Agency: Commerce, Community and Economic Development

Grants to Municipalities (AS 37.05.315)

Grant Recipient: Homer **Federal Tax ID:** 920030963

Project Title: **Project Type:** Maintenance and Repairs

Homer - Fishing Lagoon Improvements

State Funding Requested: $100,000 **House District:** Kenai Areawide (33-35)

One-Time Need

Brief Project Description:

The popular Nick Dudiak Fishing Lagoon has experienced high die off of fish stock in the last few years due to the buildup of material that allows harmful algae blooms. Dredging and stabilizing the bank will improve habitat in the lagoon and revitalize this important land based sport fishing location.

Funding Plan:

Total Project Cost:	$255,000
Funding Already Secured:	($25,500)
FY2013 State Funding Request:	($100,000)
Project Deficit:	$129,500

Funding Details:

The City of Homer will contribute 10% of total project cost ($25,500).

Detailed Project Description and Justification:

The Nick Dudiak Fishing Lagoon located on the Homer Spit (also known as the "Fishing Hole") is a man-made marine embayment approximately 5 acres in size that is annually stocked with king and silver salmon smolts to provide sport fishing opportunity. This proposed dredging and bank stabilization project is needed to improve water conditions and salmon returns to the Fishing Lagoon.

The stocking program provides a local, road accessible, shore-based salmon fishery that attracts a wide array of sport anglers, including handicapped accessible and youth-only fishing opportunities. Salmon fishing at the Nick Dudiak Fishing Lagoon brings visitors to Homer throughout the summer and is also popular with city residents. This outdoor recreational activity helps stimulate and diversify local businesses and the economy. During the summer when salmon are returning, up to 250 bank anglers have been present at any one time between 7 a.m. and 10 p.m.

The parking area, shoreline, and tide line 17 feet above mean high water are owned by the City of Homer. Below mean high water, the tidelands and water are owned by the State of Alaska. The City of Homer, Homer Chamber of Commerce, Alaska Fish and Game, and many other supporters have worked to ensure robust salmon runs in the lagoon. In 1990, the City of Homer, South Peninsula Sportsman's Association, and Alaska Department of Fish and Game were co-recipients of a national award recognizing the Nick Dudiak Fishing Lagoon as the best fishery enhancement project in the nation.

The Nick Dudiak Fishing Lagoon must be dredged to restore the original depth profile of the lagoon and stabilize the inner basin slope to mitigate future sediment filling. The conditions inside the lagoon now favor algal blooms harmful to young fish imprinting to the area while being held in net pens. Recent below-average salmon runs to the lagoon and associated

For use by Co-chair Staff Only:

$100,000 Approved

3:15 PM 5/2/2012

Contact Name: Heather Beggs
Contact Number: 465-2028

decrease in sport fishing effort are partially attributed to these harmful blooms. In 2009, 2010, and 2011, algal blooms caused young fish to die and delayed stocking, which negatively impacts success of the stocking program.

Hardening of the outer banks and dredging of some small areas of the lagoon occurred in the past 12 years. Now approximately 3 feet of sediment needs to be dredged from the entire lagoon to improve water conditions and fish health.

The City of Homer recognizes the economic and recreational impact of the Fishing Hole and has set aside $100,000 in a revolving maintenance account to ensure stainability of this important resource. Parking fees will be used to re-capitalize the fund. Fish and Game has committed to stocking the lagoon with smolt from the new William Jack Hernandez Sport Fish Hatchery in Anchorage.

Project Timeline:

All work will be completed in summer 2013.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

City of Homer

Grant Recipient Contact Information:

Name:	Walt Wrede
Title:	City Manager
Address:	491 E. Pioneer Avenue
	Homer, Alaska 99603
Phone Number:	(907)435-3102
Email:	wwrede@ci.homer.ak.us

Has this project been through a public review process at the local level and is it a community priority? [X] Yes [ ] No

For use by Co-chair Staff Only:

3:15 PM 5/2/2012

Contact Name: Heather Beggs
Contact Number: 465-2028

Fishing Lagoon Improvements

PROJECT DESCRIPTION & BENEFIT: The Nick Dudiak Fishing Lagoon located on the Homer Spit (also known as the "Fishing Hole") is a man-made marine embayment approximately 5 acres in size that is annually stocked with king and silver salmon smolts to provide sport fishing opportunity. This proposed dredging and bank stabilization project is needed to improve water conditions and salmon returns to the Fishing Lagoon.

