



CITY OF WASILLA

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COUNCIL MEMORANDUM 96- 99

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

Date: November 4, 1996

Subject: Potable Water Service

The Public Works Department has received several requests to keep the Spruce Avenue water point open for potable water use. This facility has been traditionally closed during the winter months and is only open during the summer. The present configuration does not meet the Uniform Plumbing Code for potable water delivery.

The facility is designed for large volume delivery to general contractors. The dispenser is set up for large tankers to drive under and receive water in 250 gallon increments. A driver would come to the Finance Department counter and buy water tokens. Each token costs \$0.75 and dispenses 250 gallons of water.

The water source is the stand-by well at Spruce Avenue. This summer water use benefits the City in that we get to exercise our stand-by water source. We do not chlorinate this water nor is it mixed with the potable water delivered to our customers. This well is tested for coliform bacteria and could be used at any time as a potable water source.

The recent demand has been caused by the City of Palmer closing their water point. The people using this water point looked for another source and found ours. We do not usually officially close our water point, as there are no contractors that use it during the winter so there was no need. Public Works first became aware of the use when we found large glaciers under the down spout. People using the facility were not able to accept water at the flows and/or volumes that this pump delivers. The token meter acts as a timed switch. It turns the pump on and pumps continually until the 250 gallons of water have been delivered. There is no way for a customer to start and stop the flow. The water was overflowing the containers and running on the ground. This overflow is the cause of the glaciation. The customers fill everything from 5 gallon to 400 gallon containers.

Mayor Palin requested that the Public Works Department investigate the feasibility of opening a potable water source at the Spruce Tank site. In this analysis, the following points were considered:

The Spruce Tank nonpotable water point is to be kept in operation.

The delivery system has to meet the UPC requirements.

The delivery system has to be both user and operator friendly.

The only feasible method to serve treated water would be to tap a line off of the existing potable water delivery line. This would deliver treated water to costumers. It would also require a new metering system. This system would be scaled down to dose less water so that less water would be wasted. To limit confusion, we would have a different type of token for the potable water. Depending upon the metering system we chose, the estimated cost to install an operational system is \$5,000 to \$10,000. There would also be an additional 10 to 15 man-hours of maintenance per month from the Water Department. This would be to clean and service the discharge tubing per ADEC requirements. There would be additional charges from the Roads Department for maintenance of the access. Amortizing a project cost of \$7,500 over five years at 10%, the monthly operational costs would be as follows:

Construction amortization	\$ 159.35
Water Department	\$ 375.00
Roads Department	<u>\$ 250.00</u>
Total Estimated Monthly Cost	\$ 784.36
Projected Revenues	\$ 30.00
Net Loss	\$ 754.36/month

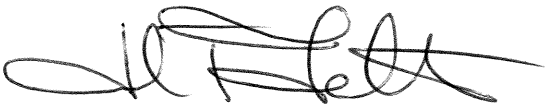
The projected revenue figure is based on current use. If we were to increase charges to meet expenses, we would have to charge \$18.75 for what is now a \$0.75 token. The cost would more realistically be \$19.00 per token so that the water utility could start collecting replacement costs.

As I have discussed before, the City's water system is getting older each day. Our operational costs are increasing because our maintenance costs are increasing. This past year the Council authorized an additional \$50,000 to repair a series of leaks. The system is not being misused and is being maintained, it has just reached a maturation point where additional maintenance is required. The water utility can not absorb the additional expense of this water point. The user pays theory is fine, but as the cost go up, the users balk at paying the real rates that are required.

I feel that it is unfair to ask the water customers in the City to subsidize this service to people outside of the City. The lack of a water point in Wasilla has never been a problem before. The Council amended the WMC to allow for businesses to sell water and act as water points. If there is a major problem, then it rests with the Borough. The Borough runs other water systems, they can provide this service as well. Palmer is in the process of putting a water point back on-line. There is no reason for Wasilla to invest in a service that may only have a limited useful life.

RECOMMENDATION:

The Public Works Department recommends that the Council not direct the establishment of a bulk sales potable water point operated by the City.



John T. Felton
Public Works Director/City Engineer

APPROVED
DATE: 11-13-96
BY: [Signature]