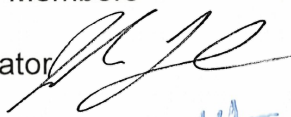



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

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

Date: August 29, 2022

Subject: Pursuit of Grant Funding for the Wachusetts Street Storm Sewer Rehabilitation Project – National Oceanic and Atmospheric Administration (NOAA) Restoring Fish Passage through Barrier Removal Notice of Funding Opportunity

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.

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

Wachusett 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 Wachusett 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.

This project has the support from and partnership with the US Fish and Wildlife Service (USFWS) in assisting with grant application and acquisition to augment working capital currently available for the construction of the Wachusett Street culvert replacement.

- CBS applied for a \$50,000 grant from the National Fish Habitat Action Plan, administered through the Southeast Alaska Fish Habitat Partnership (SEAKFHP). Though the application scored as the top project, this funding was not awarded to the project as the Steering Committee determined SEAKFHP funds would be better spent on non-infrastructure projects as the Infrastructure Bill funding may be more appropriate for this project.
- CBS applied for a \$100,000 grant through the USFWS National Fish Passage Program (NFPP) and 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 determined using the NFPP funding would be duplicative.
- CBS applied for a grant through the Alaska Sustainable Salmon Fund (AKSSF) and is awaiting a decision. Grant decision is anticipated in October.

Analysis

CBS is seeking to apply for a grant through the National Oceanic and Atmospheric Administration (NOAA) Restoring Fish Passage through Barrier Removal Notice of Funding Opportunity for \$1,853,390. Funding is required to be used within 5 years and will require semiannual 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.

To ensure the CBS did not miss this opportunity, the grant application was submitted to NOAA as placeholders on August 12, 2022. If this Resolution is not approved by the Assembly, staff will pull the submitted grant applications from the NOAA review process.

CBS and USFWS anticipate applying for one additional grant through the USFWS Infrastructure Bill Funding (BIL), if needed. The application window for this grant is anticipated to open this fall or winter; the Assembly will see additional resolutions to apply for this grant in the upcoming months. This prospective grant also has a spending timeline between 3-5 years and will likely require reporting to various detail and at various intervals.

Fiscal Note

The Wachusett project currently has ~\$224,000 in unencumbered General Funds. The 3 prospective grants total ~\$2,053,390, which, coupled with the existing General Funds is thought to be enough to complete the project. Obtaining grant funding would eliminate or minimize the amount of additional working capital needed.

There is sufficient funding in the project budget to provide the required match for all prospective grants. This NOAA grant does not require match but encourages it; providing match makes a project application competitive. The AKSSF fund requires a 35% match equating to \$70,000. The USFWS BIL does not require match. Accounting for the required match for the other grant, ~\$150,000 of General Funds could be used as match for the NOAA grant.

The below table summarizes the anticipated funding for this project.

Source	Secured	Needed
General Fund	\$ 224,000 ¹	TBD ²
AKSSF Grant		\$200,000 ³
NOAA Grant		\$1,853,390 ⁴
USFWS BIL Grant		\$ TBD ⁵
TOTAL	\$ 224,000	\$ 2,053,390
COMBINED TOTAL	\$ 2,277,390	
EXPECTED COSTS	\$ 1,600,000 ⁶	

¹ Existing General funds.

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

³ Grant application was approved at the Regular Assembly meeting April 12th, 2022 and the grant has been applied for.

⁴ The subject of this memo.

⁵ Additional grant opportunities offered by USFWS; Assembly requests for this grant is separate and upcoming.

⁶ Project Manager's ROM estimate of Total Project Cost.

If AKSSF is awarded to the project, and the NOAA is awarded, CBS may negotiate the final NOAA grant amount to deduct the AKSSF award amount. The minimum NOAA award is \$1,000,000. The requested USFWS BIL Grant amount will be determined based on amounts awarded from AKSSF and NOAA Grants but no more than \$675,000. If any of the prospective grants are not awarded, if the full requested grant amount is not awarded, or if scope modifications needed during final design and construction occur, additional General Funds may be required to complete the project.

Recommendation

Approve this resolution authorizing the CBS Municipal Administrator to apply for and execute a grant with the NOAA for \$1,853,390 to support the Wachusett Storm Sewer Rehabilitation project.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2022-25

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA (CBS) AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO APPLY FOR AND EXECUTE A GRANT WITH THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION (NOAA) RESTORING FISH PASSAGE THROUGH BARRIER REMOVAL NOTICE OF FUNDING OPPORTUNITY FOR \$1,853,390 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 block or impede fish access to over half of the stream length of fish spawning and rearing habitat; and

WHEREAS, the NOAA 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 culverts.

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 NOAA for \$1,853,390 to support the Wachusetts Storm Sewer Rehabilitation Project with no required match from CBS General Funds.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 13th day of September 2022.

Kevin Knox, Deputy Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st and final reading 9/13/2022

Sponsor: Administrator