The stocking program provides a local, road accessible, shore-based salmon fishery that attracts a wide array of sport anglers, including handicapped accessible and youth-only fishing opportunities. Salmon fishing at the Nick Dudiak Fishing Lagoon brings visitors to Homer throughout the summer and is also popular with city residents. This outdoor recreational activity helps stimulate and diversify local businesses and the economy. During the summer when salmon are returning, up to 250 bank anglers have been present at any one time between 7 a.m. and 10 p.m.

The parking area, shoreline, and tide line 17 feet above mean high water are owned by the City of Homer. Below mean high water, the tidelands and water are owned by the State of Alaska. The City of Homer, Homer Chamber of Commerce, Alaska Fish and Game, and many other supporters have worked to ensure robust salmon runs in the lagoon. In 1990, the City of Homer, South Peninsula Sportsman's Association, and Alaska Department of Fish and Game were co-recipients of a national award recognizing the Nick Dudiak Fishing Lagoon as the best fishery enhancement project in the nation.

The Nick Dudiak Fishing Lagoon must be dredged to restore the original depth profile of the lagoon and stabilize the inner basin slope to mitigate future sediment filling. The conditions inside the lagoon now favor algal blooms harmful to young fish imprinting to the area while being held in net pens. Recent below-average salmon runs to the lagoon and associated decrease in sport fishing effort are partially attributed to these harmful blooms. In 2009, 2010, and 2011, algal blooms caused young fish to die and delayed stocking, which negatively impacts success of the stocking program.

Hardening of the outer banks and dredging of some small areas of the lagoon occurred in the past 12 years. Now approximately 3 feet of sediment needs to be dredged from the entire lagoon to improve water conditions and fish health.

The City of Homer recognizes the economic and recreational impact of the Fishing Hole and has set aside $100,000 in a revolving maintenance account to ensure stainability of this important resource. Parking fees will be used to re-capitalize the fund. Fish and Game has committed to stocking the lagoon with smolt from the new William Jack Hernandez Sport Fish Hatchery in Anchorage.

Total cost: $255,000
Schedule: 2013

FY 2013 STATE REQUEST: $229,500
(City Contribution 10%=25,500)

Significant improvements were accomplished at the Fishing Lagoon in 2010, including removing a gravel bar that had formed at the north side of the entrance and rebuilding the north berm with armor rock. Additional dredging work is needed now.

CITY OF HOMER
HOMER, ALASKA

Mayor/City Council

RESOLUTION 11-096(A)

A RESOLUTION OF THE HOMER CITY COUNCIL ADOPTING THE 2012-2017 CAPITAL IMPROVEMENT PLAN AND ESTABLISHING CAPITAL PROJECT LEGISLATIVE PRIORITIES FOR FISCAL YEAR 2013.

WHEREAS, A duly published hearing was held on September 26, 2011 in order to obtain public comments on capital improvement projects and legislative priorities; and

WHEREAS, It is the intent of the City Council to provide the Governor, the State Legislature, State agencies, the Alaska Congressional Delegation, and other potential funding sources with adequate information regarding the City's capital project funding needs.

NOW, THEREFORE BE IT RESOLVED by the City Council of Homer, Alaska, that the "City of Homer Capital Improvement Plan 2012-2017" is hereby adopted as the official 6-year capital improvement plan for the City of Homer.

BE IT FURTHER RESOLVED that the following capital improvement projects are identified as priorities for the FY 2013 State Legislative Request:

1. Sewer Treatment Plant Bio-solids Treatment Improvements
2. Homer Area Natural Gas Pipeline, Phase 2
3. Harbor Improvement Revenue Bond Projects (Bundled Projects)
4. Skyline Fire Station
5. Fishing Lagoon Improvements
6. Karen Hornaday Park Improvements, Phase I
7. Tanker 2 Refurbishment and Fire Engine 4 Refurbishment HVFD
8. Homer High School Track Renovation
9. Alternative Water Source
10. Deep Water/Cruise Ship Dock Expansion, Phase I
11. Homer Intersection Improvements
12. Ocean Drive Reconstruction with Turn Lane
13. Mariner Park Restroom
14. Kachemak Drive Rehabilitation/Pathway
15. Truck Loading Facility Upgrades at Fish Dock

BE IT FURTHER RESOLVED that projects for the FY 2013 Federal Legislative Request will be selected from this list.

