

Chevak Activity Report

Community Overview

Lead RUBA Staff: Marita Hanson, Bethel Office

2003 Population: 884

Region: Yukon-Kuskokwim Delta

Local Governments: Second Class City, Tribal Council



The City of Chevak operates the piped water and sewer system, the central watering point and the honeybucket haul. The City Council is the policy making body for the Utility.

Construction began in 1995 to provide piped water and sewer to homes and the school. Completed projects include a new landfill, a washeteria renovation, a new watering point, water treatment plant, a 150,000-gallon water storage tank, sewage lagoon, and a vacuum sewer plant. Water and sewer mains and household connections are completed. Currently they have 193 units on line. Most of the residents except one home are connected to water/sewer. Some homes still have rain catchments.

The new school construction was completed in August 2003. The construction company connected the school and teacher housing to the water/sewer lines.

RUBA Activity This Reporting Period

RUBA has requested but not received all of the requested essential indicator documents for the last three-quarters of FY04. The only documents that have been received were copies of the 941 federal tax returns for 2002 and 2003.

In the last quarter, we received copies of liens against the city filed by the IRS for non-payment of payroll taxes. These liens totaled over \$90,000. Mr. Moss, IRS Revenue Officer, made a trip to Chevak on March 30, 2004, to discuss the problems with the City. A copy of a notice to the City of Chevak, from the IRS, was received in the Bethel office on March 31, 2004. The notice states that the City of Chevak is to provide to the IRS, starting the pay period week of March 28th, copies of: payroll liabilities worksheets, federal tax deposits with copy of check transmitted within one day of payroll being done. They are also required to provide copies of the quarterly employer tax return (form 941), one day after quarter period. If the City does not comply, enforcement action on the liens will be taken immediately. The City is to remain in current compliance with applicable filing and paying requirements.

If the city does not provide the necessary information and enforcement action is taken, city services may be significantly impacted. The City does not have it's own bulk fuel storage, they are purchasing fuel as needed to run their facilities. The lack of funds may require the newly completed system to be shut down until the city deals with the management issues.

