



City of Homer

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Office of the City Manager

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Memorandum

TO: Mayor Lord and Homer City Council
FROM: Melissa Jacobsen, City Manager
DATE: June 17, 2026
SUBJECT: City Manager's Report for June 22, 2026 Council Meeting

Coast Guard Building Update

With the departure of the CGC Naushon from the Homer Harbor the US Coast Guard (USCG) has advised us they will not be renewing their lease at 4373 Freight Dock Road. The lease expires in August and USCG requested consent to abandon their improvements on the property upon termination of the lease. Port and Public Works staff have conducted a walkthrough of the building and agree that although it's dated, it's in generally good condition and appears structurally sound. There is some deferred maintenance that would be needed, including paint, repair of broken concrete, and replacement of ceiling tile, electrical and lighting fixtures, and carpet. The boiler needs inspection and possible replacement. It's currently oil fired and a replacement would likely be a natural gas system, and the fuel tank would be removed. There is value in allowing the USCG to abandon their improvements. The building could be leased to one or multiple lessees or could be retained for City use. Perhaps my future office? I'll keep Council updated on this matter and work with legal to determine what Council action might be necessary to accept the USCG improvements.

Natural Gas Assessment Account

The Natural Gas Assessment District currently has only 49 delinquent assessments remaining that haven't been paid with a principal balance of \$130,000 that will be collected into the future along with interest and penalties. The finance department is still collecting these. The fund balance is approximately \$475,000. Council appropriated the fund balance accumulation of \$900,000 Ord 24-30(A) on 7/22/24 to the Multi-Use Community Recreation Building Fund. I can work with the Mayor on an ordinance to appropriate the current fund balance accumulation in the same manner, or there can be more discussion on what to do at an upcoming Committee of the Whole.

Homer Volunteer Fire Department (HFVD) and Kachemak Emergency Services Area (KESA) Automatic Aid Agreement

A City resident contacted me, and Kenai Peninsula Borough Mayor Micciche about an EMS call on Diamond Ridge Road. They shared that a friend's child experienced a medical emergency and, because the Diamond Ridge station is not staffed for immediate response, they had to wait for KESA crews to arrive from the station out East End Road. The child is now okay, but the resident expressed concern that both the Borough and the City should do better.

For context, HFVD responds to calls within the City of Homer, while KESA is responsible for areas outside the city, including Diamond Ridge. The City and KESA have an Automatic Aid Agreement for fire response, meaning each agency responds within its jurisdiction and requests assistance if needed for fire related matters. HFVD does not receive KESA dispatches and would only respond if directly requested.

Homer Airport Terminal Update

The Request for Proposals for Professional Engineering Services for Airport Water Damage Repair is scheduled to close on Tuesday, June 23rd. The project consists of furnishing all labor, materials, equipment, tools, supervision, and other

facilities necessary to prepare planning/design documents and bid documents. We envision the project to be comprised of two stages: design and construction. The design stage would consist of preparing 65%, 95% and 100% bid documents, including obtaining all environmental and regulatory permits and incorporation of funding conditions. The construction phase would consist of providing bidding assistance, construction contract management, inspection services and project close-out services. I anticipate a resolution to award the contract for these services at the July 27th meeting.

Raw Water Transmission Line Update

Great news! As of June 8th the Raw Water Transmission Line project is mostly complete. All new piping between the raw water pumps and water treatment plan has been installed and pressure tested. Pump house modifications are nearly done also. Final site work is wrapping up including seeding disturbed areas, reinstalling fencing and pulling fiber optic cable to IT terminals at the Water Treatment Plant and the pump house.





June 4, 2026

City of Homer
Homer Foundation City Grant Program
491 East Pioneer
Homer, AK 99603

Dear Mayor Lord, City of Homer Council Members, and Homer Foundation Board of Directors,

I am writing on behalf of Kachemak Heritage Land Trust to thank you for the 2026 grant award from the City of Homer through the Homer Foundation (Grant #7219) received on May 27, 2026. This grant will fund general operating support.

Funding from the City shows our other supporters and grant funders that we are supported by our local government which is highly valuable to our organization. We so appreciate the City's dedication to our work and look forward to continuing to build and maintain a strong connection to the City's goals, including work under consideration in the Beluga wetlands area and on the Poopdeck Trail.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carson Chambers".

Carson Chambers
Communications & Development Manager