

SUBJECT: APPROVING AN APPROPRIATION OF \$1,285,000 FROM THE CENTRAL MAT-SU FIRE SERVICE AREA FUND BALANCE, FUND 250, AS A LOAN TO EMERGENCY SERVICES ADMINISTRATION, FUND 100, AND APPROVING THE SCOPE OF WORK AND BUDGET FOR PROJECT NUMBER 10187, FUND 435, TO PURCHASE THE REAL PROPERTY AND IMPROVEMENTS THEREON LOCATED AT 501 N. TOMMY MOE DRIVE IN WASILLA; AND AUTHORIZING THE BOROUGH MANAGER TO ACQUIRE SAID PROPERTY (MSB007456).


AGENDA OF: May 7, 2019

ASSEMBLY ACTION:

*Adopted without objection
5-21-19 (BOM)*

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER: 

Route to:	Department/Individual	Initials	Remarks
	Emergency Services Director	KB	
	Community Development Director	EP	
	Finance Director	OX	
	Borough Attorney	NS	
	Borough Clerk	gum	4/29/19 

ATTACHEMENT (S) : Fiscal Note: YES X NO
 Ordinance Serial No. 19-042 (4 pp)
 Resolution Serial No. 19-031 (3 pp)
 Central Mat-Su Fire Service Area
 Board of Supervisors
 Resolution Serial No. 19-001 (2 pp)

SUMMARY STATEMENT:

The Matanuska-Susitna Borough Department of Emergency Services has leased the property located at 501 N. Tommy Moe Drive in Wasilla for dive rescue equipment storage and associated operations since 2007 on a month-to-month basis, and now has opportunity to purchase this much needed space to ensure a permanent location for dive rescue operations. The current facility provides a centralized and secure location with the ability to provide a quicker emergency

response without delay by eliminating the time it would otherwise take to connect the dive rescue boat to the truck.

The steel frame building was built in 2007 and has 11,680 square feet of useable area, adequate parking, city water and sewer with backup water source on site, and has future added value for use as an Emergency Operations Center, if needed, to include offices and classrooms. Fair market value was determined by third party appraisal to be \$1,300,000 and the price of \$1,285,000 is for purchase of the property, closings costs, roof resurfacing with 10-year warranty, building inspection and insurance.

Funding for purchase of the property and all associated costs will be through a loan from Central Mat-Su Fire Service Area Fund Balance, Fund 250, to the Department of Emergency Services, Fund 100, over a ten-year term at an interest of .25% which is the borough approved rate for interfund loans.

The Department of Emergency Services will make ten annual loan payments from Fund 100 in the amount of \$128,500.00 to Central Mat-Su Fire Service Area, Fund 250, with option to pay the outstanding loan balance prior to end of term, without penalty, through assembly approved appropriation.

Central Mat-Su Fire Service Area Board of Supervisors adopted Resolution 19-001 on April 8, 2019, in support of the loan and the terms stated above. Public notice was provided in accordance with MSB 23.05.25, and borough inter-department review was obtained, with no objections received from noticing or review.

Pursuant to MSB 23.10.275, the borough manager may acquire property through negotiation when for public purpose.

RECOMMENDATION OF ADMINISTRATION:

Administration recommends approving an appropriation of \$1,285,000.00 from the Central Mat-Su Fire Service Area Fund Balance, Fund 250, to Project Number 10187, Fund 435, as a loan to Emergency Services Administration, Fund 100, and approve the scope of work and budget to purchase the real property and improvements thereon, located at 501 N. Tommy Moe Drive, Wasilla, legally described as Block 2, Lot 1, Wasilla Airpark Industrial Subdivision, according to Plat Number 74-33, Palmer Recording District, Third Judicial District, State of Alaska, and authorizing the Borough Manager to acquire said property.

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: May 7, 2019

SUBJECT: Approving an appropriation of \$1,285,000 from the Central Mat-Su Fire Service Area Fund Balance, Fund 250, to Project Number 10187, Fund 435, as a loan to Emergency Services Administration, Fund 100, and approving the scope of work and budget to purchase the real property and improvements thereon, located at 501 N. Tommy Moe Drive, Wasilla, legally described as Block 2, Lot 1, Wasilla Airpark Industrial Subdivision, according to Plat Number 74-33, Palmer Recording District, Third Judicial District, State of Alaska.

