

AGENDA REPORT

DATE APRIL 1, 2008

ITEM AGREEMENT BETWEEN THE CITY OF GREAT FALLS, THE UPPER/LOWER RIVER ROAD WATER/SEWER DISTRICT, AND GENE THAYER, DEVELOPER

INITIATED BY UPPER/LOWER RIVER ROAD WATER/SEWER DISTRICT

ACTION REQUESTED APPROVE AGREEMENT

PREPARED BY MARTHA CAPPIS, OPERATIONS SUPERVISOR

PRESENTED BY COLEEN BALZARINI, FISCAL SERVICES DIRECTOR

RECOMMENDATION: It is recommended that the City Commission approve the Agreement between the City, the Upper/Lower River Road Water/Sewer District (ULRRWSD), and Gene Thayer.

MOTION: "I move the City Commission approve the Agreement between the City of Great Falls, the Upper/Lower River Road Water/Sewer District, and Gene Thayer, and authorize the City Manager to execute the agreement."

SYNOPSIS: This agreement formalizes Mr. Thayer's' intent to collect the Improvement Fee from each sale of a lot or condo unit in the Thayer Development in the ULRRWSD Service District #1, and remit to the City on behalf of the District. The City agrees to act as the Paying Agent for the District, and remit payment to the Montana DNRC, in accordance with the debt schedule, and may only be used as the District Board directs in writing.

BACKGROUND: The City of Great Falls and the ULRRWSD have been working very closely together to extend water and sewer utility service lines throughout the District. The District passed an ordinance providing owners of property requesting a connection to the Improvements not previously assessed shall as a condition to receiving connections, must pay in advance an amount equal to the initial assessment for each connection, equaling \$5,687. each. Mr. Thayer intends to develop approximately 20 single-family residential lots, and 1 lot with 12 residential condominiums. Upon closing of each sale, Mr. Thayer, through his title company, will remit to the City the appropriate fee. The City, which is not liable for the debt in any form, agrees to hold these funds, and as necessary, submit payment to the MDNRC.

The ULRRWSD will use the funds from the Improvement fee for the costs of designing, engineering, construction, and installation of approximately 600 feet of sewer lines and related improvements to provide municipal sewer service in the Pearson Addition of Service District #1.

Attachment: Agreement (Not available online; on file in City Clerk's Office.)