

## Office of the City Manager

491 East Pioneer Avenue Homer, Alaska 99603

citymanager@cityofhomer-ak.gov (p) 907-235-8121 x2222 (f) 907-235-3148

## Memorandum 22-137

TO: Mayor Castner and Homer City Council

FROM: Rob Dumouchel, City Manager

DATE: August 18, 2022

SUBJECT: Codification of HAWSP Fund

In late 2021, the Mayor and I met with attorneys from JDO to discuss issues largely related to water and sewer loans through the Alaska Department of Environmental Conservation (ADEC). The intent was to ensure that we are meeting all of our obligations to ADEC and that there are no issues outstanding that could impede the City from future loans. This is particularly critical with the federal funding that is becoming available at this time.

This project became quite involved, with my office, the City Attorney, Finance, and Public Works all playing a part in doing the research and collaborating on the best ways to move forward with ADEC loans. We found that we are generally in good shape, but there were a few things would could do to strengthen our position. The ordinance codifying the establishment of the Homer Accelerated Water and Sewer Program (HAWSP) Fund was suggested by the City Attorney as one step to clarify the intent and existence of the HAWSP Fund. This ordinance does not make any substantive changes from what Council has previously approved via the HAWSP policy, but it does formally place the existence of the fund in code.

At a staff level, there are some additional follow up items to achieve which include negotiating some updates to agreements with ADEC. We will report back to Council with any significant updates.

**Staff Recommendation:** Introduce and approve ordinance 22-48