BE IT FINALLY RESOLVED that the City Manager is hereby instructed to advise appropriate State and Federal representatives and personnel of the City's FY 2013 capital project priorities and take appropriate steps to provide necessary background information.

PASSED AND ADOPTED by a duly constituted quorum of the City Council for the City of Homer on this 10th day of October, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

City of Homer FY2013 CIP Request – Nick Dudiak Fishing Lagoon
Department of Fish and Game Talking Points

Issue: Obtain funds to dredge the Nick Dudiak Fishing Lagoon which will improve salmon returns, and angler participation and satisfaction, to the City of Homer.

Points:

- Department of Fish and Game desires working cooperatively with the City of Homer to improve salmon returns, and angler participation and satisfaction, at the Dudiak Lagoon.
- Dudiak Lagoon salmon enhancement program is popular with city residents, attracts visitors to Homer throughout the summer, and provides outdoor recreational activity that helps stimulate and diversify local businesses and the economy.
- Periodic excavation and/or dredging needed to maintain suitable depth for both rearing of juvenile salmon and provide angling opportunities for returning salmon.
- Lagoon design had a 12' depth throughout the lagoon during low tide to maintain adequate flushing for rearing smolt and returning adults (Figure 1).
- Currently approximately 60% of the lagoon is 4' or less in depth (Figure 2). This depth profile creates a poor rearing environment for salmon smolt which lowers smolt survival.
- Believe a primary cause of lowered survival is high density of an algae (Chaetoceros) having spines that can lacerate fish gills and increase stress to smolt.
- Shallow water, build-up of nutrients and increased sedimentation results in conditions in the lagoon favorable to high densities of this harmful algae compared to nearby areas (Figure 3).
- Fish and Game is taking steps to improve smolt condition – delay smolt stocking when algae less abundant, release smolt immediately if die-off begins to occur, transition to new William "Jack" Hernandez Sport Fish Hatchery to improve hatchery production and increase smolt size.
- Encourage City of Homer to make dredging Dudiak Lagoon a priority of FY2013 CIP request. Dredging will increase water depth and flushing, decrease Chaetoceros, and increase salmon smolt survival and imprinting.
- These efforts by the department and city will improve salmon returns and anglers fishing on the Homer Spit.

Summary: Dredging the Dudiak Lagoon is needed to restore the original depth profile, stabilize the inner basin slope, improve water flow, and mitigate future sediment filling. Dredging, in concert with ongoing efforts by Fish and Game, will help improve salmon returns and angler participation in Homer, important to maintaining a thriving and diverse local economy.

