



MEMORANDUM

Ordinance 23-25, An Ordinance of the City Council of Homer, Alaska, Amending the FY23 Capital Budget by Authorizing a Total Transfer of \$438,315 to include \$200,000 from Water Capital Asset Repair and Maintenance Allowance (CARMA) Fund, and \$238,315 from Sewer CARMA Fund to Utility Operations Fund Fund Balance. City Manager/Finance Director.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Meeting Date: 08 May 2023
From: Elizabeth Walton, Finance Director
Through: Rob Dumouchel, City Manager

Purpose of Ordinance:

Homer City Council amended the City of Homer Water and Sewer Rates by approving Ordinance 22-61 and a transfer was completed per Ordinance 22-67 to fund rate model capital projects. These projects were not able to be completed within the fiscal year and, therefore, funds need to be returned to the funding source (Utility Operations Fund Fund Balance).

Identified FY23 Projects:

The FY23 Utility Rate Model incorporated capital projects that were paid by the rate payers.

Water Capital Improvement Projects (\$200,000):

- Hydrant Replacement (10/year) \$100,000
- Fleet Replacement \$50,000
- Replace Water Meters \$50,000

Sewer Capital Improvement Projects (\$238,315):

- WWTP MCC Spare Parts \$30,000
- Replace Cracked Incinerator \$75,000
- Beluga Lift Station \$20,000
- Lagoon Liner \$25,000
- Replace Lift Station Access Hatch \$13,315 (remainder of \$50,000 project funded through ARPA funding)
- Sludge Drying Beds \$25,000
- Fleet Replacement \$50,000

Recommendation:

Pass Ordinance transferring \$438,515 from Utility Capital Asset Repair and Maintenance Allowance (CARMA) Fund to Utility Operations Fund Fund Balance.

Attachments:

Ordinance 23-25
Financial Supplement