

Port of Juneau

155 S. Seward Street • Juneau, AK 99801 (907) 586-0292 Phone • (907) 586-0295 Fax

July 12th, 2024

James L. Marks Director, Division of Planning & Program Development Alaska Department of Transportation & Public Works PO Box 112500 Juneau, AK 99811-2500

Dear Mr. Marks,

As the City & Borough of Juneau (CBJ) - Docks & Harbors closes out the successful completion of Aurora Harbor Phase III, we are very thankful to ADOT for the fiscal support received in our harbor recapitalization efforts. We are equally delighted in Commissioner Anderson's backing and Governor Dunleavy's appropriations for the FY25 Harbor Facility Grant program. CBJ will be the recipient of \$5M for Aurora Phase IV which will enable us to complete the rebuild of Aurora Harbor, after 12 years of efforts. We anticipate awarding Phase IV by the end of December and expect to complete the \$10M project by June 30th, 2025.

Docks & Harbors is perpetually looking for opportunities to build waterfront infrastructure to drive economic activity, including commercial fisheries. In May, Docks & Harbors submitted a FY24 Maritime Administration (MARAD) Port Infrastructure Development Program (PIDP) grant application to construct an Aurora Harbor Drive Down Float. This float will be in the Auora Harbor basin at a distance furthest away and not connected to the Phase IV project. The estimated project cost for the Drive Down Float is \$13.9M. CBJ is committed to offering \$2,788,500 as local, non-federal match.

I formally request consideration to allow CBJ Docks & Harbors to compete for the FY26 Harbor Facility Grant, even though an existing grant (Aurora Harbor Phase IV) will not be completed until the end of FY25 (June 30th). Our request under the Harbor Facility Grant would be for \$1,394,250 (half of the non-federal match). We expect MARAD to make PIDP award notifications in November 2024.

Under the <u>FY26 ADOT Harbor Facility grant instructions</u>, Docks & Harbors would be disqualified from consideration due to C.9 which reads:

Prior harbor grants must be completed and closed-out before another harbor grant application will be accepted for the same harbor facility.

As CBJ Docks & Harbors frequently leverages ADOT Harbor Facility grant opportunities, I appreciate a strict and certain interpretation of the enabling statute and department policy. I assume the restriction to close out a project before accepting another grant application is to discourage bundling grants into a larger project. In our case, our Phase IV is to complete the rebuild of Aurora Harbor and the Aurora Drive Down Float is a separate initiative for infrastructure aligned with the goals of the ADOT Harbor Facility Grant.

I can also offer the following:

- Docks & Harbors is confident we will have Aurora Phase IV completed by July 2025.
- Docks & Harbors has the necessary local match funding for the MARAD PIPD project and is able to submit an application to ADOT by the August 9th, 2024 deadline for \$1,394,500.
- I have reviewed the Harbor Facility Grant Program (<u>AS 29.60.800</u>) and see nothing in the legislation (or even legislative intent) which would disenfranchise our request in this particular situation.
- The ADOT Facility Grant Program is only strengthened by having more qualified applications for consideration.
- In November 2024, if Docks & Harbors is unsuccessful with the MARAD PIDP grant, most likely we will be submitting a \$5M ADOT Harbor Facility Grant in FY27 or FY28.

I fully understand that there is no guarantee that funding would be available for the non-federal match to construct the Aurora Harbor Drive Down Float. My request is only to be allowed to compete along with all other municipal harbors for FY26 grant opportunities.

Sincerely,

Carl Uchytil, PE Port Director City & Borough of Juneau

Copy: Sarah Cripe Judy Chapman