Resolution No. TWSB-03

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A Resolution of the Talkeetna Sewer and Water Board of the Mat-Su Borough Adopting a Rate Adjustment Structure for Fiscal Year 2025

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WHEREAS, the Talkeetna Water and Sewer Board (the "Board") is committed to delivering high-quality water and sewer services to its community members in a fiscally responsible manner, and

water and sewer services to its community members in a fiscally responsible manner, and WHEREAS, the Board recognizes the importance of establishing a rate structure that covers essent@LERKS OFFICE budgetary requirements without creating undue financial burden on ratepayers; and

WHEREAS, the Board seeks to implement a differentiated rate structure for residential and commercial accounts to better align with usage patterns and budgetary requirements, and

whereas, the Board is committed to fiscal conservatism, minimizing unnecessary expenses, and

avoiding irrational spending, ensuring that the rate structure does not create a surplus; and WHEREAS, the Board recognizes the need to amend current regulations to implement the new rate and fee structure to ensure clarity, equity, and alignment with fiscal policy, and

WHEREAS, the Board also desires to mitigate operational issues caused by food establishment waste by requiring all food service establishments to install and maintain grease traps to prevent clogging and contamination in the sewer system, and

WHEREAS, the Board intends to limit annual rate increases to no more than 2.5% or, alternatively, adjust rates in accordance with inflation, whichever is lower, to maintain affordability for ratepayers, NOW, THEREFORE, BE IT RESOLVED by the Talkeetna Sewer and Water Board of the Mat-Su Borough:

1. Residential and Commercial Base Rates

- Residential: A base rate of \$60 per month for water services and \$60 per month for sewer services shall be implemented for all residential water and sewer service users beginning Fiscal Year 2025.
- Commercial: A base rate of \$90 per month for water services and \$100 per month for sewer services shall be implemented for all commercial water and sewer service users beginning Fiscal Year 2025.
- Interrupted Service Rate Change (for both Commercial and Residential). To be set at \$35 per month.

2. Water Usage Tiers

Residential Usage Tiers:

- The first 0-7,500 gallons per month are included in the base rate for all residential users.
- Usage between 7,501 and 12,000 gallons per month shall be charged at \$0.005 per gallon.
- Usage over 12,000 gallons per month shall be charged at \$0.02 per gallon.

Commercial Usage Tiers

- The first 0-3,000 gallons per month are included in the base rate for all commercial users.
- Usage between 3,001 and 7,500 gallons per month shall be charged at \$0.01 per gallon.
- Usage between 7,501 and 12,000 gallons per month shall be charged at \$0.02 per gallon.
- Usage over 12,000 gallons per month shall be charged at \$0.03 per gallon.

3. Fiscal Responsibility.

The Borough shall adhere to principles of fiscal conservatism, avoiding excessive expenses and irrational spending, and shall not set rates to create surpluses beyond essential operational needs and generating historical revenues.

4. Regulation Amendments

The Borough shall amend existing regulations as necessary to implement the new rate structure, including adjustments to the fee structure, ensuring compliance and clarity.

5. Grease Trap Requirement

All food service establishments connected to the Talkeetna sewer system are required to install and maintain appropriate grease traps to reduce sewer line contamination

6. Annual Rate Adjustments.

Any potential future annual rate increases shall be capped at 2.5% annually or adjusted according to inflation or meet historic rate revenues, whichever is lower, to ensure affordability while maintaiging financial sustainability.

Andrew Haag - TSWAB Chair

Resolution adopted by unanimous vote of the TSWAB board 11/06/2024