Port Director Joy Baker

Harbormaster Lucas Stotts



Nome Port Commission Jim West, Jr., Chairman Charlie Lean, Vice Chairman Derek McLarty Shane Smithhisler Scot Henderson Russell Rowe Gay Sheffield

102 Division St. • P.O. Box 281 Nome, Alaska 99762 (907) 443-6619 Fax (907) 443-5473

NOME PORT COMMISSION SPECIAL MEETING AGENDA THURSDAY – MAY 7, 2020 @ 6:30 PM COUNCIL CHAMBERS IN CITY HALL

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. CITIZEN'S COMMENTS
- IV. NEW BUSINESS
 - Support for 2020 USDOT BUILD Grant Program Application Development of the Snake River Moorage Facility
 - Support to cost-share with the Alaska Corps District on a CAP 107 Feasibility Study to deepen the Inner Harbor to -12.5' MLLW
- V. ADJOURNMENT

PORT OF NOME SNAKE RIVER MOORAGE DEVELOPMENT FUNDING STRATEGY

AGENCY	U.S. Department of Transportation
PROGRAM	BUILD Discretionary Grants (Better Utilizing Investments to Leverage Development)
DESCRIPTION	Financial Assistance to Projects that Improve Transportation Access in Rural Areas
FUNDING	\$1B Total – 50% to Rural Projects (Awards of \$1M min/\$25M max)
ELIGIBILITY	State, local & tribal governments (public authorities with transportation facilities)
FED SHARE	Min 80-100% for Rural Projects (Match not required but looked upon favorably)
DEADLINE	May 18, 2020 – 5:00 PM (EST)
PROJECT	SNAKE RIVER MOORAGE & HAUL-OUT FACILITY
APPLICANTS	CITY OF NOME & NOME ESKIMO COMMUNITY
\$\$ REQUESTED	\$13.91M

<u>Program Objectives/Selection Criteria:</u> Supporting Regional Economic Vitality Safety & Quality of Life State of Good Repair Economic Competitiveness Environmental Sustainability

SNAKE RIVER MOORAGE FACILITY – PROJECT PURPOSE:

As regional and international vessel traffic in the Bering Strait and Arctic Regions continues to increase, congestion in the Small Boat Harbor drives elevated safety concern for users and the Port, requiring constant coordination to ensure vessel and crew safety, minimize shipping delays and address vessel conflicts timely. Extensive efforts are undertaken to ensure a wide variety of fleet types ranging from 200-foot cargo barges to 40-foot fiberglass sailboats and 20-foot subsistence skiffs; all vying for space within a confined harbor to conduct operations.

The Small Boat Harbor is framed by 1,800 linear feet of sheet-pile wall, with two floating dock systems that host an additional 880-foot of mooring capacity. This equates to a total of 2,680 feet of total mooring space in the Small Boat Harbor without any vessel rafting. However, the technique of rafting is essential in Nome, therefore all fleet types are required to raft to vessels of similar size. Hypothetically, if all vessels rafted at least 3 deep (difficult with large vessels), we could achieve 8,040 feet of combined vessel length in the harbor. Our 2016 records reflect the combined vessel length for home-ported vessels totaled 10,237 feet, with an additional 15,340 feet in transient traffic revolving through the harbor. The delta demonstrates a severe shortage of dock space in the Small Boat Harbor, even with larger craft rotating positions at the west loading ramps.

As the only protected harbor of refuge in the Bering Strait and Arctic Regions, it is very common to have a large number of vessels set course for Nome to evade an impending and often brutal Bering Sea storm. It is during this time that the Port of Nome makes every effort to accommodate as many vessels as

physically and safely possible into the protected harbor to keep mariners out of harm's way. However, in order to continue serving this role, a secondary moorage space must be established to meet the increasing demand of the maritime industry relying on Nome's protection and services.

The pressure of this significant operating congestion and overwhelming storm level occupancy can be relieved through the development of the Snake River basin. This location will contain sufficient shoreside infrastructure to support small dredges, subsistence vessels and sailboats with drafts less than 8 feet, and eliminate the need for accessing the Small Boat Harbor. This would allow for increased capacity for the larger cargo, gravel and mining vessels to maneuver to/from the sheet pile docks and loading ramps, thereby significantly reducing the risks vessel or dock damage, crew injury, or shipping delays resulting from limited dock access or maneuverability issues.

PROJECT DESCRIPTION:

The proposed basin area will provide 7 acres for vessel moorage, access and maneuvering, with 2,240 feet of floating docks space suitable for 56 each of up to 40-foot vessels.

The facility would also contain in-water piers protruding from shore, with sufficient capacity to support a 75 ton travel lift, with an adjacent bulkhead to the north that would serve as a location to load fuel, water, supplies, and cargo. This bulkhead also serves a dual purpose of protecting the boat lift piers from lateral ice movement during winter storms and spring breakup.

Uplands development consists of approximately 1.23 acres and includes a paved wash down area for removing seawater from vessels after haul out, with environmentally approved containment, runoff separation and appropriate drainage features. Fuel will be delivered by truck, with fresh water service tied into a water main buried along Port Rd. Additional services to include restrooms, garbage receptacles and overhead lighting with buried tie-in to service along road. Most of the large vessels would be transported across the paved road to a City-owned property for repairs or long-term storage once wash-down operations are complete. Smaller vessels could be trailered off-site.

Project Budget:

Total Estimated Construction Cost	\$14,000,000
Federal Funding Requested	14,000,000
Local Cost-Share Match:	0.00
Total Funds	\$14,000,000

Based on discussions with Nome Eskimo Community, the intent is to partner on a joint application as co-applicants, with the long-range goal of providing a facility for both commercial, subsistence and recreational use. The City has historically engaged in multiple public-private partnerships with local and regional organizations that hold similar development missions that serve Alaska's coastal residents. These joint efforts have effectively achieved a variety of large port and harbor construction projects that served local and regional maritime needs. We have received a number of industry and organization support letters who are committed to furthering development at the Port of Nome.

