



City of Homer

www.cityofhomer-ak.gov

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Supplemental Packet

TO: MAYOR LORD AND CITY COUNCIL
FROM: AMY WOODRUFF, CITY CLERK
DATE: FEBRUARY 9, 2026
SUBJECT: SUPPLEMENTAL PACKET ITEMS

WORKSESSION AGENDA

DISCUSSION TOPIC(S)

- a. Mid-Biennium Budget Discussions

PowerPoint presentation

REGULAR MEETING AGENDA

CONSENT AGENDA

- c. Ordinance 26-13, an Ordinance of the City Council of Homer, Alaska Authorizing the City Manager to Negotiate and Execute a Equipment Purchase Agreement with Mack Services to Allow for the Purchase of a 2026 Dump Truck and Amending the FY26 Capital Budget for a Current Year Payment of \$75,085.84 from the General Fund Fleet Capital Asset Repair and Maintenance Allowance (CARMA) Fund and Related Matters. City Manager/Public Works Director.

Financial Supplement Form

VISITORS/PRESENTATIONS

- a. Megumi Beams, 2025 Teshio Sister City Trip Report

Script and PowerPoint presentations for report, thank you letter from Sarah Brewer

FY26/27 Mid-Biennium Budget
Worksession 02/09/26



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Talking Points

- Supplemental Emergency Medical Transport (SEMT) Program
- FY26/27 Mid-Biennium Budget Schedule
- Water/Wastewater Infrastructure Discussion
- Water/Sewer Rate Considerations
- Wrap Up / Questions



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Supplemental Emergency Medical Transport (SEMT) Program

- Voluntary program that allows eligible Medicaid providers to voluntarily submit annual reports to be reimbursed Medicaid supplemental payments
 - Supplemental payments are “the federal portion of the difference between the provider’s cost per transport and the payment the provider has already received in fee-for-service Medicaid payments and any other source of reimbursement”.
- Annual cost reports are submitted to the State of Alaska, Dept of Health
- Administrative Fee due by June 15 each year of participation
 - Fee is calculated by multiplying flat rate by number of provider’s SEMT-eligible transports.

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SEMT Payments

Two payments types received through this voluntary program:

- Interim Payment – by end of the second quarter following the submission of the annual report
- Final Settlement – completed within three years of receiving the report.
 - The Department will either issue a final supplemental funds payment or recover any payments exceeding provider’s cost.

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FY24 SEMT Payment

- FY24 annual report was due by November 30, 2024
 - City was granted extensions through April 30, 2025
- City of Homer received an interim payment of \$10,878
- Final settlement will be completed by April 30, 2028

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How to Utilize SEMT Payments?

- Per the State regarding stipulations on the use of the reimbursement:
 - "The State Plan Amendment (SPA) and the Alaska Administrative Code (7 AAC 145.750) do not contain any stipulations for the use of the reimbursement."
- Utilization Plan:
 - Receive as revenue into General Fund and transfer those funds into Fire Fleet CARMA to assist with maintenance/repair costs associated with that fleet. Establish policy to formalize process.

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FY26/27 Mid-Biennium Budget Schedule

Dates	Event
8/11/2025	Preliminary Mid-Biennium Budget Development Schedule delivered to Council
11/10/2025	Worksession - Mid-Biennium Budget
1/12/2026	Regular Meeting - Public Hearing - Mid-Biennium Budget Development Schedule delivered to Council
Beginning of December 2025	Begin Mid-Biennium Budget conversations with departments
2/9/2026	Worksession - Reserved for Budget Discussions
2/23/2026	Worksession - Reserved for Budget Discussions
4/27/2026	City Manager's Proposed Mid-Biennium Budget and Utility Rate Model to Council
5/11/2026	Committee of the Whole, Council to discuss mid-biennium budget
	Regular Meeting - to introduce Budget Ordinance and Fee/Tariff Ordinances
5/26/2026	Committee of the Whole, Council to discuss mid-biennium budget
	Regular Meeting - Public Hearing
6/8/2026	Regular Meeting - Public Hearing & Adopt FY26/27 Mid-Biennium Budget and Utility Rate Model for FY27

City Council Dates:

- Feb 2026 – Budget Worksessions
- April 27, 2026 – Mid-Biennium Budget to Council
- May/June 2026 – Discuss/adopt Mid-Biennium Budget

Other areas needing discussion:

- Utility rate model
- Capital spending/prioritization of needs
- Financial Policies/Best Practices
- Anything else??



