

**SUBJECT:** A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMENDING THE SPENDING PLAN FOR THE AMERICAN RESCUE PLAN FUNDING FOR THE ELEMENTARY SCHOOL WATER SYSTEMS, TALKEETNA WATER SYSTEM, AND PROJECTS ASSOCIATED WITH THE CENTRAL LANDFILL.

**AGENDA OF:** November 21, 2023

**Assembly Action:** Adopted without objection 11/21/23 - BJH

**AGENDA ACTION REQUESTED:** Present to the Assembly for consideration.

Route To	Signatures
Originator	<div>1 0 / 3 1 / 2 0 2 3</div> <div>X P a m e l a G r a h a m</div> <div>S i g n e d b y : P a m e l a G r a h a m</div>
Director/ Finance Director	<div>1 1 / 2 / 2 0 2 3</div> <div>X L i e s e l W e i l a n d f o r C H</div> <div>S i g n e d b y : L i e s e l W e i l a n d</div>
Borough Attorney	<div>1 1 / 3 / 2 0 2 3</div> <div>X N i c h o l a s S p i r o p o u l o s</div> <div>S i g n e d b y : N i c h o l a s S p i r o p o u l o s</div>
Borough Manager	<div>1 1 / 6 / 2 0 2 3</div> <div>X M i c h a e l B r o w n</div> <div>S i g n e d b y : M i c h a e l B r o w n</div>
Borough Clerk	<div>1 1 / 6 / 2 0 2 3</div> <div>X B r e n d a J . H e n r y f o r</div> <div>S i g n e d b y : B r e n d a H e n r y</div>

**ATTACHMENT (S) :** Fiscal Note  
 Spending Plan V6 (3 pp)  
 Resolution Serial No. 23-099(1 pp)

**SUMMARY STATEMENT:** In May 2021 the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021. To support the immediate pandemic response, bring back jobs, and lay the groundwork for a strong and equitable recovery the American Rescue Plan Act of 2021 was designed to deliver \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments.

The Matanuska-Susitna Borough received a total allocation of \$21,039,307 in two parts, 50% in May 2021 and the remaining 50% in May 2022.

The Borough Attorney and Finance Director reviewed all the allowable and unallowable uses for the funding and worked with staff to develop a spending plan for the initial installment.

On August 3, 2021, the Assembly adopted Ordinance Serial Number 21-073 and its accompanying Resolution Serial Number 21-075, and Informational Memorandum Serial Number 21-145, accepting the grant funding and approving the initial spending plan.

On February 15, 2022, the Assembly adopted Resolution Serial No. 22-023 and its accompanying Informational Memorandum Serial No. 22-042, approving a second allocation of \$1,119,673.00 for the purchase of Heavy Equipment for the Solid Waste Division.

On June 21, 2022, the Assembly adopted Ordinance Serial No. 22-079, and its accompanying Resolution Serial No. 22-061, and Informational Memorandum Serial No. 22-142, accepting the second installment of \$10,519,653.50.

On September 6, 2022, the Assembly adopted Resolution Serial No. 22-074 and its accompanying Informational Memorandum Serial No. 22-179, approving a third allocation in the amount of \$8,140,000.00 for the purchase and installation of a restroom with water and sewer connections and Landfill Improvements. This approval left a balance of \$6,668,638.74 available for future allocation.

On March 7, 2023, the Assembly adopted Resolution Serial No. 23-019 and its accompanying Informational Memorandum Serial No. 23-045, approving the final allocation \$6,668,638.74 for three projects in partnership with the City of Palmer and the City of Wasilla. This was followed by the amendment of the project locations and funding amounts and the addition of a new project extending the water lines from the future Palmer Booster Station to Colony High and Colony Middle Schools, adopted by Resolution Serial No. 23-085.

This amendment will reallocate a portion of the funding previously authorized for several projects to cover lost revenue for sixteen road service areas, Bed Tax and the Talkeetna Flood service area.

