

MEMORANDUM

**TO: HONORABLE MAYOR AND MEMBERS OF THE ASSEMBLY
CITY AND BOROUGH OF WRANGELL**

**FROM: JEFF GOOD
BOROUGH MANAGER**

SUBJECT: MANAGER'S REPORT

DATE: October 11, 2022

INFORMATION:

- The directors and I will be having a strategic planning session on October 18. This will enable us to look at our current goals and structure, solidify and modify the goals, ensure our current staffing model is meeting the needs of the community and work on building out our capital improvement prioritization list.
- With the results of the mill property, we will be scheduling some town halls in the near future. We are going to get input from the EDC prior to the town halls to help develop the scope of the town halls.
- With the approval of the bond for the school, the finance director will be working with the attorneys on the issuance of the bond. This will take several months to work through that process. We will also be working closely with the school as they complete the engineering condition assessment that will enable them to compete for matching funding from the State if it becomes available in the budget for next year.

Harbor Department Steve Miller

The crew has done a great job this month.

- Pressure washing continues at Heritage Harbor
- Light bulbs replaced at all harbors including gangways
- Pulled all summer floats scraped, pressure washed and re-zincd, stored for the winter
- Winterized city dock water lines
- Camel logs at city dock removed and stored.
- Shoemaker Bay Crane serviced
- Emergency pumps serviced all harbors
- Heritage Harbor Parking lot lights fixed
- Town Hall @6:30pm on Wednesday, September 28th in the Nolan Center Theater.
- Q1 Financial Update will take place 2nd meeting in October.



Wrangell Municipal Light and Power Department Report September 2022 (10.5.2022)

WML&P Status

Accomplishments –

- 6 Orange card Work Orders (WOs) – These WO's consist of customer complaints and other field noted problems.
- 6 New Electrical Permits taken out
- 5 Disconnect/Reconnects
- October Disconnects – All customers were reached and made payments/plans; no one had to be disconnected.
- 6 Electrical Inspections requested and completed
- Primary line brushing.
- 1 Locate at Airport
- Diesel generation Logs and KWH produced request sent to Robert Siedman for a load data study
- Dominique is setting up 4 training opportunities for WMLP, Public Works, and the Harbor Dept. Flagging, CPR, Forklift, as well as SEAPRO Haz-whopper
- Completion of moving and relocating the 12 Cylinder NOME Generator from MSC to Mill Site and the 20 Cylinder Cat in the Box Gen. Mill Site by BW Enterprises
- Mark Armstrong 26 ½ year retirement party and New Hire replacement Foreman Dwight Yancey
- WMLP Stock Inventory has been ordered-Lead times are getting more difficult
- MSI Baseline Inspection Contract approved and in the works for scheduling in late November or December.
- 1 localized power outage effecting Peninsula and Ocean Drive.

WMLP had a total of 81 work orders in the month of September – September and April are our 2 busiest months of work orders with boats going back to the stall and boats going into the MSC. Consisting of Reads, Disconnects, Installs, and requests for meter tests and meter swap outs.

Financials:

- In the month of 2022 WML&P sold 1,955,803 KW Hours of Electricity, generating \$240,623.89 of Revenue. This can be compared to 2020 and 2021 as follows:
 - 2020 - WML&P sold 2,013,135 KW Hours of Electricity, generating \$244,593.76 of Revenue.
 - 2021 - WML&P sold 1,959,459 KW Hours of Electricity, generating \$254,693.91 of Revenue.

