



MEMORANDUM

Ordinance 26-26, An Ordinance of the City Council of Homer, Alaska Amending the FY27 Capital Budget to Provide for Necessary Mid-Biennium Budget Adjustments. City Manager.

Item Type: Backup Information
Prepared For: Mayor Lord and Homer City Council
Date: May 8, 2026
From: Melissa Jacobsen, City Manager

Background: Homer City Code 3.05.015 (e). directs that the City Council shall provide for a mid-biennium review, and any modification shall occur no sooner than eight months after the start, but no later than the conclusion, of the first year of the biennium.

Discussion: The ordinance amending the FY27 capital budget is scheduled for introduction on May 11, with a public hearing and second reading on May 26. If additional time is needed a second public hearing and final reading can be scheduled for June 8th.

Capital requests are funded through the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund. Currently the General CARMA account has an adequate balance to fund the departmental requests that were submitted and listed in the spreadsheet included in the packet titled City of Homer FY26/27 Mid-Biennium Capital Requests.

I have approved all departmental requests submitted except for the PW Campus Conceptual Design, which I've recommended to be funded by the next Community Assistance Program (CAP) payment. The estimated payment is approximately \$98,000 so additional CARMA funding may be needed to fully fund the request. City Council requests that have been submitted will need to be approved by motion and vote of the Council.

Mayor and Council may modify or remove any items I have approved included in the draft mid-biennium capital budget by motion and vote of the body. In addition, Mayor and Council may propose new capital budget amendments by submitting budget amendment request forms prior to the May 26 meeting. Each proposed amendment will be considered individually by a motion and vote of the body.

Recommendation: Adopt the ordinance amending the FY27 mid-biennium capital budget adjustments.

City of Homer
FY26/27 Mid-Biennium Capital Requests

<u>Fund</u> <u>Dept A/C</u>	<u>Requests Description</u>	<u>BY</u>	<u>Amount</u>	<u>City</u> <u>Manager</u> <u>Approval</u>	<u>Council</u> <u>Approved</u>
	General Fund				
152-0382	4x4 PD Patrol Truck (Chief's Vehicle) (transfer from 156-0375)	Police	75,000	75,000	
152-0383	E113 1/2ton 4x4 Pick-Up (transfer from 156-0375)	PW	60,000	60,000	
156	PW Campus Conceptual Design	PW	150,000	-	
156-0394	Portable Radios (transfer from 156-0375)	Police	19,000	19,000	
156-0395	Roof Repair at Old PD Building (transfer from 156-0375)	PW	35,000	35,000	
	Total General Fund Requests		339,000	189,000	-
	Water/Sewer				
256-0378	Fire Hydrant Replacement	PW	100,000	100,000	
256/456	Sea Tow Building Roof/Plumbing Replacement (50/50 split)	Port/PW	23,250	23,250	
	Total Water and Sewer Reserves		123,250	123,250	-
	Port and Harbor				
256/456	Sea Tow Building Roof/Plumbing Replacement (50/50 split)	Port/PW	23,250	23,250	
	Total Port Reserves		23,250	23,250	-
	HART-Homer Area Roads & Trails				
	Total HART		-	-	-
	Total Capital Requests Only		485,500	335,500	-

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST**

FY27 BUDGET

Requesting Department Police

Date 4/29/2026

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ <hr/> (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>4x4 PD Patrol Pickup</u> <hr/> Fund Name: <u>CARMA</u> <hr/> Account Name: <u>Police Fleet (transfer from General CARMA)</u> <hr/> Account # <u>152-0382</u> <hr/> Estimated Cost: <u>\$75,000</u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The current Chief's vehicle is a 2018 Ford PUV with minimal/inadequate gear inside for a police presence/response. The proposal is for a multi-purpose/purpose built police designated patrol truck that will be the primary vehicle for Chief Scanlon.

Given totality and the cost to upfit the existing vehicle to make it "patrol ready" it does not appear to be a cost effective usage of money, given that this vehicle will go either back into the city fleet for further usage or stay in police inventory as a training car/investigator vehicle.

Total cost will be \$75000.00 with upfitting by Alaska Safety.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Chief Scanlon is fully uniformed and has/will respond to calls for service when the situation warrants. This vehicle will be fully outfitted for a patrol vehicle with transport cage, radios, radars, computer docking station, rifle/shotgun racks etc. As the police department has an enclosed trailer (Project Drive) it was also be used to pull it, as well as responding to scenes where large items need transport. Currently we would need to borrow a truck (if available) from Public Works. As is current practice, When HPD has a "range day" we need to re-arrange our vehicles to carry the large, oversized, bulky items in an already full vehicle. The truck will alleviate this issue. When needed for a specialized detail, the truck will be available for any department member to use in the course of their official duties.

