



Supplemental Packet

TO: MAYOR LORD AND CITY COUNCIL
FROM: AMY WOODRUFF, CITY CLERK
DATE: TUESDAY MAY 26, 2026
SUBJECT: SUPPLEMENTAL PACKET ITEMS

WORKSESSION AGENDA

DISCUSSION TOPIC(S)

- a. Multi-Purpose Community Recreation Center

Public Comment Received

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REGULAR MEETING AGENDA

CONSENT AGENDA

- d. Ordinance 26-28, An Ordinance of the City Council of Homer, Alaska Appropriating Funds in the Amount of \$8,000 from the General Fund Balance and Authorizing the Use of Limited Staff Time and City Equipment for Public Information on the Ballot Proposition for the Continuation of the Homer Accelerated Roads and Trails (HART) Program and Reauthorizing the Three-Fourths Percent (3/4%) Sales Tax Levy for Up to Twenty Additional Years Including Without Limitation Information That May Influence the Outcome of the Election on the Proposition. City Manager.

Public Comment Received

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VISITORS

- a. Chris Hess, Reggie Joule, and Miles Baker, J&H Consulting (City Lobbyists) End of Session Legislative Update. PowerPoint Presentation

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- b. Flannery Ballard, Alaska Department of Environmental Conservation. HERC Brownfields Remediation Update.

PowerPoint Presentation

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PUBLIC HEARING(S)

- c. Ordinance 26-26, an Ordinance of the City Council of Homer, Alaska Amending the FY26/27 Capital Budget to Provide for Necessary Mid-Biennium Budget Adjustments. City Manager.

Budget Amendment Request for Port Fencing

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- d. Ordinance 26-27, an Ordinance of the City Council of Homer, Alaska, Amending the City of Homer Water and Wastewater Rates and Updating the City Fee Schedule Accordingly. City Manager/Finance Director.

Memorandum CC-26-116 from Finance Director as backup.

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From: [Holly Van Pelt](#)
To: [Department Clerk](#)
Subject: My interest in a community recreation center
Date: Tuesday, May 26, 2026 9:52:15 AM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Mayor Lord and Members of the Homer City council,

I am writing to urge you to continue your efforts to bring a community recreation center to the Homer area. There has been much said about all the good reasons to do this, so I will not repeat what you already know.

I am very thankful for the city investing in a freshened finish to the floors in the activity room and the gym. It turned out better than I hoped for.

I want to point out that this is stop gap measure only. Fresh floors will not solve the problems that we have. It will not solve the lack of handicap access that we are required to have, nor does it miraculously rejuvenate the aging, poorly insulated roof above. Every winter a windstorm peels bits of the roof onto the ground which I walk around as I enter the HERC. Fresh floors do not address the woefully inadequate size of the gym for all sport types, nor does it change the fact that we are impacted by the decisions of the school district when we use their spaces. I could go on with more problems. I will save your time and spare you the list. We need to get moving on this now, not later. It is an inevitable task that the city needs to address. Delays only increases the costs to everyone.

Thank you for all of the work that you do. You have a big task in serving the City and it is very much appreciated that you take it up.

Sincerely,

Holly Van Pelt
Homer resident

Sent from my iPad

From: [mary.griswold](#)
To: [Amy.Woodruff](#)
Subject: Public comment for Ord 26-28
Date: Monday, May 25, 2026 6:24:55 PM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

This is for your consideration and inclusion in the CC supplemental packet:

Many years ago, Homer had a proposition on its ballot at the same time as the Kenai Peninsula Borough did on its ballot. Both were identified as Proposition 1. There were many campaign signs around town extolling people to vote for or against (I don't remember which) the KPB Prop 1. Many Homer voters said they were confused because they didn't know that there were 2 Prop 1's. Melissa was Clerk at the time and confirmed that borough code and state statutes did not require the City to use numbers for its propositions. Using letters to identify propositions is OK. I encourage you to identify the HART ballot proposition as Proposition A to avoid confusion, especially since our elections are now combined with the state. I encourage the use of letters for all Homer ballot propositions whether or not there are any borough or state propositions so voters get used to that identification for our local issues.



J&H Consulting

Legislative Update
End of Session
May 2026

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Session Focus:

- ❖ A total of 846 bills and resolutions were introduced during the 34th session of the Alaska Legislature and 111 passed, including at least 30 during the final day.
- ❖ Balanced budget- saved by changing oil prices
- ❖ Gas line governance - Special session
- ❖ Gov's Proposed fiscal/tax package-failed to pass
- ❖ HB 78 Retirement and benefit changes - VETOED Override failed
- ❖ SB 64 Elections - VETOED Override failed
- ❖ Rural Health Transformation Program \$272 mil. in year one - reviewing first proposals totaling \$1.8 bil.
- ❖ Education policy and funding - HB 28 Passed
- ❖ Election year
- ❖ Cabbage is the state vegetable!!!!

