



## CITY OF WASILLA

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### COUNCIL MEMORANDUM 96-73

From: John T. Felton, Public Works Director/City Engineer

Date: July 17, 1996

Subject: Ordinance Serial # 96-35 Waterline Distribution Repairs.

I was asked if the water department needed a rate increase for the FY97 budget. I did not know enough about the department to answer the question. Therefore, we started reviewing the department, its operation and its revenue generating potential. We found that there were approximately 88,000,000 gallons of water that were pumped out of the ground over the past twelve months that did not pass through customer's meters. Further investigation revealed that the losses were the same during the winter months as the summer months. The meter books were then reviewed; this revealed that a few customers were not being charged and some that were being charged but did not have water service. These were rare and the net loss was still the same. These numbers did account for the metered sales, but did not account for the water used by the fire department for practice. Allowing the fire department's 1,000,000 gallons per month, there still is a sizeable amount of water for which there is no accountability.

The next obvious area for review was the distribution system. An aggressive leak detection study was started and we have completed a survey of Indian Hills, Spirit Ridge, GVC and GGL. This has revealed a substantial number of leaks in the Lakeside Terrace area. There are twelve service lines leaking and two main line valves leaking. Repairs will be started immediately; however, we did not budget for this many extra repairs this year. We are also aware that there may be a problem at Crusey and Westpoint.

To help fund these unexpected repairs, the Public Works Department is requesting that \$50,000 be transferred from the Water Utility Reserve Account to Fund 8. This will enable us to complete the repairs to the system.

RECOMMENDATION:

The Public Works Department recommends that the Council introduce and hold the public hearings for this ordinance at the August 12, 1996 meeting.



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John T. Felton  
Public Works Director/City Engineer