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Organizational Management for Rural Utilities

Student Manual

Department of Commerce, Community, and Economic Development
Division of Community and Regional Affairs
Rural Utility Business Advisor Program

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Rural Utility Business Advisor Program

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OVERVIEW OF RUBA UTILITY MANAGEMENT TRAINING

In recent decades, the State of Alaska and the federal government have spent more than a billion dollars to construct or upgrade water/wastewater infrastructure in rural Alaska. These facilities have improved health and sanitary conditions for rural residents. In many cases they provide a long-awaited service that most Americans take for granted-the convenience of indoor household plumbing. While these improvements provide significant health and sanitation benefits, they also present significant challenges to rural communities. Whether the utility consists of a piped system, a haul system, a public washeteria, or a central watering point, upon completion of the construction project or upgrade, each community is responsible for operating and maintaining its utility for the life expectancy of the facilities (generally at least 20 years). Each utility must be able to

- operate and maintain its system to provide the desired level of service at an affordable cost,
- comply with all applicable federal, state, and local regulations,
- generate sufficient revenue to pay all operating expenses and replacement costs.

DISCUSSION QUESTION: The state and federal governments have spent more than a billion dollars on utility infrastructure in rural Alaska. How much state and federal money is available as direct funding to pay for operating and maintaining those facilities?

The ability to provide the desired level of service at an affordable cost for the life expectancy of the facilities is referred to as sustainability. Faced with limited resources, high operating expenses, and difficult conditions unique to rural Alaska, many communities struggle to meet the challenge of providing sustainable water/wastewater services.

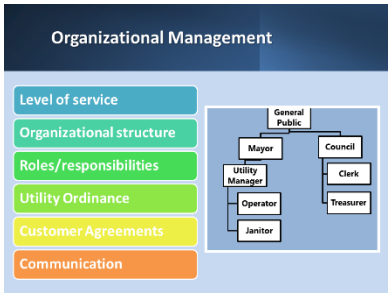
The Rural Utility Business Advisor (RUBA) program was created by the Alaska Department of Commerce, Community, and Economic Development (DCCED), the Alaska Department of Environmental Conservation (DEC), and the U.S. Environmental Protection Agency (EPA) to help communities with populations of 1,500 or less meet the challenge to successfully manage and operate water/wastewater utilities. The program is funded by the EPA and the State of Alaska and is operated under the Alaska Division of Community and Regional Affairs (DCRA).

RUBA UTILITY MANAGEMENT TRAINING COURSES

The RUBA program provides on-site community training and assistance and conducts eight different 32-hour utility management training classes at various times and locations throughout the year (usually in regional hubs such as Anchorage, Bethel, Dillingham, Fairbanks, Juneau, Ketchikan, Kodiak, Kotzebue, and Nome). Funding is generally available to reimburse communities for the cost of participant travel and lodging. Classes are open to anyone involved with managing a public water/wastewater utility in rural Alaska (managers, administrators, elected officials, clerks, etc.).

Introduction to Management for Rural Utilities is the first course in the RUBA utility management training series. It provides an overview of the other seven RUBA utility management classes. Students taking the ***Introduction*** course will learn the basics of utility management and will be well prepared to continue with the more advanced courses addressing specific areas of utility management.

Successful management of a public water/wastewater utility requires establishing authority for the utility to operate, with clear rules and regulations for the utility and its customers. The ***Organizational Management for Rural Utilities*** course covers the following topics:



- Level of Service
- Organizational Structure
- Roles and Responsibilities
- The Utility Ordinance
- Customer Agreements
- Communication and Administration

The ***Personnel Management for Rural Utilities*** course addresses the following topics in detail:

- Personnel Policies and Procedures
- Safety Policy and Resources
- Recruiting, Interviewing and Selection
- Orientation and Training
- Regulations and the Law
- People, Communication and Conflict
- Motivation and Management Skills

After you complete the *Personnel Management* course you will have a better understanding of what to include in your personnel policies, how to provide a safe workplace, and how to hire, supervise and motivate employees to achieve the goals of your organization.

Construction of a water/wastewater utility is typically the single largest investment in a small rural community. Water/wastewater projects require careful planning-otherwise you may find yourself stuck with a facility that is too expensive or difficult to operate. The ***Planning Management for Rural Utilities*** course describes the critical steps needed to successfully plan a water/wastewater utility project. The *Planning Management* course examines the following topics:

- Getting Ready to Plan
- Collecting Information
- Identifying Choices
- Evaluating Alternatives
- Choosing the Best Alternative
- Putting the Plan into Action

Utility managers must ensure that utility personnel perform their required duties safely, effectively, and efficiently. Without effective management skills, important duties may be delayed or neglected, resulting in wasteful spending, damage to the utility, service interruptions, and even catastrophic failure. The ***Operations Management for Rural Utilities*** course covers the following topics:

- Working with Operators
- Safety and Emergency Planning
- O&M Scheduling
- Data Collection and Reporting
- Public Relations
- Asset Management
- Financial Management
- Best Practices

A water/wastewater utility must generate sufficient revenues from its customers in order to be sustainable. Utility managers must plan and track the utility's financial resources to ensure that revenues are received as required and spent effectively and efficiently. The ***Financial Management for Rural Utilities*** course looks at the following topics in detail:

- Governmental Accounting
- Chart of Accounts
- Budgets
- Rate Setting
- Collections
- Financial Reports
- Managerial Reports

Elected officials in rural Alaskan communities play an important role in planning and overseeing the management of their public water/wastewater utilities. The ***Elected Officials Management for Rural Utilities*** course covers the following topics:

- Overview of Government
- Roles and Responsibilities
- Meetings
- Ordinances and Resolutions
- Policies and Procedures
- Financial Management
- Sustainability

The utility clerk plays a vital role in the operation of the utility. In many small rural Alaskan municipalities, the city clerk fills the role of utility clerk. The ***Clerks Management for Rural Utilities*** course provides students with an understanding of the clerk's responsibilities and of how the clerk's role affects the utility. Although this course is specifically designed for clerks, utility managers should also take this course because they need to have a thorough knowledge about what the clerk must do. The ***Clerks Management*** course covers the following topics as related to the clerk's duties:

- Introduction and Overview
- Public Relations
- Meetings
- Office Management
- Elections
- Financial Management
- Ordinances and Resolutions

COURSE STRUCTURE

Each of the RUBA utility management training courses are a 32-hour course, taught over a period of four or five days by two or more instructors who alternate teaching time. Each student is provided with a manual for the course. Instructors go over each lesson in the manual with the students. The format for each course consists of the following:

- Welcome And Introductions
- An Overview Of The RUBA Training Program
- A Pre-Test
- Lessons (Typically 4 Hours Per Main Topic) And Exercises
- A Course Review
- A Post-Test
- Wrap-Up

PRE-TEST

At the beginning of each course, students will be given a test to assess how much they already know about the subject material in the course being taught. This test helps the students and the instructor know what areas to focus on during the course. All of the questions on the test will be covered during the course.

LESSONS AND EXERCISES

Each lesson consists of a lecture along with discussion and exercises. Students are encouraged to ask questions and discuss topics as needed. The exercises are designed to help students understand concepts taught in the lesson. It typically takes between two and four hours to complete a lesson. Short breaks will be provided periodically during the presentation of each lesson. At the end of each lesson, students are asked to complete an "End of Lesson Review sheet", to fill out a brief Action Plan, and to complete a brief evaluation of that lesson.

COURSE REVIEW

On the last day of class, we will review the course materials and answer any final questions students might have about the subject matter covered during the course.

POST-TEST

After the course review, students will be given the same test as on the first day of class. This will be a closed book test again, but scores should be much higher than on the "Pre-test". The purpose of the second test is to see how much you have learned from this course.

WRAP-UP

Instructors will quickly grade the post-tests and students will be able to compare their pre and posttest scores. Students will be asked to submit their evaluations of the course: the evaluations provide feedback we can use to improve the courses and training materials. During wrap-up, instructors will answer any questions about procedures for submitting requests for reimbursement of travel costs, and instructors and class participants will have an opportunity to make final remarks. Typically, instructors will also take a group photo (participation in the group photo is voluntary).

BEST PRACTICES

ADEC and the RUBA program in collaboration with the Alaska Native Tribal Health Consortium (ANTHC), have developed new criteria for assessing capacity of rural communities to manage and operate sustainable water and wastewater utilities. The new criteria, referred to as *Operations and Maintenances* ***Best Practices***, are used for promoting effective and efficient utility management, and for prioritizing capital funding for community sanitation projects. In the Best Practices scoring system, DEC Remote Maintenance Worker staff evaluate a community's technical capacity, and RUBA staff evaluate financial and managerial capacity. Best Practices scores are updated quarterly and published twice per year in conjunction with Sanitation Deficiency System (SDS) funding and state Capital Improvement Project (CIP) funding opportunities. The scores count for 15% of available points for SDS project funding and 40% of points for CIP funding. If utility management problems are noted, RMW and RUBA staff can help the community address them and to improve scores. A copy of the Best Practices scoring criteria and guidelines is in the Appendix.

> "***The most effective way to increase your community's chance of receiving project funding is by improving your Best Practice score. The most effective way to increase your Best Practice score is by working with RUBA and your RMW"*** (DEC Division of Water website)

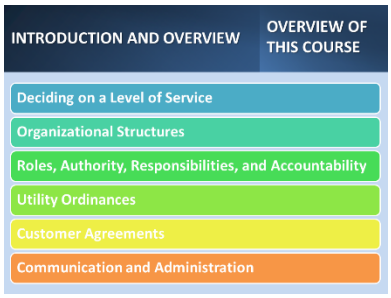
By successfully completing this or any of the other 32-hour RUBA training classes, you will have earned 5 points for the Utility Management Training criteria on the Best Practices score. We hope you enjoy this course and that your participation in it will help you implement and improve effective management techniques for the success of your water/wastewater utility.

INTRODUCTION TO THIS COURSE

This week-long course on organizational management covers the six major topics shown in the box below. Each of these topics will be addressed in its own four-hour lesson.

Topics in Organizational Management:

- Level of Service
- Organizational Structures
- Roles, Authority, Responsibilities, and Accountability
- Utility Ordinances
- Customer Agreements
- Communication and Administration



The overall goal of this course is to demonstrate, through these lessons, how to set your organization (your utility) up in such a way that it can provide the specific sanitation services that your community needs efficiently over the longer-term.

The process starts by deciding exactly what services your community expects to receive and what it can afford and will be discussed in this lesson.

Once your utility has decided on the level of service it will provide the community, it needs to create an organizational structure best suited for providing that particular se vice. Everyone associated with that organization, including its staff and customers, will have certain roles, authority, responsibilities, and accountability to others, all of which need to be clearly defined. These topics are considered in Lessons 2 and 3.

Lesson 4 shows there needs to be a set of written rules governing the management and operations of the utility. These rules are based on the level of service being provided, your utility's unique structure, and the functions of all those involved in running it. In Lesson 5, we'll see how there needs to be similar rules for the customers receiving the utility's services.

Finally, Lesson 6 provides suggestions for how the entire organization-once it's designed and set up-can be run more effectively with proper communication strategies and administration.

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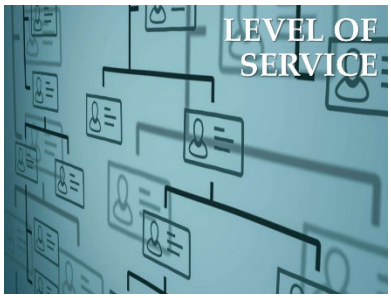
LESSON 1: LEVEL OF SERVICE

LESSON OUTLINE:



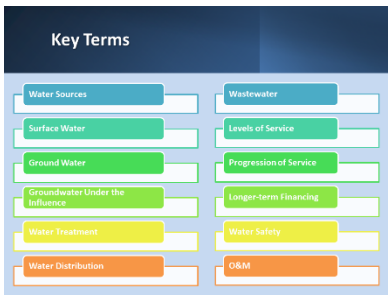
- Introduction to Levels of Service
- Deciding on a Level of Service
- Specific Areas of Consideration

LEARNING OBJECTIVES:

After this lesson, participants will be able to recognize:

- What the term 'level of service' refers to
- That utilities need to decide on a level of service they will provide based on community need and available resources
- That determining a level of service appropriate for your utility requires communication with customers, staff, other communities, and with relevant experts
- The different ways utilities can improve the level of service they provide

Key Terms

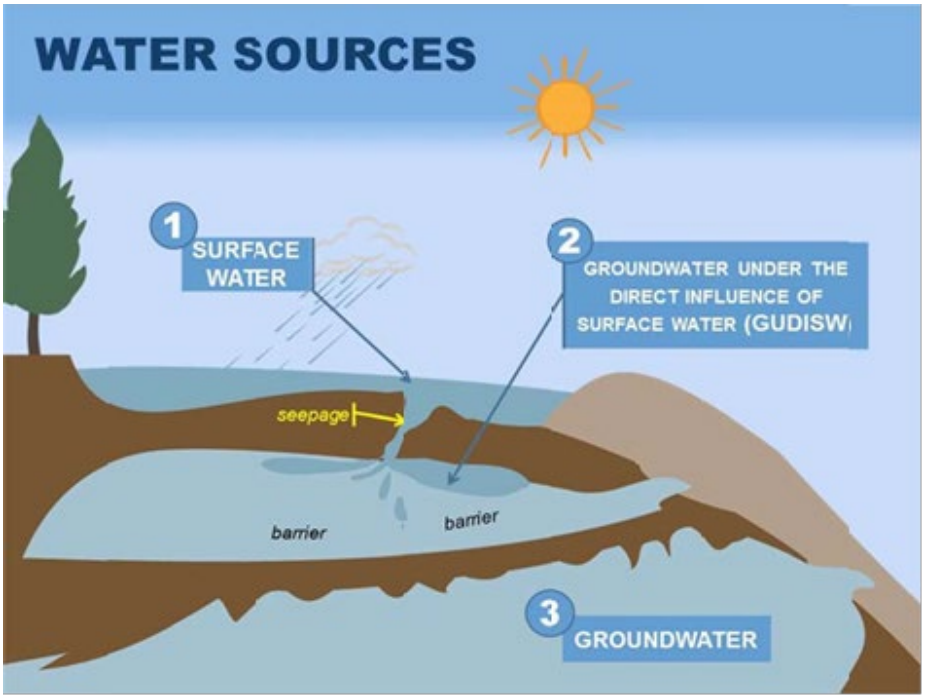


- Water Sources
- Surface Water
- Ground Water
- Groundwater Under the Influence
- Water Treatment
- Water Distribution
- Wastewater
- Levels of Service
- Progression of Service
- Longer-term Financing
- Water Safety
- O&M

OVERVIEW OF SANITATION SYSTEMS

This section provides a basic overview of water source types and different sanitation systems in rural Alaska. You're not going to need to be experts in these topics, but it will be helpful to have some familiarity with them in order to get the most o t of this course. It's also important to be comfortable with these terms because they'll likely come up while you do your particular job. More information on sanitation system types is provided at the end of this manual in Appendix B.

SOURCES OF WATER



The types of water sources available in your area will limit your sanitation system options. It may not be possible to use certain sources for drinking water in some parts of Alaska. The cost of a utility's operations and maintenance and the level of certification that an operator is required to have can also depend on the source of water being used.

This section includes a brief overview of the advantages and disadvantages to certain water sources which should be considered during the planning process. For more detailed information, contact the state's Department of Environmental Conservation (DEC) and the Department of Natural Resources (DNR). Your community's water operator, assigned Remote Maintenance Worker (RMW), and project engineer will also have important information about potential drinking water sources.

Surface Water

Surface water is water that is open to the atmosphere and flows above the ground in rivers, streams, lakes, and tundra ponds. Surface water includes the water in rain catchments and water in shallow wells affected by rain or snow. Compared to other sources, it is relatively easy to locate surface water and to determine its quality and quantity. Surface water is also generally 'softer,' meaning it has a lower mineral content, which can make treatment easier in some respects.

However, surface water sources are also more easily polluted and are subject to weather conditions and seasonal variations. Water characteristics such as temperature, turbidity (cloudiness), and organic content influence the treatment process in different ways, so even natural changes throughout the course of a year can make it difficult to meet water quality standards on a consistent basis. Further, surface water sources may freeze in the winter creating water shortages.

Groundwater

Groundwater is water from wells or springs that is not influenced by surface water or runoff. It is water locked between confining saturated layers under the earth's surface. Groundwater is not as easily polluted as surface water, is generally more protected from bacteria and viruses, and is available in most parts of Alaska.

Wells in coastal areas, however, can bring up salt water and, in some areas, ground water contains naturally occurring iron, magnesium, and arsenic.

Groundwater in any area will also likely contain more minerals than surface water, making the water 'hard' and sometimes causing stains on plumbing, clothing, and hair. A pump is usually needed to access groundwater and any contamination of the water source is difficult to clean up.

Groundwater Under the Influence

When groundwater is not locked between separate layers and has surface water or precipitation seeping into it, it is called 'groundwater under the direct influence of surface water' (GUDISW). GUDISW must be treated as surface water.

WATER TREATMENT AND DISTRIBUTION

Water Treatment

Water is treated to ensure that it is safe to drink and to remove contaminants that make water look, taste, or smell bad. The federal government and State of Alaska have set standards for the treatment of drinking water provided to the public. The source and quality of your community's water will dictate the specific type of treatment system needed. All systems using a surface water source are required to provide filtration and disinfection. Groundwater sources may also require filtration and/or disinfection depending on the quality of the water.

There are many types of technology that a water treatment system can use to meet the regulatory requirements, but some will be more expensive and more complex to operate than others. In evaluating water treatment system options, contact DEC, your RMW, and neighboring communities with systems similar to those your community is considering. DEC maintains an online database of all the public water systems in Alaska. Further, a detailed information summary of every community in Alaska, including a description of the local sanitation services, can be found on the homepage of the Division of Community and Regional Affairs under the heading 'Community Information Summaries.'

Treatment System Classifications

The various types of water treatment systems are classified by the Department of Environmental Conservation (DEC) according to point rating system. The points are given based on a system's size, its water source, and its technological components. The more points a treatment system receives based on these factors, the higher the system's classification level with DEC. That certification level then determines the operator's necessary certification level. For example, a water treatment system rated at a 'Class 2' level requires an operator with 'Class 2' certification. Contact DEC's Division of Water for more information on the classification and certification requirements of the different water system types.

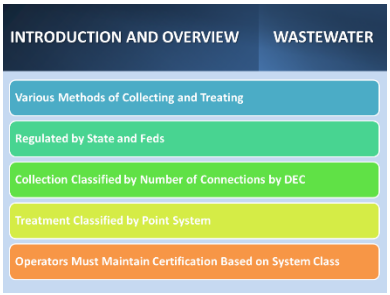
Water Distribution Systems

Residents in your community may have access to clean groundwater with individual wells that pump water directly into their home, or they may collect rain with a catchment system. However, i the water is treated at a central location in the community, it will then need to be distributed to utility customers. Communities across Alaska rely on a number of methods for distributing water to customers. Some have fully piped systems or transport water by vehicle to each customer's holding tank. In other communities, customers collect their own water at local watering points or washeterias. Descriptions of these systems, as well as their comparative advantages and disadvantages, are outlined in more detail at the end of this manual in Appendix B.

Fully-piped distribution systems can be very basic or very complicated. Most piped systems, though, will include pipes, valves, fire hydrants, reservoirs, and service connections to each utility customer. The piping itself may be made of wood, steel, ductile iron, concrete, asbestos cement, or high-density polyethylene above ground or buried below. In the colder regions of Alaska, the distribution system will also l kely need utilidors to house and protect the system while a lowing access for maintenance. Insulated 'arctic pipe' and heat tracers may also be needed.

DEC classifies water distribution systems according to the number of connections served. If a distribution system serves 15 to 500 connections, it's ranked at the Class 1 level. Systems that serve 501 to 5,000 connections are ranked at the Class 2 level. Additionally, distribution systems which circulate and/or heat the water to prevent freezing, as well as distribution systems with five or more pressure zones, are classified one level higher than their classification based on population served.

WASTEWATER



There are a number of methods used for collecting and treating wastewater in rural Alaska. Individual houses may be fully plumbed with waste transported by a piped system to a common tank, lagoon, or treatment plant. In other cases, residents may utilize septic systems with outfalls or drain field systems. A community might employ workers to pump tanks or haul waste containers to disposal sites. Individuals in some communities carry their own waste to the disposal site themselves. Descriptions of various wastewater systems, as well as their comparative advantages and disadvantages, are outlined in more detail at the end of the book in Appendix B.

As with water treatment and distribution systems, wastewater collection and treatment systems are regulated by the state and federal government. DEC classifies wastewater collection systems based on the number of connections served, while wastewater treatment systems are classified using a point rating system similar to that used in classifying water treatment systems. Wastewater operators are required to maintain a level of certification appropriate to their system's classification.

This section explains what *level of service* means in relation to sanitation services in rural Alaska. It also offers a case study to help illustrate the idea of a level of service.

The Need for Sanitation Service

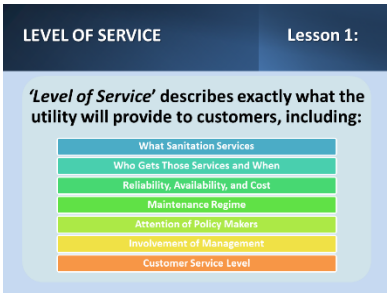
Imagine that your community doesn't have any sanitation utility yet. Maybe residents get their drinking water from private wells, or haul it themselves from a nearby lake. There is no organization in the community that helps collect or distribute that water to homes, let alone treat it or regularly test it to make sure it's safe to drink.

Maybe at some point wells run dry, people in the community get tired of hauling water, or get increasingly concerned that their water could make them sick.

They dream of some kind of new service in the community that will make safe drinking water more accessible.

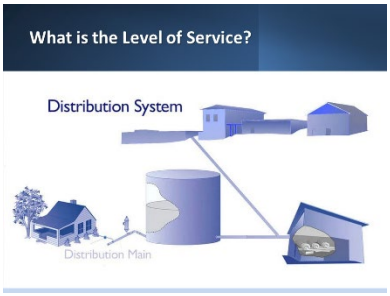
At this point, the community has recognized a need for a sanitation service. Nobody's quite sure what that service will look like or what it will take to maintain it yet-they just know what they have now isn't working.

What is the Level of Service?



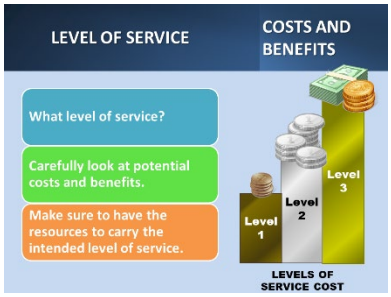
After a community has decided it needs some kind of new or improved sanitation service, it's time to decide just what level of sanitation service it needs, wants, and can afford.

The level of service describes exactly what products or sanitation services the utility will provide to customers, and *how* those services are delivered and managed. The level of service defines how reliable a service will be, who gets to use it, and how those customers will be expected to pay for it. It also explains how new customers will be accommodated, how the system will be maintained, who the decision makers for the utility will be, and how often they should meet to review ssues and concerns.



Once a community recognizes it needs some sanitation service-maybe drinking water delivery or wastewater collection-it then needs to think through all the different aspects associated with having that service. It has to decide how far it will go to meet peoples' needs and wishes. Will it simply build a washeteria that a part-time volunteer operator checks on whenever she has time? Or, will the community provide a higher level of service to its residents by piping water directly to every home that's built, installing meters, subsidizing elderly customers, and having meetings twice each month to address every complaint that customers have?

Costs and Benefits



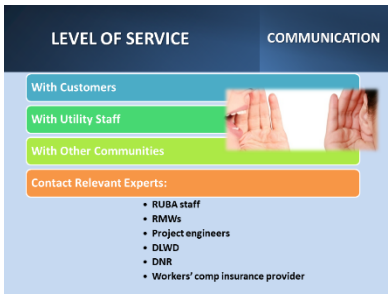
Of course, different levels of service will bring with them different costs and different benefits. For example, your community may want that fully piped system, but that'll probably cost more than the washeteria. It may be nice to subsidize those elderly customers, but the money for those subsidies has to come from somewhere, maybe from charging everyone else a bit more or cutting back on other expenses.

The point is that your community should take a careful look at the potential costs and benefits of different levels of service, making sure that it has the financial and human resources to do what it wants.

DECIDING ON A LEVEL OF SERVICE

Now that you know what a level of service is in general, it's important to talk about how a community should go about deciding on a level of service that's right for it.

