Agency: Commerce, Community and Economic Development

Grants to Municipalities (AS 37.05.315)

Grant Recipient: Kotzebue

Project Title: **Project Type:** Other

Kotzebue - Cape Blossom Road and Deep Water Port

State Funding Requested: $28,000,000 **House District:** 40 / T

One-Time Need

Brief Project Description:

Funding would be used to build a road from Kotzebue to Cape Blossom, located south of the community.

Funding Plan:

Total Project Cost:	$30,000,000
Funding Already Secured:	($2,000,000)
FY2013 State Funding Request:	($28,000,000)
Project Deficit:	$0

Funding Details:

Have received preliminary work through the Army Corps of Engineers. Federal funding is being sought as well.

Detailed Project Description and Justification:

Kotzebue serves as a transportation and hub community for the Northwest Arctic Borough. There are no roads or railroads to Kotzebue so all goods must be either flown in or barged. This project entails the construction of a 10 mile access road from Kotzebue to Cape Blossom, located south of the community. The road will allow for the future development of a deep water port to be located at Cape Blossom, eliminating the expense of barge lighterage service. Presently, shallow draft barges or literage, transfer fuel and freight 15 miles to shore, which adds an additional 25% to transportation costs for materials and equipment brought into the community, resulting in higher costs for the entire region. Currently, the costs of heating fuel is $6.00 a gallon in bulk and $7.50 per gallon at the pump. Lower shipping rates will promote economic development within Kotzebue and the region. The ability to meet the needs of a growing population is essential to the sustainability and future growth of the region. Additionally, the road will provide access for the community to expand its housing development. The City of Kotzebue's Comprehensive Plan details the need for land for additional housing units as the community has a shortage of housing. Moreover, the US Coast Guard and the State of Alaska has recognized the need for a port in the Arctic. This future port would help meet one of the long term needs of the changing Arctic which has already seen increases in shipping traffic and oil exploration. It is anticipated that human activity in the Arctic will only continue to grow in the coming years. Additionally, the area is mineral rich and the port may one day serve as a means to export minerals from the area.

Some work on the project has already begun. The City of Kotzebue applied for work through the Innovative Readiness Training Program. Through the program, the United States Marine Corps conducted a Ground Topographic Survey in the summer of 2010. Three initial road routes have been identified and a preliminary site investigation has been conducted as well. The Department of Transportation has conducted soil investigations and collected bathymetric data near the port site.

Contact Name: Christine Hess
Contact Number: 465-4833

For use by Co-chair Staff Only:

$14,600,000
Approved
3:15 PM 5/2/2012

During the winter of 2011, DOT has plans to conduct gravel source studies.

Project Timeline:

Money will be expended over the course of several years.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

City of Kotzebue

Grant Recipient Contact Information:

Name:	Derek Martin
Title:	Director, Capital Projects
Address:	P.O. Box 46
	Kotzebue, Alaska 99752
Phone Number:	442-3401
Email:	dkotzengs@otz.net

Has this project been through a public review process at the local level and is it a community priority? [X] Yes [ ] No

Contact Name: Christine Hess
Contact Number: 465-4833

For use by Co-chair Staff Only:

3:15 PM 5/2/2012

CITY OF KOTZEBUE
CAPITAL IMPROVEMENT PROJECTS

SWAN LAKE SMALL BOAT HARBOR	$ 3,000,000
CAPE BLOSSOM ROAD AND DEEP WATER PORT	$30,000,000
DUST ABATEMENT CONTINUATION, MUNICIPAL ROAD PAVING	$ 6,000,000
FIRE FIGHTING EQUIPMENT REPLACEMENT	$ 1,000,000
NORTH SHORE AVE. EROSION PROTECTION AND ROAD REHAB.	$21,500,000
REPAIRS TO ASPHALT SURFACED ROADS	$ 6,000,000
WATER AND SEWER IMPROVEMENTS AND UPGRADES	$ 9,500,000
NORTH TENT CITY IMPROVEMENTS AND UPGRADES	$ 500,000
TOTAL CAPITAL IMPROVEMENT PROJECTS	$77,500,000

♦ PROJECT DESCRIPTIONS

Swan Lake Small Boat Harbor - $3.0M

Kotzebue is the regional transportation hub for the Northwest Arctic Borough, which services an area approximately 36,000 square miles. Residents of the region frequently use its two "harbor like" facilities, one along Shore Avenue and the other on Swan Lake as a route to Kotzebue Sound and the back to the four major rivers that serve as access to subsistence areas. Native subsistence is a very high priority for Kotzebue and Borough residents and a major contributor to its economy. Small boats that are harbored on Swan Lake, a 10-acre boat dock and mooring area, play a large role for subsistence gathering.

The Shore Avenue Erosion project which began in April 2010 has restricted and reduced boat access along Kotzebue Sound. Because of the components and complexity of this project, many boat and subsistence users have been displaced from the use of Shore Avenue as a boat mooring and storage area. The City proposes to expand the use of Swan Lake to meet this need, by providing adequate mooring and docking facilities for displaced Shore Avenue users and for the Borough residents whose primary transportation during summer months is by small boats. The Small Boat Harbor project will include the dredging of a portion of Swan Lake. Dredged materials will be used as fill for expanding the Swan Lake facility and a boat ramp will also be built so boats can be stored and secured on the property while this facility is closed during winter months. Swan Lake is the last remaining boat harbor for the region.

Cape Blossom Road / Deep Water Port

$30.0M – Continued Support for the Northwest Arctic Borough

This project entails the completion of construction for a 10 mile access road from Kotzebue to Cape Blossom, located south of the Community. The road will allow for the future development of a deep water port to be located at Cape Blossom, eliminating the expense of barge lighterage service. Currently shallow draft barges, or "lighterage" transfer fuel and freight fifteen miles off shore, which adds an additional 25% to transportation costs for materials and equipment brought into the community, resulting in higher costs for the region for goods and energy needs. Currently the cost of heating fuel is $4.64 per gallon in bulk, and gasoline is $6.59 per gallon at the pump. Kotzebue serves as a transportation and HUB for the Northwest Arctic Borough. There are no roads or railroads to Kotzebue, so fuel, building supplies, groceries, have to be flown in or barged in. Lower shipping rates will promote economic development within Kotzebue and the region. The necessity to meet the needs of a larger future population is essential to the sustainability and future growth of this community and region. Services and amenities, food and dry goods, fuel, building materials etc.,

need to remain affordable – the high cost-of- living is a hindrance to economic growth and jobs.

Additionally, the Cape Blossom Road will provide access for the community to further land development areas outside core Kotzebue, recreation and subsistence areas, and other private landowners. The City of Kotzebue Comprehensive Plan (December 2000), the city's community planning document, explains the need for housing developments, along with the expansion of the sewer and water utilities, airport expansion/relocation, and the development of a small boat harbor.

The City of Kotzebue applied for work through the Innovative Readiness Training (IRT) program under Office of the Assistant Secretary of Defense, Reserve Affairs. The United States Marine Corps through the IRT has become interested in this project and will be providing the Ground Topographic Survey required by the Alaska Department of Transportation (DOT) for the project. The Marines conducted the ground survey during summer 2010. Three initial road routes have been identified and a preliminary site investigation was conducted by the USMC in December 2009. The DOT has also conducted soil investigations and collected bathymetric data near the proposed Deep Water Port at Cape Blossom. DOT have plans to conduct gravel source investigations during the winter 2011 which may identify fill materials (7-9 miles East of Kotzebue) required to support this project.

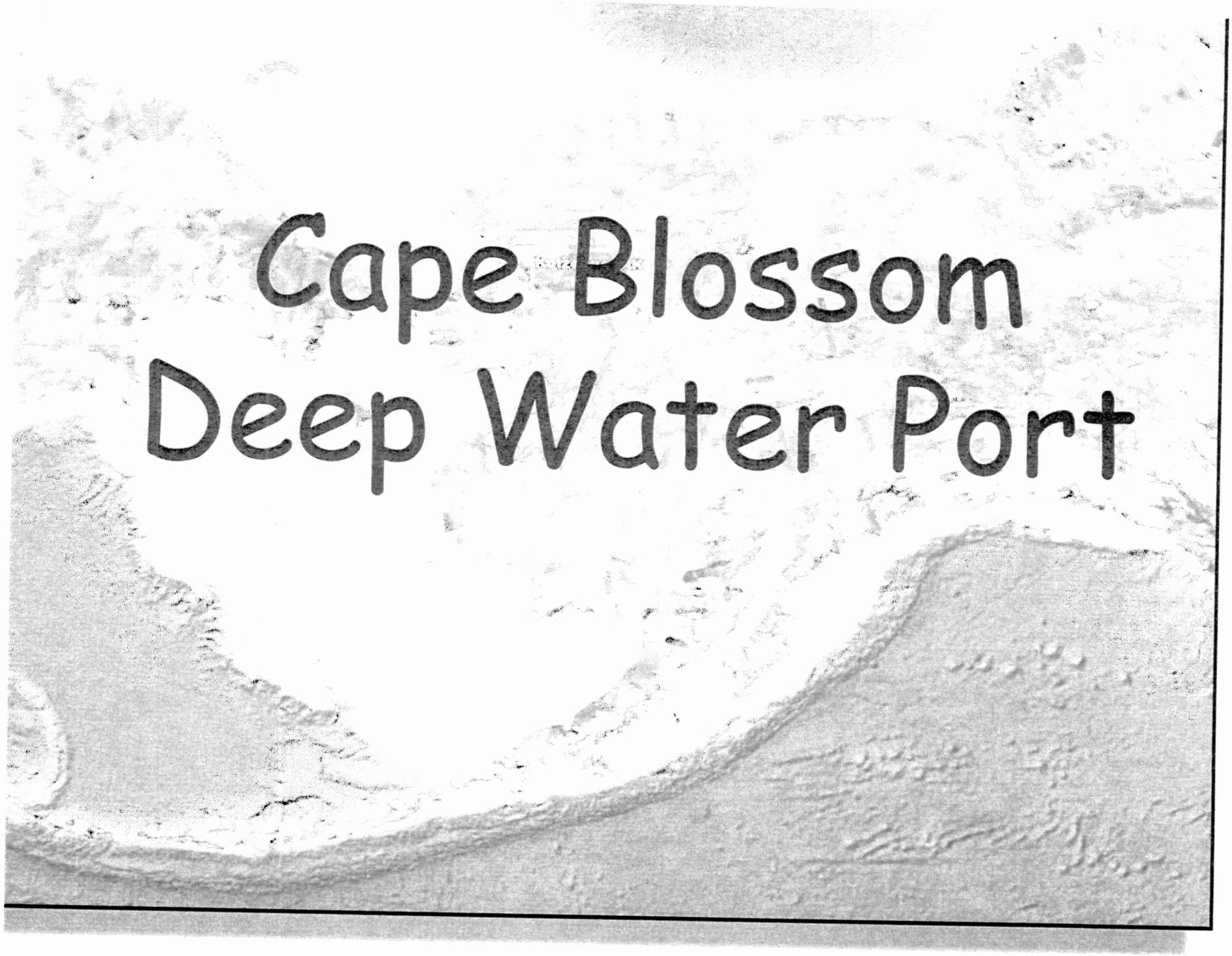
Dust Abatement Continuation, Municipal Road Paving - $6.0M

