



## ED-900C – EDA Application Supplement for Construction Programs

### A. Metropolitan Area Review

A.1. Projects involving the development of hospitals, airports, libraries, water supply and distribution facilities, sewage and waste treatment works, highways, transportation facilities, water development, or land conservation within a metropolitan statistical area (MSA) require comments from the metropolitan area clearinghouse/agency. Does the proposed project involve any of the above identified developments within an MSA?

☐ Yes ☒ No

A.2. If Yes, please attach either:

☐ Comments from the responsible metropolitan area clearinghouse/agency and a statement that such comments have been considered; or

☐ An explanation as to why comments are not available; or

☐ A statement indicating the date the application was made available to the appropriate metropolitan area clearinghouse/agency and units of general local government for review and certifying that the application has been before the metropolitan area clearinghouse/agency for a period of 60 days without comments or recommendations.

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### B. District Organization Project Administration

B.1. Will the District Organization for the region in which the project will be located administer the project for the applicant?

☐ Yes ☒ No

B.2. If Yes, you must certify to all of the following and indicate your certification by checking each box:

☐ The administration of the project is beyond the capacity of the applicant's current staff and would require hiring additional staff or contracting for such services;

☐ No local organization/business exists that could administer the project in a more efficient or cost-effective manner than the District Organization; and

☐ The District Organization will administer the project without subcontracting the work.

B.3. If the project will be administered by the District Organization and you did not certify to all of the above, explain below.

### C. Preliminary Engineering Report

To be considered for assistance, all construction and design applications must include a **Preliminary Engineering Report (PER)** that at a minimum provides the following information:

- C.1. Description of project components. Provide a general description of all project components involved in the project. Indicate whether the project involves the construction of new infrastructure or facilities or the renovation or replacement of existing ones. Describe each of the project components in terms of dimensions, quantities, capacities, square footage, etc.
- C.2. A statement verifying that the project components described in the engineering report are consistent with the EDA investment project description that is provided in Section B.2 of Form ED-900. Engineering reports that describe project components that are inconsistent with the EDA investment project description in Section B.2 of Form ED-900 will not be considered valid.
- C.3. Drawings showing the general layout and location of the existing site conditions and of the project components as well as location of any project beneficiary identified in Section B.9 of Form ED-900 that provide economic justification for the project, if any. Rough dimensions and quantities for major project components should be shown and labeled on the drawings. Drawings should clearly identify the project components that are being proposed. Applicants are encouraged to clarify such drawings, for example, through color coding, labeling, and other appropriate methods.
- C.4. A feasibility analysis for the constructability of the project. Include a review of the existing conditions and note particular features, alignments, and circumstances affecting construction of project components.
- C.5. The proposed method of construction. Indicate whether construction procurement will be done through competitive bid or other method. Indicate if any portion of the project is to be done by design/build, construction management at risk, the applicant's own forces, or a third-party construction manager. If an alternate construction procurement method (other than traditional design/bid/build with sealed competitive bid process) is proposed, a construction services procurement plan must be provided to EDA for approval in accordance with EDA's regulation at 13 C.F.R. § 305.6(a).
- C.6. The number of construction contracts anticipated. If multiple contracts are proposed, describe the project components included in each contract. If separate contracts are anticipated for demolition or site work, the budget information cost classification should reflect the estimated costs for these components. If project phasing is proposed, a project phasing request must be provided to EDA for approval per EDA's regulation at 13 C.F.R. § 305.9(a).
- C.7. A current detailed construction cost estimate for each of the project components. Show quantities, unit prices, and total costs and provide a basis for the determination of construction contingencies. The total of this estimate should match the construction line item of the SF-424C.
- C.8. Real property acquisition. If the budget includes costs for acquisition of real property, include a current fair market value appraisal completed by a certified appraiser for the property to be purchased.

- C.9. A list of all permits required for the proposed project and their current status. Identify all permits required; include the timeline to obtain the permits and discuss how the permitting relates to the overall project schedule. If the project crosses a railroad right-of-way or is within a railroad right-of-way, explain any permitting or approvals that may be required from the railroad or other authority and the timeframe for obtaining these permits or approvals.
- C.10. An overall estimated project schedule. This schedule should agree with the project schedule outlined in the ED-900. Include the number of months for each of the following:
- i. design period;
  - ii. period of time to obtain required permits;
  - iii. period of time to obtain any required easements or rights-of-way;
  - iv. solicitation of bids and awarding of contracts, and
  - v. construction period.
- C.11. Overall project budget breakdown. For each "cost classifications" line item that the applicant indicates will be included in the project budget on Form SF-424C, the applicant must provide a breakdown of the proposed project costs and tasks that is consistent with the detailed construction cost estimate for the project provided in the PER.

