

Memorandum 14-009 Future Intent to Create Deferred Assessments Kachemak Drive (Phase III) Water Main Extension Project

Memorandum ID: 14-009
Memorandum Status: Backup

Memorandum 14-009

TO: Walt Wrede, City Manager
FROM: Carey Meyer, Public Works Director
DATE: January 6, 2014
SUBJECT: Future Intention to Create Deferred Assessments
Kachemak Drive (Phase III) Water Main Extension Project

The property owners impacted by this project will want to know how construction of the Kachemak Drive (Phase III) Water Main Improvement may affect them financially.

The Water/Sewer Master Plan for the City of Homer calls for improvements to the City's water system that would improve the reliability of the water service to the community. The City Council has approved the acceptance of an EPA grant for the design of several water system improvements, including the extension of a water main along Kachemak Drive from Campbell Lane to 1500 feet south of Knapp Circle (see attached map and letter sent to affected property owners).

The proposed water main extension will benefit adjacent property owners (who are not currently served by the water system). Normally, these types of improvements are construction through the formation of a Special Assessment District (SAD) where benefitted property owners are assessed for their fair share. No SAD has been successfully initiated in this neighborhood.

The Public Works Department is currently coordinating the design of this improvement. Although no construction funds have been identified, Public Works is communicating with potentially affected and benefitted property owners regarding how the project may impact them. Public Works will be coordinating the acquisition of easements and regulatory/environmental permits and preparing applications to state and federal agencies for construction financing.

There is precedence for creating deferred assessments on benefitting properties to provide a mechanism for fairly charging the cost of water improvements to benefitted property owners. These deferred assessments are not created without the opportunity for the affected property owners to comment and if created do not become due until the property owner connects to the new water main. Connection to the water main may be contingent upon the installation of sewer service to the property before water service connections to the water main are approved.

Recommendation: The City Council pass a resolution stating that if construction funding becomes available for this

Memorandum 14-009 Future Intent to Create Deferred Assessments Kachemak Drive (Phase III) Water Main

Published on City of Homer Alaska Official Website (<http://www.cityofhomer-ak.gov>)

project and a Special Assessment District has not been established to assess benefited property owners for their fair share, the intent of the City Council would be to consider creating deferred assessments on benefitting property owners after each property owner has been given the opportunity to comment. The City Council encourages the Public Works Director to initiate a SAD in this neighborhood to determine whether there is support for providing water and sewer service to the project area.

Related Resolutions **Memorandum - Related Resolutions:** [Resolution 14-012 Future Intent to Create Deferred Assessments on Kachemak Drive \(Phase III\) Water Main Extension Project](#)

Source URL (retrieved on 2015-01-27 09:43):

<http://www.cityofhomer-ak.gov/memorandum/memorandum-14-009-future-intent-create-deferred-assessments-kachemak-drive-phase-iii-water-main-extension-project>