

**CITY OF WASILLA
RESOLUTION SERIAL NO. 01-02**

A RESOLUTION OF THE CITY OF WASILLA, ALASKA REPEALING COUNCIL RESOLUTION 99-27, AND DETERMINING OFF-SITE ASSESSMENT CHARGES FOR WATER MAIN EXTENSION AGREEMENTS BY PRIVATE DEVELOPERS, OR WATER MAIN EXTENSIONS BY THE CITY.

WHEREAS, WMC 13.04.19 provides for payment in-lieu of offsite assessment charges to be paid by private developers desiring to extend water mains, and requires that such payments shall be determined by resolution of the City Council:

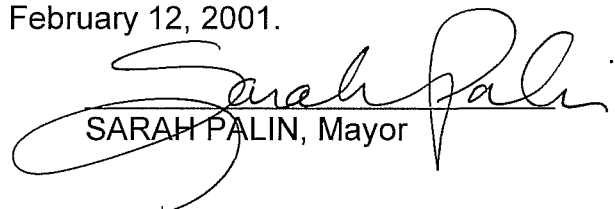
NOW THEREFORE BE IT RESOLVED by the Wasilla City Council that:

1. City of Wasilla Resolution No. 99-27 is hereby repealed.
2. The amount of payment in-lieu of off-site assessment within the boundary of Assessment District 78-1, as provided for and defined in WMC 13.04.19, shall be \$0.01853554 per square foot of the developers property adjoining such water main extension to a maximum depth of 150 feet.
3. The amount of payment in-lieu of offsite assessment for areas inside, outside or adjacent to the Wasilla Water Service Area, as provided for and defined in WMC 13.04.19, either installed by a private developer or by the city, shall be as shown on Exhibit "A" attached, and shall increase at an automatic rate of 2 percent per calendar year.

NOW THEREFORE BE IT FURTHER RESOLVED by the Wasilla City Council that:

1. At the request of the customer, the City may pro-rate PILA over a ninety-six (96) month period to be paid with the monthly water bill, plus five-percent per annum administrative fee per billing.

ADOPTED by the Wasilla City Council on February 12, 2001.


SARAH PALIN, Mayor

ATTEST:

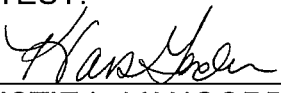

KRISTIE L. VANGORDER, CMC
City Clerk
[SEAL]

EXHIBIT "A"
Resolution Serial No. 01-11

Year	Off-Site Rate
2001	\$0.07811052
2001	\$0.07967273
2002	\$0.08126618
2003	\$0.08289151
2004	\$0.08454934
2005	\$0.08624032
2006	\$0.08796513
2007	\$0.08972443
2008	\$0.09151892
2009	\$0.09334930
2010	\$0.09521628
2011	\$0.09712061
2012	\$0.09906302
2013	\$0.10104428
2014	\$0.10306517
2015	\$0.10512647

SUBJECT: Repeal Of On-Site Water Assessment Charges

REQUESTED BY: Public Works

PREPARED BY: Public Works

DATE: January 25, 2001

FOR AGENDA OF: February 12, 2001

SUMMARY:

Resolution Serial No. 01-02 repeals Council Resolution 99-27 by extending water utility off-site assessment payments and eliminating on-site assessment charges. The extension of off-site assessment payments from twelve (12) months to ninety-six (96) months and elimination of on-site assessments will allow more potential users to afford the cost of obtaining City water services. A larger customer base will bring increased revenues to the City and lower the share of operating and maintenance costs to each customer over the long run.

The historic reason for on-site assessments is somewhat arbitrary. A 1999 letter to the City from the Wasilla City Engineer, employed in 1980/1, stated the reason for this assessment was to bear the cost of installing 6" mains to a property for potable water and fire service. He further stated that off-site assessments were to cover community-wide improvements: wells, reservoirs and oversized transmission lines. However, all of this infrastructure has been paid almost totally through various State and federal grants while both on and off site assessments have been retained in the general fund for other purposes.

The retention of off-site assessments can be argued if these revenues are used to fund the replacement of obsolescent infrastructure in the future through establishment of a sinking fund. The cost of operations and maintenance will be addressed before the City Council in the future; most likely through a proposed increase in user fees.

FISCAL IMPACT: No Yes

RECOMMENDED ACTION:

Administration recommends that Council approve Resolution Serial No. 01-02 to eliminate on-site assessments and extend the off-site assessment payment schedule from one year to eight years.

MAYOR REVIEW/COMMENT:


Reviewed by: SARAH PALIN, Mayor

Presented with: Reso. 01-02
Date: 2/12/01 Verified by: W.