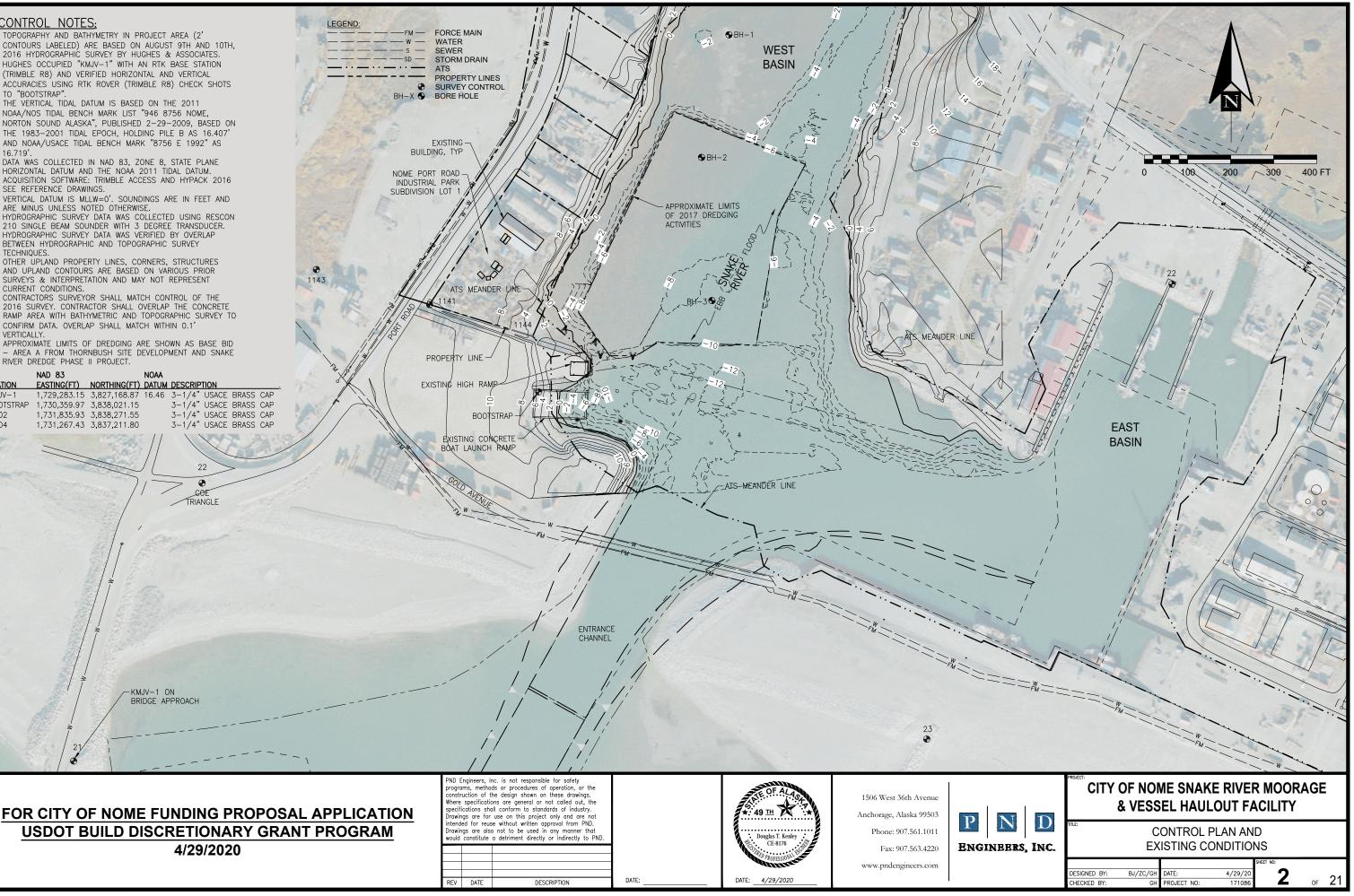


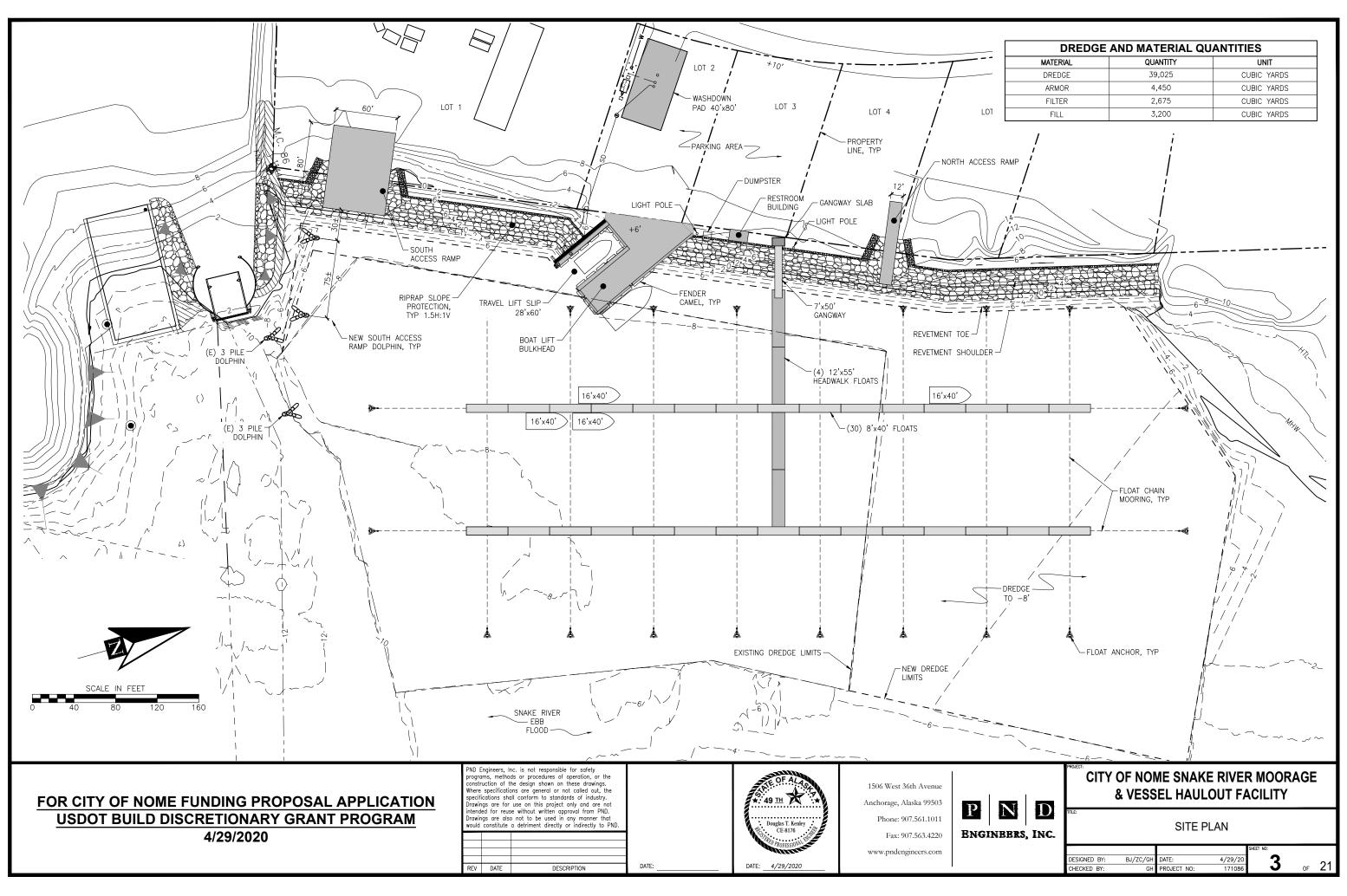
Snake River Moorage Facility				\$13,910,000	
ltem No.	Description	Pay Unit	Quantity	Unit Cost	Amount
1	Mobilization / Demobilization	LS	1	\$1,840,000	\$1,840,000
2	Dredging and Shore Protection	LS	1	\$3,380,000	\$3,380,000
3	Float System	LS	1	\$2,220,000	\$2,220,000
4	Boat Lift Bulkhead	LS	1	\$1,880,000	\$1,880,000
5	Launch Ramps	LS	1	\$70,000	\$70,000
6	Washdown Slab and Wastewater System	LS	1	\$610,000	\$610,000
7	South Access Ramp Dolphins	LS	1	\$650,000	\$650,000
8	Uplands Sitework	LS	1	\$570,000	\$570,000
9	Construction Survey	LS	1	\$50,000	\$50,000
10	Site Cleanup and Restoration	LS	1	\$30,000	\$30,000
11	Design Engineering	LS	1	\$450,000	\$450,000
12	Permitting	LS	1	\$10,000	\$10,000
13	Construction Administration, Inspection, Engineering Support	LS	1	\$450,000	\$450,000
14	Contingency (15% of Construction Cost)	LS	1	\$1,700,000	\$1,700,000

