



CITY OF WASILLA

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Requested By: Finance
Prepared By: Finance

INFORMATION MEMORANDUM

NO. 97-41

Date: July 23, 1997
To: City Council
From: Erling P. Nelson, Finance Director
William W. Harvey, Deputy Public Works Director
Re: Review of Water and Sewer Rates

This is advance notice to the City Council of a pending review of water and sewer rates.

The Finance and Public Works departments will be jointly looking at both water and sewer rates with a view toward how well the current rates are providing resources to fund current operations. We will also be looking at what is needed to pay back any bonds that might be issued.

The Knik-Goose Bay water line extension is of immediate concern as a source of funds will have to be found to pay off the bonds or loan on this project. The administration plans to fund interim costs from city funds. Other projects will need to be funded in the near future as approved by council. There are few or no grant funds available at this time so either the city has to require developers to pay all the costs or we will have to borrow funds and pay them back through utility rates. A third option is contributions from the general fund. These contributions might be considered for paying over sizing costs.