

Follow-up Agenda

ITEM

1. Citizen Comments
2. Reports from the County Administrator & Staff:
 - a. Action Items:
 1. Utility Installation Reimbursement Policy
(Continue to consider on a case-by-case basis – Staff to prepare specific agreements related to Jones Drive and Dan Sumner projects – Present at February Board meeting – Place on February agenda) Mr. Huber/Mr. Coake
Ms. Hanks
 2. Procedure Addressing Delinquent Accounts
(Board approved existing staff taking all necessary steps to keep accounts updated by sending letters, phone calls, use of debt setoff program and/or liens - Staff to rewrite proposed policy to include waiver of penalty and interest not only for those who can pay, but also for those who cannot pay – Draft collection policy and place on February agenda) Ms. Baylor/Ms. Sayers
Mr. Huber
Ms. Hanks
 3. Installation of Water and Sewer Service to Various Mobile Home Parks
(Issues described and Board informed of meeting with mobile home park owners)
 4. Commerce Park Water Surcharge
(Approved addition of surcharge as long as the PSA is paid the minimum of the standard rates applicable to other customers – Notify Commerce Park) Mr. Utt
 - b. Informational Items:
 1. Personnel Changes
(Reviewed)

2. Disposal Permits
(Reviewed letter clarifying the PSA's revision to "free" disposal at the landfill following continued complaints from residents about having provide PSA bills matching their driver's licenses)

3. Waste Management
(Board requested County Attorney - Respond ASAP to Waste Management correspondence) Mr. McCarthy

4. Provision of Assistance to Giles County PSA
(Board concurred with offer of assistance)

5. Report on Implementation of Utility Projects
(Reported)

6. Financial Report
(Reported in detail – Board commended Mr. Jones for detailed report)

(Mr. Loyd questioned why the roll-off containers that were approved as an emergency purchase had not been purchased – Staff to review and provide update at February Board meeting) Mr. Nichols/Mr. Huber

- c. Collection Staff Activity:
 1. Adjustments
(Approved – Mr. Huff requested staff determine reason for high adjustments and report back at February meeting – Place on February agenda) Ms. Sayers
Ms. Hanks

 2. Inmate Availability Report
 3. Balance Due & Lien Report
 4. Work Order Count
 5. Drop Site Total & County Landfill Tonnage
(Reviewed items 2-5)

d. Current Authorized Projects & Items Under Review:

1. Public Water & Sewer Service to Mobile Home Parks (engineering underway)
2. Sewer Service to Rolling Hills, Vista, Orchard Hills, and Highland Park Subdivisions (engineering underway)

3. Approval of Minutes of December 13, 2006
(Approved)

Ms. Hanks

4. Accounts Payable
(Reviewed)

Ms. Sayers

5. Other Matters
(Approved award of bid to Bakers Waste for front load containers at \$60,000 – Adjust number of containers to fit within budget)

Mr. Nichols

(Approved advertising for a public hearing to consider increase in roll off deposit from \$100 to \$300 – Determine earliest date of PSA Board meeting at which a hearing can be held and advertise accordingly)

Ms. Hanks

6. Adjournment

January 4, 2007

TO: PSA Board of Directors

FROM: Staff

SUBJECT: Reports from County Administrator and Staff:

a. Action Items:

1. Utility Installation Reimbursement Policy – While tabled by the Board at the December meeting, the following is the draft policy for sharing of utility installation costs for further consideration and/or guidance by the Board:

The Pulaski County Public Service Authority (PSA) recognizes that the extension of water or sewer lines by a developer or property owner should be fairly shared by adjacent property owners benefiting from the utility extension. Thus, persons wishing to recover utility expenses may register their interest in recovering costs with the PSA staff for consideration of the matter by the Board of Directors and possible inclusion of the following agreement in the Public Service Authority minutes:

- a. The Public Service Authority is under no obligation for the expenditure should additional connections not be installed and paid for;
- b. For a period of 5 years beginning on the date of the Board minutes in which the agreement is included, connection fees on the portion of line installed by the original developer will be based on a proportional cost as if the new connection had been part of the original division of costs in addition to the normal PSA connection fee. Any shared costs must be confirmed by the County Engineer.

For example if a water line costing \$60,000 is extended to initially serve two homes, the original prorated cost is \$30,000 per residence. The connection of a third home would be at a cost of

\$20,000 with \$10,000 of the connection fee returned to each of the two original investors.

Such agreements would apply to additional individual connections to the line being installed and would not apply to the additional line extensions.

- c. Connection fees after the expiration of the 5-year period following the date of the meeting would be based on normal PSA connection fees in effect at the time of the new connection.
 - d. Unless specifically called for in the agreement with the PSA, any reimbursement of connection fees will be to the current property owner at the time of additional connections. If specified otherwise, it is the responsibility of the original investor to maintain contact with the Public Service Authority staff. The PSA will not be responsible for returning funds to individuals which the PSA staff cannot locate.
 - e. Subsequent line extensions of at least 1,000 feet may be installed to serve other properties without reimbursing for the installation of the original line extension.
2. Procedure Addressing Delinquent Accounts – The existing staff has confirmed that they will be able to maintain the placement of updated liens without the need to increase staff. In the event that the PSA Board would like to implement the use of the debt set-off program as noted in the following recommendation, it is recommended that existing staff be asked to do the additional work to participate in the debt set-off program through the use of overtime. This recommendation is based on the knowledge the staff has regarding existing accounts and their willingness to do the additional work.

