ASSEMBLY CAPITAL PROJECTS AND LEGISLATIVE PRIORITIES COMMITTEE
January 3, 2019
Chizmar Conference Room
Juanita Helms Administration Center
907 Terminal Street, Fairbanks, AK
3:00 p.m.

1. CALL TO ORDER

2. ROLL CALL

3. NEW BUSINESS

   b. Discussion of a legislative request to fund food security infrastructure in the Interior.

   c. Suggestions for future agenda topics.

4. COMMITTEE COMMENTS

5. ADJOURNMENT
FAIRBANKS NORTH STAR BOROUGH

RESOLUTION NO. 2018-36

A RESOLUTION IDENTIFYING AND SUPPORTING LEGISLATIVE PRIORITIES AND CAPITAL PROJECTS

WHEREAS, the Fairbanks North Star Borough Assembly identifies and supports the following legislative priorities for 2019:

Programmatic Funding: Not Ranked

- Enhanced Home Heating Appliance Exchange and Retrofit Control Device Program
- Full or Increased funding for ADEC Air Quality Division
- Residential Heating Conversion Loan Program
- School Bond Debt Reimbursement

Legislative: Not Ranked

- Community Assistance
- PERS Budget Pressures on Borough Taxpayers
- PFD Payment Distribution
- Remove Marijuana from the Schedule of Controlled Substances
- Residential Property-Assessed Clean Energy (PACE) and On-Bill Financing
• Sales or Income Tax
• State Capital Budget
• State Health Care Authority
• State Professional Licensing Reciprocity

**Major Maintenance, Energy Efficiency Improvements & Capital**

**Improvements: Prioritized**

1. Emergency Operations Warm Storage Facility
2. Ambulance Replacement
3. Service Area Roads Capital Improvements
4. John A. Carlson Community Activity Center Ice Plant Replacement & Major Maintenance
5. Animal Shelter Replacement
6. Parking Lots Resurfacing / ADA Access Improvements Big Dipper
7. Big Dipper Ice Arena Seismic Analysis / Code Compliance Upgrades and Major Maintenance
8. Carlson Center Lighting Upgrades
9. Parks and Playground ADA and Equipment Improvements
10. Replacement Aquatics Center
11. Juanita Helms Administration Center Heating Ventilation and Air Conditioning (HVAC) Improvements
12. Transit Garage Phase II Additional Local Match
13. Wescott Swimming Pool Major Maintenance
14. Borough Office Building and Land Acquisition

**School Facilities: Prioritized**

1. Barnette Magnet School Renovation Phase IV
2. Crawford Elementary Roof Replacement
3. Anderson Elementary Roof Replacement
4. Arctic Light Elementary Roof Replacement
5. Arctic Light Elementary Lighting & Energy Efficiency Upgrades

6. District Wide Emergency Electrical System Upgrades

NOW, THEREFORE, BE IT RESOLVED, that the Fairbanks North Star Borough Assembly supports these legislative priorities.

BE IT FURTHER RESOLVED that copies of this resolution shall be sent to the Alaska Interior Delegation, the Honorable Governor Bill Walker and the Alaska Congressional Delegation.

PASSED AND APPROVED THIS 11TH DAY OF OCTOBER, 2018.

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Presiding Officer

ATTEST:

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April Trickey, CMC
Borough Clerk
Major Maintenance, Energy Efficiency Improvements & Capital Improvements
(Updated October 23, 2018)

1  Emergency Operations Warm Storage Facility – $4,500,000
The current lack of appropriate warm storage for emergency response equipment puts the residents of the borough at significant risk. The Emergency Operations Department has acquired millions of dollars' worth of equipment to help the community respond to disasters but does not have the capacity to properly store this equipment. This project will provide approximately 10,000 square feet of heated storage for emergency equipment that will allow for appropriate and timely deployment when needed.

2  Ambulance Replacement – $100,000
This will fund 50% of the anticipated replacement cost of the oldest ambulance in the Borough fleet with the other 50% coming from non-areawide EMS funding. The Borough supports individual fire service area requests for replacement of fire equipment. The oldest ambulance in the FNSB fleet is 13 years old, which is three years past the normal service life of an EMS vehicle.