COMMUNICATION



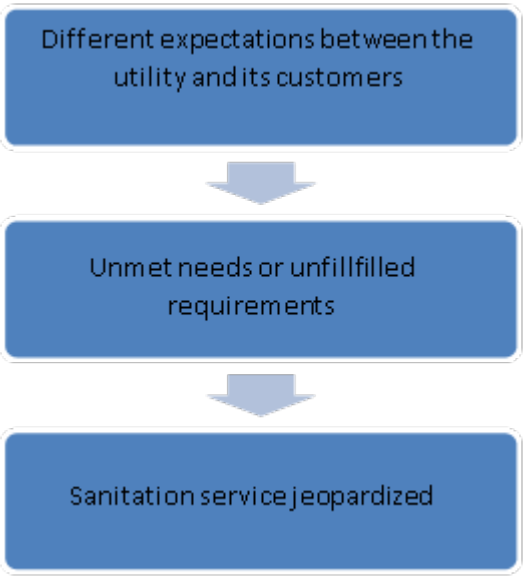
To decide on a level of service appropriate for your community, your utility needs to communicate in certain ways with a number of stakeholders.

With Customers

The best way to know what the residents of your community need or want is to ask them. There are several ways to 'ask' them, and it's a good idea to try different methods to make sure you are hearing from everybody. Here are some ideas for finding out from your community's residents what they need, want, and expect in terms of a level of service:

- Hold public hearings
- Send out written surveys
- Knock on doors or ask around town
- Have a 'suggestion box'

If there isn't good communication between the utility and the community regarding the level of service, there also will be differing expectations. Differing expectations can lead to new problems which jeopardize the sustainability of the utility.



A customer may assume, for example, that they are allowed to pay their bill whenever they can afford to, and keep receiving utility services until they do. But if that utility has agreed to provide a level of service whereby customers are expected to pay their bills on time and in full each month, there will be a problem. The utility may not collect all the money it needs to buy chemicals or pay the operator's wages, making it difficult for it to keep providing service in the community. At the same time, the customer may have the service cut off for lack of payment, causing trouble for them as well.

With Utility Staff

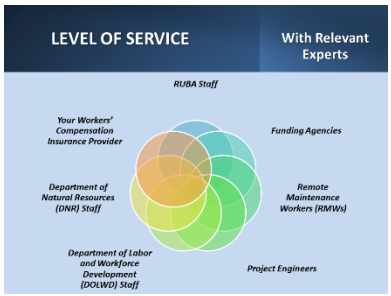
Check with all the staff of the utility (the clerk, the operator, the bookkeeper, etc.) to see what they think about any proposed level of service. Higher levels of service may mean more work for the operator, or higher levels of certification. It also could bring more complex accounting processes for the bookkeeper, or require the clerk to help draft new ordinances.

With Other Communities

Other communities may have knowledge or experience that is useful to your community to know as it considers the level of sanitation service it will provide. They may have already tried different sanitation systems, collection policies, customer relations strategies, or maintenance routines and be able to provide some insight in to their success-or failure.

Just make sure to keep in mind that other communities could be quite different from yours, so what worked for them may not work for you. The success a community has in providing a level of service depends in part on the community's unique form of government, its population, its location, its economy, and its values.

With Relevant Experts



There are plenty of experts available to help your community decide on an appropriate level of service.

RUBA Staff:

Your community's assigned RUBA staff, who also serves as a Local Government Specialist (LGS), can help evaluate your community's capacity to manage a level of service. They can also help research state statute requirements for providing that service and share experiences learned from other communities.

Funding Agencies:

Those agencies providing funding for sanitation projects will have ideas on what your utility can and should provide to customers based on the terms of grant programs, the experiences of the other communities, and their own expertise.

Remote Maintenance Workers (RMWs):

Your community also has an assigned Department of Environmental Conservation (DEC) RMW. The RMW provides over-the-shoulder training and technical assistance to your operators and immediate response to emergency situations that impact sanitation utilities. They know rural utility infrastructure well, and can advise on the capabilities and limitations of system types.

Project Engineers:

Project engineers from Village Safe Water (VSW) or the Alaska Native Tribal Health Consortium (ANTHC) can also draw on their experience designing rural sanitation utilities across Alaska to suggest service options, benefits, and difficulties.

Department of Labor and Workforce Development (DOLWD) Staff:

Perhaps your community is considering hiring paid employees to provide a certain level of sanitation service. DOLWD staff can help you calculate how much in employment security tax the utility will have to pay and how often. They can also help explain when it is appropriate to use volunteer labor.

Department of Natural Resources (DNR) Staff:

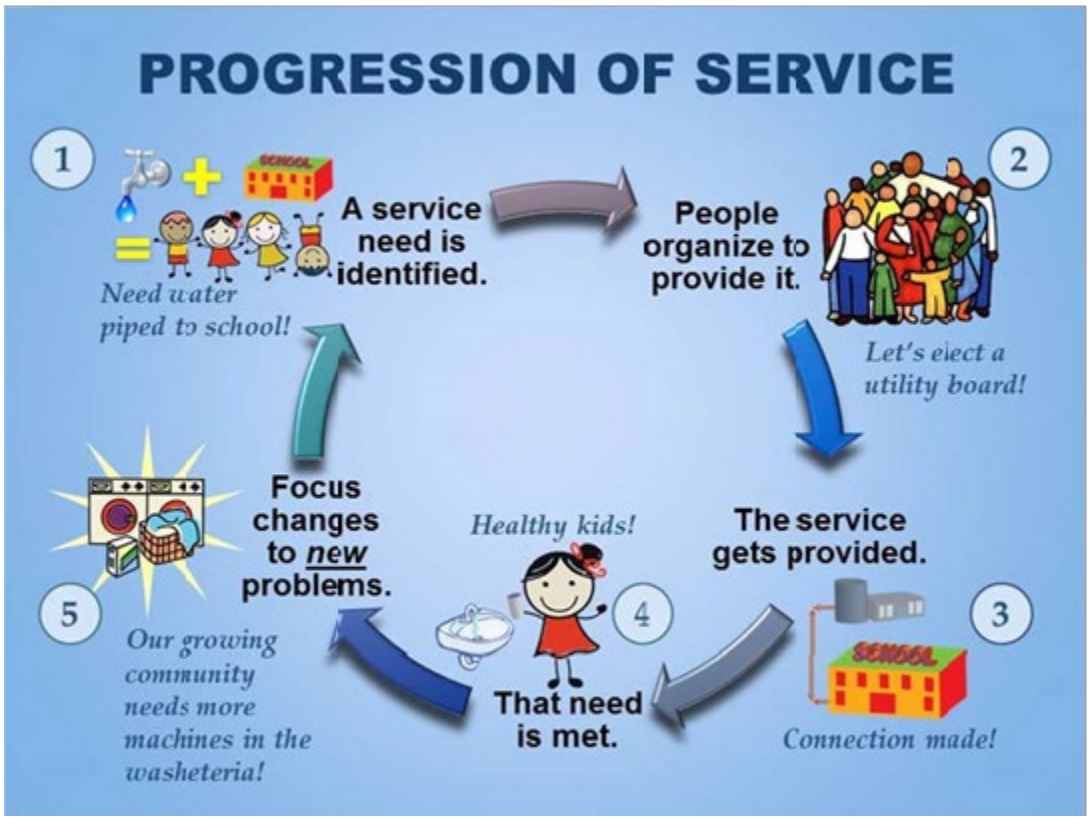
DNR staff can help research land ownership records, which may be necessary if a proposed level of service will require a right-of-way or title to specific tracts of land.

Your Workers' Compensation Insurance Provider:

Maybe your community is considering reclassifying employees or changing job descriptions in order to provide a new level of service. Or maybe it's considering cutting employee hours as part of a reduction in the level of service it already provides to the community. It's a good idea to have these kinds of things reviewed by your workers' compensation insurance provider before taking any action to make sure it's done legally.

PROGRESSION OF SERVICE

Whether consciously or not communities sometimes work like this: a need for sanitation service is felt among a majority of the community, so they organize and start providing that service. After a while, that service is taken for granted or people otherwise start focusing on new problems, and they then desire additional or improved services. This is sometimes called the *circular model of service* or the *progression of service*.



This pattern is not bad in its lf. In fact, it makes sense after one problem is solved to spend time focusing on another, or to make necessary improvements to the systems currently in place. What is bad, though, is when the desire for a new or improved service is not balanced with a look at its costs and implications.

A similar situation could happen when sanitation infrastructure is built with grant money. The grant probably helped meet an immediate need, but the community is left to respond to the higher service expectations on its own. The community will now have to pay to operate, maintain, and repair that new system now that residents are used to having it.

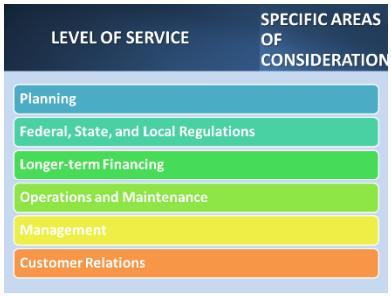
The point is to always check to make sure your community has the ability and the desire to build, operate, manage, and maintain any new service.

SPECIFIC AREAS OF CONSIDERATION

Once your community decides to provide a sanitation service of some sort, it should then decide on the *level* of service it will p ovide. Again, the level of service describes *how* any service is provided-that is, the quality of the service, its reliability, its cost to customers, the accessibility and responsiveness of utility staff, etc.

When deciding on an appropriate level of service, there are many factors your community will want to think about and options to decide on, all of which help to define your utility's level of service. These factors could be divided into six broad categories:

1. Planning
2. Federal, State, and Local Regulations
3. Longer-Term Financing
4. Operations and Maintenance
5. Management
6. Customer Relations



1. PLANNING

Your utility can provide a higher level of service by choosing to plan ahead and by working toward the community's broader goals. A utility provides a good level of service when it works with existing community plans, while considering future demands, financial constraints, environmental factors, and the unique needs and desires of your residents.

Community Plans

Most communities have written plans (comprehensive plans, economic development plans, transportation plans, etc.) for what they want to look like in the future and what they want to work towards. Some communities, for example, want to grow the local economy, so they plan projects that will attract businesses or increase development. Others plan to preserve the community as it is now, and work to control growth.

DCRA's Planning and Land Management Section maintains an online Community Plans Library which is a great resource for learning more about your own community's mission and priorities, or those of other communities in Alaska:

www.commerce.alaska.gov/web/dcra/PlanningLandManagement/CommunityPlansAndInfrastructure.aspx

Your utility provides a better level of service when it works with your community's established plans and missions. Sanitation utilities, after all, can have a significant effect on what your community looks like in the future, so it's important that the type of sanitation service you offer is consistent with what the community has decided it wants to be.

Considering Growth, Environment, and Other Factors

To provide a good level of service, utilities should also plan to meet expected changes in population over the years. Is your community growing? Or, are many young people moving away? Population information unique to your community can be found at DCRA's Community Database here:

www.commerce.alaska.gov/dcra/DCRAExternal/

It's also important to consider environmental factors such as flooding and erosion, as well as financial limitations such as residents' income when defining a level of service. Your community may desire a fully-piped system, but it may be too expensive or difficult to build in your environment.

Services Offered

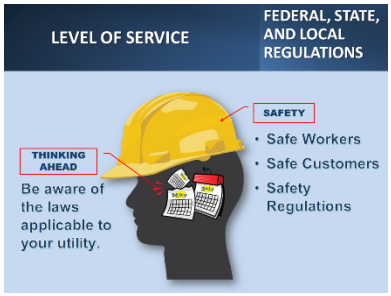
The above-mentioned criteria should be used for determining what services your utility offers customers. Whether it's a washeteria, a piped system, a self-haul system, something else, or a combination of services should be decided based on your community's long-term plans, as well as its demographics, environment, finances, and other relevant criteria.

Along with deciding *what* services it will provide, the utility needs to decide *who* will receive those services and at what cost. It may be desirable to provide water and wastewater services to the central part of a community, but maybe only water service to the area on the fringe of town. Indeed, your community may want to encourage growth in one area of the community, and discourage it in others by controlling which services are available where.

Similarly, it may make sense to have residential customers pay more for a gallon of water than the local fish processing plant, or to give discounts to elders.

These decisions on who gets what service where and at *what cost* need to be clearly outlined in your local utility ordinance. Don't worry about this concept right now. Utility ordinances will be discussed a lot more in Lesson 5.

2. FEDERAL, STATE, AND LOCAL REGULATIONS



At a minimum, your utility must meet the level of service required by law. It can choose and plan to meet a higher level of service if it wishes, but there are certain things it has to do whether it wants to or not.

Safety

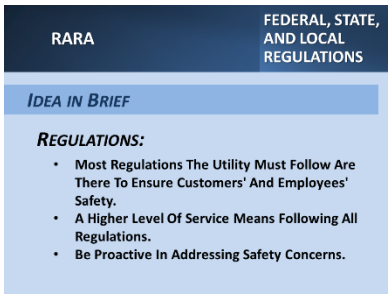
Most requirements relate to safety; they help ensure that customers are safe, utility employees are safe, and that the community and environment are safe.

For example, the source and quality of your community's drinking water, as well as the number of service connections, helps to determine whether and how that water must be treated and what level of certification the operator must have. So in certain parts of Alaska, water has to be chlorinated before it can be provided to customers, but not in other regions. If your community has a complex treatment plant with lots of functional elements, the operator will be required to have higher levels of training and certification than an operator of a much smaller or simpler system.

There are of course laws that protect utility employees' safety, as well. For example, employers are required by Alaska law to carry a valid workers' compensation insurance policy which provides compensation in the event of an employee's injury or death. Employers are required to post written proof of coverage in at least three places. Failure to cover your employees with a valid policy could result in severe penalties, including fines and jail time, which ultimately undermine the utility's ability to provide sanitation services to your community.

Other laws are in place to protect public resources, such as the environment. A good example is regulations in Alaska limiting the amount of water that can be drawn from lakes and rivers for use at a utility. These regulations protect a public resource.

Thinking Ahead



You may not be able to choose whether you have to follow these laws, but you can sometimes choose whether or not you're subject to them. For example, if your community can't or doesn't want to be responsible for having an operator certified to run a fluoridation system at the water treatment plant, then it could choose not to fluoridate its water as a level of service.

It's helpful, in other words, to be aware of the various laws related to operating certain types of sanitation utilities so that your community can decide whether it really has the capacity to operate and manage them.

Case Study:

City of Captain Cape, Alaska

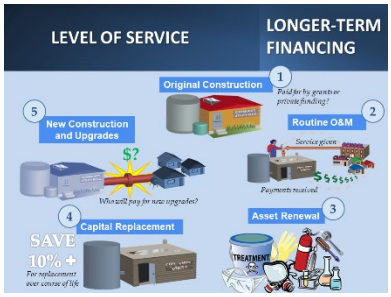
Sixty people lived in the City of Captain Cape. These residents were able to get all the drinking water they needed safely from their own clean private wells. The city therefore didn't need to provide any water treatment or distribution service for its residents.

The city eventually became interested in making ice and selling it to visiting fishing boats at the city dock to generate some extra cash, and to provide a higher level of service to local residents. The plan entailed drawing water from new groundwater wells, freezing it, packaging it, and selling it.

But there was a problem. The dock was at the far edge of the community, well away from any of the clean wells in town. Groundwater samples near the dock came up dirty. Because the ice would ultimately end up on food, the city would have been required by law to treat the water before it froze and sold it.

The city considered the regulations they would be subject to if they went ahead with their ice enterprise plan, and evaluated their local capacity to build, operate, and manage the system. Ultimately, the city decided it was too costly and complicated for the small town to provide that level of service.

3. LONGER-TERM FINANCING



A standard level of service would be to build a new sanitation utility in your community. A better level of service would be to make sure that utility has a financial plan to ensure it will last more than just a few years and that it can eventually be replaced.

Your utility should offer a level of service that helps prepare the community for its future needs. It can do his by expecting to spend money on the system in different *financing phases*. Generally, there are five basic financing phases of a utility, which are discussed next.

Phase 1: Original Construction

In Alaska, state and federal grants usually finance the original construction of a sanitation utility (at least that's the way it's been in the past). But even if someone else pays to build your community's system, there will be costs to operating, mainta ning, and replacing that system.

Phase 2: Routine O&M

The utility itself will be responsible for the next financing phase: routine operations and maintenance. That means that the utility will have to pay for running itself and for making routine repairs, even if the system was paid for with a federal grant. The utility provides a higher level of service when it budgets for O&M.

Phase 3: Asset Renewal

There will also be utility assets that need to be repaired or refurbished less frequently, perhaps once every few years. Asset renewal should be funded out of the same portion of the utility budget as routine O&M.

Phase 4: Capital Replacement

The replacement of major components of a utility-or even the entire system itself-can be financed out of some combination of grants and local revenue sources. A utility provides a good level of service to its customers when it sets aside a total of 50 percent of the cost of replacing the system over the course of the system's life in a separate capital replacement fund. An even higher level of service would be to set aside more money for capital replacement, perhaps in an interest-earning account.

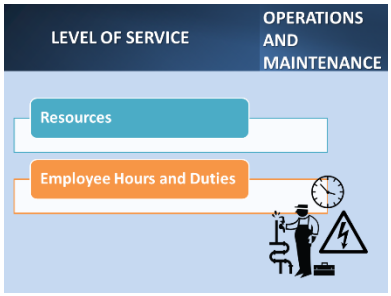
Phase 5: New Construction and Upgrades

While grant money alone has often been enough to start a utility, those grant funds may be ha der to receive in the future. Moreover, the utility will likely have to find additional funding sources other than grants to pay for upgrades. Low interest loans, bond sales, taxes, and user fees can help to pay for these upgrades. If service extensions only benefit a few specific properties, the utility might also consider having the developers or owners of those properties pay for the extension, rather than all other customers.

Summary of Longe-Term Financing

The point is that a utility provides a higher level of service to its customers when it is aware of and plans for funding opportunities, the limitations of outside grants, and its own financial responsibilities. It also provides a higher level of service when it refuses new construction, upgrades, or extensions that it cannot afford to operate, maintain, or replace on its own.

4.OPERATIONS AND MAINTENANCE



Because the physical operation of a sanitation utility is mostly determined by the design of the system itself, ther ’s not much management can decide to adjust in terms of the operational level of service once the system is built. That’s why the planning stage of the utility is so important for determining and setting the level of service the infrastructure will provide.

But, management can make sure the system lives up to the level of service it was designed to provide by committing enough resources, ensuring worker safety and efficiency, regulating customer usage, and seeing that the system is properly maintained.

Resources

A utility provides a poor level of service when it doesn’t budget enough money for spare parts, routine maintenance, and system repairs and replacement.

Similarly, a utility provides poor service when it doesn’t work to have operators adequately trained to operate the system. A utility can provide a better level of service with the system it already has by making sure that it is properly cared for by qualified staff and by having a good O&M program. To do this, though, means committing financial and human resources.

Employee Hours and Duties

Labor is one of the largest costs to utilities after the system is built. Your utility should look carefully at how different levels of service could require employees to work longer hours or take on more duties.

- How often will water deliveries or wastewater hauls be made?
- Will there be an operator on duty seven days a week? At night? On call?
- What response times will you promise customers, and for what problems?
- Will operators work on customer-owned plumbing or fixtures?
- Do you need a washeteria attendant?
- Will new services mean more work for staff at the office, such as the bookkeeper?

Longer employee hours mean higher operating costs. But know that certain duties resulting from your utility's level of service might also mean higher costs if employees have to travel to get training to perform those duties.

Case Study:
The Cost of Snacks and Soap

The village of Hungryville thought it could provide a higher level of service to its residents by selling snacks and laundry soap from a vending machine at its washeteria.

The utility's part-time clerk, who gets paid a $15 hourly wage, was assigned to order the snacks and soap, receive them from the airplane when they came to town, stock the machine, track inventory, count and deposit the money made by the machine, and order new supplies as necessary.

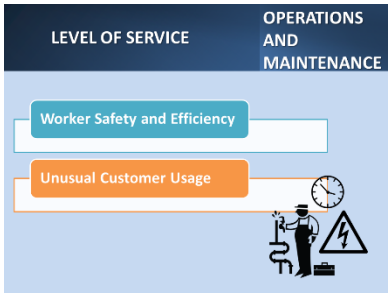
Because the vending machine was popular in the community, it had to be restocked frequently. The clerk ended up spending on average 2.5 hours extra each week on tasks related to the vending machine. Over the course of a year, what was the cost to the utility for this extra labor?

$ _____

Do you think that cost is worth the **level of service** customers experienced by having that vending machine in the washeteria?

Yes ☐ No ☐

Worker Safety and Efficiency



A utility provides a good level of service to its customers by making sure its workers are safe. After all, an accident that leaves the only operator injured could mean that nobody is around to monitor water quality, fix broken lines, connect new customers, or respond to complaints.

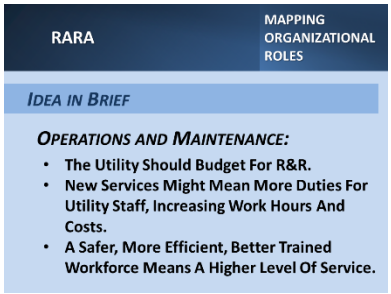
A more productive workforce also means a higher level of service because it saves the utility money-money which could be spent on system improvements or on reducing monthly rates.

A utility can improve the efficiency of its workforce by doing a number of different things, and this course will explore those ideas more later on. But for now, here are some ideas to improve worker efficiency (and thereby provide a better level of service):

1. Have employees fully trained
2. Communicate with employees to make sure their needs are met
3. Supervise employees to see that their work is getting done
4. Encourage and reward efficient employees
5. Provide employees with necessary tools
6. Have equipment repaired
7. Reassign tasks as necessary
8. Consider new technology that makes jobs easier

Unusual Customer Usage

Your utility's normal level of service can be disrupted by unusual customer usage patterns. For example, if lots of commercial fishermen start using their home water spigots to clean their boat, nets, and gear, and then to fill up their boat's water tanks, a community's limited water supply could run low. Increased usage could also mean more chemicals are used at the water plant, leading to higher expenses.



With community input, your utility should decide how to address this kind of issue. It might decide to:

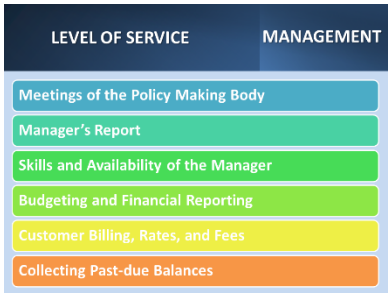
- Increase system capacity
- Limit usage
- Charge extra for commercial or excessive use
- Provide a new untreated water source for non-drinking purposes

A level of service more generous to high volume users may cost others money, while stricter rules limiting high provide. However your utility plans to regulate unusual usage, the rules need to be spelled out in your utility ordinance.

5. MANAGEMENT

There are many ways that management practices can affect your utility's level of service. Here are some.

Meetings of the Policy Making Body



Put simply, the policy making body for a utility is the group of people who establishes the utility's goals and sets its rules. Depending on the nature of your organization (city, borough, tribe, non-profit corporation, etc.), this could be the council, assembly, board, or something else. Lesson 3 of this course will explore organizational structures in more detail.

It's important for the policy making body to meet regularly to monitor the utility's finances, make plans, and address customer complaints or staffing issues. The body should meet at least once per month. Depending on your community, the utility could be providing a higher level of service by meeting more often (but not necessarily). In any case, the frequency and time of regular meetings, as well as the process for setting special meetings should be made clear in your ordinance.

Whether (and how much) members of the governing body receive stipends for attending meetings also relates to your utility's level of service. But, there are differing views as to what affect meeting stipends have. Below is a simplified breakdown of the pros and cons of providing financial stipends to those who serve on your utility's policy making body.

Effects of Meeting Stipends.

Good	Bad
• Encourages members to show up to meetings • Compensates members for their time • Provides members with another source of income • Increases expectations that members address utility issues	• Does not require members to be actively engaged in the meeting (only be present) • Raises expectations that money must be given in exchange for serving the community • Drains limited public resources • Increases costs passed on to customers

Manager's Report

A utility can help ensure a higher level of service by requiring that its manager gives a full report to the policy making body each month. The report, which should detail any customer complaints and any problems the utility is facing, will allow the policy making body to stay informed and to take appropriate actions. A written monthly report is ideal.

Skills and Availability of the Manager

What kind of manager would provide the level of service your community needs and expects?

It's important that whoever serves as the manager of your utility have-or be actively seeking-the appropriate training they need to do a good job for the community. This includes knowing how to read and prepare financial reports and how to manage personnel. The knowledge and abilities of the manager will play a big role in determining the level of service your utility offers.

So too does the availability of the manager. If the manager is never at the office to answer questions and monitor staff, never spot-checks utility facilities, or is hardly ever in town, the utility is probably not going to be able to provide the best level of service that it could be possilbe.

Budgeting and Financial Reporting

Your utility needs an annual budget to serve as the financial plan for the year. The policy making body also needs to receive accurate financial reports each month to make sure utility finances are on track with that budget. If nobody tracks the finances appropriately, the utility could run out of money, jeopardizing the availability of sanitation service in the community.

