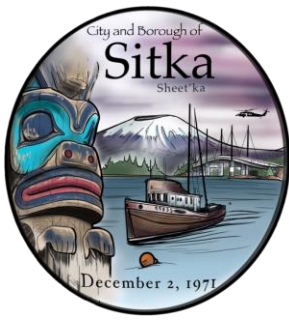


POSSIBLE MOTION

I MOVE TO approve Resolution 2022-15 on first and final reading authorizing the Municipal Administrator to apply for a Maritime Administration, Department of Transportation (DOT) Port Infrastructure Development Program (PIDP) Grant for \$7,842,488 with a 20% match commitment to support the reconstruction of the sheet pile wall and crane at the Marine Service Center (MSC).





CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Melissa Henshaw, Public and Government Relations Director 

Date: May 4, 2022

Subject: Authorization to Apply for a Maritime Administration, Department of Transportation Grant to support reconstruction of the sheet pile wall and crane at the Marine Service Center (MSC)

Project Background

The MSC seawall is approximately 46 years old and has surpassed the end of its useful design life. A condition assessment report from October 2011 estimated that the existing seawall structure had a remaining life of 5 years. A 2021 inspection confirmed the defects from the 2011 inspection and noted some additional concerns.

The proposed project is to construct a new tied-back steel sheet pile wall on the seaward side of the original wall with a high slope tie-back anchored sheet wall in bedrock. Minor upgrades include a concrete wall cap and replacement of mooring bollards and 2-ton jib crane. A cathodic protection system will be installed to control corrosion.

Grant Background

Link to the FY 2022 PIDP grant program: <https://www.maritime.dot.gov/ports/office-port-infrastructure-development/2022-port-infrastructure-development-program-pidp>

The National Defense Authorization Act for Fiscal Year 2022 appropriated \$450 million for the Port Infrastructure Development Program (PIDP) to make grants for projects for coastal seaports, inland river ports, and Great Lakes ports. Funds for the PIDP are to be awarded as discretionary grants on a competitive basis for projects that support the program objectives: 1) improving the safety, efficiency, or reliability of the loading and unloading of goods, the movement of goods, operational improvements, or environmental and emissions mitigation measures 2) supporting economic vitality at the national and regional levels; 3) addressing climate change and environmental justice impacts; 4) advancing equity and opportunity for all; and 5) leveraging Federal funding to attract non-Federal sources of infrastructure investment.

PIDP Grant key factors:

- PIDP Grant applications are due by May 16, 2022.
- There is no minimum award nor maximum.
- No more than \$112.5 million will be awarded to any one state.
- No less than \$112.5 million shall be for small projects and small ports.
- Only one application is allowed.
- Funds to be expended by September 30, 2032.

Fiscal Note

Estimated Project Cost:

MSC Port Wall and Crane	\$7,842,488 amount requested
	<u>\$1,960,662 20% match</u>
	\$9,803,109 total

If funded, the infrastructure improvements will be accounted for within the Harbor Department Enterprise Fund as a capital project. Outlined below are potential sources for the \$1,960,662 match which would come to the Assembly to authorize execution of the grant if/when we are selected for a grant. At this time, we would also seek Assembly guidance to finalize the source of working capital to be used to match the grant.

The 20% match commitment of \$1,960,662 for the MSC sheet pile and crane replacement could be funded in large part by the MSC Enterprise Fund working capital, though as revenue generated from the seawall is paid to the Harbor Fund, there is also justification to use Harbor Fund working capital to fund part or all of the MSC seawall.

Recommendation

Approve this resolution authorizing the Municipal Administrator to apply for a PIDP 2022 Grant with the Department of Transportation (DOT) for \$7,842,488 with a 20% match commitment to support reconstruction of the sheet pile wall and crane at the Marine Service Center (MSC).

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2022-15

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA (CBS) AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO APPLY FOR A MARITIME ADMINISTRATION, DEPARTMENT OF TRANSPORTATION (DOT) PORT INFRASTRUCTURE DEVELOPMENT PROGRAM (PIDP) GRANT FOR \$7,842,488 WITH A 20% MATCH COMMITMENT TO SUPPORT THE RECONSTRUCTION OF THE SHEET PILE WALL AND CRANE AT THE MARINE SERVICE CENTER (MSC)

WHEREAS, the working waterfront at MSC includes a sheet pile wall which is utilized as a berth for marine vessels including fishing vessels, trampers, sailing vessels, small passenger vessels, government vessels and barges that utilize the convenient downtown public seawall to transfer goods, cargo, and passengers to/from vessels in Sitka; and

WHEREAS, the port wall at MSC provides access to a public crane and a 21,000 square foot cold storage building that serves two major fish processors in transporting their product and numerous small business owners such as the frozen at sea and charter fleet; and

WHEREAS, the Alaska Department of Fish and Game records show more than 500 vessel permits in 2021 participating in 65 different fisheries and almost 1,200 permits to various individuals; and

WHEREAS, the fishing industry is an important component in this community and furthermore, the capability to have a working waterfront to move product and conduct business is essential; and

WHEREAS, in 2011 an engineering condition assessment was performed on the sheet pile wall that was built in 1976 at MSC and projected a remaining service life of 5 years and a 2021 inspection confirmed the defects from the 2011 inspection and noted some additional concerns; and

WHEREAS, the Maritime Administration, DOT announced a PIDP 2022 grant opportunity; and

WHEREAS, the CBS proposes a \$9,803,109 project to replace the sheet pile wall and crane; and

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka to authorize the CBS Municipal Administrator to apply for a Maritime Administration, DOT PIDP 2022 grant for \$7,842,488 with a 20% CBS match commitment of \$1,960,622 for a total project cost of \$9,803,109.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 10th day of May 2022.

Steven Eisenbeisz, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st and final reading: 5/10/2022

Sponsor: Administrator