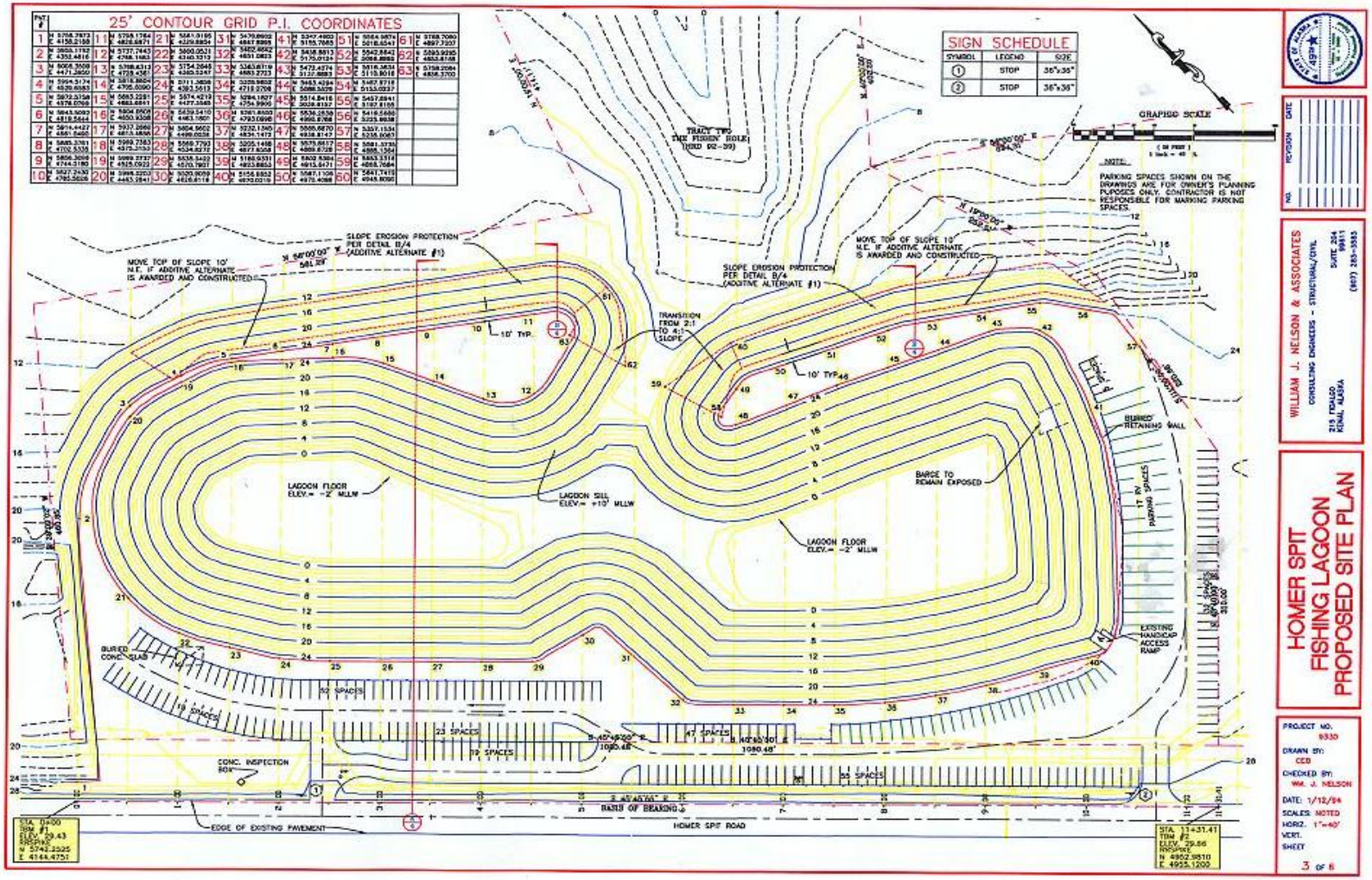

Figure 1. Original depth profile of the Nick Dudiak Fishing Lagoon expansion project, 1994.

