



City of Homer

Memorandum 10-117(A)

TO: Mayor and City Council
 THROUGH: Walt Wrede, City Manager
 FROM: Anne Marie Holen, Special Projects Coordinator
 DATE: September 17, 2010
 SUBJECT: 2011-2016 CIP; FY 2012 Legislative Request **UPDATED WITH NEW INFO re TAC RECOMMENDATIONS**

The City of Homer Capital Improvement Plan for 2011-2016 is ready in draft form for your review. A few notes:

- Seven new projects have been proposed for inclusion in the CIP. These projects will not be included in the CIP without first being approved by Council.
 - Five new City of Homer projects have been proposed:
 - Anchor Point to Homer Natural Gas Line (recommended by City Manager)
 - Upgrade System 5: Vessel Shore Power and Water (recommended by Port & Harbor Director)
 - Deep Water Dock Upland Improvements (recommended by the Economic Development Commission)
 - Horizon Loop Trail (recommended by Special Projects Coordinator and Community Recreation Coordinator)
 - Homer Spit Dredged Material Beneficial Use Project (recommended by Public Works Director)
 - One new project has been requested by a non-profit organization in the Homer area: **RFID Asset Tracking and Security** (requested by South Peninsula Hospital). This project will not be included in the CIP without first being approved by Council.
 - One new project has been endorsed by the Homer City Council but would be undertaken as a State project: **Alaska Maritime Academy.**
- Several projects that were in the 2009-2014 CIP have been deleted from this draft:

PROJECT:	REASON:
Beluga Slough Trail Reconstruction	Has received preliminary approval for funding through the Coastal Impact Assistance Program
Fire Training Facility	Funded through Assistance to Firefighters Grant Program
Homer City Hall/Town Square	City Council decided to renovate existing City Hall
Passenger Ship Gangway	Cruise lines are providing their own gangways
Senior Independent Housing (Homer Senior Citizens)	Fred Lau said the project does not need to be in 2011 CIP - will reevaluate next year.

- Many project descriptions have been updated throughout the CIP with new information regarding estimated cost, scope, progress to date, etc.

- Recommendations from City Boards and Commissions

- The Planning Commission recommended the following CIP projects in priority order:

1. Alternative Water Source
2. Sewer Treatment Plant Bio-solids Treatment Improvements
3. Port & Harbor Building
4. Deep Water Dock Expansion
5. Skyline Fire Station

- The Parks and Recreation Commission and Library Advisory Board did not discuss the CIP due to lack of quorum for a meeting during the comment period.

- The Port and Harbor Commission ranked CIP projects as follows:

1. Upgrade System 5 - Vessel Shore Power & Water
2. Harbor Entrance Erosion Control
3. Port & Harbor Building
4. Harbor Float Replacement/Ramp 3 Gangway & Approach Replacement
5. Deep Water Dock Expansion - Phase I

- The Economic Development Commission ranked CIP projects as follows:

1. Alternative Water Source
2. Sewer Treatment Bio-solids Treatment Improvements
3. Engine 4 Refurbishment and Deep Water Dock Upland Improvements (tie)
4. Sterling Highway Realignment, MP 150-157
5. Skyline Fire Station and Main Street Intersection/Reconstruction (tie)

- The Transportation Advisory Committee ranked CIP projects as follows:

1. Fairview Avenue - extend to West Hill Road (NOTE: This project used to be in the CIP but was moved from the active CIP to the "long-range" list in 2008.)
2. Intersection Improvements
3. Land Acquisition for New Roads
4. Karen Hornaday Park Improvements
5. Town Center Infrastructure

- Assigning priority terms: Each City of Homer project is labeled as either Level 1 Priority (highest), Level 2 Priority, or Level 3 Priority. (State transportation projects and projects submitted by non-profits have not been given priority labels.)

In the end, the Council, in consultation with the City Manager, must weigh all the factors to determine the priority level for each project. For this draft, I have worked with the City Manager to assign labels that the Council may want to review before the CIP is finalized.

Factors to take into account when setting priority level include:

- Will the project correct a problem that poses a clear danger to human health and safety?
- Will the project significantly enhance City revenues or prevent significant financial loss?
- Is the project widely supported within the community?
- Has the project already been partially funded?
- Is it likely that the project will be funded only if it is identified as being of highest priority?
- Has the project been in the CIP for a long time?
- Is the project specifically recommended in other City of Homer long-range plans?
- Is the project strongly supported by one or more City advisory bodies?

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- **Reminder about State funding for water/sewer projects:** The City receives 50 points in the DEC scoring system if the project has been identified as our number-one capital improvement priority; without the 50 points it is unlikely a project will score high enough to receive funding.
- **Remaining Steps in 2011–2016 Capital Improvement Planning Process:** The public hearing for the CIP is scheduled for the September 27 City Council meeting. Adoption of the CIP and the FY 2012 legislative priority list is scheduled for October 11.