

Platinum Activity Report

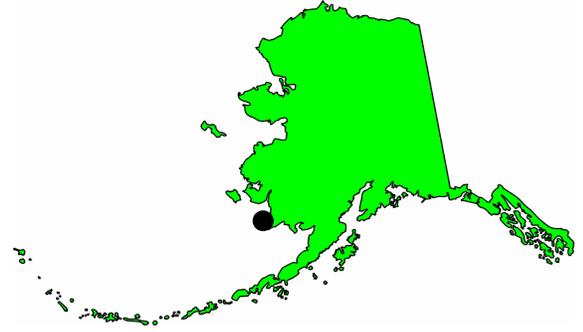
Community Overview

Lead RUBA Staff: Ralph Andrew, Dillingham Office

2003 Population: 39

Region: Dillingham

Local Governments: 2nd Class City



Nine private homes reportedly have individual water wells, septic systems and plumbing. During the summer, untreated water is hauled from approximately twenty watering points. During winter, residents dig holes in the ice to draw water. Homes without water and sewer service utilize honey buckets which are disposed of in seepage pits or the slough. A washeteria was constructed but is not in use. A DEC/VSW Water & Sewer and Solid Waste Feasibility Study was funded in FY 2003 to assess water, sewer and solid waste needs including a water storage tank, new water treatment plant, connections & plumbing, sludge disposal site, and landfill. A Village Safe Water project to renovate the water/sewer system is moving forward and construction will start as early as summer 2007. The City operates the electric utility and landfill. Community fuel storage capacity is as follows: Arviq Inc. (67,100 gals.); City Power Plant (5,600); Lower Kuskokwim Schools (7,000).

RUBA Activity This Reporting Period

The Platinum village council approved a RUBA water/sewer utility work plan after review by a Village Safe Water (VSW) engineer and the Bristol Bay Area Health Corporation (BBAHC) Remote Maintenance Worker. The council also established a RUBA Agreement and in doing so seeks to facilitate progress on utility management including resolution of deficient RUBA Assessment management indicators. Although water/sewer project construction is not scheduled to start till next year, the tribal administrator and RUBA agreed that an aggressive resolution timeframe of Assessment deficiencies was preferable. During the quarter, the tribal administrator consistently brought water/sewer planning matters forward to the village council. The administrator distributed to the council and public a draft water/sewer ordinance, draft budget, and draft rate sheet, all developed with assistance from RUBA. At RUBA's suggestion, the tribal administrator facilitated a water/sewer public hearing to invite public input. RUBA participated in the public hearing via teleconference. Although the hearing was sparsely attended, it offered an opportunity for the administrator to present an overview of the draft ordinance, budget, and rates for the existing water/sewer system. The second public hearing is set for July 11, 2006. RUBA encouraged the tribal administrator to maintain contact with the city and mayor in particular, who expressed concern about the tribe's capacity to effectively manage the water/sewer system and the future utility's capacity in relation to a proposed fish plant to be funded by the regional Community Development Quota (CDQ) entity. It is conceivable new infrastructure like a fish plant will increase demand on future infrastructure including the tribally-managed water/sewer system. The administrator is in contact with the VSW engineer to discuss funding and utility design options. The utility remains listed on the states' Significant Noncompliance List (SNC) for Surface water treatment related (SWTR) violations which can be resolved upon project completion. Concerning city affairs, RUBA provided general assistance to the mayor and city staff on topics including local government, electric utility financial management, planning, grants, and general government matters. Based on a June 8, 2006 report from RUBA, the City of Platinum has not accessed all of their available Small Municipal Energy Assistance Program (SMEAP) energy funds from the state. A balance of \$1,497.47 remains. RUBA urged action before funds expire at the end of June.

Capacity Indicators**Finances**

- | Yes | No | |
|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | All revenue and expenses for the utility are listed in the utility budget. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has adopted a balanced realistic budget. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Monthly financial reports are prepared and submitted to the policy making body. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility is current in paying all water/wastewater electric bills. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has on hand a year's adequate fuel supply or it has financial plan to purchase an adequate. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses. |
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Sustainable Indicators

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses and Repair & Replacement (R&R) costs. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | YTD revenues are at a level equal to or above those budgeted. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | YTD expenditures are at a level equal to or below those budgeted. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | A monthly manager's report is prepared. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Budget amendments are completed and adopted as necessary. |

Finances Comments:

The village council presented a draft water/sewer budget to the public late in the quarter along with draft rates and a draft ordinance developed with assistance from RUBA. The administrator also serves as the water operator and provides reports to the council. Fuel supplies are reportedly sufficient through fall. User fees are reportedly not being collected and the system continues to be fully subsidized by the village council. The council is expected to begin enforcement upon adoption of the ordinance next quarter.