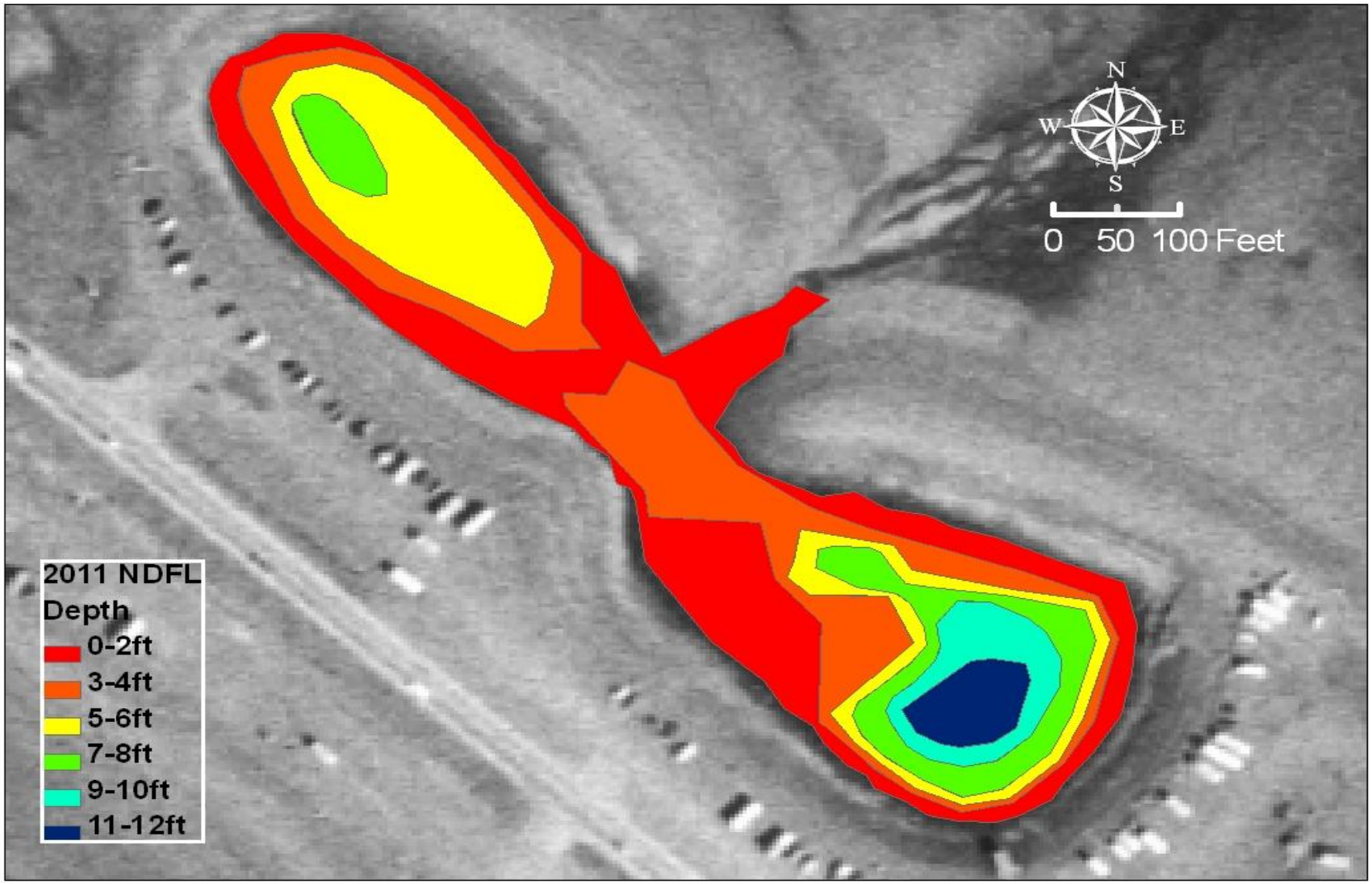

Figure 2. Depth profile of the Nick Dudiak Fishing Lagoon, 2011.

