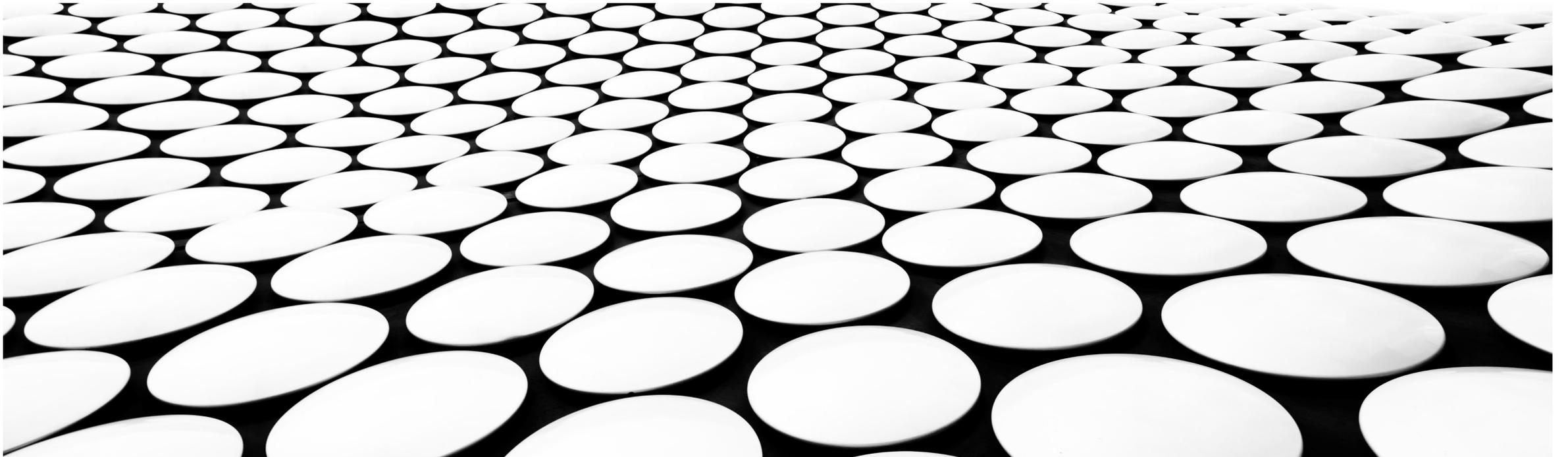


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# BULK FUEL FACILITY/DISPENSING TANKAGE UPGRADE PROJECT

PUBLIC HEARING



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# PUBLIC HEARING & PRESENTATION AGENDA

1. Community Development Block Grant
  - Program Overview
  - Proposed Project
2. Public Comments
3. Council Comments
4. Resolution (Authority to Participate)
  - Public Approval
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# COMMUNITY DEVELOPMENT BLOCK GRANT ("CDBG")

## PROGRAM OVERVIEW

- Federal program funded by the U.S. Dept. of Housing and Urban Development (HUD)
- For the 2022 funding cycle, the State of Alaska will have approximately \$2.5 million to distribute statewide
- Who can apply? Incorporated Cities & Boroughs
- Competitive process that will fund approximately 5 to 7 applications
- Maximum Grant Amount is \$850,000
- Application is due December 2, 2022. Awards will be made in spring of 2023.