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Operating Budgets:

- Proposed budget totals 13.9 bil, has a projected \$152 mil. surplus with \$75 avg. oil price.
- PFD at \$1,000 plus \$200 for energy relief.
- PCE is fully funded at \$56 million plus \$7.9 mil. for increased costs.
- Full statutory funding for the Base Student Allocation (BSA) at \$129 bil., plus up to \$115 mil. in one-time funds or about \$129 a student dependent on oil prices (\$98) and \$29 mil. for energy relief.
- Head start includes \$3.8 mil. UGF. /Pre-K at \$6.1 mil and Early Learning Coordination at \$19 mil.
- Broadband Grants \$20.5 mil.
- Adequacy study for schools \$400,000.
- Full funding school bond debt \$41.6 mil. and REAA funding at \$19.6 mil.
- Community Assistance is funded at \$30 mil. with an added \$20 mil. for energy relief.
- Community jails funded at \$14.5 mil. an increase to actual cost.
- Disaster relief \$48 mil and fire suppression \$60.6 mil.

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Op Budget:

- Shored up funding on behavioral health grants, food security, and homelessness funding.
- Energy Assistance \$24 mil.
- Salary Adjustments and a pay differential study.
- \$15 mil. for bulk fuel purchases.

Capital Budgets:

- ▶ Totals \$2.5 bil. of which \$1.8 bil. is federal, double last year.
- ▶ 148.3 mil. in funding for school construction and major maintenance covers 33 schools. Deering \$6 mil. and Buckland Boiler Replacement \$271,000.
- ▶ \$217.5 for libraries and online learning.
- ▶ \$32.5 mil. for the University of Alaska.
- ▶ 19.5 mil. For workforce training for AKLNG pipeline project.
- ▶ \$323 mil. for drinking water projects.
- ▶ Heating Assistance \$11 mil.

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Cap Budget Contd:

- ▶ AEA Round 18 \$14.6 mil.
- ▶ Alaska Sustainable Energy Corp. \$35 mil.
- ▶ Weatherization \$5 mil.
- ▶ Professional Housing \$5 mil.
- ▶ Ice roads/winter trails \$6.2 mil.
- ▶ Code Blue \$500,000
- ▶ NPRA \$17.9 mil.
- ▶ Homer Airport Master Plan \$703,125
- ▶ Homer All Pedestrian Pathway \$2.79 mil.
- ▶ Kachemak Bay Drive 0-3.5 mile \$4 mil.

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Bills Passed:

- ▶ **HB 78 Pension:** This bill proposes to open the Public Employees' Retirement System (PERS) and Teachers' Retirement System (TRS) benefit plans by adding a new defined benefit tier. Vetoed, override failed.
- ▶ **HB 388 Bulk Fuel loan:** Legislation addresses anticipated higher energy costs coming as a result of the US-Iran war. Increase loan amount from \$750,000 to \$1.5 mil. and groups can pool resources. Funded with \$15 mil.
- ▶ **SB 192 Emergencies:** Require that state and local officials use the terms "Ready," "Set," and "Go," defined on maps by the colors green, yellow and red. People in a "Ready" area should begin packing for an evacuation and preparing their homes or property. Those in a "Set" area should be prepared to leave quickly, and those in a "Go" area should evacuate.
- ▶ **HB 48 Legal Aid:** Stabilizes funding for civil legal aid for vulnerable Alaskans by increasing funding by \$400,000.
- ▶ **HB 26 DOT:** Requires the Department of Transportation to coordinate with public, Tribal, and community transit programs in statewide transportation planning and expands the study of alternative transportation options to include rural and remote areas. **VETOED**

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Bills Passed:

- ▶ SB 272 updates Alaska's health information exchange to improve how medical records are shared securely across providers.
- ▶ SB 89 expands the scope of practice for physician assistants working in licensed medical facilities. This legislation allows physician assistants (PAs) who have obtained 4,000 hours of postgraduate clinical experience under a collaborating agreement with a physician to operate without physician supervision in the state helping increase access to care in rural Alaska.
- ▶ SB 147 allows pharmacists to diagnose and treat simple illnesses that can be diagnosed with a test done in the pharmacy
- ▶ HB 25 bans the use of disposable polystyrene packaging materials by restaurants and other food service operations but can opt out.
- ▶ HB 184 enables the Alaska Industrial Development and Export Authority, or AIDEA, to do financing for housing development of 3 or more units.
- ▶ HB 133 requires payment on state agency contracts with nonprofits, municipalities and tribes within 30 days or late payment fees accrue.
- ▶ SB 130 expands the state fisheries development tax credits to all fish species, not just those listed in statute. It will allow processors to get tax credits against their state fisheries tax liability for investments in new processing technology to expand products and markets.
- ▶ HB 33 changes the way the Board of Fisheries and Board of Game function by allowing members to deliberate - but not to vote - on subjects for which they have a declared personal or financial interest.