Note also that cities are required to pass an annual budget ordinance before they can legally spend or receive public funds for that fiscal year. Without an operating budget, a city may not be able to provide utility services.

Further, some funding streams that rural utilities rely on, such as Community Revenue Sharing, require that cities submit to the State of Alaska a certified financial statement or an audit. It's important that these documents be prepared, passed, and sent in so that cities can receive the money they need to provide a good level of sanitation service to their residents.

For more information on Community Revenue Sharing program requirements, visit the webpage of DCRA's Community Aid and Accountability Section:

www.commerce.alaska.gov/web/dcra/CommunityAidAccountability.aspx

Or, contact them by:

- Mail: PO Box 110809, Juneau, AK 99811
- Tel: (907)465-4733
- Fax: (907)465-4761

Customer Billing, Rates, and Fees

A utility can provide a higher level of service by making sure that customers always receive accurate, and understandable bills on time each month. After all, if the utility expects customers to pay on time, it should set a good example by sending out statements on time and in accordance with the schedule that is outlined in the utility ordinance. Now if the ordinance outlines a different billing schedule than what utility wants, change the ordinance.

There are options in billing customers. Some utilities bill their customers every month, ensuring a regular cash flow throughout the year. Others bill only once a quarter or even once per year, saving paperwork and administrative costs. Some utilities offer a discount for paying several months' charges in advance because it helps reduce the amount of unpaid bills, which then saves on the cost of collecting past-due accounts. Offering more billing options to customers is a higher level of service, and often at little cost to the utility.

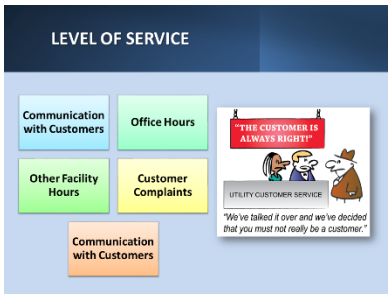
Sometimes utilities charge customers rates that are higher than those specifically allowed by local ordinance. This is illegal and can result in the utility owing its customers money. Make sure that whatever rates and fees your utility is charging are allowed by ordinance. If they aren't, change the ordinance or the rate/fee schedule. The process for amending (changing) utility ordinances will be explained further in Lesson 5.

Collecting Past-Due Balances

A utility does not provide a good level of service to all of its customers when some are allowed to pay their bills late-or never at all. Delinquencies cost the utility money, and those costs end up having to be paid by someone else.

Whatever strategies your utility employs to collect on past-due accounts should be provided for in the utility ordinance. It can be tough, or even impossible, to collect on past-due accounts through small claims court or a collections agency if your utility's hasn't followed its established procedures.

6. CUSTOMER RELATIONS



When an organization prepares to offer a service, it should think about the level of customer service it wants to provide its customers. Does it want to be an organization that only provides minimal help to customers and only responds to complaints when they're really serious? Or, does it want to provide a higher level of service to its customers by being more helpful and proactive addressing customer needs?

Satisfied customers are your utility's best partners. They're more likely to pay their bills on time and to treat the utility infrastructure respectfully. So while it can cost your utility money to improve customer relations and make customers happy, it can also be a good investment.

This section will help you to think about ways to make customers more satisfied without breaking the bank.

Communication with Customers

There are times when your utility is required by law to communicate with its customers. Each year, for example, your water utility must complete and distribute a Consumer Confidence Report (CCR) explaining where the water comes from, how it's treated, what's in it, and some other information. Your utility also needs to warn late paying customers before it shuts them off. Following these laws is the are minimum in customer relations.

A higher level of service though would be to go beyond these minimum requirements by informing and educating customers about other things, such as:

- Ways to prevent winter freeze-up
- When to send in payments to avoid late fees
- How flushing chemicals and large items affects operational costs
- Where and when customers can get a copy of utility ordinances

Communicating this information to customers could cost your utility some money, but it could also help to save money elsewhere, in part by improving customer satisfaction.

Office Hours

Your utility office should be open for set hours that meet the needs of your customers. Those hours should be well-publicized so customers know when they can come and get their business done. Utility ordinances (discussed in detail in Lesson 5) should authorize the utility manager to set appropriate office hours.

Other Facility Hours

Facilities such as washeterias and watering points bring in revenue when they're open. But, if they're open for too long, it could end up costing more money than it's worth. You don't want to waste money on electricity for lighting, for example, if there's nobody there using the facility. Your utility ordinance should authorize the utility manager to easily set (and change) facility operating hours.

Customer Complaints

Customers deserve to have their concerns heard and considered. If they have a legitimate complaint, it should be addressed as soon as possible. But repeated, groundless complaints distract from real issues and take up valuable staff time.

Your utility ordinance should outline a procedure for how the utility will address customer complaints thoroughly, but efficiently.

Communication with Customers

Here are some questions your organization should answer when defining the level of customer service it's going to provide:

- What is the best way to communicate with all of your customers? How much customer education is needed?
- Who will make sure the Consumer Confidence Report is distributed each year on time?
- What office hours are best for your community and what hours can you afford to be open?
- What hours are really needed at the washeterias and watering point?
- Will the washeterias and watering point be staffed?
- How are staff expected to handle customer complaints?

SUMMARY

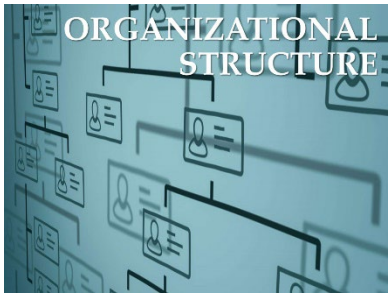
Before focusing on anything else, it's critical for your community to decide what level of service it expects from its utility, while considering what customers really need and can afford.

When determining the level of service, you community should also think about whether the local population is growing or shrinking, what skills and certifications utility staff will need to have, and what regulations apply to different types of systems.

The utility provides a better level of service when it plans for and conducts routine operations and maintenance, communicates regularly with customers, has a governing body that meets monthly, and is led by a well-trained manager.

LESSON 2: ORGANIZATIONAL STRUCTURE

LESSON OUTLINE:



- Introduction
- Purpose of Organizational Structure
- Models of Organizational Structure
- Choosing Organizational Model that Fits Your Community

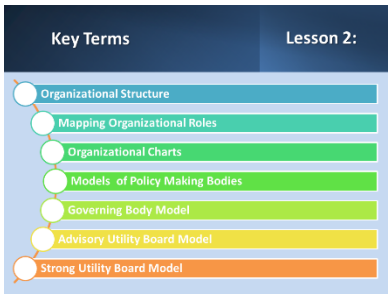
LEARNING OBJECTIVES:

This lesson will look at the following key issues:

- The importance and reasons for having an organization structure
- Mapping organizational roles, which might translate into departments
- Models of organizational structure
- Designing and adopting an organizational chart

Key Terms:

- Organizational Structure
- Mapping Organizational Roles
- Organizational Charts
- Models of Policy Making Bodies
- Governing Body Model
- Advisory Utility Board Model
- Strong Utility Board Model



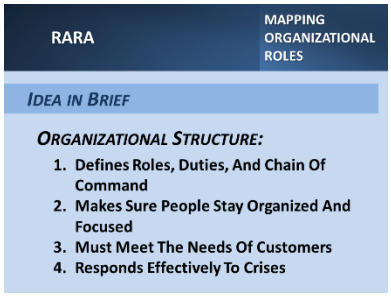
INTRODUCTION

Lesson 2 explained the concept of level of service as it relates to sanitation service in rural Alaska. You learned that deciding on a level of service involves considering a number of factors. All of those factors are parts of the decision-making process.

This lesson introduces the concept of the organization. You need to organize to be able to manage, operate, and maintain the water and wastewater utility that was chosen to satisfy the level of service needed by your community. The goal for organizing is to put together a structure which would maintain the desired level of service.

Structure implies arrangement of parts. Anything composed of parts has to be arranged together in some way to make a structure. For example, the basic parts of a building are its foundation, walls, and roof. If any of these parts are missing, there cannot be a building. The same is true of any organization.

Organizations consist of parts and, as such, they must have a structure. There are large organizations like the federal or state government and there are small organizations like a rural city or town, tribe, or association.



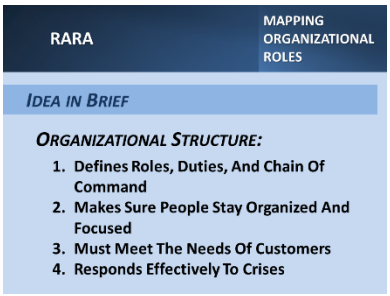
The focus of this lesson is organizational structures common in rural Alaska. The lesson discusses several models of organizational and personnel structures suitable to rural Alaska city or tribal organizations that manage public water and wastewater utilities serving up to 1,500 people. The lesson will help utility governing bodies, staff, managers, and operators understand the importance of organizational structure in the daily activities of their organization.

PURPOSE OF ORGANIZATIONAL STRUCTURE

WHY HAVE ORGANIZATIONAL STRUCTURE?

Have you ever been in a situation when you've got to tackle a problem at the office, but you don't know who you can talk to? Who do you report to? Who is your supervisor? In other words, what is the chain of command in your organization? What is the decision-making process in your organizatio ?

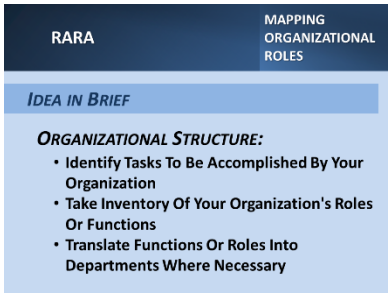
It does not matter whether you work for a small rural city or a large urban city, native tribe or native regional corporation, small water and wastewater utility or large utility; you are part of an organization. To be effective, efficient, and successful, an organization must have a clearly defined structure. The purpose of organizational structure is to help everyone in the organization know who does what.



Creating a structure with clearly defined roles, responsibilities and a chain of command will help make sure people are working together to accomplish everything the organization must do. A well-structured organization will also help people stay focused and not run up against each other.

Often, lack of structure in an organization creates problems that otherwise can be avoided if people know their roles, duties, and the chain of command. Think of your governing body, utility board or the water and wastewater department. What is their structure? What is the chain of command? Without a good structure and clearly defined roles and duties, it is more likely than not that your organization will be struggling to meet the demands of its customers and effectively respond to crises.

MAPPING ORGANIZATIONAL ROLES



How do you go about putting a good organizational structure into place? To create a good organizational structure, your organization has to take inventory of its roles or functions while considering the tasks it wants to accomplish.

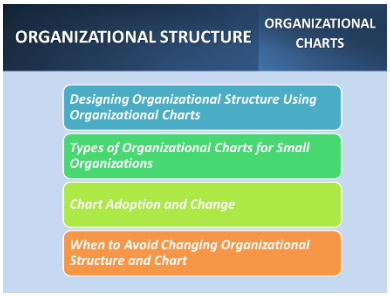
In this context, a role or function is defined as the kind of action or activity suitable to an organization; it's the purpose the organization exists. So, when taking inventory of your organizational functions, you are involved in the process of mapping functions in your organization.

Typically, functions translate into departments. For example, the function of a city administration and finance department is to receive and collect sales and property taxes, sales and property tax penalties, and interest, as well as prepare a budget, maintain a financial and accounting system, pay city and utility employees, and communicate with your residents and customers.

Another example is your utility. Some of the functions of the utility are to define performance levels, assess service standards and the needed level of service, follow all drinking water rules, take and submit timely water samples, manage revenues and expenditures, as well as manage operations, maintenance, capital improvements, and construction.

ORGANIZATIONAL CHARTS

Designing Organizational Structure Using Organizational Charts



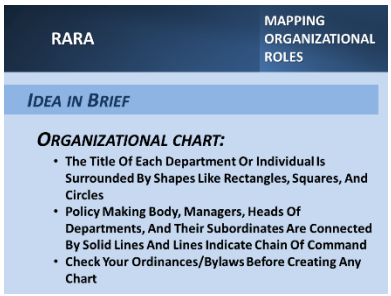
Once you know the basic functions of your organization, it's time to design the structure of your organization. Think of organizational structure as the framework by which an organization develops goals and then works on achieving those goals. It is the skeleton supporting the organization and giving it shape. In a skeleton each bone has a function that relates to other parts of the skeleton.

Likewise, in an organization, every employee, supervisor, or member of governing body has a function. Each person is related to each other in the organization.

Think of how people working for your utility relate to each other. Do you feel like taking a pen and drawing a picture of your organization! You are not alone. As the saying goes, a picture is worth a thousand words! Also check your local ordinances/bylaws to find out how, by law, personnel relate to each other.

Describing how people related to each in an organization can be helped by drawing a diagram. In the field of organizational management, the term frequently used to draw-and thus, see-an organizational structure is the organizational chart.

Types of Organizational Charts for Small Organizations



An organizational chart depicts the structure of an organization in terms of relationships among personnel or departments. It also represents lines of authority and responsibilities. Generally, an organizational chart is a horizontal or vertical tree that has shapes like rectangles, squares, circles, or triangles that represent a person, personnel, divisions, sections, or departments depending on the size of the organization. The lines that connect the shapes show relationships between the positions.

When managers and policy making bodies develop organizational charts they are showing where managerial role, authority, responsibility, and accountability lie. There are a number of things to know about charts but consider the three things presented in the text box here.

Chart Adoption and Change

To adopt a new chart, or to authorize changes to an existing one, the governing body should adopt a resolution. The chart can simply be attached to the back of the resolution. See the example on this page.

When to Avoid Changing Organizational Structure and Chart

You may now wonder what would be a good reason to make changes to your organizational structure and subsequently the chart.

Should we redesign the organizational chart in order to take advantage of a single person's skills and knowledge? Is it a good reason to redraw the chart because the mayor considers his/her power and authority beyond the power and authority of the governing body? If you think these are not good reasons for restructuring your organization and redesigning organizational chart, you are right. But again, make sure changes are consistent with your local ordinances/bylaws.

Ask the following questions during the process of evaluating your organizational structure:

- Is there a difference between the organizational structure described in the utility ordinance and what is currently being used?
- Are there positions that report directly to more than one boss?
- Is the organizational chart helping to understand the chain of command and the lines of authority?
- What is the chain of command?

CITY OF SALMON SLOUGH, ALASKA
RESOLUTION NO. 17-04

A RESOLUTION ADOPTING THE CITY OF SALMON SLOUGH ORGANIZATIONAL CHART ILLUSTRATING THE ORGANIZATIONAL STRUCTURE OF CITY DEPARTMENTS

WHEREAS, the City Council of Salmon Slough desires to adopt an Organizational Chart illustrating the organizational structure of city departments;

WHEREAS, the City Council of Salmon Slough has the authority to establish, alter, or abolish city departments according to Sec. 2.03.020(A) of the Salmon Slough Code of Ordinances; and

WHEREAS, the attached organizational chart is a diagram that shows the structure of the city departments and the relationships, ranks, and decision-making process in the City of Salmon Slough:

NOW, THEREFORE, BE IT RESOLVED that the attached chart is the official organizational chart of the City of Salmon Slough.

PASSED and APPROVED by the SALMON SLOUGH CITY COUNCIL

this 15th day of April, 2017.

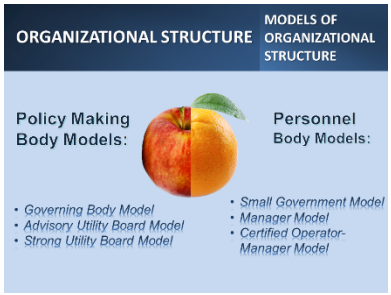
_____

Mayor

ATTEST: _____

City Clerk

MODELS OF ORGANIZATIONAL STRUCTURE



In this lesson, models of organizational structure are discussed in the context of small rural cities, tribes, and community associations authorized to establish, manage, operate, and maintain small utilities. While many city utilities operate as city departments, others have different organizational and governance structures. This lesson describes some different models of governing (or policy making) bodies.

An indispensable part of any organization is its personnel. A utility organization is no exception. There is the governing body of the utility and the personnel body of the utility. Personnel carry out the daily and routine tasks of the organization. These two parts cannot exist without each other.

TWO PARTS UNITED BY ONE GOAL

At your utility, the overall organizational model consists of two parts. The first part is the policy making body (also known as the governing body), like city councils, borough assemblies, and some utility boards or tribal governing bodies, such as IRA councils, tribal councils, village councils, or community councils.

The policy making body reserves for itself the power and authority to approve or disapprove all budgets, rates, and the acquisition or disposal of property. It also has legal responsibility for the utility and reserves the power and authority to approve or disapprove by resolution all contracts binding the utility. This manual discusses these three models:

- Governing Body Model
- Advisory Utility Board Model
- Strong Utility Board Model

The policy making body plays a crucial role in the organization, but it cannot function without a personnel structure whose role is to routinely take care of the daily business of the organization. Without such supporting staff your organization simply cannot exist. This manual discusses a few models of personnel structures that could help you decide on the size and structure for your own utility's staff.

You may have to consider changes in the personnel structure.

The second part of your utility organization is represented by your personnel, such as the clerk, bookkeeper, the manager, and operators, as well as custodial

workers and mechanics, etc. This manual takes in consideration the size of your organization and the complexity of tasks to be accomplished by your organization when presenting the three models of personnel structure. The models are as follows:

- Small Government Model
- Manager Model
- Combined Operator and Manager Model

Think of the size of your organization, the complexity of its work, its level of service, the availability of funds, and its customer base when deciding on what model of personnel structure you may employ in your organization. Apply flexibility in designing the structure of your organization.

MODELS OF POLICY MAKING BODIES

Governing Body Model

The governing body model is the most common policy making body model in rural Alaska. Under this model, the governing body has total power and authority over all departments of the organization, including the water and wastewater utility. The governing body is involved in most aspects of the administration, management, and enforcement of all laws, rules, and regulations of the organization. The table below lists the most common activities of the governing body under this model.

What does the governing body do under this model?

1. Adopts rules and regulations for connection to public water and wastewater system, permitting, utility disconnect, reconnect, and penalties, accounting and billing procedures, times, days of use of water and wastewater, etc.
2. Administers and enforces all rules and regulations
3. Establishes and regulates rates
4. Approves by ordinance all budgets, and acquisition or disposal of real property

Pros

In a small community, it is not easy to find people willing to volunteer their time to serve on a utility board. This is why members of the governing body assume extra responsibilities. Some of the advantages are as follows:

- Less bureaucracy and red tape
- Quicker decision making process
- More centralized decision making process

Cons

On the other hand, there are a number of disadvantages to the governing body model. A governing body could be very busy and may not have the time to focus on other departments. As far as a water and wastewater utility goes, the governing body treats the utility as another service provided by the city, tribe, or association. Often such approach puts the governing body in the position of constantly subsidizing the utility. Some other disadvantages are:

- Utility issues tend to be ignored or postponed too often
- Utility projects may get put on hold
- Enterprise funds may not get separated from general funds
- Utility equipment and property probably shared with other departments.

Advisory Utility Board Model

Under the advisory utility board model, a separate board with limited powers and authority serves as an advisory group to the higher governing body of the organization. Some of the powers and duties of the board are to prepare and submit to the governing body rules and regulations for promulgation by the governing body pertaining to all operations of water and wastewater utility. The table below lists the most common activities of the advisory board under this model.

What does the advisory utility board do?

1. Studies and makes recommendations on utility matters, such as rates, the budget, management services, personnel issues, safety precautions, expansion of service, and public relations
2. Prepares for, and submits to, the governing body an annual report of operations and finances, including recommendations for the efficient, economical, and safe operation and management of the utility
3. Recommends budgets and property acquisitions

Members of the utility board are typically (but not always) appointed by the mayor and confirmed by the governing body. The board usually has to follow all laws and procedures of public meetings, including notices of meetings, quorum for the transaction of all business, and the affirmative vote of a majority to pass upon all matters coming before the board. The board of any public entity is subject to provisions of the Open Meetings Act.

Pros

One advantage of having an advisory utility board is that members of the board may have the time and expertise in utility matters. They can focus attention, which may be lacking from members of the governing body, on the business of managing and operating the utility. Here are some other benefits:

- Board members will have a special interest in managing utilities
- Appointed members may be less exposed to public pressures

Cons

The main disadvantage of having advisory utility boards is that this additional body will require more volunteers that may not be available in a small community. In some communities, such boards become ineffective, especially when the governing body is routinely dodging the recommendations and assistance provided by members of the board. It is a new bureaucracy that lacks any actual authority. Here are other cons to consider:

- Members of the board may become uninterested in serving since the board lacks decision-making authority over rates, finances, planning etc.
- May be additional costs associated with personnel needed to assist board members
- Added time and attention boards invest is not translated into better management of utility

Strong Utility Board Model

The authority to establish utility boards in cities comes from AS. 29.20.310. The governing body of a city operating a public utility may provide by ordinance for a utility board of five members and define the board's powers and duties. The city ordinance should describe whether the utility board is appointed by the mayor and confirmed by the governing body, or elected at a regular election. The term of a utility board member would also be provided by the local ordinance, but it cannot exceed four years.

This section of the Alaska statutes describes a utility board which can be described as a strong utility board model and is often used by larger communities with utilities of relatively larger size. The strong utility board model reserves powers and duties not otherwise reserved to the advisory utility board model. Under this model, the utility board has the power and duty to directly manage and operate utilities, rather than simply recommend actions to the policy making body.

However, under the strong utility board model, the governing body reserves itself the power and authority to approve all budgets, rates, and acquisition and disposal of real property, as well as approve all utility related contracts binding the city. This governance framework seeks to separate the policy functions of the governing body from the operational responsibilities of the utility manager. The governing body sets policies and communicates them to the utility manager.

In smaller cities with utilities of relatively modest size, this model is used well when a city establishes a joint utilities group. In rural Alaska, joint utilities include a number of services like electric light and power, water and wastewater, refuse collection, and solid waste disposal managed by a strong utility board.

What does a strong utility board do?

1. Appoints a manager of public utility and sets pay rate
2. Prepares and submits to the governing body annual budgets to the governing body
3. Formulates and enforces rules, regulations, andpolicies
4. Has full and complete oversight of all utilities and their operations and fiscal affairs, including maintenance, operation, expansion, extension, and improvement of the public utilities
5. Studies and makes recommendations on utility matters, such as rates, the budget, management services, personnel issues, safety precautions, expansion of service, and public relations

Pros

The strong utility board model promotes board continuity and a good deal of independence from the politics of the governing body. Independence is more visible in cities where members of the utility board are elected by residents.

Under such an arrangement, board members are elected for staggered terms and they are subject to the rules and procedures found in the code of ordinances or regulations.

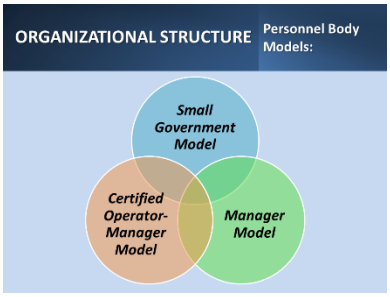
This model provides greater separation between the politics of the local government and the utility. The separation from the other entity makes it easier to operate the utility as an enterprise. Strong utility boards usually come with personnel who work exclusively for the utility. Below are some other advantages:

- Financial records are kept separate from municipal financial records
- Financial independence
- Utility board has total control over board agendas, board decisions, utility personnel or operations
- The utility daily's operations, user fees, etc., are less affected by politics

Cons

Having a separate entity in addition to the governing body may confuse utility customers; they might not know exactly who's in charge, who to address their concerns with, and who to hold accountable. Plus, there's more bureaucracy to deal with, and your community might not have enough people to fill both a council and a separate utility board.

PERSONNEL BODY MODELS



As was mentioned earlier in this lesson, the second part of your organization is represented by your personnel, like the clerk, the bookkeeper, the manager, water operator, custodial workers, mechanics etc. The three models of personnel structure takes in consideration the size of your organization and the complexity of tasks to be accomplished.

Small Government Model

The small government model is based on the need to keep a personnel structure that does not financially overburden the organization. For instance, if your utility does not have enough funds to pay its employees or meet its payroll tax obligations at the end of the month, you may have to consider changing your personnel structure.

Such restructuring may involve assigning additional duties to one person. For example, the city council may combine the office of the city clerk with that of bookkeeper and utility clerk. The mayor or someone else may have to also act as the utility manager.

Pros

This model makes for a small, tight-knit organization. Communication channels between personnel are simple. There is less chance of misunderstanding responsibilities. There will also likely be less personnel-related expenses.

Cons

There are some disadvantages to the small government model. The reality of slashed budgets and fear of running big budget deficits puts a lot of pressure on the policy making body and that results in personnel cuts. Consider the following disadvantages:

- Overworked and overstressed employees are incapable of working at their highest performance levels
- Higher turnover from employee burn-out will cost your organization plenty to continuously lose and replace employees, especially those who are high performers

Manager Model

There are often only three employees in this model: the manager, operator, and clerk. The manager performs only the duties of the utility manager. Positions do not overlap. For example, under the general supervision of the governing body, the manager is responsible for the overall operations, management and finances of the organization. The manager establishes policies and procedures for planning, organizing, directing and controlling all internal and external activities of the utility.