**Facilities Service & Maintenance –
Capital Facilities provides service and maintenance to City and Borough of Wrangell facilities.**

Facility Maintenance Report

- The department was sad to see the departure of Matt Scheiner from our building maintenance staff in July. The vacant maintenance position was open to the IBEW union members for first consideration before opening the advertisement to the public. The employment notice has been open to the public since August 3rd. We will continue to advertise the position as open until filled.
- Since summer, we have continued to focus maintenance efforts on exterior building painting as weather allows. We recently finished the three accessible sides of the Library building as our final push until our next painting season arrives in 2023. This Summer we completed a complete recoating of the Nolan Center and City Hall, as well as ¾ of the Library.
- As we enter Fall and look to wind and rain, we are turning our focus to roof and roof drain clearing.
- Other maintenance tasks have included:
 - Assisting Parks at the Shoemaker Barn
 - Exhaust fan and shed repair at Public Works Garage
 - Nolan Center landscaping maintenance
 - Nolan Center lighting replacement
 - Tying in a new air compressor for the sprinkler system at the Sanitation building
 - Addressing multiple Urinal fixture concerns in various buildings
 - Repairing overhead rolling doors at Public Safety Building

Capital Improvement Projects - Capital Facilities provides management of capital improvement projects and major maintenance to City and Borough of Wrangell facilities and infrastructure.

- A total of **\$24,752,724** of capital improvement projects have currently received funding. Grant funded and locally funded projects are reported below.

Grant Funded Projects

Non-Motorized Transportation System (Mt. Dewey Trail Extension)

- Funding for this project comes from the Federal Highway Administration, FLAP program, in the amount of \$904,768. A match of 9.03% is required.
- The USACE (Corps) response to the impacts to wetland disturbance requires compensatory mitigation for the wetland impacts. We are working with an environmental consultant to perform the functional assessment to determine the number of credits to be purchased from a mitigation bank for the required compensatory mitigation.
- **Update:**
 - An amendment to PND's design contract has been issued and we are working with them for full execution before beginning the final design and construction bidding services. A design kick-off meeting was held to discuss design outcomes, schedule, outstanding permitting requirements, and a site review and public information meeting, with plans in hand, upon completion of the 65% level design.
 - The compensatory mitigation for wetlands impacts has been identified and will cost the Borough approximately \$24,000 for compliance with US Army Corps of Engineer regulations.
 - PND's schedule for completing the design is October 2022 at which time they will be in Wrangell to perform a plan-in-hands walk through to vet the design to date. At the same time we will hold a public walk through and informational meeting on October 13th. The public may join a walk through of the trail extension project at 3:00 p.m., beginning at the Mt Dewey Trailhead on Third Street. We will be walking through the muskeg, so participants should plan to wear appropriate shoes and clothing. A public meeting will follow at 5:30 p.m. at the Nolan Center.

North Country Trailhead Access Road Repair

- Funding for this project comes from the Federal Highway Administration, FLAP program, in the amount of \$55,655. A match of 9.03% is required.
- **Update:**
 - We are working to certify the Right of Way and the Utility Certification. There are no utilities throughout the project, so we have no impacts in that regard. The ROW certification will need to be finalized as a required document for the RPF package to be submitted to WFL for approval.
 - In hopes of a Summer 2022 project, the project areas along the road section of Spur Road leading to the North Country Trailhead as project scope and location identification have been staked. This will be a Spring 2023 project

after the ROW is certified, RFP is developed, competitive bids are solicited, and a contract is issued.

Nolan Center Standby Generator Upgrades

- Funding for this project is from the Homeland Security State Program in the amount of \$320,000. No match is required.
- The engineers, EPS, completed a meter recording of the electrical loads of the whole building's electrical system, with the exception of the electrical boiler since the oil-fired furnace serves as the backup heat if power is lost. With this information they calculated the size of the generator required to accommodate the full building with a certain amount of added capacity for any potential facility/electrical load growth.
- **Update:**
 - Engineering design continues following the generator load sizing effort, anticipating completion by the end of the calendar year.
 - We plan to justify a sole-source request toward the Borough's effort to standardize the CAT generator for our generator equipment based on compatibility related to mechanic training and knowledge, diagnostics software, parts, sales and service would be good justification. If approved, we also must meet the Buy American requirements.
 - The construction bidding phase will be released as the design is complete.

