



VII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

VIII. ADJOURNMENT

**Disabled persons needing reasonable accommodation in order to participate at an Assembly meeting should contact the Borough ADA Coordinator at 861-8432 at least one week in advance of the meeting.**

**SUBJECT:** APPROPRIATE \$870,000 FROM AREAWIDE FUND 100, MAJOR REPAIR AND RENOVATIONS RESERVE TO FUND 450, FOR M/V SUSITNA FERRY ENGINE REPAIRS, PROJECT NO. 70013, APPROVE THE SCOPE OF WORK AND BUDGET FOR THE ENGINE REPAIRS, AND RE-APPROPRIATE THE \$870,000 BACK TO THE AREAWIDE FUND 100, MAJOR REPAIR AND RENOVATIONS RESERVE ONCE THE INSURANCE SETTLEMENT FUNDS ARE RECEIVED.

**AGENDA OF: November 19, 2015**

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** \_\_\_\_\_

Route To:	Department/Individual	Initials	Remarks
	Originator: J. Moosey	<i>[Signature]</i>	
	Finance Director	<i>[Signature]</i>	
	Borough Attorney	<i>[Signature]</i>	
	Borough Clerk	<i>[Signature]</i>	11/13/15 <i>[Signature]</i>

**ATTACHMENT (S):** Fiscal Note: YES  X  NO \_\_\_\_\_  
 Ordinance Serial No. 15-148 (3 pp)  
 Resolution Serial No. 15-105 (2 pp)

**SUMMARY STATEMENT:**  
 This legislation is to appropriate \$870,000 from fund 100, Areawide Major Repair and Renovations Reserve. The \$870,000 will be appropriated to fund 450, for M/V Susitna engine repairs, Project No. 70013, and authorize reimbursement to fund 100, Areawide Major Repair and Renovations Reserve once the insurance settlement funds are received.

This legislation is also to approve the scope of work and budget for the engine repairs, combining the \$870,000 from the Areawide Major Repair and Renovations Reserve, with the \$250,000 deposit from the Philippine Red Cross, for a total repair cost of \$1,120,000.

In January 2015, as a result of an extreme rain event in Ketchikan, the engine and turbo chargers of the M/V Susitna suffered significant damage when water entered through the exhaust towers. On September 10, 2015 an offer to purchase the M/V Susitna was accepted by the Borough Manager from the Philippine Red Cross with a refundable \$250,000 down payment stipulating the repairs be completed by March 31, 2016. Insurance will pay repair costs above the \$250,000 deductible.

**RECOMMENDATION OF ADMINISTRATION:**

Approve the appropriation of \$870,000 from Fund 100, Areawide Major Repair and Renovations Reserve to Fund 450, for M/V Susitna engine repairs, Project No. 70013, approve the scope of work and budget for the engine repairs combining the \$870,000 from the Areawide Major Repair and Renovations Reserve with the \$250,000 purchase deposit from the Philippine Red Cross, for a total repair cost of \$1,120,000, and authorize reimbursement to Fund 100, Areawide Major Repair and Renovations Reserve from the insurance settlement funds when received.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: November 19, 2015

SUBJECT: APPROPRIATE \$870,000 FROM AREAWIDE FUND 100, MAJOR REPAIR AND RENOVATIONS RESERVE TO FUND 450, FOR M/V SUSITNA FERRY ENGINE REPAIRS, PROJECT NO. 70013.

ORIGINATOR: Mary Miller, Department Administrative Specialist, Administration Department

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED <u>\$1,120,000</u>	FUNDING SOURCE <u>AW Fund / Phillipine Red Cross Dep</u>
FROM ACCOUNT # <u>100.000000.4xx.4xx</u>	PROJECT # <u>70013</u>
TO ACCOUNT: <u>450.000000.4xx.4xx</u>	PROJECT #
VERIFIED BY: <u>Baiba Saunquah</u>	CERTIFIED BY:
DATE: <u>11/13/15</u>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL			<u>1120</u>			
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REVENUE						
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FUNDING: (Thousands of Dollars)

General Fund			<u>870</u>			
State/Federal Funds						
Other			<u>250</u>			
TOTAL			<u>1120</u>			

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_  
 DEPARTMENT: Chapman \_\_\_\_\_ DATE: \_\_\_\_\_  
 APPROVED BY: [Signature] \_\_\_\_\_ DATE: 11/13/15

NON-CODE ORDINANCE

Sponsored By: Borough Manager  
Introduced: November 19, 2015  
Public Hearing:  
Adopted:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-148**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROPRIATING \$870,000 FROM AREAWIDE FUND 100, MAJOR REPAIR AND RENOVATIONS RESERVE TO FUND 450, FOR M/V SUSITNA FERRY ENGINE REPAIRS, PROJECT NO. 70013, AND RE-APPROPRIATING THE \$870,000 BACK TO THE AREAWIDE FUND 100, MAJOR REPAIR AND RENOVATIONS RESERVE ONCE THE INSURANCE SETTLEMENT FUNDS ARE RECEIVED.

