

# Kwethluk Activity Report

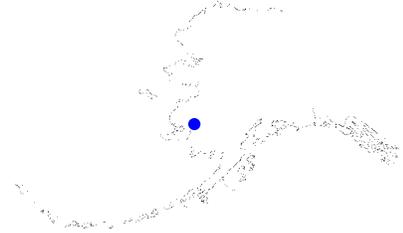
## Community Overview

Lead RUBA Staff: Johnny Evan, Bethel Office

2001 Population: 713

Region: Lower Kuskokwim

Local Governments: Second Class City



The City of Kwethluk operates the central watering point where residents can come and haul their own water. The City also maintains multiple watering points in the City. They also provide a honeybucket haul service to the sewage lagoon. The City Council is the policy making body for the utility.

The washeteria and water treatment plant was recently rehabilitated. The school and teachers' housing have individual systems. Honeybuckets are hauled to a sewage lagoon. Very few homes have running water or plumbing for showers, but many residents have steambaths. Planning and engineering of a piped water and sewer system is underway.



## General Information

Contributions to the Kwethluk Utilities Commission (KUC) by the City and the Tribe are still not frequent. As a result the sanitation services is still in financial jeopardy. The KUC is struggling financially due to uncommitted contributions and a low collection rate because customers not paying for services. The KUC still hosts quarterly fiddle dances to raise funds for operation and maintenance. The utility organization instituted a water user rate and a modest user rate, but that is still not enough to cover the wastewater treatment expenses. This will continue to be a problem until the residential customers start paying for sanitation services.

The City recently held a joint meeting with the Tribe and KUC in order to pursue the possible takeover by the City of the operation and maintenance of the water sewer system for the community. This would alleviate the problem of uncommitted funds from the local

organizations and the low collection rate. The City will be able to subsidize the operation and maintenance costs from gaming operations.

## Observations and Recommendations

**Finances** — The Kwethluk Utilities Commission (KUC) still holds quarterly fiddle dances to raise funds for operation and maintenance of the utility services. The two local government's monthly contribution are still not frequent. Therefore, maintaining the utility services is in financial jeopardy. The user fees still are not sufficient to cover the operation and maintenance of the sanitation services due to a low customer collection rate. To alleviate this situation, the City is planning to take over the operation and maintenance of the water sewer system.

**Accounting Systems**— The KUC is separate and is using a manual accounting system. They do not have a fully functioning system. The City should be able to integrate the accounting data into their own accounting system.

**Tax Problems** — The KUC got behind on their 941's. Apparently, they were completed and filed with IRS without payment.

**Personnel System** — The City is beginning to realize that utility services can do better than it is now if the City takes over management.

**Organizational Management** — The KUC is fairly well organized despite the low operating funds, but needs to understand the administration and management requirements to conduct business. Despite the financial discrepancies, the utility board continues actively trying to pursue a piped sewer system. The City adopted the utility rate ordinance for the sanitation services. This has yet to become a reality but the City's rates would partially meet the financial needs of the services. Even with the new rates, the KUC needs residential customers to pay their bills in order to make the system successful.

**Operation of Utility** — The utility now has a certified water operator. The utility continues to struggle due to financial problems.

Category	Inadequate	Meets Minimum Requirements	Exceeds Minimum Requirements
Finances	X		
Accounting Systems	X		
Payroll Taxes	X		
Personnel System	X		
Organizational Management	X		
Operation of Utility	X		

## Anticipated Activity

- Monitor the City and provide any necessary assistance during the takeover.