The utility clerk, on the other hand, performs accounting, payroll, and billing functions, and prepares monthly financial reports. The utility clerk also accepts applications for new services, transfers or termination of services. The clerk arranges the meetings of the governing body, gives notice of the time and place of meetings, attends meetings, and keeps the journal of the meetings as well.

The duties of the operator relate only to the operation and maintenance of the utility. He ensures compliance with federal and state water quality standards, maintains control over the inventory of materials, supplies, chemicals and equipment. The operator performs routine preventative maintenance inspections of equipment, performs repairs, adjustments, and maintenance, maintains records of all work pertaining to the utility, and other functions.

The roles and responsibilities of all utility staff will be explored further in the next lesson of this course.

👍 Pros

One of the most important advantages of this model is that there is a team (although small) responsible for the management, operation, and maintenance of the utility. Each team member plays a specific role at the utility. Their responsibilities are listed in their job descriptions.

👎 Cons

One disadvantage is that the policy making body will likely assign non-utility related responsibilities to the manager, operator, or clerk because of budgetary restraints; the organization has to rely on these three people to do other things than just work related to the utility. It may also be difficult to separate duties, or to find three employees to fill those three distinct roles.

Certified Operator-Manager Model

In this personnel model, the operator is also the manager. This model combines the management and the physical operation and maintenance functions.

Typically, the operator works only for the utility.

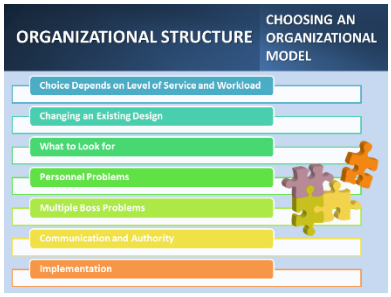
👍 Pros

There are fewer employees in this model, so your utility's going to save on payroll. Decisions will also be made quicker because they'll be made by one person.

👎 Cons

The manager/operator is going to be very busy and will need to be someone with skills in many different areas.

CHOOSING AN ORGANIZATIONAL MODEL THAT FITS



You want to have an organizational structure that is needed for your level of service and based on your organization's workload. To get there, the following questions should be considered:

- How many services is the city/tribe/association providing, other than the utility?
- Does the mayor/tribal chief/president want to spend the time managing the utility as well as the other services?
- Does the mayor/tribal chief/president have the management skills to run the utility?
- Is the utility workload too large for one person to act as both the manger and the operator?
- Are there sufficient financial resources to hire a separate manager, clerk(s), and operator(s)?

Again, there are many ways to structure the leadership and staff of a utility. The three models described here in Lesson 1 are common options. Examine your situation and see what combinations of personnel and duties make the most sense for you.

Changing an Existing Design

Most organizations were created to meet a specific purpose. With time, the structure might have been altered to meet changes in purpose. To understand an existing organization, develop an organizational chart showing all employees, current lines of authority, and lines of communication. Then, make notes on the chart of how personnel could be better arranged.

What to Look for

The organizational chart should answer such basic questions as who is a person's immediate supervisor and co-workers. From there potential problems can be spotted by asking questions such as:

- Is there a difference between the organizational structure described in the ordinance and what is currently being used?
- Are there positions that report directly to more than one boss?
- Are there lines of communication that are different than the lines of authority?

If any of these conditions exist, it may be difficult for the organization to be effective. Restructuring may be necessary.

Personnel Problems

Organizations should not be redesigned just to take advantage of a single person's skills or to overcome one employee's deficiencies. If someone isn't doing their own job well, work with them and don't immediately result to changing their supervisor, department, etc.

Multiple Boss Problems

It is difficult to be effective and efficient with more than one boss. When people feel like they have more than one boss, they often get confused about what work to prioritize and who to take their problems to.

Communication and Authority

When the lines of communication are different than the lines of authority, individuals will become confused. Failure to follow the lines of authority to resolve a personnel problem can have long-term negative impact on the organization.

Implementation

Implementing changes to an organization takes patience. While it does not take long to reassign an individual to a new position, it may take a longer time for the person to perform in a manner that is consistent with their new responsibilities.

SUMMARY

Starting a new organization is much easier than reorganizing an old one, but that may not be an option for you. So, you may need to figure out how to adjust the organizational structure you have in place now.

Successful utility organizational structures must be understandable and practical. Politics has no place in a business decision-every utility should be run as though it were an enterprise.

Each year, lines of authority and communication should be reviewed. The policy making body makes certain it is still functional, up-to-date, and posted in a visible place so that it can be seen and used by all employees.

LESSON 3: ROLES, AUTHORITY, RESPONSIBILITIES, AND ACCOUNTABILITY (RARA)

LESSON OUTLINE:

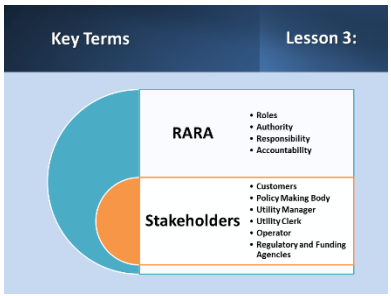
- Stakeholders of the Organization
- Stakeholders' RARAs
- Management in the Organization
- Leadership in the Organization

LEARNING OBJECTIVES:

After this less, you'll be able to:

- Know who the stakeholders of the utility are
- Understand the relationship between roles, authority, responsibility and accountability
- Identify stakeholders' roles, authority, responsibilities, and accountability
- Define 'management' and its importance in the utility
- Appreciate leadership and its role in management efforts

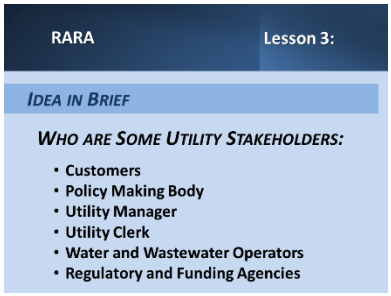
Key Terms



- RARA
  - Roles
  - Authority
  - Responsibility
  - Accountability
- Stakeholders
  - Customers
  - Policy Making Body
  - Utility Manager
  - Utility Clerk
  - Operator
  - Regulatory and Funding Agencies

INTRODUCTION

STAKEHOLDERS OF THE ORGANIZATION

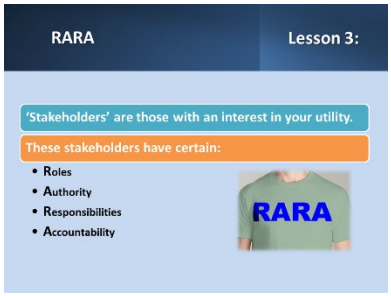


Who are the stakeholders of water and wastewater utilities in rural Alaska? C ances are you know most of them. That is one of the great benefits of iving in a small community. People know each other. There is a common interest in relying on each other. You depend on each other. The water and wastewater utility is a community investment. You own and share the challenges and the benefits of having the utility. You have a stake in the success of your utility. Everyone is a stakeholder in your small community. Refer to the text box on the next page for a list of stakeholders typical for a small utility.

However, in terms of organizational management, and to make sure you have reliable sanitation services in your community, there have to be a number of stakeholders who have specific roles and responsibilities, certain authority, and real accountability in the management of the utility.

Throughout this lesson, references are made to the terms role, authority, responsibility, and accountability. These terms will be fully explained. Then, we will explain how these terms apply to the various utility stakeholders.

ROLES



A role is the overall position or purpose a stakeholder plays within the organization. For instance, a utility clerk's role is to provide administrative support to other stakeholders as that role is described in the utility ordinance and regulations.

AUTHORITY

The term 'authority' refers to a power or right given to the stakeholder. For example, many utility ordinances give the authority to adopt budgets and appropriations ordinances to the policy making body. No one else in the utility has this authority.

RESPONSIBILITIES

Responsibilities are the specific duties assigned to stakeholders to fulfil their roles. Responsibilities are outlined in the ordinance and detailed in the employee's job descriptions, utility manuals etc. For example, attending regular utility meetings is the responsibility of members of the policy making body. The utility manager has the responsibility to prepare and present monthly financial reports to the policy making body.

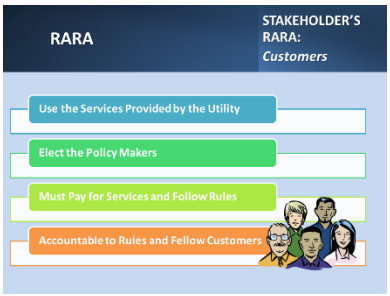
ACCOUNTABILITY

Being 'accountable' means being answerable to other stakeholders for meeting your own responsibilities. Accountability is responsibility in action. The act of holding members of the policy making body a**c**countable for the enforcement of collections is one example of the liability such members have when they choose to serve on the policy making body.

STAKEHOLDERS' RARAS

In this section, we'll look at the roles, authority, responsibilities, and accountability of various stakeholders in rural sanitation utilities. The first group of stakeholders that we'll consider will be your utility's customers.

CUSTOMERS



Role

The primary role is to use the services the utility is offering. There are various types of customers. It is not uncommon for water and wastewater utilities to classify customers to better manage and respond to their needs.

Common customer classes might include residential, commercial, industrial, and contractual customers.

Authority

Customers may not have a lot of say in the daily management, operation, and maintenance of the utility, but they have the power of the ballot box. They can exercise this power by voting members of the policy making body in or out if they don't like the decisions that group has made.

Responsibility

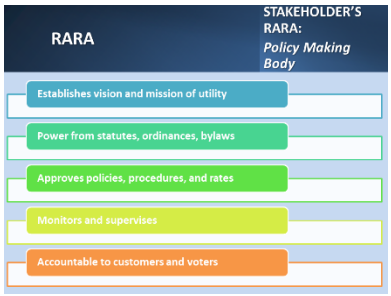
Here is a list of some of the responsibilities utility customers have:

1. Paying for their service
2. Installing, owning, and maintaining their service line and plumbing
3. Avoiding unusual and high water usage
4. Allowing utility staff access to property when appropriate
5. Reporting leaks, changes in water appearance, pressure, or taste
6. Attending and participating in policy making and public meetings
7. Abiding by the utility ordinance and customer agreements

Accountability

Utility customers are accountable to the utility and other customers. They are generally held accountable by local laws, which describe both their responsibilities and the consequences of not fulfilling those responsibilities. If those laws aren't followed, they could be denied service and required to pay penalties. Although it is not common to see customers have a copy of the utility ordinance in their home, it is their responsibility to know what is in it. Customers are accountable to each other in the sense that if one doesn't pay their bill on time, another customer might get upset at them because rates might need to be raised.

POLICY MAKING BODY



Role

The role of the policy making body is to establish the vision and mission of the utility. However, the policy making body may have to play other roles, depending on what organizational model and legal framework it operates under. Several organizational models were discussed in Lesson 3 of this manual.

Authority

Depending on the type of organization (city, tribe, community association, etc.) the policy making body's authority might come from state statute, ordinance, bylaws, or articles of incorporation. The policy making body has the authority to make decisions affecting the utility. The authority of its individual members comes from them being rightfully elected by their community.

Responsibility

The following are some of the most important responsibilities of a policy making body:

1. Formally approve the vision, mission, goals, and objective of the utility

The policy making body is responsible for approving the overall vision and mission of the utility, based on the input received from the community. It also approves the short and long term goals and objectives, annual budget, and capital financial plans for improvement, expansion, extension, and replacement of the utility.

2. Approve policies and procedures that govern utility operations

The policy making body is also responsible for setting policies and procedures that govern financial and administrative matters, personnel policies and procedures, customer service and regulatory compliance, conflict of interest, procedures for meetings of the policy making body, compliance with the open meeting law and performance accountability, like management reporting to the policy making body on a regular basis.

3. Approve rates and charges, and manage the utility funds

This includes evaluating the need for increases in water and wastewater rates and charges and evaluating the need for special fees. This also includes reviewing, developing, and adopting the utility budget, authorizing the annual audit (if required), and directing utility management and employees to follow the recommendations of the auditing firm or accountant.

4. Develop plans and programs

   Such plans and programs might include:

   - Master plan
   - Annual operating plan
   - Repair and replacement reserve program
   - Capital improvement program
   - Personnel policy and procedures
   - Operation and maintenance program
   - Site control
   - Safety program
   - Contingency plans

5. Monitor, supervise, and evaluate performance of utility manager and key utility employees

   The policy making body is responsible for ensuring that the utility manager and utility employees are monitored, supervised, and given at least annual evaluations. Performance evaluations should take into consideration, job descriptions, operational reports, financial reports, productivity, customer complaints, utility responses, and capital program progress.

6. Acquire, lease, and dispose of real property for the benefit of the utility

   For a city, acquisition, lease, and disposal of real property are typically spelled out in the city's ordinances.

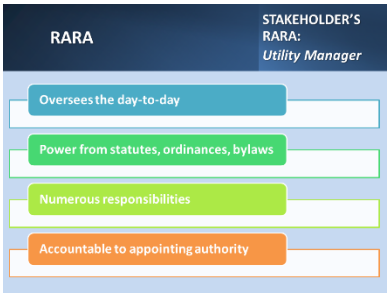
7. Review, approve, and employ consultants, contractors, and other specialists

   The policy making body has the responsibility of reviewing, approving, and employing engineering and consulting companies and specialists dealing with utilities, as well as project management and construction companies and specialists.

Accountability

The policy making body is mostly accountable to the voters and customers. As mentioned earlier, voters can choose new people to represent them if they don't like the decisions the policy making body has made.

UTILITY MANAGER



Role

The primary role of the utility manager is to oversee the day-to-day operation, administration, and management of the utility.

Authority

Similar to the policy making body, the powers of the utility manager are contained in the legal and organizational framework under which the utility operates, and these powers must be stated in the utility ordinance.

Responsibility

The responsibilities of the manager are defined by the policy making body and included in the utility ordinance. These responsibilities include, but are not limited to:

1. Assist policy making body in establishing vision, mission, goals, and objectives

It is the responsibility of the manager to assist in establishing the vision, mission, and short-term and long-term goals and objectives of the utility. The manager must ensure that utility employees know and act on those goals and objectives.

2. Prepare assessments and plans

The manager is responsible for the following:

- Prepare estimates of future customer and regulatory demands on the utility
- Identify hazards in system facilities and operations
- Analyze the vulnerability of the system to natural disasters hazardous spills and operational mishaps
- Implement plans and programs adopted by the policy making body

3. Public communications

Public communications is the tool used by the manager to gain public support, deal with stakeholders, address legal and regulatory issues, and respond to media and citizens. The following are common utility's public relations methods:

A. Policy making body

The manager must keep the policy making body informed on the status of the utility. The following are some of the responsibilities:

- Provide timely reports to the policy making body on the water quality, quantity, financial status, and customer concerns
- Notify the policy making body of any changes in service levels
- Notify the policy making body of any communication received from the regulatory agencies

B. Customers

The manager communicates with the customer by:

- Maintaining regular office hours
- Printing and making the utility rules available to customers
- Communicating customer concerns to the policy making body
- Providing customers with a regular update of water quality
- Maintaining a process of alerting customers when water samples fail to meet quality standards
- Developing and maintaining a public relations program

C. Employees

The manager communicates with employees by:

- Having regular scheduled staff meetings
- Requiring staff to participate in the development of the annual operations plan and annual budget
- Posting employee notices
- Conducting regular performance reviews

D. Regulatory Agencies

The utility manager is responsible to maintain positive communication with regulatory agencies by:

- Applying for and maintaining state and federal permits
- Providing regulatory agencies with required reports
- Notifying regulatory agencies of existing or pending problems that could affect water quality and quantity

4. Develop, maintain, and manage material and human resources

A. Financial resources

The utility manager's financial responsibilities include:

- Budgeting (developing an annual operations and maintenance budget, as well as a capital budget)
- Accounting and financial reporting
- Developing rates and charges based on the actual cost of service
- Developing related charges, like connection charges and penalties

B. Personnel resources

The utility manager oversees the personnel process. He/she must:

- Recruit, interview, supervise, evaluate work performance, take disciplinary actions using progressive discipline principles, and terminate utility personnel when necessary
- Train and develop utility personnel
- Provide professional growth, and development opportunities

C. Record keeping resources

The manager also oversees the collection, filing, and retention of the following:

- Maps and archives
- Maintenance records including parts and labor costs
- Fuel and chemical supply consumption and costs
- Production and unaccounted water loss records
- Treatment facility records
- Sampling and test results
- Costs per unit of water production

D. Assets resources

The manager is responsible for the maintenance of the utility asset management system including:

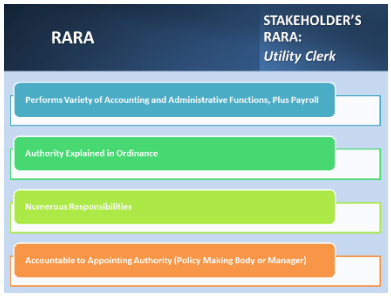
- Asset records that includes name plate information, cost, life expectancy, and date of construction
- Plan and implement a preventive maintenance program for pumps, motors, and other fixed and portable equipment
- Provide oversight of the acquisition of equipment, tools, and supplies
- Conduct inventory control

Accountability

The manager is usually (but not necessarily) hired by the policy making body. Therefore, the manager is ultimately accountable to the policy making body. This must be outlined in the utility ordinance.

However, the manager can also be held accountable by the employees he/she supervises. If the manager does not treat employees appropriately, some personnel policies allow those employees to file a grievance.

UTILITY CLERK



Role

The role of the utility clerk is to perform a wide variety of accounting related functions, administrative functions, and payroll. The clerk may also play the role of the customer service representative and assistant to the utility board.

Authority

The authority of the clerk is explained in the utility ordinance/bylaws, personnel policies , and/or job description.

Responsibility

It is the responsibility of most utility clerks to maintain (set up and keep track of):

- Account ledgers in a standard, double-entry chart of accounts for the classification of all assets, liabilities, revenues, expenses, and other accounting transactions
- The check register, cash receipt journals, monthly disbursement and collections summaries, and bank statements
- Work requests, work orders, and purchase orders
- A vendor record system
- Legal records of the utility

The utility clerk will also:

- Receive payment for utility services, post payment to accounts, prepare monies for deposit, and prepare shut-off notices
- Prepare checks for authorized peoples' signatures
- Maintain and prepare payroll taxes and records
- Prepare and keep track of bills
- Help prepare monthly financial reports showing the current month's revenues and expenditures, year-to-date revenue and expenditures in relation to adopted budget, and other requested finance reports
- Assist in the purchase of parts and supplies
- Prepare meeting agendas and minutes
- Provide information and assistance to customers with questions
- Perform office duties

Accountability

The accountability of the clerk depends on their appointing authority. At some utilities, the clerk is appointed by, and therefore accountable to, the policy making body. At other utilities, the clerk is hired by the manager. In that case, the clerk is accountable to the manager, as far as the utility day-to-day job responsibilities are concerned. Check your utility ordinance to find out who your clerk is ultimately accountable to.

OPERATOR

Role

The role of the operator is to perform the day- to-day operation and maintenance of the physical components of the utility.

Authority

The operator's authority derives from the policy making body, the utility manager, utility ordinance and regulations, and their job description.

Responsibility

The following are the typical operator responsibilities:

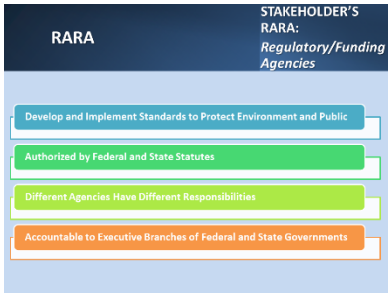
- Ensure compliance with federal (EPA) and state water quality and wastewater standards
- Provide regular oral and/or written operations and maintenance reports to the policy making body and the manager
- Maintain and supervise control over materials, supplies, chemicals, and equipment
- Perform routine preventive maintenance inspections of equipment
- Perform repairs, adjustments, and maintenance of pumps, electric motors, valves, meters, chemical feeders, and fire hydrants, lubricate and oils machinery
- Maintain records of preventive maintenance and repair work
- Obtain and maintain all required training and certifications as an operator
- Update drawings after all service connections, line extensions, or other system improvements are made
- Work with the manager to schedule operation and maintenance tasks
- Assist and advise policy making body on the need for repair and/or replacement of equipment
- Communicate water quality issues with the manager
- Assist the manager in the preparation of the annual operations plan and utility budget
- Work with engineers and state regulatory officials
- Help the policy making body, manager, and consulting engineers in planning system improvements or expansions

Accountability

The water/ wastewater operator is accountable to the policy making body, utility manager, and, most importantly, to the customers.

REGULATORY AND FUNDING AGENCIES

Role



The primary role of the federal and state regulatory agencies is to develop and implement standards to protect the environment and public safety. Many of these agencies play the role of administering and providing funding to build water and wastewater systems.

Authority

The authority of the federal and state regulatory and funding agencies comes from federal and state laws. The Safe Drinking Water Act, Toxic Substance Control Act, Federal Water Pollution Act, and National Environmental Policy Act are some examples of these laws.

Responsibility

Each federal and state regulatory agency has a long list of responsibilities. Contact the RUBA program staff, Village Safe Water staff, Alaska Native Tribal Health Consortium (ANTHC) staff, or Remote Maintenance Worker program staff with specific questions as to the responsibility of each and every agency involved in implementing water and wastewater standards. However, the Environment Protection Agency is primarily responsible for reviewing and approving or disapproving states' lists of water quality-limited waters and the established pollutant loads.

Accountability

Most public regulatory and funding agencies are accountable to the executive branches of the federal and state governments.

MANAGEMENT IN THE ORGANIZATION

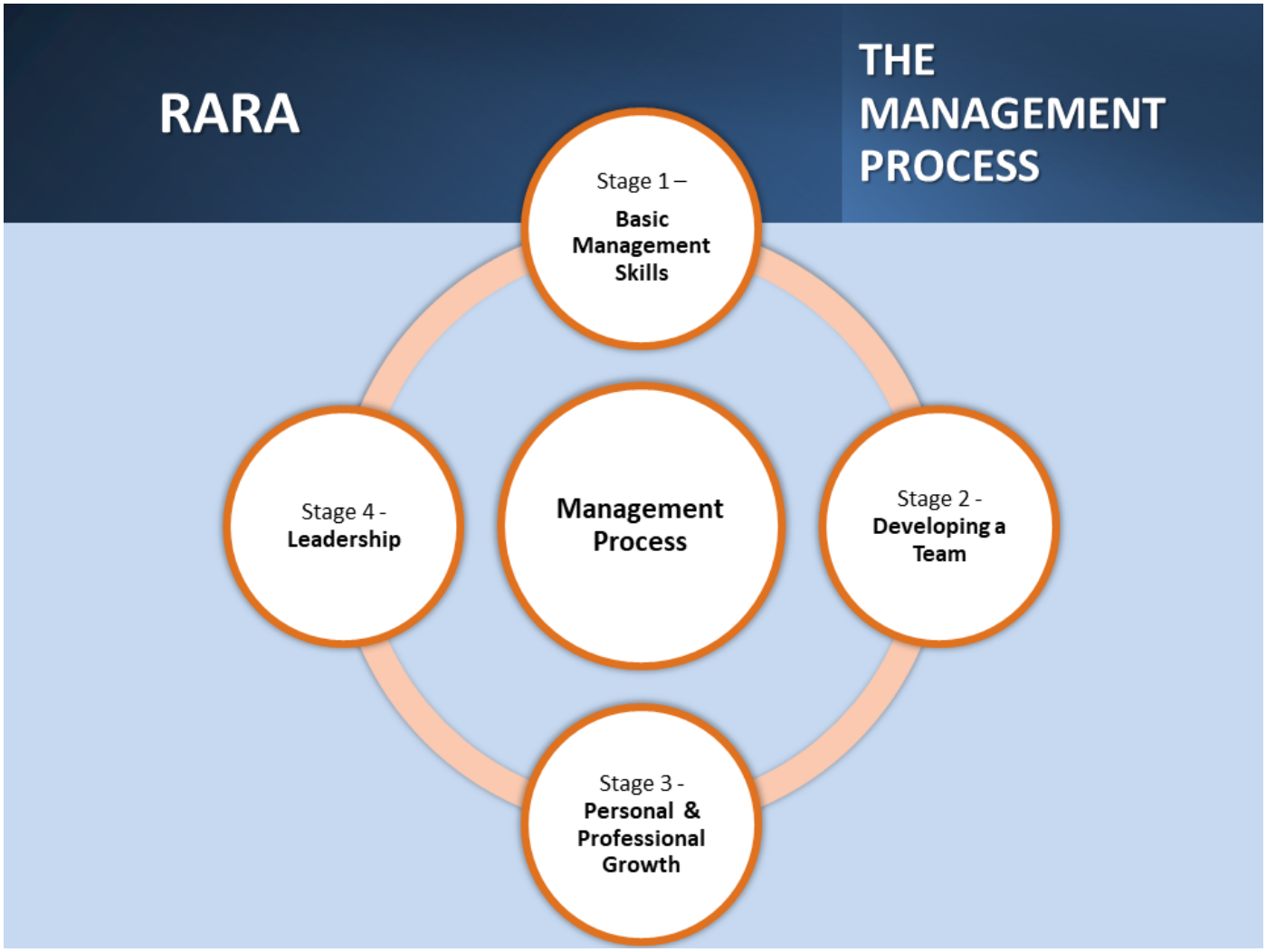
MANAGEMENT

Not all stakeholders play a part in the management of your utility. Those who do should be familiar with the basic management concepts and practices. Management is essential to the success of any organization. Management can be defined as the process of planning, coordinating, and overseeing activities of an organization in order to achieve specific objectives. Management implies continuing improvement of an organization's business practices.