Priority of Need: This budget request item ranks # of the department's budget requests.

Requestor's Name: Chief Scanlon Dept Head Approval *M. Jucals*
 Date 5/5/26

City Manager Recommendation: Approved Denied Amended

Comments:

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY27 BUDGET**

Requesting Department Public Works

Date 3/24/2026

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>E 113 1/2-ton 4x4 Pick-up</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u>\$60,000</u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

E-113 is a 2006 Ford F-150 used by the Engineering Department of Public Works. This vehicle was scheduled for replacement in 2021. The frame of this vehicle has rusted through making the vehicle unsafe to operate and therefore requiring replacement.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Pick-ups are necessary transportation for engineering staff. This vehicle is currently shared by 3 staff members and is used for site inspections, transporting equipment, and moving small trailers and equipment.

Priority of Need: This budget request item ranks # 2 of the department's budget requests.

Requestor's Name: Daniel Kort Dept Head Approval Daniel Kort

Date ##

City Manager Recommendation: Approved Denied Amended

M. Javelle 5/5/26

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY27 BUDGET**

Requesting Department Public Works

Date 3/24/2026

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Public Works Campus Conceptual Design</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u>\$150,000</u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Several years ago it was identified that the Public Works Campus is located within the Tsunami inundation zone and property was purchased for the intended relocation of the Public Works Campus. The existing Public Works Campus dates back to approximately the 1970's. This facility has been added onto and modified numerous times as the City has grown including efforts in the 1980's and 1990's. It appears as though the building has not had any major renovations since approximately 1996. Due to the age and numerous additions to the building, the structure is exhibiting numerous failures such as electrical deficiencies, plumbing deficiencies, HVAC and ventilation deficiencies, roofing issues (numerous roof leaks), siding degradation, and outdated and inoperable windows. In addition, the Department has outgrown the aging Public Works Building and has resorted to having several staff members being housed in the HERC. Further, maintenance items and equipment have been spread out between the Water Treatment Plant, Wastewater Treatment Plant, HERC, and the Public Works Campus. Lastly, there are numerous pieces of equipment maintained by the Public Works Maintenance shop are too large to fit within the outdated building. The Public Works Department intends on contracting with an engineering company to produce a Conceptual Design for the new Public Works Campus as well as produce a Cost Estimate so the City can shop for potential external funding sources. The existing campus has exceeded it's useful life.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

The Public Works campus is the facility that houses all functions that carryout the missions related to maintaining infrastructure and respond to emergencies. The facility being in the Tsunami inundation zone places all fo the response people and equipemnt at risk of not being able to respond to an emergency.

Priority of Need: This budget request item ranks # 3 of the department's budget requests.

Requestor's Name: Daniel Kort Dept Head Approval Daniel Kort
 Date 3/24/2026

City Manager Recommendation: Approved Denied Amended

Comments:
Recommended project for CAP funding estimated @ 98k
addl funding may be needed.

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY27 BUDGET**

Requesting Department Police Date 1/13/2026

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Portable Radio Purchase</u> Fund Name: <u>General Fund</u> Account Name: <u>Tools and Equipment</u> Account # <u>100.0160.5231</u> Estimated Cost: <u>\$19,000</u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Our existing portable radios have provided great service to us but they are aging and wearing out. We currently have three at the factory depot for repairs. Radios at the depot can be there for over a year due to the shortage of electronic parts for repairs. All of our officers are issued a portable radio and are expected to take them home to ensure they are fully equipped if called upon to respond to an emergency call for service on their time off. We do not have any more radios to issue if another one fails. This budget request will fund the purchase of three new portable radios to ensure we have enough functional radios for all of officers at all times. We have submitted a grant request for these radios to Homeland Security. The Homeland Security grant program has been suspended by the current administration. We do not have any other options available to us for funding this request at this time.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

This request will help us to be able to provide the community with a rapid, all force response to a major natural disaster or serious incident of some type. Fast responses to any and all calls for service is an ongoing goal at the police department.

Priority of Need: This budget request item ranks # 3 of the department's 3 budget requests.

Requestor's Name: Mark Robl Dept. Head Approval Mark Robl
 Date 1/13/2026

City Manager Recommendation: Approved Denied Amended *M. J. [Signature] 5/5/26*

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY27 BUDGET**

Requesting Department Public Works

Date 4/29/2026

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) Request Title <u>Roof Repair at Old PD Building</u> Fund Name: <u>CARMA</u> Account Name: <u>Public Works (transfer from General CARMA)</u> Account # <u>156-0395</u> Estimated Cost: <u>\$35,000</u>	<input type="checkbox"/> Operating Line Item Increase
(FINANCE DEPT WILL COMPLETE)		
5101 Permanent Employees _____		
5102 Fringe Benefits _____		
5103 P/T Employees _____		
5104 Fringe Benefits P/T _____		
5105 Overtime _____		
Total Personnel Cost _____		

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The roof of the Old PD has been in disrepair since the Police Department moved out of the building. The building is currently being used by the HVFD as storage, training, and one room on the second floor as an exercise room. As Public Works understands it, this property was retained for the future Fire Department building, when funding is available.