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Water/Wastewater Infrastructure Values

Water Capital Infrastructure	Units	Unit Rate	Current Replacement Value
Water Mains	282,587 linear feet	\$700	\$197,810,900
Fire Hydrants	332 each	\$20,000	\$6,640,000
Pressure Reducing Stations	29 each	\$200,000	\$5,800,000
Pressure Boosting Stations	3 each	\$200,000	\$600,000
Raw Water Pump Station	1 each	\$3,000,000	\$3,000,000
Water Storage Tanks	4 each	\$1,250,000	\$5,000,000
Water Treatment Plant	1 each		\$20,000,000
			\$238,850,900

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Wastewater Capital Infrastructure	Units	Unit Rate	Current Replacement Value
Wastewater Collection Pipe	291,456 linear feet	\$400	\$116,582,400
Wastewater Force main Pipe	61,248 linear feet	\$300	\$18,374,400
Wastewater Force main Pipe	61,248 linear feet	\$300	\$18,374,400
Sanitary Sewer Manholes	731 each	\$10,000	\$7,310,000
Wastewater Lift Stations	9 each	\$800,000	\$7,200,000
Wastewater Treatment Plant	1 each		\$20,000,000
			\$187,841,200



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Current Replacement Values are in 2025 dollars

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Water/Wastewater Capital Infrastructure Investments Schedule

Water

	YEARS					
	2025 to 2035	2035 to 2045	2045 to 2055	2055 to 2065	2065 to 2075	2075 to 2085
Water Mains	\$45,496,507	\$45,496,507	\$33,627,853	\$21,759,199	\$25,715,417	\$25,715,417
Fire Hydrants	\$2,500,000	\$1,580,000	\$1,620,000	\$980,000	\$1,620,000	\$580,000
Pressure Reducing Stations	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$800,000
Pressure Boosting Stations	\$200,000	\$0	\$200,000	\$0	\$200,000	\$0
Raw Water Pump Station	\$3,000,000	\$0	\$0	\$3,000,000	\$0	\$0
Water Storage Tanks	\$1,250,000	\$1,250,000	\$1,250,000	\$0	\$1,250,000	\$0
Water Treatment Plant	\$3,450,000	\$3,450,000	\$3,450,000	\$3,450,000	\$3,450,000	\$3,450,000
Investment over 10-years	\$56,896,507	\$52,776,507	\$41,147,853	\$30,189,199	\$33,235,417	\$30,545,417
Suggested Investment annually (Calculated)	\$5,689,651	\$5,277,651	\$4,114,785	\$3,018,920	\$3,323,542	\$3,054,542

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Wastewater

	YEARS					
	2025 to 2035	2035 to 2045	2045 to 2055	2055 to 2065	2065 to 2075	2075 to 2085
Wastewater Collection Pipe	\$24,482,304	\$13,989,888	\$45,467,136	\$9,326,592	\$15,155,712	\$8,160,768
Wastewater Force main Pipe	\$6,125,000	\$6,125,000	\$6,125,000	\$6,125,000	\$6,125,000	\$6,125,000
Sanitary Sewer Manholes	\$1,535,100	\$877,200	\$2,850,900	\$584,800	\$950,300	\$511,700
Wastewater Lift Stations	\$4,800,000	\$800,000	\$0	\$800,000	\$1,600,000	\$0
Wastewater Treatment Plant	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Investment over 10-years	\$39,942,404	\$24,792,088	\$57,443,036	\$19,836,392	\$26,831,012	\$17,797,468
Suggested Investment annually (Calculated)	\$3,994,240	\$2,479,209	\$5,744,304	\$1,983,639	\$2,683,101	\$1,779,747



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Water/Sewer Rate Considerations

- Per the City's schedule, we should be contributing/spending roughly \$9.7M each year towards infrastructure for the next ten years.
 - Current combined Water/Sewer CARMA balance is \$2.1M
- The City is relying on outside sources to fund major infrastructure repairs/replacements. Outside funding is becoming more difficult to source.
- Research found that Kenai and Wasilla communities utilize minimum monthly fees, which are determined based on a 3-bedroom, 4-person household.
- Resolution 23-048(S)(A) adopted Utility Financial/Rate Setting Policies
 - At minimum, rate model is to be reviewed every 5 years (due in 2028)

2/6/2026



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Wrap Up

- Next up:
 - FY26/27 Budget Worksession – February 23rd
 - FY26 2nd Quarter Report – March 9th
- Any Questions?