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Bills:

- ▶ **SB 143:** Decreases the minimum city council size to three members for second-class cities with 1,000 or fewer residents. Allows local governments to lengthen or shorten the terms of school board members. Currently, state law requires school board members to serve three-year terms. Also requires mandatory school board training.
- ▶ **HB 239:** Omnibus Crime bill. 65 pages total, multi-part crime bill that raises the state's age of consent, criminalizes the act of using AI to create child sexual abuse material, allow tougher sentences for fatal hit-and-run offenders, and places stricter evidence processing times for sexual assault examination kits.
- ▶ **SB 9, Safe Surrender:** Amends the state's safe-surrender law for infants to permit the construction of unmanned drop-off locations at public facilities.
- ▶ **HB 36:** Shortens the deadline for foster youth to receive court hearings after being institutionalized. Creates a new state license for treatment foster homes, to provide treatment services through Medicaid for youth with medical, behavioral or developmental conditions.
- ▶ **HB 52:** Increases reporting requirements for youth in psychiatric institutions, unannounced inspections, communication requirements, among other provisions.
- ▶ **HB 16:** Sets new limits on campaign contributions.
- ▶ **SB 24:** Raise the state's tobacco possession age to 21, adds vapes for taxation, allows cigar lounges.
- ▶ **HB 280:** Requires out-of-state internet and digital companies to pay corporate income taxes based on sales to Alaskans rather than physical location

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Education Bills:

- ▶ **SB 41, Mental Health:** Requires age-appropriate mental health education in schools.
- ▶ **SB 23, Civics Ed:** Bill adds civics education and assessment to the list of secondary school graduation requirements.
- ▶ **HB 27, CPR:** Proposes a **one-hour CPR training** requirement for K-12 students,
- ▶ **SB 178, Infant Learning:** Expands eligibility and services provided by early intervention programs for children experiencing developmental delays or disabilities by reducing the threshold from 50% to a 25% delay. Includes increased funding.
- ▶ **HB 28, “Omnibus” education bill:** House Bill 28 includes a three-year student loan forgiveness pilot program for teachers. This program offers full-time public school teachers in special education or STEM fields student loan grant payments of up to \$5,000 per year for three years. Adds provisions for hiring retired teachers. It establishes an energy grant program for school districts that reimburses schools for their energy expenditures based on a three-year average of the district’s energy cost. The Senate Education Committee rolled in several other school bills including increases in boarding school support, increased scrutiny of correspondence study programs, and a long-needed study of state K-12 funding formulas. A provision also added limits growth of municipalities’ required contribution to schools to 4% yearly.
- ▶ **HB 246, SESA:** Increases funding to the Special Education Service Agency for outreach and services to students with disabilities from \$23 to \$26.
- ▶ **SB 146:** Adds Mt. Edgecumbe High School to the REAA list.

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Political Landscape:



GOVERNOR’S RACE HAS 17 IN THE RUNNING. THE POOL OF CANDIDATES FOR ALASKA GOVERNOR IN THE 2026 ELECTION INCLUDES, TOM BEGICH, JOHNATHAN KREISS-TOMPKINS, MATT CLAMAN, CLICK BISHOP, DAVE BRONSON, ADAM CRUM; NANCY DAHLSTROM, EDNA DEVRIES, MATT HEILALA, SHELLEY HUGHES; HANK KROLL, JAMES PARKIN, TREG TAYLOR, JESSICA FAIRCLOUTH, JAMES PARKIN, AND BERNADETTE WILSON.



NEXT YEAR IS AN ELECTION YEAR WHICH IMPACTS THE LEGISLATIVE SESSION. HALF OF LEGISLATOR UP FOR REELECTION AND SEN. SULLIVAN. RANKED CHOICE VOTING ON THE BALLOT AGAIN. A BIG CONSEQUENTIAL ELECTION CYCLE.



SEVERAL PROMINENT ELECTED OFFICIALS HAVE ANNOUNCED THEIR RETIREMENTS; SEN. STEVENS, MYERS AND HOFFMAN, REP. JOSEPHSON.

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Calendar

- ▶ Mon June 1 - 2026 Candidate Filing Deadline
- ▶ Tues Aug 18 - 2026 Primary Election
- ▶ Aug 25-27 - Alaska Municipal League: "Summer Legislative Conference" Fairbanks
- ▶ Sept 17-18 - The Trust: "Improving Lives Conference" details [HERE](#)
- ▶ Oct 18-21 - First Alaskans Institute: "Elders & Youth Conference" Anchorage
- ▶ Oct 22-24 - Alaska Federation of Natives: "AFN Convention" Anchorage
- ▶ Oct 27-29 - Alaska Municipal League: "Rural Energy Conference" Fairbanks
- ▶ Tues Nov 3 - 2026 General Election

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**Quyanaqpak and Taikuu
Working together to advance
your priorities**

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Brownfields 101

Assessment


ABCA

Next steps

1

What is a Brownfield?

Federal Definition: a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.



*Keku Cannery, Kake
Awarded brownfields assessment services by EPA and DEC*

2

Why does this matter?

