eutrophic dying lake. For decades, CBS has been improving Swan Lake’s water quality and recreational opportunities. Dredging Swan Lake is not “just a nice thing to do” but is necessary to retain Swan Lake; an integral part of Sitka’s past and future. Swan Lake is a park used year-round. In the spring and summer, parents and children fish and boat on the lake; in summer, cruise ship visitors visit the lake to recreate, hike and learn about its history; in the winter, Swan Lake is the only location in town for ice skating. A public/ADA accessible fishing dock currently under construction will be installed this summer. This will further increase recreational opportunities on Swan Lake.

Swan Lake 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 compensation during the purchase of Alaska by the United States, solidifying its place in Alaska history.

An active multi-year water body recovery project began in the 1990’s. The guide for these efforts has been the Swan Lake Watershed Recovery Strategy and Total Maximum Daily Load Report, which was completed in 2000. In 1981, Swan Lake was named an Area Meriting Special Attention (AMSA) under the Sitka Coastal Management Program. This included water quality and watershed protection policies. 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, which recorded depth and bottom substrate measurements throughout the lake. The lake averages less than seven feet in depth, and the study recommended dredging the majority of the lake to increase overall depth.

Three small strategic dredging projects with broad public support have been completed in Swan Lake since 2001. These were funded by a combination of Coastal Impact Assistance Program (CIAP), DEC ACWA/EPA 319 grants and municipal matching funds totaling approximately \$450,000. These projects were successful in improving water flow in and out of the lake, increasing access for recreational activities and improving water quality and winter fish habitat. Small dredging projects, however, are not cost effective. Mobilization costs are high and consumed up to 35% of the project budgets. Larger projects are much more cost effective because the mobilization costs are nearly fixed and not proportional to the volume of material dredged. The 2009 Legislature provided Visitor Excise Tax funding for this upgrade project, but the funds were vetoed.

CBS again requests \$3,740,000 in State funds to complete this major improvement. State FY 2014 funds will provide ‘more bang for the buck’ when combined with the \$771,236 of designated Coastal Impact Assistance Program funds (CIAP) which CBS has secured. Dredging is planned for summer 2014 and 2015. This State funding is needed for the continuing rehabilitation of Swan Lake.

## FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

**Project Title: SITKA ALTERNATE HEAT SOURCE SYSTEM FOR CENTENNIAL HALL/KETTLESON LIBRARY AND OTHER FACILTIES**

|   |                            |
|---|----------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 3,475,626 (100%)</b> |
| <b>AEA Grant Funding Already Secured:</b>               | <b>\$ 34,626 (1%)</b>      |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 3,441,000 (99%)</b>  |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>          |

**City and Borough of Sitka requests \$3,441,000 funding from the State of Alaska to complete a capital project for the installation of a combined heat pump system for Harrigan Centennial Hall and Kettleson Library and complete a heating master plan for other municipal infrastructure.**

**FY 2014 Project: Centennial Hall Building and Kettleson Library Upgrades (\$3,341,000)**

Currently there is funding in place to renovate both the Harrigan Centennial Hall and the Kettleson Library which provides an excellent opportunity to convert the building to heat pump technologies. The economic comparison of the systems shows that the heat pump options require a significant investment that factors greatly into overall life cycle cost. A combined baseline HVAC system costs \$2,362,000. A combined seawater heat pump system has an added cost of \$979,000. Alaska Energy Engineering projected a savings of \$2,052,000 for a combined seawater heat pump system over a thirty year period. The City and Borough of Sitka supports the overwhelming cost savings of a project of this magnitude but does not have the capital funding to afford the upfront costs.

The Blue Lake Dam Hydroelectric Project will make it feasible to convert to electric heating alternatives, helping both economically and environmentally. From an economic standpoint electricity from a hydroelectric plant would cost less than fuel oil. This heat source reduces greenhouse gas emissions when compared to fuel oil heated buildings. Heat pumps make efficient use of available hydroelectric resources, which meshes well with community sustainability goals to make efficient use of renewable energy.

**FY 2014 Project: City Wide Alternate Heat Source Master Plan (\$100,000)**

As the Blue Lake Hydroelectric Project moves forward, the City and Borough will be looking at ways to utilize the electricity from the increased hydroelectric capacity. Currently, the City is responsible for 19 city buildings of which 17 buildings utilize fuel oil as their heating source. City Hall and the Senior Center use inefficient electric baseboard (radiant) heating that is inefficient. Providing a comprehensive study of the City's infrastructure with the concept of utilizing the new hydroelectric plant would be environmentally and economically beneficial to the City and Borough of Sitka.

## FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

### Project Title: WASTEWATER TREATMENT PLANT EFFLUENT HEAT PUMP SYSTEM

|   |                            |
|---|----------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 1,479,377 (100%)</b> |
| <b>Funding Already Secured (CBS):</b>                   | <b>\$ 132,000 (9%)</b>     |
| <b>AEA Grant Funding Already Secured:</b>               | <b>\$ 20,377 (1%)</b>      |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 1,327,000 (90%)</b>  |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>          |

**The City and Borough of Sitka requests \$1,327,000 from the State of Alaska to complete a Capital Project to upgrade the heating and ventilating system in the City owned and maintained Waste Water Treatment Plant (WWTP).**

In a study completed in May of 2012 by Alaska Energy Engineering, it was determined that an Effluent Heat Pump System would be environmentally and economically beneficial for City and Borough of Sitka to install. Alaska Energy Engineering's study projected an operational energy savings of \$53,700 per year and up to \$1,612,000 over a thirty year period. The City and Borough of Sitka realizes the overwhelming cost savings of a project of this magnitude but does not have the capital resources to afford the upfront costs.

The WWTP is currently utilizing fuel oil for its heating needs. With rising fuel costs and the uncertainty of how high the fuel oil costs will rise, looking at renewable alternative energy sources becomes important in a municipal government. The plant effluent can be easily tapped as an energy source using existing pipelines and pumps. The heating and ventilating systems at the WWTP have reached the end of their service lives, and replacement is planned. The 2012 feasibility analysis evaluated whether the building should be converted to renewable energy heat pumps as part of the replacement project. The proposed replacement of the heating and ventilating systems provides an excellent opportunity to convert the building to heat pump technologies.

With the Blue Lake Dam Hydroelectric Project gearing up to be constructed, it becomes evident that changing to electric heating alternatives makes sense, both economically and environmentally. From an economic standpoint, electricity from a hydroelectric plant would cost less than fuel oil, the cost of which continues to increase.

The economic comparison of the systems shows that the effluent heat pump has a much lower life cycle cost than the baseline system. The effluent heat pump system produces significant energy savings which more than offsets its higher construction and maintenance costs. For investment in a heat pump system to be preferred over the relatively lower construction cost of the traditional baseline systems—likely siphoning dollars from other priorities—the system should overwhelmingly have a lower life cycle cost. This is the case with the effluent heat pump system. The proposed upgrade of the heating and ventilating systems also reduces the cost of converting to a low-temperature heating system.



**Project Title: JEFF DAVIS STREET WATER AND SEWER IMPROVEMENTS**

|   |                          |
|---|--------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 875,000 (100%)</b> |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 787,500 (90%)</b>  |
| <b>Additional Funding Required (CBS):</b>               | <b>\$ 87,500 (10%)</b>   |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>        |

**The City and Borough of Sitka requests \$787,500 from the State of Alaska to upgrade aging and undersized water and sewer mains within Jeff Davis Street.** Understanding the need to maintain critical water and sewer infrastructure, the City and Borough of Sitka recently completed a Water System Master Plan (2009) and is in the process of completing a Sewer System Master Plan (2012). **Together, these two documents identify nearly \$45,000,000 of critical infrastructure needs over the next 10 years alone (in 2012 dollars).** The City and Borough of Sitka has committed to a five year increase in water rates of 14 percent per year for FY 2010 through FY 2014. Sewer rates were increased 13.3 percent each year in FY 2011 and FY 2012 and future increases of 8 percent per year are anticipated over the next 5 years. However, even with these significant rate increases, the City and Borough of Sitka cannot fund the required projects without significant State assistance.

The City and Borough of Sitka has applied for funding for this project through the Alaska Department of Environmental Conservation Loan Program (FY 2012) and Municipal Matching Grant Program (FY 2014), but at this point has yet to receive funding for this infrastructure need. **Jeff Davis Street Water and Sewer Improvements is a top priority project for the City and Borough of Sitka Water and Sewer Department.**

The existing 8” cast iron water main within Jeff Davis was constructed in 1966. This project will replace this aging undersized pipe with new larger diameter 16” diameter water main to serve as a bypass from the 16” water main within State-owned Sawmill Creek Road. This will allow for uninterrupted water delivery to downtown Sitka in the event of a failure or maintenance on the Sawmill Creek 16” diameter main.

This project will also address serious public health concerns by removing a section of failing 1930’s vintage woodstave sewer pipe that currently service three residences along Jeff Davis Street. The service lines from these residences are located at a lower elevation than the main and were therefore not connected when the sewer main was reconstructed in the early 1980’s. This woodstave sewer pipe flows into the Jeff Davis Street sewer main downstream where a gravity connection was possible.

**Securing State funding for this project will ensure that this aging and undersized water and sewer infrastructure is replaced thereby addressing serious public health concerns and ensuring uninterrupted water delivery to the downtown core of Sitka.**

**Project Title: HARBOR SYSTEM CAPITAL IMPROVEMENT PROJECTS**

|   |                            |
|---|----------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 9,745,000 (100%)</b> |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 9,257,000 (95%)</b>  |
| <b>Additional Funding Required (CBS):</b>               | <b>\$ 488,000 (5%)</b>     |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>          |

**The City and Borough of Sitka requests \$9,257,000 from the State of Alaska to partner in upgrading City owned and maintained harbor infrastructure, and CBS will provide \$488,000 in matching funds for this project.** Understanding the need to maintain critical harbor infrastructure, the City and Borough of Sitka recently completed a Harbor Master Plan which provides an engineering assessment of the existing condition of all Sitka harbor infrastructure, provides budgetary cost estimates for the necessary improvements, and organizes the projects into a Capital Improvement Projects (CIP) Plan. **The CIP Plan identifies \$118,000,000 of harbor system infrastructure needs over the next 50 years (in 2012 dollars). Recognizing the magnitude of the necessary improvements, the City and Borough of Sitka has committed to a 39 percent increase in moorage rates effective October 1, 2012 with future increases anticipated.** However, even with these significant rate increases, the City and Borough of Sitka cannot fund the projects within the first 5 years of the CIP plan with the projected CBS reserve working capital in the Harbor Enterprise Fund.

