

Introduced by: Mayor
Date: April 14, 1981
Vote: 13 Yes, 1 No
Action: Adopted as Amended

KENAI PENINSULA BOROUGH

RESOLUTION 81-60

APPROVING DISPOSAL FEES FOR MAR ENTERPRISES AT THE STERLING SPECIAL WASTE SITE.

WHEREAS, the Assembly by Resolution 78-93 authorized a lease agreement between the Borough and Mar Enterprises for the operation of the Sterling Special Waste Site; and

WHEREAS, that agreement provides that all disposal fees established by Mar Enterprises shall be subject to the approval of the Assembly; and

WHEREAS, in accordance with that agreement, Mar Enterprises has requested Assembly approval of new disposal rates for use of the site; and

WHEREAS, Mar Enterprises has been charging \$1.00 per barrel for both drilling muds and waste water deposited at the site; and

WHEREAS, Mar Enterprises has presented documentation which shows that at present rates a projected net loss of approximately \$56,000 on an annual basis allowing 15% rate of return on investment; and

WHEREAS, the documentation submitted by Mar Enterprises can compute to a \$4.00 per barrel charge for drilling muds; and

WHEREAS, Mar Enterprises proposes ~~new~~ rates of \$2.00 per barrel for drilling muds while retaining the present rate of \$1.00 per barrel for waste water disposal; and

WHEREAS, the Assembly finds that the proposed rates are reasonable in terms of cost of service, depreciation and fair return on investment;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That under the terms and provisions of the agreement between Mar Enterprises and the Borough dated September 1, 1978, for the operation of the Sterling Special Waste Site, the Assembly approves the continuation of a rate of \$1.00 per barrel of waste water disposed of at the Sterling Special Waste Site and a new rate not to exceed \$4.25 per barrel for disposal of drilling muds. The rates charged shall be uniform for all users without preference or discrimination between users.

Section 2. That the rates approved by this resolution shall continue in effect until different rates are requested by Mar Enterprises and approved by the Assembly.

Section 3. That this resolution takes effect on the day following its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH
ON THIS 14th DAY OF April, 1981.

Paul A. Fischer
Paul Fischer, Assembly President

ATTEST:

Frances Bryner
Borough Clerk