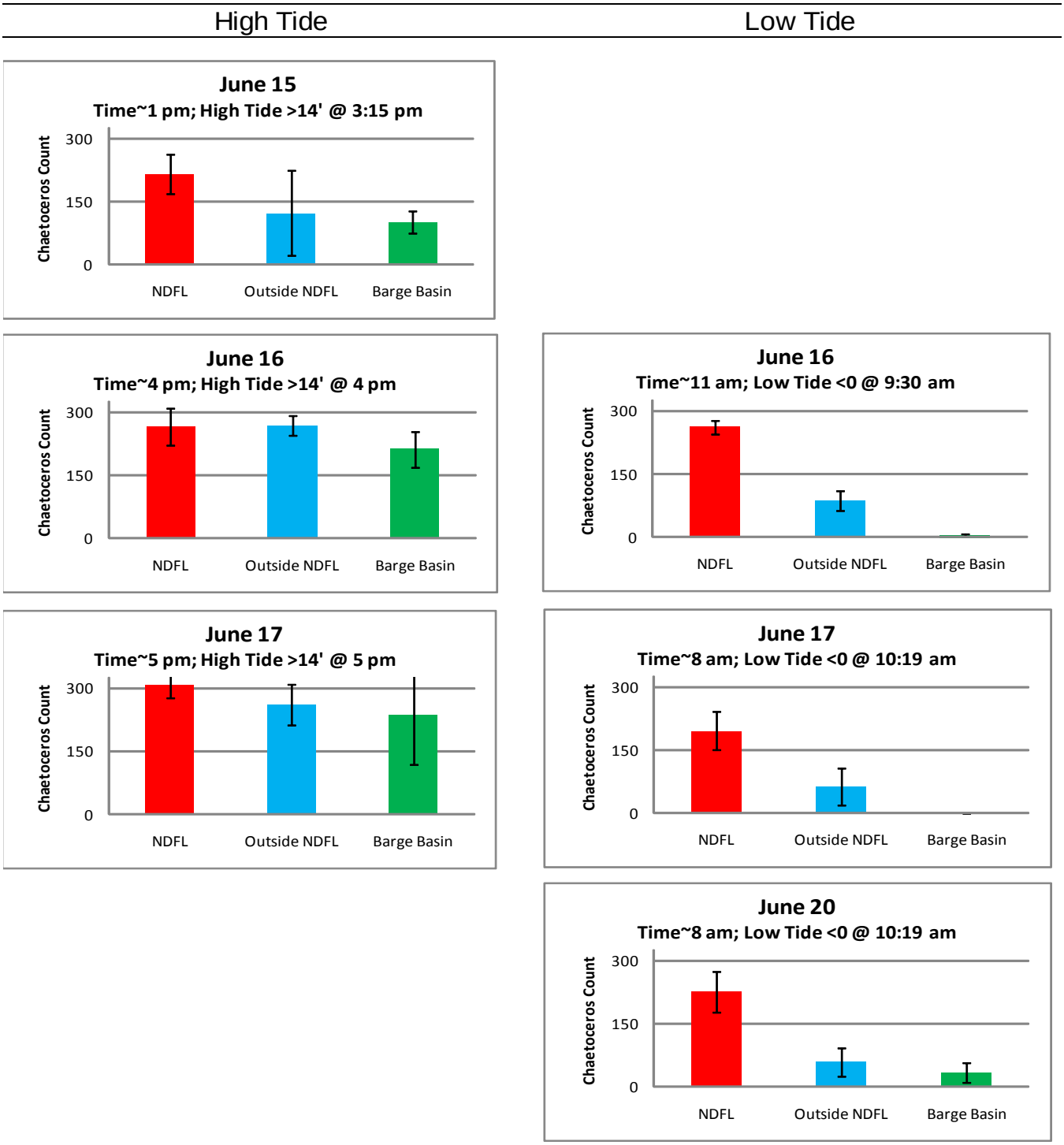

Figure 3. Estimated number of Chaetoceros within the Nick Dudiak Fishing Lagoon (NDFL), an open water area adjacent to the Lagoon, and the Barge Basin, 2011.

Heather Beggs

From: Rep. Paul Seaton
Sent: Saturday, March 10, 2012 6:14 PM
To: Heather Beggs
Subject: FW: Nick Dudiak Fishing Lagoon

Follow Up Flag: Follow up
Flag Status: Completed

From: nautidave@gmail.com [mailto:nautidave@gmail.com] **On Behalf Of** David Morris
Sent: Saturday, March 10, 2012 10:47 AM
To: Rep. Paul Seaton
Subject: Nick Dudiak Fishing Lagoon

Dear Representative Seaton,

The Nick Dudiak Fishing Lagoon which is affectionately called the Spit Fishing Hole has been an attractive place for people to come to fish outside of taking a charter service. It has always been a big draw to Homer. Over the last few years it has had problems and has not been stocked properly. The lack of fish in the hole has been a widespread disappointment to locals and those returning to have some fun fishing there. Although we are a charter service, we support the call for funding to dredge and return the fishing hole to the way it once was.

We urge you to support funding for the repair of the Nick Dudiak Fishing Lagoon.
Thank you for your anticipated support for the lagoon and for your previous support of the fisheries in Alaska.
--
Captains David and Diane Morris
Bob's Trophy Charters
3978 Homer Spit Rd.
Homer, AK 99603
907-235-6544
1-800-770-6400

Heather Beggs

From: Rep. Paul Seaton
Sent: Saturday, March 10, 2012 6:15 PM
To: Heather Beggs
Subject: FW: City of Homer State Legislative Request - FY 2013

Follow Up Flag: Follow up
Flag Status: Completed

From: Dream Catcher [mailto:dreamcatcheralaska@att.net]
Sent: Saturday, March 10, 2012 8:24 AM
To: Rep. Paul Seaton; Sen. Gary Stevens
Cc: membership@homeralaska.org
Subject: City of Homer State Legislative Request - FY 2013

Paul & Gary,

This is just a short email to let you know we strongly support the City of Homer State Legislative Request - FY 2013. The Nick Dudiak Fishing Lagoon used to be a real selling point for us and we used to hightly recommend it for our guests. In addition we personally enjoyed fishing there. The last two or three years the returning salmon have been so dismal that we no longer even mention it to our guests. For those guests that can't afford a charter, don't have the time, have many family members, or for whatever reason cannot go out on boat this is a very good alternative and big selling point for us in the tourist industry.