To be eligible to receive brownfield funding...

- ✓ Property needs to meet the **federal** definition
- ✓ Applicant needs to be an **eligible party** (eg public, non-profits, regional development organization, etc.)
- ✓ Property needs to have a plan for **reuse**



Sutton Community Hall, Sutton

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Alaska Brownfields



- Old canneries
- Former military sites



- Abandoned tank farms
- Old schools



- Former drycleaners
- Former gas stations
- Mine sites
- ... and many more!

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Common Reuses of Brownfields



SATURDAY SEPTEMBER 11TH
11:30 - 2:00

RIVERWALK TRAIL PHASE I

Explore Delta's newest walking trail with your family or friends and discover our community's first Storywalk with author Cindy Lou Allisul, the library staff, and the DTA volunteers

Get outside and try something new

Parking is located across from the end of the Delta Airport at the biomass collection area

Questions? Call the library at 895-4102

Parking area



- Recreational and green spaces
- Community centers
- Historic/ cultural education centers
- Subsistence fishing/ berry picking!
- Gardens
- Affordable housing
- Mixed use
- Commercial buildings
- Many more!





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Where does this funding come from?

December 1980,
Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA, aka Superfund)

March 2018,
Brownfields Utilization, Investment and Local Development Act (aka, "the BUILD Act")



Motivating Reasons for the Brownfields Program...

- Need for liability relief from CERCLA
- Need funds to encourage site assessment/cleanup for reuse

January 2002, Small Business Liability Relief and Brownfields Revitalization Act (aka "the Brownfields Amendments")

November 2021, Infrastructure Investment and Jobs Act (IIJA, aka "Bipartisan Infrastructure Law" or BIL)

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DEC Brownfields

Helping Alaskans assess, cleanup, and reuse brownfields to improve the environmental, economic, and social well-being of their communities

- Funded through a State and Tribal Response Program (CERCLA 128 (a) STRP) grant
- DEC Brownfields program began in 2003
- Began assessing sites in 2005
- Began providing cleanup services in 2014
- Provided technical assistance and support for nearly 200 projects across Alaska



Site Characterization and Cleanup Project
Heinz Salvage Yard, Gakona, AK

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DEC Brownfield Assessment and Cleanup (DBAC) Services

- Competitive Statewide
- Types of services provided
 - Property Assessment and Cleanup Plans (PACPs)
 - Cleanup and Reuse Planning
 - Phase I / Phase II Assessments
 - Hazardous Building Materials (HBM) Surveys
 - Asbestos Abatement
 - Soil/Groundwater Cleanup
- Usually, 6-7 projects per year
- Projects range from \$25,000 to \$125,000



DBAC Application Period Open



Proposals Reviewed & Recipients Announced



Projects Funded & Scoping



Workplans Developed & Fieldwork Conducted

CURRENT DBAC PROJECTS

The following projects were awarded DBAC services through the DEC Brownfields Program.

Akiak Old Generator

Location: Akiak, Alaska
Services Provided: Site Characterization (soil); Hazardous Building Materials (HBM) Survey
Planned Reuse: Mixed community space (office space/storage)
[DEC Contaminated Sites Database Entry](#)

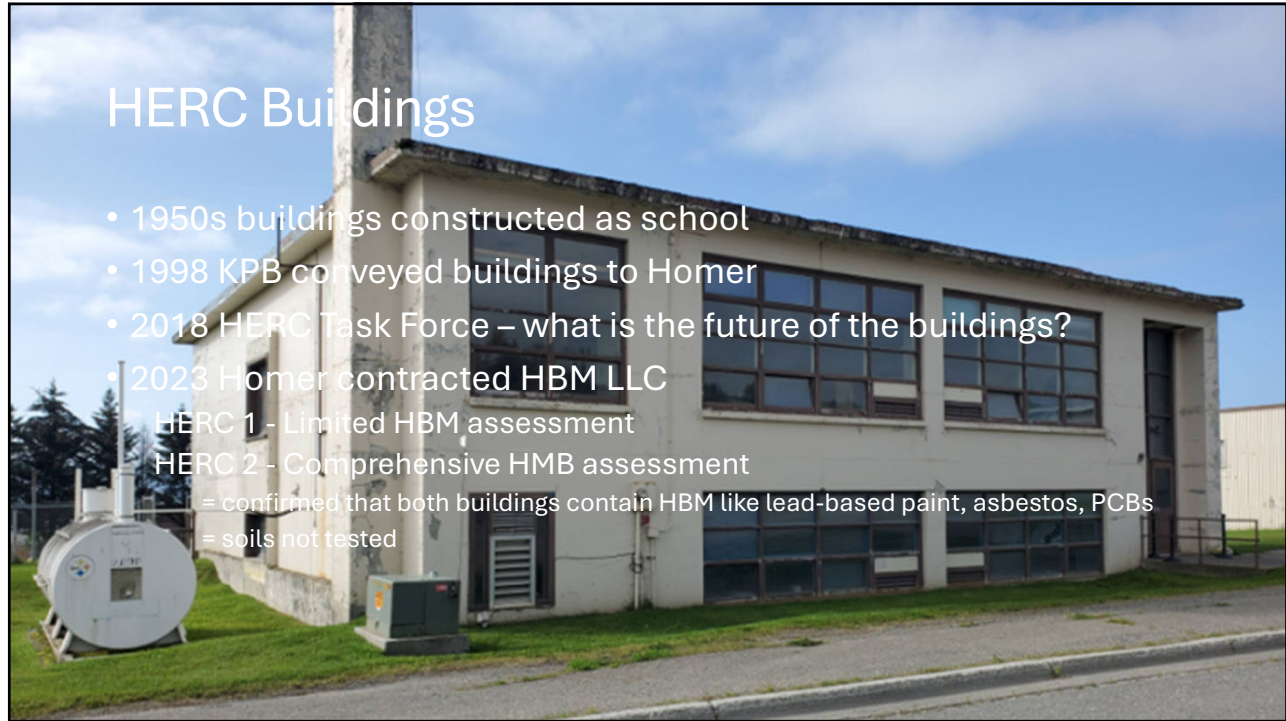
Homer Education and Recreation Complex (HERC) Buildings

