



MEMORANDUM

City Council Regular Meeting Homer Harbor Expansion General Investigation Champions Report

Item Type: Informational Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: February 6, 2024
From: Council Members Lord and Hansen

We met with staff on Friday, Feb. 2nd to get an update on the Harbor Expansion General Investigation study. We talked over the upcoming release of the President's FY25 (Fiscal Year) budget, sometime in February or March.

The Alaska District requested \$800,000 in the President's FY25 Budget to carry the Homer Harbor Expansion General Investigation Study through the next fiscal year. They say the funds *should be* in the budget, but there is no way to know for sure until the budget is released. Similar to the City and the State budget process, the federal budget process will *begin* with the President's proposed budget being released to Congress. This is step one, and we certainly hope to be included in the President's FY25 budget for the USACE.

Whether or not we are included in that first step, we will want to engage with our Congressional delegation and USACE partners to do what we can for FY25 funding for the GI study. City staff has recently had meetings with USACE Alaska District folks, and we sent the Congressional delegation an update on the GI in early February.

Staff is working on bringing the Council a project timeline/Gantt chart at our next meeting (Feb. 26), taking into account the unknowns about FY25 funding. There are components of the study that may be advantageous to continue working on in the interim (like the sonar and geotechnical sampling), but that will be a decision for the Council to make after thoughtful review and consideration.

Unfortunately, the budgetary unknowns are going to be part and parcel of a federal project like this. We can just look at the continued lack of a FY24 federal budget to know that this isn't an isolated situation, nor about our particular project.

We encourage the Council, the Port & Harbor Commission, and the community to remember we are on a long-haul in a tumultuous time with federal budgets. We know this study will be invaluable for our community regardless of the outcome, and will help us to understand the potential for improving maritime transportation for the entire region. As leaders, we have the opportunity to ensure we are asking questions and engaging with our federal and state partners in positive, productive ways. We would love to hear feedback from the Council on any questions you have or actions you would like to see the City taking in this interim period.