



City of Homer

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Public Works

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Memorandum 22-049

TO: City Council
THROUGH: Rob Dumouchel, City Manager
FROM: March 23, 2022
SUBJECT: Appropriation for Charles Street/Bunnell Ave Water & Sewer Special Assessment Districts

I. Issue: The purpose of this Memorandum is to request funding for the Charles Street/Bunnell Avenue Water & Sewer Special Assessment Districts.

II. Background

The City Council created the Charles Way/Bunnell Avenue Water and Sewer Special Assessment Districts (SAD) with the passage of Resolution 22-017(A). The estimated costs of the work are:

Water SAD	\$525,637
Sewer SAD	<u>\$418,221</u>
Total	\$943,858

The finances for these SADs are complex. First, the City will receive a Principal Forgiveness Subsidy from the AK Department of Conservation for the water project in the amount of \$225,690. Next, the City will pay cash from the HAWSP Fund, for its 25% contribution as well as a share of the assessments as a property owner. All these factors will be reconciled in the Final Assessment Rolls, which will be computed and submitted for public comment and City Council consideration, probably in early 2023. In the meantime, the City must first pay the expenses of the improvement projects and an appropriation is needed from the HAWSP Fund for this purpose.

As of the last report, dated July 21, 2021, there was expected to be an ending balance FY22 ending balance of \$3,211,857 in the HAWSP Account, which took into account the City's obligations for the Alder Lane Water and Tasmania Court Water/Sewer Special Assessment Districts.

III. Recommendation

That the City Council appropriate \$943,858 from the HAWSP Fund to finance the Charles Way/Bunnell Avenue Water and Sewer Special Assessment Districts

CITY OF HOMER
FINANCIAL SUPPLEMENT

PROJECT NAME	<u>Bunnell Ave/Charles Way SAD</u>	DATE	<u>03/24/2022</u>
DEPARTMENT	<u>Public Works</u>	SPONSOR	<u>City Manager/PW Director</u>
REQUESTED AMOUNT	<u>\$ 943,858</u>		

DESCRIPTION	<p>The City Council created the Charles Way/Bunnell Avenue Water and Sewer Special Assessment Districts (SAD) with the passage of Resolution 22-017(A). The estimated costs of the work are:</p> <p>Water SAD \$525,637 Sewer SAD \$418,221 Total \$943,858</p>
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FUNDING SOURCE(S)	OPERATING	GF CARMA	GF FLEET CARMA	PORT RESERVES	WATER CARMA
	0%	0%	0%	0%	0%
	HAWSP	HART-ROADS	HART-TRAILS	PORT FLEET RESERVES	SEWER CARMA
	100%	0%	0%	0%	0%

FUNDING SOURCE 1: HAWSP	FUNDING SOURCE 2:	FUNDING SOURCE 3:
Current Balance <u>\$ 3,786,344</u>	Current Balance _____	Current Balance _____
Encumbered <u>\$ 1,252,370</u>	Encumbered _____	Encumbered _____
Requested Amount <u>\$ 943,858</u>	Requested Amount _____	Requested Amount _____
Other Items on Current Agenda <u>\$ 0</u>	Other Items on Current Agenda _____	Other Items on Current Agenda _____
Remaining Balance <u>\$ 1,590,116</u>	Remaining Balance _____	Remaining Balance _____
FUNDING SOURCE 4:	FUNDING SOURCE 5:	FUNDING SOURCE 6:
Current Balance _____	Current Balance _____	Current Balance _____
Encumbered _____	Encumbered _____	Encumbered _____
Requested Amount _____	Requested Amount _____	Requested Amount _____
Remaining Balance _____	Remaining Balance _____	Remaining Balance _____