

# Tanana (Too'gha) Activity Report

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## General Information:

RUBA personnel worked with the Too'gha manager and board projected pro-forma budgets for the years 2001 and 2002. Based on discussions from this recap the board made the extremely difficult decision not open the new facility in the fall of 2000. It was anticipated that the opening of the new facility without having adequate revenue generating distribution lines in the ground could lead to an extension of Too'gha's losses into the \$24,000.00 range. Again, the decision not to open the facility was a very difficult one, however it may prove to be the wisest choice in the long haul. However, the condition of the old facility is not good. The RMW reviewed the facility and predicted that it would probably survive another winter, particularly if the lift stations were addressed this year.

In other matters, the board has been involved in discussions with VSW personnel regarding the renting/buying of equipment and the procurement of gravel. Apparently most of the board members feel that Too'gha should rent the equipment from the city. Since this would be sole sourcing, bid specifications have been prepared for the rental of equipment (not necessarily from the city, from the entity submitting the lowest bid.) The City is in the process of obtaining permits for gravel extraction. The rental issue and the gravel issue are tied together. Decisions should be made on a financial basis as to what will give Too'gha the most "bang for the buck."

The manager has once again submitted a resignation. Whether this will actually occur or not remains to be seen, however there is some feeling on the board that the position should be split into two part time positions, one for handling the office and one for handling the routine maintenance activities.

The Too'gha manager attended the "Introduction to Utility Management" seminar held in Fairbanks in April. While at the seminar he indicated that planning is still one of the central focus items needed in Tanana by both Too'gha and the community at large.

## Observations and Recommendations:

Finances —Good. Losses to date (6/30/00) have been kept minimal with prudent spending.

The board has instituted a community planner position with the assistance of funds from EPA. The board has insisted upon and continues to receive a viable monthly financial report which shows not only monthly and year to date expense/revenue but also recaps outstanding liabilities and receivables.

Accounting Systems —Manager continues to grow in proficiency with quick pro. Billings are done in a timely manner, checking accounts are being reconciled monthly. Financial statements are being generated on a regular basis. The manager continues to do the payroll

in a manual mode and then enter into Quick Pro. It is time for Too'gha to start using the payroll features in Quick Pro.

Tax Problems —None— All deposit made and all reports filed for the quarter ending June 30, 2000.

Personnel System — In good shape. A new RUBA staffer which has considerable training in personnel matters has reviewed the Too'gha personnel policy and found at least one instance where the policy apparently conflicts. Recommendations for amendments/changes will be made in the near future. In addition, the manager has been admonished not to submit a resignation every time things start going a little rough. Employees who habitually submit resignations during tough times find that one day it is accepted and suddenly they are looking for new employment.

Organizational Management—Good. Organization has good adherence to its personnel policy and organization chart. There seems to be less confusion with the roles and responsibilities of staff. One recent problem that has cropped up, perhaps unavoidable, it that the operator is spending much of his time on the construction project. This has lead to some problems with the Utility Manager, who feels that the operator is not providing sufficient back up to his primary function, i.e. Too'gha water plant operator. Hopefully these differences will be resolved as the board is talking about splitting the position of the manager into two part time positions, that of bookkeeper and operator.

Leadership/Governance — Good. The board seems to be working as a cohesive unit. Past differences appear to have been put aside and Too'gha is making it's voice heard in the community.

Operation of Utility —Good. Some problems with “free showers” in the Laundromat. Apparently, if the customer knows the right combination (manner and sequence of depositing the coins) additional shower time may be attained. In speaking with the manager on this subject, he feels that modifications to the coin boxes were made long ago and that little can be done to correct the problem at this point. In addition, he pointed out that to replace the boxes and coin mechanisms at this point would be expensive and that the cost could not be re-captured before the opening of the new facility. Additional discussions need to take place with the RMW on this matter before final decisions are made.

Also, operator and RMW report that some attention will need to be paid to the lift stations prior to the upcoming cold season, in particular the Second Avenue lift station. Apparently the mechanism for automatic operation is on the fritz, necessitating a trip (or two) to the lift station each day in order to manually activate the pump.

(Continued on next page.)

**Ranking**

1 = Inadequate

4 = Adequate to meet minimum requirements

7 = Exceeds requirements

<b>Category</b>	<b>1</b>	<b>4</b>	<b>7</b>
Finances			<b>X</b>
Accounting Systems			<b>X</b>
Tax Problems		<b>X</b>	
Personnel System			<b>X</b>
Organizational Management			<b>X</b>
Leadership/Governance			<b>X</b>
Operation of Utility			<b>X</b>