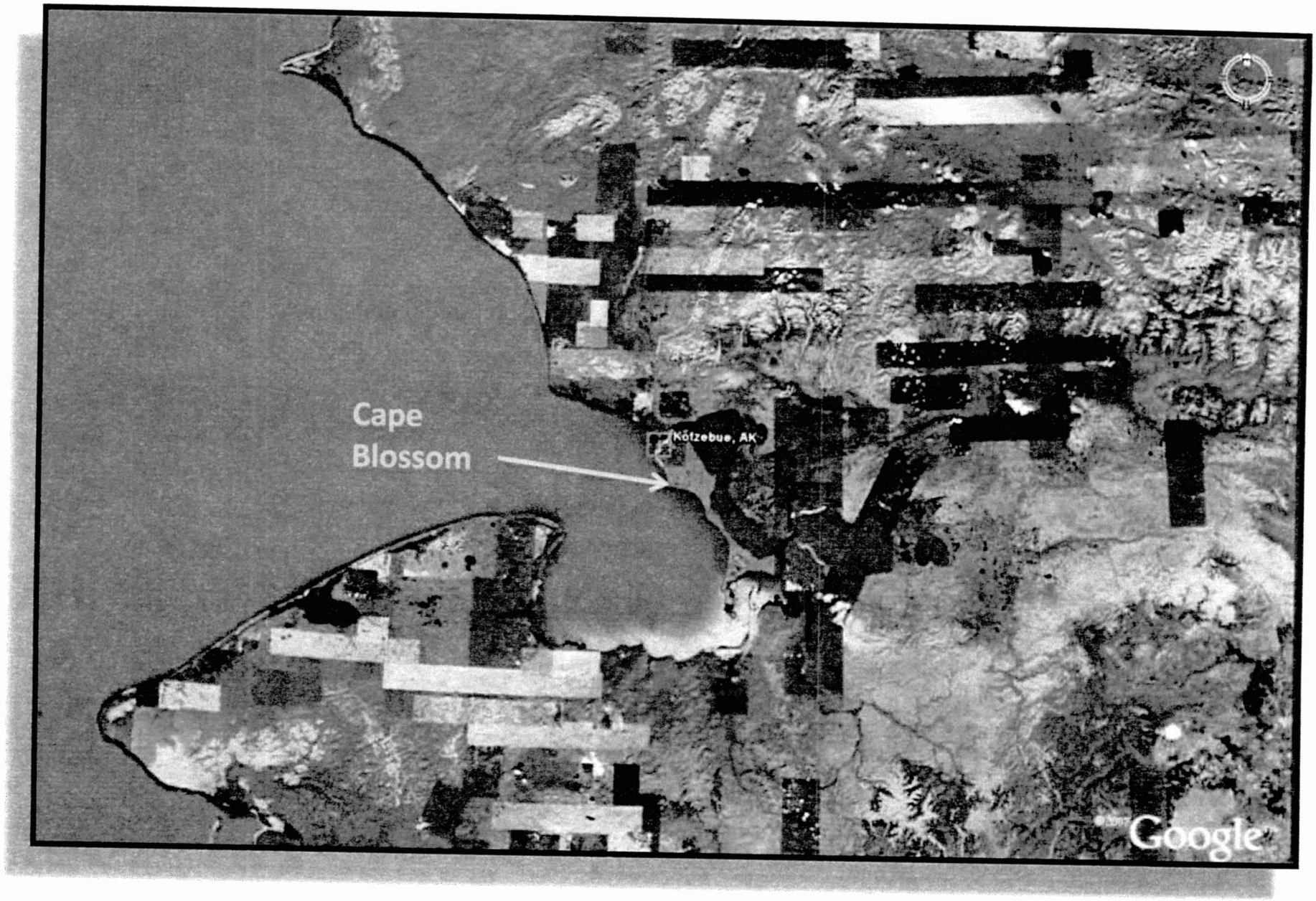
Kotzebue for years has dealt with dust pollution from its gravel roads. Dust pollution in the air during the summer months has caused health and safety risks to City's residents. The road base in Kotzebue is predominately constructed of sandy-silt and clay like gravel. Permafrost attributes to the high cost of road construction and maintenance which is not nearly as great a concern outside the Arctic Region.

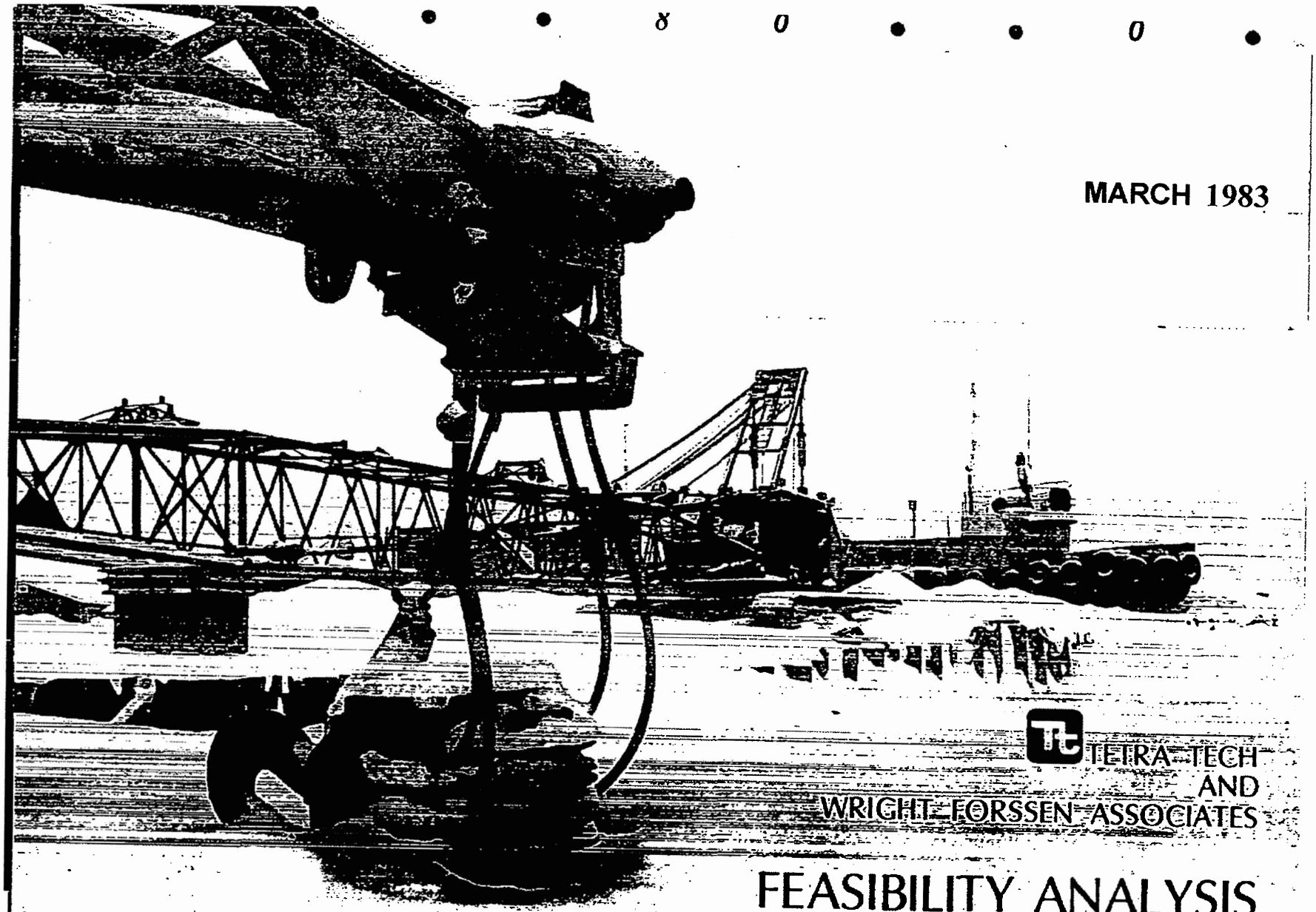
Recently the City of Kotzebue, through the Alaska Department of Transportation, has been successful in paving some of the City's roads, but many more of these dirt roads require pavement. Paved roads currently include 2nd Avenue, 3rd Avenue, 5th Avenue, Ted Stevens Way and a few side streets.

The Dust Abatement project will allow the City to continue to add pavement and dust suppression chemical to its roads, and to help mitigate airborne dust related problems. The project will consist of paving approximately 4,600 lineal feet of road, beginning at the intersection of Ptarmigan Way and 5th Avenue, then on Ptarmigan Southeast towards Otter Street, then on Otter Street Northeast to Turf Street, then Northwest on Turf Street to 4th Avenue, then Northeast on 4th Avenue to the North edge of the Alaska Technical Center.

The City of Kotzebue also requests that the project include side streets which access Shore Avenue. These side streets include Lake Street (3rd Avenue to Shore Avenue), Lagoon Street (2nd Avenue to Shore Avenue), Tundra Way (2nd Avenue to Shore Avenue) and Bison Street (Friends Way to Shore Avenue). This project will consist of approximately 1,640 lineal feet of new asphalt pavement. Further, the Shore Avenue already awarded and is scheduled for paving this summer 2011 – a significant cost saving can be realized by savings on mobilization and demobilization costs for this


Cape Blossom
Deep Water Port


Cape
Blossom
Kotzebue, AK
Google



MARCH 1983

TETRA TECH
AND
WRIGHT-FORSSEN ASSOCIATES

FEASIBILITY ANALYSIS
KOTZEBUE DEEPWATER PORT/AIRPORT

BAKER
ENGINEERS
WE TRAVERSE THE EARTH

KOTZEBUE TO CHICAGO CREEK
HIGHWAY PROJECT
Project No. A 80351

DESIGN STUDY REPORT
for
CAPE BLOSSOM ACCESS SEGMENT

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILTIIES
DIVISION OF HIGHWAY DESIGN AND CONSTRUCTION
2301 Peger Road
Fairbanks, Alaska 99701

Submitted by

MICHAEL BAKER, JR., INC.
ENGINEERS AND SURVEYORS

Fairbanks, Alaska

May 1983

CAPE BLOSSUM ROAD

DEEP WATER PORT

AIRPORT RELOCATION

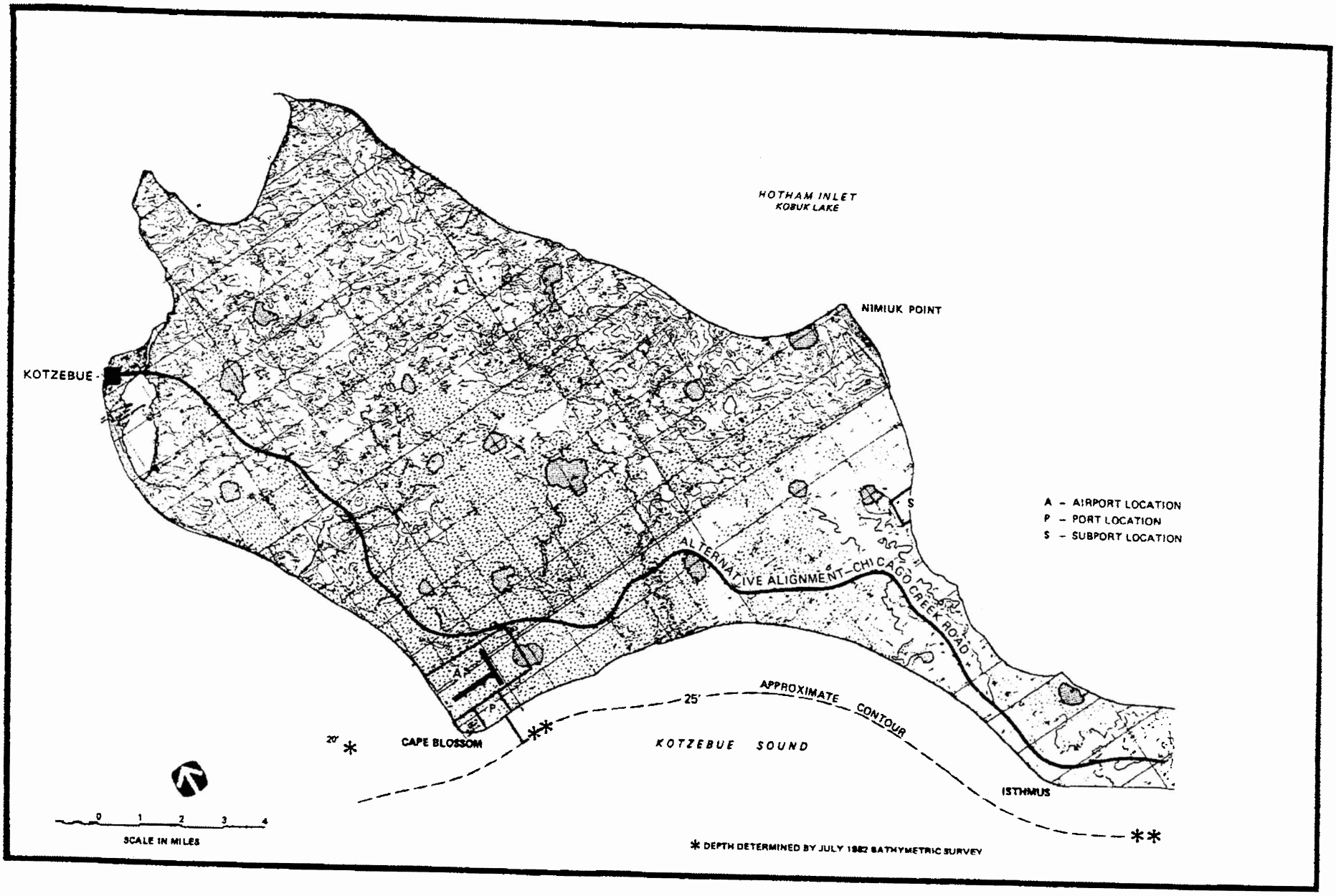


FIGURE 6—6.3 CAPE BLOSSOM SITE

Kotzebue Transportation Needs

DEEP WATER PORT

The Northwest Arctic Region of Alaska consists of 11 communities that depend on Kotzebue for their food and fuel supplies.

Kotzebue as a regional hub is in desperate need of a Deep Water Port Facility, The high cost of transportation of fuel, food, goods, materials, and equipment to Northwest Alaska is increased substantially because of the loading and offloading to shallow draft barges to make the last 12 mile journey into Kotzebue.

Cape Blossum is only a few miles away, therefore a road to Cape Blossum will open up the development of a deep water port facility.