**RECOMMENDATION OF ADMINISTRATION:** Approve legislation as presented.

## MATANUSKA-SUSITNA BOROUGH

## FISCAL NOTE

Agenda Date: November 21, 2023

SUBJECT: A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMENDING THE SPENDING PLAN FOR THE AMERICAN RESCUE PLAN FUNDING FOR THE ELEMENTARY SCHOOL WATER SYSTEMS, TALKEETNA WATER SYSTEM, AND PROJECTS ASSOCIATED WITH THE CENTRAL LANDFILL.

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <b>YES</b> NO
AMOUNT REQUESTED *	FUNDING SOURCE ARPA Funds
FROM ACCOUNT #	PROJECT
TO ACCOUNT :	PROJECT #
VERIFIED BY: <div style="text-align: right;">11/2/2023</div> <div style="text-align: center;"> <input checked="" type="checkbox"/> M e r i s s a C a r r e l l  <small>Signed by: M e r i s s a C a r r e l l</small> </div>	CERTIFIED BY:
DATE: 11/1/2023	DATE:

## EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL						
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REVENUE						
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## FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds						
Other						
TOTAL						

## POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary) **\*No change to total or new funding requested. Reallocation of funding to projects only.**

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_

DEPARTMENT: \_\_\_\_\_ DATE: \_\_\_\_\_

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

☒ L i e s e l W e i l a n d

Signed by: L i e s e l W e i l a n d

**APPROVED BY THE ASSEMBLY:****Approved Amount**

Items shown in ***BOLD and ITALIC*** are new additions or amended funding levels.

1. Revenue Recovery Bed Tax Losses \$1,032,350.00

The COVID-19 pandemic caused a significant loss in Bed Tax Revenues. In Fiscal Year 2019 the revenues collected were \$1,428,373 and from fiscal year 2017 through 2019 the Borough saw an average increase in revenues of 8.9%. The actual amount collected from January 1 – December 31, 2020 was \$590,006. The Borough utilized its average growth of 8.9% to calculate lost revenues as it exceeded the assumed growth of 4.1%. Based upon the calculator for lost revenue provided by the State of Alaska, the borough can apply for the amount above.

2. Revenue Recovery Talkeetna Sewer and Water Sales Tax \$756,926.00

The COVID-19 pandemic caused a significant loss in Talkeetna Sewer and Water Sales Tax Revenues. In Fiscal Year 2019 the revenues collected were \$1,083,732. Since this was a new tax in fiscal year 2018 the average growth was 562.5%. Because of the lack of historical data, the Borough is utilizing the assumed growth of 4.1%. The actual amount collected from January 1 – December 31, 2020 was \$394,134. Based upon the calculator for lost revenue provided by the State of Alaska, the borough can apply for the amount above.

3. Revenue Recovery Pool Fee Losses \$531,129.00

The COVID-19 pandemic caused a significant loss in Pool Fee Revenues due to facility closures. In Fiscal Year 2019 the revenues collected were \$376,677. Since both pools had seen closures due to major renovations during fiscal years 2018 and 2019 historical revenues were skewed, the Borough is utilizing the assumed growth of 4.1%. The actual amount collected from January 1 – December 31, 2020 was \$204,873. Based upon the calculator for lost revenue provided by the State of Alaska, the borough can apply for the amount above.

4. Revenue Recovery Ice Arena Fee Losses \$90,677.00

The COVID-19 pandemic caused a significant loss in Ice Arena Fee Revenues due to facility closures. In Fiscal Year 2019 the revenues collected were \$426,430. Since the Ice Arena had seen a closure due to major renovations during fiscal years 2018 historical revenues were skewed, the Borough is utilizing the assumed growth of 4.1%. The actual amount collected from January 1 – December 31, 2020 was \$362,245. Based upon the calculator for lost revenue provided by the State of Alaska, the borough can apply for the amount above.

5. Revenue Recovery Borough Gym Rental Revenue Losses \$36,661.00

The COVID-19 pandemic caused a significant loss in Borough Gym Rental Revenues due to facility closure. In Fiscal Year 2019 the revenues collected were \$32,100 and from fiscal year 2017 through 2019 the Borough saw an average increase in revenues of 9.3%. The actual amount collected from January 1 – December 31, 2020 was \$0. The Borough utilized its average growth of 9.3% to calculate lost revenues as it exceeded the assumed growth of 4.1%. Based upon the

calculator for lost revenue provided by the State of Alaska, the borough can apply for the amount above.