Location: Homer, Alaska
Services Provided: Hazardous Building Materials (HBM) Survey; Site Assessment; Analysis of Brownfields Cleanup Alternatives (ABCA)
Planned Reuse: Community Recreation Center
[DEC Contaminated Sites Database Entry](#)

Eklutna Tailrace

Location: Palmer, Alaska
Services Provided: Analysis of Brownfields Cleanup Alternatives (ABCA)

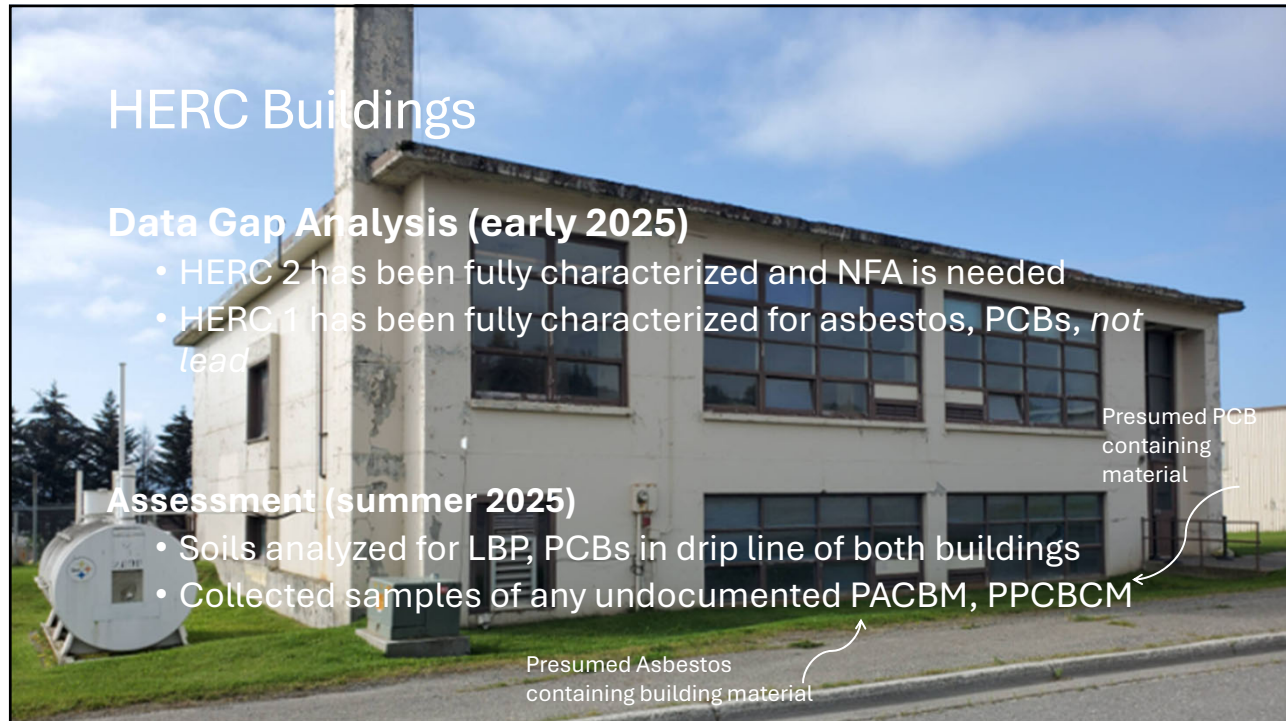