CONTROL NOTES:

- TOPOGRAPHY AND BATHYMETRY IN PROJECT AREA (2' CONTOURS LABELED) ARE BASED ON AUGUST 9TH AND 10TH, 2016 HYDROGRAPHIC SURVEY BY HUGHES & ASSOCIATES. HUGHES OCCUPIED "KMJV-1" WITH AN RTK BASE STATION (TRIMBLE R8) AND VERIFIED HORIZONTAL AND VERTICAL ACCURACIES USING RTK ROVER (TRIMBLE R8) CHECK SHOTS TO "BOOTSTRAP".
- THE VERTICAL TIDAL DATUM IS BASED ON THE 2011 2. NOAA/NOS TIDAL BENCH MARK LIST "946 8756 NOME, NORTON SOUND ALASKA", PUBLISHED 2–29–2009, BASED ON THE 1983–2001 TIDAL EPOCH, HOLDING PILE B AS 16.407' AND NOAA/USACE TIDAL BENCH MARK "8756 E 1992" AS 16.719'.
- DATA WAS COLLECTED IN NAD 83, ZONE 8, STATE PLANE HORIZONTAL DATUM AND THE NOAA 2011 TIDAL DATUM. ACQUISITION SOFTWARE: TRIMBLE ACCESS AND HYPACK 2016 3. SEE REFERENCE DRAWINGS.
- VERTICAL DATUM IS MLLW=O'. SOUNDINGS ARE IN FEET AND ARE MINUS UNLESS NOTED OTHERWISE. HYDROGRAPHIC SURVEY DATA WAS COLLECTED USING RESCON 210 SINGLE BEAM SOUNDER WITH 3 DEGREE TRANSDUCER. HYDROGRAPHIC SURVEY DATA WAS VERIFIED BY OVERLAP BETWEEN HYDROGRAPHIC AND TOPOGRAPHIC SURVEY TECHNIQUES.
- OTHER UPLAND PROPERTY LINES, CORNERS, STRUCTURES AND UPLAND CONTOURS ARE BASED ON VARIOUS PRIOR 5 SURVEYS & INTERPRETATION AND MAY NOT REPRESENT CURRENT CONDITIONS.
- CONTRACTORS SURVEYOR SHALL MATCH CONTROL OF THE 2016 SURVEY. CONTRACTOR SHALL OVERLAP THE CONCRETE RAMP AREA WITH BATHYMETRIC AND TOPOGRAPHIC SURVEY TO CONFIRM DATA. OVERLAP SHALL MATCH WITHIN 0.1' VERTICALLY
- APPROXIMATE LIMITS OF DREDGING ARE SHOWN AS BASE BID AREA A FROM THORNBUSH SITE DEVELOPMENT AND SNAKE RIVER DREDGE PHASE II PROJECT.

	NAD 83		NOAA				
STATION	EASTING(FT)	NORTHING(FT)	DATUM	DESCRIP	TION		
KMJV-1	1,729,283.15	3,827,168.87	16.46	3-1/4"	USACE	BRASS	CAP
BOOTSTRAP	1,730,359.97	3,838,021.15		3-1/4"	USACE	BRASS	CAP
NH02	1,731,835.93	3,838,271.55		3-1/4"	USACE	BRASS	CAP
NH04	1,731,267.43	3,837,211.80		3-1/4"	USACE	BRASS	CAP
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AGREEMENT BETWEEN THE DEPARTMENT OF THE ARMY AND CITY OF NOME FOR THE CAP 107 NOME HARBOR

THIS AGREEMENT is entered into this _____ day of ____, ___, by and between the Department of the Army (hereinafter the "Government"), represented by the District Commander for Alaska District (hereinafter the "District Commander") and the City of Nome, AK (hereinafter the "Non-Federal Sponsor"), represented by the City Manager.

WITNESSETH, THAT:

WHEREAS, Section 107 of the Rivers and Harbor Act of 1960 (Public Law [P.L.] 86-645), as amended (33 U.S.C. 577) authorizes study of improvement to the Nome Inner Harbor;

WHEREAS, Section 105(a) of the Water Resources Development Act of 1986, Public Law 99-662, as amended (33 U.S.C. 2215(a)), specifies the cost-sharing requirements; and

WHEREAS, the Government and the Non-Federal Sponsor have the full authority and capability to perform in accordance with the terms of this Agreement.

NOW, THEREFORE, the parties agree as follows:

ARTICLE I - DEFINITIONS

A. The term "Study" means the activities and tasks required to identify and evaluate alternatives and the preparation of a decision document that, as appropriate, recommends a coordinated and implementable solution for navigation improvements at the Nome Inner Harbor.

B. The term "shared study costs" means all costs incurred by the Government and Non-Federal Sponsor after the effective date of this Agreement that are directly related to performance of the Study and cost shared in accordance with the terms of this Agreement. The term includes, but is not necessarily limited to: the Government's costs for preparing the PMP; for plan formulation and evaluation, including costs for economic, engineering, real estate, and environmental analyses; for preparation of a floodplain management plan if undertaken as part of the Study; for preparing and processing the decision document; for supervision and administration; for Agency Technical Review and other review processes required by the Government; and for response to any required Independent External Peer Review; and the Non-Federal Sponsor's creditable costs for in-kind contributions, if any. The term does not include any costs for dispute resolution; participation by the Government and Non-Federal Sponsor in the Study Coordination Team to discuss significant issues and actions; audits; an Independent External Peer Review panel, if required; or negotiating this Agreement. The term also does not include the first \$100,000 of costs for the Study incurred by the Government, whether before or after execution of this Agreement.

C. The term "PMP" means the project management plan, and any modifications thereto, developed in consultation with the Non-Federal Sponsor, that specifies the scope, cost, and schedule for Study activities and tasks, including the Non-Federal Sponsor's in-kind contributions, and that guides the performance of the Study.

D. The term "in-kind contributions" means those planning activities (including data collection and other services) that are integral to the Study and would otherwise have been undertaken by the Government for the Study and that are identified in the PMP and performed or provided by the Non-Federal Sponsor after the effective date of this Agreement and in accordance with the PMP.

E. The term "maximum Federal study cost" means the \$1,500,000 Federal cost limit for the Study, unless the Government has approved a higher amount, and includes the first \$100,000 of costs for the Study incurred by the Government.

F. The term "fiscal year" means one year beginning on October 1st and ending on September 30th of the following year.

ARTICLE II - OBLIGATIONS OF THE PARTIES

A. In accordance with Federal laws, regulations, and policies, the Government shall conduct the Study using funds appropriated by the Congress and funds provided by the Non-Federal Sponsor. In carrying out its obligations under this Agreement, the Non-Federal Sponsor shall comply with all the requirements of applicable Federal laws and implementing regulations.

B. The Non-Federal Sponsor shall contribute 50 percent of shared study costs in accordance with the provisions of this paragraph and provide required funds in accordance with Article III.

