



# MEMORANDUM

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**Resolution 23-130, A Resolution of the City Council of Homer, Alaska Expressing Support for Continuation of the Homer Harbor Expansion General Investigation by Authorizing the City Manager to Sign an Updated Project Management Plant with the US Army Corps of Engineers, and Stating Intent to Fund 25% of the Updated General Investigation Cost. Lord/Hansen.**

**Item Type:** Backup Memorandum  
**Prepared For:** City Council  
**Date:** November 21, 2023  
**From:** Council Members Lord and Hansen

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We developed Resolution 23-130 based on the following:

- Project status updates from staff at the October 23, 2023 Committee of the Whole
- Feedback from Council at the October 23, 2023 Committee of the Whole
- Meeting with Rob and Jenny to further ask questions and understand the project status
- Feedback from the Port & Harbor Commission (PHC) via the minutes of their October 11, 2023 meeting
- Conversation with PHC Chair to confirm understanding of those minutes

A few key points for this Resolution:

- The Reso authorizes signing the updated Project Management Plan. The Project Management Plan (PMP) is not a funding document; it is a Project Plan. It lays out the expectations of what the project must entail. We need to have an up-to-date PMP in order to have a Project to keep funding.
- This Reso itself is also not a funding document, though it does state the intent to bring forward an Ordinance for funding half of the additional local match from the Enterprise Reserves. It also states intent to continuing working alongside our State partners for securing the other half of the additional local match.

The City, as the Local Sponsor, can pull out of this project at any point. We can't get a refund on money spent, but we are not obligated to spend funds set aside for the General Investigation if we decide to walk away. We agree it would be ideal to not have changes to the PMP at this point in time, and that we wish there was not a pause in federal funding. However, if we are going to continue with this project we should probably recognize the lengthy and sometimes circuitous routes that large federal projects typically take. We should also be keeping the City's best interest in mind, and making sure that we do not overextend efforts beyond our partners' ability to fund and keep apace – this was a concern echoed by the PHC Chair. To that end, alongside the ordinance referenced in this

resolution we will work with staff to bring forward a clearer picture of the timeline and expended + expected City expenditures.

**At this point in time, we concur with the Port and Harbor Commission and continue to believe that the City has valid and strong reasoning to explore a harbor expansion through the continuation of the General Investigation process and as such recommend passing Resolution 23-130.**