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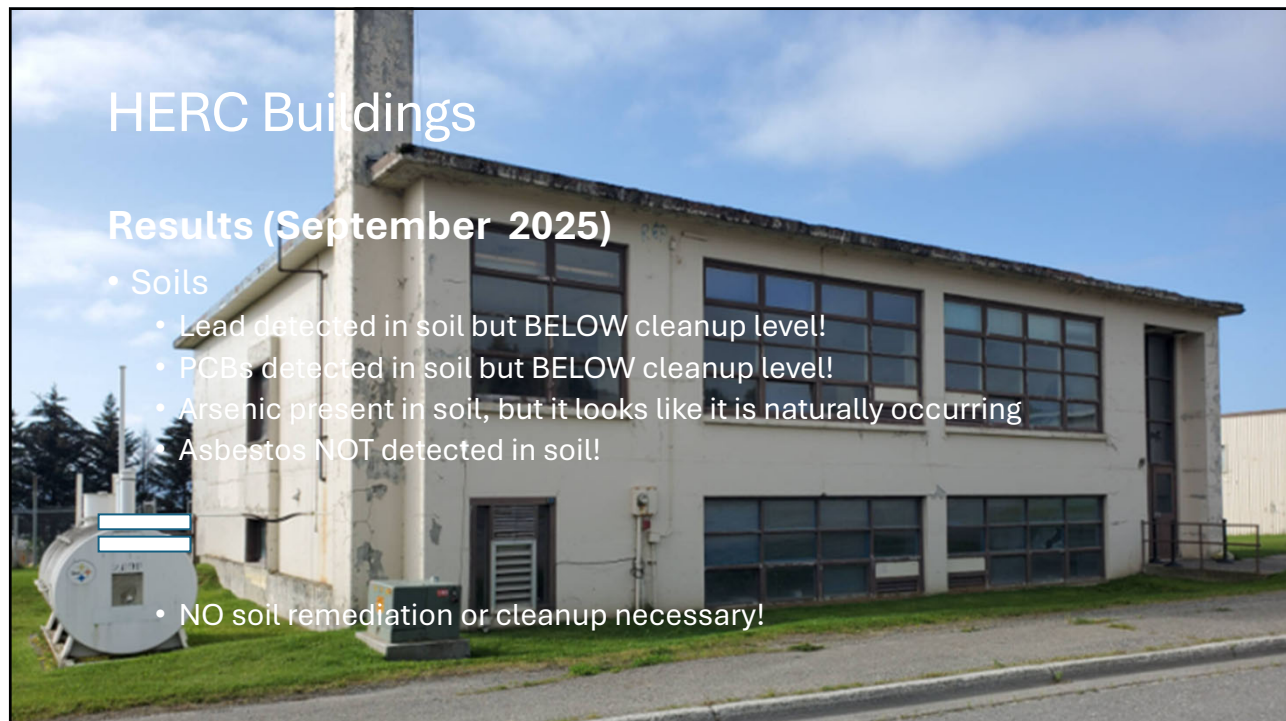
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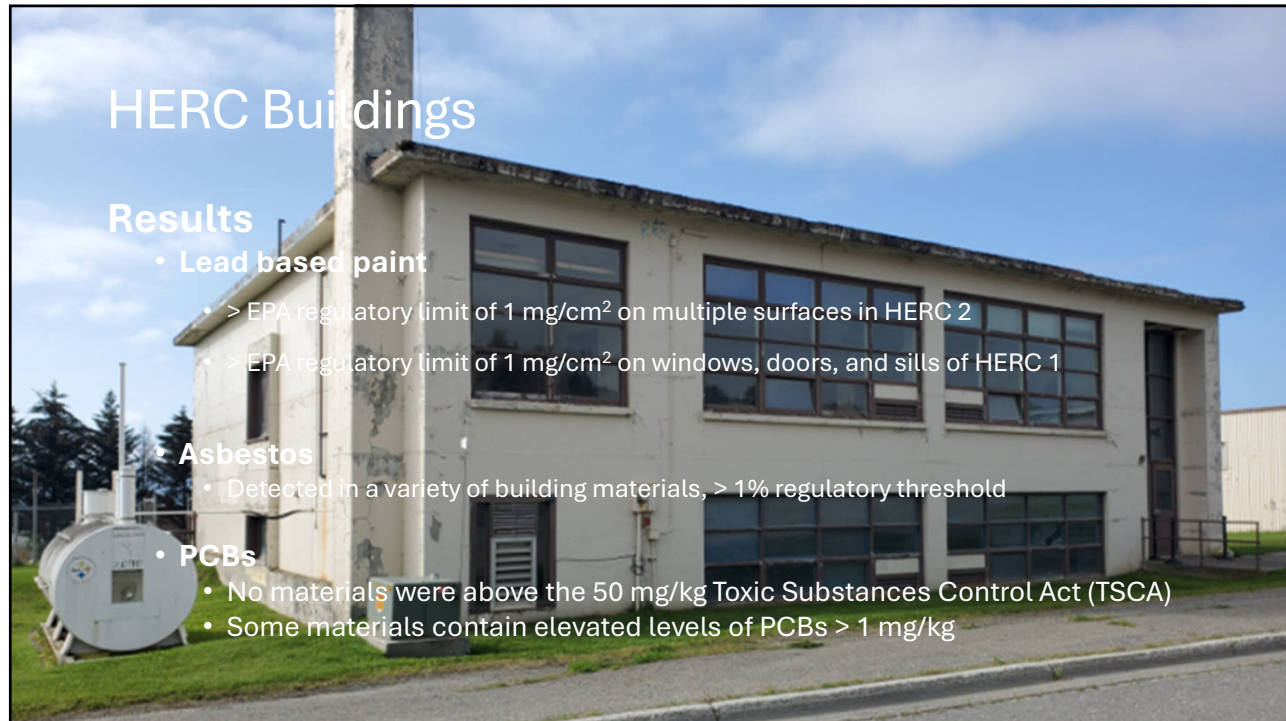
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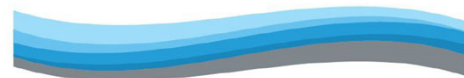
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Analysis of Brownfields Cleanup Alternatives (ABCA)