1. After considering the estimated amount of credit for in-kind contributions, if any, that will be afforded in accordance with paragraph C. of this Article and the first \$100,000 of the costs incurred by the Government that are excluded from shared costs, the Government shall provide the Non-Federal Sponsor with a written estimate of the amount of funds required from the Non-Federal Sponsor to meet its share of shared study costs for the remainder of the initial fiscal year of the Study. No later than 15 calendar days after such notification, the Non-Federal Sponsor shall provide the full amount of such funds to the Government.

2. No later than August 1st prior to each subsequent fiscal year of the Study, the Government shall provide the Non-Federal Sponsor with a written estimate of the amount of funds required from the Non-Federal Sponsor during that fiscal year to meet its cost share. No

later than September 1st prior to that fiscal year, the Non-Federal Sponsor shall provide the full amount of such required funds to the Government.

C. The Government shall include in shared study costs and credit towards the Non-Federal Sponsor's share of such costs, the costs, documented to the satisfaction of the Government, that the Non-Federal Sponsor incurs in providing or performing in-kind contributions, including associated supervision and administration, after the effective date of this Agreement. Such costs shall be subject to audit in accordance with Article VI to determine reasonableness, allocability, and allowability, and crediting shall be in accordance with the following procedures, requirements, and limitations:

1. As in-kind contributions are completed and no later than 60 calendar day after such completion, the Non-Federal Sponsor shall provide the Government appropriate documentation, including invoices and certification of specific payments to contractors, suppliers, and the Non-Federal Sponsor's employees. Failure to provide such documentation in a timely manner may result in denial of credit. The amount of credit afforded for in-kind contributions shall not exceed the Non-Federal Sponsor's share of shared study costs.

2. No credit shall be afforded for interest charges, or any adjustment to reflect changes in price levels between the time the in-kind contributions are completed and credit is afforded; for the value of in-kind contributions obtained at no cost to the Non-Federal Sponsor; for any items provided or performed prior to completion of the PMP; or for costs that exceed the Government's estimate of the cost for such item if it had been performed by the Government.

D. To the extent practicable and in accordance with Federal laws, regulations, and policies, the Government shall afford the Non-Federal Sponsor the opportunity to review and comment on solicitations for contracts prior to the Government's issuance of such solicitations; proposed contract modifications, including change orders; and contract claims prior to resolution thereof. Ultimately, the contents of solicitations, award of contracts, execution of contract modifications, and resolution of contract claims shall be exclusively within the control of the Government.

E. The Non-Federal Sponsor shall not use Federal program funds to meet any of its obligations under this Agreement unless the Federal agency providing the funds verifies in writing that the funds are authorized to be used for the Study. Federal program funds are those funds provided by a Federal agency, plus any non-Federal contribution required as a matching share therefor.

F. Except as provided in paragraph C. of this Article, the Non-Federal Sponsor shall not be entitled to any credit or reimbursement for costs it incurs in performing its responsibilities under this Agreement.

G. If Independent External Peer Review (IEPR) is required for the Study, the Government shall conduct such review in accordance with Federal laws, regulations, and policies. The Government's costs for an IEPR panel shall not be included in shared study costs or the maximum Federal study cost.

H. In addition to the ongoing, regular discussions of the parties in the delivery of the Study, the Government and the Non-Federal Sponsor may establish a Study Coordination Team to discuss significant issues or actions. The Government's costs for participation on the Study Coordination Team shall not be included in the shared study costs, but shall be included in calculating the maximum Federal study cost. The Non-Federal Sponsor's costs for participation on the Study Coordination Team shall not be included in shared study costs and shall be paid solely by the Non-Federal Sponsor without reimbursement or credit by the Government.

ARTICLE III - PAYMENT OF FUNDS

A. As of the effective date of this Agreement, shared study costs are projected to be $\frac{1,411,220}{1,411,220}$, with the Government's share of such costs projected to be $\frac{720,610}{1}$ and the Non-Federal Sponsor's share of such costs projected to be $\frac{720,610}{1}$. These amounts are estimates only that are subject to adjustment by the Government and are not to be construed as the total financial responsibilities of the Government and the Non-Federal Sponsor.

B. The Government shall provide the Non-Federal Sponsor with monthly reports setting forth the estimated shared study costs and the Government's and Non-Federal Sponsor's estimated shares of such costs; costs incurred by the Government, using both Federal and Non-Federal Sponsor funds, to date; the amount of funds provided by the Non-Federal Sponsor to date; the estimated amount of any creditable in-kind contributions; and the estimated remaining cost of the Study.

C. The Non-Federal Sponsor shall provide to the Government required funds by delivering a check payable to "FAO, USAED, Alaska District, (J4)" to the District Commander, or verifying to the satisfaction of the Government that the Non-Federal Sponsor has deposited such required funds in an escrow or other account acceptable to the Government, with interest accruing to the Non-Federal Sponsor, or by providing an Electronic Funds Transfer of such required funds in accordance with procedures established by the Government.

D. The Government shall draw from the funds provided by the Non-Federal Sponsor to cover the non-Federal share of shared study costs as those costs are incurred. If the Government determines at any time that additional funds are needed from the Non-Federal Sponsor to cover the Non-Federal Sponsor's required share of shared study costs, the Government shall provide the Non-Federal Sponsor with written notice of the amount of additional funds required. Within 60 calendar days of such notice, the Non-Federal Sponsor shall provide the Government with the full amount of such additional funds.

E. Upon completion of the Study and resolution of all relevant claims and appeals, the Government shall conduct a final accounting and furnish the Non-Federal Sponsor with the written results of such final accounting. Should the final accounting determine that additional funds are required from the Non-Federal Sponsor, the Non-Federal Sponsor, within 60 calendar days of written notice from the Government, shall provide the Government with the full amount of such additional funds. Should the final accounting determine that the Non-Federal Sponsor

has provided funds in excess of its required amount, the Government shall refund the excess amount, subject to the availability of funds. Such final accounting does not limit the Non-Federal Sponsor's responsibility to pay its share of shared study costs, including contract claims or any other liability that may become known after the final accounting.

ARTICLE IV - TERMINATION OR SUSPENSION

A. Upon 30 calendar days written notice to the other party, either party may elect at any time, without penalty, to suspend or terminate future performance of the Study. Furthermore, unless an extension is approved by the Assistant Secretary of the Army (Civil Works), the Study may be terminated if a **Feasibility Study Report** is not completed for the Study within 3 years after the effective date of this Agreement.

B. In the event of termination, the parties shall conclude their activities relating to the Study. To provide for this eventuality, the Government may reserve a percentage of available funds as a contingency to pay the costs of termination, including any costs of resolution of contract claims, and resolution of contract modifications.

C. Any suspension or termination shall not relieve the parties of liability for any obligation incurred. Any delinquent payment owed by the Non-Federal Sponsor pursuant to this Agreement shall be charged interest at a rate, to be determined by the Secretary of the Treasury, equal to 150 per centum of the average bond equivalent rate of the 13 week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional 3 month period if the period of delinquency exceeds 3 months.

ARTICLE V - DISPUTE RESOLUTION

As a condition precedent to a party bringing any suit for breach of this Agreement, that party must first notify the other party in writing of the nature of the purported breach and seek in good faith to resolve the dispute through negotiation. If the parties cannot resolve the dispute through negotiation, they may agree to a mutually acceptable method of non-binding alternative dispute resolution with a qualified third party acceptable to the parties. Each party shall pay an equal share of any costs for the services provided by such a third party as such costs are incurred. The existence of a dispute shall not excuse the parties from performance pursuant to this Agreement.

