

SUBJECT: AN RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING THE SCOPE OF WORK AND BUDGET TO PROVIDE THE REQUIRED LOCAL MATCH FOR THE UNITED STATES ARMY CORPS OF ENGINEERS SECTION 205 TALKEETNA FLOOD RISK REDUCTION STUDY.

AGENDA OF: May 19, 2020

ASSEMBLY ACTION:

Adopted without objection
5-19-20

MANAGER RECOMMENDATION: Present to Assembly for Consideration.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER: John Moosey
Digitally signed by John Moosey
Date: 2020.05.08 06:59:38
-08'00'

Route To:	Department/Individual	Initials	Remarks
	Originator - T. Boothby	Taunnie L Boothby	Digitally signed by Taunnie L Boothby Date: 2020.05.07 11:52:16 -08'00'
	Planning and Land Use Director	Eileen Probasco	Digitally signed by Eileen Probasco Date: 2020.05.07 12:24:19 -08'00'
	Finance Director	Cheyenne Heindel	Digitally signed by Cheyenne Heindel Date: 2020.05.07 13:51:15 -08'00'
	Borough Attorney	Nicholas Spiropoulos	Digitally signed by Nicholas Spiropoulos Date: 2020.05.07 14:39:08 -08'00'
	Borough Clerk	Sam 5/11/20	

ATTACHMENT (S): Fiscal Note: YES X NO
Resolution Serial No. 20-050 (2 pp)
USACE Section 205 Talkeetna project package 27 pp)

SUMMARY STATEMENT:

The Borough Planning Department and Administration are requesting Assembly approve the Manager to enter into an agreement with United States Army Corps of Engineers (USACE) for the Continuing Authorities Program Section 205 Flood Risk Reduction Study. The first step of the Section 205 project will analyze options available to address the flood and flood related erosion from the Susitna, Chulitna, and Talkeetna rivers along the front of the community. The river's channel is migrating east, towards Talkeetna. The Susitna and Chulitna is causing the Talkeetna River to back up and cause increasing flood risk to the town. Flooding threatens critical infrastructure such as the drinking water treatment facility, public businesses, private residences and the life, health, and safety of the community. This has increasingly

become a problem with the public and tourist interacting with the bank while it is undercutting by the river. Since the river flow path has changed, it has exacerbated the danger for life, health, and safety as well as the livelihood of the entire community.

The Mat-Su Borough portion of the study is up to \$754,295 from the River Management Grant Match budget. This could be reduced by in-kind contributions and will be calculated as those in-kind contributions are identified. To participate in the study a 50% required local match to leverage \$754,295 in federal funding for United States Army Corps of Engineers (USACE) to complete the study.

This action will provide options to move forward with a solution. The ultimate goal is to gather partners in the final solution, understanding that Talkeetna is a place of significance for many agencies, infrastructure, businesses, and historical significance as well as being at the heart of connecting the interior with Southcentral, Alaska.

In addition, this action will approve the scope of work and budget for these match funds. The Mat-Su Borough will be required to enter into an agreement with the United States Army Corps of Engineers (USACE), Alaska District.

RECOMMENDATION OF ADMINISTRATION: Staff respectfully recommends Assembly adoption of the resolution approving the scope of work and budget to provide the required local match for the United States Army Corps of Engineers section 205 Talkeetna flood risk reduction study.

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: May 19, 2020

SUBJECT AN RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING THE SCOPE OF WORK AND BUDGET TO PROVIDE THE REQUIRED LOCAL MATCH FOR THE UNITED STATES ARMY CORPS OF ENGINEERS SECTION 205 TALKEETNA FLOOD RISK REDUCTION STUDY.

ORIGINATOR: Taunnie Boothby, Planner II

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
AMOUNT REQUESTED \$754,295	FUNDING SOURCE River Management Program
FROM ACCOUNT # 490.000.000.4XX.XXX	PROJECT # 75006-9200-9202
TO ACCOUNT :	PROJECT #
VERIFIED BY: Liesel Weiland <small>Digitally signed by Liesel Weiland Date: 2020.05.07 13:34:32 -08'00'</small>	CERTIFIED BY:
DATE: 05/07/2020	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL	754.2					
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REVENUE						
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FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds						
Other	754.2					
TOTAL	754.2					

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: _____ PHONE: _____
 DEPARTMENT: _____ DATE: _____
 APPROVED BY: Cheyenne Heindel Digitally signed by Cheyenne Heindel
Date: 2020.05.07 13:53:36 -08'00' DATE: _____



DEPARTMENT OF THE ARMY
PACIFIC OCEAN DIVISION, U.S. ARMY CORPS OF ENGINEERS
FORT SHAFTER, HAWAII 96858-5440

CEPOD-PDC

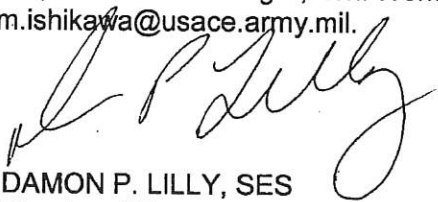
MAR 13 2020

MEMORANDUM FOR Commander, Alaska Engineer District, U.S. Army Corps of Engineers
(CEPOA-PM-C/Leif Hammes), P.O. Box 6898, JBER, AK 99506-0898

SUBJECT: Continuing Authorities Program Section 205 Talkeetna Flood Risk Management
Preliminary Fact Sheet

1. Reference memorandum, Alaska District, CEPOA-PM-C, dated September 9, 2019, subject as above (Encl 1).
2. POD has reviewed and approves your revised Continuing Authorities Project (CAP) Preliminary Fact Sheet (Encl 2). Your revised Preliminary Fact Sheet satisfactorily demonstrates federal interest and all comments submitted by POD reviewers have been addressed.
3. You are hereby authorized to proceed with continuation of this Section 205 study into the Feasibility Phase. Please schedule Federal funding capability up to \$50,000 in the CAP database to prepare your Project Management Plan and Review Plan and to prepare and execute a Feasibility Cost Sharing Agreement (FCSA). The FCSA should be executed within 6 months from the receipt of Federal funding.
4. IAW CEPOD-PDC Memorandum, 6 Aug 2018, Subject: Delegation of Approval Authority for Model Feasibility Cost Share Agreement for Continuing Authorities Program Projects, the responsibility for review and approval of a FCSA for a CAP project that does not deviate from the approved model was delegated by the POD Commander to the Alaska District Commander. District Counsel concurrence that the agreement does not deviate from the subject model, and is appropriate for use for the particular proposal, is required prior to approval and execution. If there are questions whether a deviation is substantive or non-substantive, please consult with your District Counsel.
5. If deviations are required (substantive or non-substantive), then please coordinate with the POD CAP Program Manager for submittal requirements for CAP FCSA packages. In addition, agreements with substantive deviations, unique circumstances, or controversial material must be coordinated with the POD CAP Program Manager for further coordination with the HQUSACE RIT prior to execution of the FCSA.
6. The POC for this action is Ms. Sharon Ishikawa, POD CAP Manager, Civil Works Integration Division, at 808-835-4621 or via e-mail: sharon.m.ishikawa@usace.army.mil.