(November 2025)

Five Alternatives Were Proposed:

1. No action
2. Programmatic requirement for brownfields grants
3. Encapsulation of LBP in both buildings
4. Evaluates cleanup options based on effectiveness, feasibility, and cost
5. Further testing and analysis of building materials
6. Abatement, local disposal of ACM. Removal and disposal of remaining structure outside Alaska
7. Allows public participation before remediation begins
8. Disposal of remaining structure outside Alaska
9. Disposal of both buildings outside Alaska



HERC Analysis of Brownfields Cleanup Alternatives (ABCA)

Through the State's Brownfield Assessment and Cleanup (DBAC) Program, the City engaged the Alaska Department of Environmental Conservation and BGS environmental consultants to assess the HERC property. The consultants reviewed previous Hazardous Building Materials Inventories, conducted a data gap analysis, performed additional sampling of building materials and soils (including testing for lead contamination from deteriorating lead-based paint around both buildings), and developed an Analysis of Brownfield Cleanup Alternatives (ABCA). The ABCA evaluates five cleanup alternatives with rough order magnitude cost estimates to assist informed decision-making on the City's objectives of demolition and eventual site repurposing.



450 STERLING HIGHWAY
HOMER, ALASKA

ANALYSIS OF BROWNFIELD CLEANUP ALTERNATIVES

<https://www.cityofhomer-ak.gov/planning/herc-analysis-brownfields-cleanup-alternatives-abca>


NOVEMBER 2025

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Alternative		Effectiveness				Implementability	Cost*
		ACM	LBP	PCBs	Repurpose Property		
A	No Action	☹️	☹️	☹️	☹️	Easy	0
B	LBP Encapsulation	☹️	Short term	☹️	☹️	Fairly <u>easy</u> ; requires abatement contractor	\$60,000
C	Further Testing	✓	✓	✓	✓	Moderately difficult; <u>prolongs</u> demo and repurposing	\$30,000
		Only in conjunction with another alternative					
D	Abatement; Local and Distant Disposal	✓	✓	✓	✓	Moderately difficult; requires further testing of <u>ACM's</u> for LBP & PCB contamination and prolongs repurposing	\$10,300,000
E	Abatement; Distant Disposal	✓	✓	✓	✓	Fairly <u>easy</u> ; no further testing and requires abatement contractor	\$10,500,000

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Response to Comments
Analysis of Brownfield Cleanup
Alternatives
Homer HERC Buildings
March 27 – April 24, 2026



Alaska Department of Environmental Conservation
Division of Spill Prevention and Response
Contaminated Sites Program
May 2026

Results of ABCA public process

- Draft ABCA was published for public comment March 27-April 24
- A total of 4 public comments were received. The most widely expressed supported alternative was:
 - **Demolition of HERC 1, abatement of HERC 2**
- Once ABCA has been finalized, it can be used to apply for EPA Brownfields cleanup funding if that is what the community wishes to pursue.

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EPA United States Environmental Protection Agency

Environmental Topics ▾ Laws & Regulations ▾ Report a Violation ▾ About EPA ▾

Home / Brownfields / Grants and Funding

Cleanup Grants

Cleanup Grants provide funding to carry out cleanup activities at brownfield sites owned by the applicant.

- Performance period is up to 4 years.
- Sites may not receive this funding more than once.
- Applicants may request up to \$500,000, ~~up to \$2 million or up to \$4 million~~ to address one or more brownfield sites contaminated by hazardous substances, pollutants, contaminants or petroleum.
- Applicants may submit only one Cleanup Grant application each competition cycle.

REUSE component is important in Brownfields and makes a stronger application

Resources

Program & Funding Resources ▾

Eligibility ▾

Technical Assistance

The program also provides non-competitive funding:

- To [State and Tribal Response Programs](#).
- For recapitalization of existing revolving loan funds.

