

presented w/ Reso 98-23
6/22/98 Av.

WASILLA CITY COUNCIL INFORMATION MEMORANDUM

IM No. 98-63

SUBJECT: Century Park Subdivision Water/Sewer LID

PREPARED BY: Public Works Department

DATE: June 16, 1998

FOR AGENDA OF: June 22, 1998

SUMMARY:

The Public Works Department has been assisting the Alaska Public Utilities Commission (APUC) in facilitation of the sale and transfer of ownership of the Matanuska Utility Company (MUC) to the City of Wasilla. Completion of the APUC review and approval process is expected on or about August 1, 1998.

This private water utility has had certain on-site and off-site costs built into initiation of service and its monthly residential flat rate of \$26.75. When MUC subscribers become City water customers, there will be assessments for off-site costs as per WMC5.10.190(C) / Resolution W82-S-3. These costs are specific to the individual property and related to the size of the lot.

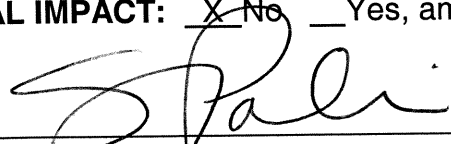
Properties without current water or sewer service (or both) will be assessed for on-site costs as improvements to underground pipes and individual sewer stub-outs and water key boxes were made in conjunction with (Paving LID #94P3) street up-grade and paving last summer.

The net result is that every property has some assessment. The City is not participating in a share of these costs. However, the City is willing to form an assessment district to assist the property owners in amortizing these costs over ten years.

RESOLUTION SERIAL NO. 98-23 authorizes the City to survey the property owners with regard to the formation of the LID. If 51% of the owners (of 51% of the value of improvements to individual properties) protest formation of the LID, the water off-site costs will become payable as a surcharge on monthly service (metered use + \$11.45) until the assessment is paid in full. On-site sewer costs and on-site water costs (on lots without current service) will be payable at the time service is initiated.

The creation of the LID structure significantly streamlines the accounting procedures for the Finance Department in handling payments over the life of the repayment process. With or without the LID, individual property owners retain the option of paying their assessments in full in cash.

FISCAL IMPACT: No Yes, amount requested: \$ None Fund: N/A



Reviewed by: SARAH PALIN, Mayor
Attachments:

FEASIBILITY REPORT

Regarding:

CENTURY PARK SUBDIVISION WATER & SEWER LID

Resolution Serial No.98-23

IM 98-63

Recommendation to City Council to Survey the Property Owners of Century Park Subdivision with regard to formation of a Water & Sewer LID

The property owners of Century Park Subdivision elected to form the Century Park Paving Assessment District No. 94P3. In the course of engineering the paving of the subdivision, it was determined that the lifespan of the paving would be greatly extended if new water and sewer services could be established without cutting and patching the pavement. Water keyboxes and sewer stub-outs were installed to all properties without previous service prior to paving the streets.

The sewer service was established to all but 13 of the properties by the developer. The costs to connect to the City sewer will be lower for new services as they will not have to contract individually to open the paving and install the service stub-out on the property. The water system was developed by the Matanuska Utility Company (MUC). The City of Wasilla is working with Alaska Public Utilities Commission to obtain permission to purchase MUC and convert service from the MUC well to the City water system.

Each Subdivision property will have individual assessments reflecting a number of variables. The ten-year payback of the LID may help property owners to handle the expense of these utility improvements.

The Public Works Department held an informational meeting June 4 to answer property owners' questions.