

Mayor's Report for May 9, 2022, General Meeting

Our fine city staff continues to make Gustavus a City to make us proud. You have had reports from many of the departments already. My focus the last month has been on funding, developing, and executing infrastructure projects, FY23 operating budget with the City Administrator and Treasurer.

1. City Budget. City Administrator Tom Williams and Treasurer Eduarda Loggins have worked hard to develop an FY23 operating budget that meets my expectations for improving the quality and availability of City services and will enable us to take better advantage of grants for infrastructure improvements to improve living and working conditions in Gustavus. The budget is the financial expression of our operating plan and is the tool that makes it possible. As in every past year, the operating budget is conservatively crafted to assure operating expenses remain well below revenue receipts for the year with fully-funded provisions for future major repairs and maintenance of city facilities and safe margins for unexpected events. The budget balances with a substantial surplus even after conservative estimates of income and expense. Those annual surpluses are the funding source for capital improvements. As our community has grown (48% between 2010 and 2020) our local businesses have been successful, and our sales and bed tax revenues have grown steadily. As an effective and respected local government, we have also been successful in capturing state and federal funding for municipalities. The budget applies our steadily improving financial condition to serving the community better every year. With this trend the city can continue to improve service quality for our existing publicly-approved functions with no need to increase tax rates for the foreseeable future. *And we can do so while maintaining the distinctive character of our community.*

Maintaining and developing productive city staff is key to meeting the expectations of Gustavus residents and being a distinctive community in Alaska. The FY23 operating budget funds staff pay adjustments to reflect cost of living increases and to assure fair and competitive compensation for the demands of the jobs and the skills of the incumbent employees. It also provides for an increase in work hours for administrative staff in City Hall to allow the offices to be open five days a week and to capture grants and execute public works projects made possible by new Federal infrastructure funding. Each year we sock away savings to repair and replacement accounts. This year we also are applying a portion of the flood recovery reimbursement funds received from FEMA to a new budget line for emergency and disaster recovery. That budget line will be available for immediate use in a disaster (such as the December 2020 flood), allowing the city to contract response services without drawing from funds appropriated for routine operations and without needing the council to meet specially to appropriate funds for the emergency. Absent a qualifying emergency the funds will be unspent at year end and will roll over to the same budget line for the next fiscal year.

2. Break up road maintenance has been challenging after a winter of heavy snow. Roads have mostly thawed and by the end of April most snow berms had melted allowing our road contractor to use the motor grader to pull gravel lost during plowing from shoulders back onto the road and to smooth and reshape road crowns. The work is scheduled for dry periods so assure it is sustainable. Thanks to Glacier Bay Construction for continuing excellence in road maintenance services!

3. FEMA flood recovery and mitigation funding. For 16 months, Tom Williams and I have been working through the FEMA application process to recover costs of road repairs due the December 2020 flood. Extensively documented expenses have now been approved for payment and we expect to recover around \$100,000. While doing the repairs and ditch cleaning our contractor restored to better than pre-

disaster state. Now in addition to that recovery funding, FEMA officials have offered us another \$96,000 in mitigation funding to prevent similar flood damage in the future. We are applying that grant to further drainage improvements. We are most grateful for the assistance from FEMA officials and their support for improving our resilience in the face of continuing climate change.

4. Fairweather Road. The properties north of Fairweather Road have been subject to flooding in heavy rains in the last 2-3 years with flooding of a ground-mounted transformer. Fairweather Road's lack of adequate drainage ditches and culverts has been contributing to the flooding. As of the first week of May, our road contractor is excavating a new ditch along the north side of Fairweather Road and installing culverts under driveways where they were missing or undersized. A new culvert will be installed also at the intersection of Fairweather and Jacob to drain water from the south side ditch on Fairweather to Glen's Ditch. This project will greatly reduce area flooding from heavy storms and reduce maintenance needs for Fairweather Road.

5. Large Culvert Riprap at Gravel Pits. Glacier Bay Construction will soon install protective rip rap at the large culvert under Wilson Road where it becomes Rink Creek Road at the Gravel Pits. The project will guard against future washout and loss of the large culvert during flood events, as nearly occurred in the August 2021 river overflow flood. The cost of this work will be covered by a new flood mitigation grant that was offered to us this month by FEMA following the successful flood recovery work since December 2020. Work is pending sufficient drop in the water table and ditch flow at the site.

6. Wilson Road Drainage Improvement. This project is the first step of an overall project to excavate and improve ditches along Wilson Road to capture and carry away flood waters during heavy rain events such as we had in December 2020. The project will replace a damaged, undersized culvert under Wilson Road at Chase Drive with a 24" diameter culvert to carry flood water from the west side of Wilson to the deep ditch on the east side and on to Glen's Ditch. The project will also extend the deep ditch on the east side of Wilson north past the ADF&G cabin and install a culvert under the ADF&G driveway. The intent is to divert any flood water on Wilson Road away from the adjacent subdivisions that were flooded in December 2020. Glacier Bay Construction will proceed to install the culvert at the ADF&G cabin driveway and complete the ditch section north of there after the water table drops sufficiently. Funding will be recovered via the new FEMA mitigation grant.

