

Presented by: The Manager
Introduced: 08-17-78
Referred to:

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU ALASKA

Serial No. 530

A RESOLUTION AMENDING RESOLUTION SERIAL NO. 328
AS AMENDED BY RESOLUTIONS SERIAL NOS. 413 and 513,
TO CHANGE THE SEWER USER CHARGE FOR THOSE USERS WHO DO
NOT BEAR THE COST OF UTILITY IMPROVEMENTS THROUGH THE
PAYMENT OF LID ASSESSMENTS OR SIMILAR PAYMENTS

WHEREAS, fiscally sound utility systems, whether publicly or privately owned, must recover the cost of capital investment necessary to provide the utility service, and

WHEREAS, such recovery in both the private and public utility fields is made through the recognition of depreciation of capital assets as an expense recovered in the utility user charge, and

WHEREAS, interest on utility debt is a utility expense recovered in the utility user charge, and

WHEREAS, certain municipally-owned utilities such as the city and borough sewer utilities may recover some of their capital and interest costs through local improvement district assessments against benefited property, and

WHEREAS, certain sewer utility users do not pay their fair share of sewer local improvement district assessments under assumptions which may or may not have a legal basis, and

WHEREAS, all utility users should bear their proportional share of the necessary capital and interest expenses of the municipally-owned sewer utility;

NOW THEREFORE BE IT RESOLVED BY THE ASSEMBLY OF THE CITY BOROUGH OF JUNEAU, ALASKA:

That Section 3E of Resolution #328, as amended, is hereby amended to read as follows:

Section 3E, RATE. (a) Each customer shall pay for sewer service at the rate of \$11.50 per service unit for each month of service or part of a month which exceeds fourteen days when less than a full month of service is received.

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(b) Each customer on property which the owner of said property asserts is not subject to local improvement district assessments made or for which similar payments have not been made shall pay for sewer service at a rate which consists of the per service unit rate established in (a) above plus a plant depreciation and interest expense increment computed as set forth in (c) and (d) below. The computed rate shall be a charge for each month of service or part of a month which exceeds 14 days when less than a full month of service is received.

(c) The depreciation and interest expense increment required by (b) above shall be effective for 10 years and is equal to:

1.385 X the unpaid LID assessment
120

(d) Should the depreciation and interest expense increment computed in paragraph (c) above apply to property which has more than one customer, said increment shall be apportioned among the customers in accordance with the number of service units each customer contributes to the entire property.

Adopted this 17th day of August, 1978.



Mayor

Attest:



Clerk