



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: 2/7/2025
Re: Port Project Status – Feb 2025

Administration:

In preparation for the next budget cycle, and in addition to the aggressive account collections currently underway, staff are focusing on budgetary needs, such as procurement for standard consumable items, necessary maintenance and repairs, improvements, personnel and training, as well as costs for meeting compliance of specific operational infrastructure inspected by various agencies.

The City had planned to send a small delegation to Washington DC from 3-5 Feb 2025, to meet with the Alaska Congressional Delegation (CODEL) and various committee staff within both the Senate and House. Although due to weather and illness, neither the Mayor or myself were able to travel. Fortunately, Megan Onders had already arrived in DC, allowing us to develop a strategy with Jay Sterne (City lobbyist) to hold hybrid meetings as needed. The Mayor and I were able to join meetings with all three of the CODEL offices via phone or Zoom. Overall, the trip was a success, with a focus on the port expansion progress for re-solicitation, funding and schedule, water & sewer needs, and coordination for other 2025 priorities identified by the City. A follow-up trip anticipated in the coming months.

Strategic Development Plan:

PND and Corvus continue working on the Strategic Development Plan, incorporating input from the public, users, port commission and city/port staff. This guidance will inform the final port (Phase C), and reflect a solid long-range plan for future port development. An updated draft will be shared in a Port Commission Work Session for review.

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

The USACE and City design teams have been diligently working on the revised bid solicitation, with a 100% package compiled the last week of Jan 2025. This package is now going through several mid and senior-level reviews at USACE, and expected to be approved for release by the end of Feb 2025, with an award in late summer 2025.

Local Service Facilities (LSF) Inspection Integration:

The City design team has worked closely with the USACE team in achieving completion of the recalibrated package known as Phase 1A. This has been done on an expedited schedule in order to maintain forward momentum.

U.S. DOT Maritime Administration (MARAD) – Port Infrastructure Development Program (PIDP) Grant Pre-Award:

Prior to the December holidays, the required Title VI documents were drafted and submitted to PIDP staff, City Admin and HR for review and comment. Discussions continue on the necessary content for this package, with briefings scheduled with PIDP staff on 12 Feb 2025, and subsequent follow up with City Admin/HR. 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:**Inner Harbor CAP 107 Study (Deepen/Widen the Inner Basin):**

The USACE has now advised 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 pursuit of a General Investigation (GI) Study, which was the path used for the port expansion feasibility report. We are working with the project team to determine next steps on this path, along with the local cost-share and proposed schedule.

Snake River Moorage Facility:

City staff are standing by to coordinate with USDOT/RAISE program personnel to identify pre-award requirements that will need to be met before execution of a grant agreement, as well as discuss specific language necessary to inform the project grant agreement. As federal agency funding programs are changing rapidly at this time, we have been advised by RAISE personnel that they will reach out in the near-term to begin the agreement process.

Port Industrial Pad:**West Nome Tank Farm (WNTF) - Property Conveyance:**

Based on continued delays with finalizing the conveyance documents, we contacted the Alaska Congressional Delegation last week to look into the matter with USAF/HQ. Thankfully, this inquiry brought benefit to the issue as the final drafts of the files were received the very next day. These latest docs are under final review by ADEC, state legal staff, and our City attorneys to ensure nothing has changed in the past year since last review. Once the local and state reviews are complete, the USAF is required to file the Environmental Covenants and Quitclaim Deed documents with the Alaska Recorder's office – which will actually convey the 7-acre property.

Thornbush Laydown Site Development (TBS):

Costs are being compiled for pursuing grant funds to complete the development of the remaining 8.5 acres of the 18-acre parcel. Several funding vehicles are accepting applications at this time, and we are hopeful that we will identify one that is aligned with this work. 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:**

The City has received and signed the Obligating Award Document (OAD) securing the necessary disaster funds to allow for award of the repair project. Three bids were received and opened at 3pm on 30 Jan 2025, with the lowest qualified bidder being Duwamish Services, LLC., in the amount of \$7,359,935. Contract documents are being compiled for execution, with work scheduled for the 2025 ice-free season.

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