The majority of Sitka’s harbor infrastructure was originally designed and constructed by the Alaska Department of Transportation and Public Facilities (ADOT&PF). This infrastructure was subsequently deeded to the CBS when ADOT&PF was divesting itself of harbor assets. Since that time, limited funding has been available to maintain or repair them. **It should be noted that a significant percentage of the critical infrastructure needs identified within the CIP Plan are not eligible for funding under the Municipal Harbor Facility Grant Program.** Given the extent of the overall needs for harbor improvements, CBS FY 2014 request is focused on the following top priority projects:

- 1. Crescent Harbor (\$6,615,000):** Crescent Harbor was designed and constructed by the State of Alaska in several phases beginning in 1965. The general condition of the harbor is poor. Timber elements are submerged and are beginning to show advanced stages of rot. Spalling and hairline cracks in the surface of concrete deck are evident throughout the harbor. About half of the finger floats are severely twisted and are listing from side to side. Large sections of concrete finger floats have spalled off. Timber piling are worn due to mechanical abrasion against the steel pile hoops. The 1965 era portions of Crescent Harbor have nearly exceeded their remaining safe and useable life and must be replaced.
- 2. Eliason Harbor Electrical Replacement (\$2,450,000):** Eliason Harbor, once referred to as New Thomsen Harbor, was designed and constructed by the State of Alaska in two phases, with the final phase completed in 1998. The Eliason Harbor electrical systems are approximately 15 years old and suffer mechanical abuse due to storms and waves through the harbor, particularly on the north end. As a result, the power and lighting systems require substantial rehabilitation.
- 3. Thomsen Harbor Upland Access and Parking (\$680,000):** Thomsen Harbor was originally designed and constructed by the State of Alaska in 1976. The uplands access and parking associated with Thomsen Harbor was constructed on an old dump site consisting of logs, stumps, old vehicles, etc. The condition of the upland access and parking is poor and must be upgraded. Uplands access and parking areas are ineligible for funding under the Municipal Harbor Facility Grant Program.

## FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

### Project Title: WHITCOMB HEIGHTS SUBDIVISION UTILITY IMPROVEMENTS

|   |                             |
|---|-----------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 17,517,000 (100%)</b> |
| <b>Funding Already Secured (CBS):</b>                   | <b>\$ 6,520,000 (37%)</b>   |
| <b>Funding Already Secured (State):</b>                 | <b>\$ 5,000,000 (29%)</b>   |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 5,600,000 (32%)</b>   |
| <b>Additional Funding Required (CBS):</b>               | <b>\$ 397,000 (2%)</b>      |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>           |

**The City and Borough of Sitka requests \$5,600,000 to assist completing the water, sewer and electrical utilities along the length of Kramer Avenue and connecting to Halibut Point Road.**

The Benchlands are City-owned land that is planned for Sitka’s future residential growth. CBS purchased the land from University of Alaska in 2007 for \$3,350,000. The City received a \$5,000,000 grant for the construction of utilities which was matched by a DEC loan of \$3,170,000 which was used to construct water and sewer utilities and a one million gallon water storage tank to service the subdivision. In 2011, water and sewer mains and services were extended up Jacobs Circle, and nine residential building lots were put on the market, of which three have been sold and residences are in construction. In addition to the building lots, additional development tracts were provided water and sewer service to allow development.

Kramer Avenue parallels the State-owned Highway Halibut Point Road through the southern portion of the City and Borough of Sitka owned “Benchlands” properties. Kramer Avenue is the arterial street of the Whitcomb Heights Subdivision in the Benchlands. The proposed project would extend the water main “trunk line” in the southern portion of Kramer Avenue to the north as well as construct a parallel sewer main along the same alignment and complete electric utilities connections. Miscellaneous associated road and drainage improvements would also be constructed.

Construction of these water, sewer and electric main lines within the Kramer Avenue right-of-way will provide a backbone upon which the neighborhoods of the subdivision can be served. The Benchlands is the only property in the City and Borough of Sitka that is both accessible and of suitable terrain to support much needed 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 will be provided with the construction of Whitcomb Heights Subdivision neighborhood utilities and individual service connections.

## FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

### Project Title: SITKA COMMUNITY PLAYGROUND

|   |                          |
|---|--------------------------|
| <b>Total Project Cost:</b>                                  | <b>\$ 400,000 (100%)</b> |
| <b>Funding Already Secured (Municipal/Private/In-Kind):</b> | <b>\$ 4,000 (1%)</b>     |
| <b>Other Funding (pending):</b>                             | <b>\$ 45,000 (11%)</b>   |
| <b>FY 2014 State Funding Request:</b>                       | <b>\$ 351,000 (88%)</b>  |
| <b>City and Borough of Sitka Federal Tax ID Number:</b>     | <b>92-0041163</b>        |

**The City and Borough of Sitka requests \$351,000 State funds to replace outdated City and Borough of Sitka playgrounds with a single, ADA compliant playground that excites and engages Sitka's children in active and imaginative play.** Sitka has City-owned playgrounds at two park sites. These playgrounds have identified constraints and limitations and are not ADA compliant. A recent Certified Playground Inspector's audit revealed that the City and Borough of Sitka playgrounds do not comply with current playground standards for equipment spacing and surfacing.

In June 2011, a group of Sitka volunteers and parents came together with a goal of upgrading and consolidating the City and Borough's existing playgrounds by creating a single community playground. The Sitka 2011 Health Summit attendees, recognizing the value of this playground, chose this project as one of its three top goals during their annual planning event in October. In the fall of 2011, a conceptual playground design, a \$2,400 in-kind donation, was completed with over 200 youngsters providing input to the designer.

The construction of the community playground will help the City and Borough of Sitka achieve the community goal of providing safe, accessible, year-round, healthy activities for Sitka's youth. The project goals are to improve daily physical activity and to promote lifelong healthy lifestyles. Access to the playground will allow Sitka's nine licensed daycares, various home daycare facilities, and Sitka's private and public schools to expand physical fitness program capacity and improve activity levels of Sitka's children. The play opportunities in a "21<sup>st</sup> Century" playground will improve children's strength, endurance and balance as well as physical, social and cognitive skills.

The playground will be located on City and Borough park lands. One site being considered is to replace the centrally-located Crescent Harbor Park playground. By replacing and consolidating City playgrounds with a single, safe facility that is compliant with current playground requirements and built with sustainable materials, the City will significantly reduce required maintenance and eliminate potential liability. This project will also be funded with cash and in-kind donations and grants.

**Project Title: CROSS TRAIL MULTIMODAL PATHWAY PHASE II**

|   |                            |
|---|----------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 1,945,833 (100%)</b> |
| <b>State Funding Already Secured:</b>                   | <b>\$ 40,618 (2%)</b>      |
| <b>Funding Already Secured (Rasmuson, STW, CBS):</b>    | <b>\$ 643,000 (33%)</b>    |
| <b>STIP – TRAAK secured</b>                             | <b>\$ 842,382 (43%)</b>    |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 419,833 (22%)</b>    |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>          |

**The City and Borough of Sitka requests \$419,833 to complete Phase II of the Sitka Cross Trail Multimodal Pathway project.** Funding for Phase I (\$842,382) from Yaw Drive to the City and Borough of Sitka boundary line was awarded in the 2010-13 State Transportation Improvements Program (TRAAK). The City and Borough of Sitka, Sitka Trail Works, the Rasmuson Foundation and the 2012 State of Alaska grant are providing a required TRAAK match. This funding is greatly appreciated. With the completion of Phase II, the Baranof Street connector will be the only downtown connector to the Cross Trail multimodal pathway.

The project will reroute a deteriorated section of the Gavan Hill trail to provide a connector trail from Baranof Street trailhead to the Cross Trail. The reroute will also bring the connector closer to multiple neighborhoods and provide improved access to the Cross Trail Multimodal Pathway from these adjacent neighborhoods. The total project distance is approximately 3,750 feet long by 10 foot wide (on 12 ft wide shot rock base) compacted gravel trail. This is the standard profile recommended in the Sitka Non-Motorized Transportation Plan for a multimodal pathway and has been utilized in recent reconstruction and earlier phases of the Cross Trail.

The Baranof Street connector will be a sustainable, low-maintenance, barrier-free, multimodal, 10 foot wide, compacted gravel pathway. The completed pathway will contribute to healthier and more active lifestyles for residents and visitors and resolve currently unsafe conditions on the existing trail. The project will favorably impact the local economy by providing for local employment, increasing adjacent property values and improving Sitka’s quality of life.

The Sitka Cross Trail Multiuse Pathway has been included in Sitka planning documents since 1981 and is an identified community priority in the 2003 Sitka Trail Plan, 2002 Non-Motorized Transportation Plan, Sitka Parks and Recreation Plan, and 2007 Sitka Comprehensive Plan. The Baranof Street connector was identified as a component of a safe route to school in the “2009 Sitka Safe Route to School Plan.”

Over \$600,000 has been spent to construct 4.0 miles in the various phases of this project since 1998. The completed sections of this non-motorized pathway link schools, multiple neighborhoods, a recreation complex and other major public destinations. The important Baranof Street connector will directly link the Cross Trail with downtown Sitka and Baranof Elementary School.

**FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST**

**DRAFT**

**Project Title: SITKA SCRAPYARD METAL BALER RECYCLING UPGRADE**

|   |                          |
|---|--------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 500,000 (100%)</b> |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 400,000 (80%)</b>  |
| <b>Other Funding (CBS):</b>                             | <b>\$ 100,000 (20%)</b>  |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>        |

**The City and Borough of Sitka requests \$400,000 in funds from the State of Alaska for the replacement of the Scrapyard Combination Baler/Shear/Logger. CBS will contribute \$100,000 matching funds to complete this upgrade. This upgrade will enable CBS to greatly improve its metal recycling effort to more cost effectively and efficiently bundle and ship metal from junk vehicles to be recycled as scrap metal.**

In FY 2011 Sitka’s Scrap Yard diverted approximately 800 tons of metal from being shipped to a landfill in Washington State. CBS contracted for off-island disposal and closed its landfill in 2007 and rehabilitated it to ballfields which opened in 2011. CBS set up a scrapyard to recycle many tons of metal that would otherwise have to be shipped to a landfill in Washington State.

The Shear/Baler allows the City and Borough of Sitka to capture and recycle this waste stream which saves the City and Borough of Sitka approximately \$88,000 per year plus the known benefits of recycling. The City and Borough of Sitka’s present baler is nearly a decade old and does not have the capability of crushing anything over a half ton truck capacity, therefore making it nearly impossible to crush and bale a three quarter ton size truck or other large scrap metal for shipping. The current baler is not able to meet the needs and has increasing maintenance problems and breakdowns. This funding would allow the City and Borough of Sitka to purchase a new baler that is much more robust to better meet the demands of Sitka’s waste stream including processing large vehicles. The new baler will better improve recycling efforts and generate additional income to better serve the State’s and community’s needs in the 21<sup>st</sup> Century.

Every spring there is an annual “Spring Cleanup” event in Sitka giving residents the opportunity to clean up their yards. This annual event brings in over one hundred vehicles alone by trailering, towing, or some driving to the Scrapyard facility to be processed. Each one of these vehicles along with several tons of scrap metal is put into the baler to be processed for shipment south to Washington State to a metal recycling facility. This event is separate from the regular flow of vehicles and scrap metal being brought into the Scrapyard facility on a daily basis.

The City of Sitka ships all of its solid waste and recyclable materials south to Washington State. With shipping costs on a continual rise, the City has to make sure that every shipment is baled efficiently. This means that better compaction for shipping is a “must” to control the shipping costs.

**Project Title: TONY HREBAR SHOOTING RANGE IMPROVEMENTS**

|   |                          |
|---|--------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 139,000 (100%)</b> |
| <b>Funding Already Secured (State, CBS, NRA) :</b>      | <b>\$ 79,000 (57%)</b>   |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 60,000 (43%)</b>   |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>        |

**The City and Borough of Sitka requests \$60,000 to continue to rehabilitate and upgrade the Tony Hrebar Shooting Range. Identified projects will improve access, safe use and the overall condition of the range. A combination of State, City and NRA funds have been used to upgrade the shooting range. Projects completed include the installation of a vaulted toilet, range distance markers, and repainting shooting shelters. However, current funding is insufficient to complete the much needed major safety improvements including improving surfacing and drainage, rebuilding range berms, and equipment upgrades.**

Funds will be spent to resurface and improve range drainage and make safety upgrades. Inadequate drainage has caused washouts of surfacing material and rutting. The uneven surfaces are dangerous. Installing a properly sized drainage system will help preserve gravel surfacing but also keep the range surface even and hazard free thereby reducing tripping hazards.

Raising the height of berms will significantly improve range safety. Range berms have sloughed and settled and are no longer the standard height. The backstop berms are critical to prevent bullets from traveling downrange, beyond the shooter’s target. The interior berms restrict bullets from traveling to adjacent ranges. Raising the height of the median berm between the 100 yard and 200 yard ranges will significantly improve range safety and enable shooters to retrieve targets without fear of stray bullets from the adjacent range.

Replacement of shooting tables and construction of gun racks and brass recycling bins are also required to allow for safe gun handling practices. The shooting tables have deteriorated and need replacement. These tables are extensively used and are necessary for gun safety. Construction of gun racks to hold rifles that aren’t being immediately used will reduce the potential for accidents and encourage the public to utilize safe practices. Construction of spent brass collection bins will reduce maintenance, improve the facility’s appearance and encourage recycling.

Users identified the need for a non-potable water faucet to use if accidents occur or for eye-washing. Installation of a security camera at the range is another item which has been requested by users to help reduce vandalism and misuse of the shooting range. In addition, emergency phone (911) access is needed in the event of an accident. The range is located in a remote wooded site at the end of the Sitka road system and needs to be better monitored and connected to emergency services.

## FY 2014 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES

### Project Title: STATE DPS PUBLIC SAFETY ACADEMY DRIVER TRAINING FACILITY

|  |                            |
|--|----------------------------|
| <b>Total Project Cost:</b>                           | <b>\$ 7,000,000 (100%)</b> |
| <b>State Funding Already Secured:</b>                | <b>\$ 1,000,000 (14%)</b>  |
| <b>FY 2014 State Dept. of Public Safety Request:</b> | <b>\$ 6,000,000 (86%)</b>  |

**The City and Borough of Sitka continues to request that the State of Alaska fully fund the State of Alaska Department of Public Safety's project to construct the Sitka Public Safety Academy Driver Training Facility Upgrade to permit design and construction of this urgent safety and educational upgrade in 2013 and 2014.**

The State's Public Safety Training Academy in Sitka, which trains State Troopers, Village Safety Officers (VPSO's), Fish and Wildlife Protection Officers, and local Police force recruits for statewide positions, 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 cadet living quarters, shooting range upgrade, cafeteria, and other completed improvements.