2/6/2026



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**CITY OF HOMER
FINANCIAL SUPPLEMENT**

PROJECT NAME	Dump Truck Payment	DATE	02/05/2026
DEPARTMENT	Public Works	SPONSOR	City Manager/PW Director
REQUESTED AMOUNT	\$ 75,086		

DESCRIPTION	WHEREAS, The FY 26 Capital Budget included a request for funding towards the purchase and replacement of a Dump Truck E-157 that was not funded. The existing Dump Truck E-157 is 26-years old and was planned and scheduled for replacement in 2020. Dump Truck E-157 has transmission and rear differential issues and numerous attempts to repair the transmission issues have been made with no success. Dump Truck E-157 has been taken out of service and Red Tagged due to safety and mechanical concerns. The City of Homer's last dump truck was purchased using manufacturer financing, so the Public Works Department requested quotes from multiple manufacturers for manufacturer financing to support the purchase of a new dump truck. The most cost-effective replacement dump truck was quoted to the City for a price of \$277,380. The financing options offered were a 3-year term with an annual payment of \$97,564.45, a 4-year term with an annual payment of \$75,085.84, or a 5-year term with an annual payment of \$61,668.33.
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FUNDING SOURCE(S)	OPERATING	GF CARMA	GF FLEET CARMA	PORT RESERVES	WATER CARMA
	0%	100%	0%	0%	0%
HAWSP	HART-ROADS	HART-TRAILS	PORT FLEET RESERVES	SEWER CARMA	
	0%	0%	0%	0%	0%

FUNDING SOURCE 1: GF General CARMA (156-0375)		FUNDING SOURCE 2:		FUNDING SOURCE 3:	
Current Balance	\$ 463,080	Current Balance	_____	Current Balance	_____
Encumbered	\$ 0	Encumbered	_____	Encumbered	_____
Requested Amount	\$ 75,086	Requested Amount	_____	Requested Amount	_____
Other Items on Current Agenda	\$ 0	Other Items on Current Agenda	_____	Other Items on Current Agenda	_____
Remaining Balance	\$ 387,994	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	_____

2025 AJCH Student Ambassadors Trip to Japan Megumi Script for presentation at the City Hall

Thank you for inviting us to share our presentations this evening. We are honored to be here.

I am Megumi Beams, a sister city liaison, an interpreter as well as Director and President of Alaska Japanese Club Homer.

To celebrate the 40th anniversary of the sister city relationship between Teshio, Hokkaido, and City of Homer, Alaska, a delegation of 5 student ambassadors made the journey to our sister city this past summer.

Through two years of dedicated practice, the inaugural students gained significant confidence in their Japanese language skills. They successfully delivered presentations at a formal reception in Teshio, representing our city with distinction.

The 2025 delegation met with Mayor Yoshida, city council members, and local school principals. In addition to visiting the Town Hall and schools, the students practiced official protocol during a formal reception hosted by our sister city.

Mayor Yoshida and the Teshio community expressed deep appreciation for our visit. In return, we presented them with special gifts from City of Homer, including 70 handmade chopstick holders created by Alaska Japanese Club students under the leadership of artist Sarah Sims, as well as a beautiful table runner provided by Ruby Nofzigger.

Teshio gifted to Homer some origami arts and a new year calendar. (Student ambassadors hand a calendar and origami arts to members)

We would like to express our sincere gratitude to the City of Homer and our community for your generosity, and to Teshio for their hospitality and a true friendship.

Our next student ambassador delegation to Teshio is scheduled for 2027.

Thank you for your support in making this journey a success. We look forward to our continued partnership.

The student ambassadors will now share their memories from the 2025 trip.

皆さま、応援有難うございます。これからも、宜しくお願ひ致します。

Alaska Japanese Club Homer

Megumi Sensei/ AJCH Director & President
 Sister City Liaison/ Interpreter
 Japanese International Exchange Coordinator/ Instructor

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Sponsorships for Alaska Japanese Club Homer

A Fiscal Sponsor Business Sponsorships



Petro Marine / Petro Express

Chevron



- South Peninsula Hospital
- Girl Scouts of Alaska
- 100 Women who care
- Homer- Kachemak Bay Rotary Club
- Tomodachi Daiko Inc.

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Local Business / Organizations Misc Supports

Art Gallery shop, Bear Creek Winery,
 Bunnell Street Arts Center, Captain's Toy Chest, Dolce Lucca
 Duncan House Diner, Finn's Pizza,
 Forget Me Not Flowers & Gifts, Homer's Jeans,
 Homer Emblem Club, Homer Saw & Cycle, Kachemak Gear
 Shed,
 Lions Club, Mike's Alaskan Eatery, NOMAR, Oodalolly,
 The Bagel Shop, The Homer Bookstore, The Classic Cook,
 The Fat Olives, The Pho and Tai Restaurant, Pika Pika Bento,
 Sweetgale Meadworks & Cider House,
 Two Sisters Bakery, Ulmer's & Wild Honey Bistro

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Big thank you to our supporters

Alice's Champaigne Palace The City of Homer The Consular Office of Japan in Anchorage
HOMER NEWS Homer Public Library

