

SUBJECT: Council Resolution 99-32, To Designate ADEC Municipal Matching Grant Funds to the Drinking Water Master Plan and Water Source Exploration Project as the Number One Local Priority for State FY 2001 Funding

PREPARED BY: Mike Kriebler

DATE: September 7, 1999

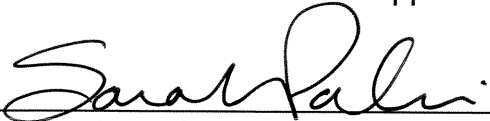
FOR AGENDA OF: September 13, 1999

SUMMARY: The State's Municipal Matching Grant Program for water, sewer, solid waste, and water quality enhancement is administered by the Alaska Department of Environmental Conservation (ADEC). In the grant application, points are awarded for how the proposed project will address a community problem. Points are awarded for the status of development, whether public health and/or the environment will be improved, local commitment to the project, etc. Funds are granted to the highest scoring projects statewide.

One particular question in the grant application is, "What priority does this project have in your Municipality's overall capital budget requests to the State for FY 01?" Specifically, the grant application states that a Council Resolution is needed that identifies the project as the City's top priority for state funding in order to obtain 50 points. Resolution 99-32 meets the criteria.

The City will be applying for Municipal Matching grants for other water and sewer projects in addition to this drinking water grant. In regards to identifying this water project as the City's number one priority to obtain State funding, this project appears to have the highest preliminary score compared to the other water and sewer projects. Resolution 99-32 will provide the extra 50 points for this critical water master plan and well development project, thereby increasing the odds of receiving State funds for this important project.

RECOMMENDED ACTION: The administration is requesting that the Council approve Resolution 98-32 identifying the Drinking Water Master Plan and Water Source Exploration as the number one local priority for State funding in fiscal year 2001. I recommend that the Council approve the resolution.



Reviewed by: SARAH PALIN, Mayor

Presented with: Reso 99-32
Date: 9/13/99 Verified by: W.

BACKGROUND: The City lacks an adequate supply of water and also lacks adequate reservoir capacity.

The main City water system consists of the three Iditarod School wells and the main well and reservoir on Spruce Road. Over the years, the water production from the Iditarod wells have been slowing down and one of the three wells has been abandoned since its production was so little. In 1998 the City attempted drilling a new well at Iditarod. That new well was over 400 feet deep and did not produce an adequate volume nor an adequate quality of water.

The City system can provide water for the existing customers, but there is little redundancy. As the City continues to connect more customers to the water system and the existing system becomes strained, the lack of an adequate water supply becomes a critical concern. Therefore, the City needs to develop a plan to find an adequate long-term location for new wells and reservoirs.

The grant request to DEC to address this issue will be a combination Drinking Water Master Plan and Water Source Exploration project. The purpose of this project is to:

- 1) identify potential locations for exploration wells,
- 2) drill and test exploration wells,
- 3) based on pump tests and other site information, determine the best location for a well farm and large reservoir,
- 4) determine the best pipe routes from the new well/reservoir site to connect into the existing system; and,
- 5) determine where future water demands will be located and the needed pipe routes.

The desired goal is to find an area where well production will be high, and eventually drill three production wells and construct a 3-5 million gallon reservoir. The site should be large enough so that additional reservoirs and/or wells can be constructed. The site should be somewhat isolated in order to protect the water source (e.g., wellhead protection).

This approach has been discussed with DEC grant staff. They recognize the consequences of an inadequate water supply and will support this grant request.