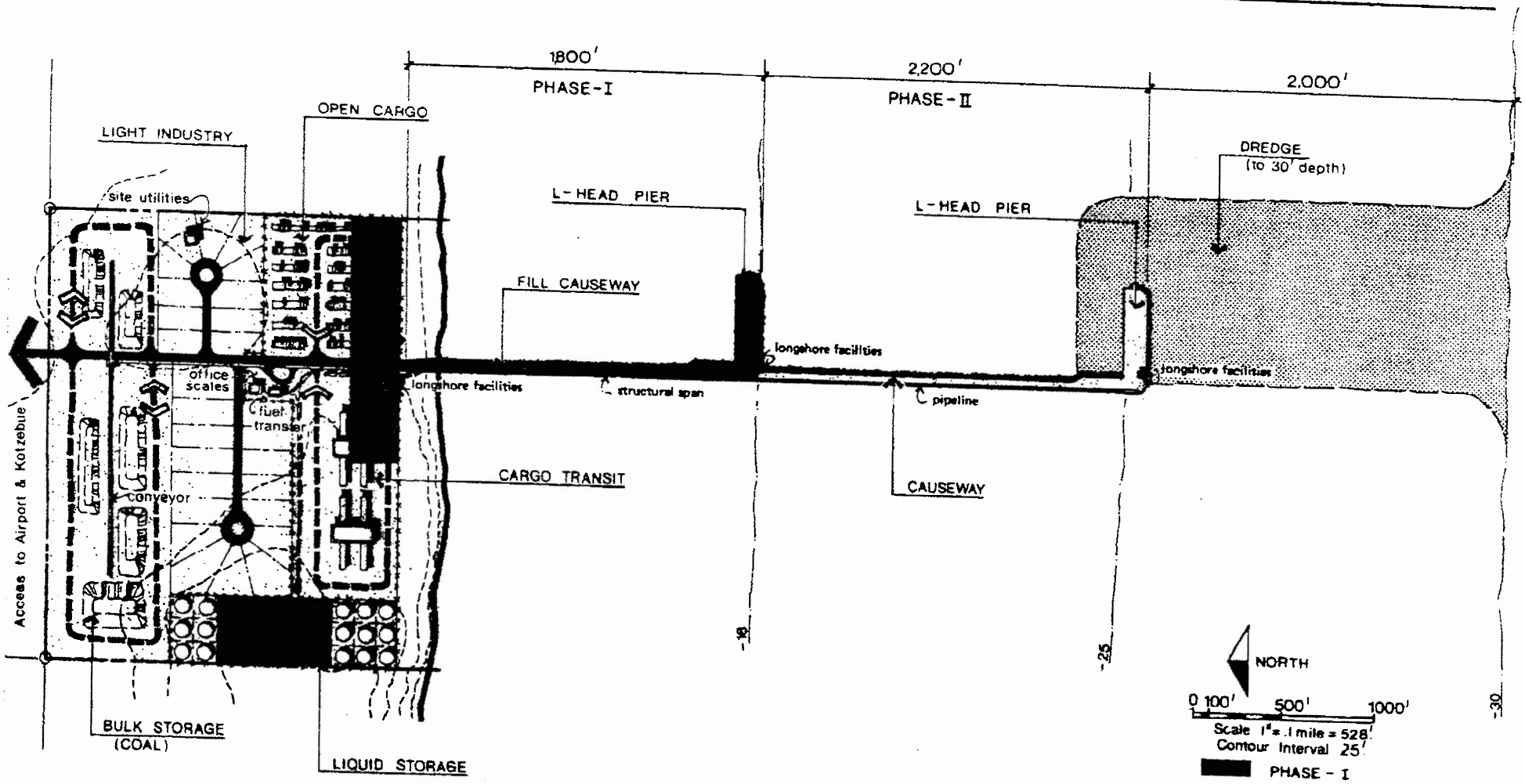
ADVANTAGES

THAT WILL HAVE A POSITIVE IMPACT ON THE NORTHWEST ARCTIC REGION:

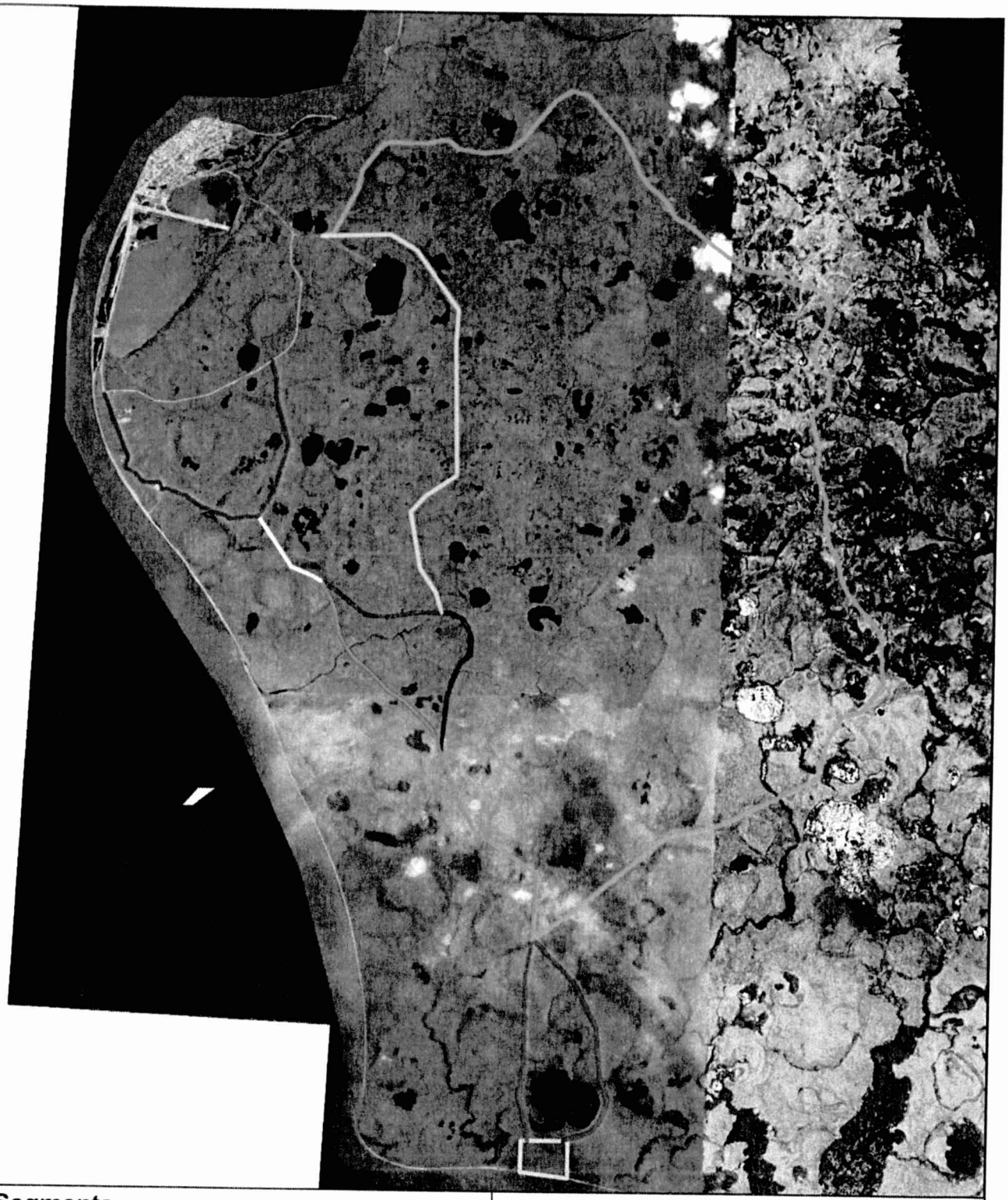
- Lower Fuel Costs for Heating and Transportation
- Lower Freight Rates for Food, Materials, Goods, and Equipment
- Employment Opportunities
- Importation of Coal for Electric Generation from Northwest Arctic Coal Fields
- Earlier Freight Distribution to Villages during High Water
- Cost Savings Shared through out the Region

DEEPWATER PORT FACILITES

FIGURE C-3.5



TETRA TECH/ WRIGHT FORSSEN ASSOCIATES



Road Segments

A — G
B — H
C — I
D — J
E — K
F — SHORE ACCESS

This figure shows a mosaic image of the Baldwin Peninsula with the preliminary routes broken into segments. The topography is color coded to show the elevation changes.

Image Dates: September 29, 2004 to August 7, 2006

STATE OF ALASKA

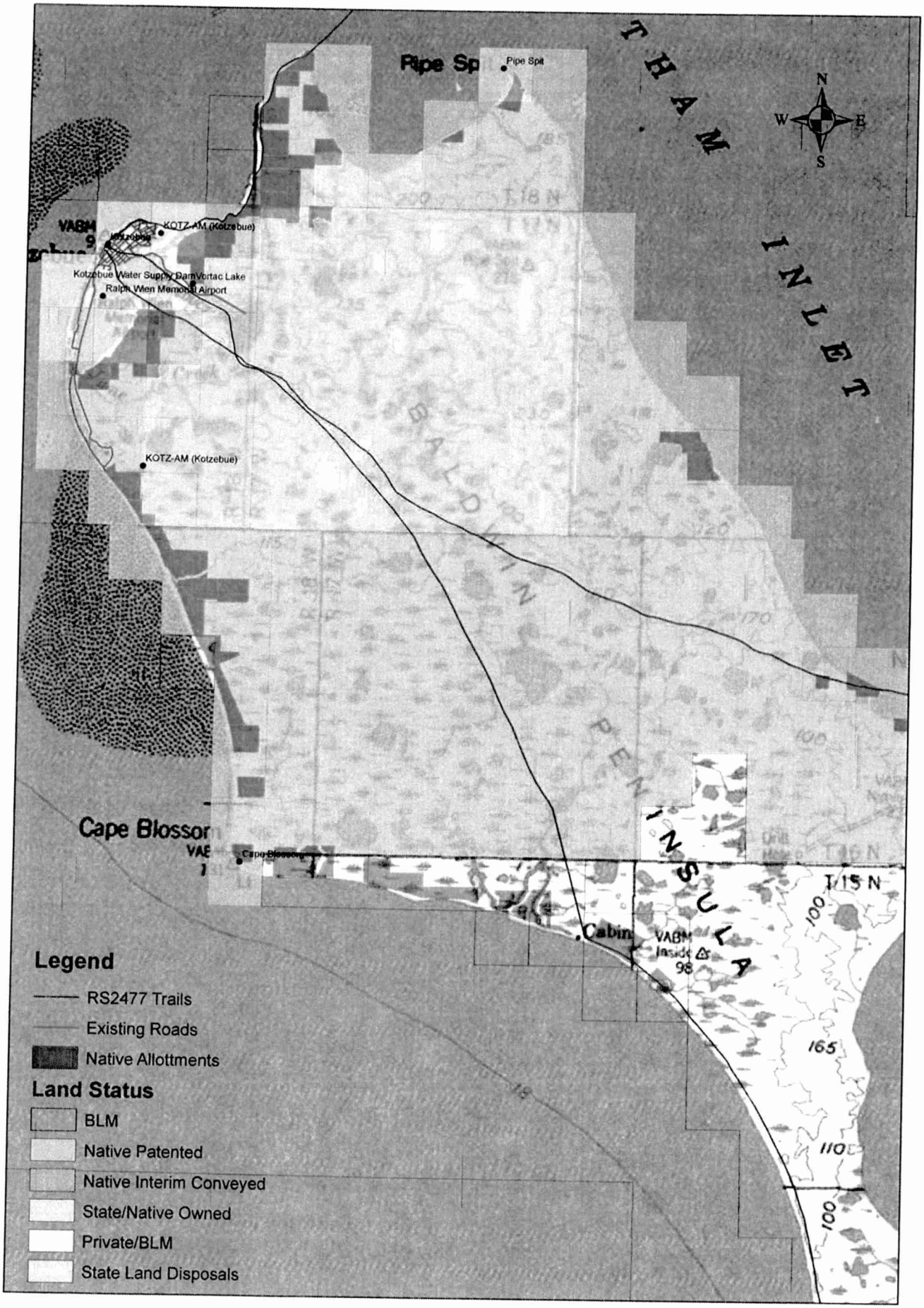
Department of Transportation and Public Facilities
NORTHERN REGION DESIGN GROUP
2301 Peger Rd. Fairbanks, AK 99709

