



MEMORANDUM

CC-26-148

Ordinance 26-39 An Ordinance of the City Council of Homer Alaska Amending the FY27 Capital Budget by Appropriating \$7,160 from the Sewer CARMA to make the final payment to Nelson Engineering related to the Alaska Department of Transportation's (DOT) 2019 Lake Street Reconstruction Project.

Item Type: Backup Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: July 28, 2026
From: Daniel Kort, Public Works Director
Through: Melissa Jacobsen, City Manager

SUMMARY:

This Ordinance is requesting funding to make final payment to Nelson Engineering related to the Department of Transportation's 2019 Lake Street Reconstruction Project.

BACKGROUND:

In 2019 the DOT did a reconstruction project of Lake Street. The new design of the road and drainage had several conflicts with the utilities in Lake Street, so the DOT asked the City to hire our own engineer to design the utility improvements that would be incorporated with the DOT's new design and construction. The utility expenses related to this project were covered by the Federal Highways money distributed to the State of Alaska for this project.

The remaining pay request is related to our engineer providing the DOT and the City with as-built drawings of the new utilities. The State has exhausted the Federal Highway's money dedicated towards this effort and has expressed that the balance due is the City's responsibility. While administration doesn't necessarily agree with the DOT's determination that the City is responsible for this expense, the work was necessary and benefits the community.

RECOMMENDATION:

The Public Works Department recommends the adoption of this Ordinance to pay Nelson Engineering.