



AGENDA ITEM REPORT

Resolution 23-046, A Resolution of the City Council of Homer, Alaska Authorizing a Task Order in the amount of \$379,661 to HDR Engineering, Inc. for the Homer Harbor Expansion Study's In-Kind Engineering Support Services and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director.

Item Type: Resolution
Prepared For: Mayor Castner and Homer City Council
Meeting Date: 24 April 2023
From: Bryan Hawkins, Port Director
Through: Rob Dumouchel, City Manager

The City entered into a Homer Harbor Expansion General Investigation (GI) study on March 29 2023 with the Army Corps of Engineers (USACE) to explore the feasibility of Homer's proposed project to construct a new large vessel harbor on the north side of Homer's existing Small Boat Harbor. The GI will provide all the economic, environmental, geophysical and engineering analysis necessary to develop a final cost to benefit ratio on a preferred design and launches the Preconstruction Design and Engineering phase. The proposed task order is in regards to the engineering analysis portion of the GI study.

When developing the GI Study agreement, since signed on March 29 2023, the USACE reached out to the City to ask about planned Work In Kind that the City might provide so they could include it in the GI study's signing package documents. To help answer their question, City staff and HDR's engineering met with the AK USACE's engineering/ hydrology department and discussed areas where their staff could be best utilized by the USACE to assist with the project. Developed from that meeting is HDR's draft amendment 1 to existing task order 22-02 in the amount of \$379,661 (see attached). City staff are proposing to instead issue a new separate task order for the new engineering services listed (tasks #10 thru #13), as opposed to the amendment to the existing owner representative services task order that HDR is suggesting, to facilitate better City project tracking and accounting/reimbursement. HDR is one of the City's firms currently under contract allowing for work to be issued via task order through our policies.

The cost of the Harbor Expansion General Investigation study is capped a 3 million dollars by the Army Corps and is a 50/50 federal/local match. Total local share is 1.5 million, half of which is in the form of a reimbursable grant from AK accepted by Council via (Ord 22-64) and half of which is represented by the City's portion, allocated per Ord 20-06 in the amount of \$750,000 (renewed via Ord 23-01). To

best utilize this funding, whenever possible, we will first submit any initial City expenditures (not to exceed the \$750,000 allocated in Ord 23-01) for reimbursement to fully utilize the AK legislative grant*. After the grant is expended, we will continue on to use the (now reimbursed) City share of funds to finish out the local match for the final total of \$1.5 million. We have confirmed with USACE that the engineering work included in the proposed amendment 1 to the HDR task order, at a cost of \$379,661, will be accepted as Work In Kind for the Local Match's portion of the study. Therefore, hiring HDR to assist with the engineering via task order is not an additional cost outside of the 1.5 million dollar local match already allocated by the City. Additionally, it adds support and resources to the study to help shoulder workloads and manage timelines in partnership with the USACE Engineering team, and gives the City a representative hand in the project/product results.

** Per "Article 29 Subcontract for Engineering Services", of our signed grant agreement the proposed In Kind Work is eligible for AK Legislative Grant Reimbursement for this project/ grant.*

Recommendation

Adopt Resolution 23-046

Attachment:

Resolution 23-046

Homer Ordinances 20-06, 22-64, 23-01

HDR Draft Task Order- Amendment 1