

Memo

To: Dan Grimmer – Acting City Manager

From: Joy L. Baker – Project Manager/Acting Port Director JLB

CC: Mayor Handeland & Common Council; Port Commission; Planning Commission

Date: 4/11/2025

Re: Port Director Report/Projects Status Update – Apr 2025

Administration:

In preparation for the upcoming operating season, administrative activity has increased to ensure users are aware of new rates and forms that will be in effect for the 2025 summer. Efforts continue to identify costs for internal and external maintenance and repair projects, facility upgrades and capital expenditures. Collections on past due accounts continues, with the latest impound round moving forward this very day. This ongoing effort has proved fruitful as we have successfully reduced the unpaid user debt in Q1 2025 by nearly \$200K. This captures funds essential to supporting operational costs, as well as the necessary maintenance and repairs, improvements, and personnel training required to safely and efficiently run the facility. Seasonal staffing will begin in May, just in time for typical on-site user activity.

Strategic Development Plan:

The Port Commission will review the final draft of Phase B of the Strategic Development Plan (SDP) during a Work Session, to be held just prior to their Regular Meeting on 17 April 2025. Consultants, PND and Corvus, will capture comments from the commission, public and staff, which will culminate into Phase C of the SDP, and be presented at the 15 May 2025 work session and monthly meeting. The final report will reflect a solid, long-range plan for future port development, and employ strategies to achieve completion of projects identified as essential to the port and harbor.

Causeway:

Arctic Deep Draft Port – Nome Modifications (Construction Bid Award):

The construction solicitation for Phase 1A, representing a smaller project scope from the original Phase 1 plan, is still out on the street (since 28 Feb 2025). The proposal due date has been extended to 28 April 2025, with contract award anticipated for Aug/Sep 2025 – which is contingent upon receipt of an eligible bid that is within funding limits.

Local Service Facilities (LSF) Inspection Integration:

The City design team stands by to respond to bidder inquiries on the Phase 1A construction solicitation, as directed by USACE. In the meantime, the project team is moving forward to finalize design on Phase 2 (dredging), with a bid package solicitation anticipate to be released in May 2026, and award potentially in the Sep 2026 timeframe.

<u>U.S. DOT Maritime Administration (MARAD) – Port Infrastructure Development Program (PIDP) Grant Pre-Award:</u> Discussions continue with program staff on the remaining pre-award requirements for this grant. This will then allow the \$11.25M grant agreement to be executed, along with a separate funding agreement for the \$1.025M that Rep Peltola successfully placed into the FY2025 USDOT budget to supplement the PIDP award to Nome. More to come as this moves forward...

Harbor:

<u>Inner Harbor CAP 107 Study (Deepen/Widen the Inner Basin):</u>

The USACE finally provided written communication advising that this project no longer qualifies for a Continuing Authorities Program (CAP) 107 Study path due to construction costs exceeding the \$10M funding cap. The Alaska District is now recommending a General Investigation (GI) Study, which was the path used for the port expansion feasibility report. Considering the initial cost-share agreement was signed in 2020, it is frustrating to hear we will need to start over, even though there are a few elements that can be utilized for a GI Study. We continue working with the project team on next steps, including the estimated local cost-share and proposed schedule (as well as potential remedies through the CODEL).

Snake River Moorage Facility:

The City has made several inquiries to the USDOT/RAISE (BUILD) program personnel to begin the pre-award requirement phase which must be completed prior to executing a grant agreement. The federal agency continues to advise that they will be reaching out soon to facilitate the process typically following the award of program funds.

Port Industrial Pad:

West Nome Tank Farm (WNTF) - Property Conveyance:

The final conveyance quitclaim deed and environmental covenants package is scheduled for 2nd reading at the 14 Apr 2025 Regular Meeting of the Nome Common Council, and upon approval and adoption of the attorney-drafted ordinance, will be executed through the Mayor's signature. Following similar execution by all parties, the USAF is required to file these documents with the Alaska Recorder's office, finally conveying this 7-acre property.

Thornbush Laydown Site Development (TBS):

Various options are under consideration to complete the development of the remaining 8.5 acres of the 18-acre parcel in the most cost-effective manner. This additional laydown property is critically needed for staging of cargo and equipment, along with stockpiling gravel and rock, needed for the port expansion as well as for exporting to construction projects throughout the region.

Port Rd. Improvements (ADOT Project cost-shared with City):

This state STIP project has been postponed to approximately 2030 to avoid conflicting with the heavier truck traffic during the port expansion, and to facilitate a more productive repair following the project.

FEMA DR4672 Merbok Recover Projects:

Cape Nome Jetty Repair:

Duwamish Services, the awarded contractor, has provided and received approval on the majority of the required submittals for this work, with only a few remaining in processing. Materials/equipment have been procured and will mobilize to arrive at the site in early June 2025. Construction is anticipated to be complete in late Aug or early Sept 2025, with final completion scheduled for mid-Nov. More to come as this project moves forward.

Seawall & Causeway Utilities (under bridge) Repairs:

Coordination is ongoing between Port staff, Public Works, NJUS and the USACE contractor to allow the separate crews to repair damages caused by Merbok. This collaboration is necessary to collectively make use of the scaffolding the USACE contractor will be constructing in June 2024.

Italics reflects information with no change from last report. Additional information is available on request.