1 **CITY OF HOMER** 2 **HOMER, ALASKA** 3 City Manager/ 4 Public Works Director 5 **RESOLUTION 25-048(S)(A-2)** 6 7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN 8 AGREEMENT REQUIRED BY THE STATE OF ALASKA DEPARTMENT 9 OF ENVIRONMENTAL CONSERVATION UNDER ITS CLEAN WATER 10 REVOLVING LOAN PROGRAM IN CONNECTION WITH A FULLY 11 12 FORGIVEN LOAN IN AN AMOUNT NOT TO EXCEED \$324,000 TO ASSIST IN FINANCING THE OHLSON LANE AND BUNNELL AVENUE 13 STORM DRAIN UPGRADE PROJECT. 14 15 16 WHEREAS, the City of Homer, Alaska ("City") is a first class city organized and existing under the Constitution and laws of the State of Alaska and may exercise all legislative power 17 not prohibited by law and the City has determined that matters set forth in this resolution are 18 19 not prohibited by law; and 20 21 WHEREAS, pursuant to Resolution No. 23-068, adopted by the City Council on July 24, 2023, the City Manager was authorized to apply for a loan from the State of Alaska, Department 22 of Environmental Conservation ("ADEC"), from amounts held in its Clean Water Revolving Loan 23 Program, to assist in financing the design and construction of certain storm drain upgrades in 24 25 connection with the Ohlson Lane/Bunnell Avenue Restoration project ("Project"); and 26 27 WHEREAS, by letter dated June 16, 2025, ADEC has conditionally approved the City's application for an amount not to exceed Three Hundred Twenty-Four Thousand and No/100 28 29 Dollars (\$324,000.00), subject to terms and conditions set forth in a loan agreement ("Loan 30 Agreement") attached hereto; and 31 32 WHEREAS, ADEC has represented to City staff that the ADEC Project loan is subject to one hundred percent (100%) loan forgiveness, with such term being set forth in the Loan 33 Agreement; and 34 35 36 WHEREAS, it is in the best interest of the City to authorize the execution and delivery of the Loan Agreement by the City to secure the ADEC funding to assist in funding costs of the 37 Project; 38 39 NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HOMER, ALASKA: 40 41 Section 1. The Council hereby authorizes the City to borrow funds from the Alaska Department of Environmental Conservation ("ADEC"), in an amount not to exceed Three 42 43 Hundred Twenty-Four Thousand and No/100 Dollars (\$324,000.00), subject to repayment of

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Page 2 of 2 RESOLUTION 25-048(S)(A-2) CITY OF HOMER

such funds being fully forgiven by an ADEC subsidy. Such funds are being secured by the City to pay costs of the Project (as defined above).

Section 2. The Council hereby approves, and authorizes the **negotiation**, execution and delivery by the City Manager of the Loan Agreement ("Loan Agreement") by and between the City and ADEC, in substantially the draft form presented to Council at this meeting, with such changes deemed by the City Manager to be appropriate and in the best interest of the City. The City Manager is further authorized to delegate responsibility to appropriate City of Homer staff to carry out technical, financial, and administrative activities in connection with the Loan Agreement.

Section 3. That this Resolution shall take effect immediately upon passage.

PASSED AND ADOPTED by the Homer City Council on this 28th of July, 2025.

CITY OF HOMER

RACHEL LORD, MAYOR

> 65 ATTEST:

Remoli statis

Fiscal Note: See Memorandum CC-25-133(S)





Resolution 25-048, A Resolution of the City Council of Homer, Alaska Authorizing the City Manager to Accept Loan Funds from the State of Alaska Department of Environmental Conservation Under its Alaska Clean Water Fund Program in an Amount Not to Exceed \$324,000 to Finance the Ohlson Lane West Bunnell Avenue Water and Stormwater Drain Project. City Manager/Public Works Director.

