

Legislative/Regulatory Subcommittee
Fee Package Recommendations
June 2, 2010

General

- The analysis that was provided for small systems in the powerpoint that shows cost for service needs to be expanded to include medium and large systems for presentation at the full Board meeting on June 18.
- Fees should be equitable for customer/consumers. Therefore fees should be charged based on the number connections, factoring in differences due to method of treatment utilized at the system and whether the system has a surface or groundwater source. Another advantage to assessing fees by connections is that the costs for these fees would be more gradual.
- Why are the fees for community systems supplementing program costs for noncommunity systems? The proposal for fees for noncommunity systems should be restored.
- Fees for noncommunity systems can't be figured by connection. Fees could be calculated by total capacity, population or combination of the two.
- Drinking Water Program costs for Marcellus Shale/UIC issues should be covered by the Oil & Gas industry.
- Fees need to be put in a restricted account specifically for the Drinking Water Program. If the fees are too high, the fees need to be refunded to the systems.
- Once the program is fully funded, subsequent decrease in the General Fund budget should be seen.
- General funds need to continue to support some of program, particularly since 86% of the population is served by a public water supply system where, in essence the taxpayers are already paying. Having these fees cover the whole program should be done gradually.
- The other state data presented needs clarification in order to compare these fees to the proposed fees for Pennsylvania. The summary table showing the data behind the figures in the powerpoint should be provided as a handout for the full Board.
- The members could see how the cumulative fee numbers for a system are misleading and irrelevant to the discussion. Instead of providing these numbers to the full Board, provide links to the proposed packages for systems to use to determine the total cost impacts on their system.

Payment Schedule

- Can systems be provided ways to change payment schedule? It would be preferable to allow systems to negotiate a schedule. System flexibility is key to allowing systems to negotiate a payment schedule based on their financial situation.
- Allow for installments.
- Avoid having payments due at the same time as other tax deadlines.

Consequences for non-payment

- A late fee of 6% per year is recommended.

More Data

Members asked that the following data be provided to the full Board in order to finalize recommendations at the June 18 meeting:

- Define a dollar range on potential fees that would result from using the number of connections as a basis for fee assessment.