7. Tong Road drainage and flood recovery. This project to replace two flood-damaged culverts along Tong Road is in the design phase and I expect to have a request for quotation out in April, with funding from the FEMA flood recovery opportunity. We will eventually excavate a ditch along the north side of Tong Road from Mountain View to the Country Inn entrance driveway, which should improve driving conditions and reduce maintenance. An RFQ is in preparation for this project.

8. Same Old Road drainage. Last summer Glacier Bay Construction cleaned and improved a ditch along a section of Same Old Road. That work has helped keep the road dry but a damaged and plugged ancient culvert at the corner between Tim Sunday's and Chuck Bales' residences has blocked flow from reaching the Glens Ditch system. Our road contractor is scheduled this month to install a new culvert to relieve ponding water at the inside of that corner. In a later phase we intend to ditch the east side of that North-South road section and the south side of the East-West running section as far as End of the Trail and install culverts to improve drainage and reduce frequent flooding issues along the road.

9. Stock culvert purchase. In April the City purchased twenty, 18" diameter culverts for use in the above planned drainage projects, some of which will qualify for FEMA reimbursement.

10. Grandpa's Farm Road Bridge. On April 11 the Council awarded to Glacier Bay Construction the project to construct the Grandpa's Farm Road Bridge, replacing the badly perched culvert carrying Harry Hall Creek under the road. I issued the Notice to Proceed to the contractor on April 12, and the bridge package is now under design by the manufacturer, Western Wood Structures in Tualatin, Oregon. The design should be complete in early May for review by the Project engineering consultant, Dowl Engineering, before we issue a second Notice to Proceed for manufacturing and construction of the bridge. Construction is expected to occur in August. This project is 100% funded by US Fish and Wildlife with funds from the Bipartisan Infrastructure Bill.

11. Good River Bridge Repairs. This 1985 timber bridge needs repairs to keep it functional and safe for decades to come. PND Engineers on April 29 completed a site evaluation of specific deficiencies identified previously in an Alaska DOT bridge inspection report. They further evaluated the bridge embankment at the northwest corner of the structure where a stream has been cutting an incised channel next to the embankment. The consultant is generating a report and recommendations for corrective action. This engineering work is funded from our city capital improvement program. Once the report is received, we will identify funding and contract repairs. If substantial work is needed for the embankment/stream problem we may seek an infrastructure grant for the work.

12. Grant Funding for Major Projects. Solstice Alaska Consulting, a grant writing firm, has been contracted to help us apply for major project grants. They are developing applications for several projects:

The first project is our proposal to build a bike trail from the Airport to the Park boundary with a branch down Dock Road to the Dock. Council member Jim Mackovjak assembled a trail project history description and supporting material for the grant writer. Vice Mayor Kyle Bishop is assisting in the grant support effort and plans to coordinate with the NPS for possible funding assistance and connection to Park trails. Jim has contacted Alaska DOT&PF and received written support for development of the trail in the DOT rights-of-way. Jake Ohlson representing the NPS is enthusiastic about the Bike Path project and is looking into ways the NPS can help with it. The team is determining how to structure the request for the overall planning, design, and construction phases.

The second major project is to fund construction of a wave barrier to protect our city-owned float system at the state dock. We are working first with Alaska DOT&PF to develop scope and a cost estimate for the project.

The Heat pumps for City Buildings Project Scoping document has been passed on to the grant writer with a target of applying for a Denali Commission grant in mid-May. The scoping document is before the council for approval this month.

13. Possible parking area improvement for previous Golf Course "Meadow Trails." My scoping document for this project is before the Council for approval in May. The trail head parking would serve walkers using the trails on the DeBoer tract and a trail to the river on the DRC property. It would be a relatively small project, about \$2000, much like those completed in past years at the end of Good River Road and Dickey Drive. We may do the work using road maintenance funds because it is essentially a

driveway and parking for the trail to the harbor on City harbor tract B3, in addition to serving trails on the old Golf Course. I anticipate the short route to the harbor from there will remain a walking path, rather than a motorized vehicle route.

14. Pandemic Measures. Per the decision of the Council to end the mask-wearing requirement for city buildings, masking is now optional. We will monitor public acceptance. Installation of heat-recovery ventilation for City Hall would improve health protection for larger meetings there. I continue to investigate equipment that would be suitable.

15. Internet Service to City Hall. ByteNet has offered the city free internet service for two years for hooking up to their fiber network. We have asked ByteNet to provide a written offer with details and expect they will have that proposal available for Council review in June. It would be a sole source change from HughesNet so I would like the Council to weigh in on the suggestion. ByteNet now serves the library and DRC. Staff at those locations reported to the City Administrator in May that service has been acceptable.

16. City Administrator search committee and position description revision. Our search for a candidate to fill the position of City Administrator with the pending departure of Tom Williams from the position remains open. An interview with one interested applicant is being scheduled for the week of May 9. Tom has graciously offered to remain on hand on a part time basis remotely after his relocation this month to Sitka to assist with continuing projects until a new City Administrator is on board. His continuing help with FEMA grant documentation and other grant applications in the interim will be very helpful to me.

17. Beach Park CRMA. At the April General Meeting the Council approved the Beach Park CRMA proposed Amendment #1 and development plan and authorized the Mayor to sign it on behalf of the City. The document is now in the hands of DNR for further review and approval at the Director's level. I continue to work with the Southeast Division of Lands and Water manager, Ben Stevens, to encourage completion of the process.