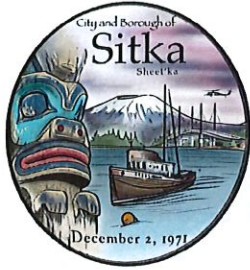


## **POSSIBLE MOTION**

**I MOVE TO** approve Resolution 2023-07 on first and final reading authorizing the Municipal Administrator to apply for and execute a grant with the US Department of Transportation (USDOT) Federal Highway Administration (FHWA) for \$606,000 to support the Wachusetts Storm Sewer Rehabilitation Project.



# CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**Thru:** John Leach, Municipal Administrator *M. Kelly*

**From:** Michael Harmon, P.E., Public Works Director *MA*

**Date:** February 4, 2023

**Subject:** Pursuit of Grant Funding for the Wachusetts Street Storm Sewer Rehabilitation Project – US Department of Transportation Federal Highway Administration Notice of Funding Opportunity for Fiscal Year 2022 National Culvert Removal, Replacement, and Restoration Grant Program (Culvert AOP Program)

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### Background

Peterson Creek is a first order stream originating on Gavan Hill above Sitka. The headwaters of Peterson Creek are largely pristine, with the lower portions of the watershed flowing through urbanized areas and terminate in Sitka Sound north of Sitka Harbor. Peterson Creek supports approximately 1.93 km of anadromous fish habitat and supports populations of coho and pink salmon and Dolly Varden char.

The purpose of this project is to remove the two existing 48" CMP culverts carrying Peterson Creek under Wachusetts Street and to replace them with a stream simulation design structure to restore fish passage and natural channel function. The existing crossing is undersized, structurally failing and acts as a partial to complete barrier to passage of salmon. The culvert blocks or impedes fish access to over half of the stream length of fish spawning and rearing habitat. The new culvert will accommodate a self-sustaining planform for the creek under the road-stream crossing and will better handle seasonal floods, lowering CBS maintenance efforts. Substrate in the culvert will be designed to mimic the natural bed and designed to the 100-year peak flow, and the aluminum structure will have an anticipated service life of greater than 50 years.

The design is currently at the 95% design level and actively moving forward. Bidding is anticipated in November 2023 and construction summer of 2024 funding dependent.

### Analysis

This project will remediate a high priority, 'red' rated fish passage barrier culvert on Peterson Creek with a stream simulation culvert design ready for construction in 2024.

'Red' is ADF&G's second most severe rating a crossing can have and indicates the crossing is assumed to be inadequate for juvenile fish passage. Culverts at the Wachusetts Street crossing block or impede fish access to over half of the stream length of fish spawning and rearing habitat.

The project is the sister project to Peterson Storm Sewer Rehabilitation project that was completed last year. Completing the replacement of the Wachusetts culvert will open a total of 1.2 km of stream habitat for coho and pink salmon, and Dolly Varden char and decrease City and Borough of Sitka (CBS) maintenance efforts associated with the existing failing culvert.

Similar to its sister project on Peterson Street, this project has the support from and partnership with the US Fish and Wildlife Service (USFWS). USFWS assisted in grant application and acquisition with Peterson Storm Sewer Rehabilitation and continues to assist CBS in obtaining grant funding for Wachusetts Street Storm Sewer Rehabilitation.

CBS has been actively seeking Grant funding to augment working capital currently available for the construction of the Wachusetts Street culvert replacement.

CBS put forth a resolution to the Sitka Assembly to apply for a \$50,000 grant from the National Fish Habitat Action Plan, administered through the Southeast Alaska Fish Habitat Partnership (SEAKFHP), to support the Wachusetts Storm Sewer Rehabilitation project. The Sitka Assembly approved the resolution (RES 22-05) at the February 8th, 2022 regular meeting authorizing CBS to apply for the grant. Unfortunately, this funding was not awarded to the project. The proposal CBS, in partnership with USFWS, put together was received very well and scored as their top project. However, after consensus from the Steering Committee, given the unusual abundance of other Infrastructure Bill related funding out there, it was deemed that the NFHAP funding (which is extremely flexible for funding things like monitoring, assessments, AWC mapping, etc.) would be better spent on non-infrastructure projects this year.

CBS put forth a resolution to the Sitka Assembly to apply for an additional grant through the USFWS National Fish Passage Program (NFPP) for \$100,000. The Sitka Assembly approved the resolution (RES 22-10) at the April 12th, 2022 regular meeting authorizing CBS to apply for the grant. Unfortunately, this funding was not awarded to the project. Similar to the SEAKFHP grant, this project scored high. However, USFWS plans to submit this project as their #1 project in Southeast for USFWS Infrastructure Bill money and thought using the NFPP funding would be duplicative.

