

Tuesday, October 27, 2009

MEMORANDUM

To: Sawmill Cove Industrial Park (SCIP) Board of Directors

From: Garry White, Director

Subject: CBS Legislative Priorities FY2011

Introduction

Each year the CBS Assembly submits a list of local projects to the State and Federal Governments for assistance in funding. Attached is a link to the legislative priorities the CBS submitted for the fiscal year 2010.

<http://www.cityofsitka.com/pdf/FY10LegPrior.pdf>

In the past capital requests regarding funding for projects at the SCIP were presented as one (1) priority. Last years request totaled \$16,668,000 for two projects; funding of a bulkhead and dock, and waterfront development for a boat haul out.

Action

The SCIP Board should consider presenting projects differently from years past.

1. Submit only one project, the highest priority for the development of the SCIP.
2. Request to have multiple projects submitted as separate items.
3. Status Quo, submit all projects together under one request.

Potential projects:

1. SCIP Bulkhead and Dock
2. Large Boat Haul Out Infrastructure
3. Other Capital Projects???

FY2011 CBS CAPITAL IMPROVEMENT PROJECTS STATE REQUESTS

Project Title: SAWMILL COVE INDUSTRIAL PARK BULK HEAD DOCK

Total Waterfront Development Project Cost:	\$ 9,844,000
Funding already secured:	\$ 143,000 (HUD Grant—1.5%)
FY2011 State Priority 1 Funding Request:	\$ 6,000,000 (State - 61%)
Other Priority 1 funding requests:	\$ 3,000,000 (Federal—30.5%)
	\$ 701,000 (CBS Match—7%)

The City and Borough of Sitka took over the former Alaska Pulp Corporation mill site in 1999. Over \$10,000,000 of Federal, State and CBS funds, uplands utilities and system upgrades are complete. The State contributed \$1 million toward the raw water line, and the Wastewater Outfall Project is also completed. The Industrial Park is operational, with tenants including Cove Partners, Theobroma Chocolate Company, Baranof Frozen Foods, and Silver Bay Seafoods, which processed over 25 million pounds of fish in 2009 and invested nearly \$10 million in facility upgrades and equipment. In 2009, the seafood processors had 175 seasonal employees. A 150-person dormitory is operational; a second is planned.

The 2002 Sawmill Cove Industrial Park Waterfront Plan details the improvements that must be completed to permit deep water port use of the Industrial Park. The existing docks and waterfront facilities are too old and unsafe for use and must be removed and new pilings, sheet pile bulkheads, dredging and shoreline protection, and other improvements must be completed.

The highest priority Waterfront Development Project is the Sawmill Cove Bulkhead Dock Completion – total cost \$9,844,000. CBS requests \$6,000,000 State funds; \$3,000,000 Federal funds and \$701,000 CBS match. This multi-purpose dock facility, a sheet pile bulkhead cargo and freight dock, will be located in the center of the Industrial Park waterfront (Lot 9). **Phase 1 includes a 120 linear foot rock-filled sheet pile bulkhead dock, fender system, and uplands improvements to allow freight to come over the dock for \$5,119,000.** It will allow CBS to utilize this bulkhead dock to assist with the proposed Blue Lake Dam Expansion. The Sawmill Cove Industrial Park will be the ideal location to accept and stage materials for the expansion project. Currently there is no docking facility at the industrial park to accommodate the future need to deliver freight and rock for the Blue Lake Dam expansion. **Phase 2 includes 8 breasting/mooring dolphins and 900 linear feet of catwalks to allow bulk water tankers and larger vessels to utilize the dock for \$4,725,000.** The completion of this intermodal dock will permit the \$1.94 million Federal Transit Administration FY2004 earmark to be used to pave the uplands to accommodate public bus service.

The Waterfront Development Project at Sawmill Cove Park is the key to enabling Sitka to develop an economically viable deep water port intermodal facility.

FY2011 CBS CAPITAL IMPROVEMENT PROJECTS STATE REQUESTS

Project Title: SAWMILL COVE INDUSTRIAL PARK LARGE VESSEL HAUL OUT

Total Waterfront Development Project Cost:	\$ 5,000,000
FY2011 State Priority 1 Funding Request:	\$ 2,000,000 (State – 40%)
Other Priority 1 funding requests:	\$ 3,000,000 (Federal—60%)

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The Sitka Marine Services Survey conducted in October of 2007 suggests that a large vessel haul out facility is needed to service the existing fleet.

This project is to install a 600 ton Syncrolift. Funding of \$5,000,000 is needed to purchase and install the marine elevator, which would capabilities to handle vessels up a 600 ton capacity and a 40' beam.

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