KOTZEBUE TO CAPE BLOSSOM
PRELIMINARY ALIGNMENTS

SCALE: 0 0.5 1 2 3 4 Miles

PREPARED BY:
Casey Adamson

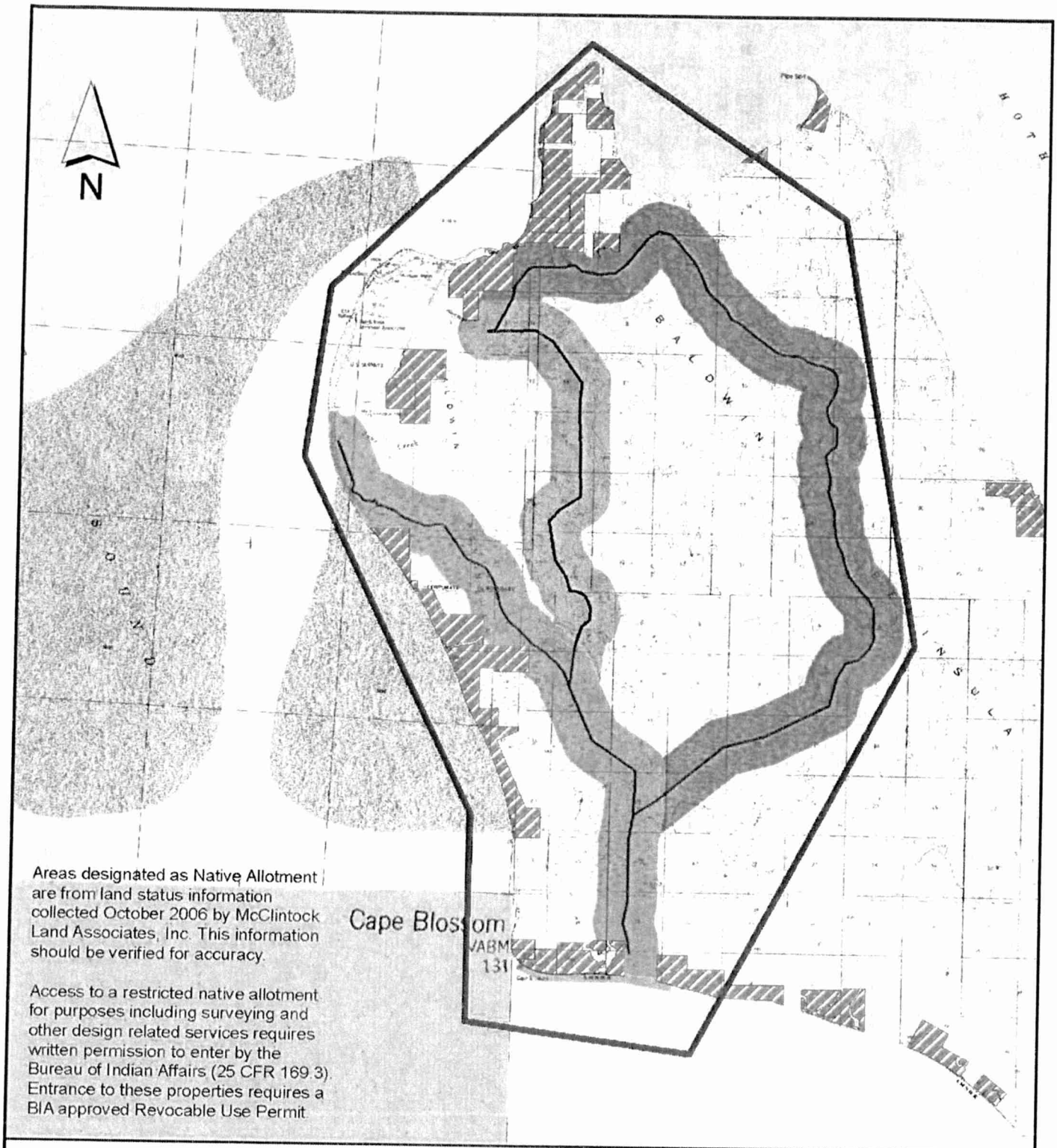
DATE: January 30, 2008



Baldwin Penisula Land Status

From General Land Status of Alaksa (DNR - January 2005)

Miles
0 0.5 1 2 3 4



Areas designated as Native Allotment are from land status information collected October 2006 by McClintock Land Associates, Inc. This information should be verified for accuracy.

Access to a restricted native allotment for purposes including surveying and other design related services requires written permission to enter by the Bureau of Indian Affairs (25 CFR 169.3). Entrance to these properties requires a BIA approved Revocable Use Permit.

Legend

Survey Corridors

Priority Level

- First
- Second
- Third
- Potential Road Alignments

- Area of Interest for Aerial Photography
- Beach Survey Area*

Land Status Information

- Native Allotment

*Requires access to Native Allotments

STATE OF ALASKA
Department of Transportation and Public Facilities
NORTHERN REGION DESIGN GROUP
2301 Peger Rd. Fairbanks, AK 99709