Homer United Methodist Church, Homer United Women in Faith

Kachemak Bay Campus

Our Sister City, Teshio, Hokkaido in Japan Tomodachi Daiko Inc., from Anchorage

Fireweed Academy Charter School, Paul Banks Elementary School &

West Homer Elementary School

Individual supporters; Anna Rodriguez, Barbara McBride, Donald & Mary Sanders, Frank Jeffries, Jackie Holzman, Jackie Norvell, Greta Mahowald, Ken & Chow Taylor, Paul & Tina Seaton, Patty Brennan, Steve Odoi, Steve and Yoko Yoshida, Sherry Thomson, Stephanie, Wes Schraht,

Alexander Underwood, Ahnie Litecky, Amanda Smith, Amanda Wilson, Angela Smith, Angela Hunt, Arlene Ronda, Barbara Haynes, Bill Bechtol, Cate Davis Jason, Cathy Stingley, Charlie Anderson, David Beams, Dave & Ruby Nofziger, Dick & Marge Dunn, Donna Halls, Donald Lee Johenning, Emma Bowman, Elaine Adkinson, Gary Lyon, Genevieve Winrod, George Remington, Gordy Vernon, Isabel S. Julie Engebretsen, Judy Mullikin, Jan Knuston, Jessica Guritz, Joey Hausler, Josephine Ryan, Kay Bunnell, Kelly Smith, Lisa Asselin, Letha Straley, Lisa Weber, Lori Pond, Marcia Kuszmaul, Mari Botkin, Mellisa Martin, Mark Conrad, Mike & Peggy Ostrom, Mr. Furuta, Mr. & Mrs. Kono, Nathan Main, Pat Wise, Rieta Walker, Sarah Brewer, Sarah Sims, Sarah Roberts, Sheila Sabillo, Shirley Forquer, Sue Christinansen, Tim Gervais, Tomasz Sulcznski and Vanessa Albertson

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Another thank you for the invitations of Alaska Japanese Taiko Drumming group to :

- Alaska World Arts Festival in September in 2024 & 2025
- Homer Kachemak Bay Rotary Club in February 12, 2026
- Homer Council on the Arts in March 26, 2025 with Unit Souzou from Portland
- Kids Health Fair in 2025

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Thank you for your supports!

応援有難うございます！

We look forward to our continued partnership.

これからも宜しくお願ひします。

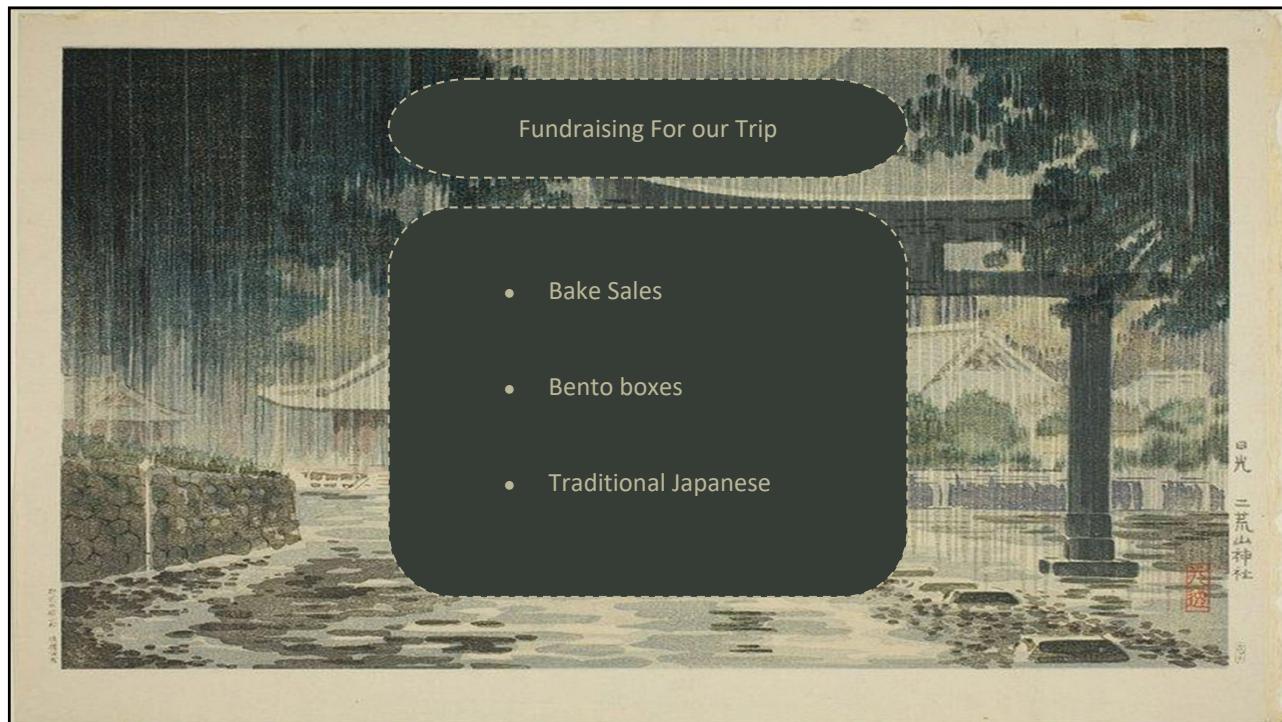


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Homer Alaska Japanese
Club 2025 Ambassador
Trip

