

City Manager/
Public Works Director

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE FY25 CAPITAL BUDGET BY APPROPRIATING
\$2,000,000 FROM THE HOMER ACCELERATED ROADS AND TRAILS
(HART) ROAD FUND TO THE OHLSON LANE AND BUNNELL
AVENUE ROAD RECONSTRUCTION PROJECT.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY25 Capital Budget by appropriating \$2,000,000 as follows:

Transfer from:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
160	HART Road Fund	\$2,000,000

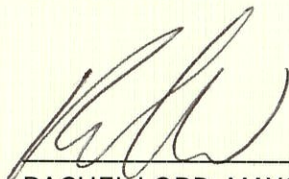
Transfer to:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
215-XXXX	Ohlson Lane/Bunnell Avenue Road Reconstruction	\$2,000,000

Section 2. This is a budget amendment ordinance, is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ^{28th} ~~25th~~ day of ^{January, 2025} ~~November~~, 2024.

CITY OF HOMER



RACHEL LORD, MAYOR

ATTEST:



RENEE KRAUSE, MMC, CITY CLERK

YES: 5

NO: 0

ABSTAIN: 0

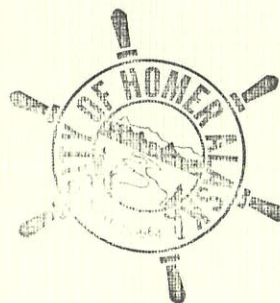
ABSENT: 1

First Reading: 11/12/24

Public Hearing: 11/25/24

Second Reading: 1/27/25

Effective Date: 1/28/25





MEMORANDUM

Ordinance 24-61, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Appropriating \$2,000,000 from the Homer Accelerated Roads and Trails (HART) Fund to the Ohlson Lane and West Bunnell Avenue Road Reconstruction Project. City Manager/Public Works Director.

Item Type: Backup Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: October 15, 2024
From: Daniel Kort, Public Works Director
Through: Melissa Jacobsen, City Manager

Issue: Construction funds needed for the Ohlson Lane and West Bunnell Avenue Road Reconstruction Project.

Background:

This project began with a design and study by Nelson Engineering in 2023 which recommended that Public Works Department reconstruct the subgrade for Ohlson Lane and West Bunnell Avenue. On January 3, 2024, Nelson Engineering completed a 95% design for the subject project. Public Works expecting to receive the 100% design drawings in approximately one month. According to the cost estimate attached to the 95% design, the project will cost a total of \$2,370,409 to construct.

In addition to needed road improvement, this project will:

- Replace the 59-year-old cast iron pipe that is near the end of its service life and is prone to failure. This is an opportunity to replace the aging infrastructure to avoid having to dig up the newly constructed road in the near future to either repair or replace the pipe.
- Construct storm sewer in conjunction with the new curb for the street. The storm drain is being built to improve storm drainage issues in this neighborhood as well as to accommodate the projects new curb, curb bulb-outs for traffic calming and street parking.

Public Works submitted questionnaires to the Alaska Department of Environmental Conservation (ADEC) to apply for loans to cover both the water main replacement and storm drain portions of the construction project from the Alaska Drinking Water Fund and Alaska Clean Water Fund respectively. The ADEC added both the water main replacement and storm drain to their project priority list and both projects are 100% covered by principal forgiveness subsidy in the following amounts:

Ohlson & Bunnell Water Main Replacement: \$491,400

Ohlson & Bunnell Storm Drain Construction: \$324,000

The loan forgiveness totals to \$815,400 in loan subsidy which will cover a portion of the construction costs for the subject project. There are currently no other funds allocated for this construction project, meaning that to date, the City will be responsible for funding the balance of approximately \$1,555,009. That amount is expected to increase based on the 100% design, and current trends of cost increases.

Recommendation:

Public Works recommends that \$2,000,000 be allocated from the HART Roads Fund to cover construction costs for the Ohlson Lane and Bunnell Avenue Road Reconstruction Project.

**CITY OF HOMER
FINANCIAL SUPPLEMENT**

PROJECT NAME	Ohlson Ln/Bunnell Ave Road Reconstruction	DATE	11/05/2024
DEPARTMENT	Public Works	SPONSOR	City Manager/PW Director
REQUESTED AMOUNT	\$ 2,000,000		

DESCRIPTION	<p>Nelson Engineering has completed a 95% Design for the Ohlson Lane and Bunnell Avenue Road Reconstruction Project and the 100% design is in process. The Engineer's cost estimate submitted with the 95% design estimates the total construction cost at \$2,370,409. The Public Works Department anticipates the revised total construction cost estimate to be approximately \$2,850,000.</p> <p>The intent of this ordinance is to appropriate \$2,000,000 of HART Roads funds based on current estimates to ensure project funding and to ensure the City doesn't lose the benefit of the \$815,400 principal forgiveness for the storm water improvement and water line replacement which are necessary components of the project.</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
	0%	100%	0%	0%	0%

FUNDING SOURCE 1: HART Roads (160)		FUNDING SOURCE 2:		FUNDING SOURCE 3:	
Current Balance	\$ 5,078,117	Current Balance	_____	Current Balance	_____
Encumbered	\$ 2,914,817	Encumbered	_____	Encumbered	_____
Requested Amount	\$ 2,000,000	Requested Amount	_____	Requested Amount	_____
Other Items on Current Agenda	\$ 0	Other Items on Current Agenda	_____	Other Items on Current Agenda	_____
Remaining Balance	\$ 163,300	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	_____

Project	Ordinance	Encumbrance	FY Expire
SS4A Grant Match	24-49	14,510	FY27
Speed Monitoring Devices	24-46	40,000	FY27
Bayview Park Renovation Project - Accessibility	24-42, 23-23(A-3)	82,000	FY26/FY27
FY25 Operating Budget Transfer - Roads Maintenance	24-24(A)	1,161,227	FY25
Green Infrastructure Research - Appraisals	24-24(A)	50,000	FY27
Green Infrastructure Research	24-24(A)	10,000	FY27
Ground Water Research	24-24(A)	35,000	FY27
Mt Augustine Surface Water	23-23(A-3)	193,000	FY26
Bunnell Ave Road Restoration Project - Design	23-23(A-3)	50,000	FY26
Beluga Slough Green Infrastructure Project	23-23(A-3)	125,900	FY26
Ben Walters Sidewalk Construction	23-23(A-3)	374,440	FY26
8005 - Svedlund-Herndon Sidewalk Design	23-23(A-3)	20,150	FY26
Iris Court Drainage	23-23(A-3)	240,000	FY26
Kachemak Sponge Green Infrastructure Project Property	23-23(A-3)	418,100	FY26
Vehicle Replacement (E-130 and E-114)	23-23(A-3)	37,625	FY26
Lane Dividers for West Fairview / Eric Lane	23-23(A-3)	6,000	FY26
Adams Lane Path	23-23(A-3)	55,000	FY26
Master Transportation Plan Update	22-38	1,865	FY25

2,914,817