Budget Narrative.docx

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#### D. Title Requirements

D.1. Does the applicant currently hold title to all project facilities, underlying land, necessary easements, and rights-of-way required for the project?

☒ Yes (go to question D.2)      ☐ No (explain below)

D.1.a. If No, does the applicant plan to obtain title?

☐ D.1.a.i. Yes

How and when will the applicant obtain title? (After answering, go to question D.2)

☐ D.1.a.ii. No

Please explain why not

D.1.b. If you indicated that the applicant does not currently have title and does not intend to obtain title, does the applicant hold a long-term lease or hold interest in project property for a period not less than the estimated useful life of the project?

☐ D.1.b.i. Yes. Go to question D.2

☐ D.1.b.ii. No. Please explain below how the applicant will satisfy EDA's title regulation at 13 C.F.R. § 314.7.

D.2. Will the applicant provide EDA a security interest and/or covenant of use in the real property or significant items of tangible personal property acquired or improved with EDA investment assistance? See 13 C.F.R. § 314.9.

☒ Yes ☐ No (explain below)

D.3. Will real property or project facilities to be acquired or improved with EDA investment assistance, including any industrial or commercial park acreage, be mortgaged or used to collateralize any type of financing, including but not limited to bonds or tax credits, or is any real property to be used for the project currently mortgaged or being used as collateral?

☐ Yes (explain below) ☒ No

D.4. Describe any required State permits, easements, rights-of-way or leases necessary to construct, operate, and maintain the project.

None required. An existing Water plant is being improved and is located on Borough property. Corps of Engineers was consulted for wetland permitting and indicated no jurisdictional wetlands.

D.5. Describe any liens, mortgages, other encumbrances, reservations, reversionary interests or other restrictions on the applicant's interest in the property.

There are none.

D.6. Is the project located on a military or Department of Energy installation that is closed or scheduled for closure or realignment?

☐ Yes

☒ No

D.7. Does the project involve construction within a railroad's right-of-way or over a railroad crossing?

☐ Yes (explain below) ☒ No

D.8. Does the project include construction of a highway owned by a State or local government (other than the applicant)?

☐ Yes (explain below) ☒ No

#### E. Sale or Lease

E.1. Does the applicant intend to sell, lease, transfer, dedicate or otherwise convey any interest in the project facilities, underlying land, or any land improved with EDA investment assistance?

☐ Yes (explain below) ☒ No

E.2. Is the purpose of the project to construct facilities to serve an industrial or commercial park or sites owned by the applicant for sale or lease to private parties?

☒ No

☐ Yes

Identify the owners of the acreage, provide an estimate of the number of acres benefiting from the proposed investment and explain how EDA's requirements will continue to be met after any sale or lease.

Note: Applicants may be asked to provide documentation that EDA's requirements will continue to be met after the sale or lease of project property.

E.3. Is the purpose of the project to construct facilities to serve a privately owned industrial or commercial park or sites for sale or lease?

☒ No

☐ Yes

If Yes, identify the owners of the acreage, estimate the number of acres benefiting from the proposed investment, and explain below how EDA's requirements will continue to be met after the sale or lease. Note that certain EDA requirements attached to the property will survive any sale or transfer of the property. In addition, EDA may require evidence that the private party has title to the park or site prior to such sale or lease and condition the award of investment assistance upon assurances given by the private party that EDA determines are necessary to ensure consistency with the project purpose. See 13 C.F.R. § 314.3(c) and § 314.7.

E.4. For privately owned land improved by the proposed project, is the private owner willing to enter into an agreement to limit the sale price of the improved land to its fair market value before the improvements for a reasonable period of time?

☐ Yes (explain below) ☒ No/Not applicable (no private owners)

E.5. Is the purpose of the project to construct, renovate or purchase a building?

☒ Yes (explain below) ☐ No

The Borough's existing water treatment plant facility is proposed for being converted and modified for use with a different water treatment process that works more efficiently with our water source specifications.

E.5.a. Will the building be leased in whole or in part?

☐ Yes (explain below)    ☒ No

E.5.b. Is the purpose of the building to provide incubator space to new companies?

☐ Yes (explain below)    ☒ No

E.5.c. Will there be limitations on the length of the lease term?

☐ Yes (explain below)    ☒ No

E.5.d. Is the purpose of the project to provide building space to a single user or multiple users?

☐ Yes                      ☒ No

E.5.e. Explain below the terms of any proposed lease.

No lease. The borough owns the building.