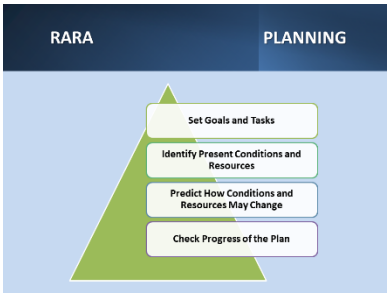
Earlier in this lesson we disc ssed the roles, authority, responsibility and accountability of a manager. Let's look a little closer at what skills it takes to be a successful manager. This section of Lesson 4 explains the management process and management skills crucial to the success of an organization.

THE MANAGEMENT PROCESS AND SKILLS DEVELOPMENT

Management is a process. Anyone who wants to become a manager and grow as a professional will need to go through a number of management growth stages and professional development at some point in their career. In this section, the management process is discussed in more detail, with each stage related to a specific skill good managers need. The first stage of becoming a good manager is learning to plan. Planning is followed by organizing, then directing, and finally by measuring results.

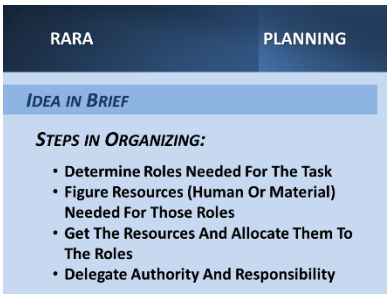


1. PLANNING



Planning is a basic management skill. It is the process of identifying goals and how they will be achieved. We are all involved in planning in our daily lives. We plan our hunting and fishing trips, our vacations and workload. The same applies to your water and wastewater utility.

Most utilities in rural Alaska do not have a large staff or a designated person whose sole function is to plan and manage the utility. In many small rural utilities, the management role is placed on the mayor, city clerk, utility clerk, or the water operator, each of whom has many other duties as well.



However, rural Alaska is not unique in that it cannot afford a trained water and wastewater manager. Many other small communities anywhere else would have the same problem. Without a large customer base, it is almost impossible to afford a manager. Remember, there are exceptions. But regardless of the size of your organization, someone has to take the time to plan goals, tasks, and activities.

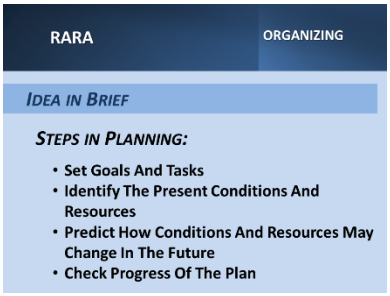
Lack of planning usually results in a dysfunctional utility, where much of the work is reactive rather than preventive. Everyone is involved in correcting problems after the fact, not preventing them. The utility moves from one crisis to another and the utility is setting itself up for failure. Good planning can prevent that.

Good planning, on the other hand, motivates the governing body, manager, and personnel by establishing a vision for the future of the organization. It encourages clear coordination and accountability for actions and helps avoid mistakes, oversights, and unclear responsibilities. It assures sufficient lead time for projects and defines clear measures for success. Furthermore, it leads to steady growth and rational (reason-based) implementation of changes.

Planning is a skill a good manager needs to master, and is the first stage in the management process.

2. ORGANIZING

The second basic management skill is the ability to organize. Where there is a plan to get a job done, an organizational process must be followed. For example, a utility manager must be able to organize employees, tasks, and projects in order to get everyone to work together towards accomplishing the utility's goals.



There is a lot of overlapping between planning the work and organizing it. Where planning focuses on what needs to be done, organization is more focused on how to get the work done. Consider the list of things from the text box when you engage in the process of organizing work.

The first step in the text box calls for the manager to determine the roles needed. Consider this example. The utility manager drafts a list of tasks to be completed for the coming spring and summer. One priority is to repair the wastewater system which was freezing up in certain sections of the town this past winter. The

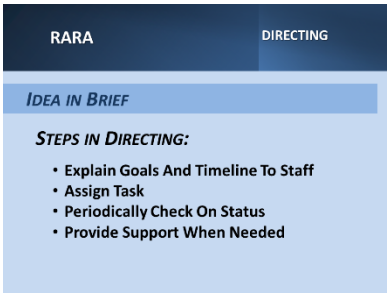
manager has to determine the roles of the city council, wastewater operator, utility clerk, heavy equipment operator, and daily laborers.

By now, the manager has a team of people who will rely on his/her planning, organizational, and management skills to see the project successfully through before winter. The manager has to estimate the work hours for each employee, budget funds to pay employees, order and purchase parts and equipment.

There is a process in this all; the process to organize and coordinate the project.

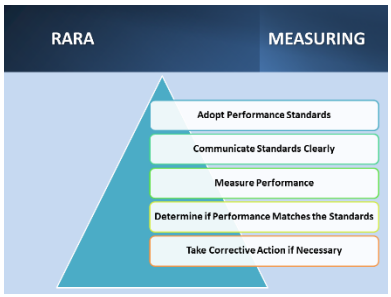
3. DIRECTING

The third basic management skill is the ability to direct employees and staff. Directing is an action step. After planning and organizing the work, the manager has to direct his/her employees to get the job done.



Consider the situation discussed in the previous example. The manager planned and organized the wastewater system repair project. Now, the manager has to make sure that all employees involved in the project know what their tasks are in reaching the goal. The manager could do so by having a team meeting to explain the project goals and timelines, and each employee's role and tasks for completing the project on time.

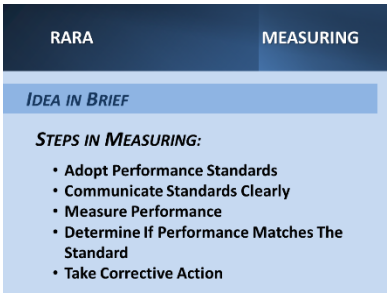
4. MEASURING



The fourth basic management skill is the ability to measure outcomes. It means monitoring the success or failure of the original plan. This sounds easier than it is.

Let's consider our previous example of repairing the wastewater pipe. It is the second week of the project. For the most part the project has been going well. But, one day the manager gets a phone call and learns that the loader was in an accident. The operator suffered injuries. The manager has no operator and the loader needs to be repaired. The parts needed to fix the loader are not readily available. It will take several weeks, if not longer, to fly them in.

Now, measuring is not just simply a matter of monitoring. It requires the manager to take actions to minimize the impact of any failures and bring things back to the desired goal as quickly as possible. How do you go about minimizing the impact? How do you go about bringing things back to the desired goal?



The answer is you go back to the drawing board, to the planning stage and making adjustments to the plan. In the end, measuring means keeping track of activities and making adjustments where and when they are needed.

LEADERSHIP IN THE ORGANIZATION

LEADERSHIP-BUILD YOUR TEAM, LET YOURSELF GROW, BECOME A LEADER

Previously, we learned that the basic management skills are planning, organizing, directing, and measuring. In this section you will learn about the differences between being a manager and being a leader.

Motivating Your Team

The manager must learn how to motivate the team and each and every member on the team. You cannot get things done unless you have every employee motivated to do the assigned tasks. So what do you do to motivate your employees? The text box provides you with some tools you can use to inspire your team and convince them to follow you.

While you, as a manager, should clarify expectations and monitor activities, don't expect employees to carry out the tasks exactly as you desire. As a manger you have to allow your employees the right to do the job with their own unique skills and styles. Let them grow as employees and you may find they do the job better than you imagined.

Training Your Team and Time Management

No manager should expect or assume that employees know or should know every aspect of the job. No manager should think that every employee should be adequately trained, regardless of whether training was provided or not. The reality is that a learning curve applies to every job. Seasoned employees and new hires are in need of continuing training and coaching. A manager should have the skills to train and coach.

Training and coaching programs must be organized according to and correlated with work tasks and performance standards. The manager should give sufficient time for and documentation of an employee's learning and performance progress. Remember that each employee is different and has weaknesses and strengths that you as a manager can use to your advantage to achieve the goals and objectives of your organization.

If you have taken the time to become proficient at planning your work and those you manage, organizing your work and those you manage, directing your employees, your employees will notice it and follow you. Plus, if you are great at managing yourself and your time, your employees will notice that and become motivated and inspired to follow you. If you are fair, firm, responsive, and dependable your employees will also notice that. If you have clearly defined convictions and believe in your work and your organization, employees will notice that as well, and will likely do the same.

In the end, leadership is about trust. What your employees, members of the policy making body, or even customers are looking for is someone in whom they can place their trust. Someone they know is working for the greater good of the organization.

SUMMARY

This lesson identified the stakeholders of the utility as everyone with a role in ensuring the success of the utility service. In a small community, that success starts with the customers and utility staff and ends with the regulatory and funding agencies.

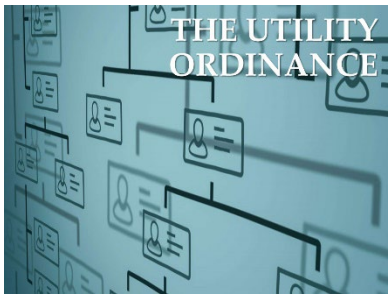
The lesson also explained the relationship between role (purpose), authority (power), responsibility (duty), and accountability (answerability) of each stakeholder. It is important to identify each in order to understand their importance to the success of the utility team.

In addition, we covered the desired management skills to ensure a successfully run utility service. You learned that a successful manager has to master the basic management skills of planning, organizing, directing, and monitoring. These skills serve as a foundation on which the manager builds the team. Developing your team involves motivating, training, and coaching.

But, to have your employees follow you, take the time to focus on developing a set of personal management skills that will help you win the trust and respect of your employees. Two of those skills are time management and self- management. To really make a difference as a manager, you have to work hard and practice leadership. No one is born a leader. It takes time, practice, and persistence to become a good leader.

LESSON 4: THE UTILITY ORDINANCE

LESSON OUTLINE:



- Ordinances in General
- Elements of the Utility Ordinance
- Summary

LEARNING OBJECTIVES:

This lesson will explain:

- What an ordinance really is, and how it differs from a resolution, a tariff, and bylaws
- Why it's important to have utility ordinances appropriate to your organization structur and the level of service your utility provides
- The essential elements of a utility ordinance

Key Term

Utility Ordinance

Governing Documents

Relation to Level of Service, Organizational Structure, and RARA's

Elements of the Utility Ordinance

Purpose Clause

Severability Clause

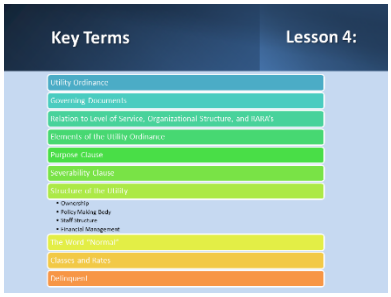
Structure of the Utility

- Ownership
- Policy Making Body
- Staff Structure
- Financial Management

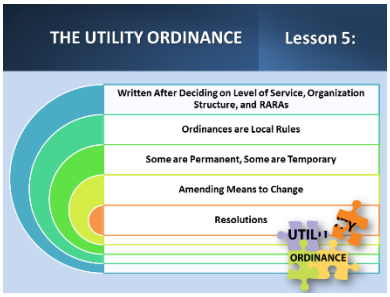
The Word "Normal"

Classes and Rates

Delinquent



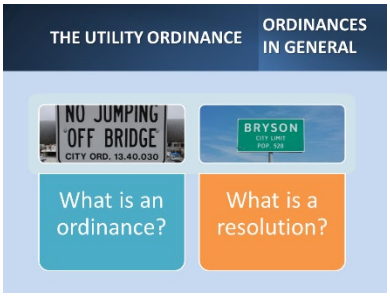
INTRODUCTION



This first section of this lesson explains what ordinances and resolutions are. It then shows what topics should be addressed in a utility ordinance. Utility ordinances should only be written after your utility has decided on the level of service it will provide the community, what the utility's organizational structure is or should be, and what roles, authority, responsibilities, and accountability each person/group associated with the utility will have.

ORDINANCES IN GENERAL

What is an ordinance?



In the most basic terms, ordinances are rules at the local level. The ordinances of municipalities (cities, boroughs, and 'unified municipalities' like Anchorage) are actually local laws.

Private entities, like tribes and non-profit community associations, may also have things called 'ordinances', but they do not necessarily carry the same force of law as the ordinances of a public entity, such as a city. Tribes and non-profits usually call their rules 'bylaws' instead of ordinances. But to keep things simple, this course will refer to the rules of municipalities, tribes, and non-profits all as ordinances.

Most ordinances set out rules that are considered permanent and ongoing-that is, they're in effect until they're changed or repealed (if ever). These kinds of ordinances are usually called 'code ordinances' and should be put into an organized book called a code so that they can be referenced easily. The process of assigning an ordinance a unique serial number and including it in the code is called codification.

Some ordinances are only temporary in nature. Cities, for example, pass a budget ordinance each year which essentially sets the rules for how it will spend and receive money for that year. These temporary ordinances are called 'non- code ordinances'. They're not codified in a code of ordinances because they change every year.

Amending an ordinance means to change the ordinance; repealing means getting rid of it all together. The process of amending or repealing an ordinance must be done with a new ordinance. This concept will be discussed further in this course.

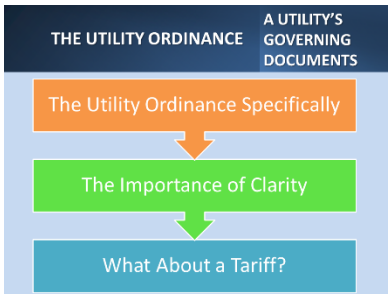
What is a resolution?

A resolution is essentially an official opinion, statement, or proclamation. Resolutions might be used for congratulating a local sports team, showing community support for a state-wide issue or local project, or naming a building. Some communities also pass resolutions when adopting their certified financial statements, basically stating officially that they spent and received money in a certain way.

Resolutions are not laws. However, utilities can sometimes use resolutions to act like laws-if they have the ordinances in place to do so. This concept will be explained later in this lesson.

A UTILITY'S GOVERNING DOCUMENTS

The Utility Ordinance Specifically



The utility ordinance is the set of rules for your utility. The utility ordinance lays out what services are provided, who gets access to those services, and at what cost. It also makes clear who the owners and operators of the system are, and what their responsibilities will be to customers, among other important matters.

Indeed, the utility ordinance outlines the legal and financial relationship between the utility and its customers. Because the utility ordinance is so important, it should be carefully crafted and refined to cover your utility's particular situations. Be sure to have someone else, whether you're RUBA staff, attorney, or someone else, review any drafts.

The Importance of Clarity

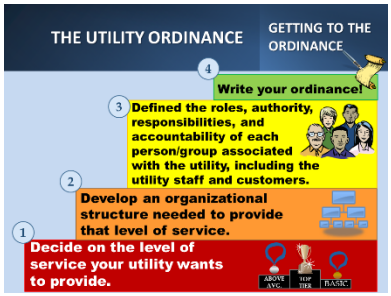
Because the ordinance includes such critical information, it must be easy for anyone to understand. Even the most effective collections policy in a utility ordinance isn't going to be any good if nobody can understand it well enough to actually enforce it. Try not to use vague or overly technical terms when you don't have to. If such words are necessary, make sure to include its precise definition in a 'Definitions' section. This concept is discussed in great detail later in this lesson.

What About a Tariff?

A tariff is similar to the utility ordinance in that it spells out rules and regulations for the utility. The main difference is that a tariff and any rates it includes must be approved and maintained by the Regulatory Commission of Alaska. This is required of virtually all privately-owned utilities, but also some publicly-owned ones as well.

Despite the outside control and oversight, some utilities welcome the insulating layer that the Regulatory Commission provides from local politics and the space it creates between the utility and any customers unhappy with rates or rules.

Relation to Level of Service, Organizational



Structure, and RARAs

The utility ordinance can only be written after your community has already:

1. Decided on the level of service it wants to provide
2. Developed an organizational structure needed to provide that service effectively
3. Defined the roles, authority, responsibilities, and accountability of each person/group associated with the utility, including the utility staff and customers

The rules on the books should reflect the priorities and capabilities of your community, as defined by its proposed level of service. For example, if the community has decided that it wants to have a flexible utility bill payment schedule, it should write a payment policy that allows for that flexibility and include it in its utility ordinance. Or maybe the community has decided that customers living outside the center of town will not be connected to the piped system. If that's the case, then those rules should also be included in the utility ordinance.

The utility ordinance will also follow the established organizational structure of your utility. If your community has decided to have a utility board separate from the council, for example, then the roles and authority of that board will be defined in the utility ordinance. Or if the utility clerk is to be appointed and supervised directly by the council instead of the manager, that should be explained in the ordinance as well.

Samples

Four sample utility ordinances have been included in the appendix of this manual. It's not a good idea to copy these samples exactly, or to copy the utility ordinances of another community, because they won't necessarily relate to your utility's proposed level of service or reflect its unique organizational structure.

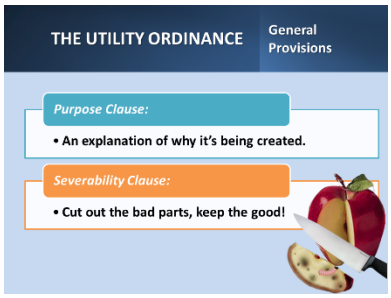
That said, sample ordinances give an idea of what kinds of topics should be included and can be a good starting point for writing your own.

ELEMENTS OF THE UTILITY ORDINANCE

This part of Lesson 4 will explain the specific issues that every utility ordinance should address. It divides these issues into specific topics and arranges them in the order they might appear in the actual utility ordinance.

However, it may make sense to include these topics in other ordinances used by your organization, instead of in the utility ordinance. Just make sure that these topics are addressed *somewhere* in your organization's governing documents.

Also make sure that the provisions of your utility ordinance don't conflict with other rules your organization has.



GENERAL PROVISIONS

The first section(s) of a utility ordinance is going to outline what are known as the 'general provisions.' The general provisions do two main things:

1. Explain the purpose of the utility ordinance
2. Have a certain legal clause, known as the 'severability clause' that helps preserve rules when others are voided or not enforced

Purpose Clause

It's a good idea to include at the very beginning of the utility ordinance a written statement explaining why the utility ordinance is even necessary.

There is sometimes controversy in a community over whether the rules adopted by a council or board apply in a given situation. In other cases, a rule is unclear or poorly written, leading to questions about whom it applies to and in what cases. A written explanation of the ordinance's intended purpose can help to answer some of these questions and resolve controversies.

Consider this utility ordinance purpose statement included in the City of Salmon River's code of ordinances:

4.01.010 Purpose.
The purpose of this utility ordinance, outlined here in Chapter 4 is to clearly explain the rules which shall govern the provision and acceptance of water and wastewater services by the City of Salmon River. Its rules shall be applied equally to all parties and fully enforced as written.

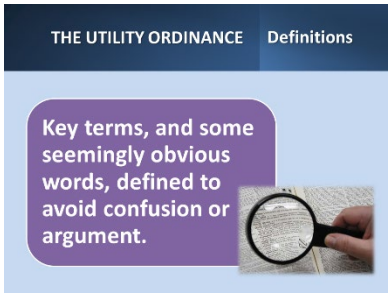
Severability Clause

The word 'severability' comes from the word 'sever', as in 'cut' or 'remove'. The severability clause says in legal language that if one part of the utility ordinance is ruled (e.g. by a court) as nvalid, the other parts are still enforceable. It's like cutting out the bad provisions, but keeping in the good.

The severability clause could look something like Salmon River's here:

4.01.020 Severability.
If any provision of this chapter or application thereof to any person or circumstance is held invalid, the remainder of this chapter shall not be affected thereby.

DEFINITIONS



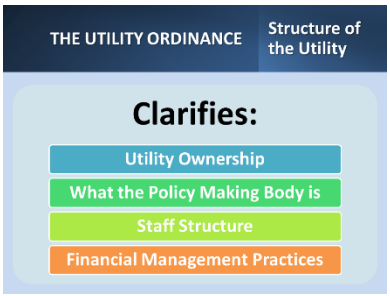
The next section will define some of the key terms used elsewhere in the utility ordinance. Even words that might seem obvious should be defined so that there isn't any confusion or argument later on.

Here are some words the City of Salmon River defines in its utility ordinance:

4.01.030 Definitions.
The following terms, as used in this chapter, shall have these meanings:

Word:	**Definition:**
Actual Cost	*The true final cost of labor and materials, as determined by the utility manager*
Board	*The utility board appointed by the council*
City	*The City of Salmon River, Alaska*
Clerk	*The Salmon River City Clerk*
Commercial	*Premises used for business purposes*
Council	*The Salmon River City Council*
Fiscal Year	*The one-year period from July 1 to June 30*
Governing Body	*The Salmon River City Council*
Month	*The calendar month*
Operator	*The duly appointed water treatment operator*
Residential	*Premises designed, improved, or uses as a residence*
Utility Manager	*The Mayor of Salmon River, or her/his authorized designee*

STRUCTURE OF THE UTILITY



The utility ordinance should clarify ownership of the utility, who the utility's policy making body is, the utility's staff structure, and its method of tracking finances.

Ownership

It's helpful to put into writin who exactly owns the utility and its infrastructure, as well as who is in charge of operating, managing, and maintaining it. For most communities this will be obvious; however, if communities have multiple entities, such a city government and also an organized tribal government, it may not be clear, so i 's good to clearly say which entity the utility belongs to.

Policy Making Body

This portion will identify which body is responsible for setting utility-related policies. This may be the city council, the tribal council, a non-profit's board of directors, or even a specified utility board. If there is a utility board, this section should explain who can serve on the board, how they are elected/appointed, and when they will meet. If the policy making body is the council, this kind of information will likely be already addressed elsewhere in the city code or tribal/corporation bylaws.

Staff Structure

The staff structure you outline in this part of the ordinance will have to reflect the local situation. It should say who the employees of the utility will be, who their appointing and supervising authorities are, and *general* role.

Resist the temptation to list all staff responsibilities and duties in the ordinance. If you get too specific, the council will have to meet, consider, and approve any chang s in job duties. It's better to put these kind of specifics in separate job descriptions, personnel policies, and employee handbooks.

The utility ordinance (or other ordinances used by your organization, such as personnel ordinances) can however, require that separate documents like an employee handbook nonetheless be adopted and kept current. In doing so, it can give those documents 'outside' of the ordinance/code their own legal authority, with the right language. This technique, called 'adopting by reference', saves space (you're not listing employee hours, pay ranges; in the ordinance itself), and can also allow for greater administrative flexibility. The process of adopt ng other official documents by reference is discussed at the end of this lesson.

Whether they're outlined in the utility ordinance or in another document adopted by reference, the employee roles, authority, responsibilities, and accountability decided on earlier must be clearly explained.

Financial Management

It is recommended that all utility income and expenses be accounted for separa ely from everything else your city, tribe, or non-profit is doing. Managing utility finances like this as an enterprise allows the policy making body to better see whether the utility is making or losing money.

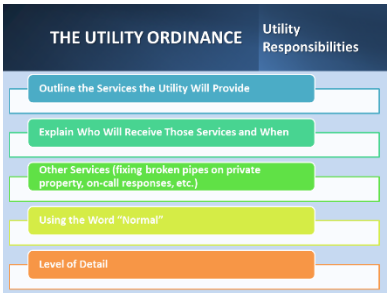
The utility ordinance can require this kind of accounting. It can-and ideally will-require the utility to identify all associated expenses (operator and administrative labor, chemicals, insurance, etc.) and income (user fees, inter-fund transfers, etc.) on a separate enterprise budget.

The ordinance can also require that the policy making body receive certain types of financial reports at its monthly meetings. Consider requiring by ordinance that the body receive:

- A statement comparing actua year-to-date income and expense amounts to what was originally budgeted for
- A balance sheet identifying the size of the utility's accounts receivable
- An aging report showing how many customers are past due

This course does not address these financial management concepts in detail. However, if you're interested in learning more about them, consider attending RUBA's *Financial Management for Rural Utilities* training.