Item Type: Backup Memorandum

Prepared For: City Council

Date: May 1, 2025

From: Daniel Kort, Public Works Director

Through: Melissa Jacobsen, City Manager

Issue: The purpose of this Memorandum is to request approval to allow the City Manager to accept loan funds from the Alaska Department of Environmental Conservation (ADEC) for the Ohlson Ln. and W. Bunnell Ave. Water and Storm Drain Project.

II. Background:

This project is to add storm drain, curb and gutter to Ohlson Ln. and W. Bunnell Ave. On April 14, 2025, Resolution 25-031 authorized the City Manager to negotiate and execute a contract with East Road Services, Inc. for the construction of the Improvement and a notice to proceed was issued on April 28, 2025.

Much of the Funding for this project is coming from a loan that the City applied for from the ADEC's State Revolving fund. The State Revolving Fund doesn't technically issue grants, but they can issue loans and then forgive a portion of the loan, which they call principal forgiveness. The loan for the Ohlson Ln. and W. Bunnell Ave. Water and Storm Drain Project has \$324,000 in principal forgiveness attached. The rest of the project funding is coming from the HART Roads Fund.

Two resolutions are required before the City can fully execute a loan with the ADEC. First, a resolution is needed to apply for the loan. Resolution 23-068 authorized the City to apply for a loan for this project. Second a resolution is also needed to accept the loan funds. According to the City Attorney these can't be done in the same resolution.

morandum CC-25-133

RECOMMENDATIONS:

That the City Council authorizes the City Manager to accept loan funds from the ADEC under its Clean Water Fund Program in the amount of \$324,000 for the Ohlson Ln. and W. Bunnell Water and Storm Drain Project and execute the appropriate documents.

Attachments:

Resolution 25-031

Resolution 23-068

1 2	CITY OF HOMER HOMER, ALASKA
3	City Manager/
4	Public Works Director
5	RESOLUTION 23-068
6	
7	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8	AUTHORIZING THE CITY MANAGER TO APPLY FOR CLEAN WATER
9	STATE REVOLVING LOAN FUNDS FROM THE ALASKA
10	DEPARTMENT OF ENVIRONMENTAL CONSERVATION IN THE
11	AMOUNT OF \$324,000 TO PROVIDE UPGRADED STORM WATER
12	IMPROVEMENTS AS PART OF THE OHLSON LANE AND BUNNELL
13	AVENUE PAVEMENT RESTORATION PROJECT.
14	WILEDEAC Malage Engineering (Malage)
15 16	WHEREAS, Nelson Engineering (Nelson) was commissioned to design the Ohlson
17	Lane/Bunnell Avenue Pavement Restoration Project, which included basic road-side ditches and culverts to convey storm water; and
18	and curverts to convey storm water, and
19	WHEREAS, During the investigation of the existing conditions, we determined more
20	comprehensive improvements were needed to address chronic drainage issues; and
21	and the state of t
22	WHEREAS, The 2022 estimated costs of the storm water upgrades is \$324,491; and
23	
24	WHEREAS, The storm water upgrade project is listed on the Alaska Department of
25	Environmental Conservation's FY24 Intended Use Plan for Clean Water State Revolving Loan
26	Funds and the City is eligible for a Principal Forgiveness Subsidy in the amount of \$324,000;
27	and
28	
29	WHEREAS, In order to receive this subsidy, the City must apply for the loan funds.
30	
31	NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
32	authorizes the City Manager to apply for Clean Water State Revolving Loan Funds in the
33	amount of \$324,000 for the storm water upgrades to the Ohlson Lane/Bunnell Avenue
34	Pavement Restoration Project and to execute the necessary documents.
35	DASSED AND ADODTED by the Heavy of City Court in the 2000
36	PASSED AND ADOPTED by the Homer City Council this 24 th day of July, 2023.
37	CITY OF HOMER
38 39	CITY OF HOMER
40	X. (str.
41	KEN CASTNER, MAYOR
42	REN CASTNER, MATOR

