



CITY OF WASILLA

290 E. HERNING AVE.

WASILLA, ALASKA 99654-7091

PHONE: (907) 373-9050

FAX: (907) 373-0788

COUNCIL MEMORANDUM NO. 92-101

To: Council
From: Mayor Stein
Date: September 8, 1992
Subject: Sewer Matching Grant Commitment


In order to commit and receive payment of the \$500,000 state sewer matching grant for the treatment plant upgrade, the City must demonstrate full funding for the project.

Presently the \$500,000 and other state grants will cover all but \$295,000 of the updated preliminary cost estimate of \$1,591,000.

That \$295,000 balance may come from future state legislative grants, low interest federal loans or other sources. For purposes of committing and receiving the \$500,000 state grant we must assure a source for the \$295,000.

I ask Council's approval to send the attached letter stating that the City of Wasilla will make funds available to complete the project as a loan from the general fund. This assurance is, as I have explained, a source last resort.

Your approval will enable the administration to secure the \$500,000 at once.



John C. Stein, Mayor

Attachments: Letter 9/2/92 (Draft)
Grant Estimate Page

APPROVED
DATE: 9-14-92
BY: [Signature]



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September 2, 1992

Mr. Mike Burns
Construction Grants Coordinator
Department of Environmental Conservation
3601 C Street, Suite 1318
Anchorage, Alaska 99503

Dear Mr. Burns:

This is in response to your inquiry of September 2, 1992 regarding the availability of full funding of the preliminary cost estimates for the Wasilla sewer treatment facility upgrade. Our application package for the \$500,000 matching funds approved by the 1992 legislature show an expected additional \$295,000 funded by the 1993 legislature.

In the event that the \$295,000 is not funded by the 1993 legislature, the City of Wasilla will make the funds available to complete the project. The source will most likely be in the form of a loan from the City General Fund to the sewer utility which will be repaid through the rate structure. The City's audited FY91 year end general fund reflects a balance in excess of \$1 million.

A copy of our latest budget for the project is enclosed. If you have additional questions, please call.

Sincerely,

John C. Stein, Mayor
City of Wasilla

JCS/sbh