3  Service Area Roads Capital Improvements – $10,000,000
Service area roads continue to need upgrades and improvements. This request continues funding for the area-wide road service capital improvement program to reduce local tax burden for borough residents and to address transportation needs beyond the financial resources of road service areas. There are currently 343 identified road service area capital projects with an estimated cost of $130,000,000.

4  John A Carlson Activity Center Ice Plant Replacement & Major Maintenance – $11,750,000
The Carlson Center is the main event center in Fairbanks and houses the ice rink that is used by the University of Alaska Fairbanks hockey team. The existing ice plant is original to the building and is approaching the end of its useful life. The refrigerant is R-22, which is currently being phased out, and a new long term solution is needed for the continued operation of the ice rink. Other major maintenance that needs to be completed is the replacement of the main roof over the ice rink that is at the end of its useful life, parking lot upgrades, and replacement of interior flooring and finishes throughout the facility.

5  Animal Shelter Replacement – $17,000,000
The animal shelter facility was constructed in 1974 and does not meet the current program requirements and is near the end of its usable life. Based on a programmatic needs analysis conducted by the borough and an outside consultant, the required space for this operation is approximately 3.5 times the current facility’s capacity. Due to the age of the existing facility and associated infrastructure, a new facility to provide for current and future program requirements is the most cost effective option.
6 Parking Lots Resurfacing / ADA Access Improvements – $2,500,000
At many major borough facilities the parking lots and building access have not been improved since the buildings were constructed in the late 60’s or early 70’s creating congested parking, unsafe building access, and inadequate ADA compliance. Improvements will include new asphalt, curbs and accessible curb ramps, striping, drainage improvements, upgraded energy efficient lighting, and dedicated pedestrian pathways. The projects will also include upgrades to employee parking areas with code compliant head bolt heater outlets.

7 Big Dipper Ice Arena Seismic Analysis / Code Compliance Upgrades and Major Maintenance – $12,670,000
The Big Dipper Ice Arena houses one of the main hockey rinks in the borough as well as the administrative offices and grounds maintenance shop of the Parks and Recreation Department. In 1975 the original relocated aircraft hangar was constructed on this site and a major renovation / expansion developed it into the recreation center. Subsequent upgrades have replaced the ice rink, sprinkler system, and some finishes / lighting throughout the facility. This project will include structural and seismic upgrades, elevator replacement, locker room upgrades / expansion, and other major maintenance items such as bleacher replacement, ADA toilet room construction, maintenance shop renovation / expansion, mechanical and electrical / IT infrastructure upgrades. As one of the main Parks and Recreation facilities, these projects are ongoing upgrades and improvements required for the building to continue its functionality for the residents of the borough.

8 Carlson Center Lighting Upgrades – $300,000
Installation of LED lights and control systems.

9 Parks and Playground ADA and Equipment Improvements – $2,000,000
With 25 major parks and playground facilities throughout the borough, the requirement for continued maintenance and upgrades is necessary. Additionally, the majority do not meet current accessibility standards. These projects will address accessibility issues such as parking, access, functionality / safety of existing equipment, and the replacement of old or obsolete equipment with new equipment that meets current design and safety standards.

10 Replacement Aquatics Center – $35,000,000
The borough’s two existing aquatics facilities in Fairbanks, Hamme Swimming Pool (HSP) and Mary Siah Recreations Center (MSR) are at or near the end of their useful life at 41 and 68 years old respectively. With the ongoing expense of maintaining and replacing aging swimming pool infrastructure, it is more cost effective to combine the functions of HSP and MSR into one new Aquatics Facility than to repair or replace the individual facilities.

11 Juanita Helms Administrative Center Heating Ventilation and Air Conditioning (HVAC) Improvements – $6,663,000
The main administrative center for the borough houses many direct service departments providing services to our residents, as well as many support departments. At over 30 years old the facility has been modified and reconfigured over the years to support these many functions; however, the HVAC system is original to the building and is no longer adequate to provide proper environmental control. This project will provide for re-zoning the entire heating system on all three floors, and replacement, modifications, and re-distribution of the ventilation and air conditioning ductwork and variable air volume (VAV) boxes. The obsolete pneumatic HVAC control system will also be replaced with a new Direct Digital Control (DDC) system to provide for energy efficiency capabilities. Additional work will be included on the exterior envelope, elevators, mechanical / electrical systems, lighting and finishes throughout the building.