Page 2 of 2 RESOLUTION 23-068 CITY OF HOMER

43 ATTEST:

44 45

MELISSA JACOBSEN, MMC, CITY CLERK

46 47

48 Fiscal Note: N/A*



1 2	CITY OF HOMER HOMER, ALASKA	
3 4	RESOLUTION 25-031	City Clerk
5 6	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,	
7	AWARDING THE CONTRACT FOR THE OHLSON LANE WEST	
8	BUNNELL AVENUE ROADWAY AND WATER IMPROVEMENT	
9	PROJECT TO EAST ROAD SERVICES, INC OF HOMER, ALASKA IN	
10	THE AMOUNT NOT TO EXCEED \$2,064,000 AND AUTHORIZE THE	
11	CITY MANAGER TO NEGOTIATE AND EXECUTE THE APPROPRIATE	
12	DOCUMENTS.	
13		. 5.1
14	WHEREAS, In accordance with the Procurement Policy the Invitation	
15	advertised in the Homer News on February 28, 2025 and March 6, 2025, in the Ancl	norage Daily
16 17	News on March 9, 2025; and	
18	WHEREAS, The Invitation to Bid was listed with three plans rooms in the S	State and on
19	the City website; and	nate and on
20	the city website, and	
21	WHEREAS, There were Seven Addendums issued and bids were due by 2	2:00 p.m. on
22	Tuesday, April 8, 2025, and five bids were received; and	•
23		
24	WHEREAS, Bids were reviewed in accordance to the criteria established	and it was
25	determined that the firm of East Road Services, Inc. of Homer, Alaska provided the	overall best
26	selection for the services requested as identified in the Invitation to Bid documen	is.
27		
28	NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska	
29	Contract for the Ohlson Lane West Bunnell Roadway and Water Improvement Pro	
30	Road Services, Inc. of Homer, Alaska, in the Amount Not to Exceed \$2,064,000 and	d authorizes
31	the City Manager to negotiate and execute the appropriate documents.	
32 33	PASSED AND ADOPTED by the Homer City Council this 14th day of April, 20	25
33 34	PASSED AND ADOPTED by the Homer City Council this 14th day of April, 20	25.
35	CITY OF HOMER	
36	The life of the latest and the lates	
37		
38	RACHEL LORD, MAYOR	
39		
40	ATTEST:	
41 42	Resei Krause	
43	RENEE KRAUSE, MMC, CITY CLERK	

Fiscal Note: Ordinance 24-61 appropriated \$2,000,000 from HART Roads; \$1,997,500 remains.

1 2	CITY OF HOMER HOMER, ALASKA
3	City Manager/
4	Public Works Director
5	RESOLUTION 25-048(S)
6	
7	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8	AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN
9	AGREEMENT REQUIRED BY THE STATE OF ALASKA DEPARTMENT
10	OF ENVIRONMENTAL CONSERVATION UNDER ITS CLEAN WATER
11	REVOLVING LOAN PROGRAM IN CONNECTION WITH A FULLY
12	FORGIVEN LOAN IN AN AMOUNT NOT TO EXCEED \$324,000 TO
13	ASSIST IN FINANCING THE OHLSON LANE AND BUNNELL AVENUE
14	STORM DRAIN UPGRADE PROJECT.
15	
16	WHEREAS, the City of Homer, Alaska ("City") is a first class city organized and existing
17	under the Constitution and laws of the State of Alaska and may exercise all legislative power
18	not prohibited by law and the City has determined that matters set forth in this resolution are
19 20	not prohibited by law; and
20 21	WHEREAS, pursuant to Resolution No. 23-068, adopted by the City Council on July 24,
21 22	2023, the City Manager was authorized to apply for a loan from the State of Alaska, Department
23	of Environmental Conservation ("ADEC"), from amounts held in its Clean Water Revolving Loan
24	Program, to assist in financing the design and construction of certain storm drain upgrades in
25	connection with the Ohlson Lane/Bunnell Avenue Restoration project ("Project"); and
26	connection with the onison Earle, Barmett Wende Restoration project (110ject), and
 27	WHEREAS, ADEC has conditionally approved the City's application for an amount not
28	to exceed Three Hundred Twenty-Four Thousand and No/100 Dollars (\$324,000.00), subject to
29	terms and conditions set forth in a loan agreement ("Loan Agreement") attached hereto; and
30	
31	WHEREAS, ADEC has represented to City staff that the ADEC Project loan is subject to
32	one hundred percent (100%) loan forgiveness, with such term being set forth in the Loan
33	Agreement; and
34	
35	WHEREAS, it is in the best interest of the City to authorize the execution and delivery of
36	the Loan Agreement by the City to secure the ADEC funding to assist in funding costs of the
37	Project;
38 39	NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HOMER, ALASKA:
40	Section 1 . The Council hereby authorizes the City to borrow funds from the Alaska
41	Department of Environmental Conservation ("ADEC"), in an amount not to exceed Three
42	Hundred Twenty-Four Thousand and No/100 Dollars (\$324,000.00), subject to repayment of