Don & Christine Wickham

Dream Catcher Bed & Breakfast
PO Box 15417
Fritz Creek, AK 99603

907-235-5325 http://www.dreamcatcheralaska.com/ 954-205-9895 (Verizon cell)

Heather Beggs

From: Rep. Paul Seaton
Sent: Saturday, March 10, 2012 6:14 PM
To: Heather Beggs
Subject: FW: Pls support the Nick Dudiak Fishing Lagoon Program

Follow Up Flag: Follow up
Flag Status: Completed

From: Halcyon Heights [mailto:info@halcyonheightsbandb.com]
Sent: Saturday, March 10, 2012 1:55 PM
To: Rep. Paul Seaton
Cc: Alida Dunning
Subject: Pls support the Nick Dudiak Fishing Lagoon Program

Dear Rep. Seaton,

Thank you for your good work representing our community. Here is another project we really need your help becasue it is important to our community and visotors as well.

We are sad to see the lagoon going downhill.

The Nick Dudiak Fishing Lagoon must be dredged to restore the original depth profile of the lagoon and stabilize the inner basin slope to mitigate future sediment filling. The conditions inside the lagoon now favor algal blooms harmful to young fish imprinting to the area while being held in net pens. Recent below-average salmon runs to the lagoon and associated decrease in sport fishing effort are partially attributed to these harmful blooms. In 2009, 2010, and 2011, algal blooms caused young fish to die and delayed stocking, which negatively impacts success of the stocking program.

We wish the lagoon can be restored to its healthy considiton as it once were. We remember fondly how much enjoyment and excitement it brought to our community and our guests just 5 years ago.

With your help, it can happen.

Thanks for your support in advance,

Juxia Scarpitta
Halcyon Heights B&B
Homer Alaska 99603

Heather Beggs

From: Rep. Paul Seaton
Sent: Monday, March 12, 2012 8:31 AM
To: Heather Beggs
Subject: FW: Nick Dudiak Fishing Lagoon

Follow Up Flag: Follow up
Flag Status: Completed

-----Original Message-----
From: arosyoutlookbnb@alaska.net [mailto:arosyoutlookbnb@alaska.net]
Sent: Sunday, March 11, 2012 8:13 AM
To: Rep. Paul Seaton
Subject: Nick Dudiak Fishing Lagoon

Hi ,

As a resident of Homer and the owner of A Rosy Outlook B&B, I would like to ask for your support of our local fishing lagoon. Many of our guests who would like to experience the thrill of catching an Alaskan wild salmon but either cannot spend the time or money for a charter find the lagoon a wonderful chance to fish. Many of our locals also enjoy the opportunity to catch salmon. It is ideal for the young children as well as the elderly for a unique fishing experience.

Please support the Nick Dudiak fishing lagoon in Homer, Alaska.

Thank You,
Rosie and Erless Burgess
A Rosy Outlook B&B
Homer, AK

Heather Beggs

From: Rep. Paul Seaton
Sent: Monday, March 12, 2012 8:31 AM
To: Heather Beggs
Subject: FW: Homer Fishing Lagoon

Follow Up Flag: Follow up
Flag Status: Completed

From: Pam B. [mailto:welcome@ptialaska.net]
Sent: Sunday, March 11, 2012 1:19 PM
To: Rep. Paul Seaton
Cc: Sen. Gary Stevens
Subject: Homer Fishing Lagoon

Dear Sirs,

I want to tell you I how much the fishing lagoon has meant in this town. I have lived here 18 year & have had a B&B for that long my many guests who cannot tolerate ocean fishing have had great pleasure from being able to fish from shore. It has also entertained the children along with my grandchildren & myself as I have spent many pleasurable hours down there. It has also stocked some salmon in my freezer. This is a great thing in Homer & should be continued. We have even all donated to stocking the hole many times. Thank you so much for your attention to this matter & may you decide to continue this thoughtful & fun place. Pam Breckenridge, PO Box 455. Homer, AK 99603