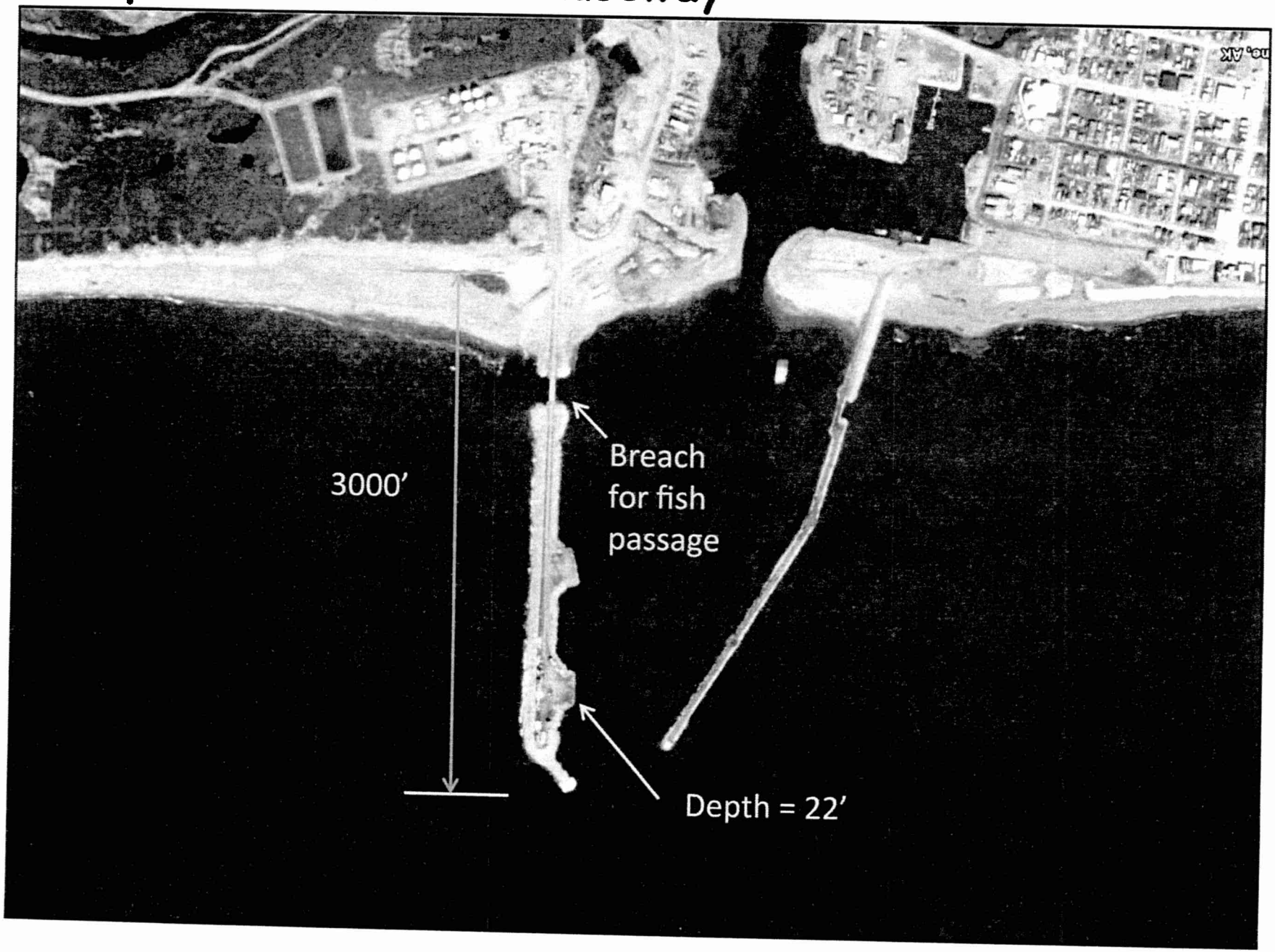
KOTZEBUE TO CAPE BLOSSOM
Survey Request

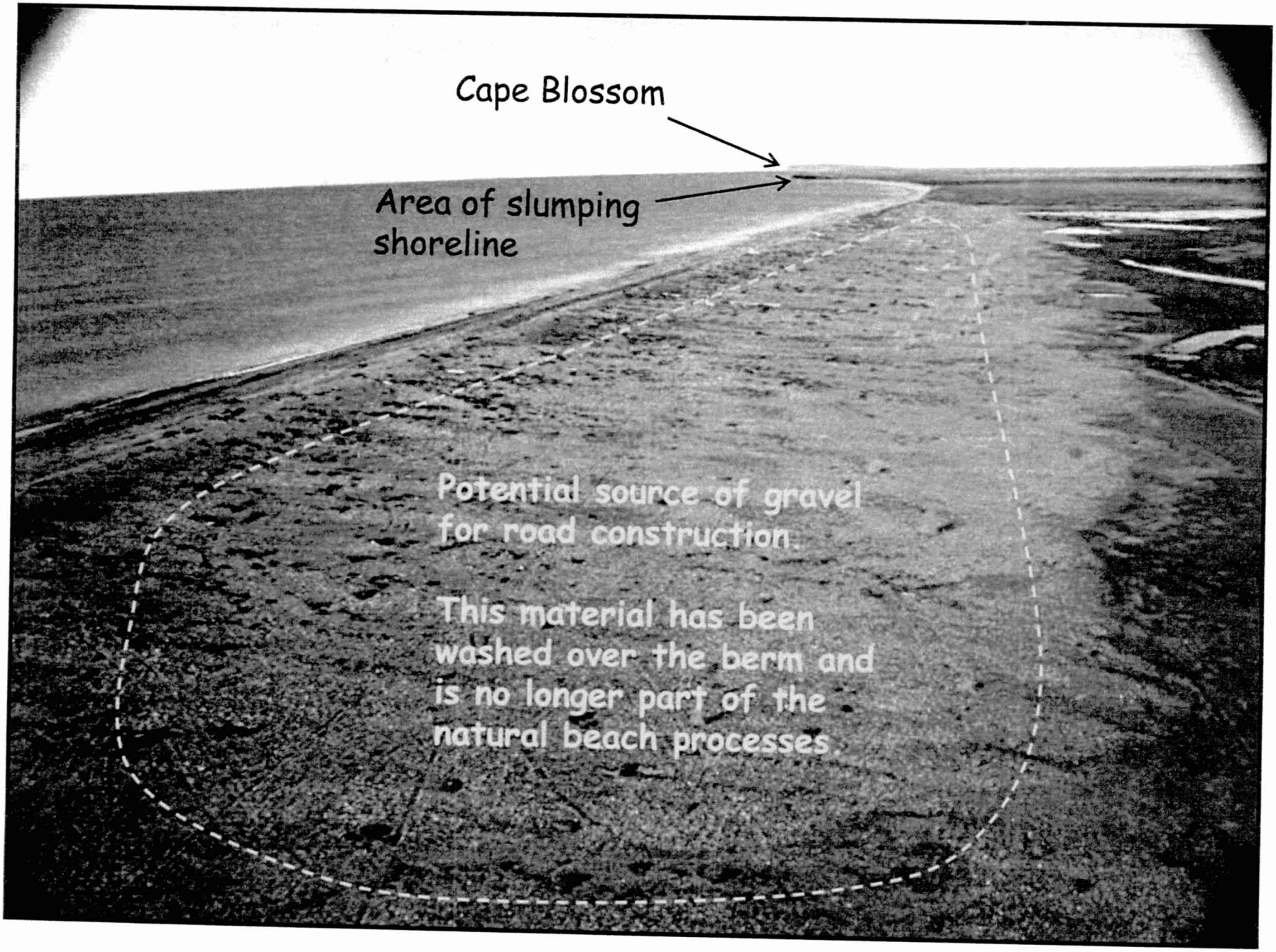
0 0.5 1 2 3 4 Miles

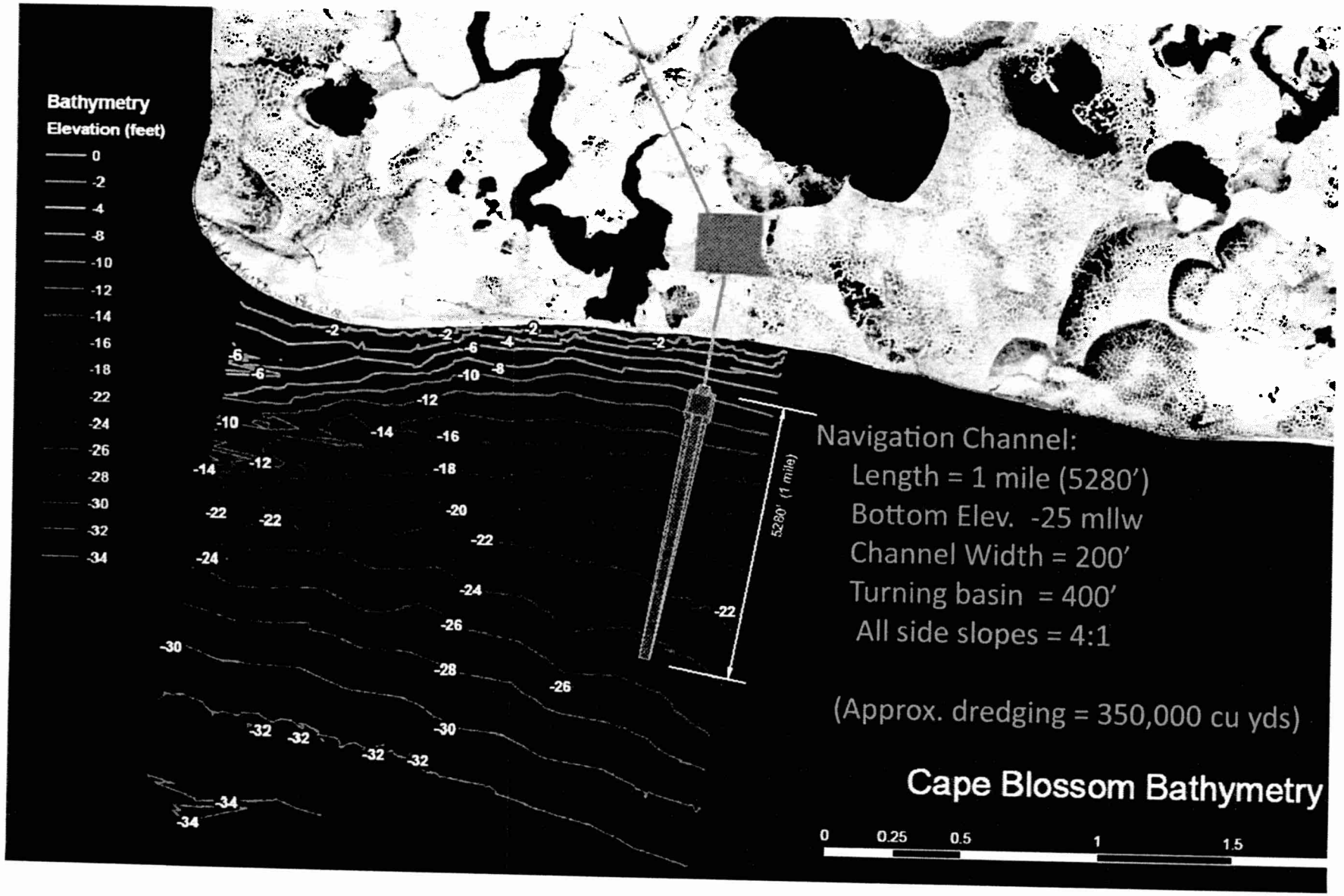
PREPARED BY:
Casey Adamson

DATE: December 7, 2009

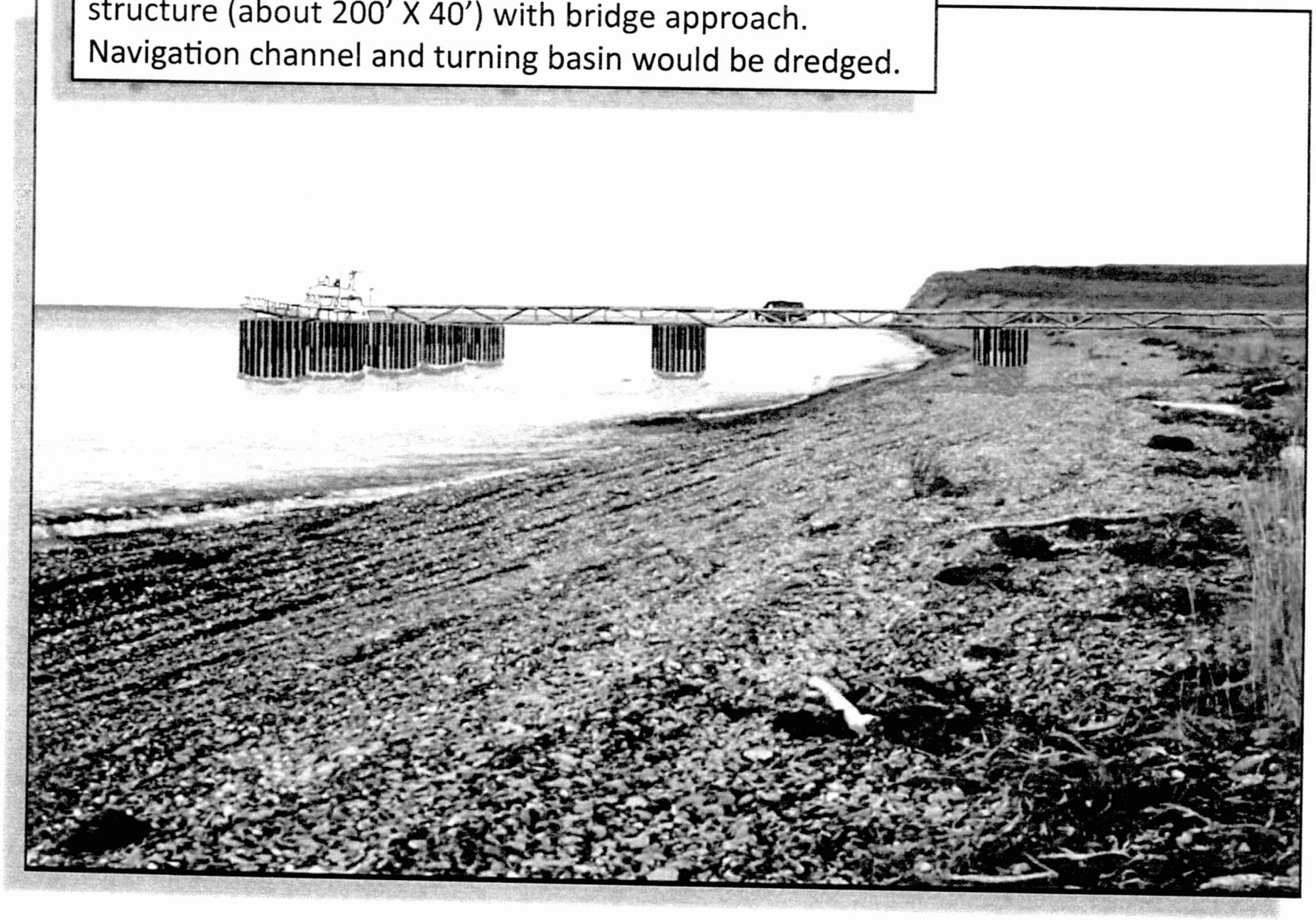
Comparison - Nome Causeway




Cape Blossom
Area of slumping shoreline
Potential source of gravel for road construction.
This material has been washed over the berm and is no longer part of the natural beach processes.


Bathymetry
Elevation (feet)
0
-2
-4
-8
-10
-12
-14
-16
-18
-22
-24
-26
-28
-30
-32
-34
5280' (1 mile)
Navigation Channel:
Length = 1 mile (5280')
Bottom Elev. -25 mllw
Channel Width = 200'
Turning basin = 400'
All side slopes = 4:1
(Approx. dredging = 350,000 cu yds)
Cape Blossom Bathymetry
0
0.25
0.5
1
1.5

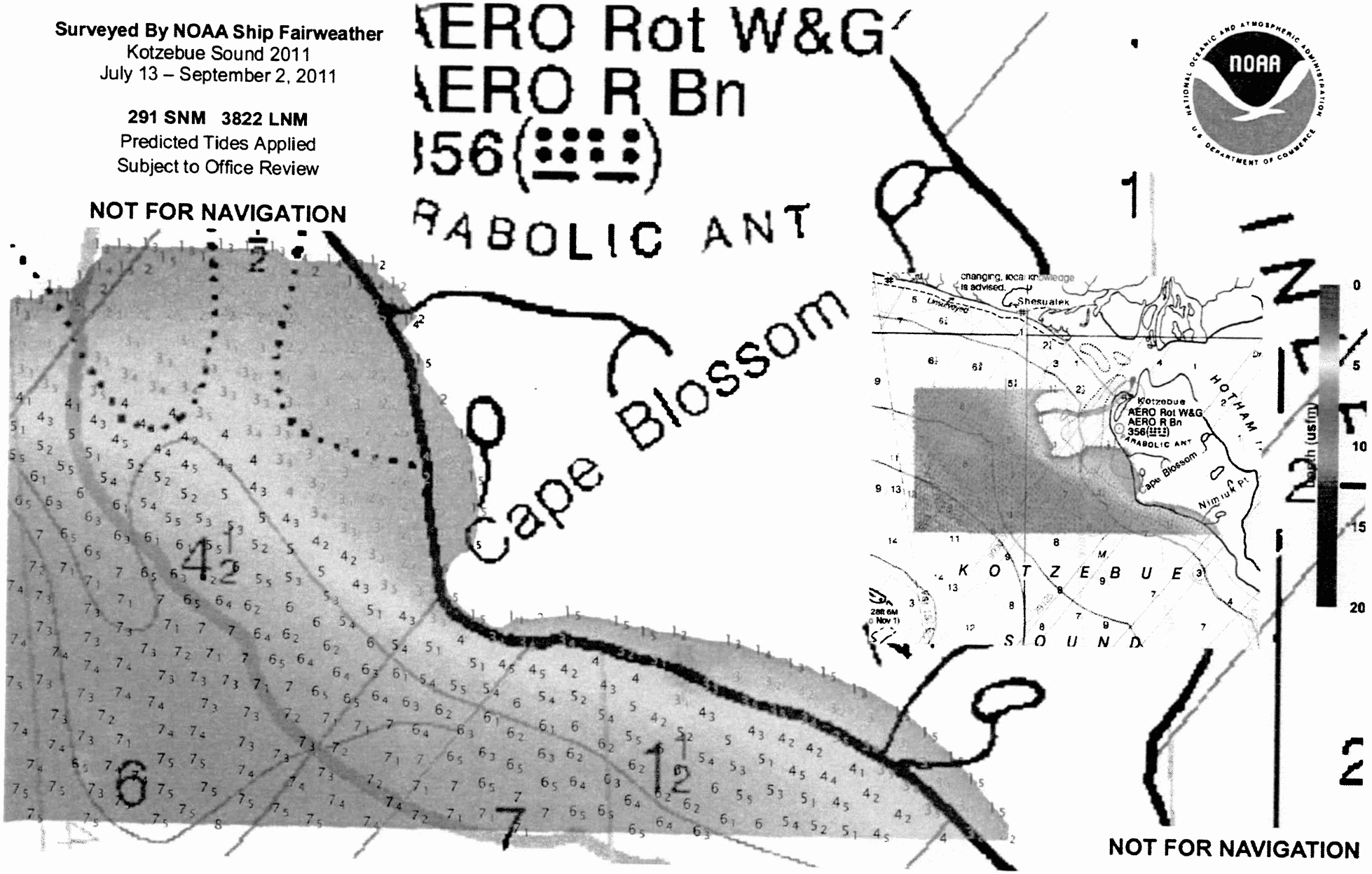
Near shore dock concept using sheet pile cell dock structure (about 200' X 40') with bridge approach. Navigation channel and turning basin would be dredged.