Accounting Systems

Essential Indicators

- | Yes | No | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has adopted a collection policy and actively follows it. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility bills customers on a regular basis. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | An accounts receivable system is in place which track customers and reports past due accounts and amounts. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | An accounts payable system is in place. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The payroll system correctly calculates payroll and keeps records |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | A cash receipt system is in place that records incoming money and what it was for. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The Utility has a cash disbursement system that records how money was spent. |

Sustainable Indicators

- | | | |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | A chart of accounts is used that identifies categories in a reasonable, usable manner. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Monthly bank reconciliation's have been completed for all utility accounts. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a purchasing system that requires approval prior to purchase, and the approval process compares proposed purchases to budgeted amounts. |

Accounting System Comments:

The village council presented a draft water/sewer ordinance including a collections policy at a public hearing late in the quarter. The utility does not bill customers regularly although this is expected to change upon adoption of the ordinance. The utility is presently working to improve its accounts receivable system and accounts payable system. The payroll system is satisfactory and according to the IRS at the beginning of the calendar year, the village council is compliant with federal tax requirements. Tribal staff are preparing to implement computerized accounting software. Staff reconcile bank accounts and utilize a procurement process that requires approval prior to purchase.

Tax Problems

Essential Indicators

- | Yes | No | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a system to accurately calculate, track, and report payroll tax liabilities. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility is current on filing tax reports. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility is current on making tax deposits. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | If there are any past tax liabilities, a repayment agreement has been signed and repayments are current. |

Tax Problems Comments:

The village council's federal tax requirements are met according to the January 4, 2006 IRS correspondence. Staff maintain compliance is ongoing. RUBA will request an updated compliance report from the IRS next quarter.

Personnel System**Essential Indicators**

- | Yes | No | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a posted workers compensation insurance policy in effect. |
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Sustainable Indicators

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|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted and uses a Personnel Policy, which has been reviewed by an attorney, AML, or DCED for topics and language. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adequate written job descriptions for all positions. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted and follows a written personnel evaluation process that ties the job description to the evaluation. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has an adequate written hiring process. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has personnel folders on every employee that contain at least: I-9, Job Application and Letter of Acceptance. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a probationary period for new hires that includes orientation, job-training/oversight, and evaluations. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility provides training opportunities to staff as needed and available. |

Personnel System Comments:

Worker's Compensation insurance coverage is in effect through March 25, 2007. The council and staff utilize a well-written, comprehensive personnel policy. Staff made improvements to personnel recordkeeping and now include I-9 forms in each personnel folder.

Organizational Management**Essential Indicators**

- | Yes | No | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The entity that owns the utility is known and the entity that will operate the utility is set. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The policy making body is active in policy making of the utility. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The policy making body enforces utility policy. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has an adequately trained manager. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has an adequately trained bookkeeper. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has an adequately trained operator(s). |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has adopted the necessary ordinances (or rules and regulations) necessary to give it the authority to operate. |
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Sustainable Indicators

- | | | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted an organizational chart that reflects the current structure. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The policy making body meets as required. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility complies with the open meeting act for all meetings. |

Organizational Management Comments:

The village council assumed management of the water utility from the City of Platinum near 2003 and is presently working toward adoption of a water/sewer ordinance, collections policy, and rate structure. Utility fees for water/sewer services are not presently collected however the council is expected to enforce collections upon adoption of the ordinance. An experienced tribal administrator serves as the utility manager and water operator. The village council also employs a trained bookkeeper. The council meets regularly and RUBA continues to encourage public input into water/sewer project discussions.

Operation of Utility**Essential Indicators**

- | Yes | No | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility operator(s) are actively working towards necessary certification. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has a preventative maintenance plan developed for the existing sanitation facilities. |

Sustainable Indicators

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The manager receives a monthly O&M report from the utility operator and routinely “spot checks” the facilities to see that the maintenance items are being completed. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a safety manual and holds safety meetings. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Utility facilities have not suffered any major problems/outages due to management issues that are still unresolved. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility is operating at the level of service that was proposed. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The operator provides status reports to the manager on a routine basis. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has completed and distributed its <u>Community Confidence Report (CCR)</u> . |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is not on the <u>Significant Non-Compliance (SNC)</u> list. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility maintains an inventory control list. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility maintains a critical spare parts list. |

Operation of Utility Comments:

The water operator plans to seek further training and RUBA recommends a backup operator receive training. The utility does not have a preventative maintenance plan in place although the administrator has been in contact with the VSW engineer and met with the Remote Maintenance Worker during the quarter. The utility can benefit from a maintenance plan that includes routine tasks critical for the safe and sustainable operation of the utility. The utility is still listed on the Significant Non-Compliance (SNC) list. The system's design prohibits compliance with certain ADEC requirements. The operator is actively working toward achievable compliance with ADEC and VSW. The utility completed its 2005 Consumer Confidence Report.

RUBA Activities For The Coming Quarter

RUBA will maintain contact with the village council as they progress toward improved community sanitation.

