

Board of County Commissioners

Agenda Request

Date of Meeting: January 25, 2010

Date Submitted: January 8, 2010

To: Honorable Chairman and Members of the Board

From: Benjamin H. Pingree, County Administrator
Heather J. Encinosa, County Attorney

Subject: Request Board Approval of the Billing Agreement Between the Panacea Area Water System, Inc., and Wakulla County, Florida

Statement of Issue:

This agenda item requests Board approval of the Billing Agreement between the Panacea Area Water System, Inc. (PAWS), and Wakulla County, Florida. The Billing Agreement will formalize the arrangement between Wakulla County and PAWS to allow PAWS to bill and collect for the County's wastewater customers within the PAWS water service area.

Background:

Within the PAWS water service area, Wakulla County provides wastewater services and PAWS provides water services. Given the inherent difficulties involved in calculating and enforcing payment for wastewater only services, the County has historically contracted with PAWS to provide these services on the County's behalf. If approved, this Agreement will formalize and continue this arrangement.

Analysis:

Within the PAWS water service area, Wakulla County provides wastewater services and PAWS provides water services. Without water consumption information, billing for wastewater only services is imprecise. Additionally, wastewater only billing is difficult and expensive to enforce since wastewater services are not easy to disconnect.

Due to these inherent difficulties, the County has historically contracted with PAWS to provide wastewater billing and collection within the PAWS water service area. Both the County and PAWS identified certain issues in the past agreement between PAWS and the County that needed revision.

Accordingly, this new Agreement is intended to update, replace, and formalize the agreement between the parties regarding the billing services provided by PAWS. Additionally, by approving this Agreement, the County is releasing PAWS for any past liability and absolving PAWS from payment of any alleged past due amounts to the County due to overbilling by PAWS, which amounts to approximately \$48,000 (subject to verification).

If approved, this Agreement provides for the following:

(1) PAWS will bill and collect the monthly wastewater service fees, which will be based on PAWS water usage information. These fees will be included on the same bill as PAWS water charges and subject to the same payment terms.

(2) PAWS will collect the wastewater fees in the same manner as their water charges, including terminating water service for nonpayment of wastewater fees.

(3) PAWS will also provide wastewater connections and will collect, administer and maintain all wastewater deposits. All existing wastewater deposits being held by the County shall be transferred to PAWS.

(4) Wakulla County will pay PAWS \$2.75 per customer billed each month. These fees will be paid to PAWS within 5 days for the County receiving the monthly sewer revenue, a verified invoice, and all required monthly reports.

(5) PAWS shall also retain any late fees, account set-up fees, disconnect/reconnect fees, and convenience fees for electronic payments.

(6) Wakulla County must provide PAWS with 60 days' written notice of any changes to the County's rates, policies, or procedures.

(7) The term of this Agreement is three years and may be renewed upon mutual agreement of the parties.

Options

1. Approve the Billing Agreement Between PAWS and the County.
2. Do Not Approve the Billing Agreement Between PAWS and the County.
3. Board Direction.

Recommendation

Option #1

Attachment(s):

1. Billing Agreement Between PAWS and the County