



MEMORANDUM

CC-26-177

Ordinance 26-53, an Ordinance of the City Council of Homer, Alaska Amending the City of Homer Water and Wastewater Rates and Updating the City Fee Schedule Accordingly.

Item Type: Backup Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: September 23, 2026
From: Elizabeth Fischer, Finance Director
Through: Melissa Jacobsen, City Manager

While going through the process of implementing the new monthly minimum usage fee in the City's billing software (Caselle), a classification of users was identified as missing from the existing fee schedule.

The City of Homer allows established account holders to purchase bulk water directly from the City at a City-owned Water Fill Station. The usage is logged and billed out monthly. The current infrastructure does not require a minimum quantity purchased. Upon reviewing usage for these customers, it was discovered that there are users below 700 gallons (volume used to determine the City's new monthly minimum usage fee). It was also discovered that these users are not purchasing water consistently each month.

The intent of the ordinance proposed is to establish the billing structure for these users and begin appropriate billing under the new fee schedule. These users will be billed the monthly minimum usage amount (700 gallons) in the months in which they purchase some volume of water. Users can make multiple trips within the month to exceed this volume threshold, as usage will be tallied at the end of each month. If the users do not purchase any volume of water within a month, then they will not be charged the monthly minimum usage fee.

Further conversation on this user type and the infrastructure that provides this service will take place in the spring as we have our annual water/wastewater rates discussions.

RECOMMENDATION:

Approve Ordinance 26-53 amending the fee schedule to incorporate PW bulk water users.