By: Elayna Wilson
ウィルソン・エレイナ

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Importance of the student ambassador Role

- We as student ambassadors have built more strong relationship with Teshio.
- We gave our presentation during the reception in Teshio and we intruded ourselves in Japanese to present our City of Homer.



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What did you learn as a student ambassador through this delegation trip in 2025?

I learned the relationships between the sister city, Teshio in Hokkaido and the city of Homer Alaska in the United States.

We visited Teshio Museum and saw the exhibits of our sister city relationship.



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Individual memories

- My memories was in Kyoto in Japan.
- We went to the bamboo forest, Kiyomizu-dera Temple and Kinkaku-ji- Temple which is a golden pavilion with our tour guide in Kyoto.
- The kiyomizu-dera temple is over 1,250 years old and was built without using nails.
- They are just made out of wood.

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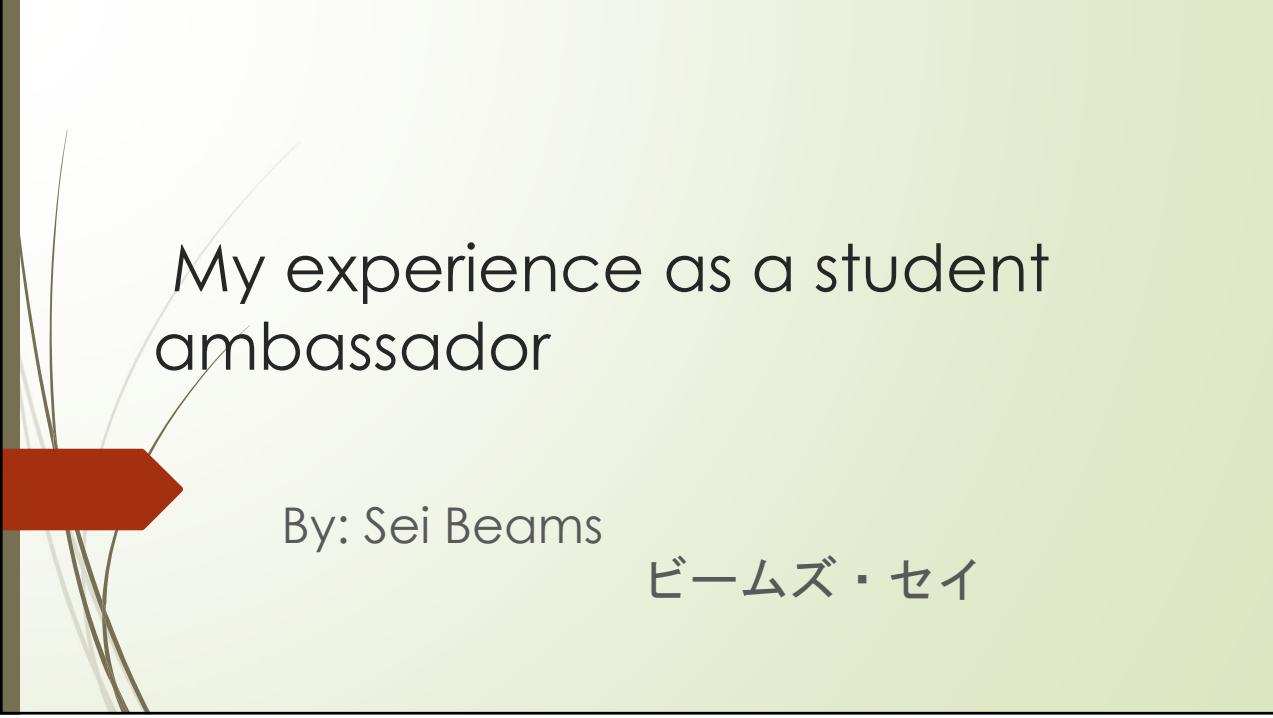
Thank you for listening to
my presentation !

私のプレゼンテーションを聞いて
いただきありがとうございました。

Watashi no purezentēshon o kiite
itadaki arigatōgozaimashita.



