

Tanana Activity Report

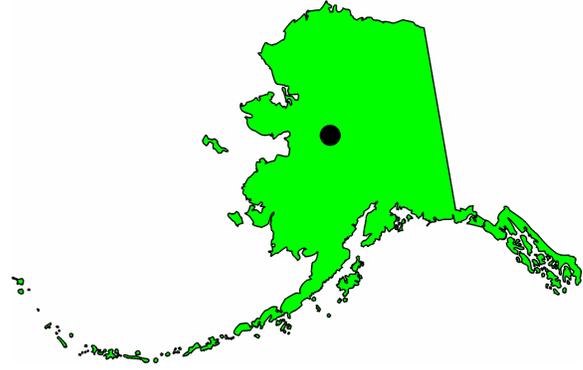
Community Overview

Lead RUBA Staff: Andy Durny, Fairbanks Office

2003 Population: 290

Region: Interior

Local Governments: 1st Class City



Water and sewer utilities are operated by Too'gha, Inc., a non-profit utility board. Water is derived from three wells near the Yukon River, and four watering points are available. In 1970, 55 individual wells were drilled, but due to permafrost and poor water quality, the project essentially failed. Most residents haul their own water from the washeteria and use privies and honeybuckets. In 1976, a piped water and sewer system was constructed to serve the Tanana Hospital, clinic, Regional Elders Residence, and now serves the Tribal council building. A new washeteria and water treatment plant were recently completed. Construction has begun to install pipes in 40 homes downtown. Currently 20 residential units, one commercial unit, the school, and four public facilities are hooked up to the water/sewer system, the landfill uses an incinerator, and provides recycling services. Electricity is provided by Tanana Power Company.

RUBA Activity This Quarter

Tanana presently meets all essential indicators. The utility board has been active in addressing financial and management issues. RUBA staff maintained contact with the utility manager/operator via phone, email and fax, providing information and assistance regarding costs per gallon of water produced, financial recordkeeping, rate setting and utility management. RUBA staff travelled to Tanana June 12-14 and June 27-28 to provide on-site training to the manager/operator and to meet with the utility board.

Capacity Indicators

Finances

Essential Indicators

- | Yes | No | |
|-------------------------------------|--------------------------|---------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | All revenue and expenses for the utility are listed in the utility budget. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted a balanced realistic budget. |
| <input checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input 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:

Available information indicates that the utility still has adequate resources to meet expenses, but that revenues are not keeping up with the rising costs. At a meeting on June 28th, the utility board responded to financial concerns: it reduced expenditures by deciding to eliminate some of its insurance coverages, and it approved rate increases based on per gallon costs. The new rates are scheduled to take effect September 1, 2006. The board also made recommendations that if implemented, may help to reduce or control future expenses. Recommendations include developing another available water source, and requesting financial support for water/sewer testing through the local EPA/IGAP program.

Accounting Systems

Essential Indicators

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has adopted a collection policy and actively follows it.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility bills customers on a regular basis.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	An accounts receivable system is in place which track customers and reports past due accounts and amounts.
<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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 Comments:

The utility has good accounting systems. The utility is in the process of advertising for a new manager/bookkeeper position. Additional training may be needed depending on the experience and abilities of the new manager/bookkeeper.

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:

According to a phone check with Alaska Department of Labor, the utility is current on its tax reporting and deposits to the Department of Labor. According to a phone check with IRS, the utility is current on filing its tax reports and deposits, although there is a small balance due IRS for the first quarter of 2006.

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 type="checkbox"/> | <input checked="" 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 type="checkbox"/> | <input checked="" 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:

The utility has a personnel policy. The utility board recently approved changes in job duties for the manager/operator and created a new part-time position for manager/bookkeeper. The utility has not performed employee evaluations.

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 checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input 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

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|-------------------------------------|--------------------------|--------------------------------------------------------------------------------------|
| <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 policy making body has been taking an active role in addressing management issues. The utility manager/operator recently submitted a letter of resignation from management duties, but indicated his desire to continue working as operator. At a meeting on June 28, the utility board approved the manager/operator's request and created a new part-time manager/bookkeeper position.

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 checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a preventative maintenance plan developed for the existing sanitation facilities. |
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Sustainable Indicators

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|-------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <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 type="checkbox"/> | <input checked="" 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</u> (CCR). |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is not on the <u>Significant Non-Compliance</u> (SNC) list. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility maintains an inventory control list. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility maintains a critical spare parts list. |

Operation of Utility Comments:

The utility has a qualified and capable operator and assistant operator. The utility also has a trained alternate operator. The utility board recently approved a change in job duties that would allow the manager/operator to focus on operational tasks and shift managerial/bookkeeping duties to a new part-time position. Preventive maintenance is routinely performed, but a copy of the preventive maintenance plan is not on file. The current operator/manager has a Water Treatment Operator in Training certificate: he is working to get additional certification. Tanana is on the 6-08-06 SNC list, for a violation of the Surface Water Treatment Rule and for a Stage 1 violation.

RUBA Activities For The Coming Quarter

Continue to monitor and assist. Provide additional training as needed.

