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DATE: April 21, 2025

Alicia Hughes-Skandijs, Chair TO:

Public Works and Facilities Committee

THROUGH: Denise Koch, Engineering and Public Works Director

FROM: Ashley Heimbigner, Grants Manager

CBJ Grant Strategy Update - O3 FY2025 SUBJECT:

Federal Grants

Since the last update in July 2025, two major events have caused a significant shift in the operational needs and strategy of the Grants Manager – the August 2024 Glacial Lake Outburst Flood (GLOF) Disaster and the presidential transition in January 2025. The department is heavily focused on pursuing every available opportunity to secure funding, technical assistance, and in-kind support for both immediate and long-term flood response and resilience efforts. A summary of these funding activities was shared at the January 27, 2025, PWFC meeting¹; an updated version is on page 2 of the attached.

The new presidential administration and the recently released executive orders have disrupted nearly all federal funding programs, with potential impacts ranging from communication delays and re-written and delayed Notices of Funding Opportunities (NOFOs) to a complete freeze on grants and funding identified as conflicting with the President's executive orders. As an example, CBJ was awarded a \$4M USDOT Charging and Fueling Infrastructure grant on January 10, 2025, to plan for and install community public charging infrastructure for their private vehicles throughout Juneau. The kick-off meeting with USDOT for this grant was put on an indefinite delay and we have not heard from the program office since.

CBJ currently receives or has been awarded a grant for federal funding for both capital and operational activities from an alphabet soup of federal agencies, including USDOT, USACE, EPA, DHHS, MARAD, DOJ, FTA, DOE, FAA, and others. Each agency is undergoing its own review process, with little information being shared with funding recipients. We have not yet been notified of any grants or funding that has been rescinded due to the executive orders. However, CBJ initially paused discretionary grant activities that were not mission critical and could be at risk to avoid an unfunded liability. For example, shortly after the initial federal funding freeze in late January, CBJ postponed all contractor work related to the USDOT Safe Streets and Roads for All (SS4A) grant. We were also waiting to begin work on a USDOT Reconnecting Communities and Neighborhoods grant that funds community engagement, equity analysis and preliminary design and engineering for the Lemon Creek Multimodal Pathway. USDOT distributed a March 11, 2025 memo² noting that "projects with executed grant agreements in place that are fully obligated" will *not* be subject to further review. Both of the USDOT grants mentioned above fall into this category and staff look

¹ https://mccmeetingspublic.blob.core.usgovcloudapi.net/juneauak-meet-8ad4ade0313b4cf882a4c5762caa70a3/ITEM-Attachment-001-3f722f709e87469c9b0d1a60b4e620d9.pdf and

https://mccmeetingspublic.blob.core.usgovcloudapi.net/juneauak-meet-8ad4ade0313b4cf882a4c5762caa70a3/ITEM-Attachment-001-3641573ca435463fb1497f38b7ade76b.pdf

https://www.apta.com/wp-content/uploads/DOT-OST-MEMO-Competitive-Grant-Guidance-03-11-2025.pdf

forward to resuming this work. It may likely experience further delays given that the three FHWA staff in the Alaska office associated with these programs departed the agency on April 18, 2025.

Despite the uncertainty, the department continues to research, share, and collaborate on State, private, and non-profit funding opportunities and applications across CBJ departments and partner agencies. We have also been completing grant award agreements, moving projects forward, scoping future projects, and completing necessary reporting requirements. A list of planned and recently submitted applications is listed in the attachment.

Beyond traditional grants, we continue to research and pursue relevant funding opportunities that align with CBJ's needs and goals. These include partially forgivable loans³ and rebate programs (<u>Direct Pay</u>⁴).

While we currently have more questions than answers, CBJ staff are closely monitoring all federal funding and maintaining close communication with program officers where possible and will notify this body as more information comes available.

Congressionally Directed Spending

CBJ submitted the following FY26 requests for Congressionally Directed Spending to Senator Murkowski's Office, which were due on February 28, 2025.

The submitted projects were selected based on the FY2026 CBJ Legislative Capital Priorities list, project diversity, and their relevance to federal funding available this fiscal year.

- Glacial Lake Outburst Flood (GLOF) Long Term Mitigation, USACE \$10M
- GLOF Disaster Mitigation Protection of MWWTP \$2.976M
 - Construction of a sheet pile wall; prevent repetitive damages to armoring at MWWTP
- GLOF Flood Resilience on the Mendenhall River \$3.7455M
 - o Site preparation and deployment of Phase 2 flood barriers
- Mendenhall WW Treatment Plant: Fats, Oils, Grease, Grit Removal (FOG) \$5.95M
- Statter Harbor Wave Attenuator \$1.5M (Resubmittal from FY25)
- Capital Civic Center (Support of Partnership Request)

Congressman Begich began accepting CDS requests, which were due the week of April 14, 2025. CBJ submitted the same list of projects as those noted above, excluding the "GLOF Disaster Mitigation – Protection of the MWWTP" per recent advice from FEMA and the delegation that this project was better suited to the <u>FEMA Public Assistance 406 Mitigation program</u>⁵.

FY2026 State of Alaska Capital Appropriation

CBJ submitted all projects noted in the adopted <u>FY2026 Legislative Capital Priorities</u>⁶ to the CAPSIS portal, which is the process used to identify community capital priorities and funding needs for consideration by the Alaska State Legislature. Juneau's legislative delegation has been transparent about the very limited funding available for capital projects this year, however, CAPSIS continues to provide a meaningful opportunity to communicate community needs to the Legislature.

Attachment:

April 2025 EPW Planned and Pending Applications

³ https://dec.alaska.gov/water/technical-assistance-and-financing/state-revolving-fund/

⁴ https://www.whitehouse.gov/cleanenergy/directpay/

⁵ https://www.fema.gov/emergency-managers/practitioners/recovery-resilience-resource-library/public-assistance-406

⁶ https://juneau.org/wp-content/uploads/2025/03/FY26-CBJ-Legislative-Capital-Priorities-List Adopted-2.pdf