

**Agency: Commerce, Community and Economic Development**

**Grants to Municipalities (AS 37.05.315)**

**Grant Recipient: Petersburg**

**Project Title:**

**Petersburg - Fire & EMS Facility**

**State Funding Requested: \$ 5,365,522**  
 Future Funding May Be Requested

**House District: 2 - A**

**Brief Project Description:**

Construct a new fire and EMS multi-use facility in Petersburg.

**Funding Plan:**

**Total Cost of Project: \$7,002,000**

	<u>Funding Secured</u>		<u>Other Pending Requests</u>		<u>Anticipated Future Need</u>	
	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>
Local Funds	\$26,478	09				
Other	\$309,000	07	\$1,300,000	09		
<b>Total</b>	<b>\$335,478</b>		<b>\$1,300,000</b>			

*Explanation of Other Funds:*  
 Value of Real Estate Contribution is \$1.3 million.  
 \$309,000 are from funds appropriated by DCCED Grant #07-DC-253 - approval for this use received from Robin Park via email.

**Detailed Project Description and Justification:**

The existing Petersburg Fire/EMS Facility was constructed in 1959 and is a portion of the City's Municipal Building. It is located at the busiest intersection of the city. This portion of the Municipal Building was originally constructed to contain municipal vehicles and equipment. The City's Volunteer Fire/EMS Department moved into the building and over the years improved the structure by shoring up sinking floors within the vehicle bays; adding equipment storage, training and administrative office areas. The current facility has many deficiencies in its electrical, plumbing, ventilation and heating systems.

Population and vehicular traffic within Petersburg have grown considerably since 1959. This growth and new requirements for homeland security have created a public safety need for a facility at a less congested location with more area for storage of emergency response equipment. Presently, there is insufficient space in the existing facility to provide space for equipment, gear and vehicle storage; training and parking for the emergency responders and employees. Expansion of the existing facility to address these needs is not possible; there simply is no room for the existing municipal building to expand.

Coupled with lack of adequate operating and storage space, the emergency vehicle bays are located on the most traveled State road intersection on Mitkof Island, the corner of Haugen Drive and South Nordic Drive (Mitkof Highway). The City's emergency response vehicles exit directly onto the busiest downtown street making emergency response dangerous for pedestrians; general public traffic; patrons to the Municipal Building, and to the emergency responders and their emergency equipment.

*For use by Co-chair Staff Only:*

4:54 PM 4/29/2008

The need for a new Fire/EMS Facility has been acknowledged and documented since the early 1980's with various studies, recommendations and designs made and investigated. However, until this present year, other projects were determined to be of higher priority than a new Fire/EMS Facility. Understanding that the time has long past for a new Fire/EMS Facility, the Petersburg City Council recently directed that the City's management staff abandon previous plans to construct a multi-use public safety building (that would cost in excess of \$20 million) and concentrate efforts on a stand-alone Fire/EMS structure that can be expanded for future public safety needs. The City completed an engineering/feasibility study of the larger proposed Public Safety Building in 2007 and we have used unit cost estimates from that study to formulate a preliminary budget for a smaller, stand-alone Fire/EMS Facility project.

Real estate owned by the City of Petersburg has been reserved to construct a new Fire/EMS Facility. It is located on the south side of Haugen Drive between 8th Street and 12th Street. The structure would be located about halfway between the downtown area and Petersburg's Airport to enable a more timely response to airport emergencies. The site consists of about 260,000 square feet which has a current assessed value of \$5.00 per square foot. The \$1.3 million value of this real estate is pledged as a local contribution to the project. The site is relatively flat, but it has up to 10 feet of Muskeg over hard pan clay that will need to be excavated and filled with material to prepare a suitable building site.

### Project Timeline:

Three year timeline beginning July 1, 2008 with substantial completion by June 30, 2011.

### Entity Responsible for the Ongoing Operation and Maintenance of this Project:

City of Petersburg

### Grant Recipient Contact Information:

Contact Name: Richard Underkofler

Phone Number: 772-4519

Address: PO Box 329, Petersburg, AK. 99833

Email: manager@ci.petersburg.ak.us

Has this project been through a public review process at the local level and is it a community priority?  Yes  No

**CITY OF PETERSBURG  
CAPITAL PROJECT REQUEST**

**Project Name:** PETERSBURG FIRE/EMS FACILITY  
**Project Location:** Petersburg, Alaska  
**Legislative Districts:** House District 2; Senate District A

**Project Description:** The existing Petersburg Fire/EMS Facility was constructed in 1959 and is a portion of the City's Municipal Building. It is located at the busiest intersection of the city. This portion of the Municipal Building was originally constructed to contain municipal vehicles and equipment. The City's Volunteer Fire/EMS Department moved into the building and over the years improved the structure by shoring up sinking floors within the vehicle bays; adding equipment storage, training and administrative office areas. The current facility has many deficiencies in its electrical, plumbing, ventilation and heating systems.

