

**CITY OF HOMER  
HOMER, ALASKA**

City Manager/  
Port Director

**ORDINANCE 24-37**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA  
AMENDING THE FY25 CAPITAL BUDGET BY ACCEPTING AND  
APPROPRIATING THE AMENDED ALASKA FISH AND GAME  
COOPERATIVE AGREEMENT #23-177 CONSTRUCTION GRANT IN  
THE AMOUNT OF \$505,875 AND APPROPRIATING \$87,012 FROM  
THE PORT AND HARBOR RESERVE FUND TO COMPLETE THE 25%  
MATCH FOR THE FISH GRINDING BUILDING REPLACEMENT  
PROJECT.

WHEREAS, The City's Fish Grinding building annually processes hundreds of thousands  
of pounds of fish waste generated by commercial sport fishing activity and collected from the  
City's public fish cleaning tables for environmentally sound disposal; and

WHEREAS, Replacing the twenty-two-year-old, badly-corroded metal clad Fish  
Grinding Building with corrosion-resistant materials and correcting a site drainage/water  
quality issue is a project in the City's Capital Improvement Plan; and

WHEREAS, On March 11, 2024 the City Council passed Ordinance 24-16 which approved  
entering into Cooperative Agreement #23-177 with the Alaska Department of Fish and Game  
(ADF&G) to accept \$41,950 in Dingell-Johnson Sport Fish Restoration Act grant funds to  
complete project design and permitting (Phase I) for the Fish Grinding Building Replacement  
project; and

WHEREAS, The Cooperative Agreement stated that after completion of Phase I and  
receipt of a final construction budget, ADF&G will submit an amended application for Federal  
Assistance to request the funds needed for Construction Phase of the project (Phase II); and

WHEREAS, Phase I of the project is complete and the Phase II construction competitive  
bid process closed on July 2 2024, with a final construction cost of \$674,500; and

WHEREAS, The ADF&G will amend Cooperative Agreement #23-177 to add Phase II  
construction with a construction budget of \$674,500, of which \$505,875 (75%) is covered by  
Federal Dingell-Johnson Sport Fish Restoration Act grant funds and \$168,625 (25%) is City  
match; and



WHEREAS, Council approved \$115,000 in the City's Capital Budget for the replacement of the Fish Grinding Building, of which there is an unexpended balance of \$81,613 available to help meet the City of Homer Phase II grant match requirement; and

WHEREAS, An additional in the amount of \$87,012 from the Port Reserve Fund is required to complete the 25% match.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY25 Capital Budget by accepting and appropriating the Amended Alaska Fish and Game Cooperative Agreement #23-177 Construction Grant in the amount of \$505,875 as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
415-xxx	Fish Grinding Building Replacement Project	\$505,875

Section 2. The Homer City Council hereby amends the FY25 Capital Budget by appropriating a total of \$168,625 from the Port & Harbor Reserves to fulfill the Dingell Johnson Phase II 25% match requirement. This includes the remainder of an existing appropriation of \$81,613 and a new appropriation of \$87,012:

Transfer from:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
456-0380	Grant Matching Funds – Existing Appropriation	\$81,613
456-0380	Grant Matching Funds – Port & Harbor Reserves	\$87,012

Transfer to:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
415-xxx	Fish Grinding Building Replacement Project	\$168,625

Section 3. The total project cost budget is \$674,500, with 75% funding from Federal Dingell-Johnson Sport Fish Restoration Act grant and 25% from Port & Harbor Reserves:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
415-xxx	Dingell-Johnson Sport Fish Restoration Act Grant	\$505,875
456-0380	Grant Matching Funds – Existing Appropriation	\$81,613
456-0380	Grant Matching Funds – Port & Harbor Reserves	\$87,012

Section 4. The City Manager is authorized to execute the appropriate documents

Section 5. This Ordinance is a budget Ordinance only, is not permanent in nature, and shall not be codified.



ENACTED BY THE HOMER CITY COUNCIL this 26th day of August, 2024.

