

## CITY OF WASILLA

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## COUNCIL MEMORANDUM NO. 91-58

FROM: Mayor Stein

DATE: August 22, 1991

RE: Southside Water Tank Site

Since 1987 acquisition of a site for a new water tank to serve the southside of the railroad and Knik Goosebay Road areas has been on the capital improvement list.

Justification for the reservoir included capacity for fire protection to the commercial developments south of the tracks as well as domestic supply for the then anticipated high density residential developments along Knik Road.

Development pressure has obviously slowed. The long-term view of the water system expansion nevertheless strongly suggests that a high elevation site be acquired now while land values remain low and before development limits site options. Assessed land values in the area now range from \$4,000 to \$7,000 per acre.

In addition, we have been approached by KMBQ radio owner Rocky Spear for assistance in finding a site to relocate his radio transmission tower. Criteria for the radio tower are very similar to those of the water reservoir: high elevation and proximity to downtown. The water tank and radio tower can locate compatibly on the same site.

The radio station is willing to lease a portion of a site to locate their tower. This is an opportunity to acquire the southside water tank site while land values are low, site options exist and a partner is available to share some of the costs. A 10-acre site could cost \$70,000. About \$280,000 is in the water utility unreserved earnings account.

The administration recommends that the Council: (1) concur in the Mayor's authorization for preliminary engineering not to exceed \$1,000 from Account 410-2610 to identify a site for the southside water tank; (2) authorize the administration to negotiate with owners to determine a purchase price; and (3) authorize administration to negotiate with KMBQ radio to determine a lease fee. Layout plans and estimated costs will then be presented to Council for a final decision.

John C. Stein, Mayor