This past winter's winds have been particularly hard on this existing failing roof and at least one steel roof panel that was only partially attached, finally blew off the roof. Public Works Department Staff solicited quotes from contractors to re-roof the building. One of the contractors reinstalled the steel roof panel that blew off while he was on the roof collecting data for his quote. This roof is well past it's useful life.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

It is likely that it will be several years before the City is positioned to construct a new Fire Department Building. Public Works believes that it is in the City's best interest to maintain this building in the interim. The current uses of the building are noted above, and there is a potential that the Building Maintenance and Parks Divisions may need to be relocated, depending on the status of the current HERC. The current Public Works Campus doesn't have room for Building Maintenance and Parks, and the Old PD building could be repurposed to house them when it becomes necessary and also accommodate storage for HFVD.

Priority of Need: This budget request item ranks # of the department's budget requests.

Requestor's Name: Public Works Director Kort Dept Head Approval *Myacola*
Date 5/5/20

City Manager Recommendation: Approved Denied Amended

Comments:

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY27 BUDGET**

Requesting Department Public Works

Date 3/24/2026

Request for Additional Personnel:
Position Title _____
Salary Range & Step _____
Full-time
Part-time Hours Per Year _____

Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) Operating Line Item Increase

Request Title FY27 Firehydrant Replacement

Fund Name: _____

Account Name: _____

Account # _____

Estimated Cost: \$100,000

(FINANCE DEPT WILL COMPLETE)
5101 Permanent Employees _____
5102 Fringe Benefits _____
5103 P/T Employees _____
5104 Fringe Benefits P/T _____
5105 Overtime _____
Total Personnel Cost _____

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The budget request is part of an annual fire hydrant replacement effort to replace non-functioning, damaged, obsolete or old fire hydrants. The City owns approximately 500 fire hydrants in the distribution system and a fire hydrant has a life expectancy of approximately 50-years or less. This funding will pay for between 5 and 8 fire hydrant replacements.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Fire hydrants are important fire fighting apparatus as well as useful for operation of the water distribution system.

Priority of Need: This budget request item ranks # 1 of the department's budget requests.

Requestor's Name: Todd Cook Dept Head Approval Daniel Kort

Date ##

City Manager Recommendation: Approved Denied Amended

[Handwritten Signature]

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST**

FY26 BUDGET

Requesting Department Port and Harbor/ Public Works

Date 1/14/2026

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input checked="" type="checkbox"/> Operating Line Item Increase Request Title <u>City Pump house/ Sea Tow Rental building</u> <u>Re-shingle roof/ replace windows</u> Fund Name: <u>Port and Gen Fund</u> Account Name: <u>Port Reserves and Water CARMMA</u> Account # <u>456-380 and genfund Water CARMMA</u> Estimated Cost: <u>\$46,500</u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The City-owned building adjacent to the water storage tank on the Homer Spit houses the City's backup pumping system that provides critical fire suppression support. In addition to this essential function, the building includes an upper-floor rental unit and a small adjoining office. The rental unit is currently occupied by SeaTow, a marine service provider operating in Kachemak Bay.

Port Maintenance and Building Maintenance staff have had the building's asphalt shingle roof inspected by local roofing contractors and have obtained estimates for full roof replacement. This budget request also includes funding to replace the windows in the living quarters and the problematic bathroom plumbing.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Because this facility serves both a citywide public safety purpose and a revenue-generating port-related use, staff recommends that project costs be appropriately shared between the General Fund and the Port Enterprise Fund. Cost allocation will reflect the dual function of the building, with the General Fund supporting the fire suppression and public safety components, and the Port Enterprise Fund supporting the portions related to the rental unit and port operations

Priority of Need: This budget request item ranks # 1 of the department's 1 budget requests.

Requestor's Name: Bryan Hawkins

Dept Head Approval [Signature]
Date 5/5/26 1/14/2026

City Manager Recommendation: Approved Denied Amended

Comments: Approved for FY27

City Council/Boards & Commissions Capital Mid-Biennium Budget Amendments - FY27

FY27

Request Name	Sponsor	Amount	Funding Source	Status
Homer, the City of Peony Banners	Venuti			
ADA CARMA Funding Transfer	Venuti	\$30,000		