Port and Harbor Security System

- Funding for this project is from the Homeland Security State Program in the amount of \$429,000. With the addition of the reported additional \$427,804 funding below, the total funding for this project is \$856,000. No match is required.
- **Update:**
 - A Professional Services Agreement was executed with RESPEC. A design kick-off meeting was held to discuss design concerns, project outcomes, and schedule. RESPEC promptly sent their designing engineer to Wrangell for a two-day field review of all eight port and harbor sites. RESPEC's proposed schedule for completing the design is by the end of the calendar year 2022.
 - The Borough was notified in September of an additional \$427,804 from the State Homeland Security Program FY22 grant allocation for this project. This brings the total grant funding to approximately \$856,000. Award letters are expected by November 1st.

Reservoir Bypass Design

- Funding for this project is provided by the State of Alaska DCCED in the amount of \$615,000.
- A federal congressional appropriation, to be managed by EPA, has been made to the Borough in the amount of \$2,080,000, an amount equal to 80% of the project cost submitted to in April 2021. Although identified for a congressional appropriation, the Borough will be required to submit a formal application, complete with a federal environmental review, as part of the final review and grant award process.

- The project cost estimate received this week projects a \$3,129,000 project compared to the estimated from last year at \$2,600,000. An additional scope of work was added since April 2021, to replace all existing Ductile Iron Pipe (DIP) with HDPE pipe, for an estimated additional expense of \$1,431,000. EPA has confirmed that no additional funding from FY22 would be available for projects that results in higher costs. The Borough is obligated to provide at least a 20% cost share. Based on the current cost estimate, the Borough will need to contribute a total of \$1,049,000 to close the funding gap for the Base Bid scope of work, or a total of \$2,480,000 if considering the Additive Alternate to replace existing DIP.
- **Update:**
 - The design is 95% complete and staff met with the engineers and the State of Alaska, DNR, Dam Safety office to review their comments for further response. In an effort to reduce costs for the Water Treatment Plant project, that project's engineering team, DOWL, have identified an opportunity to include the option for raw water pumping within the Reservoir Bypass project, to accommodate future periods of low water and low flow. The two design teams will cooperate to exchange information for additional design to be included in the reservoir Bypass design.

Water Treatment Plant Improvements

- The engineering design phase of this project has been funded by the Borough, through a variety of funding resources, including ARPA grant, General Fund Reserves, and Water Fund Reserves in the amount of \$1,107,963. An additional \$125,000 was recently approved for the packaged water treatment equipment shop drawings required to complete the design.
- We received the award letter for the State of Alaska Designated Legislative Grant in the amount of \$4,100,000 for this project. Further funding requests will be submitted to both USDA and EDA. EDA will require a nearly 50% match, which has been identified to be provided from the \$4.1M recently awarded for this project through a State of Alaska Designated Legislative Grant.
- DOWL's 35% level design was complete at the end of May, and staff have returned comments. The 35% level cost estimate projected a \$17M construction cost. Costs will be further refined with the 65% level design and cost estimate, which are scheduled to be complete by the first part of November.
- **Update:**
 - The Borough was notified on August 16th that our application to the Denali Commission, requesting \$2,000,000, was not funded.
 - A preselection solicitation for the packaged water treatment equipment was issued on July 27th with a bid opening date of August 31st. EDA requires at least three bids be received; otherwise, they require a second round of competitive advertising. With only one proposal received, we are seeking approval from EDA for consideration of award to the sole proposer, who is also a Canadian company, which requires approval of a non-American company under the Buy American requirement of EDA.
 - The project design team, DOWL, will be in Wrangell the week of October 24th for a 65% plans-in-hand project and site review. There will be a work session prior to the October 25th Assembly meeting where they will present a project overview for the public.

Lift Station Standby Generator at Wood Street

- This project is funded by the remaining funds from the State of Alaska DCCED scheduled to benefit the hospital replacement project.
- The standby generator has been ordered from NC Power Systems who is expecting a Brazil factory release by the beginning of August. The generator is expected in Wrangell around the end of October.
- The Contractor began the foundation work on August 24th and continues to work toward completing the structure and electrical work in advance of the arrival of the generator unit.
- **Update:**
 - The Automatic Transfer Switch isn't expected in Wrangell until January; however, we are adjusting the project work and schedule to accommodate for this material delay while still being able to support the lift station with the installed generator.