ARTICLE VI - MAINTENANCE OF RECORDS AND AUDIT

A. The parties shall develop procedures for the maintenance by the Non-Federal Sponsor of books, records, documents, or other evidence pertaining to costs and expenses for a minimum of three years after the final accounting. The Non-Federal Sponsor shall assure that such materials are reasonably available for examination, audit, or reproduction by the Government.

B. The Government may conduct, or arrange for the conduct of, audits of the Study. Government audits shall be conducted in accordance with applicable Government cost principles and regulations. The Government's costs of audits for the Study shall not be included in shared study costs, but shall be included in calculating the maximum Federal study cost.

C. To the extent permitted under applicable Federal laws and regulations, the Government shall allow the Non-Federal Sponsor to inspect books, records, documents, or other evidence pertaining to costs and expenses maintained by the Government, or at the request of the Non-Federal Sponsor, provide to the Non-Federal Sponsor or independent auditors any such information necessary to enable an audit of the Non-Federal Sponsor's activities under this Agreement. The costs of non-Federal audits shall be paid solely by the Non-Federal Sponsor without reimbursement or credit by the Government.

ARTICLE VII - RELATIONSHIP OF PARTIES

In the exercise of their respective rights and obligations under this Agreement, the Government and the Non-Federal Sponsor each act in an independent capacity, and neither is to be considered the officer, agent, or employee of the other. Neither party shall provide, without the consent of the other party, any contractor with a release that waives or purports to waive any rights a party may have to seek relief or redress against that contractor.

ARTICLE VIII - NOTICES

A. Any notice, request, demand, or other communication required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and delivered personally or mailed by certified mail, with return receipt, as follows:

If to the Non-Federal Sponsor: Port Director P.O. Box 281 102 Division St. Nome, AK 99762-0281

If to the Government: Chief, Civil Works Branch U.S. Army Engineer District, Alaska P.O. Box 6898 JBER, AK 99506-6898

B. A party may change the recipient or address for such communications by giving written notice to the other party in the manner provided in this Article.

ARTICLE IX - CONFIDENTIALITY

To the extent permitted by the laws governing each party, the parties agree to maintain the confidentiality of exchanged information when requested to do so by the providing party.

ARTICLE X - THIRD PARTY RIGHTS, BENEFITS, OR LIABILITIES

Nothing in this Agreement is intended, nor may be construed, to create any rights, confer any benefits, or relieve any liability, of any kind whatsoever in any third person not a party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which shall become effective upon the date it is signed by the District Commander.

DEPARTMENT OF THE ARMY

CITY OF NOME, ALASKA

BY: ____

David R. Hibner Colonel, U.S. Army District Commander

DATE:

BY: _____ Glenn Steckman City Manager, Nome, Alaska

DATE: _____

CERTIFICATE OF AUTHORITY

I, Brooks Chandler, do hereby certify that I am the principal legal officer for the City of Nome, that the City of Nome is a legally constituted public body with full authority and legal capability to perform the terms of the Agreement between the Department of the Army and the City of Nome in connection with the CAP 107 Nome Harbor Feasibility Study, and to pay damages, if necessary, in the event of the failure to perform in accordance with the terms of this Agreement, as required by Section 221 of Public Law 91-611, as amended (42 U.S.C. 1962d-5b), and that the person who executed this Agreement on behalf of the City of Nome acted within his statutory authority.

IN WITNESS WHEREOF, I have made and executed this certification this _____ day of _____ 20___.

Brooks Chandler City Attorney

P.O. Box 281 • Nome, Alaska 99762

phone 907.443.6663 fax 907.443.5349



April 1, 2020

Colonel Philip Borders Alaska District Corps of Engineers CEPOA-PM-CW P.O. Box 6898 JBER, AK 99506-0898

RE: CAP Section 107 – Nome Inner Harbor Navigation Feasibility Study

Dear Colonel Borders,

Please accept this letter as a notice of intent and formal request from the City of Nome to partner with the U.S. Army Corps of Engineers under the Continuing Authorities Program (CAP) Section 107 of the 1960 River and Harbor Act, as amended, in a feasibility study to deepen and expand the navigable maneuvering area within Nome's Inner Harbor. The City seeks to deepen the existing basin, as well as expand the footprint of the federal dredge limits at Nome to allow for safe maneuvering and navigation, along with adequate moorage space when serving as a port of refuge during frequent Bering Sea storms.

The City constructed a second loading ramp in the inner harbor in 2013 to facilitate a more efficient and safe transfer of cargo to/from the lightering vessels transshipping freight throughout the region. The maneuvering area is very tight for vessels transiting in/out of the ramp approach, and dictates that the northern federal dredge limits line be pushed further up the Snake River to provide sufficient space for the cargo vessels to maneuver safely. Increased depth to -12' MLLW is critical to enable vessels to maximize load efficiency, especially when north winds push 2-4 feet of water out of the harbor, thereby delaying vessels from accessing or departing the ramps until winds change. Industry tries to anticipate this issue by loading vessels lighter, which reduces shipping efficiencies in regional cargo movement.

Vessel traffic has increased tenfold in 12 years at Nome, causing significant congestion in the Small Boat Harbor with cargo, fuel and equipment barges, fishing vessels, sailboats, cruise ship tenders, research vessels and a growing offshore mining fleet. Incidents related to fuel spills, vessel/dock damages, dock access and maneuverability issues have increased operating costs and caused substantial delays for vessels. The City see need to increase transshipping efficiencies and reduce vessel delays by utilizing the entire inner basin.

The City of Nome has reviewed the draft Federal Cost-Share Agreement (FCSA) package, is prepared to sign, and remains capable of meeting the \$721,000 cost-share, which is 50% of the attached study budget. If you have any questions regarding this information, please contact Port Director Joy Baker at 907-304-1905.

Sincerely,

CITY OF NOME

Glenn Steckman

City Manager

Cc: Joy Baker – Port Director Nickie Crowe – Acting Finance Director

"There's no place like Nome" www.nomealaska.org

Nome Section 107 Feasib	ility Budget
Civil Works	
Project Management	\$65,000
Planning	\$65,000
Economics	\$75,000
Environmental & Cultural Resources	\$85,000
Travel and public meetings	\$50,000
Branch Oversight (13%)	\$44,200
Civil Works Sub-total	\$384,200
Sediment sampling collection	\$50,000
Chemical analysis of sediment	\$90,000
Geotech	\$224,000
Survey and Geomatics	\$97,000
Hydraulics & Hydrology	\$296,000
Cost Engineering	\$60,000
Engineering oversight	\$22,000
Real Estate	\$22,000
Engineering Sub-total	\$861,000
ATR	\$65,000
Contingency (10%)	\$131,020
Total	\$1,441,220

Milestone	Date
Federal Interest Determination	August 2019
Execute FCSA	April 2020
MSC Milestone Meeting	Dec 2021
Fact Sheet/Decision Document with EA	March 2022
Division Approval	June 2022

Table Z. Proposed Schedule	Table 2. Proposed Schedule	
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JAN 2 4 2020

CECW-POD

MEMORANDUM FOR COMMANDER, PACIFIC OCEAN DIVISION (ATTN: CEPOD-PDC)

SUBJECT: Continuing Authorities Program (CAP) Section 107 Fact Sheet Review for Nome Harbor, Alaska

1. Reference is made to CEPOD-PDC memorandum dated 30 Dec 19, Subject: Request for HQUSACE Policy Concurrence for Section 107, Continuing Authorities Program, Nome Harbor, Alaska.