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**Funding Request:** FY 2009 Capital Grant \$5,366,522

**Total Estimated Project Cost:** \$7,002,000 (See Project Budget Attached as Appendix A)

**Number of Years to Complete Project:** 2 years, beginning 7-1-2008; substantial completion 6-30-2010

<b>Matching Funds Available:</b>	Value of Real Estate Contribution	\$1,300,000
	Local Capital Improvement Fund Cash Contribution	<u>26,478</u>
	Total Local Match Sources	\$1,326,478

**Prior State Appropriations:** Funds appropriated by DCCED Grant # 07-DC-253 for a new Public Safety Facility will be used for this project. Approval has been received to use the balance of this grant (\$309,000.00) for a smaller, stand-alone Fire/EMS Facility pursuant to a February 20, 2008 E-mail communication from Robin Park, Grant Administrator, Community & Regional Affairs, Department of Commerce, Community and Economic Development.

**Are Funds for this Project in the Governor's Proposed Budget?** No

**Public Review Process & Community Priority:** The Petersburg City Council gave this project its *highest* priority for capital improvement initiatives that were NOT identified in the Governor's proposed 2009 budget at a special meeting held January 27, 2008. Notice of the meeting was given to the local news media. The meeting was broadcast over the local radio station and an audio recording of the community consultation, discussion and action at the meeting may be reviewed on the City's website, [www.ci.petersburg.ak.us](http://www.ci.petersburg.ak.us).

**Responsible Party for On-Going Maintenance & Operations Costs:** City of Petersburg

**Project Contact Information:** Richard Underkofler, City Manager  
City of Petersburg  
P.O. Box 329, Petersburg, AK 99833  
Phone: 907-772-4519, Ext. 22  
Cell: 907-518-0472  
[manager@ci.petersburg.ak.us](mailto:manager@ci.petersburg.ak.us)

**Request Submitted By:** Representative Peggy Wilson, District 2

APPENDIX A  
PETERSBURG FIRE/EMT FACILITY PROJECT BUDGET

<b>Sources:</b>						
<b>Local Contributions:</b>						
Petersburg Real Estate Contribution					\$ 1,300,000	
Petersburg Capital Improvement Fund Cash Contribution					\$ 26,478	
				<b>Local Sources</b>	<b>\$ 1,326,478</b>	<b>18.94%</b>
<b>State Contributions:</b>						
DCCED Grant # 07-DC-253					\$ 309,000	
FY 2009 Legislative Capital Grant					\$ 5,366,522	
				<b>State Sources</b>	<b>\$ 5,675,522</b>	<b>81.06%</b>
				<b>Total Sources</b>	<b>\$ 7,002,000</b>	<b>100.00%</b>
<b>Uses:</b>						
<b>Value of Local Real Estate Contribution:</b>						
260,000 S.F. @ \$5 / S.F.					\$ 1,300,000	
<b>Phase I: Planning &amp; Site Preparation</b>						
<b>Consultant Services</b>						
For Design/Build Contract Performance Specifications					\$ 75,000	
<b>Site Preparation:</b>						
Clearing and Excavation					\$ 262,000	
Site Filling					\$ 562,000	
Landscaping					\$ 30,000	
Lighting					\$ 62,000	
Water Utility Service					\$ 31,000	
Sanitary Sewer Utility Service					\$ 31,000	
Storm Sewer					\$ 62,000	
Electric Utility Service					\$ 50,000	
Communication Service					\$ 25,000	
				<b>Subtotal</b>	<b>\$ 1,190,000</b>	
				Site Preparation Construction Testing & Inspection @ 5%	\$ 59,500	
				<b>Phase I Expenditures</b>	<b>\$ 1,324,500</b>	
<b>Phase II: Facility Construction</b>						
Basic Metal Structure 13,500 S.F. @ \$250 / S.F.					\$ 3,375,000	
Interior Facility Enhancements 13,500 S.F. @ \$50 / S.F.					\$ 675,000	
Furniture, Furnishings & Equipment					\$ 200,000	
				<b>Subtotal</b>	<b>\$ 4,250,000</b>	
				Facility Construction Testing & Inspection @ 3%	\$ 127,500	
				<b>Phase II Expenditures</b>	<b>\$ 4,377,500</b>	
				<b>Total Uses</b>	<b>\$ 7,002,000</b>	



CITY OF PETERSBURG  
P.O. BOX 329 • PETERSBURG, ALASKA 99833  
TELEPHONE (907) 772-4519  
FAX (907) 772-3759

April 22, 2008

The Honorable Sarah Palin  
Governor of Alaska  
P.O. Box 110001  
Juneau, Alaska 99811-0001

Karen J. Rehfeld, Director  
Office of Management and Budget  
P.O. Box 110020  
Juneau, Alaska 99811-0020

Re: 2009 Capital Budget

Dear Governor Palin and Director Rehfeld,

I'm writing this letter to provide information for your use and reference as you consider the capital budget recently passed by the legislature.