Encls


DAMON P. LILLY, SES
Director of Programs

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AGREEMENT
BETWEEN
THE DEPARTMENT OF THE ARMY
AND
MATANUSKA-SUSITNA BOROUGH
FOR THE
TALKEETNA SECTION 205 FLOOD RISK REDUCTION STUDY

THIS AGREEMENT is entered into this _____ day of _____, _____, by and between the Department of the Army (hereinafter the "Government"), represented by the District Commander for Alaska District (hereinafter the "District Commander") and Matanuska-Susitna Borough (hereinafter the "Non-Federal Sponsor"), represented by the Borough Manager.

WITNESSETH, THAT:

WHEREAS, Section 205 of the Flood Control Act of 1948, as amended (33U.S.C 701s) authorizes study of flood risk reduction;

WHEREAS, Section 105(a) of the Water Resources Development Act of 1986, Public Law 99-662, as amended (33 U.S.C. 2215(a)), specifies the cost-sharing requirements; and

WHEREAS, the Government and the Non-Federal Sponsor have the full authority and capability to perform in accordance with the terms of this Agreement.

NOW, THEREFORE, the parties agree as follows:

ARTICLE I - DEFINITIONS

A. The term "Study" means the activities and tasks required to identify and evaluate alternatives and the preparation of a decision document that, as appropriate, recommends a coordinated and implementable solution for flood risk reduction at Talkeetna, Alaska.

B. The term "shared study costs" means all costs incurred by the Government and Non-Federal Sponsor after the effective date of this Agreement that are directly related to performance of the Study and cost shared in accordance with the terms of this Agreement. The term includes, but is not necessarily limited to: the Government's costs for preparing the PMP; for plan formulation and evaluation, including costs for economic, engineering, real estate, and environmental analyses; for preparation of a floodplain management plan if undertaken as part of the Study; for preparing and processing the decision document; for supervision and administration; for Agency Technical Review and other review processes required by the Government; and for response to any required Independent External Peer Review; and the Non-Federal Sponsor's creditable costs for in-kind contributions, if any. The term does not include any costs for dispute resolution; participation by the Government and Non-Federal Sponsor in the Study Coordination Team to discuss significant issues and actions; audits; an Independent External Peer Review panel, if

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required; or negotiating this Agreement. The term also does not include the first \$100,000 of costs for the Study incurred by the Government, whether before or after execution of this Agreement.

C. The term "PMP" means the project management plan, and any modifications thereto, developed in consultation with the Non-Federal Sponsor, that specifies the scope, cost, and schedule for Study activities and tasks, including the Non-Federal Sponsor's in-kind contributions, and that guides the performance of the Study.

D. The term "in-kind contributions" means those planning activities (including data collection and other services) that are integral to the Study and would otherwise have been undertaken by the Government for the Study and that are identified in the PMP and performed or provided by the Non-Federal Sponsor after the effective date of this Agreement and in accordance with the PMP.

E. The term "maximum Federal study cost" means the \$1,500,000 Federal cost limit for the Study, unless the Government has approved a higher amount, and includes the first \$100,000 of costs for the Study incurred by the Government.

F. The term "fiscal year" means one year beginning on October 1st and ending on September 30th of the following year.

ARTICLE II - OBLIGATIONS OF THE PARTIES

A. In accordance with Federal laws, regulations, and policies, the Government shall conduct the Study using funds appropriated by the Congress and funds provided by the Non-Federal Sponsor. In carrying out its obligations under this Agreement, the Non-Federal Sponsor shall comply with all the requirements of applicable Federal laws and implementing regulations.

B. The Non-Federal Sponsor shall contribute 50 percent of shared study costs in accordance with the provisions of this paragraph and provide required funds in accordance with Article III.

1. After considering the estimated amount of credit for in-kind contributions, if any, that will be afforded in accordance with paragraph C. of this Article and the first \$100,000 of the costs incurred by the Government that are excluded from shared costs, the Government shall provide the Non-Federal Sponsor with a written estimate of the amount of funds required from the Non-Federal Sponsor to meet its share of shared study costs for the remainder of the initial fiscal year of the Study. No later than 15 calendar days after such notification, the Non-Federal Sponsor shall provide the full amount of such funds to the Government.

2. No later than August 1st prior to each subsequent fiscal year of the Study, the Government shall provide the Non-Federal Sponsor with a written estimate of the amount of funds required from the Non-Federal Sponsor during that fiscal year to meet its cost share. No later than September 1st prior to that fiscal year, the Non-Federal Sponsor shall provide the full amount of such required funds to the Government.

C. The Government shall include in shared study costs and credit towards the Non-Federal Sponsor's share of such costs, the costs, documented to the satisfaction of the Government, that the Non-Federal Sponsor incurs in providing or performing in-kind contributions, including associated supervision and administration, after the effective date of this Agreement. Such costs shall be subject to audit in accordance with Article VI to determine reasonableness, allocability, and allowability, and crediting shall be in accordance with the following procedures, requirements, and limitations:

1. As in-kind contributions are completed and no later than 60 calendar day after such completion, the Non-Federal Sponsor shall provide the Government appropriate documentation, including invoices and certification of specific payments to contractors, suppliers, and the Non-Federal Sponsor's employees. Failure to provide such documentation in a timely manner may result in denial of credit. The amount of credit afforded for in-kind contributions shall not exceed the Non-Federal Sponsor's share of shared study costs.

2. No credit shall be afforded for interest charges, or any adjustment to reflect changes in price levels between the time the in-kind contributions are completed and credit is afforded; for the value of in-kind contributions obtained at no cost to the Non-Federal Sponsor; for any items provided or performed prior to completion of the PMP; or for costs that exceed the Government's estimate of the cost for such item if it had been performed by the Government.