6. Big Lake, Butte and Snowshoe Elementary  
Water System Replacements ***\$1,792,608.00***

The COVID-19 pandemic emphasized the importance of water and sewer systems. The Big Lake Elementary Water System has failed and been repaired multiple times. It needs funding to complete repairs to bring the system into safe full operations. Butte and Snowshoe Elementary water systems are experiencing similar issues. The amount above reflects to cost to improve the systems.

7. Willow Cabin Well and Septic ***\$70,644.26***

The Willow Log Cabin restoration is an ongoing project to refurbish the Cabin for use as a cultural preservation center, museum, and make it useable and open to the public. In addition to preserving local history and being available for meeting space, the refurbished building is intended to be a point for tourists. A well and septic systems is needed for visitors, patrons, and tourists.

8. Equipment - Central Landfill ***\$1,026,461.66***

The Solid Waste Division of the Public Works Department is in need of an Excavator and a Waste Shredder for the development of a first of its kinds tire reuse and recycling program that will save the landfill approximately \$2,700,000.00 over ten years. The program is eligible for a clean water loan, and therefore is an eligible use of the American Rescue plan funding.

9. Talkeetna Multi-User Flush Restroom ***\$350,000.00***

Remove and replace existing restroom facility with a precast concrete building providing multi-user flush capability. New facility shall be connected to existing water and sanitary sewer system, as well as power and heat.

10. Central Landfill Entrance Improvements ***\$4,000,000.00***

This project will complete entrance improvements including tipping facility, earthwork, scales and scale house.

11. Central Landfill Development/Excavation ***\$277,746.59***

This project will complete the excavation of the Construction and Demolition (C&D) cell and the Municipal Solid Waste (MSW) Cell 5; and continue exploring options for reducing excavation costs such as production of road traction material or commercial sale of gravel as new contract process.

12. Central Landfill Leachate Management \$600,000.00

This project will develop a leachate evaporation system for the landfill, funding will cover the Design and Permitting portion of the project.

13. Talkeetna Water System Infrastructure Improvements ***\$166,740.01***

Talkeetna water system serves over 200 customer accounts. The source of the drinking water is an aquifer that is tapped by two 160' deep groundwater wells. The source groundwater has high concentrations of arsenic and manganese. The pump house has issues during peak demand and may be unable to sustain domestic service during emergency response. These funds will be used to help improve the public water system infrastructure, including replacement and extension of transmission and distribution pipe, new source water well, installation of a water storage tank, and upgrade of facilities to improve drinking water quality.

- 14A. Palmer-Wasilla Water System Interconnect \$1,865,332.74

The Cities of Palmer and Wasilla have requested assistance on funding the design of an interconnect between the City of Palmer Water System and the City of Wasilla Water System. This interconnect will provide system resiliency by allowing the transfer of water between each system and provide municipal piped water to an area of the Mat-Su to encourage denser housing development. This available funding will be used for partial design costs of the system interconnect. This project will be managed by the City of Wasilla.

- 14B. Bogard Road Booster Station Construction \$2,461,261.00  
This project will be managed by the City of Palmer

- 14C. Old Matanuska Rd Booster and PVR Station Construction \$2,142,045.00  
This project will be managed by the City of Wasilla

Each City will use the funding for the required Booster and PVR Station Construction, as described in the Feasibility Study conducted by HDL Engineering and attached to Informational Memorandum 23-045.

15. Water Line Extension to Colony Schools from the Bogard Road Booster Station \$200,000.00

This project will extend water lines from the Bogard Road Booster Station to Colony High School and Colony Middle School to allow for future connection to the Palmer-Wasilla Interconnected Water System.

#### **New Revenue Recovery item**

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- 16. Revenue Recovery \$3,638,724.74***

***Revenue replacement for all 16 Road Service Areas, Bed Tax, and the Talkeetna Flood Service Area.***