UTILITY RESPONSIBILITIES



The utility ordinance must outline the services it will provide. 'Service' refers to both the actual sanitation service delivered to customers, such as piped drinking water, but it also refers to the services provided by the billing clerk, after- hours maintenance staff, and others, as discussed in Lesson 2: Level of Service.

The utility is committing in writing to providing a specific level of service to its customers, so make sure the utility can and actually will provide those services. Do not include services you expect to provide someday in the future; instead, revise the ordinance just before those new services are brought online.

Suggested Considerations

Here is a list of just some of the things to consider addressing in this section of the utility ordinance:

1. What sanitation services the utility provide
   - Will the utility treat the water supply?
   - Will it add fluoride for dental health?
   - Will it pipe drinking water directly to homes?
   - Will it run a washeteria or delivery water by truck?
   - What PSI will the water pressure be kept at?
2. Who will receive these services
   - Will everyone in town be connected to the piped system?
   - Can anyone have their septic system pumped?
3. When those services will be available
   - What hours will the washeteria be open?
   - When will water deliveries and pumping services be made?
4. What related services the utility will provide
   - Will the operators fix broken pipes on private property?
   - Will utility staff be on-call to respond to crises?
   - Will the utility be responsible for the billing mistakes it makes?
   - Will the utility distribute Consumer Confidence Reports timely?
   - Will operators be required to maintain certification?
   - How will customer complaints be handled?

The Word "Normal"

It's common for ordinances to refer to "normal" conditions. Consider the following sentence from Salmon River's utility ordinance:

By using the word "normal", the City of Salmon River doesn't have to go through the trouble of defining every type of hookup it will or will not service, while still commi ting to a certain level of service generally. The other smart part of this provision is the expressed authority for the utility to determine just what "normal" means and whether service will be provided.

4.01.230 Unserviceable homes.
Unserviceable home conditions presented by physical conditions, soils, terrain, and elevation rates which make the cost of connection to the water system more than twice the cost of a normal hookup may be determined as unserviceable. The final authority to determine whether the home is serviceable shall be made by the utility manager.

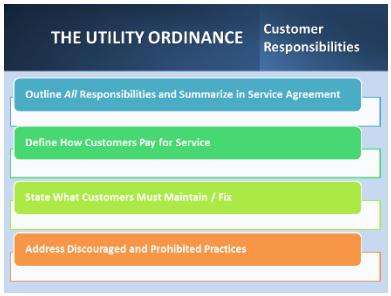
Level of Detail

It is usually best not to include certain details such as office hours in the ordinance because it makes the utility less flexible. Instead, consider writing something general in the ordinance such as:

> "The utility manager shall set and maintain convenient and consistent office hours, and shall post these hours publically."

When writing the ordinance, the policy making body will need to weigh the importance of making some promises with the need to sometimes remain flexible to changing situations.

CUSTOMER RESPONSIBILITIES



This is a very important topic. People want-and need-to know what is expected of them. An outline of customer responsibilities also protects the utility. Whatever the responsibilities of the customer are, they should be included in the ordinance and summarized in a *service agreement* signed by the customer before service is stablished (or re-established, in the case of customers who have been disconnected).

Suggested Considerations

There are many topics which the *Customer Responsibilities* section will address. Below is a list of just some of those topics.

1. How customers are expected to pay for their service
   - What payment methods will the utility accept?
   - When bills are considered delinquent?
   - What happens to customers who don't pay on time and in full?
   - Do certain customs get subsidized?
   - Is there a discount for paying ahead?
2. What customers are expected to maintain, fix, and assist with
   - Who pays for fixing breaks beyond the service connection?
   - When are customers required to allow access to private property?
   - Who is responsible for removing snow for access to haul systems?
   - Who pays for the installation of water meters?
3. What practices are discouraged or prohibited
   - What kinds of things can't be flushed or dumped in the drain?
   - Is it OK to water the lawn every day?
   - Is it OK to bottle water from the tap and resell it?

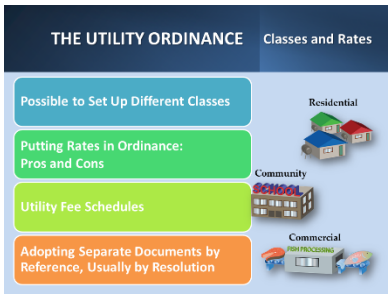
Again, these are just some of the types of issues this section of the ordinance will address. Refer to points raised in Lesson 4 of this course when describing customers' responsibilities.

Using Service Agreements

The next lesson of this course will explain the various types of agreements customers should understa d and sign, including service agreements.

The *Customer Responsibilities* section of the utility ordinance should require new customers to sign a service agreement which summarizes all of the customer's and the utility's responsibilities. Even existing customers can be required to sign this agreement if they haven't done so already in order to continue receiving service, or disconnected customers made to sign the agreement before service is reestablished.

CLASSES AND RATES



Your utility ordinance must certainly identify what, if any, customer classes there will be. It should also say what rates customers will be charged for utility services, or provide a mechanism for how those rates will be set and changed.

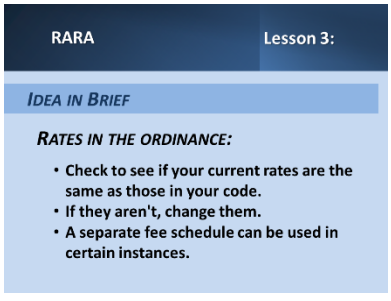
Customer Classes

Perhaps your community has decided to provide certain services to one type of customer, but not to others. Or, maybe it has decided to provide everybody these same service, but at different rates.

Many rural communities have established customer classes based on their values and priorities. For example, some communities have an elder customer class, in which customers older than 65 years of age pay a reduced rate. Other communities charge their local fish processing plant less per gallon of water than residential customers in order to encourage business development. Some don't provide water service to processing plants at all, requiring the business to find their own water source. Still others decide to charge multi-family housing units more than single-family homes, assuming the former uses more water than the latter.

If your community has decided to have different customer classes, it should clearly define these classes in the utility ordinance and explain what services each class will/won't receive at what cost.

Rates in Ordinance



Some utilities decide to include the actual dollar-figure rate they will charge each customer class in the ordinance.

It may be easier to keep track of what the authorized rate is with this approach because it's written in with all the other rules and not recorded separately on some other document. If ever the utility wanted to change this rate, its governing body would need to adopt an amending ordinance. The process municipalities must follow according to state law to adopt a new ordinance may be time consuming, but it helps to ensure the public has ample opportunity to provide input on the proposal, and gives time to members of the governing body time to consider it.

If your utility ordinance lists the dollar-figure rates it is charging customers, make sure those are the amounts the utility is actually charging. Your community may have adopted a utility ordinance in the past, which it rarely looks at now. If that ordinance says, for example, that your utility is to charge residential customers $35 per month, but the utility has been charging $45, it could be in trouble.

The rates your utility charges need to be formally adopted through an established public process. If your ordinances need to be amended to legally authorize the utility to charge a certain rate, make that a priority.

Utility Fee Schedules

Some utilities do not include the price they charge customers in the utility ordinance. Instead, they have a utility fee schedule separate from the utility ordinance. The fee schedule is available to the public, just like the ordinance. It's typically just a one-page document, and is posted wherever it needs to be looked at, including at the utility clerk's desk.

In order for this utility fee schedule to be legally enforceable, the utility ordinance must adopt it by reference. This is that concept mentioned earlier in this lesson.

The ordinance should state that a separate utility fee schedule, while apart from the ordinance itself, is nonetheless the list of rates customers will be charged.

It is recommended that the ordinance require any separate fee schedule be formally adopted and amended by resolution of the governing body, instead of by the decision of the utility manager or any other individual. This will help make sure that the rates listed in the fee schedule are determined in a public forum, with the opportunity of stakeholders to provide input.

Here's an example of a provision in Salmon River's utility ordinance authorizing the use of a water utility fee schedule:

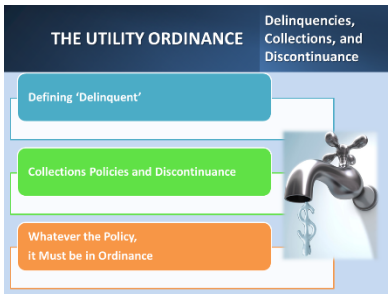
> **4.01.450 Water rates.**
> The Salmon River City Council shall adopt and amend by resolution a schedule of fees for water services provided by the city. Customers shall pay for water service at rates outlined in the adopted fee schedule.

AdoptAdopting a separate utility fee schedule by reference, and authorizing that schedule to be amended by resolution, has certain benefits. Fee schedules are less likely to be 'forgotten about' over time because they're looked at more regularly than ordinances. The process of adopting resolutions is also quicker than that of adopting amending ordinances, so a governing body can change utility rates easier, allowing for greater flexibility.

However, some communities feel utility rates shouldn't be easily changed, at least without the issue being talked through at a couple public meetings. If this is the case in your community, your ordinance can require any resolution amending the fee schedule be given more than one public hearing.

DELINQUENCIES, COLLECTIONS, AND DISCONTINUANCE

Defining 'Delinquent'



The utility ordinance needs to define when a customer is considered delinquent. Typically, a customer is classified as 'delinquent' if they haven't paid a bill within 30 days of it being sent out. However, the definition of 'delinquent' will depend on the level of service your utility chooses to provide.

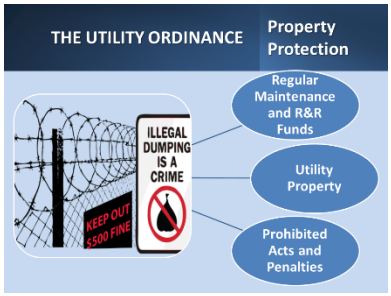
Collections Policies and Discontinuance

It is critical that the utility ordinance explain what will happen to delinquent customers. Generally, utilities have a system which includes delinquent customers receiving notices, shut-off warnings, and late fees. Sometimes customers are referred to small claims court of a collections agency or have their PFDs garnished.

The rising cost of fuel, testing, chemicals, and other costs associated with the provision of sanitation services means it is increasingly difficult for utilities to afford not collecting from customers. Those who don't pay for the services they use should stop receiving the service.

It's up to your community to determine what is the most effective and appropriate way for collecting on past-due balances and ensuring that customers are incentivized to pay for the services they use. Whatever those policies are, they need to be written down, formally adopted, and included in the utility ordinance. There could be problems if your utility tries to enforce a collections policy that has not been properly adopted.

PROPERTY PROTECTION



Over both the short- and long-term, the integrity of the utility's facilities, pipes, meters, and equipment is one of the factors that determines whether the utility will be sustainable. If the utility's property isn't properly cared for, things could break sooner than anticipated and cost customers more money.

Maintenance

Some utilities require by ordinance that certain maintenance measures be taken. Some also require the utility budget each year for repair and replacement (R&R) costs. Routine maintenance and a reserve of R&R funds can help make sure that services aren't interrupted and remain affordable.

Utility Property

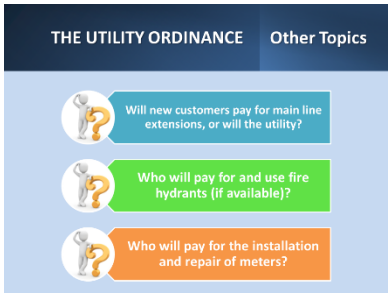
Identify in the utility ordinance which areas or facilities are off-limits to the general public and what safety measures should be taken by anyone entering them.

Also include strong language stating that the utility is not responsible for any damage resulting from interruptions of service. Don't leave your utility open to a lawsuit because this aspect of the ordinance was left out.

Prohibited Acts

As recommended earlier in this lesson, make sure the utility ordinance explains how customers are expected to use utility services, and what types of use are prohibited (for example: when the water can/should be left running, what cannot be dumped down a drain, etc.). Also identify the penalties for violating these rules.

OTHER TOPICS



There are other topics that may be important for your utility ordinance to address, depending on the level of service it has decided to provide and the roles, authority, responsibilities, and accountability of those associated with the utility. If appropriate, include language on the following:

- **Extension of Main Lines**

  It is important for your community to decide who will pay for the extension of main lines to new areas of town if you provide piped services. Will the residents of these newly-serviced areas pay for the extension, will it be the property developers, will it be the utility, or will the cost be shared? The utility ordinance should address this.

- **Fire Hydrants**

  If your community has fire hydrants, include language explaining who is authorized to use them and who will pay for the cost of the water used.

- **Water Meters**

  Not all utilities provide metered water service. If yours does, make sure the utility ordinance explains who will pay for the installation and repair of the meters, who will check them and how often, and the penalties for tampering with the meter. Even if your utility doesn't use meters now, it can write language in the ordinance authorizing it to install meters in the future.

SUMMARY

Your utility ordinance should reflect the level of service you've decided to provide, the organizational structure of your utility, and the roles, authority, responsibilities, and accountability of all of the utility's stakeholders.

Ordinances are rules at the local level, and can only be amended (changed) with another ordinance. Some entities, like tribes and community associations, might call their ordinances 'bylaws'.

There are certain things that all utilities' ordinances should include, which were addressed in this lesson and shown in the examples in the appendix. The ordinance should be up-to-date and written so that everyone can understand it.

Make sure that what your utility is doing now-how much it's charging customers, its collections measures, etc.-are in line with the rules in your adopted ordinance.

LESSON 5: CUSTOMER AGREEMENTS

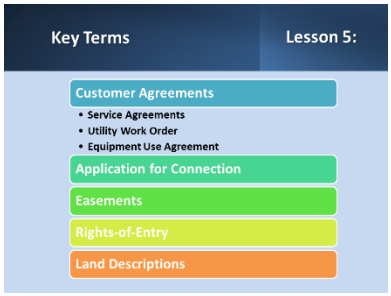
LESSON OUTLINE:

- Introduction
- Types of Customer Agreements
- Developing and Using Customer Agreements
- Summary

LEARNING OBJECTIVES:

This lesson will help participants identify:

- Reasons for using, and examples of, customer agreements
- Techniques for developing and using customer agreements



Key Terms

- Customer Agreements
  - Service Agreements
  - Utility Work Order
  - Equipment Use Agreement
- Application for Connection
- Easements
- Rights-of-Entry
- Land Descriptions

INTRODUCTION

Lesson 5 will explore severa different types of formal agreements that a utility should develop and have its customers sign. Before talking about the details of these agreements though, the first section of this lesson will summarize *what* customer agreements are and explain *why* they are essential to the successful management of utility.

AGREEING TO THE RULES

In the previous lesson, we saw how the utility ordinance lays out the rules for a relationship between a utility and its customers. Customer agreements are where both the utility and customers agree, in writing, to play by those rules. They're formal, legal documents that summarize policies set in the utility ordinance, and include spaces for the utility and the customer to acknowledge that they have read, understand, and agree to those terms.

Later in this lesson we'll see why it's important for customer agreements to be as short and simple as possible. But even though they're simple, they're still legally obligating the utility and its customers to do certain things in a certain way (with repercussions if those obligations are broken). Anyone involved in drafting or signing customer agreements should be aware of their importance.

REASONS FOR USING CUSTOMER AGREEMENTS

There are at least five good reasons your utility should utilize customer agreements. Each helps contribute to a stronger, more successful organization, and therefore to more sustainable utility services in your community.

To Avoid Misunderstandings

One of the main reasons to use customer agreements is to help make sure customers fully understand their-as well as the utility's-responsibilities, and any penalties for not fulfilling those responsibilities.

Imagine, for example, that customers are required to read and sign an agreement that says their water will be cut off if their account is delinquent for two months. Those customers are going to be less surprised and more understanding if their water is ever disconnected for lack of payment. But if they are never made fully aware that delinquency would result in disconnection, they are surely going to be upset. They may then complain to utility staff, to their neighbors, or to others.

Having the terms of utility service in writing is also better than relying on memory of what was once said. For example, if there's a formal, written right-of-way recorded, people will not have to try and remember whether the utility was ever authorized to use a certain piece of land.

To Ensure Fairness

Customer agreements, when evenly enforced, also help make sure that decisions are made based on established rules of procedure that apply to everybody.

A standardized work order request form, for example, might state that a customer must pay 80 percent of the estimated cost of fixing a pipe on their property up-front, before any work by utility staff is performed. Documents with terms like this, that all customers must read and sign, help ensure that *all* customers have to pay this cost, rather than just those the utility chooses.

To Demonstrate Professionalism

When a utility utilizes and enforces customer agreements consistently, it shows its customers and the community that it is organized, objective, and responsible-in other words, a professional organization. The utility wants to be seen as a professional organization because it increases public trust in its work. When customers trust and are satisfied with their utility, they'll be more likely to pay their bills on time and will probably be more accepting of any rate increases in the future.

To Protect Utility Finances

Customer agreements are another tool utilities can use to make sure customers pay their bills and help take care of expensive utility infrastructure. They therefore help make sure the utility has the money it needs to continue operating.

To Establish Legal Authority and Defense

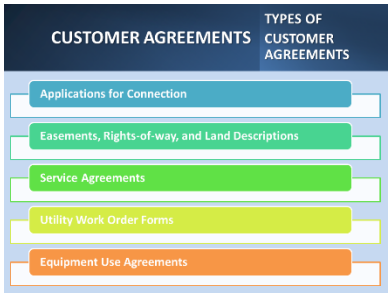
Utility staff cannot dig on private property or enter a customer's home without permission, even if it's to do maintenance in the interests of the whole community. Certain types of customer agreements, such as a right-of-entry form, give the utility the legal authority it needs to conduct work on private property, and ultimately keep the system going.

There may also be times when your utility is involved in a legal dispute with one of its customers, maybe over unpaid bills or liabilities for damaged equipment.

Customer agreements help to protect your utility in these instances by acting as evidence that customers were made aware of their responsibilities.

TYPES OF CUSTOMER AGREEMETS

This section of Lesson 5 explains the purpose of four common customer agreements, and advises what to include when drafting your own. Examples of each are provided in the back of this manual in Appendices C-F.



APPLICATIONS FOR CONNECTION

Before any new connection is made to a property/customer, the owner or tenant should apply to the utility for service using what's usually called an '*Application for Connection*'. This form doesn't usually include terms of receiving service, like when utility bills must be paid, but rather the terms for making utility service possible.

Remember that your utility isn't obligated to connect anyone who wants utility services (refer back to your utility ordinances to find out if it is). The application for connection is based on the idea that the utility is only going to make a connection to those it can and is required to, under set terms. The application for connection helps to establish those terms.

What to Include

An application for connection should include:

- A statement that making the connection is at the discretion of the utility, based on the criteria outlined in the utility ordinance
- A description of the work required to connect the customer
- A statement of who is to pay what costs, and when (e.g. all connection costs to be paid in full by the customer before work is performed)
- Signature blocks for the customer and the utility's representative stating they have read, understood, and agreed to the contents of the agreement

The applicant should be given a copy of the application, the utility ordinance, and construction specifications for connecting to the system.

EASEMENTS, RIGHTS-OF-ENTRY, AND LAND DESCRIPTIONS

It may be necessary for customers to attach copies of any granted easements and signed rights-of-entry with their application.

An easement is a right to cross, enter, or use someone else's property for a certain purpose. An easement is sometimes called a 'right-of-way' when it allows those who don't actually own a piece of land to cross it, perhaps to access a piece of equipment to perform maintenance.

A right-of-entry is permission to enter onto a piece of private property, or into a private building, for certain reasons. If utility employees go on to private property or into someone's home without right-of-entry in the process of making a service connection, they may be considered trespassing.

In order for an easement or right-of-entry to be legal, it needs to be matched with a legal description of the relevant piece of land. A sample legal description is provided in Appendix G5.

Make sure customers complete forms granting easements and rights-of-entry, together with the appropriate legal description of the land, so that utility staff can enter private property and perform the work necessary for a connection.

SERVICE AGREEMENTS

The service agreement stipulates that the customer will abide by all of the provisions in the adopted utility ordinance. It then summarizes these provisions, or a copy of the relevant ordinances are attached to the service agreement itself.

What to Include

The service agreement form should include:

- Information about the customer that the utility may need for taking collective action (perhaps a driver's license number, a social security number, and/or a mailing address)
- A list of the responsibilities of the customer, including payment requirements and expectations that they treat system equipment properly (e.g. no dumping of toxic substances down the drain)
- A clear explanation of collections procedures that will be taken
- Signatures of the customer and the utility representative stating that they have read, understand, and agree to the contents of the agreement

When Service Agreements Should be Completed

Certainly any new customers should complete a service agreement before that service is provided. Some utilities have new customers complete a service agreement at the same time they make an application for connection. Others have customers come back to the utility office after the connection is made to sign a service agreement and have that service started.

Even existing customers can be required to complete a service agreement. As long as it's permitted by your ordinances (and any other agreements that may be in effect), you utility can require existing customers to come to the utility office and sign a service agreement within a certain time frame in order to continue receiving that service.

UTILITY WORK ORDER FORMS

Typically, utility ordinances make customers responsible for fixing any part of the system that lay on their private property, or they are required by ordinance to have utility staff come and fix it. The utility staff are usually the only ones in town with the skills, knowledge, and tools necessary to perform the work anyway.

If customers need to have utility staff perform work on their property, they should first be required to submit a utility work order form at the utility office.

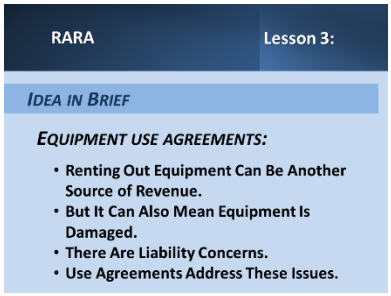
The form is usually completed in two stages. In the first stage, estimates of the cost of the work being requested is determined by utility staff, and agreed to by the customer. After that work has been done, a breakdown of the actual costs of the work is noted on the same form, with the customer being responsible for any remaining costs.

What to Include

The utility work order form should include:

- The date the work was requested
- The name and contact information of the customer making the request
- A description of the work requested
- A breakdown of the materials, supplies, and equipment needed to perform the work, and an estimate of their associated cost
- The amount of labor needed to do the work, and an estimate of that associated cost
- A statement that the customer is responsible for paying a certain percentage of the total estimated cost prior to any work being performed
- Space for details of the actual cost of doing the work, after it's completed

EQUIPMENT USE AGREEMENTS



Some utilities choose to provide a level of service whereby customers or other entities in the community are allowed to rent or lease utility-owned equipment for their own use. This requires yet another type of customer agreement: the equipment use agreement.

Benefits of Lending Equipment

It might make sense for the utility to lend out equipment to others in the community when it doesn't need it; this can be an extra source of revenue for the utility, help finish projects important to the whole community, and be an opportunity to work together with other community entities.

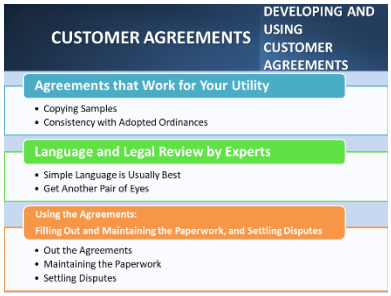
Concerns of Lending Equipment

However, lending out utility-owned equipment might bring problems. For example, the equipment might come back damaged, or it might not be returned when the utility needs it for its own work. It's also possible that someone gets injured or damages property using the equipment, causing a liability for the utility.

What to Include in an Equipment Use Agreement

In order to maximize the benefits of lending out utility equipment, and minimize the concerns, an equipment use agreement form should include a liability waiver approved by the utility's insurance provider. The from should also specify what the equipment may be used for, who it can be operated by, when it must be returned, and the condition it's expected to be returned in.

DEVELOPING AND USING CUSTOMER AGREEMENTS



After reviewing what customer agreements are generally, why they're important to successful utility management, and some common types of customer agreements, it's worth considering some tips on actually developing and using those agreements.

AGREEMENTS THAT WORK FOR YOUR UTILITY

Copying Samples

As mentioned, there are sample customer agreement forms provided in Appendix G1. These samples are more to illustrate the points raised in this course, rather than to be copied directly and used at your utility right away. The samples may not relate to your utility's decided level of service, or fit with its organizational structure and adopted ordinances, so may need to be changed before they can be used in your community.

Your RUBA staff can help you to draft customer agreements that are similar to these samples, but also fit with your utility's unique needs.

Consistency with Adopted Ordinances

To be valid, customer agreements must work with and not contradict your adopted utility ordinances. If, for example, your utility ordinance says customers are to be disconnected after 30 days of delinquency don't say that they'll be shut off after 45 days in the agreement.

Be sure to consult your ordinances before drafting customer agreements. If you don't like the rules that are in the ordinances, focus on changing those first, rather than spelling out different, conflicting rules in an agreement.