Surveyed By NOAA Ship Fairweather
Kotzebue Sound 2011
July 13 – September 2, 2011

291 SNM 3822 LNM
Predicted Tides Applied
Subject to Office Review

NOT FOR NAVIGATION



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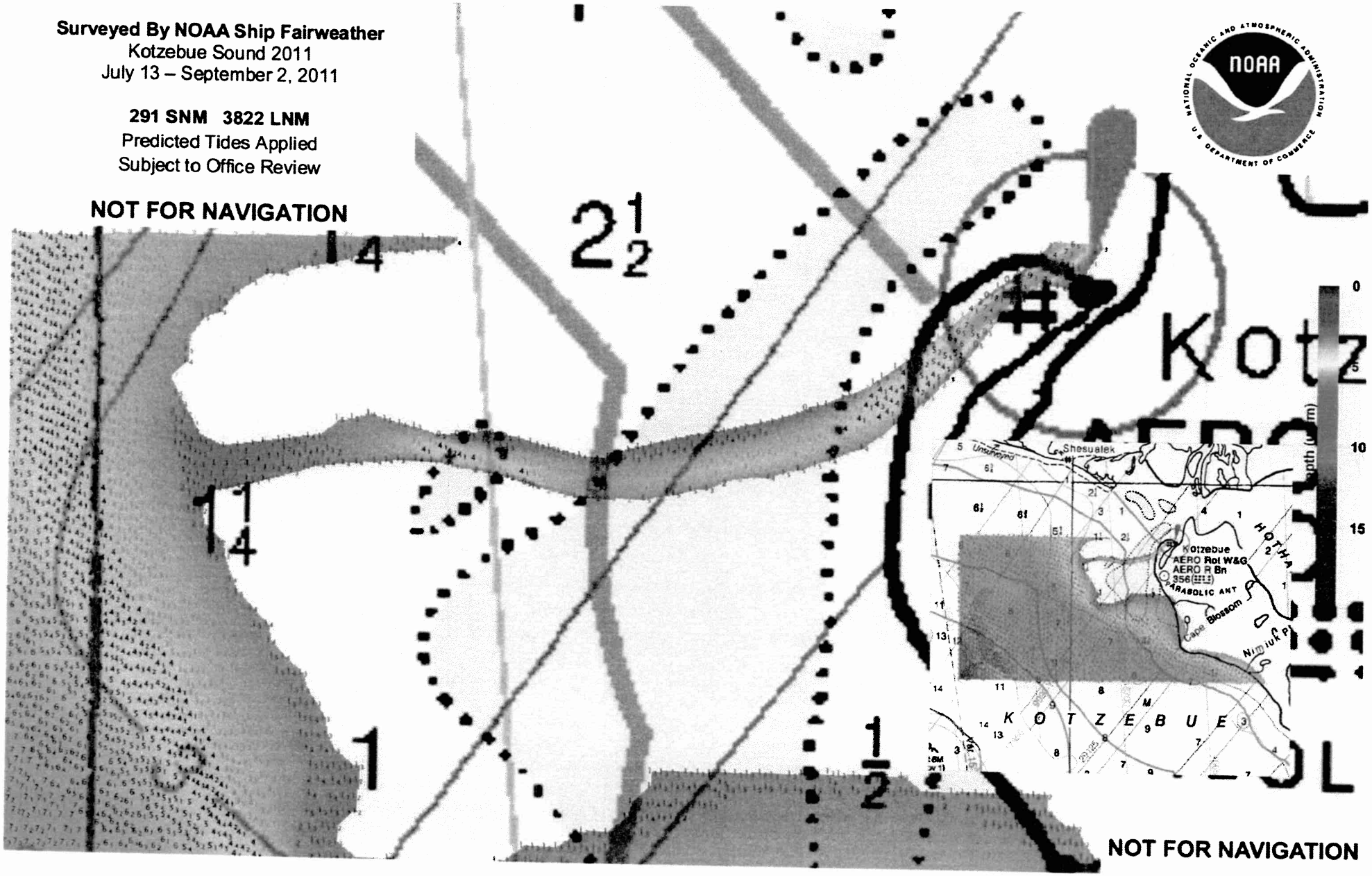

NOT FOR NAVIGATION

Table 10 - Preliminary Cost Estimate for Road Construction to Cape Blossom

	Road Width	Embankment Depth	Cost Per Mile	Constructible Distance for $4.7 Million*
Two-Lane Road	28'	8'	$3,200,000	1.47 miles
One-Lane Road	16'	8'	$2,350,000	2 miles

* Cost does not include Construction Administration, Mobilization and Demobilization, and Contractor furnished items

		Segment *(Length Needed)*	E *(95')*	F *(115')*	H *(50')*
Bridge Width		**Cost Per Foot**			
Two-Lane Bridge	30'	$14,000	$1,330,000	$1,610,000	$700,000
One-Lane Bridge	18'	$8,000	$760,000	$920,000	$400,000

Segment	Road Length (Miles)	One-Lane Road	Two-Lane Road
A◊	2.3	$ 0	$ 0
B	1.9	$ 4,465,000	$ 6,080,000
C	1.1	$ 2,585,000	$ 3,520,000
D	5.8	$ 13,630,000	$ 18,560,000
E	17.9	$ 42,825,000	$ 57,280,000
F	2.5	$ 6,795,000	$ 9,610,000
G	1.5	$ 3,525,000	$ 4,800,000
H	1.9	$ 4,865,000	$ 6,780,000
I	2.6	$ 6,110,000	$ 8,320,000
J	2.4	$ 5,640,000	$ 7,680,000
K	2.9	$ 6,815,000	$ 9,280,000

◊Note: Road Rehabilitation Cost Not Included

Route	Road Length (Miles)	One-Lane Road	Two-Lane Road
ACFIJ	8.6	$ 21,130,000	$ 29,130,000
ACFIK	9.1	$ 22,305,000	$ 30,730,000
ACGHIJ	9.5	$ 22,725,000	$ 31,100,000
ACGHIK	10	$ 23,900,000	$ 32,700,000
BCFIJ	10.5	$ 25,595,000	$ 35,210,000
BCFIK	11	$ 26,770,000	$ 36,810,000
BCGHIJ	11.4	$27,190,000	$ 37,180,000
BCGHIK	11.9	$ 28,365,000	$ 38,780,000
DHIJ	12.7	$ 30,245,000	$ 41,340,000
DHIK	13.2	$ 31,420,000	$ 42,940,000
EJ	20.3	$ 48,465,000	$ 64,960,000
EK	20.8	$ 49,640,000	$ 66,560,000

Single Lane Road

Road Template Option 1: Borrow is Barged In

This template includes 9" of surface coarse, and the remaining embankment material barged in, including separation geotextile. The road is 8' deep at centerline.

Road Prism	Quantities	Estimated Cost Per Unit (Barged in)	Total Cost
	Cubic Yards		
Total Borrow	38,329	$81.99	$3,142,457.84
Total Subbase	8,996	$81.99	$737,515.61
Total Surfacing	2,640	$268.67	$709,280.00
	Square Yards		
Geotextile Fabric	28,160	$2.00	$56,320.00
	Lineal Feet (total)		
Culverts* (*Assume 5 per mile)	290	$128.10	$37,149.00
Mob & Demob and Contracter Furnished Items	*Lump Sum*	$750,000.00	$750,000.00
		Subtotal	$5,432,722.45
		25% Contingency Factor	$1,358,180.61
			$6,790,903.06
		CE and ICAP	$2,376,816.07
		Total	**$9,167,719.13 /mile**

Road Template Option 2: Borrow comes from Local Materials

This template includes 9" of surfacing, 2' of subbase, and the rest of the embankment as local materials. This template also includes geotextile fabric. The road is 8' deep at centerline.

Road Prism	Quantities	Estimated Cost Per Unit (Borrow Pit)	Total Cost
	Cubic Yards		
Total Borrow	38,329	$28.73	$1,101,188.98
Total Subbase	8,996	$81.99	$737,515.61
Total Surfacing	2,640	$268.67	$709,280.00
	Square Yards		
Geotextile Fabric	28,160	$2.00	$56,320.00
	Lineal Feet (total)		
Culverts* (*Assume 5 per mile)	290	$128.10	$37,149.00
Mob & Demob and Contracter Furnished Items	*Lump Sum*	$750,000.00	$750,000.00
		Subtotal	$3,391,453.59
		25% Contingency Factor	$660,363.40
			$4,239,316.99
		CE and ICAP	$1,483,760.95
		Total	**$5,723,077.94/mile**

Insulated Embankment Option

For an insulated embankment, include the following amount in the road construction cost.

	Square Yards	Estimated Cost Per Unit	Total Cost
2" Insulation Board	211,200	$10.18	$2,150,720.00
		25% Contingency Factor	$537,680.00
			$2,688,400.00
		CE and ICAP	$940,940.00
		Total	**$3,629,340.00/mile**

Economy Option

This template includes 2' of subbase material over local materials, and deletes the 9" of surfacing. Geotextile fabric is included.

Road Prism	Quantities	Estimated Cost Per Unit (Borrow Pit)	Total Cost
	Cubic Yards		
Total Borrow	38,329	$28.73	$1,101,192.17
Total Subbase	8,996	$81.99	$737,582.04
	Lineal Feet		
Culverts* (*Assume 5 per mile)	290	$128.10	$37,149.00
Mob & Demob and Contracter Furnished Items	*Lump Sum*	$750,000.00	$750,000.00
		Subtotal	$2,625,923.21
		25% Contingency Factor	$656,480.80
			$3,282,404.01
		CE and ICAP	$1,148,841.40
		Total	**$4,431,245.41/mile**

Turnouts

If a single-lane road is constructed, then turnouts should occur once every mile. This cost is per 20' wide by 350' long turnout.

Turnouts	Quantities	Estimated Cost Per Unit (Borrow Pit)	Total Cost
	Cubic Yards		
Borrow	36,750	$28.73	$1,055,827.50
Subbase	14,000	$81.99	$1,147,813.33
		Subtotal	$2,203,640.83
		25% Contingency Factor	$550,910.21
			$2,754,551.04
		CE and ICAP	$964,092.86
		Total	**$3,718,643.90/turnout**

Two Lane Road

Road Template Option 1: Borrow is Barged In

This template includes 9" surface coarse, and the remaining embankment material barged in, including separation geotextile. The road is 8' deep at centerline.

Road Prism	Quantities	Estimated Cost Per Unit (Barged in)	Total Cost
	Cubic Yards		
Total Borrow	50,844	$81.99	$4,168,566.52
Total Subbase	13,689	$81.99	$1,122,306.37
Total Surfacing	4,498	$268.67	$1,208,402.96
	Square Yards		
Geotextile Fabric	35,200	$2.00	$70,400.00
	Lineal Feet (total)		
Culverts* (*Assume 5 per mile)	290	$128.10	$44,835.00
Mob & Demob and Contracter Furnished Items	*Lump Sum*	$750,000.00	$750,000.00
		Subtotal	$7,364,510.85
		25% Contingency Factor	$1,841,127.71
			$9,205,638.56
		CE and ICAP	$3,221,973.50
		Total	**$12,427,612.06/mile**

Road Template Option 2: Borrow comes from Local Materials

This template includes 9" surfacing, 2' of subbase, and the rest of the embankment as local materials. Also includes geotextile fabric. The road is 8' deep at centerline.

Road Prism	Quantities	Estimated Cost Per Unit (Borrow Pit)	Total Cost
	Cubic Yards		
Total Borrow	50,844	$28.73	$1,460,760.89
Total Subbase	13,689	$81.99	$1,122,306.37
Total Surfacing	4,498	$268.67	$1,208,402.96
	Square Yards		
Geotextile Fabric	35,200	$2.00	$70,400.00
	Lineal Feet (total)		
Culverts* (*Assume 5 per mile)	350	$128.10	$44,835.00
Mob & Demob and Contracter Furnished Items	*Lump Sum*	$750,000.00	$750,000.00
		Subtotal	$4,656,705.22
		25% Contingency Factor	$1,164,176.31
			$5,820,881.53
		CE and ICAP	$2,037,308.53
		Total	**$7,858,190.06/mile**

Insulated Embankment Option

For an insulated embankment, include the following amount in the road construction cost.

	Square Yards	Estimated Cost Per Unit	Total Cost
2" Insulation Board	274,560	$10.18	$2,795,936.00
		25% Contingency Factor	$698,984.00
			$3,494,920.00
		CE and ICAP	$1,223,222.00
		Total	**$4,718,142.00/mile**

Economy Option

This template includes 2' of subbase material over local materials, and deletes the 9" of surfacing. Geotextile fabric is included.

Road Prism	Quantities	Estimated Cost Per Unit (Borrow Pit)	Total Cost
	Cubic Yards		
Total Borrow	50,844	$28.73	$1,460,748.12
Total Subbase	13,689	$81.99	$1,122,361.11
	Lineal Feet (total)		
Culverts* (*Assume 5 per mile)	350	$128.10	$44,835.00
Mob & Demob and Contracter Furnished Items	*Lump Sum*	$750,000.00	$750,000.00
		Subtotal	$3,377,944.23
		25% Contingency Factor	$844,486.06
			$4,222,430.29
		CE and ICAP	$1,477,850.60
		Total	**$5,700,280.89/mile**

SEAN PARNELL, GOVERNOR

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

OFFICE OF THE COMMISSIONER

P. O. BOX 5800
ANCHORAGE, ALASKA 99505-0800
PHONE: (907) 428-6003
FAX: (907) 428-6019

November 21, 2011

City of Kotzebue
Mr. Derek Martin, City Manager
P. O. Box 46
Kotzebue, Alaska 99752

Mr. Martin:

Please pardon my delayed response to your letter. As you know fall storms create a very busy period for the Department on Military and Veterans Affairs (DMVA). DMVA is one of Governor Parnell's lead agencies that provide support to communities like yours in times of need. During this month's storm, DMVA's Division of Homeland Security and Emergency Management has maintained Level 3 preparedness for the entire west coast of Alaska. Equipment and supplies were prepositioned to render aid as required. Thankfully this fall storm season was not as disastrous as expected.