**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 is grateful to the State of Alaska for funding the cafeteria and \$1,000,000 for this driver training facility. The Sitka Driver Training Facility is a very high priority of the Department of Public Safety. The land adjacent to the Public Safety Academy identified for the drivers training facility has been purchased by the State, and CBS requests the State budget for design and construction as soon as possible in 2013 with completion in 2014.** With the steep rise in construction costs, the estimate for development of the Public Safety Academy property and additional land, rock and paving development costs, as well as road easements and construction, the total project is projected to cost around \$7,000,000.

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. Edgecumbe High Boarding 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 Southeast 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.**



**FY 2014 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES**

**Project Title: REPLACE FAILING WATER SUPPLY LINE TO JAPONSKI ISLAND**

|  |                            |
|--|----------------------------|
| <b>Total Channel Crossing Water Mainline Project Cost:</b> | <b>\$ 2,205,000 (100%)</b> |
| <b>CBS Water Fund FY 2014:</b>                             | <b>\$ 75,000 (4%)</b>      |
| <b>FY 2014 State Funding Request:</b>                      | <b>\$ 693,000 (31%)</b>    |
| <b>Other Funding Requests (DEC Grant/Loan FY 2014):</b>    | <b>\$ 1,437,000 (65%)</b>  |
| <b>City and Borough of Sitka Federal Tax ID Number:</b>    | <b>92-0041163</b>          |

**The City and Borough of Sitka requests the State contribute \$693,000 to partner with the \$75,000 Municipal Water Department seed funds to accomplish Phase 1 of this important project. The leaking 12-inch concrete-lined steel water pipe suspended under the O’Connell Bridge needs replacement. This is a phased project Phase 1 includes: identifying the replacement location (submerged or on the bridge), installing connections to facilitate removing the existing leaking line from service and connecting a future line, bid-ready design plans and permitting. Completing Phase 1 will greatly improve CBS’s ability to be awarded DEC municipal matching grant (MMG) funds for Phase 2, the actual construction of the line. This waterline serves several State institutions located on Japonski Island, so 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”. The existing 12-inch line was constructed by the Bureau of Indian Affairs (BIA). No agencies claim ownership of this waterline which serves residences and municipal, State and Federal institutions. A leak was discovered in 2010 and a section of insulation and lagging fell off the line above the lightering facility, temporarily closing this cruise ship passenger facility, this July. Replacing this line will greatly improve fire flow capacity, pressure and reliability for the island’s water system. **CBS is committed ownership and maintenance of the new waterline.**

Sitka supplies potable and fire protection water to State, Federal and municipal facilities and residents on Japonski Island across the 900 foot wide Sitka Channel. Japonski Island is the site of the Sitka Rocky Gutierrez Airport, Southeast Alaska Regional Health Consortium and Hospital, Mt. Edgecumbe High School (State Department of Education boarding school), University of Alaska Sitka Campus, U.S. Coast Guard (USCG) Air Base, USCG Buoy Tender Base, USCG and other residential housing, daycare facilities, municipal wastewater treatment plant and Sealing Cove Boat Harbor.

CBS has sought funding in previous years for this project through the DEC low interest loan/stimulus programs. The project has not scored high enough to be funded. Municipal matching grants (MMG) are much more competitive; so this funding source probability is very low. CBS believes if Phase 1 were completed, Phase 2, the physical construction of this project, will be competitive with other MMG utility projects statewide.

CBS will continue efforts to secure the additional Federal and State funding towards completion of the remainder of the Japonski Island utility upgrades listed in the Japonski Island Master Plan in 2003 dollars: the Japonski Island utility corridor relocation, \$1,500,000; Water Tank Demolition, \$500,000; and U.S. Coast Guard Housing Water Improvements, \$750,000. In the spring 2010, CBS was awarded a \$1,300,000 DEC low interest loan (including \$192,000 in stimulus funds) for replacing six wastewater lift stations serving the various state and federal institutions on Japonski Island. This project will be completed in September 2013.

