



## CITY OF WASILLA

290 E. HERNING AVE.

WASILLA, ALASKA 99654-7091

PHONE: (907) 373-9050

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### INFORMATION MEMORANDUM NO. 92-19

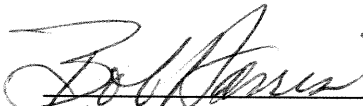
To: Council

From: Deputy Administrator

Subject: Sewer Loan/Grant program

Date: June 17, 1992

On June 17, 1992 Councilman Carson requested information on the status of the City's loan/grant program for connection to the sewer system. The attached documents reflect the program as it exists and the financial status as of this date.

  
\_\_\_\_\_  
Robert E. Harris  
Deputy Administrator

SEWER REVOLVING LOAN

Ordinance No. 88-34 Appropriation - \$100,000

	<u>Total Expenses</u>	<u>50% City Share</u>	<u>50% Grantee Share</u>	<u>6-15-92 Grantee Payments To Date</u>
Romar	\$13,400.26	\$ 6,700.13	\$ 6,700.13	\$ 6,700.13
A & W Windbreak	\$14,643.83	\$ 7,321.92	\$ 7,321.92	\$ 1,827.41
Bible Baptist	\$14,950.00	\$ 7,475.00	\$ 7,475.00	\$ 805.22
El Toro	\$13,680.00	\$ 6,840.00	\$ 6,840.00	\$ 975.77
One-Hour Martinizing	\$ 8,494.00	\$ 4,247.00	\$ 4,247.00	\$ 2,200.48
Cottonwood Creek Mall	\$15,000.00 =====	\$ 7,500.00 =====	\$ 7,500.00 =====	\$ 647.87 =====
Total	\$80,168.09	\$40,084.05	\$40,084.05	\$13,156.88

\$100,000.00 - Original Funding  
(40,084.05) - Loaned  
(40,084.05) - Granted  
13,156.88 - Repaid to Date

\$32,987.78 - Currently Available in the Program



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### SEWER CONNECTION ASSISTANCE PROGRAM

On October 10, 1988, the Wasilla City Council approved a combination loan and grant program to assist owners of certain properties to connect to the sewer system. The general criteria and conditions of the program are as follows:

#### (1) ELIGIBILITY

- (a) Must be owner
- (b) Property must be developed and have on-site system
- (c) On-site system in Sewer District 83-S-1 must have been built prior to availability of sewer system and after January 1, 1984. All other systems must have been built prior to availability of sewer system piping.
- (d) Property must be adjacent to sewer lines.
- (e) On-site system must have failed:
  - (1) More than on pump-out per 3 months to function, or
  - (2) Pollution problem per D.E.C.
- (f) Property assessed for sewer off-site construction costs per municipal code.

#### (2) WORK

- (a) Shall be done by contractor.
- (b) Materials meeting City specifications supplied by:
  - (1) City at cost plus 25%, or
  - (2) Owner, delivered to contractor for installation.

#### (3) ELIGIBLE COSTS

- (a) Cost of City labor and material plus 25% mark-up.
- (b) Approved invoice costs of owner-supplied materials and labor.
- (c) Engineering, permits and inspection costs.

#### (4) GRANT-LOAN PROVISIONS

- (a) 50% of eligible cost paid as grant by City - Maximum \$8,000 for Class I (Residential with less than 12 bedrooms or commercial serving less than 25 persons); Maximum \$15,000 for Class II (residential with more than 12 bedrooms or commercial serving more than 25 persons).

- (b) 50% of eligible cost paid by owner
  - (1) Cost or prepayment of loan.
  - (2) Loan - 8% annual interest with fixed monthly payment:
    - Class I payment is \$50.00 per month
    - Class II payment is \$100.00 per month
    - Until paid in full

(c) Example loan schedule:

<u>Total Cost</u>	<u>Grant</u>	<u>Loan</u>	<u>Interest</u>	<u>Payment</u>	<u>Pay-Off</u>	<u>Cost</u>
\$ 5,000	\$2,500	\$2,500	8%	\$ 50/mo.	61 mo.	\$3,050
\$10,000	5,000	5,000	8%	\$100/mo.	61 mo.	6,100

- (d) Fund limited by appropriations to sewer connection revolving loan fund.
- (e) Security Agreement and Lien signed by owner prior to work. Lien on property for unpaid balance.

(5) SYSTEM OWNERSHIP

- (a) Owner shall sign statement conveying sewer components to City including tank, pumps, electric controls, and piping to main line.
- (b) Owner shall grant easement to allow City access for operation, maintenance and repair.

(6) SYSTEM OPERATION AND MAINTENANCE

- (a) Per City of Wasilla sewer regulations.
- (b) Responsibilities of City:
  - (1) Maintenance and repair of system.
  - (2) Periodic pump-outs.
- (c) Responsibilities of owner:
  - (1) Power
  - (2) Report trouble
  - (3) Monthly service charges plus loan repayment