D. To the extent practicable and in accordance with Federal laws, regulations, and policies, the Government shall afford the Non-Federal Sponsor the opportunity to review and comment on solicitations for contracts prior to the Government's issuance of such solicitations; proposed contract modifications, including change orders; and contract claims prior to resolution thereof. Ultimately, the contents of solicitations, award of contracts, execution of contract modifications, and resolution of contract claims shall be exclusively within the control of the Government.

E. The Non-Federal Sponsor shall not use Federal program funds to meet any of its obligations under this Agreement unless the Federal agency providing the funds verifies in writing that the funds are authorized to be used for the Study. Federal program funds are those funds provided by a Federal agency, plus any non-Federal contribution required as a matching share therefor.

F. Except as provided in paragraph C. of this Article, the Non-Federal Sponsor shall not be entitled to any credit or reimbursement for costs it incurs in performing its responsibilities under this Agreement.

G. If Independent External Peer Review (IEPR) is required for the Study, the Government shall conduct such review in accordance with Federal laws, regulations, and policies. The Government's costs for an IEPR panel shall not be included in shared study costs or the maximum Federal study cost.

H. In addition to the ongoing, regular discussions of the parties in the delivery of the Study, the Government and the Non-Federal Sponsor may establish a Study Coordination Team to discuss significant issues or actions. The Government's costs for participation on the Study Coordination Team shall not be included in the shared study costs, but shall be included in calculating the maximum Federal study cost. The Non-Federal Sponsor's costs for participation on the Study Coordination Team shall not be included in shared study costs and shall be paid solely by the Non-Federal Sponsor without reimbursement or credit by the Government.

ARTICLE III - PAYMENT OF FUNDS

A. As of the effective date of this Agreement, shared study costs are projected to be \$ 1,509,000 ___, with the Government's share of such costs projected to be \$ 754,500 ___ and the Non-Federal Sponsor's share of such costs projected to be \$ 754,500 ___. These amounts are estimates only that are subject to adjustment by the Government and are not to be construed as the total financial responsibilities of the Government and the Non-Federal Sponsor.

B. The Government shall provide the Non-Federal Sponsor with monthly reports setting forth the estimated shared study costs and the Government's and Non-Federal Sponsor's estimated shares of such costs; costs incurred by the Government, using both Federal and Non-Federal Sponsor funds, to date; the amount of funds provided by the Non-Federal Sponsor to date; the estimated amount of any creditable in-kind contributions; and the estimated remaining cost of the Study.

C. The Non-Federal Sponsor shall provide to the Government required funds by delivering a check payable to "FAO, USAED, Alaska District (J4)" to the District Commander, or verifying to the satisfaction of the Government that the Non-Federal Sponsor has deposited such required funds in an escrow or other account acceptable to the Government, with interest accruing to the Non-Federal Sponsor, or by providing an Electronic Funds Transfer of such required funds in accordance with procedures established by the Government.

D. The Government shall draw from the funds provided by the Non-Federal Sponsor to cover the non-Federal share of shared study costs as those costs are incurred. If the Government determines at any time that additional funds are needed from the Non-Federal Sponsor to cover the Non-Federal Sponsor's required share of shared study costs, the Government shall provide the Non-Federal Sponsor with written notice of the amount of additional funds required. Within 60 calendar days of such notice, the Non-Federal Sponsor shall provide the Government with the full amount of such additional funds.

E. Upon completion of the Study and resolution of all relevant claims and appeals, the Government shall conduct a final accounting and furnish the Non-Federal Sponsor with the written results of such final accounting. Should the final accounting determine that additional funds are required from the Non-Federal Sponsor, the Non-Federal Sponsor, within 60 calendar days of written notice from the Government, shall provide the Government with the full amount of such additional funds. Should the final accounting determine that the Non-Federal Sponsor has provided funds in excess of its required amount, the Government shall refund the excess

amount, subject to the availability of funds. Such final accounting does not limit the Non-Federal Sponsor's responsibility to pay its share of shared study costs, including contract claims or any other liability that may become known after the final accounting.

ARTICLE IV - TERMINATION OR SUSPENSION

A. Upon 30 calendar days written notice to the other party, either party may elect at any time, without penalty, to suspend or terminate future performance of the Study. Furthermore, unless an extension is approved by the Assistant Secretary of the Army (Civil Works), the Study may be terminated if a Decision Document is not completed for the Study within 3 years after the effective date of this Agreement.

B. In the event of termination, the parties shall conclude their activities relating to the Study. To provide for this eventuality, the Government may reserve a percentage of available funds as a contingency to pay the costs of termination, including any costs of resolution of contract claims, and resolution of contract modifications.

C. Any suspension or termination shall not relieve the parties of liability for any obligation incurred. Any delinquent payment owed by the Non-Federal Sponsor pursuant to this Agreement shall be charged interest at a rate, to be determined by the Secretary of the Treasury, equal to 150 per centum of the average bond equivalent rate of the 13 week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional 3 month period if the period of delinquency exceeds 3 months.

ARTICLE V - DISPUTE RESOLUTION

As a condition precedent to a party bringing any suit for breach of this Agreement, that party must first notify the other party in writing of the nature of the purported breach and seek in good faith to resolve the dispute through negotiation. If the parties cannot resolve the dispute through negotiation, they may agree to a mutually acceptable method of non-binding alternative dispute resolution with a qualified third party acceptable to the parties. Each party shall pay an equal share of any costs for the services provided by such a third party as such costs are incurred. The existence of a dispute shall not excuse the parties from performance pursuant to this Agreement.

ARTICLE VI - MAINTENANCE OF RECORDS AND AUDIT

A. The parties shall develop procedures for the maintenance by the Non-Federal Sponsor of books, records, documents, or other evidence pertaining to costs and expenses for a minimum of three years after the final accounting. The Non-Federal Sponsor shall assure that such materials are reasonably available for examination, audit, or reproduction by the Government.

B. The Government may conduct, or arrange for the conduct of, audits of the Study. Government audits shall be conducted in accordance with applicable Government cost principles and regulations. The Government's costs of audits for the Study shall not be included in shared study costs, but shall be included in calculating the maximum Federal study cost.

C. To the extent permitted under applicable Federal laws and regulations, the Government shall allow the Non-Federal Sponsor to inspect books, records, documents, or other evidence pertaining to costs and expenses maintained by the Government, or at the request of the Non-Federal Sponsor, provide to the Non-Federal Sponsor or independent auditors any such information necessary to enable an audit of the Non-Federal Sponsor's activities under this Agreement. The costs of non-Federal audits shall be paid solely by the Non-Federal Sponsor without reimbursement or credit by the Government.