High School Fire Alarm System Upgrades

- Funding for this project is from the Community Development Block Grant (CDBG) in the amount \$494,734 (including a recent amendment adding \$35,483) along with a local cash match in the amount of \$118,750 for a total project funding to date of \$613,484.
- **Update:**
 - Construction bidding began on August 24th and bids were opened on October 4th. Four bids were received with Sitka Electric being the low bidder. A request to approve a contract with Sitka Electric is on the Assembly's October 11th agenda.
 - A budget amendment, adding \$62,000 to the project for a 10% contingency is on the Assembly's October 11th agenda.

Recreation Center & Pool HVAC and DDC Upgrades

- Funding for this project is from the Community Development Block Grant – COVID (CDBG-CV) in the amount of \$806,000. There is no match requirement for this specific CDBG-CV grant.
- Due to the short timeframe for the total project, the State/CDBG approved a non-competitive procurement for engineering design and a sole source procurement for the DDC system. Both were approved by the CDBG agency as well as the Borough Assembly.
- **Update:**
 - A design kick-off meeting was held to discuss design concerns, project outcomes, and schedule for the HVAC mechanical components portion of this project. RESPEC promptly sent their designing engineer to Wrangell for a one-day field review of the HVAC system and components. The schedule identified for completing the design, for competitive construction bidding, was the end of August. The engineers are behind schedule but have indicated they are close to being complete.
 - The temperature control upgrades portion of this project is underway under a design-build approach with Meridian Systems.

Swimming Pool Exterior Siding Improvements

- The Borough earmarked \$175,000 of the Lost Revenue Relief Grant funding for this project.
- A minor destructive investigation of the building's exterior wall system was performed to determine if wood frame deterioration has occurred. There was no wood framing deterioration found. The primary need is to replace the siding, a portion of which has deteriorated in the ground level splash zone.
- The Wrangell School District has requested to join in the siding and painting project for cost efficiencies for painting the High School and Middle School, and we are working to develop a joint project.
- **Update:**
 - A fee proposal was received from NorthWind Architects to assist with the level of drawings, details and technical specifications need for a construction

contract / bid document. The cost is high to utilize a consultant to the extent of the original scope reviewed with them; therefore, staff will reassess how to reduce the level of consultant work and perform more of the work in house. This project will now occur in Spring/Summer 2023.

Skeet Range Improvements

- The Borough made a successful application to the ADF&G Hunter Access Grant Program for grant funding for the next phase of the Skeet Range facility improvements, which includes design and construction of an eight-station skeet shooting range with high and low house enclosures, finalizing surface capping of parking area, and procurement of skeet machines for sporting activity. The grant amount awarded is \$159,305, which requires a 10% local match of approximately \$16,000. A budget amendment will be developed to request the match be provided from the General Fund Reserves prior to executing a grant agreement with the State agency.

Locally-Funded Projects

Library Carpet Replacement

- Funding for this project comes from the General Fund, in the amount of \$46,500.
 - Materials are on order and anticipated to arrive Wrangell by the end of September. To ensure all of the flooring materials are in Wrangell prior to project commencement, we plan to schedule the shutdown for the first part of November when the Library Director has also returned from PTO, as it will be critical to ensure staff are present to continue to assist Library patrons even though the facility will not be open for general use. The library is expected to be closed to the public for approximately two weeks.

Heritage Harbor Ramp Apron Concrete Paving

- Funding for this project comes from the General Fund, in the amount of \$47,586.
- **Update:**
 - The project began on August 1. The finished grade exhibited raised areas and water pooling, whereby not all of the water was able to drain to the area catch basin. The contractor put forth a significant effort to correct the raised spots by grinding. To date there is still water pooling that must be corrected. The Contractor will be allowed the time to correct; otherwise, a replacement of the subject area may be required. The boat ramp was reopened on August 19th until the Contractor makes a plan to revisit the problem areas.