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WHEREAS, in January 2015, as a result of an extreme rain event in Ketchikan, the M/V Susitna engines and turbo chargers suffered significant damage when water entered through the exhaust towers; and

WHEREAS, on September 10, 2015, an offer to purchase the M/V Susitna by the Philippine Red Cross for \$1,750,000 was accepted by the Borough Manager by executing a formal Purchase and Sale Agreement; and

WHEREAS, the Matanuska-Susitna Borough received a \$250,000 deposit from the Philippine Red Cross as down payment on the sale of the ferry vessel, M/V Susitna; and

WHEREAS, the deposit must be refunded, after March 31, 2016, if all federal agency approvals are not obtained or if repairs have not been completed; and

WHEREAS, funding is needed to affect the repairs totaling \$1,120,000; and

WHEREAS, there is money available in Fund 100 Areawide Major Repair and Renovations Reserve; and

WHEREAS, upon appropriation, \$870,000 from Fund 100 Areawide Major Repair and Renovations Reserve will be transferred to Fund 450, for M/V Susitna Ferry Engine Repairs, Project No. 70013; and

WHEREAS, the \$870,000 combined with the \$250,000 purchase deposit from the Philippine Red Cross will total the \$1,120,000 needed to facilitate the engine repairs; and

WHEREAS, the M/V Susitna is insured with a \$250,000 deductible and once the insurance settlement funds are received \$870,000 will be re-appropriated back to Areawide Fund 100 Major Repair and Renovations Reserve.

BE IT ENACTED:

Section 1. Classification. This Ordinance is a non-code ordinance.

Section 2. Appropriation Source. There is hereby appropriated by the Assembly \$870,000 from Areawide Fund 100 Major Repair and Renovations Reserve to Fund 450, for M/V Susitna Ferry Engine Repairs, Project No. 70013, for engine repairs of the M/V Susitna.

Section 3. Re-Appropriation Source. Upon receipt of insurance settlement funds, there is hereby re-appropriated by

the Assembly \$870,000 from Fund 450 to the Major Repair and Renovations Reserve, Fund 100.

Section 4. Effective Date. This ordinance shall take effect upon adoption.

ADOPTED by the Matanuska-Susitna Borough Assembly this \_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
VERN HALTER, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 15-105**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING THE SCOPE OF WORK AND BUDGET FOR THE M/V SUSITNA FERRY ENGINE REPAIRS, PROJECT NO. 70013.

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WHEREAS, in January 2015, as a result of an extreme rain event in Ketchikan, the M/V Susitna engines and turbo chargers suffered significant damage when water entered through the exhaust towers; and

WHEREAS, funding is needed to affect the repairs totaling \$1,120,000; and

WHEREAS, the Matanuska-Susitna Borough received a \$250,000 deposit from the Philippine Red Cross as down payment on the sale of the ferry vessel, M/V Susitna; and

WHEREAS, upon appropriation, \$870,000 from Fund 100 Areawide Major Repair and Renovations Reserve will be transferred to Fund 450, for M/V Susitna Ferry Engine Repairs, Project No. 70013; and

WHEREAS, the \$870,000 combined with the \$250,000 purchase deposit from the Philippine Red Cross will total the \$1,120,000 needed to facilitate the engine repairs.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Assembly approves the scope of work for the M/V Susitna Ferry Engine Repairs, Project No. 70013.

**SCOPE OF WORK**

Repair the M/V Susitna ferry using funds identified in Ordinance Serial No. 15-148.

**BUDGET**

Project No. 70013  
M/V Susitna Ferry  
Engine Repairs

Deposit from Philippines Red Cross	\$250,000
Major Repair and Renovations Reserve, Fund 100	<u>\$870,000</u>
TOTAL	\$1,120,000

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

\_\_\_\_\_  
VERN HALTER, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)