

RESOLUTION NO. 4481, As Amended

**A RESOLUTION REGARDING CUC/GHU TARIFF FILINGS FOR
SEWER AND WATER RATE INCREASES**

WHEREAS, College Utilities Corporation (CUC) and Golden Heart Utilities, Inc. (GHU) submitted tariff filings with the Regulatory Commission of Alaska (RCA) on June 17, 2011, seeking new permanent increases for both sewer and water rates; and

WHEREAS, the City of Fairbanks as a former utility owner/operator appreciates the difficulties faced by CUC and GHU in the operation of these utilities; and

WHEREAS, numerous residents have expressed concerns regarding the rate hikes proposed by CUC and GHU and the hardship such rate increases will have on them and on others on fixed incomes and/or of limited means; and

WHEREAS, in light of the continuing national economic distress, this is a time when everyone must endeavor to do more with less; and

WHEREAS, while the City recognizes that under RCA guidelines the parent corporation is entitled to a fair return on its investment, the actual return on equity over the past five years, while below that authorized by the RCA, is reasonable considering all of the circumstances,

NOW, THEREFORE, BE IT RESOLVED by the City Council that it opposes the proposed rate increases sought by CUC and GHU in TA103-37, TA46-290, TA51-118, and TA97-97.

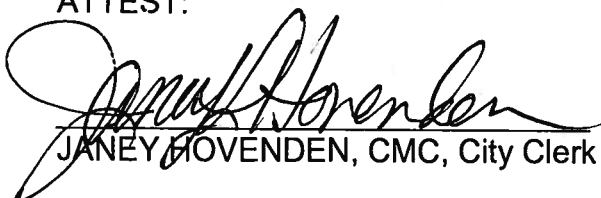
PASSED and APPROVED this 18th day of July 2011.



JERRY CLEWORTH, MAYOR

AYES: Stiver, Matherly, Gatewood
NAYS: Eberhart, Roberts
ABSENT: Bratcher
APPROVED: July 18, 2011

ATTEST:



JANEY GROVENDEN, CMC, City Clerk

APPROVED AS TO FORM:



for PAUL J. EWERS, City Attorney