The Petersburg City Council updates its Capital Improvement Plan on an annual basis. There is public review of all projects for which funding will be sought by the City from our state legislators. Priorities are established for projects which will require local matching funds. This year's meeting on capital project priorities was held January 27, 2008. The meeting was broadcast over the local public radio station. An audio recording of the community consultation, discussion and action at the meeting may be reviewed on the City's website, [www.ci.petersburg.ak.us](http://www.ci.petersburg.ak.us).

The City Council gave a proposed new Fire/EMS Facility its highest priority for capital improvement initiatives for FY '09. Second priority was given to improvements necessary at Petersburg's water treatment plant and to the repair of the pipeline that leads from the Cabin Creek Reservoir to the water treatment plant. Third priority was given to completing schematic and design development architectural plans for a new public library so good cost estimates will be available for a \$2.5 million bond issue that will be considered by Petersburg's voters in October of this year. We anticipate that the funds raised by the bond issue will be used to match funds made available by the passage of SB 119 during this legislative session.

Council priorities were not established for capital projects for which local matching funds would not be pledged by the City. The Petersburg Harbor Advisory Board has suggested a "head tax" on tour ships to help underwrite expenditures for upgrading our port facilities. The Commercial Passenger Vessel Berthing and Power Upgrades grant will allow us to perform needed infrastructure improvement on our commercial harbor facilities.

I'm enclosing copies of capital project requests we sent to our legislators for consideration this session. The second page of this letter presents a table that identifies projects contained in the 2009 capital budget that will benefit the Petersburg in descending order of value and sources of matching funds.

I hope you will conclude Petersburg projects contained in the 2009 capital budget are consistent with criteria you've articulated for basic government services; projects that have local community support; and a measure of local, state or federal matching funds. **Local matching funds have been pledged to all of our thirteen projects.** All of the projects have community support. There has been no local controversy about any of them.

Petersburg Projects in the 2009 State Capital Budget -

Project	Source of Funding	Cost Estimate
New Fire / EMS Facility	State Grant # 07-DC-253 - \$309,000 2009 State Capital Grant - \$5,366,522 Local CIP Fund - \$26,478 In-Kind Contributions - \$1,300,000	\$ 7,002,000
Public Library Construction	State Grant # 07-DC-251 - \$13,000 2009 State Capital Grant - \$150,000 Local G.O. Bond - \$2,500,000 Other Grants & Donations - \$2,520,449 In-Kind Contributions - \$680,000	5,863,449
Water Treatment Plant Improvements, Phase III	2009 State Capital Grant - \$1,250,000 Local Water Fund Debt - \$500,000	1,750,000
Replace Elementary School Roof	2009 State Capital Grant - \$900,582 Local General Fund - \$385,964	1,286,646
Commercial Passenger Vessel Berthing & Power Upgrades	2009 State Capital Grant From Tour Ship Head Tax	1,250,000
Cabin Creek Water Reservoir Pipeline Repairs	2009 State Capital Grant - \$525,000 Local Water Fund Debt - \$225,000	750,000
Airport By-Pass Road Sandy Beach to Scow Bay	2009 State Capital Grant - \$250,000 Local Timber Receipts Fund - \$250,000	500,000
Frederick Point North Subdivision Electrical Transmission Line Extension	2009 State Capital Grant - \$12,000 Local Electric Utility Fund - \$305,000	317,500
Medical Center Pharmacy Information System Module	2009 State Capital Grant - \$34,000 Petersburg Medical Center - \$85,000	119,000
Sons of Norway Hall Renovations	2009 State Capital Grant - \$96,000 Member In-kind Contributions - \$10,000	106,000
Snow Blower Acquisition	2009 State Capital Grant - \$65,000 Local Motor Pool Fund - \$30,000	95,000
Rebuild Solid Waste Baler	2009 State Capital Grant - \$80,000 Local Sanitation Fund - \$5,000	85,000
Shooting Range Improvements	2009 State Capital Grant - \$25,000 Member In-kind Contributions - \$10,000	35,000

Let me close this letter with an invitation to each of you to participate in Petersburg's Little Norway Festival, which will be held from May 15<sup>th</sup> to May 18<sup>th</sup> this year. We are commemorating the 50<sup>th</sup> anniversary of the festival. It would be quite special if you could announce that a grant for renovating the Sons of Norway Hall was included in your FY '09 capital budget.

Respectfully submitted,



Al Dwyer  
Mayor of Petersburg

Enclosures