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Federal Appropriations/ Congressional Earmarks

Hail Mary on what seems to be an “impossible to fund” project

- Allow legislators to allocate funding to specific projects in their jurisdiction, authorized via a provision written into an appropriations bill
- Brought back in 2021 after a 10-year hiatus
- Come with their own restrictions, requirements, etc
- Reach out to your legislators if you are interested!

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- **Hooper Bay:** \$5 million for the Native Village of Hooper Bay to construct a road and barge landing.
- **Ketchikan:** \$1.8 million for the Ketchikan Gateway Borough to make airport improvements.
- **Whittier:** \$3 million for the Alaska Department of Transportation to help construct the Shotgun Cove Road.
- **Kodiak:** \$2.5 million for the Alaska Department of Transportation to fund the Anton Larsen Bay Road project.
- **Anchorage:** \$2 million for the Alaska Railroad Corporation to fund avalanche mitigation activities.
- **Anchorage:** \$5 million for the Port of Alaska, Anchorage to fund construction activities for an Intermodal Freight Transfer Facility.
- **Anchorage:** \$1.75 million for the Anchorage Water and Wastewater Utility to replace failing private wells with reliable public water service.
- **Anchorage:** \$5.3 million for the Anchorage Water and Wastewater Utility for public drinking water access.
- **Anchorage:** \$1.197 million for the Anchorage Water and Wastewater Utility to construct a regional water pipeline to improve emergency and fire protection water transmission and supply.
- **Kake:** \$3.61 million for a project that will provide remediation for a highly contaminated former school building in Kake by removing building debris and contaminated soil.
- **Angoon:** \$3 million to improve Angoon's community landfill and waste management system, including the storage and transportation of solid waste.
- **Gustavus:** \$3.02 million to construct a new main building for the Gustavus Disposal & Recycling Center.
- **Pelican:** \$4 million to make improvements to Pelican's septic tank and disposal system.
- **Craig:** \$3 million to engineer and redesign the water system with targeted upgrades to improve capacity, efficiency, and resiliency of water treatment for the City of Craig.
- **Wrangell:** \$2.5 million to replace the community's aged and inefficient water treatment plant with a new facility to provide safer drinking water as well as better accommodate community changes in demand for water.
- **Ketchikan:** \$1.5 million to eliminate failing sewer mains from throughout Forest Park Drive in order to reduce infiltration and inflow and eliminate mains with deformation and bellies that cause grease build-up and backup.
- **Haines:** \$2 million for water and sewer upgrades for the Haines Borough's new community facility.

Source: Murkowski.senate.gov

Questions?



DEC Brownfields Program

www.brownfields.dec.alaska.gov

dec.brownfields@alaska.gov

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Marc.Thomas@alaska.gov	Emily.VandenBerg@alaska.gov

FY27 Mid-Biennium Budget Amendment Form

Fund Name: Port and Harbor

Project Name: Port security fencing

Account #	Account name	Page #	Increase	Decrease	Balance
456-380	Port and Harbor Reserves			\$50,000	
	Port Security Fencing		\$50,000		

Rationale:

The Port requests a midterm budget adjustment to hire a contractor to install chain link fencing within the regulated cargo laydown area supporting the commercial barge ramp. This is a compliance-driven improvement necessary to separate HazMat cargo (regulated Materials) from non-regulated materials as required by the Port's Facility Security Plan and reinforced by recent direction from the Coast Guard Marine Safety Detachment. Because the Port must maintain compliance with federal security requirements, this work is not discretionary. Installing the fenced enclosure will bring the facility into compliance while preserving vessel owner and crew access without requiring port staff to manage gate access, allowing operations to continue efficiently.

Requested By: Bryan Hawkins

Prepared By: _____



MEMORANDUM

CC-26-116

Ordinance 26-27, An Ordinance of the City Council of Homer, Alaska, Amending the City of Homer Water and Wastewater Rates and Updating the City Fee Schedule Accordingly.

Item Type: Informational Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: May 26, 2026
From: Elizabeth Fischer, Finance Director
Through: Melissa Jacobsen, City Manager

SUMMARY:

The purpose of this memo is to provide supplementary information regarding the water/wastewater rate model and to discuss reasoning for postponement of establishing rates.

BACKGROUND:

A water and wastewater rate model for FY27 was introduced to City Council at the May 11th meeting. A couple changes were made to the rate model inputs and new rates were generated for the meeting tonight (reference Memorandum 26-114 for details on those changes). Upon further internal review, additional questions have been raised that warrant further review.

1. As currently presented, the revenue collected through the minimum usage fee represents the revenue generated by applying the monthly minimum usage fee by those users between 0 – 700 gallons.
 - a. Under the minimum usage fee model, all users would be billed a minimum usage fee and then be billed consumption above 700 gallons. Due to this bill structure, Finance is now analyzing whether this revenue backout should include all users and the consumption volume is adjusted to reflect this change. The same thoughts are being considered for the sewer rate model.

RECOMMENDATION:

Postpone adoption of Ordinance 26-27 until June 8th to allow staff additional time to address the points presented above and to update the rate model accordingly.