**Project Title: JAPONSKI ISLAND INFRASTRUCTURE UPGRADES**

|                                       |                           |
|---------------------------------------|---------------------------|
| <b>Total Project Cost:</b>            | <b>\$2,103,000 (100%)</b> |
| <b>FY 2014 State Funding Request:</b> | <b>\$2,103,000 (100%)</b> |

**The City and Borough of Sitka requests \$2,103,000 from the State of Alaska provide \$2,103,000 to Department of Transportation to relocate Department of Transportation and City and Borough Sitka utilities located on Japonski Island along the old access road to the Airport.**

The Japonski Island Infrastructure projects remain one of Sitka’s highest priorities, ever since completion of the Japonski Island Infrastructure Master Plan in 2003. The Plan has detailed preliminary budgets for a total of ten projects. The purpose of the Plan is to upgrade the deteriorating road and utility infrastructure on Japonski Island, some of which date from World War II when the island was a military Naval base. These projects are bringing the roads and utilities up to specifications to provide safe transportation and utility services to all Japonski Island institutions including Southeast Alaska Regional Health Consortium (SEARHC), Mt. Edgecumbe Hospital, University of Alaska Southeast Sitka Campus, Mt. Edgecumbe State Boarding High School, Sitka Airport, U.S. Coast Guard Air Station and U.S. Coast Guard Buoy Tender Base, and Shee Atika Native Corporation. Once upgraded, CBS is taking over ownership and maintenance of these roads and utilities.

The Channel Waterline Project, which is half of the Plan’s Project 3 “Island Water Supply Improvements” was completed in 2008. The DOT/PF Airport Road Realignment, a portion of Project 7 “DOT Airport Expansion and Utility Improvements”, provides space on the Airport for additional lease lots. This airport road realignment was put into service in 2008 and was fully completed in 2009.

The most important project included in the Japonski Island Infrastructure Master Plan of 2003 that is uncompleted is DOT Airport Expansion and Utility improvements Project 7. This project included relocating water and sewer to the new access road alignment. DOT funded the road improvements. However, DOT did not move the Water and Sewer lines which now are under Airport Lease Lots.

These improvements include approximately 4500 feet of water main, 3000 feet of gravity sewer and 800 feet of sewer force main. The relocation of a sewer lift station is also required. The cost estimates were published at \$946,848 in 2003 dollars. The current project cost in 2012 dollars is \$2,103,000

The City and Borough is continuing its efforts to secure the additional Federal and State funding to permit Water Tank Demolition, \$500,000; U.S. Coast Guard Housing Water Improvements, \$770,000; and O’Connell Bridge waterline replacement (Waterline Loop System to Japonski Island), \$2,100,000, the final remaining projects from the Japonski Island Master Plan to be completed.

**FY 2014 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES**

**Project Title: STATE-OWNED LAKE STREET, HARBOR DRIVE AND AIRPORT TERMINAL LOADING ZONE UPGRADES**

**Total Project Cost: \$ 2,082,000 (100%)**  
**FY 2014 State Funding Request: \$ 2,082,000 to DOTPF (100%)**

**The City and Borough of Sitka requests that the State of Alaska provide funding of approximately \$2,082,000 to the State Department of Transportation and Public Facilities to upgrade Lake Street, Harbor Drive and Airport Terminal Frontage Road. These roads are owned by the State and managed by the Department of Transportation and Public Facilities.**

**Lake Street & Harbor Drive (\$1,718,000):** Lake Street from the Roundabout to Lincoln Street and Harbor Drive from Lincoln Street over the Japonski Island Bridge require resurfacing and select sidewalk and curb replacement. The pavement has deteriorated due to wear and age. Some of the sidewalks and curb have also begun the show some settling.

**Airport Terminal Loading Zone (\$364,00):** The airport terminal building frontage road which includes the loading zone for the Airport Terminal is in failure. It has extensive pot holes and considerable raveling. This is a primary gateway to Sitka and needs rehabilitation.

**The State Department of Transportation and Public Facilities needs to upgrade or replace the pavement and select sidewalk and curb within the rights of way of the Airport Terminal Frontage Road and Lake Street & Harbor Drive**

**Project Title: COMPENSATION FOR STATE SERVICES AT SITKA JAIL FACILITIES**

**More than 80 percent of the inmates held in the Sitka Jail Facility are 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 reimburse the Municipality for these services. Each year, CBS pays more to manage the Community Jail Contract than the State will compensate. Costs for personnel, food services, and laundry services have all risen sharply. In FY 2012, Sitka's contract cost City and Borough of Sitka more than \$504,000 to provide State jail services, but the State only provided \$419,450, the same amount as in FY 2009, 2010, and 2011. **CBS requests the jail contract be increased by \$84,550 to fully fund providing these State services.**

The community jails program administered by the Department of Corrections (DOC) provides funding to 15 communities, including Sitka, for the short-term confinement of persons detained under State law. A Division of Legislative Audit 2007 Community Jails Program audit concluded "Most communities report that state funding is still insufficient to cover operating costs; the extent of the funding shortfall varies substantially between communities; the current funding process does not require reporting or review of actual local jail operating expenditures; and reimbursement for jail operating costs are not related to actual local operating costs...The current allocation of funding for the community jail program is based on decades-old financial information, resulting in an unequal distribution of funding to communities operating jails. DOC should develop allowable standardized costs for jail operations."