ARTICLE VII - RELATIONSHIP OF PARTIES

In the exercise of their respective rights and obligations under this Agreement, the Government and the Non-Federal Sponsor each act in an independent capacity, and neither is to be considered the officer, agent, or employee of the other. Neither party shall provide, without the consent of the other party, any contractor with a release that waives or purports to waive any rights a party may have to seek relief or redress against that contractor.

ARTICLE VIII - NOTICES

A. Any notice, request, demand, or other communication required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and delivered personally or mailed by certified mail, with return receipt, as follows:

If to the Non-Federal Sponsor:

Mat-Su Borough
ATTN: Terry Dolan, Director Public Works
350 E. Dahlia Ave
Palmer, AK 99645

If to the Government:

USACE, Alaska District
Attn: CEPOA-PM-C
PO Box 6898
JBER, AK 99506

B. A party may change the recipient or address for such communications by giving written notice to the other party in the manner provided in this Article.

ARTICLE IX - CONFIDENTIALITY

To the extent permitted by the laws governing each party, the parties agree to maintain the confidentiality of exchanged information when requested to do so by the providing party.

ARTICLE X - THIRD PARTY RIGHTS, BENEFITS, OR LIABILITIES

Nothing in this Agreement is intended, nor may be construed, to create any rights, confer any benefits, or relieve any liability, of any kind whatsoever in any third person not a party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which shall become effective upon the date it is signed by the District Commander.

DEPARTMENT OF THE ARMY

MATANUSKA-SUSITNA BOROUGH

BY: _____
Philip J. Borders
Colonel, U.S. Army
District Commander

BY: _____
John Moosey
Borough Manager

DATE: _____

DATE: _____

Attachment

FEDERAL/NON-FEDERAL ALLOCATION OF FUNDS

Total Study Cost:	\$1,609,000	
FID/ FCSA Exec.	\$100,000	Fed \$

Shared Study Cost \$1,509,000 50/50 Cost Share

Year		\$	1,509,000	Non-Federal Cash		Federal Cash
1	\$	980,850	65%	\$	490,425	\$ 490,425
2	\$	528,150	35%	\$	264,075	\$ 264,075
Total	\$	1,509,000	100%	\$	754,500	\$ 754,500

Budget By Section	Cost
Project Management	\$70,000
Plan Formulation	\$82,000
Economics	\$90,000
Environmental & Cultural Resources	\$95,000
Branch Oversight (13%)	\$43,810
Civil Works Subtotal	\$380,810
Geotechnical & Drilling	\$300,000
Hydraulics & Hydrology	\$300,000
Survey and Geomatics	\$176,000
Cost Engineering	\$65,000
Real Estate	\$70,000
Engineering Branch Oversight	\$16,000
Subtotal	\$1,307,810
Agency Technical Review	\$70,000
Contingency (10%)	\$130,781
Total	\$1,508,591
Local Share (50%)	\$754,295
Federal Share (50%)	\$754,295

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CERTIFICATE OF AUTHORITY

I, **Nicholas Spiropoulos** do hereby certify that I am the principal legal officer for the **Matanuska-Susitna Borough**, that the **Matanuska-Susitna Borough** is a legally constituted public body with full authority and legal capability to perform the terms of the **Agreement** between the Department of the Army and the **Matanuska-Susitna Borough** in connection with the **Section 205 Talkeetna Flood Risk Reduction**, and to pay damages, if necessary, in the event of the failure to perform in accordance with the terms of this **Agreement**, as required by Section 221 of Public Law 91-611, as amended (42 U.S.C. 1962d-5b), and that the person who executed this **Agreement** on behalf of the **Matanuska-Susitna Borough** acted within **his** statutory authority.

IN WITNESS WHEREOF, I have made and executed this certification this
_____ day of _____ 20__.

Nicholas Spiropoulos
Matanuska-Susitna Borough Attorney

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CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

John Moosey
Borough Manager

DATE: _____

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**NON-FEDERAL SPONSOR'S
SELF-CERTIFICATION OF FINANCIAL CAPABILITY
FOR AGREEMENTS**

I, Cheyenne Heindel, do hereby certify that I am the Chief Financial Officer of the Matanuska-Susitna Borough (the "Non-Federal Sponsor"); that I am aware of the financial obligations of the Non-Federal Sponsor for the Section 205 Talkeetna Flood Risk Reduction; and that the Non-Federal Sponsor has the financial capability to satisfy the Non-Federal Sponsor's obligations under the Feasibility Cost Share Agreement.

IN WITNESS WHEREOF, I have made and executed this certification this _____ day of _____, _____.

BY: _____

TITLE: _____

DATE: _____

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Tentative Schedule

Table 2. Proposed Feasibility Study Schedule.

Milestone	Date
Federal Interest Determination	Feb-20
Execute FCSA	Apr-20
MSC Milestone Meeting	Oct-22
Decision Document (with EA FONSI)	Dec-22
Division Approval	Mar-23

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TALKEETNA FLOOD RISK MANAGEMENT

SECTION 205 CAP PROJECT FACT SHEET

1. **Project Name:** Talkeetna, Alaska Section 205 Flood Risk Management
2. **Army Corps of Engineers District and Participating Sponsor:**
 - a. **Corps District and POC:** Alaska District, Leif Hammes
 - b. **Sponsor and POC:** Mat-Su Borough Public Works, James Jenson
3. **Congressional Delegation:**
 - a. Senator Lisa Murkowski (R-AK)
 - b. Senator Dan Sullivan (R-AK)
 - c. Representative Don Young (R-AK)
4. **Location:** Talkeetna is a community of about 900 people located in the Matanuska-Susitna (Mat-Su) Borough 115 road miles (75 air miles) north of Anchorage (Figure 1). It is one of the most sought after tourist destinations in Alaska, with approximately 240,000 people visiting the "Gateway to Denali" annually. The city is unincorporated and falls under the jurisdiction of the Mat-Su Borough.

