



AGENDA ITEM REPORT

Resolution 23-011, A Resolution of the City Council of Homer, Alaska in Support of the City of Homer's Application to the State of Alaska Department of Transportation and Public Facilities (AK DOT&PF) Community Transportation Program (CTP) for Main Street Rehabilitation and Committing Local Match Funds. City Manager.

Item Type: Resolution
Prepared For: City Council
Meeting Date: 13 Feb 2023
Staff Contact: Jenny Carroll, Special Projects and Communications Coordinator
Through: Rob Dumouchel, City Manager
Attachments: [Resolution 23-011](#)

Summary Statement:

I. Issue: The purpose of this Memorandum is to request City Council support of the City's grant application to AK DOT&PF's CTP for design and construction funding for the Main Street Rehabilitation project and express commitment for grant matching funds. A Resolution of support from the governing body is required to be submitted within the application.

II. Background: After reviewing the City's Notice of Intent to Apply for CTP funding for the Main Street Rehabilitation project, AK DOT&PF invited the City to submit a full CTP application, due February 28.

CTP funds are designated for road surface projects. This project rehabilitates storm drains and pavement on the state-owned portion of Main Street from Pioneer Avenue to the Sterling Highway, and the City owned portion of Main Street from the Sterling Highway to Ohlson Lane. As a major thoroughfare for motorists and pedestrians alike, the project scope also includes building new curb, gutter and a sidewalk on the west side of Main Street to meet safety standards for pedestrians, to make it a complete street and to connect to the existing sidewalk on Main Street north. Drainage work on the project will support sidewalk construction and longevity by properly directing storm water runoff to catchment basins and adjacent roadside ditches. Crosswalk improvements at the intersection of Main Street and the Sterling Highway (such as Rectangular Rapid Flashing Beacons, high-visibility pavement markings and/or curb extensions) are also part of the project scope.

Successful CTP projects are designed and built by AK DOT&PF to Federal standards utilizing Federal pass through funds and a Federal minimum of 9% local matching funds. To be competitive, though, the project sponsor must offer a 12% match. Main Street Rehabilitation budget is estimated by Public Works Director Keiser at \$200,000 for design and engineering and \$4,000,000 for construction. A 12% match on the \$4.2M project equates to a \$504,000 commitment from the City of Homer. HART is the appropriate fund for match. Public Works Director Keiser has \$500,000 set aside in the Road Financial Program for unspecified grant match, which could be used for this project or the HAPP project (under TAP) if either project is successful in winning grant funding.

Once our full CTP application is reviewed by AK DOT&PF for scope and cost; they may adjust the estimated project cost before final application is scored. A formal match agreement will be prepared for eligible projects that move forward to scoring. At that point, the actual AK DOT&PF project cost will be known and the City can choose either to accept or decline moving forward with the project application.

If the City approves moving forward with a formal match agreement, the project will be scored and sent to a public evaluation board in April for final scoring, with the highest scoring projects getting ranked for priority for funding. Project awards will be announced in May of 2023.

The City is not obligated to appropriate match funds at this stage. Obligation will come later – if – the project is selected to move forward for scoring, at which point Council will have a decision to make.

It is important to note that if the AK DOT&PF approved estimate increases over the life of the project, the sponsor will be required to match the new estimate accordingly. For this reason, contingencies will be assessed on local match (25% minimum on preconstruction phases and 15% on the construction estimate). There is no escrow account established to hold these contingency funds; AK DOT&PF asks for a commitment for the potential overage. If the City's application gets to this stage, I have heard that other municipalities are entering into agreements with the State that limit the amount of local contingency funding allowed for the project.

Another important rating criteria for successful projects is that the project sponsor agrees to take over ownership and/or maintenance of the new facility. With City Council approval, the City would agree to take maintenance responsibility for the State-owned section of Main Street.

Staff Recommendation:

Adopt Resolution 23-011 for the February 28, 2023 grant application deadline.

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 23-011

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA IN SUPPORT OF THE CITY OF HOMER’S APPLICATION TO THE STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (AK DOT&PF) COMMUNITY TRANSPORTATION PROGRAM (CTP) FOR MAIN STREET REHABILITATION AND COMMITTING LOCAL MATCH FUNDS.

WHEREAS, The City of Homer strives to provide and improve city-operated facilities and services to meet the needs of the community; and

WHEREAS, The southern section of Main Street (from Pioneer Avenue to Ohlson Lane) is a busy mix-used major collector street that supports general business and residential traffic and leads to trails systems and one of the City’s most popular recreation areas, Bishops Beach; and

WHEREAS, The road and pavement condition has deteriorated over the past several years due to inadequate storm drain system which allows water to infiltrate the road bed and adversely impact the structural integrity of Main Street, particularly during freeze/thaw cycles; and

WHEREAS, Curb, gutter and sidewalks are missing on this southern portion of Main Street causing pedestrian to walk on the narrow shoulder of the road; and

WHEREAS, Drainage ditches on either side of the road does not allow much degree of separation or an easy way for pedestrians to escape a collision with a passing motorist, a situation compounded in the winter months by snow and ice build-up on the sides of the road after plowing ; and

WHEREAS, The Main Street Rehabilitation project and Sidewalk Facilities on Main Street South have long been in the City of Homer’s Capital Improvement Plan; and

WHEREAS, Improving Homer’s non-motorized transportation network is one of Homer City Council’s high priority projects, a priority shared by the community as evidenced by public comment at City Council meetings and at many community non-motorized transportation planning events; and

WHEREAS, AK DOT&PF is making design and construction funding for road surface projects available through the 2023-2025 CTP competitive grant program; and

45 WHEREAS, The City of Homer is participating as an eligible project sponsor in the
46 ADOT&PF CTP; and

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48 WHEREAS, The City of Homer submitted a Notice of Intent to Apply to CTP in support
49 of the Main Street Rehabilitation project; and

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51 WHEREAS, After reviewing the Notice of Intent to Apply, the AK DOT&PF invited the City
52 of Homer to submit a full CTP application for the Main Street Rehabilitation project; and

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54 WHEREAS, The City of Homer acknowledges availability of the required match of no
55 less than 9.03%; and

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57 WHEREAS, The City of Homer is amenable to accepting ownership/maintenance
58 responsibility for the State-owned section of Main Street (between Pioneer Avenue and the
59 Sterling Highway) after it has been rehabilitated; and

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61 WHEREAS, The CTP application requires a Resolution of support and commitment to
62 matching funds from the governing body.

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64 NOW THEREFORE, BE IT RESOLVED that the Homer City Council supports the Main
65 Street Rehabilitation project; and

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67 BE IT FURTHER RESOLVED that the Homer City Council authorizes the City Manager to
68 prepare and submit a 2023-2025 CTP grant application for the Main Street Rehabilitation
69 project; and

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71 BE IT FURTHER RESOLVED that the Homer City Council expresses its commitment of no
72 less than 9.03% local grant matching funds.

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74 PASSED AND ADOPTED by the Homer City Council this 13th day of February, 2023.

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76 CITY OF HOMER
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78 _____
79 KEN CASTNER, MAYOR

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81 ATTEST:
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84 MELISSA JACOBSEN, MMC, CITY CLERK

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86 Fiscal Note: N/A