

Agency: Commerce, Community and Economic Development
Grants to Unincorporated Communities (AS 37.05.317)

Grant Recipient: Talkeetna

Federal Tax ID: 92-0030816

Project Title:

Project Type: Other

Talkeetna - Recondition and Repair Gravel Roads - RSA 29

State Funding Requested: \$30,000

House District: Mat-Su Areawide (7-11)

Future Funding May Be Requested

Brief Project Description:

This grant request is being submitted by the Greater Talkeetna Road Service Area (RSA 29) Board of Supervisors. The funds would go to RSA 29 through the Mat-Su Borough. Money would be spent on reconditioning and repairing gravel roads within RSA 29. Recondition means restoring roads to much improved condition to prevent further deterioration. Repair means fixing bad spots like mudholes, bad drainage, etc.

Funding Plan:

Total Project Cost:	\$30,000
Funding Already Secured:	(\$0)
FY2015 State Funding Request:	<u>(\$30,000)</u>
Project Deficit:	\$0

Funding Details:

The past several years RSA 29 has received a state grant, normally for \$30,000, to be spent on the upgrade, reconditioning, and repair of gravel roads. The RSA road maintenance and repair is also funded by the Road Service Area taxpayer. The Mat-Su Borough collects the taxes, administers the grant, and disburses funds directly to the road contractor.

Detailed Project Description and Justification:

Typically, in the past, our RSA 29, with the help of the annual \$30,000 state grant (which had been provided to most of the RSA's in the Mat-Su Borough) we have had funding available to fund:

1. MAINTENANCE CONTRACT with D&S Road Services to perform regular maintenance such as grading and snowplowing,
2. OPTIONAL MAINTENANCE, to fix unexpected problems such as failed culverts and urgent road repairs,
3. CAPITAL IMPROVEMENT PROJECTS, for such things as the purchase and application of calcium chloride for dust control on gravel roads, recondition gravel roads through use of the rock crusher operation, and repair and upgrade of bad spots on certified roads.

Our Board has recently submitted its 2014 CIP list to the Borough. Funds available from Road Service Area taxes (after deducting such things as the maintenance contract) is a mere \$491. Last year's available funding (2013 CIP) was only \$7,900. This compares to a historical average of between \$30,000 and \$35,000 available from RSA taxes for our CIP.

Our Board did not receive a state grant last year, which we would have used to fund part of our 2014 CIP.

Consequently, we have been hit with a double whammy... drastically reduced funding available from the RSA taxpayer (through the Borough) and no state grant.

As a result, in order to keep our road infrastructure in reasonable condition and provide for the public safety and convenience, we have dipped significantly into our Fund Balance reserve account. Going into this budget season, our Fund Balance reserve account was approximately \$143,800. In order to fund our 2014 CIP, our RSA 29 Board needed to invade our Fund Balance reserve in the amount of \$60,000. This is in addition to a \$20,000 transfer from Fund Balance reserve to OPTIONAL MAINTENANCE in anticipation of unexpected problems such as failed culverts. Our Fund Balance reserve is now approximately \$63,800. This is not a sustainable method of financing.

We have a relatively small tax base, and \$30,000 means a lot to our ability to keep our roads in good and safe driving condition and to prevent deterioration of our infrastructure.

The Talkeetna Community Council has written a letter of support, which is attached to this grant request.

Project Timeline:

These funds will enter the RSA/Mat-Su Borough budget process as our RSA 29 determines its priorities in October 2014 and will spent during the 2015 construction season.

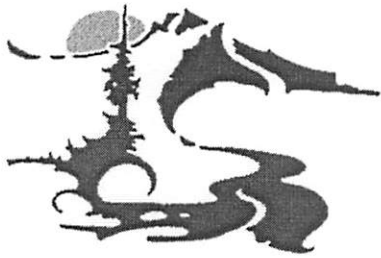
Entity Responsible for the Ongoing Operation and Maintenance of this Project:

RSA 29 taxpayer through the Mat-Su Borough

Grant Recipient Contact Information:

Name: Mike Lachelt for Talkeetna RSA 29
 Title: MSB Road Superintendent
 Address: 350 E. Dahlia Ave.
 Palmer, Alaska 99645
 Phone Number: (907)745-9823
 Email: mike.lachelt@matsugov.us

Has this project been through a public review process at the local level and is it a community priority? Yes No



Talkeetna Community Council, Inc.

A non-profit, community service organization

December 10, 2013

Attn: Representative Keller and Senator Dunleavy:

The Talkeetna Community Council would like to express its strong support for a \$30,000 state grant requested by the Greater Talkeetna Road Service Area Board of Supervisors (RSA29), for the purpose of repairing and reconditioning gravel roads. Most of our roads are gravel, and require ongoing work.

We discussed this issue at length during our most recent community council meeting on December 2nd. Our board voted unanimously to seek additional funds for our road service area that has seen an enormous decrease in funding for vital projects over the last three years.

Our Road Service Area has received similar grants in the past, which have proven essential to keeping our gravel roads in maintainable and in reasonable driving condition.

On a veritable shoestring budget, our RSA Board of Supervisors has been tireless in their effort fixing poor sections of road and providing for public safety and access. This is a testament to their ability to operate under efficiencies, prioritize, and make tough decisions.

Now we find that reduced funding from the Mat-Su Borough and elimination of the state grant last year has put the RSA in a bind.

We hope that you will work to obtain this funding for our community. Thank you for your service on our behalf.

Sincerely,

A. Melis Coady
Vice-Chair, Talkeetna Community Council, Inc.

P.S. This letter supersedes any earlier drafts or versions.

*Talkeetna Community Council, Inc.
P.O. Box 608, Talkeetna AK 99676*