



City of Homer

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Public Works

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Memorandum 21-197

TO: City Council
THROUGH: Robert Dumouchel, City Manager
FROM: Janette Keiser, PE, Public Works Director
DATE: October 20, 2021
SUBJECT: CMMS Software – ADEC Loan

Summary: The purpose of this memorandum is to explain why the City needs to apply for a loan from the AK Department of Environmental Conservation (ADEC) for the Public Works Department's Computerized Maintenance Management System (CMMSS).

Background: A CMMS is software designed to track and monitor preventive maintenance of most Public Works assets, such as heavy equipment and rolling stock as well as mechanical and electrical equipment. The upgrade of CMMS software was approved in the FY 22 Capital Budget. Further, the City Council adopted Resolution 21-062 and Resolution 21-063 to Antero and HDR respectively, for products/services to update the Public Works Department's CMMS.

The ADEC notified us that the City will be awarded a \$75,000 Principal Forgiveness Subsidy for Sustainable Infrastructure Planning Projects (SIPP). The CMMS Software Project is a qualifying project.

To get this subsidy, we need to go through the ADEC's Clean Water State Revolving Fund process. This means the City needs to apply for a loan, acquire the product/services, pay for them, apply for reimbursement from the loan and at that time, the Principle Forgiveness Subsidy is applied by the ADEC. The loan application process requires staff to document the governing body's authorization to submit such the loan application. Thus, we need a City Council Resolution specifically authorizing staff to submit a loan application for the CMMS.

The total cost of the CMMS project is \$86,250. The Principle Forgiveness Subsidy will cover \$75,000 and the remaining \$11,250 will be divided between the HART Road Fund, the Water CARMA Fund, and the Sewer CARMA Fund, as was originally scheduled.

Recommendation: That the City Council adopt the Resolution authorizing staff to apply for a loan from the ADEC Drinking Water State Revolving Fund in the amount of \$86,250 for the CMMS.