

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ACCEPTING, APPROPRIATING, AND APPROVING THE SCOPE OF WORK AND BUDGET FOR \$560,600 IN ANTICIPATED PROJECT INCOME DURING FISCAL YEAR 2022 FOR THE RAIL EXTENSION PROJECT FROM PORT MacKENZIE TO THE MAINLINE, PROJECT NO. 75001.

AGENDA OF: July 20, 2021

ASSEMBLY ACTION:

*adopted with GM abjecting. KBT 08.03.21*

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY MICHAEL BROWN, BOROUGH MANAGER: *MB*

Route To:	Department/Individual	Initials	Remarks
	Originator - Brad Sworts	<i>BS</i>	
	Public Works Director	Terry Dolan	Digitally signed by Terry Dolan Date: 2021.06.30 15:26:51 -08'00'
	Finance Director	<i>CK</i>	
	Borough Attorney	<i>NS</i>	
	Borough Clerk	<i>JNM 7/12/21</i>	<i>[Signature]</i>

ATTACHMENT(S): Fiscal Note: YES X NO         
Ordinance Serial No. 21-069 (2 pp)  
Resolution Serial No. 21-071 (2 pp)

**SUMMARY STATEMENT:** The Matanuska-Susitna Borough (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 2021 and 2025. 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 (FY) 2019 (IM No. 19-004) but the property did not sell. The actual rental income for the project during FY19 totaled \$6,900. Staff anticipated the sale of one property during FY20 (IM 19-129)

but the property did not sell. The actual rental income for the project during FY20 totaled \$21,900.

Staff anticipated the sale of one property during FY21 (IM 20-145) but the property did not sell. The actual rental income for the project during FY21 totaled \$39,700.

Income from the sale of the property in FY22 is anticipated to be \$521,000. In addition, staff estimates additional lease/rental income of \$39,600 in FY22. Going out three years, staff anticipates lease/rental income of \$39,600 in FY23; \$39,600 in FY24; and \$39,600 in FY25. Current and future rental income and income balances will continue to be credited to the project even after grant expiration.

This legislation will accept, appropriate, and outline a scope of work for the anticipated income during FY22. New legislation will be drafted and sent forward at the beginning of each fiscal 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 \$560,600 in anticipated project income during fiscal year 2022 for the rail extension from Port MacKenzie to the main line, Project No. 75001.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: July 20, 2021

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ACCEPTING, APPROPRIATING, AND APPROVING THE SCOPE OF WORK AND BUDGET FOR \$560,600 IN ANTICIPATED PROJECT INCOME DURING FISCAL YEAR 2022 FOR THE RAIL EXTENSION PROJECT FROM PORT MacKENZIE TO THE MAINLINE, PROJECT NO. 75001.

ORIGINATOR: Brad Sworts, PD&E Division Manager

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <u>YES</u> NO
AMOUNT REQUESTED <u>\$560,600</u>	FUNDING SOURCE <u>Project Income</u>
FROM ACCOUNT #	PROJECT
TO ACCOUNT: <u>490.000.000 3xx.yyy</u>	PROJECT # <u>75001</u>
VERIFIED BY: <u>Theresa Wiland</u>	CERTIFIED BY:
DATE: <u>7/6/21</u>	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL						
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REVENUE			<u>560.6</u>			
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FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds						
Other			<u>560.6</u>			
TOTAL			<u>560.6</u>			

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_  
 DEPARTMENT: Chieftain's Office DATE: \_\_\_\_\_  
 APPROVED BY: \_\_\_\_\_ DATE: 7/6/2021