2. I concur with the Section 107 fact sheet for the proposed Nome, Alaska navigation project. Subject to availability of Section 107 CAP funds the district may proceed with a feasibility level study of a small harbor at Nome, Alaska. However, the non-federal sponsor is to be advised that, even if the U.S. Army Corps of Engineers finds the project to be feasible, in the federal interest, and funds project construction, future budgets for the Civil Works program might not include funding to maintain the project. Future funding for maintenance of navigation projects with low commercial tonnage is likely to be highly constrained.

3. If you have any further questions, please contact Steven Kopecky, Deputy Chief, Northwestern and Pacific Ocean Division Regional Integration Team, at (202) 761-4527 or steven.a.kopecky@usace.army.mil.

ALVIN B. LEE Interim, Director of Civil Works

NOME INNER HARBOR IMPROVEMENTS

SECTION 107 PROJECT FACT SHEET

- 1. Project Name: CAP 107 Nome Harbor
- U.S. Army Corps of Engineers District and Participating Sponsor:
 a. USACE District and POC: Alaska District, Leif Hammes
 b. Sponsor and POC: City of Nome, Joy Baker, Port Director

3. Congressional Delegation:

- **a.** Senator Lisa Murkowski (R-AK)
- **b.** Senator Dan Sullivan (R-AK)
- c. Representative Don Young (R-AK)

4. Location: The City of Nome is located on the Western coast of Alaska in approximately the mid-latitude of the state in the Bering Strait-Norton Sound area (Figure 1). The City and Port of Nome serve as a regional hub for the Seward Peninsula and the Norton Sound region. The population of Nome is approximately 3,700 (2017 Alaska Department of Commerce, Community, and Economic Development Certified Population), with an additional 1,000 seasonal residents. The communities in the region are served by the Port of Nome, which consists of an Inner and Outer Harbor. Goods imported into the Port are used locally and redistributed through the limited road network or by barge or air service to the other communities in the region.

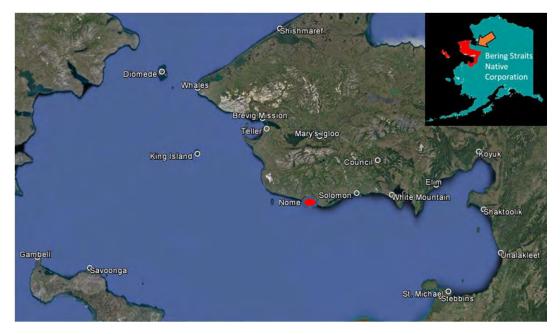


Figure 1. Location of Nome and communities in the Bering Strait region serviced by the Nome Harbor.

5. Existing Navigation Project: The existing Federal Harbor in yellow in Figure 2, is located at the mouth of the Snake River on the west side of town. The Nome Harbor contains two distinct harbors, the Inner Harbor located landward of the beach and the Outer Harbor outside of the beach between the breakwaters. The existing general navigation features (GNF) at the Inner Harbor are outlined in yellow in Figure 2 and are federally maintained at –10 ft Mean Lower Low Water (MLLW) with a 1 foot over-dredge within the existing Federal limits (Figure 2). The City of Nome maintains the barge ramps, floats, and other Local Service Facilities (LSF) features, which are located outside of the federal dredging limits. Typical harbor operations involve the redistribution of goods for barge delivery to smaller communities in the region. In addition, gold-dredging operations, commercial fishing, subsistence, and recreation vessels often operate out of the Inner Harbor. The existing GNF for the Outer Harbor are not described in this fact sheet since they are beyond the scope of this Inner Harbor study.

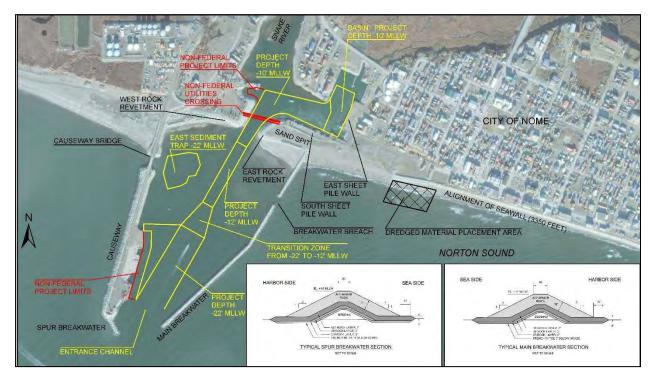


Figure 2: Existing Federal dredge limits of the Nome harbor, the current Federal maintenance limits are in yellow. The City maintains areas outside of the yellow channels.

6. Problems and Opportunities: Both the Outer Harbor and Inner Harbor experience operational inefficiencies. The existing maneuvering area in the Inner Harbor is restricted by depth and limited maneuvering space for vessels transiting in and out (Figure 3). In addition, north winds frequently push 2 to 3 feet of water out of the harbor, delaying vessels from accessing or departing the loading ramps until the winds change.

Industry response has been to lighter vessels to access the harbor, resulting in shipping inefficiencies.



Figure 3. The Port of Nome, looking west. Inner Harbor in foreground, Outer Harbor in background, Snake River mouth development on right. *Source: City of Nome*.

The opportunities identified in this project were first identified during an ongoing Port of Nome Investigations study. A feasibility cost sharing agreement for the Port of Nome Harbor Modification Investigations Study was signed in February 2018. As part of the investigations study, each basin (Inner, Outer, and a newly proposed Deep Water) was analyzed as a separable element for economic justification. The project delivery team determined that each basin had positive net benefits deriving from use by separate and distinct vessel types.

The Nome non-federal sponsor submitted a letter of interest for the District to examine deepening of the Inner Harbor as a Continuing Authorities Program (CAP) Section 107 study. CAP funds were received in November 2018, and the Inner Harbor was removed from the Investigations study and converted to a standalone CAP project with Vertical Team alignment (Alaska District, Pacific Ocean Division, and HQUSACE) on the path forward of having two studies ongoing at the Port of Nome: an Investigations study to expand and deepen the outer basin and a CAP study to deepen the existing Federal limits at the Inner Harbor.

The CAP project involves only improvements to the Inner Harbor. Per requirements of EP 1105-2-58 Section 8.c-e the project is eligible as a CAP project. Pertaining to

paragraph 8.c, benefits from the CAP project would not significantly influence the investigation study plan decision or vice versa as the two harbors service distinct and different vessel types. In addition, both projects are anticipated to have an identified National Economic Development Plan. Benefits derived from expanding the Federal dredging limits would not be significant enough to influence the investigation study selected plan decision. Pertaining to paragraph 8.d, the project does not change the Local Service Facilities (LSF) portions of the harbor. Expanding the Inner Harbor Federal dredging limits is not replacing a project specifically authorized by congress, but assessing the feasibility of increasing the Federal limits through the CAP program. Pertaining to Paragraph 8.e, the CAP project is not expected to change the maintenance requirements of the Harbor.