LANGUAGE AND LEGAL REVIEW

Simple Language is Usually Best

Remember that one of the main reasons for using customer agreements in the first place is to avoid misunderstandings. To help customers understand the terms of utility service, make sure that the language in customer agreements is clear, straight-forwarded, and not overly technical. A good way to make sure the language is understandable is to have others take a look at it.

Get Another Pair of Eyes

Even an agreement that is short and simple is a legally binding contract. Like an ordinance, they should be looked over by RUBA staff, your insurance provider, or even an attorney before they are implemented to make sure they are legally enforceable.

USING FILLING THE AGREEMENTS

Out the Agreements

Even the smartest customer agreement is no good if it isn't filled out correctly. The utility manager should make sure office staff fully understand:

- The purpose and importance of any customer agreement
- How completing that agreement fits in with other customer requirements (e.g. how signing a PFD reassignment of rights form relates to the customer agreement form)
- How to complete applicable forms and what supplemental paperwork or information should be attached, if any
- How to explain the paperwork to utility customers clearly, patiently, and effectively

Office staff should check that names are spelled correctly, that phone numbers and addresses are current, and that no signatures are missing, or else the agreement may not be valid.

By training office staff, such as the utility clerk, in these areas, the utility manager can help ensure that the agreements can be used for their intended purpose and that customers don't feel overburdened with confusing paperwork at the utility office.

Maintaining the Paperwork

Just as important as filling out customer agreements correctly is making sure they are properly maintained at the utility office. Indeed, an agreement is useless if the paperwork can never be located when it's needed.

The first thing office staff should do after a customer agreement is completed and reviewed is to give the customer a copy.

Then, the office staff should file the original in an organized manner at the utility office. Some utility offices have individual files for each of their customers, which contain that customer's signed agreements and other documents, such as copies of invoices and delinquency notices. Other utility offices choose to organize their documents according to type, rather than customer. For example, they'll have a binder of all signed applications for connection, another binder for service agreements, and another for equipment use agreements.

Whatever method the utility office uses to organize and maintain its agreements, that method should be consistent and understood by everyone in the office.

Settling Disputes

If a customer calls the utility office angry that their water service was disconnected for lack of payment, calmly refer them to the objective terms of customer agreement they signed, use neutral language, and try to speak to the standardized rules as they apply to everyone, rather than just this particular customer's situation. For example:

Instead of saying:

"You are supposed to pay your bill in 30 days. You didn't, so we shut your water off. You should've known that was going to happen. After all, you signed a service agreement that said we'd shut you off."

Try saying:

"Our utility has a standard policy, which all existing customers have agreed to in writing before receiving services, requiring bills be paid within 30 days."

SUMMARY

There are various types of customer agreements, including: applications for connection, easements, legal land descriptions, service agreements, work order request forms, and equipment use forms. Using these agreements will help protect the utility, make sure everyone is treated fairly according to the rules, and help the utility be more professional.

Make sure the terms of any agreement are consistent with the rules in your utility ordinance. Also make sure that you have someone else, like RUBA staff, an attorney, or your insurance provider, review them.

Employees need to be trained to use and maintain the agreements properly; agreements are no good if they're not filled out correctly or aren't filed so that they are available when needed.

LESSON 6: COMMUNICATION AND ADMINISTRATION

LESSON OUTLINE:

- Introduction
- Public Relations
- Work Space Management
- Record Keeping

LEARNING OBJECTIVES:

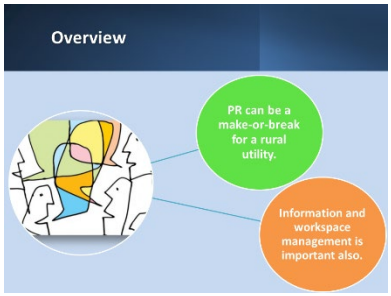
In this lesson, we'll be looking at:

- Understanding the importance of public relations
- Identifying key concepts of workspace management
- Identifying workspace requirements
- The purpose of information management and record keeping
- How to identify the components of information management system
- Records types and record keeping responsibilities
- The legal requirements for record keeping.

Key Term

- Public Relations
- Workspace Management
- Information Management
- Record Keeping
- Record Types

INTRODUCTION



The first section of this lesson discusses the concept and practice of public communications in providing water and wastewater utility services. More specifically, it makes a case for the importance of public relations in the day-to-day life of the utility and the role it plays in the survival of the utility.

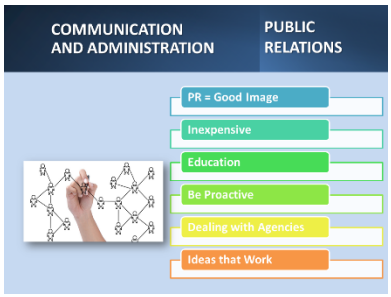
Public relations, often referred to as PR, may sound too "professional" or too "fancy" to customers in a rural community. Many may think that PR is only for companies with big bucks. Yet, this lesson makes a case that small utilities do not have to pay big bucks for public relations. In fact, a small amount of money consistently spent on public relations may change the utility image for years to come. Public relations can be the make-or-break piece for a utility.

As important as public relations is in the life of the utility, its image depends on other important factors as well. Workspace is one. If customers view a crammed and cluttered utility clerk's office, don't expect them to have confidence that their bill is correct or their payment will be credited to the right account. If the utility does not have a photocopier, file cabinets, phone lines, a computer and other essential office equipment, don't be surprised when customers, engineers, or funding agencies have little trust in your utility. In this lesson, you will learn about the importance of work space management and how a neat and well-organized work space can improve customers' and staffs' confidence.

Another crucially important factor is information management and record keeping. Engineers, policy makers, customers, and contractors use utility records for planning, budgeting, engineering studies, rate studies, and many other reasons. Loss of legal documents, customer agreements, deeds, grant records, ordinances, and personnel records could seriously affect the image of your utility.

This lesson gives you the information you need to manage utility records correctly. It provides you with guidelines you can use to determine the record keeping responsibilities of the utility manager, clerk, and certified water and wastewater operator. The lesson talks about types of records maintained by utilities, and how to store, retrieve, analyze, and dispose records.

PUBLIC RELATIONS



What is public relations? The basic meaning of public relations (PR) is to shape and maintain the image of an organization in the eyes of a public. PR is about getting customers and stakeholders to think about the utility in a more positive light.

For most of your customers, the only time they think a out the utility is when they pay their bills. Then they think they are paying too much.

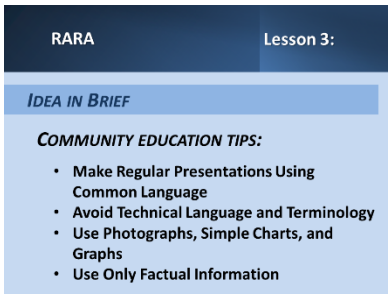
The basis for any successful public relations program is to provide a good product and to respond to customer needs in a way that makes the customer feel good about the utility.

The goal of public relations is to build support for your utility. Good customer relations are critical to your survival. When your customers feel good about the utility, they become a partner in protecting the assets of the utility. They pay their bills on time and take care of their plumbing. They will also be supportive of rate increases to replace equipment or improve services.

Inexpensive

There are people who believe that public relations will require big bucks. The fact of the matter is that public relations need not be an expensive proposition. In fact, a well-executed PR program will pay for itself through a higher collection rate and community support for equipment upgrades.

Education



Another part of PR is educating the public about the utility and how to take care of it. Don't assume everyone knows how to handle the system in their home. Notify everyone in advance of any changes.

A public relations strategy begins by understanding that there is no such thing as short-term public relations. A good PR strategy does not appear overnight. It takes consistent work to make sure that your customers and stakeholders understand what the utility is and how it is improving their lives. Your customers want to know that their concerns are important and that you will listen to those concerns.

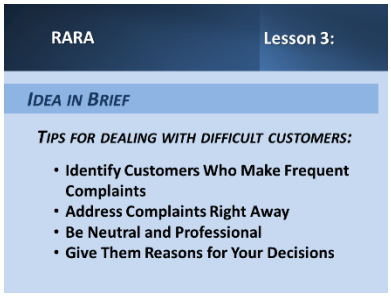
PR is also an ongoing process. The utility must make sure that every customer is aware of the process and is also part of it. Far too often utility managers have believed that because they visit the schools and are present at the council meetings they have communicated with everyone in the community. This is not so. The fact is that very few people attend council meetings and not everybody has children in school. In the end, it would be exactly the people who the utility has not reached out to who would most likely cause problems. One of the biggest mistakes that a utility can make is to do nothing about public relations until there is a crisis. It is never too late to have a public relations strategy, but waiting for a crisis to start a public relations campaign could be very costly and ineffective. The point is being proactive!

Be Proactive

Being proactive might mean making phone calls, writing letters, and listening to what customers have to say about your service. Ask them how the utility can provide a better service. Ask them if they have any suggestions, too. In other words, stay in touch before you learn that the utility is out of touch!

Why do all that? The reason is you want to put a human face on your utility. It is easy for people to ignore a bill if they do not feel connected. You have to make a case that your utility is responsive, proactive, and cares about its customers. By making that consistent personal contact, you are showing your difficult customers that you care about their opinions, you know who they are, and that you listen to their complaints.

Dealing with Agencies



Just as you build the support and understanding of the public through public relations, you need to build good communication and understanding with governmental agencies. Develop and maintain a system to keep an up-to-date list of the name and phone number of your contacts at each of these agencies.

Make contact with the key players on a regular basis even when there is no emergency. Let them know who you are and what your utility is like. Ask for information on any recent developments in regulations, funding opportunities, and trainings that may not be publicized yet. Make sure you are on their mailing list. They will appreciate that you took the time to seek them out and things will go smoother later when you are trying to work out a problem with them.

Ideas that Work

There is no tried-and-true method of staying in contact with your customers. Advertising in the usual sense of the word is discouraged because you are not trying to increase your customer base. You need to be subtle. In the table on the next page, there is a list of ideas that have been used successfully by other small utilities. You don't have to reinvent the wheel. Put them into practice at your utility and if they don't work try other ideas.

TRY THESE IDEAS

- Include advertising for city, village, and community nonprofit organizations in your utility bills.
- Develop a pamphlet with information on frequently asked questions, such as billing procedures, shutoffs, complaint process, and water quality issues.
- Write the annual customer confidence report as required by the Safe Water Act. Include issues, solutions, and utility staffing news with the required material in the report.
- Invent a character, like 'Water Wizards,' and have a costume created. Then visit the local school on a regular basis to talk about saving water, waterborne illness, why chlorination is used etc.
- Take students, class by class, on a field trip through the water utility to see how water is drawn from a source, purified, and then delivered to homes.
- Sponsor a community meeting to discuss items such as capital improvements or a change in service. Have a pot luck and maybe some local music to make it a relaxed atmosphere.
- Sponsor essay, poster, or slogan contests about proper water usage and put the winning essay, poster, or slogan on community bulletin boards or have it read by the council at a public meeting.

- Establish a web page and have a special section for FAQs (Frequently Asked Questions).
- Be active in the community. Be seen and available for any questions concerning health, water, and the utility.
- Attend council meetings. At those meetings you are immediately available to answer any questions and more likely to get the council's support.
- Host an annual water walk/run.

WORKSPACE MANAGEMENT

Workers are more satisfied, more efficient, and safer when they have the proper tools and workspace to do their job. Scrimping in this area is false economy. Providing what is needed, knowing how to share, and being flexible are sound business practices. Utility workspace also needs to be designed with attention to all utility stakeholders needs.

Customers need a space to pay their utility bills, obtain applications for service, obtain assistance in solving a problem regarding utility service, make complaints and, discuss utility operations with the utility staff. Additionally, the policy making body needs space to hold meetings, receive training, and meet with staff and customers.

SPECIFIC STAFF NEEDS

In an ideal setting, a utility would find the resources to design spaces for the following staff and their unique needs.

Utility Manager's Needs

The utility manager needs space to conduct the business of the utility, hold staff meetings, and communicate in private with council/board members, staff, and vendors.

Utility Clerk's Needs

The utility clerk needs space to conduct the financial business of the utility, open and sort mail, compute and send out utility bills, meet in private with customers to resolve billing or payment problems, prepare reports, and store records.

Utility Operator's Needs

The utility operator needs space to repair equipment, perform water quality testing, complete reports, and store equipment.

Staff Support

In addition to the functions of each individual staff member, there are common functions of the entire staff. These require space for common office equipment such as fax, copier, office supplies, and a restroom, if possible.

Efficient Work Spaces

Each workspace is unique. To determine the size and layout of a space, consider the needs of the employee. What tools and equipment need to be in the space to perform the employee's tasks? For a small utility, it is best to have a utility office area that houses the utility manager and utility clerk. The office space should be designed to minimize disruptions in one space due to activities in another area.

Visitors should flow freely without passing through any work area.

Often, utility workspaces can be located or shared with the city, tribe, or non- profit offices. Money could be saved by sharing a photocopier, fax, and conference room, for instance. There should also be adequate room for secured storage of records.

THE UTILITY OFFICE

Here are some layout considerations for the typical utility office.

Entrance Area

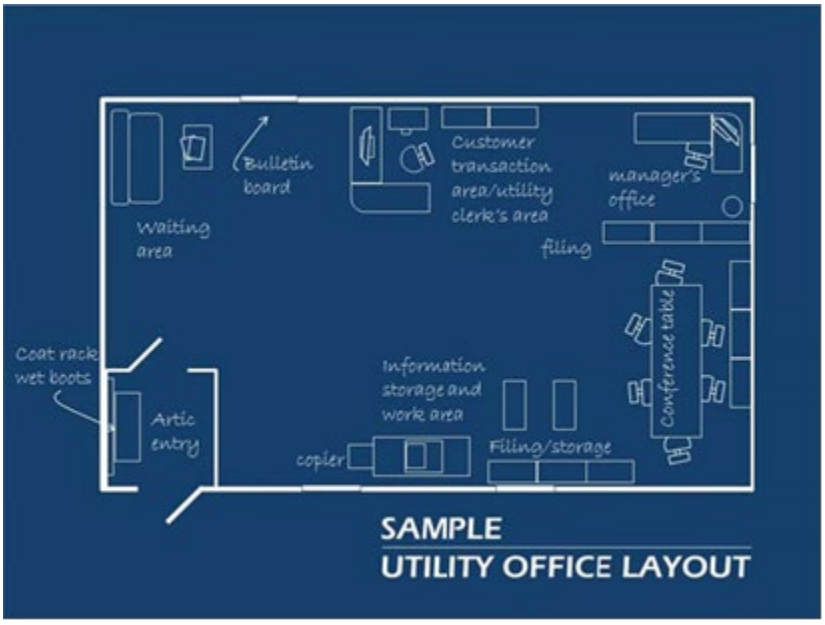
The various climates of Alaska call for various design features such as an arctic entry or a place to put wet rain parkas. On the exterior of the building there should be a sign that provides office hours information.

Customer Transaction Area

Ideally, the customer area includes a counter where payments are received and receipts are writt n. Forms, utility ordinances, utility rates, and charges should be located in this area for easy access by the clerk and not by the customer.

Bulletin Board

It is recommended that the customer area contain a bulletin board for posting customer information such as billing and payment dates, water quality information, upcoming public meetings, and regular policy making body meetings.



UTILITY CLERK'S AREA

The utility clerk needs a space with enough room to talk with customers. Ideally it would be located so the clerk can see the customer area from their desk. Besides office furniture, the clerk's space:

- Phone
- Bulletin board and/or white board
- Computer with dedicated printer for bills, checks, and reports
- File cabinets (at least one of which should be fire resistant)
- Safe

UTILITY MANAGER'S OFFICE

If possible, the manager would have a private office. Besides office furniture, the manager's office may include:

- Computer with printer
- Phone
- Small conference table and several chairs
- Wall space to hang maps and organizational chart
- Space for project files

CONFERENCE ROOM

A good conference room is useful for utility staff meetings and training. A table large enough to accommodate the entire utility staff is ideal. You could always schedule bigger public meetings in another community facility. Visual aids, such as a large white board, flip chart, and a wall map of the community with water and sewer lines identified are important.

If your policy making body is the city or tribal council, they probably already have their own facilities. If you have a separate utility board, it may work well to use the council's meeting room. The council or board may also need the following tools and or equipment:

- Storage for meeting minutes, budgets, ordinances, etc.
- Meeting recording equipment-tape recorder and microphones
- Audio/visual equipment

INFORMATION STORAGE AND WORK AREA

The information storage and work area requires space for the files described in the record keeping section. In addition, the fax machine, photocopier, paper cutter, and office supplies are logically stored in this area.

Information Archive Storage

The information archive sto age area does not have to be located in the utility office. It needs to be vermin-proof and low humidity. Space should be provided for files, maps, and operation records. The most economical storage for archiving files is cardboard or plastic file boxes. These should be stored on shelves and all boxes clearly marked and accessible.

OPERATIONS AND MAINTENANCE WORKSPACE

The operations and maintenance (O&M) workspace is divided into five areas. These areas are most efficient if they are designed into the water or wastewater treatment plant building. The following discussion does not include space needed for the treatment facilities themselves. These are system specific and under the control of the design engineer. The other spaces are:

1. Laboratory
2. Operator's Office
3. Maintenance shop
4. Chemical and flammables storage
5. Critical spare parts and inventory storage

For larger systems, a small laboratory facility should be furnished. This area will require a counter space, a sink, and upper and lower cabinets to store test equipment. The counter top and sink should be made of a chemical resistant material. There should be room to record readings and post daily testing results forms. If the water system uses surface water with a filtration system, then an additional counter space will be required for jar test equipment and turbidimeter.

If possible, the operator should have a formal office, not just an open space in the treatment plant building. The records kept in this office need to be secure, and the space should be designed to reduce the amount of dust and dampness in the room. Besides office furniture, the operat**o**r's office would ideally have:

- Computer, printer, phone, and fax
- White board, with list of things to do
- Wall map of the community, with water and sewer lines identified
- File cabinet
- A large bookshelf for technical manuals and reference materials

The maintenance shop should include a work area, plus storage space for tools, vehicles, portable equipment, and spare parts. The shop would also include a space that allows easy storage and retrieval of portable equipment, such as pumps, thawing machine, or generator.

Tools should be stored on peg boards above the work bench or in a locked tool box. Tools needed routinely in the field should be stored in the vehicle used by the operator (pickup, ATV, or snow machine). Additional space will be required for traffic control equipment, confined space entry equipment, and other safety equipment. Tools should not be loaned out to individual residents.

The maintenance shop should have shelves and bins to store small parts for all equipment owned and operated by the utility. This would include parts for pumps, motors, electrical panels, service connections, portable equipment, and boilers. These parts should be stored in a manner that allows for easy inventory and access.

Indoor storage protects utility vehicles from deterioration due to weather. If you can provide this, it will prolong the life of those investments.

Storage of chemicals and flammables must be carefully planned and executed to minimize worker and property risk. Information can be found in state operations manuals and training courses, industry training materials and the Materials Safety Data Sheets (MSDS) that suppliers are required to provide and utilities are required to post on the wall.

INFORMATION MANAGEMENT & RECORD KEEPING

Managing the information we have to work with is crucial. Here are four key reasons to put an emphasis on effective information management:

- To prevent loss of records
- To provide logical storage so information can be retrieved
- To establish an authorized destruction process for information that is no longer necessary
- To reduce congestion in the office and files

Use of Utility Records

Records maintained by the utility are used for the following purposes:

- Provide the basis of planning, budgeting, and engineering studies
- Isolate and define operating costs
- Compare actual revenue and expenditures with the approved budget
- Track the reliability of equipment, and identify potential failures of equipment before failure occurs
- Verify the operating conditions of equipment
- Reduce repair and maintenance costs
- Communicate with the council , regulators, and vendors
- Provide the background required for the development of utility rates
- Reduce the utility's liability exposure
- Meet the requirements of federal and state agencies
- Identify which customers are receiving service
- Document customer problems as a step toward improving service
- Build a system history

Need for a Systematic Approach

No individual can remember everything. When we put off writing down data, we may record it incorrectly or forget to record it at all. So, we need a systematic approach to record keeping that everyone can and will follow. Records must be accessible; data that cannot be found is worthless. Again, a systematic approach will ensure that people will know how to find the records.

Maintaining the security of records is critical. Loss of deeds, easements, and agreements can impair the operation of a utility. Unauthorized persons need to be prevented from accessing the accounting records. Someone might alter the records of payments received, or destroy original service agreements. The utility is then unable to prove its billings or balance its accounts.

Maps, schematics, and asset cards must be constantly updated to be reliable. When each person who updates the maps has their own method, the documents can become unusable. Not only must updates be regular and accurate, but the style and symbols must be consist nt.

Typically, only one person (or body) is authorized to determine when and if a record may actually be destroyed. Unauthorized destruction of public records is a serious offense, in some ways worse than theft or vandalism.

The flip side of destroying valuable records is saving everything. Congestion breeds disorganization and eventually no one can find anything. Don't just Save paperwork because you have the space.

INFORMATION MANAGEMENT SYSTEM COMPONENTS

Once you know what records must be collected, the next step is to determine how they will be stored. This includes determining who will store them, where they will be stored, and how long the records will be retained. They must be stored in a logical manner so that records can be found quickly.

One of the most important components of an information management system is the development of a storage system. This allows the records to be easily retrieved for analysis and update. In addition, the retrieval portion of the system must d fine who has access to which records.

Information is managed because it is valuable. Each piece of collected data must be looked at to determine why it is being collected and who it will benefit. If there is no use for the data, then it should not be collected.

When the records are no longer needed or legally required they should be disposed.

RECORD TYPES

It is recommended that utilities maintain four types of records: financial, legal, management, and operational. In the development of the record keeping system, the manager must establish collection, storage, retrieval, and analysis procedures for each of these types.

Financial

Financial records include:

- Past, present, and future budgets
- Accounting data
- Customer, payroll, and vendor files

Legal

Legal documents required by the utility include:

- Local ordinances and resolutions
- Customer agreements
- Easement agreements and deeds
- Water rights
- Wastewater discharge permits
- Watershed use agreements

Management

Management records maintained by the utility include:

- Site plans and project records
- Management and financial reports
- Lists of assets' cost and current value
- Planning documents (comprehensive and master plans, for example)
- Wellhead protection plans
- Safety program information
- Personnel records, including training and certification records

Operational

Operational records maintained by the utility include:

- O&M manuals
- System operational data
- Water quality testing records
- As-built drawings
- Renewal and replacement schedules
- Completed periodic maintenance records
- Consumable inventory
- Equipment maintenance history

One of the first steps in the development or update of a record keeping system is to identify which records are or should be maintained by the utility. From the list above, identify which of these records are maintained by the utility. Which of the above records are not presently maintained, but should be?

RESPONSIBILITIES

Each organization must decide who is responsible for which records. The following guidelines can be used to determine the record keeping responsibilities of the utility manager, clerk, and the operator.

Of the Utility Manager

The utility manager is typically responsible for the following record keeping practices:

- Determining what information the utility needs
- Assigning responsibility for updating, filing, and controlling documents
- Determining operation and maintenance data to be collected
- Overseeing the organization and protection of data
- Ensuring the retention schedule is followed
- Developing a plan for recovering from disasters, such as fire and water damage
- Establishing policies and procedures addressing:
    1. How record keeping system is to be organized
    2. Procedures for recording transactions and collecting data
    3. Who updates and controls which original records
    4. Protecting data through backups, offsite storage, and disaster recovery plan

Of the Utility Clerk

The utility clerk usually has these record keeping responsibilities:

- Following the records retention schedule
- Documenting customer complaints
- Coordinating the development and maintenance of records about the water system
- Following the plan for recovering documents from disasters, such as fire and water damage
- Developing a data back-up and off-site **s**torage plan
- Monitoring the data collection, data update, and data backup activities of the utility
- Identifying record keeping problems, and bringing them to the attention of the manager

Of the Operator

The operator has the following record keeping responsibilities:

- Coordinating the collection of data
- Developing methods to update maps and other as-built documentation
- Overseeing the collection, filing, summarizing and retention of the O & M information and records

The operator collects, maintains, and records:

- Maintenance records, including parts and labor costs
- Fuel and chemical supply consumption and cost
- Production and water loss records
- Treatment facility records
- Sampling and test results
- Pump and motor history
- Costs per unit of water production
- Updated as-built drawings after every service tap, line extension, or other system improvement
- Accurate inventory of materials on hand, their cost, and those items' age

SUMMARY

Realistically, few utility systems have the resources to adopt every communications and administrative standard proposed in this lesson. Each utility will need to weigh the importance of public relations and adopt the most efficient and effective method possible to keep the customer base informed.

Designing space standards will also be a challenge based on available funds and building size. The important things to consider will be to include a customer service area, personal space for staff, a common area for the policy making body, and sufficient space for current records and storage area for required records retention.