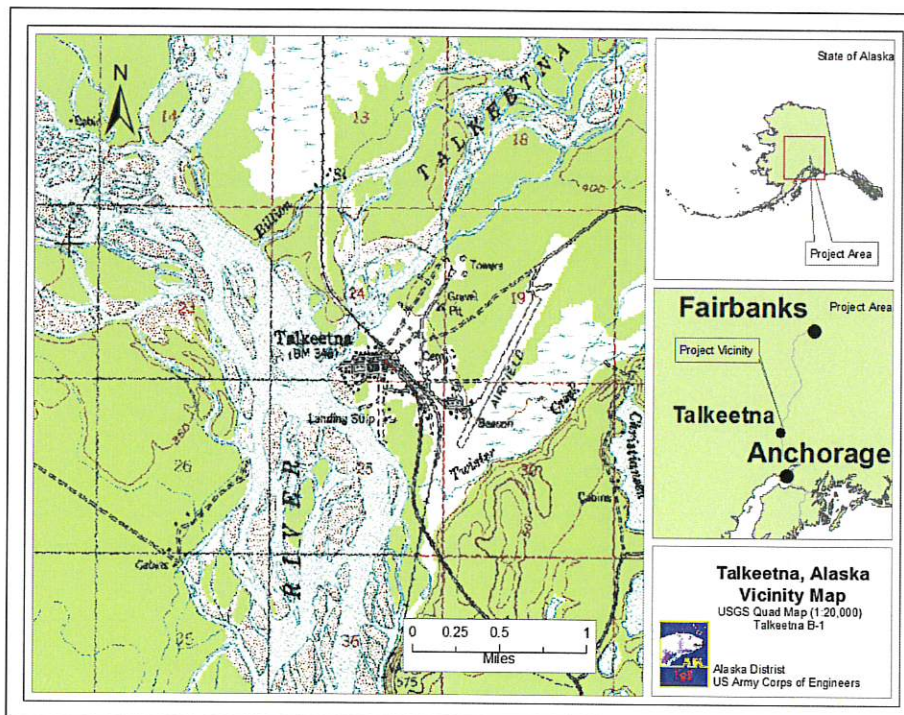


Figure 1: Vicinity Map of Talkeetna, Alaska.

The downtown is constructed near the confluence of the Talkeetna River and Susitna River (Figure 2). Both rivers are large, glacially fed, braided rivers. At the confluence, the Susitna River is the larger of the rivers with a braided channel width of approximately one mile. The Talkeetna River channel width is approximately a half-mile wide and is braided until it narrows to a single-channel just upstream of the confluence with the Susitna River.



Figure 2: Confluence of the Susitna and Talkeetna Rivers. The mixing zone is seen in the change in turbidity.

5. Existing Projects: The U.S. Army Corps of Engineers (USACE) constructed a timber and brush fascine in 1951 in an emergency effort to arrest bank erosion of the Talkeetna townsite. The fascine began at the Alaska Railroad embankment and extended 1,000 feet downstream along the left bank of the Talkeetna River. The fascine had deteriorated and consequently USACE constructed a sand and gravel dike and rock revetment in the mid-1970's to prevent bank erosion by floodwaters of the Talkeetna and Susitna Rivers under the authority of the Flood Control Act of 1958 (Public Law 85-500 dated July 3, 1958) (Figure 3). The completed project was turned

over to the Matanuska-Susitna Borough for operation and maintenance in 1979. The improvements are subject to periodic inspection by the Corps.

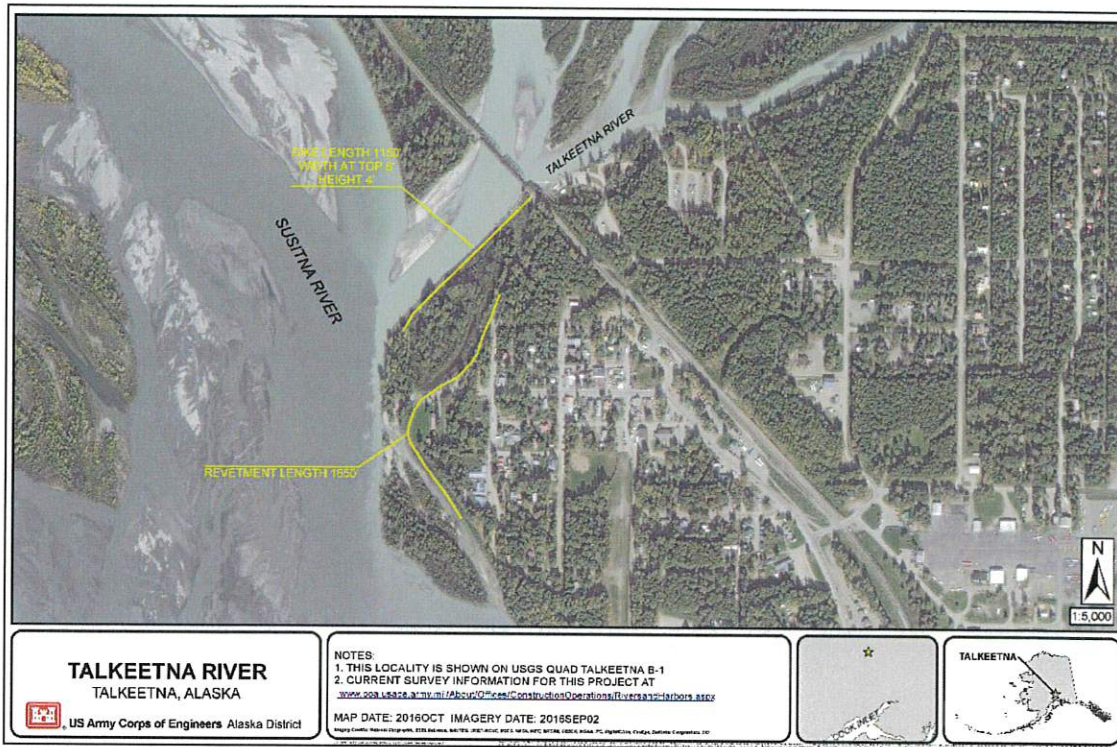


Figure 3: Existing erosion control dike and revetment constructed by USACE under Flood Control Act of 1958.

6. Problem: The Susitna River's channel is migrating east, towards Talkeetna. The Susitna River's migration is causing backwater up the Talkeetna River, increasing flood risk in downtown Talkeetna. Flooding threatens critical infrastructure such as the drinking water treatment facility, public businesses, private residences, and the life, health, and safety of the community. A USACE revetment and dike constructed in the mid-1970s continues to direct the flow of the Talkeetna River. However, as a permeable structure, the revetment provides minimal protection from the backwater conditions resulting from the Susitna River migration.

7. Alternative Plans Considered: During the Continuing Authorities Program (CAP) Federal Interest Determination (FID), an initial investigation took place. A number of initial alternatives were considered, including construction of a levee, relocation and flood proofing, and a flood wall. A more in-depth investigation of alternatives would be conducted if a Federal interest exists to develop a flood risk reduction project at Talkeetna, Alaska.