Heather Beggs

From: Louie Flora
Sent: Monday, March 12, 2012 8:28 AM
To: Heather Beggs
Subject: FW: Homer CIP

Follow Up Flag: Follow up
Flag Status: Completed

From: Rep. Paul Seaton
Sent: Sunday, March 11, 2012 3:22 PM
To: Louie Flora
Subject: Fwd: Homer CIP

Sent from my iPad

Begin forwarded message:

From: Gary and Terri Lyon <sealion@xyz.net>
Date: March 11, 2012 1:08:15 AM CST
To: "Rep. Paul Seaton" <Representative_Paul_Seaton@legis.state.ak.us>, <senator_gary_stevens@legis.state.ak.us>
Subject: Homer CIP

Greetings Rep. Seaton and Senator Stevens,

I want to voice my support and concerns regarding the Homer CIP, specifically the Nick Dudiak Fishing Lagoon item. I have owned Sea Lion Gallery and Lodging on the Homer Spit for 20 years. It is located just 7/10ths mile from the lagoon. My business is almost totally dependent on tourism in Homer. The "Fishing Lagoon" is one of the best attractions on the Spit. It has gotten many years of use and enjoyment by locals and tourists. Our lodging guests often ask where it is in location to our building, they want to fish there!

During the three years that Homer Chamber sponsored the Silver Salmon Tournament the Fishing Lagoon had it's own division. Also the weigh-in station for that event was located there.

Please do all that you can to rebuild and maintain this great tourist draw.

Gary Lyon
299 2000

Heather Beggs

From: Rep. Paul Seaton
Sent: Saturday, March 10, 2012 6:15 PM
To: Heather Beggs
Subject: FW: Please dredge the Homer Nick Dudiac Lagoon

Follow Up Flag: Follow up
Flag Status: Completed

-----Original Message-----
From: Susan Kyllonen [mailto:drsusank@gmail.com]
Sent: Saturday, March 10, 2012 8:53 AM
To: Rep. Paul Seaton
Subject: Please dredge the Homer Nick Dudiac Lagoon

Hi Paul,

Susan Kyllonen, Kyllonen's RV Park in Anchor Point....

Please, am requesting funds for the dredging of the Nick Dudiak Homer Lagoon to allure the tourists to stay longer in our area.

Thank you.

HOMER
Chamber of Commerce & Visitor Center

Mission: To support our membership through cooperative economic development and community service.

March 20, 2012

Representative Paul Seaton

Dear Paul,

The Homer Chamber of Commerce & Visitor Center, representing over 500 business and individual members in the Kachemak Bay area strongly encourages your support of funding for the Nick Dudiak Fishing Hole on the Homer Spit.

Not only does the "Fishing Hole" enhance the lives of our local residents by offering a chance to harvest salmon without having to own a boat, it is also an economic engine for our community.

Visitors from Alaska and the rest of the world *used* to spend untold extra days in Homer when they discovered the opportunity to comfortably fish from shore. Last summer we had just over 9,000 people take the time to sign our guest book here at the Visitor Center. That is by no means an accurate count of the total number of visitors to Homer, but it's a good number to show our point; Since we know that the average visitor to Homer spends right at $125.00 per day, if every one of those 9,000 folks spent only one extra day here in Homer it would mean $1,125,000.00 extra dollars pumped into our economy!

Additional points for consideration are that the Fishing Hole takes considerable pressure off of the sometimes overfished Anchor River, our only local land based fishery at this point, and we set aside days for our youth to enjoy the bounty, teaching them the important lessons that fishing has to offer.

The $250,000 investment to bring the Fishing Hole back to a viable fishery will pay dividends for the State of Alaska, the Kenai Peninsula Borough and the City of Homer for years to come. Residents and visitors would once again utilize an incredibly scenic location to feed their families. Not just literally, but also by supporting local businesses, local hard working Alaskans!

As the local Chamber of Commerce we promise to actively promote, discuss, and find a way for the entire community to set aside funds so that we can maintain the Fishing Hole once it is brought back. It will not be hard to remind our local merchants how important it is to all of us!

Thanks in advance for your efforts on our behalf!

Monte Davis
Executive Director

201 Sterling Hwy., Homer, AK 99603
907.235.7740 fax: 907.235.8766 info@homeralaska.org www.homeralaska.org