




City Manager/General Manager | 334 Front Street, Ketchikan AK 99901 | (907)228-5603

TRANSMITTAL MEMORANDUM

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TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Assistant City Manager Initials: 

DATE: March 30, 2023 File #: MGR23-165

RE: **Transportation Grant Funding Progress Report**

Attached for City Council review is a transmittal memorandum from Public Works Director Mark Hilson concerning the status of grant applications to the Alaska Department of Transportation & Public Facilities (ADOT&PF). As stated by Mr. Hilson, the two listed projects that will be advanced through the review process are projects the City Council identified as worthy grant submittals. The Council should note that while it is premature to assume that the City's projects will be funded, the City will be responsible for matching funds toward the projects should they be awarded grant funding. I would like to thank Mr. Hilson and his staff for being responsive and proactive with these grant applications. Staff will keep the City Council apprised of the grants review as it progresses.

Mr. Hilson will attend the City Council meeting of April 6, 2023, in order to address any questions and/or concerns that Councilmembers may have.

PUBLIC WORKS / ENGINEERING DEPARTMENT
Mark Hilson, P.E., Public Works Director
Kara Jurczak, P.E., Assistant Public Works Director

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MEMORANDUM

TO: Delilah Walsh, City Manager

FROM: Mark Hilson, P.E., Public Works Director
Kara Jurczak, P.E., Assistant Public Works Director
Bob Diaz, Contract/Grants Administrator

DATE: March 28, 2023

SUBJECT: **Transportation Grant Funding Progress Report**

At the City Council meeting of May 5, 2022 staff presented a list of grant priorities for City Council deliberation. At that time, the presentation noted that the application process and grant criteria were not established, and there would likely be a short amount of time between notice of funding opportunity and application deadlines. As the grant process evolved, staff continued to coordinate with the Alaska Department of Transportation and Public Facilities (ADOT), including during Senator Murkowski's second Grant Symposium in September of 2022. During this symposium we learned that ADOT's regional office would score each transportation related project in order to determine which projects would score high enough on a competitive basis to advance to the State level Project Evaluation Board (PEB).

Staffs coordination efforts culminated in early March, when the City submitted three grant applications to ADOT. In addition to these three applications, staff collaborated with the Ketchikan Indian Community (KIC) to submit a fourth application with KIC being the lead applicant. This successful collaboration allowed for submittal of four rather than three grant applications. We are pleased to report that two projects (shaded green below) have been deemed worthy enough by ADOT to move ahead to the PEB review:

Project	Project Cost	Local Match Needed (Fund Source)
Park Ave. and Harris St. Revitalization*	\$8,497,500	\$1,060,000 (Public Works Sales Tax)
Spruce Mill Promenade	\$7,467,500	\$2,467,500 (CPV)
Ketchikan Lakes Road Rehabilitation and Reconstruction	\$4,200,000	-
(KIC Partner) Hoadley Creek Culvert Replacement at Jackson St.	\$4,000,000	-

* Project will include utility work funded by State Revolving Fund

A review of the scoring criteria put forth by the DOT&PF makes it clear that the DOT is emphasizing safety and the transfer of ownership and maintenance responsibilities of existing state owned infrastructure to local agencies.

Given the statewide competitive nature of the grant awards, and given the scoring criteria, it would be unwise to be overly optimistic that either of the two applications will result in a grant award when the PEB makes their final selections in May. However, if awarded, the local matching funds would likely be due in stages beginning in 2024 and continue as work progresses, in similar fashion to how we fund our local match for bridge projects.

City staff will continue to be actively engaged with DOT as they develop and refine these applications, including Schedule, Scope, and Estimate (SSE) and project package development for final submittal to the PEB. We will continue to keep you informed as the situation develops.