Levee: This alternative would involve the construction of a levee along the banks of the Talkeetna and Susitna Rivers. The levee would be approximately 2700 feet long, running from the railroad bridge along the Talkeetna River and then following the bank around the Susitna River.

Relocation and Flood Proofing: This alternative would involve the relocation of critical infrastructure and retrofitting structures to minimize flood damage. Retrofitting could include a combination of increasing base floor elevations and structural changes to prevent floodwater from entering the building.

Flood Wall: This alternative would involve the construction of a wall along the banks of the Talkeetna and Susitna Rivers. Several variations were considered: a permanent structure, a removable wall or barrier, or a combination of permanent and removable barriers.

8. Description of Likely Recommended Plan: The likely recommended plan proposes constructing a levee originating at the railroad bridge along the Talkeetna River, following the shore around the confluence of the Susitna River, and terminating along a small side channel of the Susitna River (Figure 4). The proposed levee is just over 2700 feet long and 15 feet wide with a 2:1 slope. The levee would be targeted to meet additional needs for flood control (ER 1165-2-119). The existing, maintained, USACE revetment and dike would remain as-built, where possible. The termination point was chosen to prevent the levee from being flanked by Susitna River floodwaters. Based on LiDAR, this option would reduce the risk of flooding in the low lying areas in downtown Talkeetna. Congressional authorization is likely to be required if the proposed improvements replace any portion of the existing project specifically authorized by Congress.

The Susitna and Talkeetna rivers freeze in the winter and have ice floe during the spring thaw (Figure 5). In addition, both rivers carry large woody debris. A levee would be designed to provide flood risk reduction while withstanding the forces of ice and debris impacts. Due to the wide and braided nature of both rivers, no significant impacts are expected on the opposite bank due to the construction of a levee at Talkeetna.



Figure 4: Map of Talkeetna with likely recommended plan, levee footprint, in red.



Figure 5: Typical breakup conditions and ice floe on the Susitna River.

9. Estimated Cost & Proposed Schedule for Feasibility:

Table 1 summarizes the feasibility budget estimates for the Talkeetna study. The budget encompasses team and sponsor engagement, data collection, modeling, and document development to complete the feasibility level design. A Federal Cost Share Agreement (FCSA) would be developed prior to study initiation.

Table 1. Budget for Feasibility Study.

Budget By Section	Cost
Project Management	\$70,000
Plan Formulation	\$82,000
Economics	\$90,000
Environmental & Cultural Resources	\$95,000
Branch Oversight (13%)	\$43,810
Civil Works Subtotal	\$380,810
Geotechnical & Drilling	\$300,000
Hydraulics & Hydrology	\$300,000
Survey and Geomatics	\$176,000
Cost Engineering	\$65,000
Real Estate	\$70,000
Engineering Branch Oversight	\$16,000
Subtotal	\$1,307,810
Agency Technical Review	\$70,000
Contingency (10%)	\$130,781
Total	\$1,508,591
Local Share (50%)	\$754,295
Federal Share (50%)	\$754,295

The proposed schedule for this feasibility study is shown in Table 2.

Table 2. Proposed Feasibility Study Schedule.

Milestone	Date
Federal Interest Determination	February 2020
Execute FCSA	April 2020
MSC Milestone Meeting	October 2022
Decision Document (with EA FONSI)	December 2022
Division Approval	March 2023

Given prior estimates of similar projects, construction of the likely recommended plan would cost approximately \$6.9 million. Other alternatives developed in the study may

have different costs associated. The Alaska District recommends proceeding with the Feasibility Study for the Talkeetna Project.

10. As of the date of this fact sheet, are there any policy waivers required, including a waiver for deviation from the NED plan? None at this time.

11. Authorization, appropriations act, or report language: The investigations summarized in this report will be undertaken through the authority of Section 205 of the Flood Control Act of 1948 as amended (33 U.S.C. 701s).

"The Secretary of the Army is authorized to allot from any appropriations heretofore or hereafter made for flood control, not to exceed \$68,750,000 for any one fiscal year, for the implementation of small structural and nonstructural projects for flood control and related purposes not specifically authorized by Congress, which come within the provisions of section 701a of this title, when in the opinion of the Chief of Engineers such work is advisable. The amount allotted for a project shall be sufficient to complete Federal participation in the project. Not more than \$10,000,000 shall be allotted under this section for a project at any single locality. The provisions of local cooperation specified in section 701c of this title shall apply. The work shall be complete in itself and not commit the United States to any additional improvement to insure its successful operation, except as may result from the normal procedure applying to projects authorized after submission of preliminary examination and survey reports.

(June 30, 1948, ch. 771, title II, § 205, 62 Stat. 1182; May 17, 1950, ch. 188, title II, § 212, 64 Stat. 183; July 11, 1956, ch. 558, 70 Stat. 522; Pub. L. 87-874, title II, § 205, Oct. 23, 1962, 76 Stat. 1194; Pub. L. 93-251, title I, § 61, Mar. 7, 1974, 88 Stat. 29; Pub. L. 94-587, § 133(b), Oct. 22, 1976, 90 Stat. 2928; Pub. L. 97-140, § 2(a), Dec. 29, 1981, 95 Stat. 1717; Pub. L. 99-662, title IX, § 915(a), Nov. 17, 1986, 100 Stat. 4191; Pub. L. 106-53, title II, § 201, Aug. 17, 1999, 113 Stat. 285; Pub. L. 106-541, title II, § 218, Dec. 11, 2000, 114 Stat. 2596; Pub. L. 110-114, title II, § 2021, Nov. 8, 2007, 121 Stat. 1078; Pub. L. 113-121, title I, § 1030(e), June 10, 2014, 128 Stat. 1232; Pub. L. 115-270, title I, § 1157(e), Oct. 23, 2018, 132 Stat. 3794.)"

The requirements for Federal review and funding are less stringent than for projects specifically authorized by Congress. Other legal requirements still apply, such as those in the National Environmental Policy Act of 1969 (P.L. 91-190), as amended, and various other laws and associated Federal regulations concerning environmental quality.