Mt Dewey Slope Geotechnical Analysis

- Funding for this project comes from the General Fund, in the amount of \$62,162.
- **Update:**
 - The engineer and drilling company were in Wrangell last week for this work while also in town for the Upper Dam subsurface soil investigations work.

Drilling efforts in the roadway indicate bedrock is shallow, and the rock coring effort will help to characterize the bedrock. A Geometrics Geode seismograph was used to conduct seismic refraction lines at right angles on the slope, which will locate bedrock and, in conjunction with the borings, developing a subsurface profile.

- The soil samples will be tested for characterization.
- Results of the geophysical survey will describe the subsurface conditions encountered and will provide preliminary engineering recommendations for stabilization of the landslide mass. This geo effort does not include final design of any potential recommendations for stabilization methods and additional explorations/engineering may be necessary to complete the final design.

Airport Runway Light Generator & Electrical Connectivity

- Funding for this project is projected to come from the General Fund, in the amount of \$26,500, and be reimbursed by ADOT.
- A budget amendment providing for project funds was approved at the July 26th Assembly meeting agenda, allowing the design engineer to continue to work to address DOT design comments, seek final concurrence and assist in developing the construction bid documents.

Reid Street Sidewalk Replacement

- Funding for this project comes from the Secure Rural Schools Fund, in the amount of \$55,000.
- **Update:**
 - The sidewalk and guardrail were demolished and replaced in kind to correct the separation and sloping that had occurred over the years.
 - This project is now complete. The Borough thanks Johnson Construction for working with us on a successful project.

Diesel Generator #5 Upgrades

- Funding for this project comes from the Light & Power Fund, in the amount of \$150,374.
- The engine overhaul portion of this project was completed in the summer. The Borough thanks MSI for working with us on a successful project.
- The engineering controls upgrades portion of the project is anticipated during Fall/Winter 2022, following arrival of all parts.

12MW Power Plant Upgrades

- Funding for this project comes from the Light & Power Fund, in the amount of \$570,000.
- The three 3MW transformers have been ordered and have an anticipated August 2023 arrival timeframe.

- As we await the transformers, work will move forward to prepare the remainder of the work to provide for the increased power plant capacity (upgrading from a 9MW to a 12MW capacity output plant) in advance of the new transformers' arrival.
- **Update:**
 - EPS has received their contract for the engineering work necessary to accommodate the two new switches to isolate the transformers, preventing faults due to in-rush, and modifying the ring buss.

Upper Dam Stability and Repairs Alternative Analysis

- Funding for this project comes from the Water Fund, in the amount of \$150,212.
- **Update:**
 - The engineer and drilling company were in Wrangell last week for the subsurface soil investigations at the dam.

Meyers Chuck Harbor Replacement

- Funding for this project comes from the Harbor Fund, in the amount of \$275,000 for design.
- A competitive solicitation to procure engineering design is required.
- **Update:**
 - A grant application is being developed for submission to the State of Alaska Harbor Facilities Grant Program., due by August 5th. The required 50% match for this grant was committed by the Borough Assembly on July 11th in the amount of \$1,166,185 from Port and Harbor Reserve Fund.

Loading Dock – Solid Waste Transfer Station Upgrades

- Design for the loading dock is underway with R&M Engineering.
- **Update:**
 - Although the Borough has funded this project in an amount of \$391,499, a grant application was submitted to the Denali Commission requesting funding assistance. The CBW was notified in mid-August of an award in the amount of up to \$250,000 from the Denali Commission for this project. Combined with the local funding allocated for this project, there is \$641,499 available for this project, with a cost estimated at \$440,000 (including tire removal and bathroom expansion).
 - The engineer was in Wrangell last week for a subsequent site review after finalizing survey and to meet with ML&P to discuss options for electrical infrastructure modifications at the site.