7. Alternative Plans Considered: A number of initial alternatives were considered beyond no-action, including:

Dredge Federal limits to –12 ft MLLW: This alternative would dredge the Inner Harbor within the existing Federal limits to –12 ft MLLW, including the approach lane prism. The increased depth would provide increased access to the harbor during low water events, increase the draft of barges, and likely reduce congestion and inefficiencies.

Dredge Federal limits and West Barge Ramp to –12 ft MLLW: This alternative would dredge the existing Federal limits and the West Barge Ramp. The increased depth would provide increased access to the harbor during low water events, improve access to the barge loading ramp, increase the draft of barges, and likely reduce congestion and inefficiencies.

Dredge Snake River and Federal limits to –12 ft MLLW: This alternative would dredge the existing Federal limits and the mouth of the Snake River to -12 ft MLLW, expanding the horizontal extent and depth of the existing Federal limits. This alternative would provide the improvements noted with the other potential alternatives and provide increased access to the barges and additional space for the turning basin.

8. Description of Likely Recommended Plan: The likely recommended plan is to dredge the current Inner Harbor Federal limits and West Barge Ramp to a depth of –12 ft MLLW (Figure 4). The area dredged would be the Inner Harbor and West Barge Ramp approach, in addition to the approach lane (orange in Figure 4). The Local Service Facilities would also be deepened where necessary to accommodate the increased depth (red in Figure 4). This would improve the access and draft for both fuel

and cargo barges, additionally reduce the number of lighter and waiting days improving efficiency. The non-federal sponsor is responsible for the construction and O&M of any local service facilities required for the project.

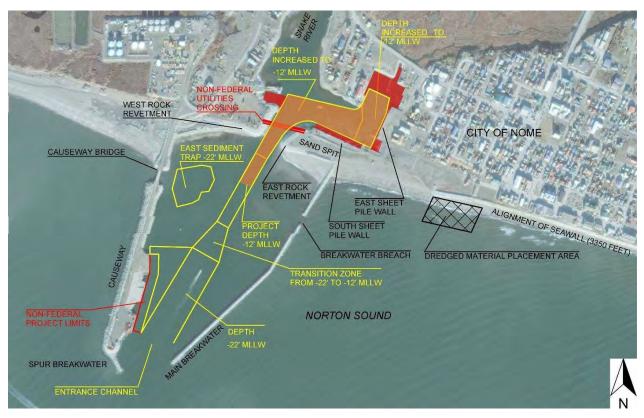


Figure 4: The Likely Recommended Plan (highlighted orange) would involve dredging in the Inner Harbor's current Federal limits, approach lane, and the Barge Ramp approach. The area in orange would have the depth increased from the current -10 ft MLLW to a new depth of -12 ft MLLW. The current Federal Operations and Maintenance area is outlined in yellow, Local Service Facilities and Non-Federal areas are in red.

The current maintenance dredging operations at the Port of Nome involve a hydraulic dredge with the disposal site in front of the Nome Seawall, east of the Port (Figure 5). An investigation would be undertaken to conclude whether or not the same process could be used to deepen the Inner Harbor with the removal of an additional 2 feet of material. Assuming the inner harbor dredge material is clean, the disposal site is expected to be on the beach approximately 1000 feet east of the Inner Harbor, in front of the Nome Seawall. The least costly acceptable means for disposal of the dredged material will be evaluated during the Feasibility Study. However, based on the low transportation costs, placement of the dredged material on the beach is currently anticipated to be the least costly acceptable means for disposal. The material would be used as beach nourishment along a depleted section of beach in the manner utilized for

the current maintenance operations. The disposal site would be confirmed once chemical analysis of sediment is conducted; historically, elevated antimony and arsenic levels have been observed in some samples. Dredge material sampling will be conducted during the Feasibility Study, if dredge material contains arsenic or other metals above acceptable limits for beach disposal, in-water or upland disposal would be investigated.



Figure 5: Maintenance dredging of the Inner Harbor approach in 2016.

It is expected that the proposed project could be accomplished utilizing the same methods as the current maintenance dredging, minimizing impact to vessel traffic and reducing environmental impacts. By utilizing an existing process, construction and future maintenance costs are relatively constrained. As the dredge footprint in this plan would remain very similar to the current footprint, the operations and maintenance (O&M) cost is expected to remain at the current level. Over the past five years the maintenance dredging of the Inner Harbor has had an annual averaged a cost of approximately \$300,000.



DEPARTMENT OF THE ARMY PACIFIC OCEAN DIVISION, U.S. ARMY CORPS OF ENGINEERS 573 BONNEY LOOP, BUILDING 525 FORT SHAFTER, HAWAII 96858-5440

DEC 1 8 2019

CEPOD-PDC

MEMORANDUM FOR Commander, Alaska Engineer District, U.S. Army Corps of Engineers (CEPOA-PM-C/Leif Hammes), P.O. Box 6898, JBER, AK 99506-0898

SUBJECT: CAP 107 Nome Harbor, Alaska, Continuing Authorities Program (CAP) Section 107 Preliminary Fact Sheet

1. Reference Memorandum, Alaska District, CEPOA-PM-C, dated July 30, 2019, subject CAP Section 107 Nome Inner Harbor (Encl 1).

2. POD has reviewed and approves your revised Continuing Authorities Project (CAP) Preliminary Fact Sheet (Encl 2) for the subject project that was received by email on 30 July 2019. Your revised Preliminary Fact Sheet satisfactorily demonstrates federal interest and all comments submitted by POD reviewers have been addressed. Subsequent to submittal of the Preliminary Fact Sheet, BG Tickner approved the continuation of the CAP and Investigations studies as two separate navigation projects at the Port of Nome (Encl 3).

3. Your Section 107 Fact Sheet will be submitted to our POD HQ Regional Integration Team for concurrence by HQUSACE, Director of Civil Works, to continue with feasibility study efforts. The CAP Feasibility Cost Sharing Agreement shall not be executed until we have received HQUSACE concurrence to proceed with this project. Additional guidance will be provided once we have received concurrence.

4. The POC for this action is Ms. Sharon Ishikawa, POD CAP Manager, Civil Works Integration Division, at 808-835-4621 or via e-mail: <u>sharon.m.ishikawa@usace.army.mil</u>.

DAMON P. LILLY, SES

Encls



DEPARTMENT OF THE ARMY PACIFIC OCEAN DIVISION, U.S. ARMY CORPS OF ENGINEERS 573 BONNEY LOOP, BUILDING 525 FORT SHAFTER, HAWAII 96858-5440

CEPOD-PDC

DEC 1 6 2019

MEMORANDUM FOR Commander, Alaska Engineer District (CEPOA-PM-C/Jenipher Cate), P.O. Box 6898, JBER, AK 99506-0898

SUBJECT: Approval to continue a Continuing Authority Program (CAP) study and Investigations study at the Port of Nome

1. References:

a. Memorandum, CEPOA-PM-C, 25 Nov 19, subject: Approval to continue a Continuing Authority Program (CAP) study and Investigations study at the Port of Nome (Encl).

b. EP 1105-2-58, Continuing Authorities Program, 1 Mar 19.

2. As detailed in reference 1.a., I approve your request to continue with both the Investigations and CAP studies as two separate navigation projects at the Port of Nome. The policy requirements specified in reference 1.b. have been satisfied.