12. Financial Information:

a. Feasibility Study Cost: \$1,508,000 (Federal share: \$754,000) (Note: The initial \$100,000 for the Federal Interest Determination (FID) is fully federally funded. The remaining funds from the initial \$100,000 will be utilized for scoping, FCSA negotiations, and contingency.) The \$100,000 for the FID is not included in Table 1 above. The

feasibility phase is cost-shared 50/50 with the non-Federal sponsor. As confirmed in a Letter of Intent (LOI) from the Mat-Su Borough dated 8 August 2019, the non-Federal sponsor is aware of the cost sharing requirements of the study and have indicated they have sufficient funds to support its completion.

b. Construction Costs: Table 3 shows the construction cost estimate for the recommended plan. The estimate includes a 40% contingency, which would be revised during the Feasibility phase. The Design and Implementation (D&I) phase of the project would have a 35% Local-65% Federal cost-share.

Table 3. Construction Cost Estimate for the likely Recommended Plan.

WBS No.	FEATURE ACCOUNT / ITEM DESCRIPTION	UOM	QUANTIT Y	UNIT COST	TOTAL COST
11	LEVEES & FLOODWALLS				
	Mob, Demob, Site Preparation	JB	1	\$1,000,000	\$1,000,000
	Clear and Grub for access road and embankment	AC	3.5	\$50,000.00	\$175,000
	Excavation, Fill, Grade & Compaction, and Haul Unused Soil	CY	20627	\$28.13	\$580,236
	Embankment Preparation	CY	10678	\$31.89	\$340,532
	Filter Rock	CY	4449	\$151.66	\$674,781
	RipRap	CY	2670	\$223.60	\$596,918
	Sub-Total				\$3,367,466
	Profit			10%	\$336,747
	Sub-Total				\$3,704,213
	Escalation 2019 to 2024 @ 1.8% per year			9%	\$333,379
	Sub-Total				\$4,037,592
	Estimator's Contingency			40%	\$1,615,037
	Sub-Total				\$5,319,250
	PED			12%	\$638,310
	Contingency			10%	\$531,925
	S&A			7.5%	\$398,944
	Total				\$6,888,429

c. LERRD costs: <\$100,000 There are no utilities currently identified in the project area. The non-Federal sponsor would be required to provide the real property interests, placement area improvements, and relocations required for construction, operation, and maintenance of any approved project. The value of any real property interests, placement area improvements, or relocations provided by the non-Federal sponsor would be included in construction costs and credited towards the non-Federal sponsor's share of those costs. Most of the lands in the vicinity are owned by local government or the Alaska Railroad Corporation.

d. Ultimate Federal Cost: Approximately \$5.1 million (\$700,000 Feasibility Phase and \$4,480,000 D&I Phase)

e. Benefit/Cost ratio: Not estimated (see economic analysis section below)

f. Average Annual O&M Costs: Approximately \$6,700 per year. This is consistent with several-similar sized projects in Alaska.

13. Complete Funding History by Fiscal Year (FY) (Include one line for each additional FY): See table 4.

Table 4. Complete Funding History by FY.

	AMOUNTS SPECIFIED ("NAMED" BY CONGRESS)	NET ALLOCATIONS FOR FISCAL YEAR
FY 2019	\$0	\$49,999

14. Supplemental Information:

a. Environmental Setting: This study has the potential to impact anadromous waters under the regulatory authority of the Alaska Department of Fish and Game (ADFG). All five species of Pacific salmon have been documented in the Talkeetna River at various life stages. In-water work would require coordination with the ADFG Habitat Division in order to obtain a Fish Habitat Permit (FHP) by the local sponsor. The placement of fill material in the water of the United States, including wetlands, would require analysis under Section 404 of the Clean Water Act (CWA). There are likely wetlands in the project area, and almost any alternative would require work below the ordinary high water mark in the Talkeetna River. There are no Endangered Species Act (ESA) listed species in the proposed project area. Several species of migratory birds under the protection of the Migratory Bird Treaty Act (MBTA) and eagles under the protection of the Bald and Golden Eagle Protection Act (BGEPA) may be present in the proposed project area. As the environmental impact of the proposed project is expected to be minimal, an Environmental Assessment is anticipated to be sufficient to meet the National Environmental Policy Act (NEPA) requirements.

b. Cultural Resources: This study has the potential to impact cultural resources within the community of Talkeetna. There are 44 sites listed on the Alaska Heritage Resources Survey (AHRs) within the community or immediate vicinity, including the Talkeetna Historic District (TAL-033), which is listed on the National Register of Historic Places (NRHP). In total, there are four sites listed in NRHP, five contributing properties to TAL-033, and two sites determined to be not eligible. The eligibility of the remaining 33 sites for the NRHP has not yet been evaluated. Under the National Historic Preservation Act (NHPA), a survey will be required to determine the eligibility of sites within the project's area of potential effect (APE) for inclusion on the NRHP. Previous work in the tentative APE did not conduct any subsurface testing, so a Phase I survey is recommended to identify any previously undiscovered cultural resources.

c. Economic Analyses: Preliminary evaluation of project costs and potential benefits indicates that there is likely at least one alternative that would reduce flood risk in Talkeetna and result in positive net National Economic Development (NED) benefits. This initial evaluation is based on a qualitative assessment of potential project benefits and the Rough Order of Magnitude (ROM) construction cost of approximately \$6.6 million, which is within the Federal CAP authority limit.

The total economic cost includes the construction cost noted above plus estimated costs of interest during construction (IDC) and operations and maintenance (O&M). Calculations for IDC assume a 2-year construction window, and O&M costs are assumed to be 10 percent of the initial cost of the levee. As with benefit cash flows, costs are discounted/indexed to a base year and amortized for comparison against annual benefits. An alternative with annual benefits greater than annual costs is considered to have Federal interest and warrant further investigation. This analysis uses the FY20 discount rate of 2.750 percent and a 50-year period of analysis to estimate average annual costs (Table 5).

Table 5. Rough Order of Magnitude Economic Costs.

Cost Description	Cost of Proposed Levee Alternative
Construction Cost	\$6,622,000
Interest During Construction	\$183,000
Operations and Maintenance Costs	\$337,000
Total Economic Cost	\$7,142,000
Average Annual Economic Cost	\$265,000

Potential benefits were evaluated qualitatively at this time, primarily due to a lack of information about the flood stage-frequency relationship. Flood stage refers to the depth of flooding and, as water depth increases, so do flood damages. As such, this relationship is a key component to estimating avoided damages and potential benefits. This evaluation included an assessment of the flood history of the area, the population at risk (including residents and tourists), structures and infrastructure, and the types of NED benefits that would be analyzed in greater detail during the feasibility phase.

