

SUBJECT: WASI Water Payments

PREPARED BY: Public Works

DATE: July 6, 1998

FOR AGENDA OF: July 13, 1998

SUMMARY:

I am requesting Council's decision regarding water payment to WASI. Should the city grant water payments? At this time the city requires everyone else, including ourselves, to pay for water service.

What is Council's pleasure?

FISCAL IMPACT: ___ No X Yes, amount requested: Approx. annual \$3,000 Fund:

RECOMMENDED ACTION:

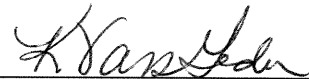


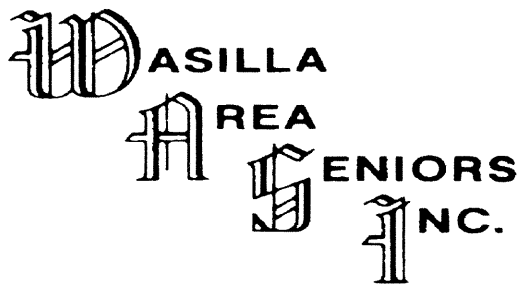
Reviewed by: SARAH PALIN, Mayor

Attachments: Letter from Cindy Roberts, Public Works Director dated June 8, 1998
Letter from WASI dated June 24, 1998

Council Action on July 13, 1998:

CM No. 98-40 approved as amended to grant water payments in the amount of \$1,500 to WASI for this year and to notify them that in the future water payments will not be paid.





June 24, 1998

John Cramer
City of Wasilla
290 Herning Ave.
Wasilla, AK. 99654

RECEIVED
JUN 25 1998
CITY OF WASILLA, ALASKA

Dear John:

I received a letter from Cindy Roberts last week concerning the water bills we started receiving here at WASI. I am sure you have a copy. I was surprised to find that we were still going to get water bills. We must have had a misunderstanding when we talked earlier about these bills. I understood you to say the problem was solved. I took this to mean we would not be getting any future bills, not that they were delayed. I did mention there was not enough time to include the cost in the budget but I meant next year. (Fiscal 98-99, not 97-98) As you recall we were submitting our grant request to the City then and we were able to reduce the request by \$3,000 based on the premise that there would be no bills.

My main concern with this issue is that no one from the City ever approached WASI with the concept that we may have to pay. We had always had this service donated, or the fees were waived. I do not see what changed. The source of the water is different but it is still City water since the city owned the wells. In actuality I believe we are costing the City less now than when you took care of the wells. There was a gas and electric bill then for the well house and frequent staff visits to check the well and our service.

It was always clear that Susitna Place would pay for water and sewer but the Senior Center never entered into any discussions. It certainly was not planned or budgeted in our current budgets. I had no reason to think I should.

I would like to request that you do some research into this and see if you can determine the basis for WASI receiving donated water and sewer. It has been that way at least 5 years that I am aware of. The seniors indicate WASI never had to pay for this service and it was due in part to the fact that the City owns the property. Perhaps you can shed some light on the history. Perhaps there is a past Council decision on this.

I would also like to request that if the City decides we must start paying that we be given another year to plan and budget. We do not have funds budgeted for fiscal 98-99. This also will give us a chance to look for additional funds to pay these bill, or to plan additional fundraisers.



Letter City of Wasilla, 6-24-98, page 2.

I have a second issue I need to bring to your attention that is related to City Water. We are in the final landscaping phases for Susitna Place. This includes fixing the lawns and seeding the areas disturbed when the water line was put in last year. There is a large area of yard between the two apartment complexes that was torn up by the water line construction. This was Chinook Villa's finished lawn that was groomed, not a fringe area. I have had discussions with Steve Miller about restoring this area including replacing the top soil disturbed and he basically told me that there is no provision for topsoil in the GMC contract. GMC had only tracked this area last year and said that was all they would do. This was confirmed this weekend when they came out and finished up the work and did nothing to this area. The plan for this area always called for a continuous lawn between the buildings and my contractor has had to add the topsoil and grade this area for seeding the final lawn. Howdie and Susitna Hydro-seeding both estimated we had to do about \$2,500 in additional material and labor to make this a finished lawn again.

There is also an area just below where the old pump house, between our new road and WASI's old yard, that GMC did not even grade or track. Again Howdie will have to do this and we will be paying. I also have some question about the size of the area that GMC intends to hydro-seed. I am still trying to get with Steve to settle this. I am not convinced that we agree on the amount of area disturbed by the water line.

These costs had to be incurred and I am under no false illusion that I can recover this from GMC. I just want you aware of the facts and to consider not paying them for something they did not provide. We will continue working with Susitna Hydro-Seeding to complete this work and are coordinating with them for the work we need done also. I have requested them to inform me of just what GMC expects them to do and what they will get paid for. John I have to keep the peace between the Senior Housing Projects located here and we will do what is necessary to do that. It obviously will cost us some money. My intent is to do as much to benefit the seniors with the funds I have available for the project. This includes extras like a garden and upgrading the surface of the nature trail. I would rather not spend it doing GMC's work.

I appreciate your efforts on these issues, and await your reply.

Sincerely,



Tim Anderson
Executive Director

CC: Cindy Roberts



CITY OF WASILLA

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Administration
Ph: 373-9055
Fx: 373-9092

Clerks Office
Ph: 373-9090
Fx: 373-9092

Finance
Ph: 373-9070
Fx: 373-9085

Library
Ph: 376-5913
Fx: 376-2347

Museum
Ph: 373-9071
Fx: 373-9072

Parks &
Recreation
Ph: 373-9053
Fx: 373-9072

Planning
Ph: 373-9094
Fx: 373-9092

Police
Ph: 373-9077
Fx: 373-9051

Public Works
Ph: 373-9095
Fx: 373-9054

Ph: _____
Fx: _____

June 8, 1998

Tim Anderson
Executive Director
WASI
1301 Century Circle
Wasilla, AK 99654

RE: WASI Water Service

Dear Tim:

On April 15 and May 15, 1998, the WASI was sent invoices for City water service. These were your first billings after water service was initiated on October 2, 1997 with the completion of the KGB water mainline extension.

At your request, the City pulled back these invoices as there was not an opportunity to work this into your fiscal '98 budget process. The \$579.46 for water will be absorbed by the City as an operational expense. The City was pleased to assist you in this manner.

With the new fiscal year, the City would like to determine which option WASI prefers regarding utilities charges. The \$14,000 grant from the City can be structured as a line item in the City budget and the utility bills drawn on that account. In that scenario, there would not be a direct invoice to WASI. The second option is for the City to send you the \$14,000 annual payment and give you control over utility payments.

I hope the WASI organization and members are doing well. I look forward to establishing your choice of payment structure with the least amount of difficulty for either of us. Please contact me with your decision prior to June 22, 1998.

Sincerely,

Cindy Roberts
Director

Cc Sarah Palin
Erling Nelson