

**Agency: Commerce, Community and Economic Development****Grants to Municipalities (AS 37.05.315)****Grant Recipient: Nenana****Federal Tax ID: 92-6001390****Project Title:****Project Type: New Construction and Land Acquisition**

# Nenana - Totchaket Resource Development Corridor Access

**State Funding Requested: \$6,500,000****House District: 6 / C**

Future Funding May Be Requested

**Brief Project Description:**

This is a Roads to Resources project. The access point from Nenana is true "low hanging fruit" because it is achievable within a shorter time frame and for less money than many other access points around the state. It provides access to approximately 900,000 acres of land with large agriculture potential, timber harvesting and oil and gas development as well as extension of access to Interior mineral development and potential for continuing on to Tanana and Nome.

**Funding Plan:**

Total Project Cost:	\$17,000,000
Funding Already Secured:	(\$0)
FY2013 State Funding Request:	(\$6,500,000)
Project Deficit:	\$10,500,000

*Funding Details:*

To date all funding has come from the City of Nenana (approximately \$3 million) and Doyon Inc. (approximately \$3.5 million) for planning, design, permits, and construction of the 3.5 miles of completed road and bridges.

**Detailed Project Description and Justification:**

Construction of this road will provide access to a multitude of resources; primarily agricultural land for development, access to Tanana Valley State Forest resources, UAF land, Mental Health Trust land, and the Nenana Basin Gas exploration area. It will also provide access to Kantishna mineral deposits south west of Nenana and numerous recreational public and private properties.

The road is designed to be approximately 28 miles in length and is to be placed on an existing 500 foot wide, 29 mile long right of way the City of Nenana holds.

The road will reach approximately 1/3 the distance to the village of Tanana making the potential expansion for the 'Road to Nome' more beneficial for the residents of Alaska.

## Top-Level Project Funding

## Category A -- Total Project Cost

The estimated project cost is \$17 million dollars

## Category B -- Funding already secured

The City has no funding currently allocated to this project. However, it has to-date expended approximately \$3 million for the

existing roads, bridges, design documents and permits. Doyon Regional Corporation has expended an additional \$3.5 million on construction of the 3.5 miles of completed road and bridges.

#### Category C -- FY 13 State Funding Request

The City of Nenana is requesting \$6.5 million this fiscal year. No funding is currently scheduled this session in other bills.

#### Category D -- Other Funding Requests

The City currently has no other funding requests for this project.

#### Category E -- Additional Funding Required/Outstanding

Additional future funding will be approximately \$10.5 million for project completion.

#### Additional State Future Funding Requests

The City will be requesting additional future funding in order to complete this project over the upcoming fiscal years.

#### Detailed Project Description

The requested funding for FY13 will be used for completion of a bridge spanning the Nenana River to connect the existing portion of the road east of the Nenana River to the newly constructed portion of the road west of the Nenana River for year around access. This is estimated to cost approximately \$4 million. The remaining \$2.5 million will be used for other improvements associated with the bridge such as ramp buildups and connections to the existing roads on both sides of the bridge and extending the existing road to the agricultural development.

Construction of the first 3.5 miles of the existing road required the placement of bridges across three streams. The extension of the road beyond that point and continuing into the ag project lands will not require additional bridges and will therefore be significantly less expensive to build. Placement of the bridge will greatly facilitate the development activities in this area as it will provide for all-season access. Extension of the existing road, approximately 8 miles, will provide access from the Parks Highway into the agricultural development area as well as access to University system land and Mental Health Trust land. It will benefit recreational users as well.

The project has a long history beginning in the early 1980's as part of the push to establish local Alaska grown agricultural products and industry. Since that time, further resource development potential has been identified including State timber resources, recreational property and most recently the Nenana Basin Gas project.

The project has made continuous incremental progress over time however it has always suffered from a lack of funding. Lack of funding in the past resulted from a paradox. The paradox is that when ag lands in the area have been put up for sale there were no takers - but there were no takers because of lack of access. When the state was asked to provide access they cited lack of land sales as the reason to not provide access.

