

# Projects

Prioritization and Funding

Projects  
Prioritization;  
All Projects

Rank	Project	Amount
1	SBH Tour Dock & H-K	5,000,000
2	Glacier Stream Landfill Protection	3,250,000
3	HHES Roof & Exterior	10,000,000
4	Radio Repeater Upgrades	500,000
5	Generator Replacement	1,100,000
6	HVAC & Control Replacement (Civic enter, Museum, Libra	4,000,000
7	Library Window Replacement	250,000
8	Server Room AC Replacements	75,000
9	Museum Entry Plaza Concrete Replacement	250,000
10	Civic Center Weatherization	100,000
11	Emergency Entrance Redesign	2,750,000
12	VCT Water Line Replacement	800,000
13	Park Shelter Repairs (Robe, Alpine, Glacier Campground)	60,000
14	Roof Replacement Lift Stations, Well Houses, VCT	80,000
15	North Harbor Hydrant Repair	75,000
16	Airport Window Replacement	100,000
17	Airport Stucco Repairs & Paint	150,000
18	North Harbor Drive Angled Parking	75,000
19	Airport Generator Replacement	50,000
20	Citywide Wayfinding	60,000
21	TAP Project (TBD by City Council)	100,000
22	CTP Project (TBD by City Council)	1,000,000
23	Pavement – Meals, Pioneer, Robe River Drive	10,000,000
<b>Total</b>		<b>39,825,000</b>

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City Projects  
-excl Prov

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<b>Total</b>		<b>35,975,000</b>

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City Projects  
-excl Prov  
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<b>Total</b>		<b>25,975,000</b>

Annual projects  
funding gets us here  
(unless the list is re-ordered)

# Projects Funding; Repurposing/Carryforward

- Annual Projects Funding Process
  - \$6.0M available via typical projects funding process
    - Inactive Reserves 2.5
    - Close/Reduce Project 1.0
    - “Carryforward” 2.5\*

Expenses from prior year under-budget  
+ Revenues from prior year over-budget  
Carryforward

# Projects Funding; Savings

- Projected Savings Figure (pending audit)
  - \$25M
- Valdez Municipal Code 3.08.130
  - A working capital reserve of not less than four million five hundred thousand dollars is established in the general fund. Available balances from this reserve remaining at the year end shall be lapsed into the subsequent year for this fund. (Ord. 09-09 § 1 (part))
- Unrestricted Fund Balance Above Formal Policy Requirement (GFOA Best Practices)
  - In all cases, use of those funds should be prohibited as a funding source for ongoing recurring expenditures.
- **“Savings” = “Unrestricted Fund Balance”**

# Projects Funding; Grant Funding

- Over 10 Active Grants beyond “normal” levels
  - Not all are equal
  - Grant Administration is decentralized
- Pursuing more grants necessitates Grant Administration centralization
  - Staffing
  - RFP/RFQ for services

# Projects Funding; Bond

- 2023 Budget; Debt Service
  - \$6.7M
  - \$4.6M impact to savings in 2023 Budget
- Add a Bond for a \$10M School Project (all else, status quo)
  - Additional \$750-1.2M to schedule
- 2024+ Budget; Debt Service w/School Bond
  - From \$6.7M to \$7.5-8.0M
- 2024+ Impact to Savings
  - From \$4.6M to \$5.5-6.0M



# Projects Funding; Permanent Fund

- 2023 Budget: \$4.2M
  - Appropriated, not liquidated
- Leveraging the Permanent Fund for Infrastructure
  - \$4M annually is about \$35-50M in projects
  - Sewer Force Main Bond \$35M
    - Debt remained unissued prior to consideration of this topic
- Other Alaskan Communities (North Slope Borough)
  - Permanent Fund expenditures for Debt Service
    - Prohibited by Charter and Code
    - NSB assigns a millage rate (FY23):

• O&M Budget	14.80
• Debt Service Budget	3.19
- Staff could explore the assignment of mill rate to certain costs

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<b>Total</b>		<b>25,975,000</b>

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## Recommendation

Rank	Project	Amount	Source
1	SBH Tour Dock & H-K	5,000,000	Savings
2	Glacier Stream Landfill Protection	3,250,000	Repurposed/Carryforward
4	Radio Repeater Upgrades	500,000	Future Grant Match
6	HVAC & Control Repl (Civic Ctr, Muse, Library, Sr Center)	4,000,000	Permanent Fund
7	Library Window Replacement	250,000	Repurposed/Carryforward
8	Server Room AC Replacements	75,000	Repurposed/Carryforward
9	Museum Entry Plaza Concrete Replacement	250,000	Repurposed/Carryforward
10	Civic Center Weatherization	100,000	Repurposed/Carryforward
12	VCT Water Line Replacement	800,000	Future Grant Match
13	Park Shelter Repairs (Robe, Alpine, Glacier Campground)	60,000	Repurposed/Carryforward
14	Roof Replacement Lift Stations, Well Houses, VCT	80,000	Repurposed/Carryforward
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19	Airport Generator Replacement	50,000	Repurposed/Carryforward
20	Citywide Wayfinding	60,000	Repurposed/Carryforward
21	TAP Project	100,000	Future Grant Match
22	CTP Project	1,000,000	Future Grant Match
5	Generator Replacement	1,100,000	Providence Fund
11	Emergency Entrance Redesign	2,750,000	Providence Fund
3	HHES Roof & Exterior	10,000,000	Bond or Savings
23	Pavement – Meals, Pioneer, Robe River Drive	10,000,000	Undetermined
<b>Total</b>		<b>39,825,000</b>	

Projects  
Prioritization;  
All Projects

Annual projects  
funding plus \$5M  
impact to savings,  
explore options for  
Grant Admin., and  
liquidate \$4.2M  
from Permanent  
Fund

Providence Fund

Further discussion  
on Bond vs Savings  
for urgent need

## Recommendation; City Projects Directives

### 1) Spend \$5M from Savings

Rank	Project	Amount	Source
1	SBH Tour Dock & H-K	5,000,000	Savings
Total		5,000,000	

### 2) Liquidate 1.5% Permanent Fund Appropriation for Project

Rank	Project	Amount	Source
6	HVAC & Control Repl (Civic Ctr, Muse, Library, Sr Center)	4,000,000	Permanent Fund
Total		4,000,000	

### 3) Repurposed Funds/Carryforward (i.e. "Annual Funding")

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2	Glacier Stream Landfill Protection	3,250,000	Repurposed/Carryforward
7	Library Window Replacement	250,000	Repurposed/Carryforward
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20	Citywide Wayfinding	60,000	Repurposed/Carryforward
Total		4,575,000	

### 4) Evaluate for Grants (eligibility/administration/reporting/etc.)

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4	Radio Repeater Upgrades	500,000	Future Grant Match
12	VCT Water Line Replacement	800,000	Future Grant Match
21	TAP Project	100,000	Future Grant Match
22	CTP Project	1,000,000	Future Grant Match
Total		2,400,000	

### 5) Consider Bond vs Savings (workshop, retreat, other)

Rank	Project	Amount	Source
3	HHES Roof & Exterior	10,000,000	Bond or Savings
Total		10,000,000	

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