ORIGINATOR: Ken Barkley

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <u>YES</u> NO
AMOUNT REQUESTED <u>\$ 1,285,000</u>	FUNDING SOURCE <u>Fund 250 Central FSA Fund Bal.</u>
FROM ACCOUNT # <u>250 272.000</u>	PROJECT #
TO ACCOUNT: <u>435.000.000. 3XX.XXX</u>	PROJECT # <u>10183</u>
VERIFIED BY: <u>Barbara Spengler</u>	CERTIFIED BY:
DATE: <u>4/24/19</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	<u>1285</u>					
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REVENUE						
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FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds						
Other	<u>1285</u>					
TOTAL	<u>1285</u>					

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: _____ PHONE: _____
 DEPARTMENT: Chapman Head DATE: _____
 APPROVED BY: _____ DATE: 4/24/19

Action:

**CENTRAL MAT-SU FIRE SERVICE AREA
BOARD OF SUPERVISORS
RESOLUTION SERIAL No. 19-001**

A RESOLUTION OF THE CENTRAL MAT-SU FIRE SERVICE AREA BOARD OF SUPERVISORS SUPPORTING A LOAN TO THE MATANUSKA-SUSITNA BOROUGH DEPARTMENT OF EMERGENCY SERVICES FOR THE PURCHASE OF THE LAND AND ALL IMPROVEMENTS THEREON LOCATED AT 501 N. TOMMY MOE DRIVE IN WASILLA, FOR PURPOSE OF EMERGENCY DIVE RESCUE AND ASSOCIATED OPERATIONS AND EQUIPMENT STORAGE (MSB007456).

WHEREAS, the Matanuska-Susitna Borough Department of Emergency Services has leased the property located at 501 N. Tommy Moe Drive in Wasilla for dive rescue equipment storage and associated operations since 2007; and

WHEREAS, this specialized equipment requires a centralized and secure location with easy accessibility; and

WHEREAS, the Department of Emergency Services entered into the lease at the Tommy Moe property due to its location and affordable month-to-month terms; and

WHEREAS, the steel frame building was built in 2007 and has 11,680 square feet of usable area, with future added value for use as an Emergency Operations Center, if needed, to include offices and classrooms; and

WHEREAS, the owner of the property is actively seeking a buyer for the property and has provided an opportunity for the Department of Emergency Services to purchase the property for less than fair market value as determined by a third party appraiser; and

WHEREAS, the price for the property is \$1,285,000 which includes the purchase price of \$1,200,000 plus closing costs, roof resurfacing with 10-year warranty, building inspection and insurance; and

1m 19-054
DR 19-042
RS 19-031

WHEREAS, funding for purchase of the property and all associated costs would be through a loan from Central Mat-Su Fire Service Area fund balance to the Department of Emergency Services; and

WHEREAS, the principal balance of the loan will be paid to Mat-Su Central Fire Service Area in annual payments of \$128,500 plus interest at a rate of .25% based upon the Borough annual return on investment rate from the prior fiscal year, over a 10 year term with option to pay the outstanding loan balance sooner if the budget allows; and

WHEREAS, the purchase of the property requires Matanuska-Susitna Borough Assembly approval by ordinance.

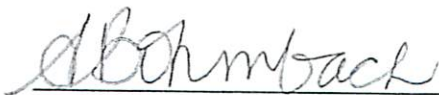
NOW, THEREFORE, BE IT RESOLVED, that the Central Mat-Su Fire Service Area Board of Supervisors hereby supports the loan for purchase of the real property located at 501 N. Tommy Moe Drive in Wasilla, legally described as Block 2, Lot 1, Wasilla Airpark Industrial Subdivision, according to Plat Number 74-33, Palmer Recording District, Third Judicial District, State of Alaska.

ADOPTED by the Matanuska-Susitna Borough Central Mat-Su Fire Service Area Board of Supervisors this 8th day of April, 2019.



Dave Eller, Chair
CMSFD Board of Supervisors

ATTEST:



Amy Bohmbach, Secretary
CMSFD Board of Supervisors