Reducing flood risk in Talkeetna is expected to generate benefits from:

- Avoided damages to structures, contents, and vehicles
- Avoided damages to public infrastructure including the wastewater treatment facility and water treatment plant
- Reduced emergency response costs including the costs of evacuation and reoccupation, clean up, disaster relief, and increased costs of operations during flood events
- Improved recreational experience

Additionally, reducing flood risk is expected to:

- Improve public health and safety for the population in the area
- Reduce risk to cultural resources within the area, including the Talkeetna Historic District which is listed on the (NRHP)
- Potentially reduce costs associated with disruptions to the operations of the Alaska Railroad, which provides service to military installations, Denali National Park, Fairbanks, and other communities in interior Alaska.

There are 36 structures in the proposed project area shown in Figure 4, with a total tax-assessed value of approximately \$3.3 million. According to Mat-Su Borough tax records, most are single-story structures without basements (21), while about one-third are two-story structures without basements (13). The structures are a mix of residential and commercial and include a number of historic and potentially historic structures, single-family houses, a church, a brewery, a National Park Service visitor center and ranger station, and other private businesses such as restaurants, bars, hotels, bed and breakfasts, gift shops, and tour companies. While these businesses serve the local population of about 900 people, they cater primarily to the approximately one-quarter of a million people who visit Talkeetna – the “Gateway to Denali” – each year.

Note that the structure inventory assessed for the FID does not include structures outside of the proposed project area shown in Figure 3. However, there are structures located east of the railroad bridge that are also at risk of flooding from the Talkeetna River and the backwater effects of the Susitna River. Based on FEMA flood insurance rate maps (FIRM), approximately 75 percent of the town would be inundated during the 100-year (1% annual exceedance probability) flood event. Using FEMA data, the Mat-Su Borough identified flood zones, which are shown in Figure 6 below. While more information is needed about the magnitude of flooding in these areas, this figure is meant to demonstrate that there are other areas outside of the proposed project area that may also benefit from a project.

Considering the breadth of the areas at risk of flooding in Talkeetna, non-structural measures to reduce flood risk may be more cost-effective than structural alternatives alone. Such measures would be considered in the feasibility phase.

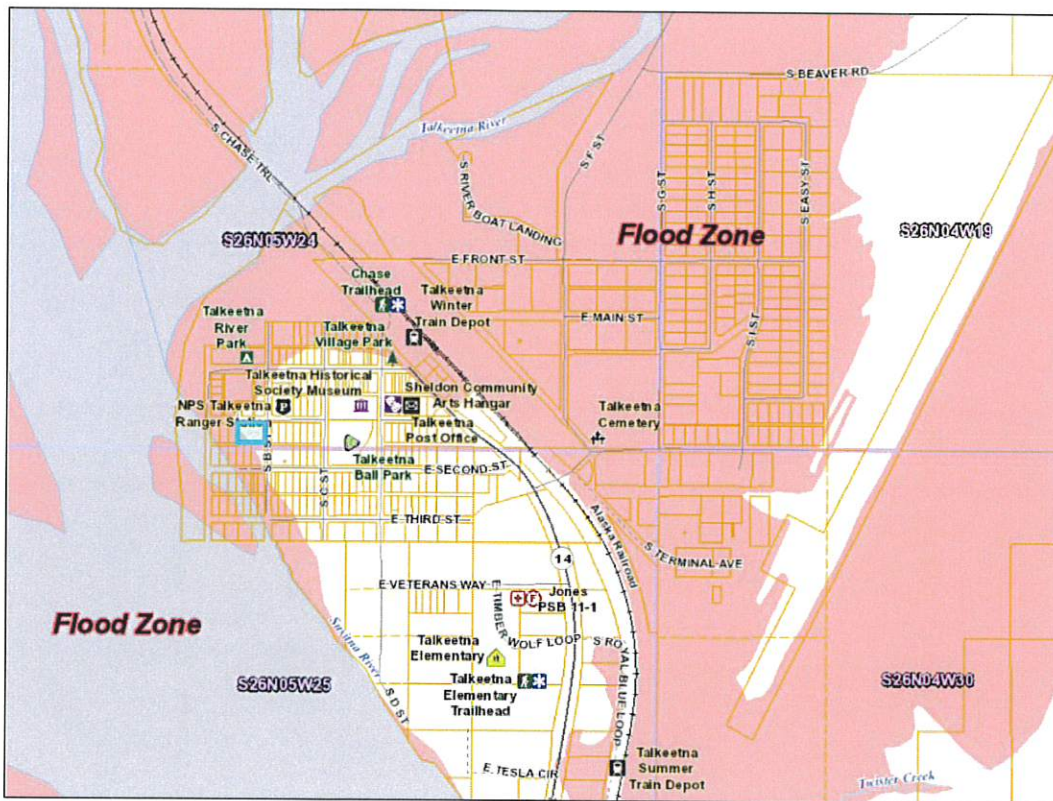


Figure 6. Talkeetna Flood Zones. Source: Mat-Su Borough and FEMA FIRM Maps.

Based on the estimated economic cost of the likely recommended plan, the scenario shown in Table 6 below demonstrates the level of NED benefits required to support the proposed levee alternative. Flood risk management benefits refer to physical and non-physical losses that could be avoided or reduced with a project in place. These include avoided damages to structures, contents, and infrastructure as well as reduced emergency costs. Incidental recreation benefits may be considered if the project is formulated for other primary purposes (i.e., flood risk management), and the recreation benefits are less than 50 percent of the total benefits required to justify the project. For the proposed levee alternative, approximately \$265,000 in annual benefits would need to be generated to result in positive net benefits. This is considered to be a reasonably plausible scenario if a project were built to reduce the risk of flooding in Talkeetna, so further investigation is warranted.

Table 6. Benefit Scenario.

Description	Potential Total Benefit	Potential Annual Benefit
Flood Risk Management benefits	\$3,571,000	\$132,500
Incidental Recreation benefits	\$3,571,000	\$132,500
Total Benefits	\$7,142,000	\$265,000
Total Costs	\$7,142,000	\$265,000
Benefit-Cost Ratio		1.0

A key uncertainty in this analysis is the flood stage-frequency relationship. Once that relationship is developed, one can analyze flood magnitude, location, timing, and duration, all of which are important components of the economic analysis and estimation of project benefits.

d. Real Estate: There are no identified real estate issues that will prevent a project in this location at this time. The Mat-Su Borough controls much of the land in the project area, along with the Alaska Railroad Corporation. A more in-depth investigation would be conducted during the Feasibility Phase.

15. Project Map: See Figure 1, found on page 1 of this document.