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# NATIONAL AND STATE OBJECTIVES

## National Objectives:

- **Benefit Low and Moderate Income people**
- **Prevent slums and blighted areas (inner city)**
- **Address urgent community development needs**

## State's Priorities:

- **Health and safety issues**
- **Address public facility problems**
- **Combine and coordinate funds**
- **Benefit Low and Moderate Income persons**

# FUNDING CATEGORIES

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1. COMMUNITY DEVELOPMENT
  2. PLANNING
  3. SPECIAL ECONOMIC DEVELOPMENT
-

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# COMMUNITY DEVELOPMENT CATEGORY

Funds can be used for the acquisition, construction, reconstruction of public facilities and improvements, such as:

- health clinics
- daycare centers
- shelters for the homeless
- water and sewer systems
- solid waste disposal facilities
- community centers
- docks and harbors
- electrical distribution lines
- fuel and gas distribution systems
- transportation improvements
- removal of architectural barriers
- acquisition or disposition of real property
- design and engineering plans
- fire protection facilities and equipment

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# PLANNING CATEGORY

**Funds can be used for :**

- **Conduct studies**
- **Collect data**
- **Marketing and feasibility studies**
- **Comprehensive land use plans or erosion control plans**
- **Community economic development plans**
- **Capital improvement plans**
- **Updates to any of the above**

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# **SPECIAL ECONOMIC DEVELOPMENT CATEGORY**

**Grantee must create jobs, and 51% of the jobs must be filled by Low and Moderate Income (LMI) persons.**

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## **INELIGIBLE PROJECTS**

- 
- ∅ Heavy Equipment**
  - ∅ Government Buildings**
  - ∅ Regular Government Operations**
  - ∅ Maintenance and Operation**
  - ∅ Political Activities**

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# CDBG PROGRAM REQUIREMENTS

- ✓ One application per eligible applicant
- ✓ Single-purpose project
- ✓ Completed project must provide public benefit
- ✓ Project is ready to go
- ✓ Match funding in place
- ✓ Public Hearing & Citizen Participation
- ✓ Cost Reimbursable
- ✓ Administrative cost limit
- ✓ Building standards
- ✓ Operation & Maintenance budget
- ✓ Site Control
- ✓ Design & Engineering
- ✓ Federal Requirements such as:
  - Environmental Review
  - Federal labor standards
  - Davis-Bacon wages for contracted labor

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**CITY OF SAINT PAUL**

**Proposed  
CDBG  
Project**

# Bulk Fuel Facility/Dispensing Tankage Upgrade



## DEFICIENCIES OF EXISTING SYSTEMS

Existing operations and equipment **does not meet current recommended standards** with:

- ∅ explosion proof transfer pumps,
- ∅ hard piped transfer piping,
- ∅ overfill protection at tanks interconnected to pumps, or
- ∅ double wall UL listed tanks.





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## DEFICIENCIES OF EXISTING SYSTEMS

Many existing components **are 20-30+ years old** and **at or near end of life** exhibiting:

- ∅ significant wear and tear,
- ∅ limited remaining longevity,
- ∅ increasing difficulty to procure replacement parts, and
- ∅ inferior performance, safety and compliance compared to modern new equipment.



Upgrades are recommended to reduce the risk of spill during transfer of gasoline through existing flexible piping and single wall tankage.

The addition of overfill alarms and lock out valves should be included to limit risk of spill during transfer operations and meet current regulatory requirements.



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# RECOMMENDED UPGRADES

Install

a prefabricated gasoline header assembly at the truck rack to include gasoline transfer pump, filtering, meter, and valves.

Install

new rigid piping from the gasoline header to bulk fuel tank 4, and installation of new rigid piping from the gasoline header to the new gasoline dispensing tank.

Install

control wiring between the gasoline header and the bulk fuel and dispensing tank level controls. Install new emergency stop system for gasoline tank and transfer pump.

# RECOMMENDED UPGRADES CON'T...

Install

new diesel pipe manifold to include existing truck rack, diesel plant fill, and new dispensing station fill line. Install new rigid piping from truck rack manifold to diesel dispensing tank.

Install

control wiring between the bulk fuel office and the dispensing tank level controls. Tie into existing bulk fuel emergency stop system.

Replace

existing 3,000-gallon single wall tanks with new 3,000-gallon UL-rated double wall tanks.

Install

electronic meters and controls to replace paper hand tickets.

# PROJECT BENEFITS

Replaces existing gasoline flexible hoses that are disconnected and reconfigured depending on operation that are prone to spills.