12 Transit Garage Phase II Additional Local Match – $1,000,000
The borough has received a $12,800,000 federal grant for the Transit Garage Phase I project and appropriated $2,393,500 of local funding for the required match. The Phase I project is currently in design and includes the complete design of Phase 2. An $18,500,000 grant application has been submitted to the FTA for Phase II which requires $3,700,000 in local match funding, of which $2,700,000 has been appropriated by the borough. This $1,000,000 will complete the local match requirements for both Phase I and Phase II federal grants.

13 Wescott Swimming Pool Major Maintenance – $5,620,000
Wescott Swimming Pool is 41 years old and in need of major infrastructure repairs, including plumbing, heating, ventilation, electrical, and structural. Major system failures have started to occur that will ultimately shut-down the facility if they are not corrected. The borough appropriated $1,100,000 of local funding in 2018 to start repairs on the most critical plumbing system failures. As the only swimming pool in the North Pole area, without major investment the borough will not be able to keep an aquatics facility in this area.

14 Borough Office Building and Land Acquisition – $12,000,000
With the expansion of the Human Resources, EEO, and Legal departments in the main borough office building, a renovation is required that will displace other departments within the building. Additionally, with the Transit Garage Phase II project, the Air Quality division and Emergency Operations department will be displaced from their office space in the Peger Road West building. Currently the borough is planning to lease the required office space; however, new office space will be required to house these borough divisions and departments long term.
School Facilities:

1. **Barnette Magnet School Renovation Phase IV – $14,277,000**
   This final phase will complete the renovation of the original 1960’s wing and demolish the 1970s addition that has severe seismic structural deficiencies. No new or replacement space will be built in this project. The scope of this project is to complete the renovation as designed but not completed in the previous phases. This will include the building envelope, windows, doors and finishes; and the mechanical, electrical, and phone/data systems. Additionally, as detailed in the educational specifications, the building is deficient in a number of areas with regard to educational program deliverability. The scope addresses this through realignment, rearrangement, and upgrades of spaces to match the highly successful magnet school program.

2. **Crawford Elementary Roof Replacement - $2,500,000**
   This project will replace the original EPDM IRMA roof with a new roof that meets current school district standards including, but not limited to: the replacement of the roof drains, increasing insulation to an R-80 value, installing new metal flashing, correcting roof slopes as necessary for proper drainage, and the work needed to accommodate the increased insulation around the parapet. Current roof is original to the building, which was constructed in 1997.

3. **Anderson Elementary Roof Replacement - $1,061,241**
   This project will replace the roof on the Multipurpose Wing which includes the old Central Kitchen, Dining Area, Library, and Music Room that was not replaced during the 2008 remodel. A new roof that meets current school district standards will be installed including, but not limited to: the replacement of the roof drains, increasing insulation to an R-80 value, installing new metal flashing, correcting roof slopes as necessary for proper drainage, and the work needed to accommodate the increased insulation around the parapet.

4. **Arctic Light Elementary Roof Replacement - $2,500,000**
   This project will replace the original EPDM IRMA roof with a new roof that meets current school district standards including, but not limited to: the replacement of the roof drains, increasing insulation to an R-80 value, installing new metal flashing, correcting roof slopes as necessary for proper drainage, and the work needed to accommodate the increased insulation around the parapet. Current roof is original to the building, which was constructed in 1993.
5. Arctic Light Elementary Lighting & Energy Efficiency Upgrades - $2,021,928
The lighting throughout the building is deficient, does not meet code, and needs to be upgraded. This includes ceiling seismic bracing and exterior lighting replacement. Energy saving lighting controls are included, with potential electrical energy savings on the order of 20%.

6. District Wide Emergency Electrical System Upgrades - $7,040,833
This upgrade will include emergency electrical system upgrades to older systems as dictated by need. The district has electrical systems that are in need of replacement and/or improvement. Due to an increase demand of the internet, VOIP phone systems and other network demands, cooling and power upgrades are needed district wide.
Programmatic Funding:

Enhanced Home Heating Appliance Exchange and Retrofit Control Device Program ($2,000,000)
Additional state funds are needed for the voluntary enhanced home heating appliance exchange program to reduce PM2.5 emissions in the borough in an effort to improve air quality and comply with EPA regulations. These funds would assist homeowners exchange their existing heating appliances for more fuel efficient and cleaner burning devices, or for installing retrofit control devices that remove emissions (e.g. electrostatic precipitators).