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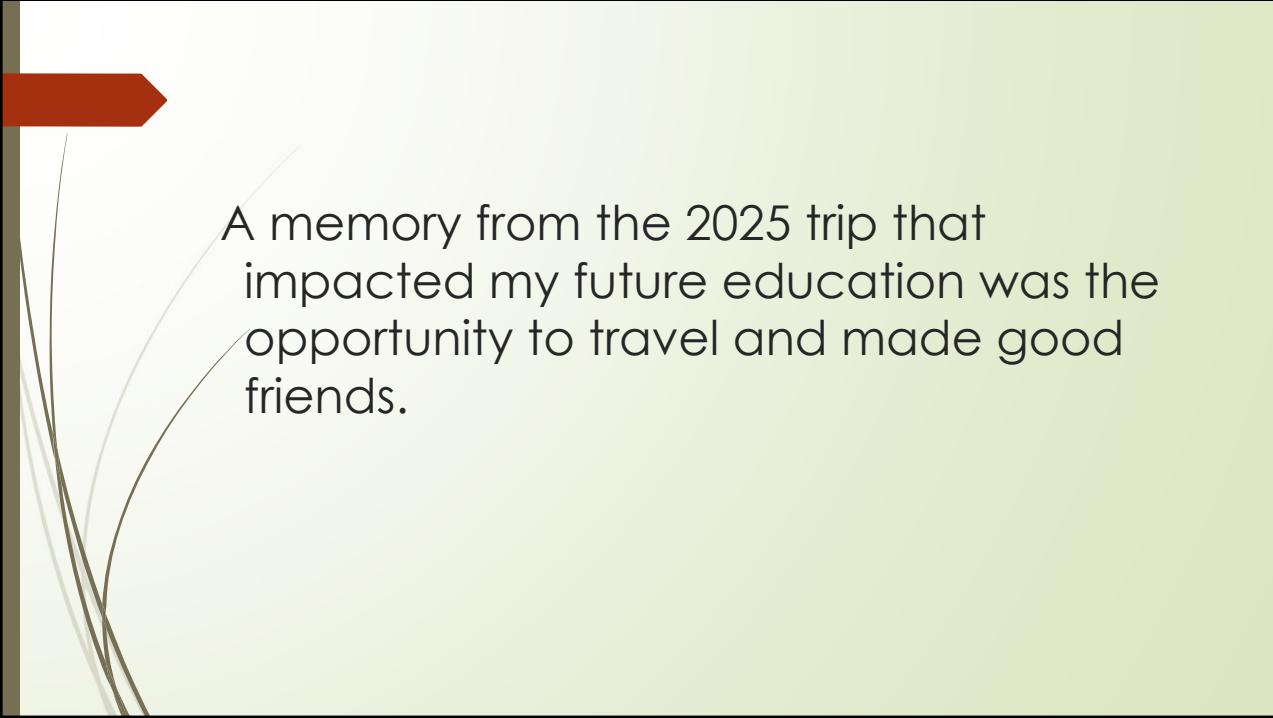


My experience as a student ambassador

By: Sei Beams

ビームズ・セイ

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A memory from the 2025 trip that impacted my future education was the opportunity to travel and made good friends.

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One of my favorite memories from the trip in Teshio was meeting my host family. She was so kind to me, and I had a wonderful time with one of her children playing with me. In addition, I enjoyed eating the Japanese homemade dinner and breakfast she prepared for us.

I appreciate her hospitality.



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While in Hiroshima at the peace memorial museum, I learned that when the bomb exploded it was 9000 Celsius and whoever was in the blast zone disappeared and their shadow was left behind.



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I was happy to become a student ambassador. The reason why I wanted to go was to learn Japanese culture and their language. I mostly learned about the atomic bomb. I learned to speak more Japanese. The trip gave me more confidence and respect. We have great friends in Teshio. Mission in 2025 accomplished for the Student Ambassador and Sister City Relationship.

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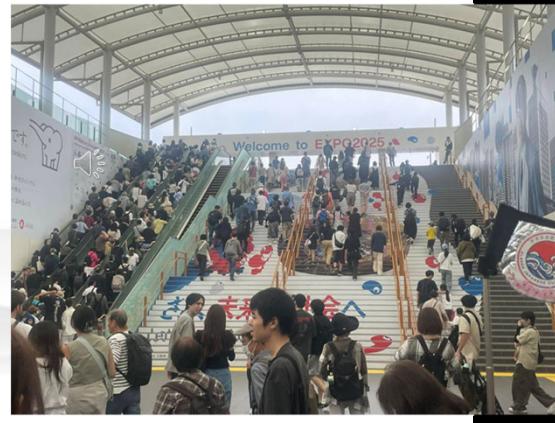
Thank you for supporting us and listening to our presentation.

Watashitachi wo sapouto shi, purezenteishon wo kiite itadaki arigatou gozaimasu.



