



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, City Manager

DATE: June 24, 2020

RE: **Authorizing Budget Transfer – Final Design for Water Street Trestle No. 1 (#389) Improvement Project**

At its meeting of April 6, 2017, the City Council adopted a motion approving Resolution No. 17-2651, which authorized a Memorandum of Agreement with the State of Alaska Department of Transportation and Public Facilities concerning the replacement of Ketchikan – Water Street Trestle No. 1 (#389). As the City Council will recall, the estimated cost of the project was \$3,000,000. The City's matching share of 9.03% of the total project cost was projected at \$311,537.

In adopting the 2020 General Government Operating and Capital Budget, the City Council appropriated \$311,537 to the Streets Division for the local share of the project. By memorandum dated March 27, 2020, my office advised the City Council that staff had identified \$2,219,122 in capital spending that could be deferred due to the COVID-19 pandemic, including \$311,537 for the replacement of Water Street Trestle No. 1.

As indicated in the attached memorandum from Assistant Public Works Director Kara Jurczak, the Alaska Department of Transportation and Public Facilities has made a determination to move forward with the final design of the Water Street Trestle No. 1 Replacement Project, which will require a local match of \$55,792. The Assistant Public Works Director is recommending a budget transfer of that amount from the Streets Division's 2020 Schoenbar Creek Culvert Repair capital account, as this project will be delayed to modify the design due to high volumes of groundwater.

A motion has been prepared for City Council consideration.

RECOMMENDATION

It is recommended that the City Council adopt the motion authorizing the City Manager to transfer \$55,792 from the Streets Division 2020 Schoenbar Creek Culvert Repair capital account to the division's Water Street Trestle No. 1 Reconstruction capital account to pay for the City's share of the Alaska Department of Transportation and Public Facilities undertaking final design of the project.

Recommended Motion: I move the City Council authorize the City Manager to transfer \$55,792 from the Streets Division 2020 Schoenbar Creek Culvert Repair capital account to the division's Water Street Trestle No. 1 Reconstruction capital account to pay for the City's share of the Alaska Department of Transportation and Public Facilities undertaking final design of the project.

MEMORANDUM

TO: Karl Amylon, City Manager
CC: Lacey Simpson, Assistant City Manager
Mark Hilson, P.E. Public Works Director
FROM: Kara Jurczak P.E., Assistant Public Works Director
DATE: June 22, 2020
SUBJECT: **Water Street Trestle #1 – Local Match Budget Transfer**

In April 2017, the City entered into a memorandum of agreement with the Alaska Department of Transportation and Public Facilities (ADOT&PF) to design and construct a replacement with an estimated total project cost of approximately \$3M. The recommended approach is to replace the trestle with a fill section. Under the terms and conditions of the agreement, the City is responsible for providing the local match for the project, estimated to total \$311,537.00.

In adopting the 2020 General Government annual budget, the City Council appropriated local funds in the amount of \$311,537.00 to the Public Work's Streets Division Water Street Trestle No. 1 Reconstruction capital account in anticipation of a local match requirement during 2020. At the onset of the coronavirus pandemic, your office requested each Department make recommendations for projects to be deferred. At that time, the need for a local match payment in 2020 was unlikely; thus the Water Street Trestle No. 1 Reconstruction capital account funds were deferred. Now ADOT&PF has decided to move to final design, which requires a funding request and associated local match in the amount of \$55,792.00. The remainder of the local match is not expected to be needed this year, and is anticipated to be proposed with the 2021 Budget. With the original funding source for this local match having been deferred, Staff recommends a budget transfer for the required match amount from the Street's Division Schoenbar Creek Culvert Repair capital account to the Water Street Trestle No. 1 Reconstruction capital account. Construction of the Schoenbar Creek culvert repairs have been delayed due to high volumes of groundwater forcing a change in the design, making a portion of these funds available for the local match.

Recommendation:

It is recommended that the City Council authorize a budget transfer in the amount of \$55,792.00 from the Streets Division Schoenbar Creek Culvert Repair capital account to the Streets Division Water Street Trestle No. 1 Reconstruction capital account.

RECOMMENDED MOTION: I move the City Council authorize a budget transfer in the amount of \$55,792.00 from the Streets Division Schoenbar Creek Culvert Repair capital account to the Streets Division Water Street Trestle No. 1 Reconstruction capital account.

April 6, 2017

Project; authorizing the city manager to execute that agreement; and establishing an effective date.