In the last two years, DOC has been gathering more accurate information but has not yet updated its reimbursement formula. The outside study conducted by Maximus in 2008 reflected a total cost of \$727,787 to operate the Sitka Community Jail. Sitka Police Department officers are an intricate part of the movement of adult prisoners back and forth between Lemon Creek Correctional Center and the Sitka Jail Facility. The officers also assist the Division of Juvenile Justice with the movement of juvenile offenders between Juneau and Sitka. The Sitka Police Department is not reimbursed the manpower costs of these transports. **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 FY2010, the Sitka Jail took 202 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 a portion 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 State Office of Children's Services, Division of Juvenile Justice 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 Office of Children's Services provide funding for alternative secure housing for "at risk" juveniles, to include appropriate "lock down" quarters, as part of the Community Jail Contract.**

**The State needs to pay its share of Sitka jail, detoxification, and juvenile services costs now constituting an unfunded mandate burden for State services borne by the Sitka Police Department.**

**FY 2014 CBS REQUEST FOR STATE FUNDING FOR STATE FACILITIES**

**Project Title: CO-FUNDING FOR CITY/STATE/TRIBAL JUSTICE CENTER PLANNING STUDY**

|   |                          |
|---|--------------------------|
| <b>Total Project Cost:</b>                              | <b>\$ 150,000 (100%)</b> |
| <b>Funding Already Secured (CBS):</b>                   | <b>\$ 75,000 (50%)</b>   |
| <b>FY 2014 State Funding Request:</b>                   | <b>\$ 75,000 (50%)</b>   |
| <b>City and Borough of Sitka Federal Tax ID Number:</b> | <b>92-0041163</b>        |

**The City and Borough of Sitka requests that the State of Alaska partner with CBS to fund a planning study in the amount of \$75,000 each to develop a concept plan for a new facility co-locating State, CBS and Tribal justice-related services in Sitka.**

State and Municipal justice facilities in Sitka are antiquated and inadequate to serve current needs. Most are housed in the nearly 40 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 City/State Office building is old and in need of replacement. In addition to the Police Department, it also houses a number of State offices. The Police Department has long since outgrown its space. Many of the jail supplies are kept at offsite rented storage facilities. The Jail Facility is never going to be able to hold inmates longer than the current 10-day maximum without a new facility. Also the Department is currently involved in the Electronic Monitoring Program. The State of Alaska is requested to partner with CBS to improve the Sitka Community Jail and other services by sharing planning and design costs for a new City/State/Tribal Justice Center.

This Planning Study will result in a concept plan, including cost estimates, feasibility and concept design. 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. It may also be possible to initiate and implement an electronic monitoring program for the region.

## FY 2014 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

### **Project Title: EQUITABLE ALASKA MARINE HIGHWAY SERVICE TO SITKA**

Sitka's summer ferry service has improved with the Fast Vehicle Ferry (FVF) Fairweather's six-day-per-week Juneau to Sitka to Juneau service. However, this "Summer Schedule" does not begin until July, and Sitka's summer season begins in May. Throughout June, the Sitka Summer Music Festival and Sitka Fine Arts Camp and other events bring hundreds of travelers to and from Sitka, many of whom would prefer to ride on the Alaska Marine Highway (AMHS). There is no reason to lay up the Fairweather three days per week in June when summer demand is at a peak.

The six-day-per-week Fairweather service in July and August is great for independent travelers from Juneau to come to/from Sitka as long as they know about it, but the way the schedule is laid out the Fairweather is listed in a completely different section from "regular" service. If the schedule information for Sitka and Petersburg made clear to also refer to the fast shuttle ferry schedule, more visitors would utilize this great service.

With over 60 percent of Sitka's summer service supplied by the Fairweather and the continued uncertainty of how much longer it can operate on its current engines, it is critical that AMHS have a "backup plan" for how Sitka will be served if/when the Fairweather becomes inoperative. CBS continues to request AMHS provide this "backup plan" to preempt Sitka being plunged into Fall/Winter/Spring level service in the crucial Summer season. Sitka needs to evaluate this plan before there is an emergency, not after 60 percent of Sitka service goes away. Also, Sitka receives only ONE northbound mainline per week – the Taku from Prince Rupert. Sitka needs a second mainline northbound (preferably the Columbia from Bellingham).

Sitka is grateful the FVF is providing direct Summer sailings between Angoon and Sitka. This service was severed in 2006 when the LeConte terminated direct Sitka service. Much hardship has been caused with Hoonah, Tenakee and Angoon not able to travel to Sitka without multiple overnights in Juneau. The proposed Summer 2013 schedule has LeConte overnight in Angoon once per week. It would be far more connective to permit Hoonah and Tenakee passengers to ride the LeConte to Sitka, overnight, and then get back home the next day instead of deadheading in Angoon. This would enable the LeConte to function as a day boat and reconnect Sitka with its cultural and economic neighbors, many of whom need to come to Sitka for health care at SEARHC.

Sitka's Winter Schedule continues to be very poor when the FVF is not running. This 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. Sitka needs both north and south mainline connections to Petersburg, Ketchikan, Prince Rupert, and Bellingham for year round passengers and freight including container vans.

CBS continues to request that DOTPF and AMHS complete the Sitka Access Study to evaluate the feasibility benefits and costs of developing a road connection to Chatham Strait, potentially in cooperation with the proposed Takatz Hydroelectric Project. Consistent, connective Marine Highway service between Sitka and the rest of the Marine Highway System is critical to Sitka's and the region's economic future.