Full or increased funding for ADEC Air Quality Division
The Alaska Department of Environmental Conservation Air Quality Division is the lead agency responsible for development and implementation of the PM2.5 non-attainment Serious SIP.

Residential Heating Conversion Loan Program
Provide legislation that establishes a fund similar to an AHFC fund to provide zero or very low interest loans to residents to convert residential heating devices to natural gas. A review or inspection program similar to AHFC’s energy rater program would ensure proper review and rating of device change out costs. This fund would operate similar to the Alaska Fisherman’s Loan Program approval process.

School Bond Debt Reimbursement – Honor State Payment Obligations
The State of Alaska entered into past obligations to reimburse municipalities for bond debt related to construction of school buildings. The Governor vetoed 25% of the FY2016-17 State Aid for School Construction commitments, resulting in an unexpected and immediate transfer of burden from the State to the Fairbanks North Star Borough of approximately $3.02 million. The FY2017-18 and FY2018-19 budgets provisioned full reimbursement. It is unknown what, if any future reductions are planned for the next fiscal year(s).
**Legislative:**

**Community Assistance Program**
Also known as Revenue Sharing in prior years, Community Assistance is a formula based payment system that provides funds to Alaska municipalities and unincorporated communities to deliver basic public services. As a result of budgetary pressures on the State, the amount paid to communities has been reduced by more than half since 2012. Increasing budgetary pressure at the State level is resulting in increased cost shifting to municipalities. Consequently, the Fairbanks North Star Borough will need to have predictable and sustainable Community Assistance payments in the future.

**PERS**
Maintain established employer PERS contribution rate. Legislative action is necessary this session to address the escalating costs of the Public Employee Retirement System’s unfunded liability and the consequential budget pressures on the local taxpayers of the Fairbanks North Star Borough and local governments in Alaska. Consideration and resolution of termination costs should also be addressed without increasing employer PERS contribution rate.

**PFD Payment Disbursement**
Support legislation authorizing the state Department of Revenue to adopt regulations establishing procedures allowing a person to receive a permanent fund dividend in monthly installments, similar to HB 360 introduced by Rep. Eastman in 2018 legislative session. Add language about House Bill 361. AS 44.62.

**Remove Marijuana from the Schedule of Controlled Substances**
AS 11.71.190 identifies marijuana as a Schedule 6A controlled substance. Schedule 6A lists substances that, pursuant to AS11.71.120(c), have been identified “to have the lowest degree of danger or probable danger to a person or the public.” AS 11.71.190(b) should be amended to remove marijuana as the only Schedule 6A controlled substance.

**Residential Property-Assessed Clean Energy (PACE) and On-Bill Financing**
HB 374 enacted in July 2018, which enables a utility to enter into an on-bill financing agreement with a customer. AEA has formed a C-PACE Advisory Group to help guide the development of a statewide C-PACE administrative program, which the FNSB administration supports and participates in. The administration also supports recent talks to develop a similar administrative model for C-PACE financing.

**State Sales or Income Tax**
Administration recommends the Assembly take a position on whether or not the State of Alaska should implement a state-wide income tax or sales tax.
State Capital Budget
State capital budgets have been thin over the past four years; during that time appropriations typically set for matches to other projects. The Fairbanks North Star Borough is concerned that diminished capital budgets will negatively impact delivery of state services.

State Health Care Authority
The State of Alaska is pursuing the mandatory consolidation of public sector health plans as a potential cost saving measure. The FNSB has evaluated the impacts of a proposed consolidation on the Borough and School District plans and at this time no cost savings would be recognized, and it could cost our plans more. This change would also result in a loss of flexibility that has allowed us to modify our plans quickly to take advantage of offerings that reduce costs. If such a plan is pursued by the State, the FNSB is requesting that public employers be given the option to participate in such a program.

State Professional Licensing Reciprocity
(From the EAFB Growth Management plan) Change state statute to enable professional licensure by endorsement if members of the workforce are licensed in good standing in another state, or allow for temporary provisional licensing. Also consider an expedited process for military spouses. AS 08.01.063 already has provisions to give temporary reciprocal licenses to military spouses. Work with DoD officials to determine scope of requested statute or administrative code change: issuance of temporary licenses or an expedited licensing process.