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such funds being fully forgiven by an ADEC subsidy. Such funds are being secured by the City 43 to pay costs of the Project (as defined above). 44 Section 2. The Council hereby approves, and authorizes the execution and delivery 45 by the City Manager of the Loan Agreement ("Loan Agreement") by and between the City and 46 ADEC, in substantially the draft form presented to Council at this meeting. The City Manager is 47 further authorized to delegate responsibility to appropriate City of Homer staff to carry out 48 technical, financial, and administrative activities in connection with the Loan Agreement. 49 50 51 Section 3. That this Resolution shall take effect immediately upon passage. PASSED AND ADOPTED by the Homer City Council this 12th of May, 2025. 52 53 CITY OF HOMER 54 55 56 57 58 RACHEL LORD, MAYOR 59 ATTEST: 60 61 62 63 RENEE KRAUSE, MMC, CITY CLERK 64 65 Fiscal Note: Refer to Memorandum CC-25-132



Resolution 25-048(S), A Resolution of the City Council of Homer, Alaska Authorizing the Execution and Delivery of a Loan Agreement Required by the State of Alaska Department of Environmental Conservation Under its Clean Water Revolving Loan Program in Connection with a Fully Forgiven Loan in an Amount Not to Exceed \$324,000 to Assist in Financing the Ohlson Lane and Bunnell Avenue Storm Drain Upgrade Project.

City Manager/Public Works Director.

Item Type: Backup Memorandum

Prepared For: City Council

Date: May 1, 2025

From: Daniel Kort, Public Works Director

Through: Melissa Jacobsen, City Manager

Issue: The purpose of this Memorandum is to request authorization for the City Manager to execute and deliver a loan agreement to secure financing from the Alaska Department of Environmental Conservation ("ADEC") for the for the Ohlson Ln. and W. Bunnell Ave. Storm Drain Project.

II. Background:

This project is to add storm drain, curb and gutter to Ohlson Ln. and W. Bunnell Ave. On April 14, 2025, Resolution 25-031 authorized the City Manager to negotiate and execute a contract with East Road Services, Inc. for the construction of the Improvement and a notice to proceed was issued on April 28, 2025.

Much of the Funding for this project is coming from a loan that the City applied for from the ADEC's State Revolving fund. The State Revolving Fund doesn't technically issue grants, but they can issue loans and then forgive the loan, in whole or part which they call principal forgiveness. The loan for the Ohlson Ln. and W. Bunnell Ave. Water and Storm Drain Project is for an amount not to exceed \$324,000, with 100 percent principal forgiveness. The remainder of project funding is coming from the HART Roads Fund.

Two resolutions are required before the City can fully execute a loan with the ADEC. First, a resolution is needed to apply for the loan. Resolution 23-068 authorized the City to apply for a loan for this project. Second a resolution is also needed to execute the loan agreement.