CBS put forth a resolution to the Sitka Assembly to apply for an additional grant through the Alaska Sustainable Salmon Fund (AKSSF). The Sitka Assembly approved the resolution (RES 22-09) at the April 12th, 2022 regular meeting authorizing CBS to apply for the grant. The project was awarded \$200,000 in AKSSF grant funding; a 35% or \$70,000 CBS match is tied to this award.

CBS put a resolution to the Sitka Assembly to apply for an additional grant through the National Oceanic and Atmospheric Administration (NOAA) Restoring Fish Passage through Barrier Removal Notice of Funding Opportunity. The Sitka Assembly approved the resolution (RES 2022-25) at the September 13<sup>th</sup>, 2022 regular meeting authorizing CBS to apply for the grant. CBS, in partnership with USFWS, applied for the grant.

Unfortunately, CBS was notified in December that this project did not receive grant funding.

CBS is seeking to apply for a grant through US Department of Transportation (USDOT) Federal Highway Administration (FHWA) for \$606,000. The application window is expected to open early this year. Funding is required to be used within 5 years and will require quarterly financial and performance reporting. CBS anticipates the Wachusett Storm Sewer Rehabilitation project will be constructed and completed in summer of 2024 which is within the grant spending window and provides flexibility in case construction is delayed one year.

CBS continues to actively seek grant opportunities to supplement current funding. The Assembly will see additional resolutions to apply for additional grants as they are identified.

### **Fiscal Note**

The Wachusett project currently has ~\$424,000 in unencumbered General funds and AKSSF grant funding; ~\$224,000 and \$200,000, respectively. The AKSSF fund requires a 35% match equating to \$70,000. Accounting for the required match for the AKSSF grant, \$154,000 of General Funds could be used as match for the USDOT FHWA grant. We propose using \$121,200 as match for this grant which equates to \$606,000 in prospective grant funding.

The below table summarizes the anticipated funding for this project.

Source	Secured	Needed
General Fund	\$ 224,000 <sup>1</sup>	\$ TBD <sup>2</sup>
AKSSF Grant	\$ 200,000	
USDOT FHWA Grant		\$606,000 <sup>3</sup>
Future Grants		\$ TBD
<b>TOTAL</b>	<b>\$ 424,000</b>	<b>\$ 606,000</b>
<b>COMBINED TOTAL</b>	<b>\$ 1,030,000</b>	
<b>EXPECTED COSTS</b>	<b>\$ 1,600,000 <sup>4</sup></b>	

<sup>1</sup> Existing General funds.

<sup>2</sup> Additional capital funding needed if any. Capital funding, if any, will be requested in the FY24 budget.

<sup>3</sup> The subject of this memo.

<sup>4</sup> Project Manager's ROM estimate of Total Project Cost.

Obtaining this grant funding would minimize the amount of additional working capital needed.

### **Recommendation**

Approve this resolution authorizing the CBS Municipal Administrator to apply for and execute a grant with the USDOT FHWA for \$606,000 to support the Wachusett Storm Sewer Rehabilitation project.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2023-07

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA (CBS) AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO APPLY FOR AND EXECUTE A GRANT WITH THE US DEPARTMENT OF TRANSPORTATION (USDOT) FEDERAL HIGHWAY ADMINISTRATION (FHWA) FOR \$606,000 TO SUPPORT THE WACHUSETTS STORM SEWER REHABILITATION PROJECT

WHEREAS, the CBS-owned culverts conveying Peterson Creek under Wachusetts Street are badly corroded; and

WHEREAS, the culverts blocks or impedes fish access to over half of the stream length of fish spawning and rearing habitat; and

WHEREAS, the USDOT FHWA is soliciting applications for projects to restore fish passage by removing barriers in Southeast Alaska; and

WHEREAS, the proposed culvert is being designed to improve the fish-passage characteristics of the existing, failing Wachusetts Street culvert.

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka to authorize the CBS Municipal Administrator to apply for and execute a grant with the USDOT FHWA for \$606,000 to support the Wachusetts Storm Sewer Rehabilitation Project with 20% match from CBS General Funds.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 28th day of February, 2023.

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Steven Eisenbiesz, Mayor

ATTEST:

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Sara Peterson, MMC  
Municipal Clerk

1<sup>st</sup> and final reading: 2/28/2023

Sponsor: Administrator