## F. State Historic Preservation Requirements

Have comments from the appropriate State Historic Preservation Officer (SHPO) already been received?

☒ Yes (attach comments) ☐ No

SHPO letter.pdf

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Note: If comments have not already been received, the applicant will be required to submit materials to SHPO. Regardless of whether the applicant believes historic or archaeological artifacts are present, the applicant will be required work with its SHPO. Specific requirements for states' SHPOs can generally be found on their websites. Applicants can also request additional information from EDA Regional Offices.

Please note that the SHPO clearance process can be lengthy. When submitting this material to the SHPO, the applicant must request that the SHPO submit comments on the proposed project to the EDA Regional Office processing the application.

## G. National Environmental Policy Act (NEPA) Requirements

G.1. Please attach an environmental narrative and applicant certification clause using the template found on [www.eda.gov](http://www.eda.gov).

Environmental Narrative ver

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Federal agencies are required by law to assess the expected environmental impacts associated with proposed federal actions. Depending on its analysis of information submitted by the applicant, EDA may request additional information to better understand the current environmental conditions and the project elements that will affect the environment.

Comprehensive information is required to complete an environmental review in accordance with NEPA. Information must be provided for the:

- (i) site where the proposed project facilities will be constructed and the surrounding areas affected by its operation; and
- (ii) areas to be affected by any primary beneficiaries of the project.
- (iii) The information submitted must be sufficient to evaluate all reasonable alternatives to the proposed project and the direct and indirect environmental impacts of the project, as well as the cumulative impacts on the environment as defined in the regulations for implementing the procedural provisions of NEPA. See 40 C.F.R. parts 1500-1508.

The level of detail should be commensurate with the complexity and size of the project and the magnitude of the expected impact. Previously completed environmental impact documentation (assessments, impact statements, etc.) for activities in the region in which the proposed project will be located may be used as documentation.



## H. Business Incubators and Accelerators

Does the applicant intend to construct or renovate a business incubator, accelerator, commercialization center, or similar project?

☒ No

☐ Yes

Please attach a feasibility study demonstrating the need for the Project and an operational plan based on industry best practices demonstrating the Eligible Applicant's plan for ongoing successful operations. See the applicable FFO for additional information and guidance.

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## Budget Narrative Breakdown

### Wrangell Water Treatment Plant Improvements Project

The proposed investment project consists of the itemized project tasks, which are identified in the SF-424 budget sheet.

Administrative and Legal Expense - \$153,517

- The Borough's administration, legal and advertising costs, in the amount of \$153,517.00, are to provide for: a project manager for project coordination from the engineering design phase through the contractor construction phase, legal counsel related to contracts review, title opinions, etc., and for both engineering and construction solicitation advertisement costs.

Land, Structure, Rights-of-way, appraisals etc - \$0

Relocation expenses and payments - \$0

Architectural and Engineering Fees - \$368,440

- Engineering design, in the amount of \$368,440.00, includes a review of the conceptual design form the PER with value engineering for the final water treatment plant's design. Includes surveying and construction bidding assistance.

Other Architectural and Engineering Fees - \$0

Project Inspection Fees - \$307,033

- Construction Administration and Inspection, in the amount of \$307,033, covers costs to provide an on-site Owner's representative to oversee and inspect the work of the contractor, ensuring full adherence to the project's contract design.

Site Work - \$0

Demolition and Removal - \$0

Construction- \$5,848,257

Construction, in the amount of \$5,848,257, covers the following project components:

- The General Conditions, in the amount of \$781,000.00, are those costs incurred by the Contractor which are necessary to support the performance of the work, but which are not related to the actual hands-on construction work. They includes costs for travel, lodging, per diem, airfare and freight, safety equipment, temporary utilities and facilities, tools, vehicle use, submittals and shop drawings, etc.
- A temporary water treatment system, in the amount of \$330,000.00, will be utilized to perform an interim water treatment process that the existing roughing filter provide, as the roughing filters are demolished for building expansion.
- Blast and remove bedrock, in the amount of \$154,000.00, is for site clearing and clearing the land of a rock outcropping to make room for expanding the existing roughing filter building to house new DAF trains and filters.