Environmental Work Plan for Public Works Yard Site

- An amendment was issued to the engineers' PSA for the further site investigations required by DEC. They are drafting the required work plan in advance of their return to Wrangell for the field work.

Environmental Work Plan (former) Wilcox Automotive

- An amendment was issued to the engineers' PSA for the further site investigations required by DEC. They are drafting the required work plan in advance of their return to Wrangell for the field work.

Environmental Work Plan for Wrangell Medical Center

- An amendment was issued to the engineers' PSA for the further project work required by DEC. The work requires the engineer to be on site. They will perform this work when they return for the other two contaminated sites in-field work, following their work plan development and approval by DEC.

Nolan Center Roof Repairs

- A competitive solicitation requires development.

Garage Asbestos Wallboard Removal

- A competitive solicitation requires development.

Sunset Gardens Cemetery Expansion and Columbarium

- A Professional Services Agreement (PSA) with the engineer has been issued for execution. Survey work is expected to begin in October.
- The new Columbarium is expected to ship out of the factory soon. Its installation will be delayed until the conceptual plan for the Sunset cemetery Expansion project is complete to ensure a wholistic approach to its placement.

Public Safety Building Underground Storage Tank (UST) Replacement and High School Underground Storage Tank (UST) Replacement

- The report from the engineer's site visit was received. We are awaiting their associated fee proposal to perform the design of the necessary work to construct a new, above ground fuel tank and remove the old tank, complete with environmental assessment for adequate tank closure according to DEC requirements.

High School Elevator Modernization

- Having worked through the requirements for the fire alarm system that will be required for the elevator, in conjunction with the new Fire Alarm System Replacement project that is pursuing with CDBG grant funds.
- **Update:**
 - The electrical engineer finalized the basis of design for the design/build project, and we have sent this information to the elevator consultants to review for inclusion in the final competitive solicitation document.

AMI Metering System Replacement

- A competitive solicitation requires development.

Generator Building Rehabilitation

- A Professional Services Agreement (PSA) with the engineer is required.

Lift Station 8 Sewer Pump Station Rehabilitation

- A competitive solicitation requires development.

Evergreen Avenue Roadway and Pedestrian Access Improvements (2018 project managed by DOT)

- Following the recent final closeout of this project by DOT with Federal Highways, of the \$733,303 in matching funds the Borough provided for this project, \$172,030 was returned as unused. Given the match funds were originally provided from the Sales Tax Streets Fund, this funding will be returned to the General Fund.

Community Concerns

Per- and Polyfluoroalkyl Substances (PFAS) Testing in Groundwater

- PFAS are widely used, long lasting chemicals, components of which break down very slowly over time. Because of their widespread use and their persistence in the environment, many PFAS are found in the blood of people and animals all over the world and are present at low levels in a variety of food products and in the environment. PFAS are found in water, air, fish, and soil at locations across the nation and the globe. Scientific studies have shown that exposure to some PFAS in the environment may be linked to harmful health effects in humans and animals.
- Anticipating the \$1 billion in Bipartisan Infrastructure Law grant funding offered to States to address PFAS and other emerging contaminants in drinking water, the Alaska DEC performed testing at all Wrangell sites identified to have drinking water wells.
- Five sites were tested, including the CBW-owned well at 5-mile Zimovia Highway, near Shoemaker Harbor. There were no detections of PFAS or PFOA in Wrangell, and thus further work in the community will not be pursued at this time.

Wrangell mileposts 5.5 and 8.5 on Zimovia Highway – Rockfall Mitigation

The Alaska Department of Transportation and Public Facilities (DOT&PF) is planning a slope stabilization project to serve as mitigation measures to reduce the frequency and severity of rockfalls between mileposts 5.5 and 8.5 on Zimovia Highway in Wrangell, Alaska. They are anticipating delivery of that project in early 2023. The project includes the following activities:

- Reconnaissance surveys
- Vegetation clearing
- Rock scaling
- Rock bolting