Provides automatic valve closure and pump disable before tanks are overfilled.

Allows for use of existing diked enclosure for gasoline transfer operations.

Replaces tanker truck fill of diesel dispensing with rigid piping.

Replaces existing unrated tankage at dispensing station with rated tanks.

Automates inventory and sales to reduce operational costs and errors.

# PROPOSED PROJECT IS READY TO GO

## PERMITS & DESIGN BASIS

- Existing fire marshal permit for construction is in place
- Installation to meet current adopted 2012 International Fire Code, and AEA/SOA Fire Protection November 19, 2018 Memorandum of Agreement on rural dispensing stations

## COST ESTIMATES

- Prior bids received for the project in 2020 were for around \$770,000
- Increases in material, labor and travel costs would put the project closer to \$1,200,000 as of this report
- City required to provide 25% in-kind match and difference of \$350,000

# ALTERNATIVES CONSIDERED

*There are limited options for alternate installations that meet current regulatory requirements.*

- The piping alignments selected are minimum lengths to get to dispensing station. Only alternate would be to move the dispensing station to east side of tank farm which would require additional site work for limited gain.
- Replacement of the dispensing station has been placed on hold as is not a regulatory requirement and is currently operational and maintenance is limited.
- Alternate to recoat existing tanks was reviewed and is fairly expensive and still have single wall tanks when complete.
- Existing dispensing pumps will remain in existing tanks and piping to dispensing station would be removed prior to contractor starting work. Pumps and piping would be reinstalled after contractor completes project to put dispensing station back into service.

# OTHER CAPITAL IMPROVEMENT PROJECTS CONSIDERED FOR CDBG FUNDING

## COMMUNITY DEVELOPMENT

### CATEGORY

- **Upgrades to Harbor water, sewer, and electrical utilities** – City was awarded a grant from EDA for this in September 2022.
- **Improvements and expansion of City North Dock** – City submitted a grant proposal to USDOT for this in September 2022.

## PLANNING CATEGORY

- **Updating the SPI Community Economic Development Plan** – The Tribal Government is leading this effort.
- **Updating the City's Capital Improvement Plan** – A software program was purchased to complete this and is expected to be presented to Council in the upcoming months.

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**CITY OF SAINT PAUL**  
ALASKA

**RESOLUTION 22-18**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAINT PAUL AUTHORIZING THE CITY TO APPLY FOR THE FY22 STATE OF ALASKA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, AND PROVIDE FOR REQUIRED MATCHING FUNDS**

**WHEREAS**, the Alaska Department of Commerce, Community, and Economic Development (hereinafter “Department”), is accepting applications for the FFY22 Community Development Block Grant Program; and,

**WHEREAS**, the City of Saint Paul, Alaska (hereinafter “City”) desires to participate in this grant program to the greatest extent possible as a means of providing necessary upgrades to the bulk fuel tank farm and dispensing station; and,

**WHEREAS**, the City council, staff, stakeholders, and community partners have identified bulk fuel tank farm and dispensing station improvements as a high priority in need; and,

**WHEREAS**, the proposed project components will:

- Replace existing dispensing station day tanks with new fire rated assemblies,
- Install diesel/gasoline transfer headers and gasoline transfer pump at the truck rack to transfer gas and diesel from bulk tanks to dispensing day tanks,
- Install overfill protection alarms and controls for dispensing day tanks for safety,
- Upgrade power to the truck rack, and
- Install electronic meters and controls to replace paper hand tickets.

**WHEREAS**, these improvements will increase the safety, efficiency, and reliability of the city’s bulk fuel system and services to the residents of Saint Paul Island; and

**WHEREAS**, the proposed project is estimated to cost \$1,200,000; and,

**WHEREAS**, the City may provide the required 25% match through in-kind rather than cash, should the grant be awarded; and,

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*Thank You!*

