Brief Summary and Statement of Need:

Kenai River bluff stabilization and erosion control project is a partnership project with City of Kenai, Army Corps of Engineers and State of Alaska to provide for Kenai River bluff stabilization and erosion control. According to the City Manager of Kenai, buildings and infrastructure have been lost as a result of this erosion. This project is the number one priority of the City of Kenai. This project contributes to the Department's mission of promoting a healthy economy and strong communities by protecting vital structures of the community.

	FY2010	FY2011		FY2013	FY2014	FY2015	Total
Gen Fund	\$5,000,000						\$5,000,000
Total:	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$5,000,000
State Match Required 🗹 One-Time Project 🗌 Phased - new 🗌 Phased - underway 💭 On-Going							-Going
0% = Minimum State Match % Required Amendment					Mental Health	Bill	
Operating & Maintenance Costs:					Amou	<u>int</u>	Staff
		Pr	oject Develo	pment:		0	0
			Ongoing Ope	erating:		0	0
			One-Time S	Startup:		0	
				Totals:		0	0

Additional Information / Prior Funding History: None.

Project Description/Justification:

This project is a \$20,000,000 partnership project with City of Kenai, U.S. Army Corps of Engineers and State of Alaska to provide for Kenai River bluff stabilization and erosion control. According to the City Manager of Kenai, buildings and infrastructure have been lost as a result of this erosion. This project is the number one priority of the City of Kenai.

The City of Kenai recently met with the U.S. Army Corps of Engineers. Their representatives and consultants delivered a status report to the Kenai City Council, and various regulatory agencies regarding the design and NEPA (environmental) documents being prepared for this project. During discussions the Corps representatives informed the City that this project, given the advanced status of the design and environmental documentation, would be an ideal candidate for federal funding under the economic stimulus programs. They suggested that if there were a 35% local match it would greatly enhance the opportunity to receive federal funding for the remaining 65% under Section 117 of Public Law 108-447.

The City of Kenai has requested an appropriation in the amount of \$5.0 million for this project. Assuming \$5.0 million in State funding, total project funding would be as follows: State of Alaska Capital Project Summary Department of Commerce, Community, and Economic Development FY2010 Governor Amended Reference No: 47987 8/23/10 10:01:11 AM Page 1

City of Kenai	\$ 2,000,000 (Local Bond Proceeds)
State of Alaska	\$ 5,000,000
U.S. Government	\$ 13,000,000
Total Project	\$ 20,000,000

According to the City, the U.S. Army Corps of Engineers is prepared to undertake the project as soon as project funding is available. They continue to finalize the design and environmental documentation utilizing funding provided through previous federal appropriations. Approximately \$1.7 million has been appropriated by the federal government to date, and an additional \$500,000 is contained in the Energy and Water Development Appropriations Bill, 2009.