RECOMMENDATIONS:

That the City Council authorize the City Manager to execute and deliver a loan agreement to secure funds from ADEC (100 percent forgiven through use of an ADEC subsidy) under its Clean Water Revolving Loan Program, in the amount not to exceed \$324,000 for the Ohlson Ln. and W. Bunnell Storm Drain Project.

Attachments:

Resolution 25-031

Resolution 23-068

1	CITY OF HOMER
2	HOMER, ALASKA
3 4	City Manager/ Public Works Director
5	RESOLUTION 25-048(S)(A)
6	K25025110H 25 6 10(5)(H)
7	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8	AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN
9	AGREEMENT REQUIRED BY THE STATE OF ALASKA DEPARTMENT
10	OF ENVIRONMENTAL CONSERVATION UNDER ITS CLEAN WATER
11	REVOLVING LOAN PROGRAM IN CONNECTION WITH A FULLY
12	FORGIVEN LOAN IN AN AMOUNT NOT TO EXCEED \$324,000 TO
13	ASSIST IN FINANCING THE OHLSON LANE AND BUNNELL AVENUE
14	STORM DRAIN UPGRADE PROJECT.
15	
16	WHEREAS, the City of Homer, Alaska ("City") is a first class city organized and existing
17	under the Constitution and laws of the State of Alaska and may exercise all legislative power
18	not prohibited by law and the City has determined that matters set forth in this resolution are
19	not prohibited by law; and
20	WIEDEAG D. L.C. N. GOOGO L. L.L. C.C. C. C. C. L.L. A.
21	WHEREAS, pursuant to Resolution No. 23-068, adopted by the City Council on July 24,
22	2023, the City Manager was authorized to apply for a loan from the State of Alaska, Department
23	of Environmental Conservation ("ADEC"), from amounts held in its Clean Water Revolving Loan
24 25	Program, to assist in financing the design and construction of certain storm drain upgrades in
25 26	connection with the Ohlson Lane/Bunnell Avenue Restoration project ("Project"); and
20 27	WHEREAS, by letter dated June 16, 2025, ADEC has conditionally approved the City's
2 <i>7</i> 28	application for an amount not to exceed Three Hundred Twenty-Four Thousand and No/100
29 29	Dollars (\$324,000.00), subject to terms and conditions set forth in a loan agreement ("Loan
30	Agreement") attached hereto; and
31	7.6
32	WHEREAS, ADEC has represented to City staff that the ADEC Project loan is subject to
33	one hundred percent (100%) loan forgiveness, with such term being set forth in the Loan
34	Agreement; and
35	
36	WHEREAS, it is in the best interest of the City to authorize the execution and delivery of
37	the Loan Agreement by the City to secure the ADEC funding to assist in funding costs of the
38	Project;
39	NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HOMER, ALASKA:
40	
41	Section 1. The Council hereby authorizes the City to borrow funds from the Alaska
42	Department of Environmental Conservation ("ADEC"), in an amount not to exceed Three
43	Hundred Twenty-Four Thousand and No/100 Dollars (\$324,000.00), subject to repayment of

Page 2 of 2 RESOLUTION 25-048(S)(A) CITY OF HOMER

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such funds being fully forgiven by an ADEC subsidy. Such funds are being secured by the City to pay costs of the Project (as defined above). Section 2. The Council hereby approves, and authorizes the execution and delivery by the City Manager of the Loan Agreement ("Loan Agreement") by and between the City and ADEC, in substantially the draft form presented to Council at this meeting, with such changes deemed by the City Manager to be appropriate and in the best interest of the City. The City Manager is further authorized to delegate responsibility to appropriate City of Homer staff to carry out technical, financial, and administrative activities in connection with the Loan Agreement. Section 3. That this Resolution shall take effect immediately upon passage. PASSED AND ADOPTED by the Homer City Council on this 28th of July, 2025. CITY OF HOMER RACHEL LORD, MAYOR ATTEST:

70 Fiscal Note: See Memorandum CC-25-133

RENEE KRAUSE, MMC, CITY CLERK