Motion passed with Coose, Flora, Zenge, Gage, Sivertsen and Isom voting yea; Kiffer absent.

**Resolution No. 17-2651 - Memorandum of Agreement with
Alaska Department of Transportation and Public Facilities -
Water Street Trestle No. 1 (#389) Improvement Project Budget
Transfer for Preliminary Engineering Through Preparation of
Environmental Document, Water Street Trestle No. 1 (#389)
Improvement Project**

Moved by Sivertsen, seconded by Coose the City Council approve Resolution No. 17-2651 approving a Memorandum of Agreement with the State of Alaska Department of Transportation and Public Facilities concerning the Ketchikan - Water Street Trestle No. 1 (#389) Improvement Project; authorizing the city manager to execute that agreement; and establishing an effective date.

Motion passed with Coose, Flora, Zenge, Gage, Sivertsen and Isom voting yea; Kiffer absent.

Moved by Sivertsen, seconded by Coose the City Council authorize a budget transfer in the amount of \$50,000 from the Streets Division's 2017 Dunton Street Trestle Replacement Capital Account to the Water Street Trestle No.1 Replacement Account to pay for the cost of the City's share of preliminary engineering through preparation of the environmental document associated with the Alaska Department of Transportation and Public Facilities' Water Street Trestle No. 1 (#389) Improvement Project.

Motion passed with Coose, Flora, Zenge, Gage, Sivertsen and Isom voting yea; Kiffer absent.

UNFINISHED BUSINESS

Tideland Lease Renewal

Moved by Sivertsen, seconded by Coose the City Council direct staff to proceed with the renewal of tideland leases as determined appropriated by the City Council.

Councilmember Sivertsen felt that going with the Borough's methodology was the way to do it. He commented the material indicates that three of the four leaseholders would pay less rent under the Borough's methodology as opposed to the percentage increase the City put forward.

City Attorney Seaver answered questions from the Council, pointing out that one lease isn't strictly residential but rather mixed use. Councilmember Sivertsen felt this one should be exempted and dealt with as a separate issue, and figure out how make the adjustment for commercial use properties.

Councilmember Sivertsen requested from staff a recommendation on senior citizen exemption on the residential tideland leases. Mayor Williams asked if anyone had a problem going with the Borough's methodology and the exemption for seniors; no objections were heard.

Department: Public Works Streets - Bridges & Trestles			Project Priority: 8			Project Number:				
Project Title: Water Street Trestle No. 1 Reconstruction			Start Date: 01/17			Estimated Project Cost:				
Description:			End Date: 12/20			Design				
Design and complete reconstruction of Water Street Trestle No. 1. In April 2017, the City entered into a memorandum of agreement with the Alaska Department of Transportation and Public Facilities to design and construct the replacement bridge. Under the terms and conditions of the agreement, the City will be responsible for providing the local match for the project. The total estimated cost of project is \$3 million and the City's match requirement is \$311,537.						Land/Right-of-Way				
						Construction Management				
						Construction				
						Equipment				
						Other				
						Project Total				

Source of Funds	Fund No.	Prior Years	Adopted 2020			Projected Requirements				Total Project
			Reappro- priated	New Funding	Total	2021	2022	2023	2024	
Public Works Sales Tax Fund	111		269,999	41,538	311,537					311,537
Total										
			269,999	41,538	311,537					311,537

Department: Public Works Streets - Streets & Sidewalks			Project Priority: 21			Project Number:				
Project Title: Schoenbar Creek Culvert Repair			Start Date: 01/19			Estimated Project Cost:				
Description:			End Date: 12/20			Design 200,000				
<p>This project will continue with the reconstructing and repairing of the existing 11 foot wide corrugated metal pipe arch culvert located in and adjacent to Schoenbar Road. While the majority of the circumference of the culvert is in good shape, the bottom is rotted through for its entire 430' length. In 2019 Public Works secured necessary easements from the Borough, installed cathodic protection, and successfully completed a concrete lining of about a quarter of the culvert. This funding would allow the completion of the bottom repair and avoid a very costly pipe replacement at this time.</p>						Land/Right-of-Way				
						Construction Management				
						Construction 550,000				
						Equipment				
						Other				
						Project Total 750,000				
Source of Funds	Fund No.	Prior Years	Adopted 2020			Projected Requirements				Total Project
			Reappro- priated	New Funding	Total	2021	2022	2023	2024	
Public Works Sales Tax Fund	111	250,000		500,000	500,000					750,000
Total		250,000		500,000	500,000					750,000