

MATANUSKA-SUSITNA BOROUGH INFORMATION MEMORANDUM IM No. 19-004

SUBJECT: ACCEPTING, APPROPRIATING, AND APPROVING THE SCOPE OF WORK AND BUDGET FOR \$615,000 IN ANTICIPATED PROJECT INCOME DURING FISCAL YEAR 2019 FOR THE RAIL EXTENSION PROJECT FROM PORT MacKENZIE TO THE MAINLINE, PROJECT NO. 75001.

AGENDA OF: December 18, 2018

ASSEMBLY ACTION:

Adopted without objection 1-15-19
(Signature)

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER: *(Signature)*

Route To:	Department/Individual	Initials	Remarks
	Originator	<i>BYD</i>	
	Capital Projects Director	<i>JPB</i>	
	Planning Director	<i>EF</i>	
	Finance Director	<i>B/acting</i>	<i>Brad Pickett</i>
	Borough Attorney	<i>NS</i>	
	Borough Clerk	<i>JMM</i>	<i>12/10/18</i> <i>(Signature)</i>

ATTACHMENT (S) : Fiscal Note: Yes X No _____
Ordinance Serial No. 19-004 (3 pages)
Resolution Serial No. 19-002 (3 pages)

SUMMARY STATEMENT:

The Matanuska-Susitna Borough acquired land for right-of-way for the Port MacKenzie Rail Extension project. Several of the properties are large agricultural properties which the borough expects to lease/rent and/or sell between 2018 and 2022. Income generated from the lease/rental and/or sale of these properties is considered project income.

The borough must plan and account for any anticipated project income. Staff anticipated the sale of one property during fiscal year 2018 (IM No. 17-126) but the property did not sell. The actual rental income for the project during FY18 totaled \$8,000.

Staff anticipates the sale of one property during fiscal year 2019. Income from the sale of that property is anticipated to be \$600,000. In addition, staff estimates additional lease/rental income of \$15,000 in fiscal year 2019. Going out three years, staff anticipates lease/rental income of \$15,000 in fiscal year 2020; \$15,000 in fiscal year 2021; and \$15,000 in fiscal year 2022.

This legislation will accept, appropriate, and outline a scope of work for the anticipated income during fiscal year 2019. New legislation will be drafted and sent forward each year for the additional anticipated income.

RECOMMENDATION OF ADMINISTRATION:

Staff respectfully recommends Assembly adoption of the legislation accepting, appropriating, and approving the scope of work and budget for \$615,000 in anticipated project income during fiscal year 2019 for the rail extension from Port MacKenzie to the mainline, project no. 75001.

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: December 18, 2018

SUBJECT ACCEPTING, APPROPRIATING, AND APPROVING THE SCOPE OF WORK AND BUDGET FOR \$615,000 IN ANTICIPATED PROJECT INCOME DURING FISCAL YEAR 2019 FOR THE RAIL EXTENSION PROJECT FROM PORT MacKENZIE TO THE MAINLINE, PROJECT NO. 75001.

ORIGINATOR: Brad Sworts

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT: <u>YES</u> NO
AMOUNT REQUESTED <u>\$615,000</u>	FUNDING SOURCE <u>Project Income</u>
FROM ACCOUNT #	PROJECT #
TO ACCOUNT: <u>490.000.000.3xx,xxx</u>	PROJECT # <u>75001</u>
VERIFIED BY: <u>Barbara Baumann</u>	CERTIFIED BY:
DATE: <u>12/5/18</u>	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL						
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REVENUE	<u>615</u>					
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FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds						
Other	<u>615</u>					
TOTAL	<u>615</u>					

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: _____ PHONE: _____

DEPARTMENT: _____ DATE: _____

APPROVED BY: Brad Sworts acting DATE: 12/5/18

IM No. 19-004
Ordinance Serial No. 19-004
Resolution Serial No. 19-002