



MEMORANDUM

To: Mayor and Members of the City Council

From: Montre' Freeman, City Manager
Dwan Bell, Public Utilities Director
Jon Hawley, Grants Administrator

Date: November 22, 2023

Subj: Consideration – Authorization to Submit Modified Application to Golden LEAF for Park-Dawson Canal Project

BACKGROUND:

During its work session on September 25, 2023, the City Council heard a report on the Dawson-Hunter Street Stormwater Improvement Study, including projects recommended by City staff and our project engineers, AECOM. This study was primarily funded through a State Water Resources Development Grant, and the Golden LEAF Foundation's Flood Mitigation Program (FMP). During this work session, City staff also reported that there were additional funding opportunities through Golden LEAF to begin implementing the study's top priority project: restoration and lining the deteriorated drainage canal between Park and Dawson streets. Stormwater modeling shows this project will prevent further erosion of surrounding lots into the canal, including residents' yards and the lot holding one of the City's sewer pump stations, and substantially reduce flooding around Dawson Street.

On September 26th, Golden LEAF administrators visited Elizabeth City and saw the urgency of additional stormwater investments in the Dawson Street area. At that time, Golden LEAF informed us that the FMP had received additional state funds, and that the maximum grant would be increased in 2024 from \$250,000 to \$2 million. They invited us to submit a full funding request for the Park-Dawson Canal Project.

This memo is to request the Council's authorization to apply for this major project; no local matching funds are required or proposed for this program.

ANALYSIS:

The Park-Dawson Canal Project entails stabilization, restoration, and lining of the approximately 700-foot-long canal with sheet piling, plus limited

dredging/clearing at the canal's outfall under Dawson Street to restore proper drainage. Per the Dawson-Hunter study, AECOM has estimated this scope of work at approximately \$1.1 million.

Given the maximum FMP grant is \$2 million, City staff and AECOM are also exploring additional sheet piling and other stabilization work further around the discharge area. AECOM is finalizing an expanded scope of work that would be beneficial and cost \$2 million or less, and we propose to submit this expanded request to Golden LEAF. (Notably, sheet piling is easily expanded or reduced as funding and final construction costs allow, ensuring the City is not forced to expend any local funds.)

City staff must provide two caveats with our proposed \$2 million request. First, Golden LEAF staff have indicated it is unlikely that Golden LEAF will make individual awards significantly over \$1 million, though they have the discretion to do so. We may only receive a partial award and therefore have to reduce our project scope. A \$1 million award would still be a great victory.

Second, City staff originally proposed to pay for a portion of the Park-Dawson Canal Project with leftover funds from our Sanitary Sewer Pump Station Replacement Project, which was also funded through Golden LEAF. In sum, this project was completed for nearly \$170,000 less than our grant award, and these funds were tied to disaster recovery and resilience. Golden LEAF is still considering allowing some of these funds to be repurposed for the Park-Dawson Canal, but the scope of work will have to directly benefit the Dawson Street pump station, which was originally included in the grant. If these leftover funds may be applied to the Park-Dawson Canal Project, they could also offset our final FMP award.

While the factors outlined above may affect our potential award, please let City staff emphasize: the project scope may be adjusted to fit available grant funds. Work eliminated from the scope may become the basis of future grant applications.

STAFF RECOMMENDATION:

By motion, authorize City staff to apply to the Golden LEAF Flood Mitigation Program for the Park-Dawson Canal Project, as described above, in the amount of up to \$2 million.