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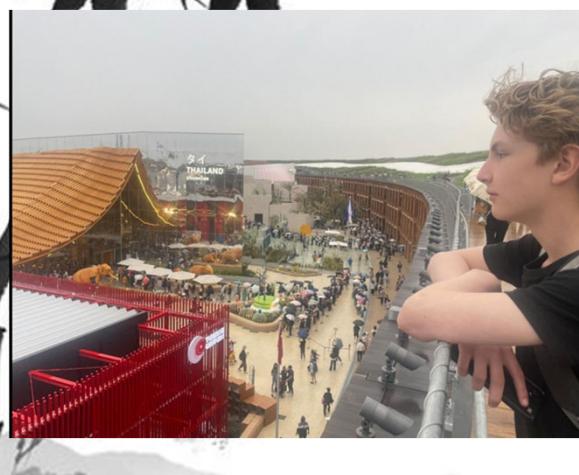
Osaka and the World Expo

Finn Brewer ブルワー・フィン

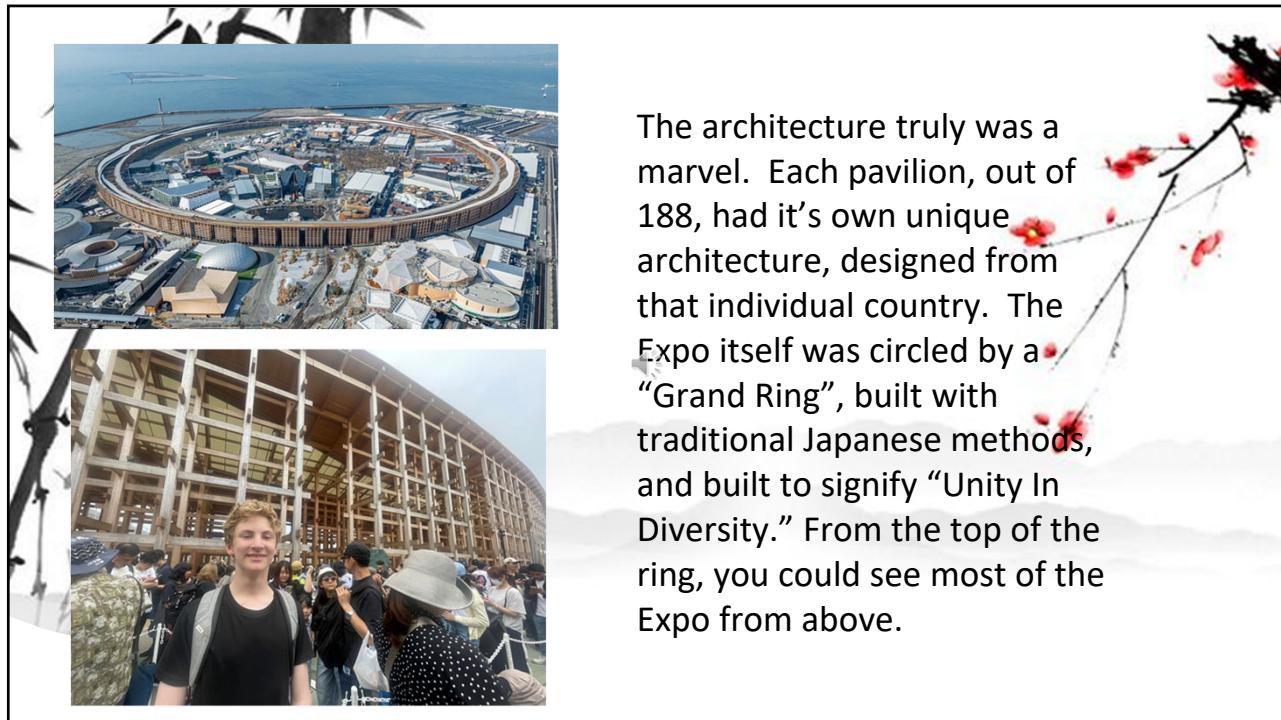
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Personal Experiences at the Osaka Expo



Partnering with the Sister City International organization was a special experience that truly highlighted the importance of global citizenship, and the experiences at the Expo also showed many of the marvels in technology that are helping to bring people together on a global scale, as well as to preserve history and cultures for generations to come.