The following is a restatement of the recommended policies for addressing large delinquent balances as included in the November agenda:

- a. Motivate delinquent customers to address the problem through a 180-day grace period. During this period, the listing of persons eligible for tax relief for the elderly would be used to pay in one of the following options. The waiver of any charges under either of the following two situations would require the specific approval of the PSA Board of Directors as recorded in the minutes of their monthly meetings.
 1. Those who can't pay the total debt as defined by their being on the tax relief for the elderly listing **and** make arrangements to pay off the debt for actual services

rendered (with payment over maximum of 24 months) are eligible to have the PSA Board freeze all future interest charges. Any remaining charges such as non-users fees would be secured by a lien on the property.

2. Those who can pay would be eligible for waiver of penalty and interest charges assuming their remaining bill is paid in full.

b. At the same time, the PSA staff would:

1. Utilize debt set off (which intercepts state tax refunds owed to the individual) where the required social security numbers are on file;
2. Continue placement of liens for all customers owing the PSA; and
3. Continue to require social security numbers for all new customers
4. Requesting the assistance of the Town of Pulaski in cutting off water service to delinquent commercial refuse customers served by the Town water system.

Consideration to the revision or adoption of this policy is requested. Staff appreciates the difficulty of addressing this longstanding problem and is willing to research other approaches as may be desired by the PSA Board.

3. Installation of Water and Sewer Service to Various Mobile Home Parks – As requested by the Board, ***enclosed*** are the minutes of the August 14, 1995 PSA Board pertinent to connection fees for Eagleview Mobile Home park. Also ***enclosed*** is the agreement for the Eagleview Mobile Home Park water service as sent to Mr. Sumner. This agreement credits him with one free connection based on his payment of non-user fees on one mobile home. All other connection fees are consistent with the one-half price bulk rate quoted to other mobile home park owners and subdivision developers. Also, as discussed by the PSA Board at the November meeting, charges to each mobile home park are based on the actual cost of providing service to each location rather than a single equalized rate.
4. Commerce Park Water Surcharge – After the tabling of this matter at the December Board meeting, it was suggested that the addition of surcharge be allowed as long as the PSA is paid the minimum of the standard rates applicable to other customers. In other words, the surcharge could no longer be collected if the PSA has to reduce the normal rates. The following is the original request as contained in the December Board packet:

The Commerce Park Participation Committee would like to request the consideration of the PSA Board to allowing for a surcharge on water

service to prospective Park tenants. The additional funds billed by the PSA would then be paid to the Committee for use in paying for water system improvements needed to provide additional water capacity in the Park. The Committee estimates it will cost \$1,056,000 to increase water capacity from an estimated 90,000 gallons per day by 500,000 gallons per day to 590,000 gallons per day.

The proposed water system improvements include 13,000' of 12" line along Route 100, 60' of stream crossing, 300' of highway crossing, 100' of railroad crossing and 4 connections. The Committee is also suggesting an additional 3,500 feet of 8" sewer be installed to serve 100 additional acres and maximize the use of the current pump station to 670 GPM at an estimated cost of \$331,320.

A surcharge of \$1.18 per 1,000 gallons for water service has been suggested to bring water rates to the statewide median. Based on the assumed future use of at least 150,000 gallons per day, the surcharge would allow the Committee to repay the debt for the construction of these improvements. Since there is less difference between existing PSA sewer rates and statewide averages, a sewer surcharge has not been suggested.

Approval to the establishment of a surcharge with the additional language protecting base PSA rates is recommended.

b. Informational Items:

1. Personnel Changes - ***Enclosed*** is a listing of recent personnel changes as prepared by Ms. Spence.
2. Disposal Permits – ***Enclosed*** is a letter to Joe Levine clarifying the PSA's revision to "free" disposal at the landfill following continued complaints from residents about having to provide PSA bills matching their driver's licenses.
3. Waste Management – ***Enclosed*** is a letter to Chairman Huff from Waste Management's legal counsel requesting the ability to freely provide waste hauling services in Pulaski County, or be provided with documentation of an exclusive contract for the PSA to do so. I am referring this matter to the County Attorney for his consideration.
4. Provision of Assistance to Giles County PSA – Mr. Kevin Belcher requested, and I offered, the assistance of the PSA staff in staffing the Giles County Water Treatment Plant following the resignation of the Giles County PSA's Executive Director and their Water Treatment Plant operator. To date, this assistance has not been needed. However, I would appreciate knowing of any concerns the PSA Board of Directors may have with this approach, should future situations of this type arise.

