

**CITY OF HOMER  
HOMER, ALASKA**

City Manager/Port Director

**ORDINANCE 25-09**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,  
AMENDING THE FY25 CAPITAL BUDGET BY APPROPRIATING  
\$50,000 FROM THE PORT RESERVES FUND FOR THE PURPOSE OF  
OBTAINING PROFESSIONAL GRANT WRITING SERVICES TO  
ASSIST WITH A FEDERAL FY2025 PORT INFRASTRUCTURE  
DEVELOPMENT PROGRAM GRANT APPLICATION TO REPLACE  
FLOAT SYSTEMS 4 AND 1 IN THE SMALL BOAT HARBOR.

WHEREAS, The City has long recognized the need to replace floats in the Small Boat Harbor that have reached or are near the end of their useful life; and

WHEREAS, The project is designated a Legislative Priority project in the City's FY2026 Capital Improvement Plan; and

WHEREAS, The federal Port Infrastructure Development Program (PIDP), with augmented funding from the five-year Federal Infrastructure Improvement and Jobs Act, provides a key opportunity to leverage outside funds for the project; and

WHEREAS, In 2023 and 2024, the City applied to the PIDP for federal assistance to replace Float Systems 4 and 1 in Homer's Small Boat Harbor; and

WHEREAS, After Federal review, the City's project, Homer Port FREIGHT, was submitted to the Secretary of the US Department of Transportation for final funding consideration, but was ultimately not selected for award; and

WHEREAS, The US Department of Transportation Maritime Administration has published a preliminary Notice of Funding Opportunity for the FY 2025 PIDP for projects that improve the safety, efficiency, and reliability of the movement of goods around a port; and

WHEREAS, To be successful, a project's application must demonstrate competitiveness on a national level in alignment with the program's merit criteria and support a positive benefit cost ratio, which requires significant project planning time, engagement of partners and the public, environmental review, technical benefit-cost analyses and grant writing; and

WHEREAS, HDR, a term contractor with the City of Homer, experienced with transportation infrastructure project planning and developing Federal grant applications,

assisted city staff with the FY2023 and FY2024 PIDP grant applications and attended the application debriefs; and

WHEREAS, Administration requested an estimate from HDR to provide FY2025 PIDP application revision and resubmission support; and

WHEREAS, If funds are appropriated, Administration will present a Resolution to City Council for authorization of a Task Order for FY2025 PIDP grant re-submission services.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

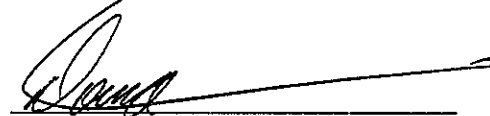
Section 1: The Homer City Council hereby amends the FY25 Capital Budget by appropriating \$50,000 as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
456-0380	2025 PIDP Application & BCA	\$50,000

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 10th day of February, 2025.

CITY OF HOMER

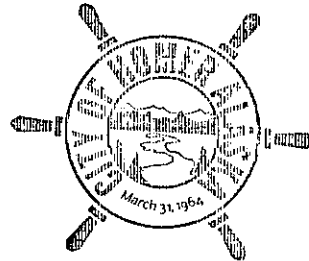
  
DONNA ADERHOLD, MAYOR PRO TEM

ATTEST:

  
RENEE KRAUSE, MMC, CITY CLERK

YES: 6  
NO: 0  
ABSTAIN: 0  
ABSENT: 0

First Reading: 1/27/25  
Public Hearing: 2/10/25  
Second Reading: 2/10/25  
Effective Date: 2/11/25





# MEMORANDUM

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**Ordinance 25-09, Amending the FY25 Capital Budget by Appropriating \$50,000 from the Port Reserves Fund for the Purpose of Obtaining Professional Grant Writing Services in an Amount Not to Exceed \$50,000 to Assist with a Federal FY2025 Port Infrastructure Development Program Grant Application to Replace Float Systems 4 and 1 in the Small Boat Harbor.**

**Item Type:** Backup Memorandum  
**Prepared For:** Mayor and City Council  
**Date:** January 20, 2025  
**From:** Port Director Hawkins and Special Projects Coordinator Carroll  
**Through:** Melissa Jacobsen, City Manager

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**Summary Statement:** The purpose of this Memorandum is to recommend appropriating Port & Harbor Reserve Funds for the purpose of developing a Task Order for professional services to assist with a FY25 Federal Port Infrastructure Development Program grant application for replacing Float Systems 4 and 1 in the Homer Small Boat Harbor.

**Background:** A 2023 Comprehensive Harbor Assessment rated Float Systems 4 and 1 in serious to critical condition; replacing them is a Legislative priority project in the City's FY26 Capital Improvement Plan.

The federal Port Infrastructure Development Program (PIDP), with augmented funding from the five-year Federal Infrastructure Improvement and Jobs Act, provides a key opportunity to leverage outside funds for the project. The City applied to the federally competitive PIDP for the float replacement project in FY23 and FY24. The applications made it to the Secretary of the US Department of Transportation for final funding consideration, but were ultimately not selected for award.

The Maritime Administration (MARAD) recently issued a preliminary Notice of Funding for the FY25 PIDP and staff have been strategizing on submitting a stronger application in the FY25 funding round, which is possibly the last round where the PIDP program has augmented funding. Staff have a scheduled debrief with MARAD in mid-February (prior to the April 30, 2025 application deadline) to understand areas for improvement; the FY25 application is also strengthened by a recent award from the Denali Commission for design, environmental and permitting work.

HDR Engineering, a Term Contractor with the City assisted Harbor administrative staff and Special Projects Coordinator Carroll with the previous applications. HDR provided invaluable expertise in the area of Cost Benefit Analysis, developing safety data and compelling letters of support and other

technical aspects of the application. Staff strongly feels a FY25 PIDP application will again benefit from participation from HDR and requested a cost estimate from HDR.

Staff will work with HDR for effective scope planning for the Task Order. Last year, the increased scope of services (leading to cost overrun) was extremely valuable to strengthening the application. Staff recognizes the importance of managing the effort and costs effectively, while also putting the best application forward in the competitive federal grant environment.

**Recommendation:** Adopt Ordinance 25-09 to appropriate funds needed to develop a Task Order to HDR Engineering to assist with a FY25 PIDP Grant application to replace harbor float systems in critical and serious condition. If City Council appropriates the funds, staff will bring a Resolution to City Council that authorizes a Task Order for HDR services.

# CITY OF HOMER FINANCIAL SUPPLEMENT

PROJECT NAME	PIDP Grant Application Assistance	DATE	01/22/2025
DEPARTMENT	Port and Harbor	SPONSOR	City Manager/Port Director
REQUESTED AMOUNT	\$ 50,000		

DESCRIPTION	HDR, a term contractor with the City of Homer, experienced with transportation infrastructure project planning and developing Federal grant applications, assisted city staff with the FY2023 and FY2024 PIDP grant applications and attended the application debriefs. Administration requested an estimate from HDR to provide FY2025 PIDP application revision and resubmission support. If funds are appropriated, Administration will present a Resolution to City Council for authorization of a Task Order for FY2025 PIDP grant re-submission services.
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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 \$ 1,210,631	Current Balance _____	Current Balance _____
Encumbered \$ 648,062	Encumbered _____	Encumbered _____
Requested Amount \$ 50,000	Requested Amount _____	Requested Amount _____
Other Items on Current Agenda \$ 36,393	Other Items on Current Agenda _____	Other Items on Current Agenda _____
Remaining Balance \$ 476,176	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 _____