



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Blaine Gillman, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*
Craig Chapman, Finance Director *CC*
Kevin Lyon, Capital Projects Director *KL*

FROM: Dan Mahalak, Water Resource Manager *DM*

DATE: May 26, 2016

SUBJECT: Ordinance 2015-19-~~34~~³⁴, appropriating \$114,069.36 to fully fund the 35 percent match for design and implementation of the Salmon Creek Section 205 Project Partnership Agreement approved by Resolution 2015-035

The attached ordinance fully funds the Non-Federal Sponsor's share of the 35 percent match for design and implementation of the Salmon Creek Section 205 project partnership agreement with the United States Army Corps of Engineers (USACE) on behalf of the Seward-Bear Creek Flood Service Area (SBCFSA).

The SBCFSA Board recommended at its May 4, 2015 regular meeting to allocate sufficient funds in order to move into this design and implementation phase of this Section 205 project as it was deemed a benefit to the nation by the USACE with a benefit cost ratio of 3.14. The feasibility study determined the certified design and construction cost is \$3,281,000.00.

The recommended plan resulting from the feasibility study is construction of an armored revetment, approximately 1,500 feet in length, which will provide sustainable flood risk management to the area. Construction will require the upgrade of 3,225 feet of mud trail to accommodate equipment. Minor recreation features will be included to facilitate public enjoyment after construction has been completed.

Resolution 2015-035 was adopted July 7, 2015 authorizing the execution of that agreement and reserving these funds for this purpose.

The Project Partnership Agreement was fully executed May 11th 2016.

Funding for the 35 percent required match is being provided as follows:

- Remaining balance of DCCED grant 14-DC-070 in the amount of \$550,881.14. Ordinance 2013-09-06 appropriated \$1,000,000 received from the State of Alaska for mitigation projects included in the SBCFSA local hazard mitigation plan.
- Remaining balance of DCCED grant 15-DC-090 in the amount of \$495,049.50. Ordinance 2014-19-17 appropriated \$500,000 received from the State of Alaska for mitigation projects included in the SBCFSA local hazard mitigation plan.
- Local funding from the SBCFSA fund balance in the amount of \$114,069.36.

This ordinance would appropriate the local funds of \$114,069.36 to use for the Design and Implementation of the Salmon Creek Flood Risk Management Section 205 project.

It should also be noted the SBCFSA will be responsible for the annual operation and maintenance costs which are estimated at \$9,850 per year once the project is constructed.

Your consideration of this ordinance is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No. <u>259.27910 FB</u>	_____
Amount <u>\$114,069.37</u>	_____
By: <u>pp</u>	Date: <u>5/26/16</u>