CITY OF HOMER

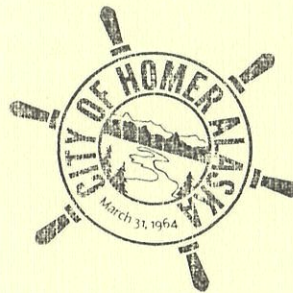


KEN CASTNER, MAYOR

ATTEST:



RENEE KRAUSE, MMC, CITY CLERK



YES: 6

NO: 0

ABSTAIN: 0

ABSENT: 0

First Reading: 8/12/24

Public Hearing: 8/26/24

Second Reading: 8/26/24

Effective Date: 8/27/24



## MEMORANDUM

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**Ordinance 24-37, Amending the FY25 Capital Budget by Accepting and Appropriating the Amended Alaska Department of Fish and Game Cooperative Agreement #23-177 construction grant in the amount of \$505,875 and Appropriating \$87,012 from the Port and Harbor Reserve Fund to complete the 25% match for the Fish Grinding Building Replacement Project.**

**Item Type:** Backup Memorandum  
**Prepared For:** Homer City Council & Mayor Castner  
**Date:** August 5, 2024  
**From:** Bryan Hawkins, Port Director  
**Through:** Melissa Jacobsen, City Manager

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The City's Fish Grinding Building processes fish waste generated by commercial sport fishing activity for environmentally sound disposal. With the assistance of grant funds from the Alaska Department of Fish and Game (ADF&G), the City is in the process of replacing the 22-year old, metal clad Fish Grinding Building because it is rusting out in several areas, compromising its structural integrity and severely degrading electrical fixtures. The replacement building will be more resilient concrete block construction and the project will also include site drainage improvements to meet Department of Environmental Conservation permitting requirements.

Under an ADF&G Cooperative Agreement (COOP) #23-177 (approved via Ordinance 24-16), funding for the replacement project is proceeding in two phases. The COOP initially provided State and Federal grant funds in the amount of \$41,950 toward Phase I, design and permitting. The City also expended \$28,039.50 to complete Phase I. The City's design cost was covered by the \$115,000 that was originally appropriated for the project in the FY22 Capital Budget (and renewed in the FY24 Capital Budget). Once the design was complete, the project went out to competitive bid and came in at a total construction cost of \$674,500 from a local contractor.

Phase II is construction. Under COOP #23-177, ADF&G will provide 75% of the construction cost (\$505,875). The City of Homer provides a 25% local match of \$168,625. The remaining balance of funds appropriated for the project is \$81,613. It is necessary to appropriate an additional \$87,012 from the Port Reserve to fully fund the local match.

ADF&G has submitted an amended application for Federal Assistance to request the additional funds needed for construction, and is amending the COOP to include the Phase II funding. The timing of the Phase II grant funding is good, as fall and winter (when the cleaning tables are closed) is the only available construction window.

**RECOMMENDATION:**

Approve Ordinance 24-37 accepting the amended COOP #23-177 and appropriating additional Dingell-Johnson Sport Fish Restoration Act grant funds in the amount of \$505,875 for Phase II construction of the Fish Grinder Building project; and amending the FY25 Capital Budget by appropriating additional funds from the Port and Harbor Reserve fund in the amount of \$87,012 for the local match requirement.

# CITY OF HOMER FINANCIAL SUPPLEMENT

PROJECT NAME	<u>Additional Funding - Fish Grinding Building Replacment</u>	DATE	<u>08/08/2024</u>
DEPARTMENT	<u>Port and Harbor</u>	SPONSOR	<u>City Manager/Port Director</u>
REQUESTED AMOUNT	<u>\$ 87,012</u>		

DESCRIPTION	<p>Phase I of the project is complete and the Phase II construction competitive bid process closed on July 2 2024, with a final construction cost of \$674,500. The ADF&amp;G will amend Cooperative Agreement #23-177 to add Phase II construction with a construction budget of \$674,500, of which \$505,875 (75%) is covered by Federal Dingell-Johnson Sport Fish Restoration Act grant funds and \$168,625 (25%) is City match.</p> <p>Council approved \$115,000 in the City's Capital Budget for the replacement of the Fish Grinding Building, of which there is an unexpended balance of \$81,613 available to help meet the City of Homer Phase II grant match requirement. An additional \$87,012 from the Port Reserve Fund is needed to complete the 25% match.</p>
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FUNDING SOURCE(S)	OPERATING	GF CARMA	GF FLEET CARMA	PORT RESERVES	WATER CARMA
	0%	0%	0%	100%	0%
	HAWSP	HART-ROADS	HART-TRAILS	PORT FLEET RESERVES	SEWER CARMA
	0%	0%	0%	0%	0%

FUNDING SOURCE 1: PORT RESERVES	FUNDING SOURCE 2:	FUNDING SOURCE 3:
Current Balance <u>\$ 1,653,600</u>	Current Balance _____	Current Balance _____
Encumbered <u>\$ 676,183</u>	Encumbered _____	Encumbered _____
Requested Amount <u>\$ 87,012</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>\$ 890,405</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 _____