



MEMORANDUM

**Resolution 23-095, A Resolution of the City Council of Homer, Alaska Authorizing the City Manager to Apply for an Alaska Department of Environmental Conservation (ADEC) FY24 State Revolving Loan Fund Loan for the Waste Water Master Plan Update.
City Manager/Public Works Director.**

Item Type: Backup Memorandum
Prepared For: City Council
Date: September 5, 2023
From: Janette Keiser, PE, Public Works Director/City Engineer
Through: Rob Dumouchel, City Manager

I. Issue: The purpose of this Memorandum is to request authorization to apply for a loan from the Alaska Department of Environmental Conservation (ADEC) in the amount of \$80,000 to update the Waste Water Master Plan.

II. Background:

We've received an update from the Alaska Department of Environmental Conservation (ADEC) about the FY24 Intended Use Plan for the State Revolving Loan Fund (SRF) and related Principal Forgiveness Subsidies. There is good news. The City's been offered Principal Forgiveness Subsidies for several important projects. One of them is a Waste Water Master Plan Update.

Homer's existing Waste Water Master Plan was developed in 2006, with a planning horizon of 20 years. In some ways, this 2006 report is still timely. The population was projected to be 9,699 people in 2020. It is 2023 and we have not reached that population within Homer's city limits. The Waste Water Treatment Plant (WWTP) has a design capacity of 880,000 gallons per day, peak flow. In 2006, the average daily flow was 390,000 gallons per day. Today, we are running at over 50% capacity,. However, change has occurred and is likely to continue.

Homer is contemplating the expansion of its Port facilities, which could increase demand on the WWTP. The areas outside Homer's city limits are expanding and some of that expansion trucks septic tank septage to Homer. We've been making substantial investments to renovate the WWTP systems – clarifiers, blowers and more. We need to know what the overall affect is on the continued longevity of our system. Further, Homer is still experiencing high rates of Inflow & Infiltration (I & I), which directs drainage from roof drains, footing drains and leaking manholes to enter the sewer pipe

lines, causing the WWTP to treat clean water. There are days when we run at capacity due to I & I. Further, regulations have changed over the past few years, making our discharge permit's operating parameters more stringent. We see this trend continuing as time goes by.

We've been offered a Principal Forgiveness Subsidy in the amount of \$75,000 for a Sewer Master Plan Update. The estimated cost is \$80,000. It is necessary to submit a loan application to the ADEC in order to "lock in" the Principal Forgiveness Subsidy. Once the loan is offered to us, we will present Council with an ordinance appropriating the funds.

III. RECOMMENDATIONS: That the City Council authorize the City Manager to apply for an ADEC loan in the amount of \$80,000 for the Sewer Master Plan Update.