I would like to use the recent Bering Sea storm as an example; the mission of DMVA is to protect lives and property and to provide rapid recovery from disasters Statewide. The infrastructure that DMVA has established in Kotzebue includes the Readiness Center and Hanger. These facilities provide shelter, a location to preposition assets, and a Regional Emergency Operations Center. These facilities are available to the City of Kotzebue, the Northwest Arctic Borough, and other communities in the region. These facilities are critical to the State of Alaska's response to any manmade or natural disaster and are not considered surplus. These facilities, may appear to be idle, but are maintained in a ready operational state to meet a wide variety of needs whenever called upon.

Like the City of Kotzebue, The State of Alaska and DMVA also desires to see growth and opportunities in the region. We encourage you to pursue your vision. DMVA will continue to encourage other State and Federal agencies to utilize facilities and services located in Kotzebue. DMVA has and will continue to support the U. S. Coast Guard's efforts in the region and other programs provided by the National Guard, such as Arctic Care.

Thank you once again for your letter. I am sorry but the facility you desire is critical to the State's mission and is not surplus. I want to leave you with the understanding that the asset is available for local and regional needs. I will entertain local use of the facility that supports our preparedness mission.

Please feel free to contact me at any time.

Sincerely,

Thomas H. Katkus

MG Thomas H. Katkus,
Commissioner, DMVA

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"Gateway to the Arctic"

P.O. Box 46
Kotzebue, Alaska 99752

City Hall
(907) 442-3401

Police Dept.
(907) 442-3351

Fire Dept.
(907) 442-3404

Public Works
(907) 442-3401

November 28, 2011

Marie Greene, President
NANA Regional Corporation
PO Box 49
Kotzebue, AK 99752

Subj: Cape Blossom – Deep Water Port – Project Update

Dear Ms. Greene,
First and foremost, I want to thank you for the support NANA has provided the City of Kotzebue in recent years towards the development of a Deep Water Port at Cape Blossom. As you are aware, the City of Kotzebue has desired the establishment of a Deep Water Port for nearly 40-years to help lower the costs of goods and fuel shipments to Kotzebue. Your participation with the development of this project is greatly appreciated.

I want to take this opportunity to provide you with a quick project update of activities the City of Kotzebue has recently been involved with.

- Earlier this month, the City of Kotzebue applied for another application for assistance with the Department of Defense, Innovative Readiness Training project. As you may be aware, during the summer of 2010, the City of Kotzebue received assistance from the Military, the US Marines provided the ground truth survey for the DOT. This application includes construction of a 2-mile pioneer road from the windmill farm to Sadie Creek, construction of a bridge crossing at Sadie Creek and aerial photography of the project area between Kotzebue and Cape Blossom. If the City is successful in receiving assistance, the project will likely begin during the summer of 2014.
- The National Oceanographic and Atmospheric Administration was recently in the area, where they did hydrographic surveys of Kotzebue Sound, from July through late August. This new updated survey will allow the City and others a clearer understanding of the depths of Kotzebue Sound as well as areas near Cape Blossom. The City is hopeful that a depth of -24-feet can be achieved reasonably close to Cape Blossom for a Deep Water Port.
- The City has solicited interest in the National Guard Hanger located at the Airport in Kotzebue from the AK Air National Guard. See attached letter to MG Katkus. We asked that the National

Guard consider surplusing their hanger to the City, in turn the City would offer the hanger to the US Coast Guard, in hopes that the US Coast Guard would forward stage their equipment and manpower in times of emergency response. See attached letter. To date, we have yet to receive responses.

- The City of Kotzebue also participated in an Arctic Summit recently held in Girdwood this past summer and were happy to see that NANA also participated. During this summit we learned that development of Arctic Ports are on the horizon, and the question is not when ports will be built, but where. Be it Barrow, Red Dog, Kotzebue, Port Clarence or Nome, a Deep Water port is on the horizon in the near future.
- Finally, the City of Kotzebue continues to work closely with the Alaska Department of Transportation in Fairbanks. WE receive periodic updates of key milestones with the development of the Cape Blossom Road. Recently we learned that the DOT had received authorization to proceed with the Environmental Report for the Project and intends to complete this phase over the course of the next 2 ½ years. This phase will include additional public meetings and information gathering from various agencies and be concluded on or about spring of 2014.

Again I thank you and NANA for your involvement and support with this project and look forward to a good continued working relationship. If you have any questions, or would like further updates, please don't hesitate to contact me at your convenience. I can be reached at 442-3401.

Sincerely,
CITY OF KOTZEBUE

Derek Martin
City Manager

Enclosure: Letter to MG Katkus, National Guard, [2pgs];
Letter to Capt. Shaw, US Coast Guard [2pgs]

Cc: Kotzebue City Council

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"Gateway to the Arctic"

P.O. Box 46
Kotzebue, Alaska 99752

City Hall
(907) 442-3401

Police Dept.
(907) 442-3351

Fire Dept.
(907) 442-3404

Public Works
(907) 442-3401

November 3, 2011

Honorable Don Young
Office of Congressman Don Young
2314 Rayburn House Office Building
Washington DC, 20515

Subject: Cape Blossom – Deep Water Port – Kotzebue, Alaska

Dear Congressman Young:

As you may be aware, the community of Kotzebue has desired a Deep Water Port for well over 30 years. In fact, the City has sought assistance for this Deep Water Port as early as 1973, when the earliest of four studies were prepared for the City of Kotzebue citing the need for efficient marine navigation into Kotzebue. We know that with the lack of deep water in Kotzebue, directly attributes to increased costs of shipping fuel, supplies, equipment, materials and other goods. Kotzebue has been challenged for some time now with the rising fuel and electricity costs, which inhibits economic development and the growth of this hub community. Therefore, the City of Kotzebue and others have desired a Deep Water Port be located at Cape Blossom, just south of Kotzebue.

Because Kotzebue serves as a regional Hub for the Northwest Arctic Borough, we seek to maintain this status by providing needed services not only for Kotzebue, but for Borough residents who frequent Kotzebue for transportation services, educational services, health care and other materials and supplies. Kotzebue has worked over recent years to improve existing infrastructure, from upgrades and replacement of basic water and sewer services, to supporting development of additional housing infrastructure and health care facilities.

The City of Kotzebue is also aware of possible future development of offshore resources in our area, within the Chukchi Sea. It is just a matter of time before we see these impacts of offshore development. To prepare for this, we felt it necessary to reach out to the Alaska National Guard and United States Coast Guard. We specifically requested that the National Guard consider the surplus of their Guard Hanger here in Kotzebue, to the City of Kotzebue, and expressed desire of turning this hanger over to the US Coast Guard. We feel that by this action, the US Coast Guard could establish a more northern presence and would be better prepared to respond to emergency situations in this area and areas further North along Alaska's coastline. This establishment of a northern presence would dramatically improve the Government's Homeland Security mission. Letters have been submitted to both the Air National Guard as well as the US Coast Guard in mid-October.

Additional steps the City of Kotzebue has taken towards the Development of a Deep Water Port include the following:

- Partnering with the Alaska Department of Transportation, to develop a road corridor to Cape Blossom
- Partnering with local corporations and regional corporations, Kikiktagruk Inupiat Corporation and NANA Regional Corporation
- Partnering with the Northwest Arctic Borough
- Partnering with the Native Village of Kotzebue
- Successfully receiving IRT assistance (Innovative Readiness Training) from the Department of Defense. US Marine Corps surveyors assisted the State of Alaska, DOT in the design survey of three potential road routes from Kotzebue to Cape Blossom during the summer of 2010
- Assistance from the National Oceanographic and Atmospheric Administration. NOAA performed hydrographic surveys of Kotzebue Sound just this summer 2011, and provided preliminary data that would suggest areas near Cape Blossom would be ideal for development of a Deep Water Port
- Additional assistance has recently been requested through the IRT program, this time requesting construction of a 2-mile pioneer road from Kotzebue Electric Association's Windmill farm to Sadie Creek; construction of a bridge and crossing of Sadie Creek; and providing aerial photography of the road corridor from Kotzebue to Cape Blossom
- Provided testimony to the Northern Waters Task Force, a committee formed by the Alaska State Legislature. This committee held numerous public meetings across the State of Alaska, including Kotzebue this summer
- Consideration by NOAA that Kotzebue Sound may serve as a natural Port of Refuge, or Safe Harbor, for marine vessels in distress
- Correspondence to AK Air National Guard seeking surplus of their Hanger
- Correspondence to USCG seeking establishment of presence in Kotzebue
- The City of Kotzebue is pursuing the annexation of its municipal boundaries to encompass areas near Cape Blossom and Nimiuk Point.

We feel that the establishment of a Deep Water Port at Cape Blossom will provide this community and region the ability to grow economically by reducing the transportation costs to the Region, establish a Port of Refuge, and increase regional economic opportunities among other benefits such as resource development. Actions as indicated above are all pieces of this puzzle to complete the Cape Blossom Deep Water Port. We respectfully request your further support of this project for Kotzebue, the Northwest Arctic Borough, and the people of the NANA Region.

With that, I look forward to hearing from your or your office to answer any questions you may have. I can be reached at (907)442-3401. I thank you for your time and assistance with this project.

Sincerely,
CITY OF KOTZEBUE

Derek Martin
City Manager

Enclosures:

cc: Kotzebue City Council

CITY OF KOTZEBUE
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P.O. Box 46
Kotzebue, Alaska 99752

City Hall
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November 15, 2011

Mayor Martha Whiting
Northwest Arctic Borough
PO Box 1110
Kotzebue, AK 99752

Subj.: Cape Blossom Deep Water Port – Project Update

Dear Mayor Whiting,
As you are aware, the City of Kotzebue has been effortlessly trying to establish a Deep Water Port at Cape Blossom for a number of years, and appreciates the support the Northwest Arctic Borough has provided. I believe we share the same desire in trying to find ways to lower the cost of living amongst residents of Kotzebue and the Northwest Arctic Borough and to find means of economic growth, development and prosperity. We believe the best opportunity to do so, is with the development of a Deep Water Port at Cape Blossom.

I wanted to take this opportunity to provide you with a written update, activities the City of Kotzebue has been involved with regarding the Cape Blossom project.

Recently, the City of Kotzebue solicited the assistance of the Alaska Air National Guard and requested they surplus their Hanger to the City of Kotzebue. In turn, the City of Kotzebue would offer this Hanger to the US Coast Guard, for their use in forward staging their equipment and assets in the Northwest Arctic. With this concept, we feel that the US Coast Guard would be better positioned to respond timely to emergencies and other issues here in Kotzebue and elsewhere along Alaska's North and Northwest coastlines. We would kindly ask that the Northwest Arctic Borough continue its support of the City with this request. I have enclosed copies of these letters to the US Coast Guard and the National Guard.

Additionally, the City has submitted another request for assistance with the Department of Defense, Innovative Readiness Training (IRT) Program. During the summer of 2010, the City of Kotzebue successfully received assistance from the US Marines Corps through the IRT program, and the project was surveyed from May 2010 through September 2010. This involved the Marines providing the design survey of three potential road routes from Kotzebue to Cape Blossom. This year, the City has applied for assistance with construction of a 2-mile pioneer road from the Windmill farm to Sadie Creek,

construction of a bridge crossing at Sadie Creek, and providing aerial photography of the project areas from Kotzebue to Cape Blossom.

The Alaska Department of Transportation (DOT) has just begun work on the Environmental Report (ER) for this project. The DOT has indicated that the ER will be completed by the winter of 2014 and construction of the pioneer road and bridge crossing may occur during the summer of 2014.

Furthermore, the City participated in numerous public meetings held in Kotzebue, and attended an Arctic Summit earlier this summer in Girdwood. During the summit, we learned that Arctic Ports, namely Cape Blossom, have been given some inertia towards development. Be it Barrow, Kotzebue, Nome or Port Clarence, a Deep Water Port is on the horizon for Alaska in the near future.

If you have any questions regarding this update, or would like to discuss further, please do not hesitate to contact me at your convenience. I can be reached at (907)442-3401.

Sincerely,
CITY OF KOTZEBUE

Derek Martin
City Manager

Enclosures: Letter to MG Katkus, AK National Guard [2pgs];
Letter to Capt. Shaw, US Coast Guard [2pgs]

Cc: Northwest Arctic Borough Assembly
Kotzebue City Council

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Kotzebue, Alaska 99752

City Hall
(907) 442-3401

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October 15, 2011

Captain Adam J. Shaw
United States Coast Guard
Seventeenth Coast Guard District
P.O. Box 25517
Juneau, Alaska 99802-5517

Dear Captain Shaw,

As you are aware, the retreat of ice conditions in the northern hemisphere has stimulated increase domestic and foreign interest in expansion of development in Arctic. Our community currently serves as regional hub of Northwest Alaska for all domestic transportation and services. We have been involved in working to improve our infrastructure, capacity and emergency preparedness.