3. POC for this action is Ms. Sharon Ishikawa, POD CAP Manager, Civil Works Integration Division, at 808-835-4621 or sharon.m.ishikawa@usace.army.mil.

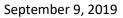
MAN

Encl

THOMAS J. TICKNER, PMP Brigadier General, USA Commanding

P.O. Box 281 o Nome, Alaska 99762

phone 907.443.6663 fax 907.443.5349



Colonel Philip Borders Alaska District Corps of Engineers CEPOA-PM-CW P.O. Box 6898 JBER, AK 99506-0898

RE: Section 107 Letter of Interest – Expansion of Federal Dredging Limits at the Inner Harbor

Dear Colonel Borders,

The City of Nome requests the assistance of the U.S. Army Corps of Engineers under Section 107 of the 1960 River and harbor Act, as amended, in the construction of a small navigation project at the Snake River, which hosts the City of Nome's Inner Harbor. In this request, the City seeks to expand the federal dredge limits at Nome, per the attached drawing, to allow for adequate maneuvering and safe navigation, as well as accommodate suitable moorage space within the inner harbor facility.

The City constructed a second loading ramp in the inner harbor in 2013 to facilitate a more efficient and safe transfer of cargo to/from the lightering vessels transshipping freight throughout the region. The maneuvering area is very tight for vessels transiting in/out of the ramp, and warrants the north dredge limits to shift further up river to provide sufficient space for safe maneuvering. Increased depth to -12' MLLW is necessary to enable vessels to maximize load efficiency, especially when north winds push 2-4 feet of water out of the harbor, thereby delaying vessels from accessing or departing the ramps until winds change. Industry tries to anticipate this issue by loading vessels lighter, which significantly increases shipping inefficiencies in regional cargo movement.

As vessel traffic has continued to increase at Nome over the last 10 years, the Small Boat Harbor has seen significant congestion in trying to accommodate cargo/fuel barges, fishing vessels, sailboats, research vessels and a growing offshore mining fleet. There have been repeated incidents related to fuel spills, vessel/dock damages, dock access and maneuverability issues that have increased operating costs and caused substantial delays for vessels. The City seeks to increase transshipment efficiencies throughout the region, and reduce vessel delays at Nome by expanding the federal dredge limits.

As the local sponsor, the City understands the feasibility cost-share requirements, has sufficient funds on hand to provide that cost-share, and is willing and able to enter into a Federal Cost Share Agreement with the Army Corps Alaska District. Please contact me if further information is needed.

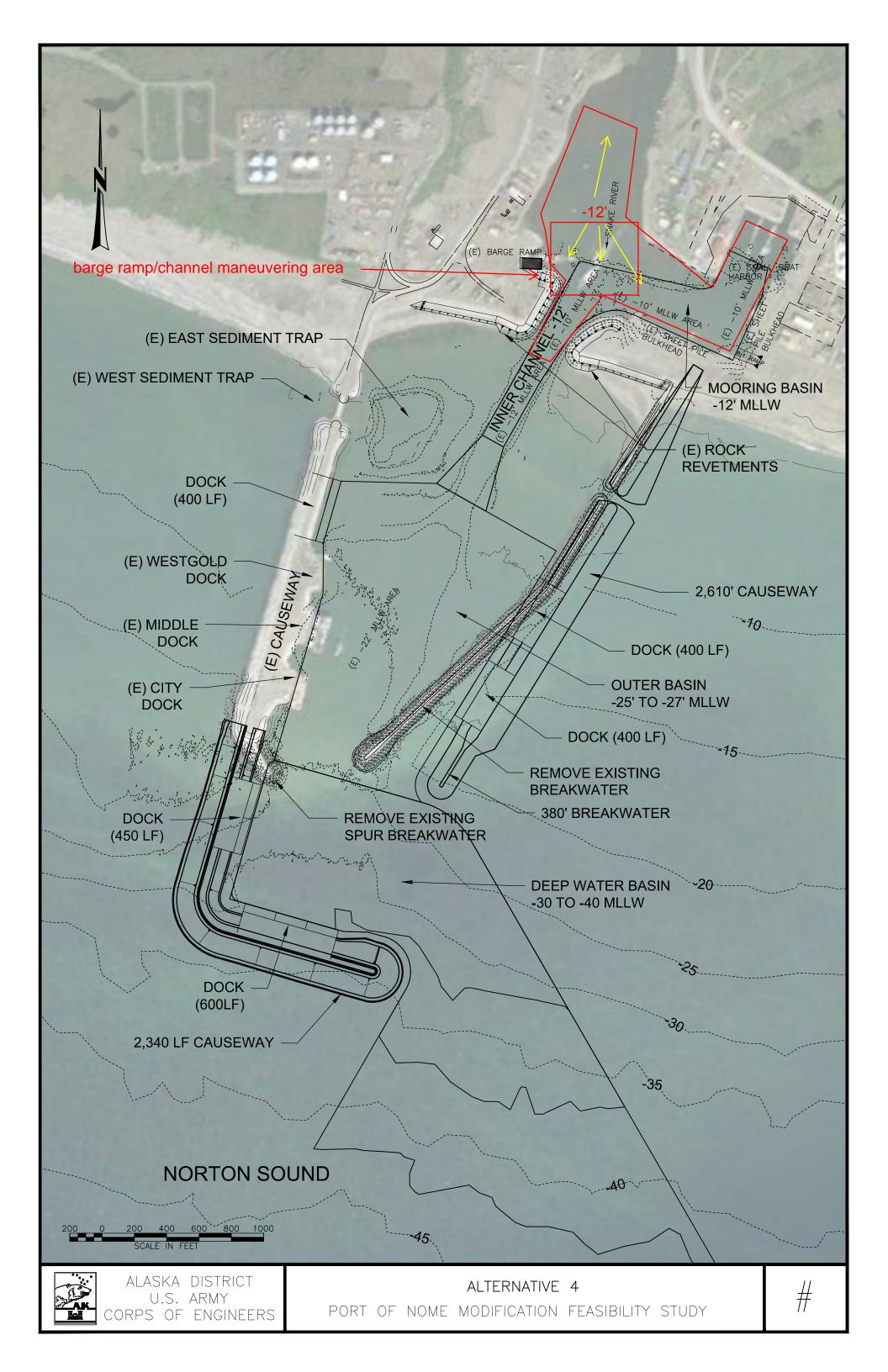
Sincerely,

CITY OF NOME

Richard Beneville Mayor

Cc: John Handeland – City Manager (Interim) Joy Baker – Port Director Nickie Crowe – Finance Director (Acting)

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DEPARTMENT OF THE ARMY ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS P.O. BOX 6898 JOINT BASE ELMENDORF-RICHARDSON, AK 99506-0898

Port Director City of Nome P.O. Box 281 Nome, AK 99762

Dear Ms. Baker:

The U.S. Army Corps of Engineers (UCACE) has approved your application of the Continuing Authorities Program (CAP) Section 107 for Nome, Alaska.

The first step is to preliminary determine Federal interest of deepening the Port of Nome's inner basin. If there is preliminary Federal interest, USACE will enter into a cost-share agreement with the City of Nome, Alaska to initiate the feasibility study.

If you have any questions, please do not hesitate to contact me at (907) 753-2837 or via email at Jenipher.R.Cate@usace.army.mil

Sincerely,

Cate

Jenipher Cate, Ph.D. Project Manager

Cc: Bruce Sexauer