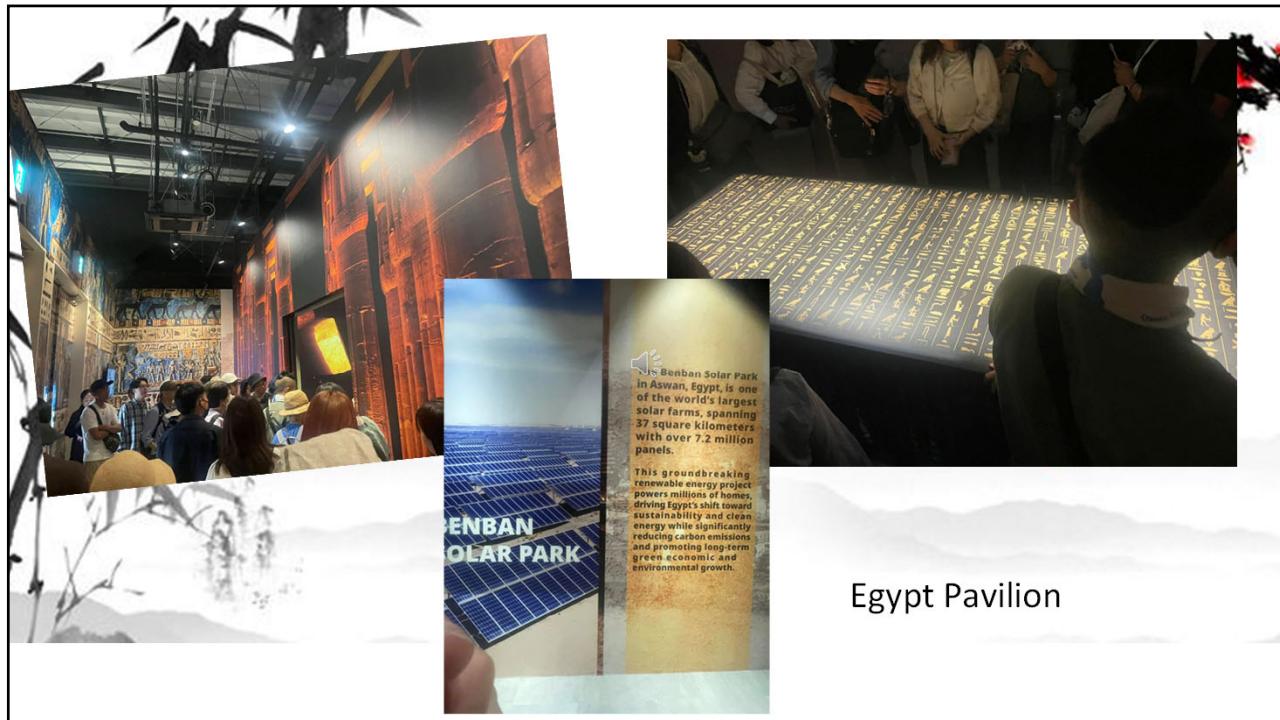
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Egypt Pavilion

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For me, the most impactful part of the trip to Japan was being accepted into the small community of Teshio, and how, being from such different cultures and backgrounds, we can have meaningful experiences with our host families, feeling like a part of their family. Thank you to Megumi Sensei for allowing me to come on this trip and experience these things that have forever changed my life.



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To the members of Homer City Council,

2/9/2026

My name is Sarah Brewer, and I attended the 2025 student ambassador trip to Teshio, Hokkaido and many other parts of Japan with the Alaska Japanese Club of Homer as a chaperone. I wanted to relay my gratitude for the support from the City of Homer for the students who were able to attend this trip.

You should be extremely proud of the students who represented Homer in Teshio. They respectfully met the mayor, took a tour through Teshio's City Hall, and engaged with local officials in a meaningful and thoughtful way. The presentation they gave for the community of Teshio was so well performed and received. I was approached by more than a few community members who commented on how well the students did at the reception.

More than that, however, were the experiences that the students came away with from Teshio. My son, Finn, stayed with two separate host families. One in particular he really felt as though he became a part of the family, in such a short time. He also met two high school students that the AJCH had zoomed with over months leading up to the trip. He was able to go to the community center and play basketball, attend wrestling matches, was treated to a family barbecue from his host family. He came back with so many positive stories and feeling a special bond with the town of Teshio and its community. The Sister City relationship is a very special one. He is excited to return one day.

The students also were able to attend the elementary, middle, and high schools of Teshio, where they took part in P.E. and calligraphy classes, participated in a traditional tea ceremony after school club, and participated in music classes as well. Elayna Wilson and I sang The Alaska Flag song for the students in their music class, and everyone was delighted. We also visited the local Teshio senior center, had lunch, sang karaoke, and made crafts with the residents and members. This was an incredibly special day. I believe every senior center should have a karaoke night! The seniors were so happy to visit and have fellowship with the students, who were able to practice their language skills and laugh alongside the elders. I was continually impressed by the respect and compassion shown by the students; this is a credit to Megumi Sensei and her program.

Thank you, so much, for the support you have given to the program. I hope it is one that will continue for years to come.

Sincerely,
Sarah Brewer