The City has been slowly moving forward and has acquired documents to allow for construction of the road to include USCOE permitting and documented wetland survey along the ROW route. Currently the City has much of the permitting in place as well as design documents for the first phase of the project. Funding provided for FY 13 will allow for final design and permitting to be accomplished during 2012 and construction to begin during 2013.

The project is intended to be phased primarily due to the length of the road. Although funding may be placed for the project entirely at one time, we expect the total construction work to take place over the course of three years; namely 2013-2015.

The project will provide new public access to a large section of Interior Alaska. In addition to the agricultural development, natural gas development, timber resources, land owned by the University and Mental Health Trust, and a variety of recreational properties this project can also serve as the beginning of the Road to Nome project. Using this road with an extension to the City of Tanana, the distance needed to travel is decreased by over 200 miles each way. Shipping of goods and services through Nenana instead of Manley Hot Springs reduces the round trip distance over 400 miles and also reduces the transportation costs considerably. Public projects should be carried out to provide the greatest benefit to the public and this project, with all of its attributes, accomplishes this goal.

#### Top Level Project Timeline

The project has been broken down into phases however with the lack of funding availability in the past these phases have been only a guide. To date much of the first phase is completed with some remaining subdivision work by DNR left to accomplish within the agricultural area itself. The first phase was meant to be planning and design. The second phase, construction of the bridges and primary entry road, is partially completed with over three miles of roadway constructed and three bridges installed. The remaining work for phase 2 is the Nenana River Bridge and the remaining road leading into the agricultural subdivision. Phase 3 provides for secondary road construction within the agricultural subdivision and installation of power. The timeline depends completely on funding. However if one was to assume that funding dollars were not an issue, Phase 1 could be completed FY 13, Phase 2 completed FY15 and Phase 3 at the end of FY17.

#### Detailed Project Funding

##### Project Costs

The total project cost is estimated to be around \$17 million dollars. The single largest item contained within this is the primary access bridge at \$4 million. The remaining funds are being used for remaining permitting and design, approximately \$800,000, and actual road construction.

##### Funding Secured

All previous funding has been expended. Much of the funding provided for this project was acquired and expended during the 1980's and 1990's. However, a significant increase in expenditures has taken place over the last 4 years.

##### FY 13 State Funding Request

The City is requesting \$6.5 million for FY13. The projected expenditures will pay the following;

Engineering/Design -- Nenana River Bridge - \$350,000

Construction - Nenana River Bridge - \$3,500,000

Final road design - Primary access road - \$650,000

Construction - road connections and extension - \$2,000,000

##### Other Funding Requests

The City has not requested additional funding from other sources. There are possible sources at the Federal level however the constraints on design and construction of projects like this causes an undue cost issue. If Federal dollars were used to fund this project the cost is estimated to be approximately 5 times more than if accomplished locally.

##### Additional Funding Required

The City anticipates that the remaining funding needed to complete the project will be \$10.5 million dollars. Future funding sources have not been identified at this time however it is anticipated that additional requests will be made. If the funding for

this request is made available, the initial access will be completed and development can be pursued for the area. Additional funding will enable extension of primary roads, secondary roads, and the insertion of commercial power to the area.

What entity will be responsible for the ongoing maintenance and operations of this project once it's complete?

The City of Nenana anticipates that as it is the main entity implementing the project and that the City will be responsible for maintenance and operations.

**Project Timeline:**

FY13 - Phase One consists of planning and design, much of which has been completed. Some must be redone due to passage of time but will take significantly less time than starting from scratch.

FY14 - FY 15 - Phase Two consists of construction of the bridges and primary entry road. It is partially completed. The bulk of the expenditures are expected to occur during FY14.

Phase Three provides for secondary road construction within the agricultural subdivision and installation of power.

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

Municipality of Nenana

**Grant Recipient Contact Information:**

Name: Jason Mayrand  
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Has this project been through a public review process at the local level and is it a community priority?  Yes  No



A Short Stretch of Totchaket Road – 2009  
Nenana, Alaska