



**DENALI COMMISSION**  
**510 L Street, Suite 410**  
**Anchorage, Alaska 99501**

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**RESOLUTION NO. 01-10**  
**A RESOLUTION REGARDING DEMONSTRATION PROJECTS FOR REGIONAL**  
**MANAGEMENT OF PUBLIC UTILITIES**

WHEREAS, the Denali Commission is charged with developing infrastructure to serve rural Alaskan communities with particular regard to health and safety needs; and

WHEREAS, the Commission is committed to funding demonstration projects if such projects have significant potential to contribute to sustainable infrastructure; and

WHEREAS, the Denali Commission's guiding principles for infrastructure development include the principle of sustainability; and

WHEREAS, regional non-profit and for-profit organizations achieve sustainability, in large measure in the areas of electric and telephone service; and

WHEREAS, there is reason to believe that regional management of water and sewerage utilities could similarly produce efficiencies that would improve sustainability; and

WHEREAS, there is a clear need to optimize sustainability of water and wastewater utility services in light of the continuing investment of public funds in rural Alaska water and sanitation infrastructure; and

WHEREAS, Utility Services of Alaska, Inc. (USA), a private for profit enterprise, believes it is both reasonable and probable that private utility management practices can be applied to rural Alaskan villages and proposes a multi phase demonstration project to establish a sustainable for-profit regional water utility system operating under the state's existing statutory and regulatory framework; and

WHEREAS, the Alaska Native Tribal Health Consortium (ANTHC), proposes a multiphase demonstration project to create a regional non-profit water and sewer utility cooperative that may include bundling other local utilities such as bulk fuel, solid waste, cable TV, and electricity with a successful parent organization to establish a sustainable non-profit regional utility system; and

WHEREAS, the Denali Commission Infrastructure Subcommittee has reviewed the attached proposals from USA and ANTHC and finds merit in these demonstration

projects, and recommended that the proposals be reviewed for feasibility by an ad hoc group of technical experts, and

WHEREAS, the ad hoc review group of technical experts was assembled by the State of Alaska and said group recommended that the proposals be considered for funding with the following

conditions:

- Projects must be phased with a provision for a third party independent review of success before funding successive phases.
- Project proponents must identify cooperating communities and provide evidence of the communities' commitment to participate prior to award of Denali Commission funds.

NOW THEREFORE BE IT RESOLVED, that: subject to the conditions outlined by the ad hoc review group, the Commission allocate up to \$250,000 of FY2001 Infrastructure funding for the regional management demonstration projects to be allocated as follows:

- \$150,000 to the Alaska Native Health consortium, and
- \$100,000 to Utility Services of Alaska

#### CERTIFICATION

We, the undersigned, hereby certify that the Denali Commission is comprised of seven members, (or their duly appointed alternate), of whom seven, constituting a quorum, were present at a meeting duly and regularly called, noticed, convened and held this 19th day of April, 2001, and that the foregoing Resolution was duly adopted at said meeting by the affirmative vote of seven members, and opposed by zero members, and that said Resolution has not been rescinded or amended in any way.

Dated this 19th Day of April, 2001

Signed:

  
Jeffrey B. Staser  
Federal Co-Chair

  
Fran Ulmer  
State Co-Chair