- Site grading and drainage, in the amount of \$60,500.00 in relation to the area where bedrock was removed for building expansion.
- Remodel the roughing filter's building, in the amount of \$106,480.00, includes removing the existing roughing filters and their associated mechanical works, and preparing the existing space for the building's expansion.
- Expand the roughing filter's metal building, in the amount of \$1,016,400.00, is to modify and enlarge the existing building to accommodate the new DAF trains, filters and all of the associated components. Includes the foundation and concrete pad and the metal building components.
- Backwash disposal containment system and piping, in the amount of \$440,000.00, includes construction of a backwash water storage tank and associated piping and pumps necessary to prepare this containment system to be connected to a new discharge line to the Wastewater Treatment Plant (provided for under the Companion project).
- Fabrication and installation of a pre-packaged DAF treatment system, in the amount of \$1,540,000.00, includes the cost of two packaged DAF trains, with integral flow splitters, mixers, flocculators, and DAF cells, as well as three finishing filters. Includes all associated instrumentation, electrical systems, access walking platforms, stairs and handrails, plumbing, automatic and manual control valving, meters, saturator, compressors, recycle pumps, VFDs, backwash system, air scour blower, filter media, new chemical feed systems with required stands, tanks, plumbing, dosing pumps, loaders/mixers, meters, and controls, all of which would be identified for sizing/capacity during the project's design phase.
- The process piping, in the amount of \$385,000.00 includes all DAF piping connections, influent and effluent piping, rinse and backwash piping, yard piping, and drain piping.
- The contractor's costs for O&P (15%), Bonding and Insurance (3%) is included in these figures, as well as a calculation for cost inflation (3.5%), bringing this line item's total to \$5,848,257.00.

Equipment - \$0

Contingencies - \$292,413

- A 5% construction contingency, in the amount of \$292,413.00, has been included in the budget.

The total cost of the proposed project is \$6,969,660.00.

EDA's share of this cost is \$2,996,954.00, at a reimbursement rate of 43%.

The City and Borough of Wrangell's (CBW) matching share of the cost is \$3,972,706.00, at a rate of 57%. Of the CBW's share, \$119,000 in cash contribution will be utilized, at the rate of 100% toward engineering design before any federal money is utilized. For the remaining \$3,853,706.00 in matching share costs for the CBW (Applicant), a USDA loan in the amount of \$3,821,000 will first be used. The balance will be paid through a USDA grant, in the amount of \$3,161,000 that the CBW has been approved for this project.

The USDA grant, in the amount of \$3,161,000 will also be utilized toward a Companion Project to the Proposed Investment project with EDA. The Companion Project will serve to enhance the investment project by connecting the newly constructed DAF treatment system and its related components to the existing treatment system piping, electrical systems integration and

automated control panels with SCADA integration, extending the sewer service for backwash disposal to the Wastewater Treatment Plant, replacing the existing systems for chlorine generation and caustic feed, replacing booster pumps with the addition of variable frequency drives, reconfiguring the existing ozone system, converting the existing sand filters to clearwells for additional treated water storage, installing a standby generator, remodel the existing control building for chemical storage, commission the final system and train the water treatment operators. The final water treatment process is by disinfection with an on-site chlorine generation system and then the water is pumped to the existing water storage tanks. As part of the companion project work, the existing four sand filter basins would be emptied and their plumbing reconfigured in order to convert them as additional water storage. This conversion will provide nearly double the existing treated water storage capacity. The Companion project is estimated at \$2,865,615.



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Natural Resources

DIVISION OF PARKS & OUTDOOR RECREATION  
Office of History & Archaeology

550 West 7<sup>th</sup> Ave., Suite 1310  
Anchorage, Alaska 99501-0565  
Mon: 907.269.8721  
<http://dnr.alaska.gov/parks/oha>

December 15<sup>th</sup>, 2016

File No.: 3130-1R USDA-RD  
2016-01463

Robert Chambers  
USDA – Rural Development  
Alaska State Office  
800 W. Evergreen, Suite 201  
Palmer, AK 99645

SUBJECT: Finding of No Historic Properties Affected, City and Borough of Wrangell Water Treatment Plant Improvements

Dear Mr. Chambers:

The Alaska State Historic Preservation Office (AKSHPO) received your correspondence on December 8<sup>th</sup>, 2016. Upon review of the documentation provided, we concur that a finding of **no historic properties affected** is appropriate for the subject undertaking.

As a reminder, should previously unidentified archaeological resources be discovered in the course of the project, work must be interrupted until the resources have been evaluated in terms of the National Register of Historic Places eligibility criteria (36 CFR 60.4) in consultation with our office.

Thank you for the opportunity to review and comment. Please contact McKenzie Johnson at 269-8726 or [mckenzie.johnson@alaska.gov](mailto:mckenzie.johnson@alaska.gov) if you have any questions or if we can be of further assistance.

Sincerely,

A handwritten signature in cursive script that reads "Judith E. Bittner".

Judith E. Bittner  
State Historic Preservation Officer

JEB: msj