With the increase in presence of industry, fisheries, tourism and establishment of new shipping lanes throughout the Bering Straits to the Northwest Passage, we see the demand for emergency preparedness. We feel it is critically important for us to promote the United States Coast Guard's establishment of a forward emergency response station in Kotzebue. To accomplish we have made a request to the State of Alaska for surplus of the National Guard hanger to the City of Kotzebue.

We feel this strategy will dramatically improve the U.S. Department of Homeland Security mission and provide for quicker emergency response in a time of distress for not only this region, but for all of Northwest Alaska and its coastline. Additionally we are working with the State of Alaska Department of Transportation and Northwest Arctic Borough in development of roads and a deep-water port at Cape Blossom. This past summer the U.S. National Oceanic and Atmospheric Administration undertook bathometry surveys of Kotzebue Sound. The results of this survey appear favorable for development of port facility.

Furthermore, once a Deep Water Port is developed our idea is to encourage the Coast Guard, Industry and others to utilize this facility, which will help promote and further economic development, enhance public safety and emergency response. This project is critical to the long-term economic well being of the community of Kotzebue and outlying villages who rely on the services of this hub community.

With that, I look forward to working with you and the State of Alaska to answering any questions you may have regarding or request for your increased presence in Kotzebue. I can be reached at (907)442-3401. I thank you for your time and assistance with this matter.

Sincerely,
CITY OF KOTZEBUE

Derek Martin
City Manager

Attachments:

cc: Kotzebue City Council

During Session:
Alaska State Capitol
Juneau, Alaska 99801-1182
(907) 465-4833
Fax (907) 465-4586
1-800-782-4833
Representative_Reggie_Joule@legis.state.ak.us

During Interim:
P.O. Box 673
Kotzebue, Alaska 99752
(907) 442-3880
Fax (907) 442-3022

Alaska State Legislature
REPRESENTATIVE REGGIE JOULE

October 14, 2011

Major General Thomas H. Katkus
Office of the Commissioner
Alaska Department of Military and Veteran's Affairs
P.O. Box 5800
Joint Base Elmendorf Richardson, Alaska
99505

Dear General Katkus,

My name is Representative Reggie Joule and I represent the Northern region of the state, an area that stretches from the Canadian to the Russian border and contains the two major hub communities of Barrow and Kotzebue. Kotzebue serves as the regional hub for all domestic transportation and services for Northwest Alaska. Recently, diminishing sea ice and worldwide need for natural resources has brought increased interest to our region. The Arctic's future will be dynamic, bringing both opportunities and challenges through mineral extraction, oil & gas development, fisheries, tourism, marine shipping, and other activities. Besides the eight Arctic nations, other countries are also eyeing the resource rich area as a future economic bonanza including the European Union, China, Japan and South Korea. For Alaska, the economic opportunities over the long term could be huge.

We recognize that development of offshore resources in our area will occur; it is just a matter of time. We also recognize that other economic resources will be developed here as well. In order to be better prepared Kotzebue is working to improve infrastructure and capacity as a regional hub. With all of these changes we believe that the community needs to be better prepared to handle and respond to emergency situations both on and off shore. One of Kotzebue's first goals is to work with the United States Coast Guard to establish an emergency response station in Kotzebue. As you are aware, right now the closet Coast Guard location is thousands of miles away in Kodiak. Forward basing the Coast Guard to Kotzebue would provide for a quicker emergency response time not only for the residents of Kotzebue but for the entire region as well.

As part of this effort the community is requesting that you surplus the National Guard hanger to the City of Kotzebue. The facility could be used by the Coast Guard to store equipment and to maintain office space. I am hoping that you can work with the community to move this effort forward. If you have any questions or concerns please feel free to contact me at 907-465-4833.

Best regards,

Representative Reggie Joule
House District 40

CITY OF KOTZEBUE
"Gateway to the Arctic"

PO Box 46
Kotzebue, Alaska 99752

City Hall
(907) 442-3401

Police Dept
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Fire Dept
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Public Works
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September 29, 2011

Major General Thomas H. Katkus
Office of the Commissioner
Alaska Department of Military and Veterans Affairs
PO Box 5800
Joint Base Elmendorf Richardson, Alaska 99505

Subject: National Guard Hanger – Kotzebue, AK

Dear General Katkus,

The City of Kotzebue serves as the regional center of Northwest Alaska for all domestic transportation and services. We're proud to have served as home of the Third Scout Battalion under command of former State Adjutant General John Schaeffer and others. The Guard invested significant resources within our community and region including the National Guard Armory and Hanger at Ralph Wein Memorial Airport. We appreciated your presence in our community and we seek your assistance in continuing the positive growth of our role as regional hub to Northwest Alaska.

In development of offshore resources we realize that it is just a matter of time when industry and others will arrive in our backyard. To be prepared we are working to improve our infrastructure and capacity as a regional hub. With the increase in presence of industry, tour ships and establishment of new shipping lanes throughout the Bering Straits to the Northwest Passage, we see the demand for emergency preparedness.

Our vision is to develop a holistic approach that affords us better opportunity to respond adequately during potentially disastrous events beyond our control. Our initial step is to proactively promote to the United States Coast Guard, establishment of a forward emergency response station in Kotzebue. Through establishment of this station we can dramatically improve the Government's Homeland Security mission and provide for quicker emergency response in a time of distress for not only this region, but for all of Northwest Alaska and its coastline. To accomplish this initial element of preparedness we want to ascertain and appeal to your agencies potential surplus of the National Guard hanger to the City of Kotzebue.

The next step for the City, is to continue efforts for development of a deep water port at Cape Blossom, which has been part of this communities plan for over 40-years. This longer-range development would then support an expansion of the U.S. Coast Guards emergency response to all of Northwest Alaska. We have worked closely over recent years with the Alaska Department of Transportation and Northwest Arctic Borough to establish this facility through a phased approach.

This port will significantly reduce transportation costs to the region, establish a port of refuge, and increase regional economic opportunities among other benefits.

Furthermore, once the Deep Water Port is established our vision is not only to encourage the Coast Guard, but industry and others to utilize this facility which will help promote and further economic development, enhance public safety and emergency response. This project is critical to the long-term economic well being of the community of Kotzebue and outlying villages who rely on the services of this hub community.

With that, I look forward to working with you and answering any questions you may have regarding the National Guard Hanger in Kotzebue. I can be reached at (907)442-3401. I thank you for your time and assistance with this matter.

Sincerely,
CITY OF KOTZEBUE

Derek Martin
City Manager

Attachments:

cc: Kotzebue City Council
Representative Reggie Joule
Senator Donald Olson

Kotzebue: Cape Blossom Road

FY2007 Request: **$4,250,000**
Reference No: **41743**

AP/AL: Allocation
Category: Transportation
Location: Kotzebue
House District: Arctic
Estimated Project Dates: 07/01/2006 - 06/30/2011
Appropriation: Congressional Earmarks

Project Type: Construction

Contact: John MacKinnon
Contact Phone: (907)465-6973

Brief Summary and Statement of Need:
Project will include a reconnaissance study and environmental document for a road from Kotzebue to Cape Blossom, approximately 9-11 miles in length. This project contributes to the Department's Mission by reducing injuries, fatalities and property damage and by improving the mobility of people and goods.

Funding:	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	Total
Fed Rcpts	$4,250,000						$4,250,000
Total:	$4,250,000	$0	$0	$0	$0	$0	$4,250,000

☐ State Match Required ☐ One-Time Project ☐ Phased - new ☑ Phased - underway ☐ On-Going
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:
FY2006 - $2,000,000 Congressional Earmark. SAFETEA-LU Earmark Local match required.

Project Description/Justification:
Currently in Kotzebue the freight and fuel has to be lightered due to shallow water in the Kotzebue Sound. The City of Kotzebue also received a 2005 federal earmark to pursue a road to the deep water port near Cape Blossom.

Cape Blossom Funding

	Earmarks	Recession	85% of Earmark	Federal	Match	Total
Earmark 2005	$2,000,000	-$290,006		$1,709,994	$169,740	$1,879,734
Earmark 2006	$5,000,000		$4,250,000	$3,493,946 thru 08	$346,821	$3,840,767
				$756,054 09	$75,049	$831,103
				$5,959,994	$591,610	$6,551,604

Budget	**expenses to date**	**Best Guess**
Recon Study - Minimal field work	$18,000	$100,000
Environmental	$0	$250,000
Design Engineering	$0	$500,000
ROW	$0	$100,000
Construction Stage I	$0	$5,601,604
Total	$18,000	$6,551,604

- Regional development District

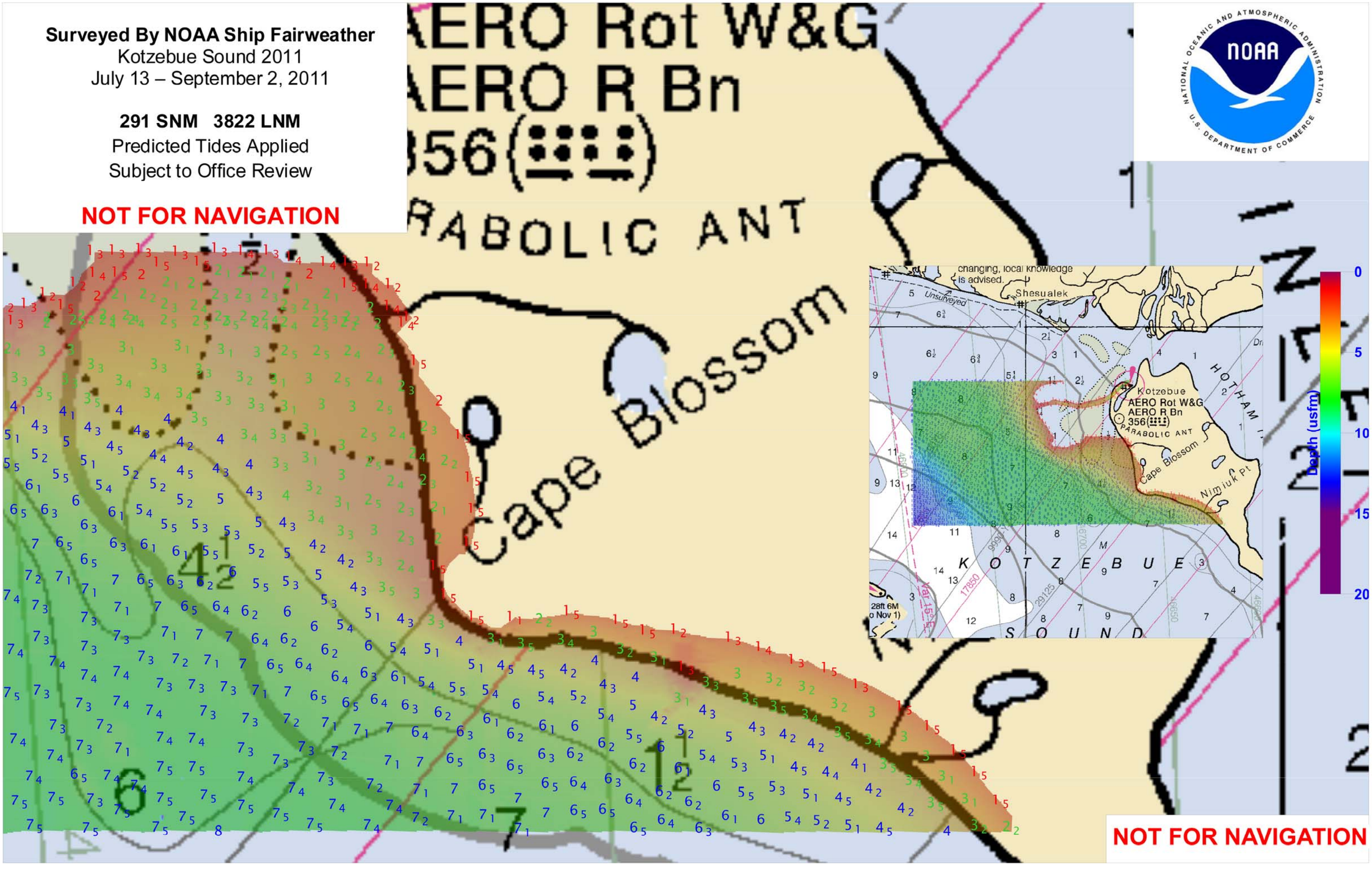
E — City Does not want to consider Route E

- Purpose:
  Good benefit to Buckland - ~~Hoo~~ Drive to Cape Blossom + drive to Buckland is future would be easier
- Benefit to Region + Area -
- Fill in Cape Blossom Sand

Surveyed By NOAA Ship Fairweather
Kotzebue Sound 2011
July 13 – September 2, 2011

291 SNM 3822 LNM
Predicted Tides Applied
Subject to Office Review

NOT FOR NAVIGATION



NOT FOR NAVIGATION