

MEMORANDUM

To: Borough Assembly
From: Liz Cabrera, Community Development / Glorianne Wollen, Harbormaster
Date: September 8, 2026
Re: Resolution #2026-26, Accepting \$8,880,791 MARAD BUILD Grant for the Scow Bay Small Vessel Haul-out Project

Purpose

Staff requests Assembly approval of Resolution #2026-26, formally accepting a \$8,880,791 BUILD grant award from the U.S. Department of Transportation's Maritime Administration (MARAD), Grant No. 693JF72540048, for the Scow Bay Small Vessel Haul-out project, and authorizing the Borough Manager to execute the grant agreement and related administrative documents.

Background

The Scow Bay Small Vessel Haul-out serves the Borough's commercial fishing fleet and other small vessel owners. The existing facility is constrained by a shallow-water ramp and lacks a dedicated boarding float, washdown pad, and adequate utility connections. The Project will address these limitations by:

- Constructing a new haul-out ramp in deeper water;
- Installing a dedicated boarding float and a washdown pad;
- Connecting utilities (sewer, water, and electrical) to the haul-out; and
- Extending the existing breakwater.

The Borough applied for BUILD funding in February 2024; MARAD approved the award in January 2025, and the grant agreement is now finalized and ready for execution.

Project Cost by Component

The approved project budget (Schedule D of the grant agreement) allocates costs and funding as follows:

Component	BUILD Funds	Non-Federal Funds	Total
1 – Project Administration	\$0	\$713,710	\$713,710
2 – Construction	\$8,880,791	\$4,793,416	\$13,674,207
Total Project Cost	\$8,880,791	\$5,507,126	\$14,387,917

Funding Sources

The \$14,387,917 total Project cost is funded as follows:

Funding Source	Amount	Share
MARAD BUILD Grant (federal)	\$8,880,791	61.7%

Non-Federal Sources	\$5,507,126	
Denali Commission Grant (federal, counted as non-federal match)	\$3,378,416	23.5%
ADEC State Revolving Loan Fund	\$1,262,500	8.8%
Borough Economic Development Fund	\$650,000	4.5%
Borough Fisheries Disaster Funds	\$216,210	1.5%
Total	\$14,387,917	100%

No new Borough appropriation is required to accept the MARAD grant itself; the Borough Economic Development Fund and Fisheries Disaster contributions reflect funds already designated for this Project in the FY27 Approved Budget. The ADEC State Revolving Loan Fund amount reflects a portion of the borrowing authority approved by voters in October 2024. Funds have not been drawn, and the Borough is pursuing additional grant funding to reduce the amount ultimately borrowed.

Status

Design is 95% with 100% documents due September 18. All required federal, state, and local permits have been issued. The Project remains on schedule for construction bid advertisement in September 2026.

Recommendation

Staff recommends the Assembly adopt Resolution #2026-26, accepting the MARAD BUILD grant and authorizing the Borough Manager to sign the grant agreement and associated compliance documents, so that the Project can proceed to construction bidding on schedule.