

SPECIAL COUNCIL MEETING

October 14, 1949

The Common Council of the City of Juneau met in Special Session in the Council Chambers of the City Hall, Friday evening October 14, 1949 at eight o' clock P.M. with Mayor Hendrickson presiding and with the following Councilmen being present: Councilman McDowell, Walther, Zenger, Jorgenson, Larsen and Christensen.

The Mayor announced that the meeting had been called for the purposes of hearing the report of Mr. C. J. Ehrendreich on the Juneau Water Company's request for an increase in water rates and (2) to pass upon the resolution for the admission of the Highlands area into the City limits of the City of Juneau.

The City Clerk read Mr. Ehrendreich's report on the Juneau Water Company Rate Petition dated October 12, 1949.

Attorney Faulkner spoke from the audience on behalf of the Water Company making the following statements: The Company admittedly has a poor accounting system. The rates charged for water are still low in comparison to other Cities. St. Anns Hospital was cited as an example. They have more than doubled their size and capacity since originally starting out and the old rate of \$15.00 per month has been charged since 1896 when they were first established. Mr. Lewis, the owner of the Company is getting old and is now sick and cannot come to Juneau to care for his business here. He used to make four trips here annually and has only made one this past year. It is impossible to get the accurate costs of the invested capital outlay for the Company as no figures are available from the establishment of the works in the early days. To accomplish this would take some engineering experts in this field which would be costly. The Company's expenses have been kept low all the time and there is only a \$5,000 annual management fee. Mr. Lewis is his own attorney and manager and makes all the purchases in San Francisco for the Company. There is no water rate Ordinance in the City of Juneau and Mr. Lewis established his own rates many years ago. These have been in existence since that time. Mr. Faulkner promised to secure whatever further detailed data was possible when he returns to San Francisco in the near future in order to present a better financial report to the City Council. The Company's water rates have not been changed since 1890 when they were first established. He asked that the City Council not take any action at this time and thereby let the Company charge the increased rates until the end of this year to enable them to see what the revenue would be and what the new expenses would run and to give him a chance to secure the detailed figures from the San Francisco office.

Mr. Ehrendreich spoke from the audience stating that he agreed with Mr. Faulkner's statements but nevertheless he wanted pertinent data in order to establish a sound basis for water rates.

Mr. Faulkner was instructed to make a statement to the public in the daily newspaper regarding the new charges and that the Council be allowed to see the statement before sending it to press. No further Council action was taken at this time.

The City Clerk read the Resolution as drawn up by the City Attorney to present the original petitioned area into the City limits. This area known as the "Highlands" which is located at the northerly side of the City limits.

Councilman Jorgenson moved and Councilman Larsen seconded to adopt the Resolution as read. Upon roll call, the motion carried unan- imously.

Mr. E. O. Davis spoke to the Councilmen regarding the eviction

of Mr. Mike Karry from the Bindsell house on Pipe Line Alley. He was informed that no action on this matter could be taken by the Council this evening as the meeting was called for two specific purposes and that both parties had previously been notified by the City of Juneau to move the house off the street.

Upon motion, the Council adjourned.

C. L. Popejoy
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City Clerk