LESSON 7: COURSE SUMMARY

LESSON OUTLINE:

- Community Self-Evaluation
- Class Review
- Self-Evaluation Post-Test
- Discussion and Wrap Up

LEARNING OBJECTIVES:

In this final lesson, we'll:

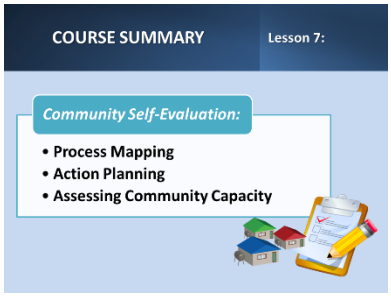
- Discuss a logical way of deciding what your utility should work on next
- Go over the week's material
- See how much you've learned!

Key Terms

- Community Self-Evaluation
- Process Mapping
- Action Planning
- Assessing Community Capacity

COMMUNITY SELF-EVALVATION

WHAT IT IS



This course has covered a lot of subjects and hopefully has spurred ideas and a will to take action back in your community. But, you may be wondering what exactly to start on first. This section will help to answer that by covering the following three processes first:

1. **Process Mapping**

   Putting tasks in a logical order

2. **Action Planning**

   Identifying specific actions that you and your community should take in to ensure it has effective organizational management

3. **Assessing Community Capacity**

   Determining if your community is capable of taking the steps identified in the action plan, and how to get help if it isn't.

PROCESS MAPPING

Remember that the lessons in this course follow a logical progression. The lessons identify things to do in an order designed to make sure the outcome is successful. You don't want to try doing one thing before having done another. By mapping out that process step by step, you can make sure nothing gets missed or done out of place.

1. Decide on the level of service

Start by making sure your community has agreed to a level of service that the utility will provide. This may require community meetings, the advice of engineers or other experts, and a review of the community's larger plans.

2. Draw up the best organizational structure

Once your community has decided on its utility's level of service, it's time to design an organizational structure best suited for providing that service. In this step, you'll be considering whether the city or tribal council is best suited to serve as the governing body, or whether there needs to be a separate utility board.

You'll also want to think about whether the city or tribal administrator can serve as the utility manager, or whether a separate person with that title needs to be brought on board.

3. Define roles, authority, responsibilities, and accountability

Once it's clear who is going to be working in the organization and under what structure, clearly define their rules, authority, responsibilities, and accountability. This will require meeting with staff persons and writing job descriptions.

4. Draft and adopt necessary ordinance

The next step is to tackle the ordinances. The utility needs to make sure it has the ordinances necessary to provide the level of service that it has chosen to provide.

Don't adopt new ordinances without first looking at what's already on the books! Gather together all existing ordinances, read through them, see that they're codified, and then make changes as necessary.

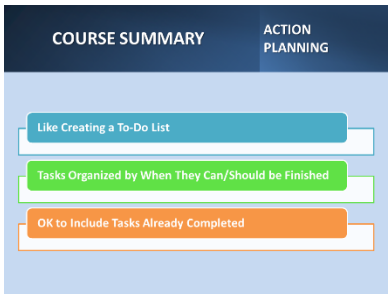
5. Draft and implement customer agreements

Then, create any of the customer agreements required by your ordinances. Refer to the examples in the Appendix, or contact your assigned RUBA staff, for examples.

6. Direct communication and administration

Once all of these other critical steps have taken place, work on improving employee-customer communication and general administration. This might include sending out letters to customers explaining new ordinances or customer agreement forms. It might also include conducting performance evaluations of staff measured against their job descriptions.

ACTION PLANNING



Action planning is kind of like creating a to-do list. Action planning identifies which tasks need to be performed, who should perform those tasks, and when they should be completed by.

The action plan lists all of the things that need to be done in order to achieve an outcome, even those actions that may have already been completed. Any other actions that still need to be done are reviewed, and then sorted by the time needed to complete them. The plan should also identify who should work on any unfinished tasks.

ASSESSING COMMUNITY CAPACITY

What is meant by 'community capacity'?

Community capacity is the ability to respond to all the various planning, operation, maintenance, and of course management aspects of a water or wastewater system. It includes the ability to make any necessary management improvements.

You will need to perform an assessment of your community to determine its capacity to achieve the steps outlined earlier. As part of this assessment, ask these kinds of questions:

- Are members of the public willing and able to come to meetings to discuss the level of service?
- Does the community have access to information about system options, demographic trends, and other important data?
- Is there enough staff on hand to provide the level of service expected?
- Do staff and officials have the training to do their jobs, including how to draft ordinances and customer agreements, or to manage staff?

It is a good idea to do this kind of assessment before you start on a major effort to reshape your organizational structure, adopt new utility ordinances, etc.

Why is it important?

Assessing your community's abilities will help to make sure tasks get completed in a timely way, and that your ultimate goal is achieved. By assessing capacity, you can see who needs training drafting ordinances, for example, and can then make sure staff get that training.

APPENDICES: A – J

Appendix A – RUBA Regional Offices

Regional Office	Address	Contact Numbers
Anchorage	550 W. 7th Ave Anchorage, AK 99501-3510	Tel: (907)269-4556/4564/8122 Fax: (907)269-4563/4066
Bethel	PO Box 348 Bethel, AK 99559-0348	Tel: (907)543-3475 Fax: (907)543-4152
Dillingham	PO Box 790 Dillingham, AK 99576-0790	Tel: (907)842-1969 Fax: (907)842-4152
Fairbanks	455 3rd Ave. Suite 140 Fairbanks, AK 99701-3110	Tel: (907)451-2749/2716/2744 Fax: (907-451-2742
Juneau	PO Box 110809 Juneau, AK 99811-0809	Tel: (907)465-4814/4813 Fax: (907)465-4761
Kotzebue	PO Box 350 Kotzebue, AK 99752-0350	Tel: (907)442-3696 Fax: (907)442-3596
Nome	PO Box 1769 Nome, AK 99762-1769	Tel: (907)443-5459/5457 Fax: (907)443-3596

APPENDIX B – SYSTEM ALTERNATIVES

WATER SYSTEMS

INDIVIDUAL WELLS

Water is pumped from the ground into the house.

ADVANTAGES

- Inexpensive to operate
- Requires little community organization

DISADVANTAGES

- Poor water quality in some locations
- Well owner is responsible for operating and maintaining
- Can become contaminated if not properly maintained

SELF-HAUL/COMMUNITY WATERING POINT

Residents haul water from a treated watering point to their homes.

ADVANTAGES

- Costs are comparatively inexpensive
- Extended watering points can provide additional convenience
- Washeteria can provide facilities to wash clothes and shower
- System is not limited by soil conditions or topography
- System can be used year-round
- No additional infrastructure improvements are needed

DISADVANTAGES

- Residents must haul their own water to their homes
- Potential risk of contamination during hauling or storage
- Operation and maintenance costs may be expensive in communities with low washeteria demand
- Extended summer or winter watering points require additional operation and maintenance

Community Haul

An operator delivers water transported by vehicle to a holding tank at each resident's home

Advantages

- Provides adequate water supply to operate toilets, sinks, and showers
- Promotes good personal hygiene
- Less potential for contamination than the self-haul systems
- Reduced maintenance requirements by individual residents
- Less restricted by soil conditions and topography

Disadvantages

- Higher operating costs to community and households
- System is dependent on utility organization and operation and maintenance
- Water use must be conserved to keep user rates affordable (households pay for each haul)
- System requires some infrastructure improvements (trails, boardwalks, etc.)

Community Piped Water

Water is distributed to each home through a series of pipes.

Advantages

- Residents can fully plumb homes
- Requires the least amount of individual operation and maintenance by users
- Allows more water use
- Convenient and reliable service for users

Disadvantages

- High level of operator training is required
- High operating cost to community and household
- System can freeze and repairs can be difficult and expensive
- Difficult to serve widely separated residences
- Initial construction costs can be high
- Distribution lines cannot be buried in some soils
- Freeze protection costs are increased

WASTEWATER SYSTEMS

SELF-HAUL: HONEYBUCKETS, BUNKERS, AND PRIVIES

Individuals are responsible for carrying their own wastes to a disposal site.

ADVANTAGES

- Requires little community organization
- No user fees for hauling
- Initial construction is inexpensive

DISADVANTAGES

- Inconvenient (individuals must carry their own waste to a disposal facility – may have spills causing unsanitary conditions)
- Sick or disabled people have difficulty in carrying waste
- Permafrost and poor soils exclude the use of privies or other on-site systems
- Privies can fill up quickly if used for trash disposal
- Privies must be relocated to a new spot when full
- Overflow can create a public health hazard
- Multiple privy installations can become unsightly and unsanitary
- Adequate separation distances must be maintained to prevent contamination of wells, springs, or other drinking water sources

Septic Tank/Drainfield Systems

Waste flows from the home to a buried tank. Solids are periodically pumped out of the tank for disposal.

Advantages

- Allows home to be fully plumbed
- Fewer responsibilities to the homeowner
- High level of convenience and service
- Improved sanitary conditions compared to other systems
- Where feasible, it can be relatively cheap

Disadvantages

- Soil conditions, permafrost, and flood hazards may limit use
- Drain field will typically need replacement (approximately 20-year life)
- Backed-up or non-functioning systems can create a public health hazard
- Pumping out tanks is required every so often

Community Haul and Disposal

Residents carry their waste to centrally located containers. A paid worker drives the containers to a disposal site.

Advantages

- Reduction in distance residents must travel to dispose of waste
- Waste is disposed at a central collection site and a lagoon
- User fees can be affordable

Disadvantages

- Residents must haul waste to collection center
- Spills still occur and may result in public health hazard
- Operator must be employed, well-trained, and reliable for this method to work effectively

Community Flush and Haul

Houses have plumbing. Waste is stored in a tank. A paid worker pumps the waste to a portable tank and drives to a disposal site.

Advantages

- Residents no longer have to haul waste
- Residents can provide their homes with a toilet and sink
- Sanitary conditions improve greatly
- Less chance of drinking water contamination
- More convenient for residents

Disadvantages

- Requires high level of community organization
- Requires reliable operator and equipment
- Higher level of operation and maintenance
- User costs may be comparatively high
- Relatively new technology that may have associated problems
- Occasionally odors can back up into the house

Community Piped Sewer

Sewer pipes transport waste from homes to a disposal site.

Advantages

- Sanitary method of sewage collection, treatment, and disposal
- High level of convenience and service to residents
- Promotes good personal hygiene
- Can be used in a variety of topographic and soil conditions

Disadvantages

- Soil, permafrost, and hilly conditions may result in high construction costs
- Requires a high level of operator training
- Can be expensive to operate and maintain
- Pressure systems require the homeowner to maintain individual lifts
- Above ground pipes create barriers and have high heating demands

APPENDIX C – UTILITY ORDINANCE FROM CITY OF COFFMAN COVE (ADDRESSING PIPED SYSTEMS AND METERS)

Title VII

Utilities

Chapters:

Chapter 7.01

Water Rates

Sections:

Section 7.01.010 Charges for service

The following monthly water rates shall apply under this chapter.

A. Residential

1. Per family dwelling or unit is charged per month. Note: Residential schedule is restricted to service used exclusively for general domestic purposes.

B. Non-Residential

1. Non- Residential includes bed and breakfasts, offices, beauty shops, stores, etc.

2. All service connections to customers shall be charged the actual costs of materials, equipment and labor.

Chapter 7.02

Sewer Rates

Sections:

Section 7.02.010 Charges for service

The rate and charges provided for in this section shall be collected from the owner, occupants and users of the premises within the jurisdiction of the City of Coffman Cove and shall go into effect at such time as the services and or other matters creating the charges are provided by the City of Coffman Cove.

A. Billing, adjustments and refund

1. No adjustments in customer's monthly billing rate will be made except upon the written request of the customer. The customer shall be responsible for notifying the city of any changes in their establishment which may require a change in the monthly billing rate.

2. Upon written request, a monthly billing rate shall be adjusted by the city if good cause is shown for such adjustment. If the customer's rate is adjusted, refunds will only be made from the date the adjustment was requested in writing.

B. Penalty for violation

1. Any person found to be violating any provisions of this chapter shall be served by the City of Coffman Cove with a written notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. The offender shall, within the period of time stated in the notice, permanently cease all violations.

2. It is unlawful for any person to continue any violations beyond the time limit of (14) fourteen days. The (14) fourteen day limitation shall not apply when the violation constitutes a clear and present danger to public health. (Such clear and present danger is unlawful.)

3. Any person violating any of the provisions of this chapter shall become liable to the city for any expense, loss or damage occasioned the city by reason of such violation.

C. Schedule of rates and charges

1. The monthly rate shall be computed on the basis of a fee per unit, dwelling or fraction thereof for class A and B users who are provided service by the municipal collection and treatment system.

(Ordinance 94-3)

Chapter 7.03

Coffman Cove Water & Sewer Utility Department

Sections:

Section 7.03.010 Background

The Coffman Cove city council has acted to establish Coffman Cove water and sewer utility department, hereafter referred to as the utility department, to provide for health and welfare of the residents of Coffman Cove. The city council shall oversee and manage the Coffman Cove water and sewer system.

Section 7.03.020 Establishment

The Coffman Cove city council shall operate, maintain, construct, replace and manage (collect user payments) for the Coffman Cove water and sewer utility department in accordance with these provisions.

Section 7.03.030 Coffman Cove City Council powers and duties

The city council shall:

A. Operate, maintain, construct, repair and replace the city owned utility system.

B. Appoint, retain, hire, promote, layoff, suspend, demote, or remove all employees of the Coffman Cove water and sewer utility department.

C. Each year, prepare, pass and make available to the public an annual budget and capitol improvement program of the utility. Make available to Alaska state legislature and Governor a capitol improvement request for the utility department.

D. Administer the utility department's budget and capitol improvement program as enacted.

E. Formulate and enforce the general rules and policies for the utility department practices within the City of Coffman Cove. The council shall generally have full and complete responsibility of all the systems and their operations and fiscal affairs. This includes the utility department's maintenance, operation, expansion, extension and improvements.

F. Study, decide and implement public utility matters such as, but not limited to, rates, fiscal matters, personnel staffing, labor and relations, expansion or extension of services and public relations.

G. Purchase and sell property as needed. Real property regulations set in Title IV, Coffman Cove Code of Ordinances, apply.

H. Assume such other authority and perform such other duties related to water and sewer utility department.

Section 7.03.040 Compensation

When the utility department's matters are part of the agenda of a regular city council meeting, the compensation shall not be separate but shall be part of the regular city council compensation.

Section 7.03.050 Meetings

A. The Coffman Cove water and sewer utility department shall be part of the agenda of regular monthly council meetings.

B. The City Treasurer shall report on the utility department's monthly revenues and expenditures, payment records of customers and other utility concerns.

C. Special and emergency meetings concerning the utility department shall be held as the need arises.

Section 7.03.060 Audit

The Coffman Cove city council may provide for an annual independent audit of the accounts and financial transaction of the utility department. Copies of the audit shall be available to the public upon request.

Section 7.03.070 Separation of funds

A. The utility shall have separate records. Accounts shall be maintained by the city to reflect financial conditions of the utility, including income and expenses.

Section 7.03.080 Rules and regulations

A. The city council shall adopt rules and regulations for the orderly and efficient operation of the utility department.

B. The city council may establish rules and regulations imposing fines or penalties for violations. Rules or regulations must be publicized in accordance with the procedures set in paragraph "c" of this section.

C. All proposed rules and regulations, including additions, deletions, amendments and modification of existing rules and regulations shall be considered only after public notice and hearing. Public notices shall be accomplished by posting prominently in at least three public places within the community of Coffman Cove, Alaska. A descriptive summary of proposed rules and regulations or regulations, including the date and time of the public hearing by the city council shall be included as well as a statement that the full text

of the proposed rules or regulations are available for public inspection at the Coffman Cove City Hall. The proposed rules and regulations shall take effect upon the date set in the notices as approved by the city council.

Chapter 7.04

Rules and Regulations for Water & Sewer

Sections:

ATTACHMENTS

Section 7.04.010 Definitions

Unless the context requires otherwise, the following definitions apply to this chapter:

A. Applicant: The person or person's firm or corporation making applications for utility server from the City of Coffman Cove under terms of the regulations.

B. Billing period: An interval of approximately one month between successive billing dates as established by the utility department, except for beginning or final billing periods.

C. Bulk water: Water purchased in large quantities at irregular intervals (at least 500 gallons).

D. City: The City of Coffman Cove, state recognized second class city.

E. City Council: The seven member governing body of the City of Coffman Cove, Alaska

F. Cross connection: Any physical connection between the water system or another water source and the sewer system.

G. Customer, user or property owner: An Applicant who has been accepted and who receives utility service from the city. By being accepted and receiving services, a customer or user thereby agrees to abide by the terms set forth in these regulations. In all cases the property owner will be considered the responsible party.

H. Customer service line: The line that is part of the piping from the main line to the dwelling or point of water and sewer utilities.

I. Delinquent:: All “past due” amounts and associated finance or late charges, for billing purposes, from one billing cycle which are received by the utility department as of the close of the subsequent billing cycle

J. Potable water: Water filtered and treated and suitable for consumption. The water meets current standards set by Alaska Utility Department of Environmental Conservation for public drinking water.

K. Septic lagoon: An open containment cell, or cells, for the disposal and treatment of septic waste.

L. Solid waste: Garbage, rubbish, paper and waste material including all animal and vegetable refuse from food or food preparation, and dead animals.

M. Utility department: The Coffman Cove city council

Section 7.04.020 Service area

The Coffman Cove Water and Sewer Utility Department’s service area shall be within the corporate limits of the city and contiguous area as is immediately adjacent to the city’s water distribution system. The city may provide service within the city limits that is economic to construct, operate and maintain. The city may provide service to customers outside of the corporate limits of the city on terms and conditions acceptable to the city council. The service area may be changed by an amendment to the Certificate of Public Convenience and necessity approved by the Alaska Public Utilities Commission.

Section 7.04.030 Ownership of Utility Systems

All utility system components including water and sewer mains, valves, fittings, equipment, meters, except customers’ service lines, as defined in section 23.02.010, are the property of the city of Coffman Cove.

Section 7.04.040 Administration and enforcements

A. These rules and regulations shall be administered and enforced by the city council.

B. A current file of rates adopted by the city council shall be available for public inspection during regular business hours at the Coffman Cove city office.

C. The city council may adopt additional regulations, provisions and procedures pertaining to water and sewer they deem proper.

Section 7.04.050 Description of service

The Coffman Cove City Council shall provide the following services

A. Water distribution system: the city shall provide a safe and fully operational water distribution system to users within the utility service area. The water distribution system shall meet the following requirements:

1. Quantity: As far as reasonably possible, a continuous and sufficient supply of water shall be supplied to customers at adequate pressure. Any shortage or interruption of service shall be avoided.

   Neither the city nor the city council shall be liable for damage resulting from interruption in water service due to improvements, repairs, shortages of supply, or other unseen circumstances. Whenever possible, all customers to be potentially affected by an interruption in service will be notified prior to shutdown. Local notices posted in at least three public places and word of mouth shall be used.

2. Quality: Safe water shall be provided at all times. Treatment of potable water shall include filtration and chlorination.

3. Water service preference: In the event of potable water shortage, the city has the right to give preferences in the matter of furnishing services to customers.

The order of greater preference, within the confinement of the system, is as follows:

Primary users:

A. School and health facilities.

Secondary users:

A. Private residences

B. Businesses and commercial users

C. Other transient users and special contract users (lowest priority)

Potable water storage shall be conserved to ensure an uninterrupted supply to the primary users.

B. Sewer collection system: The city shall provide safe and fully operational sewer collection systems to users in the service area. The sewer collection systems shall be able to handle normal sanitary wastes discharged to it without freezing, plugging, or otherwise affecting building drain lines under normal operating conditions

1. Septic tanks: A septic tank is required on any property located on the outfall system. No septic tanks shall be installed in the Right of Way. The septic tank must be installed on the property owners lot, prior to any water service connections being made. Purchase and installation of septic tanks will be the responsibility of the owner. Septic tanks must be of a DEC approved design and capacity that is sufficient for the household or business that the tank will be used for.

2. Septic tank pumping: The city is responsible for pumping all septic tanks on the outfall line. Each property (or service) is charged a monthly septic pumping fee to offset the cost of pumping the tank. Individual tanks will be checked and pumped once every three years on a rotating basis by subdivision. If your septic tank requires being pumped more than once every three years the pumping shall be done at the owner's expense. Notice of intent to pump shall be mailed to each customer 30 days prior to inspection and pumping.

   A. Any individual tank that requires unscheduled pumping will be charged for the service at cost.

   B. Regularly scheduled inspections and pumping of septic tanks is mandatory for all services located on the outfall line system. Failure to comply shall result in disconnection of water and sewer service until septic tank inspection is complete.

Section 7.04.060 Classification of service

The class of services shall be as follows.

A: Residential service, attachment A: Residential service shall consist of all service for domestic purposes supplied to a single family dwelling unit.

B. School service, attachment B: School service shall consist of services provided to the school and administrative offices. School owned or operated facilities used as single family dwelling units are not included and are subject to rates and regulation governing residential service.

C. Commercial service, attachment C: Commercial services shall consist of all commercial business establishments, multiple family dwelling units, and city owned buildings. If a customer is located in both a single family dwelling unit and a business establishment, the commercial rate shall apply.

D. Contract service: Contract service shall consist of those services for industrial or independent users under contracts authorized by the city council.

E. Stub out – unplumbed: All unimproved lots on the water and sewer line will be charged a monthly inactive fee, according to the current rate schedule, to help offset the cost of operating and maintaining the water and sewer system. No unimproved lots will be allowed to connect to the system until all fees are paid. This amount may include interest and penalties on delinquent accounts. Any change of ownership is the customer's responsibility to disclose any amount owed on the lot to the new owner.

The city reserves the right to make a special contract where the requirements for services is large or unusual, or requires special services, equipment of capacity. The provisions may differ from the regularly published utility rates and regulations. The city shall be notified by the customer of any changes in the plumbing fixtures that require higher water use. The mayor or designated staff is empowered to negotiate such contracts. After each negotiation, the city council shall review and approve or reject the contract.

Section 7.04.070 Public access and utility easement

The city shall acquire an appropriate and enforceable interest in the customer's lot to construct, maintain and operate the water and sewer lines. If it becomes necessary for the city to expend funds to obtain easements, moneys due committed by the utility shall be paid by the customer for service at the time those costs are incurred.

Section 7.04.080 Access to property

All city employees performing utility business shall have free access at reasonable hours to exterior parts of a customer's building. Access shall be for the purpose of reading meters, and to inspect connections, piping and fixtures and to determine the manner and extent to which the utility is being used. When it is necessary to enter a customer's building for the same purposes, the customers will be given notice in accordance with section 23.02.190. The city shall not assume the duty of inspecting the customer's service line, plumbing or equipment.

In the event a customer refuses to provide access to the city in a reasonable period of time, the service may be terminated for noncompliance in accordance with section 23.02.220.

In the event of leaks or breaks in a customer's service lines the city shall turn off the water at the stub until such time as repairs are made by the customer.

Section 7.04.090 Immunities preserved

Nothing in these rules and regulations, nor any actions taken or arising under them shall constitute consents by the City of Coffman Cove to the sale, disposition, lease or encumbrance of the lands, interests in the land or other assets (including cash and cash equivalents) of the City of Coffman Cove.

Section 7.04.100 Services

A. The customer shall own and maintain the customer service line and grinder pump. If a grinder pump fails and the customer wishes to purchase one from the city, the cost of said grinder pump shall be $2000.00 for the pump plus $120.00 to cover shipping costs. These prices are subject to change according to rate changes. Installation of a new pump shall be according to current rates as set forth in Schedule A Utility Rates & Fees.

B. Service installation charge: The applicant shall submit a service connection fee based on actual cost when he files for service, where no service previously existed, or for a change in service size or location, or for a reconnection of an existing service. In the case of a new service, this fee may include all costs from the main to the lot line, including the costs of a pit opening and tapping saddle at the main. The service line shall be installed by the customer.

C. Any customers doing work around the main service line must have advance arrangements for a scheduled inspection with the city water and sewer operator before the trench is filled. No water turn off or turn on during weekends.

D. Service installation codes: All individual water and sewer connections, repairs and modifications shall be made only under the terms and conditions of the Uniform Plumbing Code (UPC, State of Alaska). Any electrical improvements shall be made in accordance with applicable electrical codes and regulations. The city may require other terms and conditions in addition to UPC and electrical codes and regulations.

E. Upon approval of the subdivided lots property owners shall incur all costs of installation of service and shall be charged and assessed water and sewer charges. Charges shall begin upon plat approval by Platting Authority.

F. Customer Plumbing:

1. The customer's pluming, which shall include the customer service line from the main to the house, and all plumbing, piping and fixtures, and other equipment intended to carry water, sewage, waste water, and drainage, shall comply with the Uniform Plumbing Code. Special attention shall be given to the elimination of any possible cross connection.

2. Customer freeze-ups, or leaks that effect public health or the efficiency of the Coffman Cove water and sewer system, are to be immediately repaired by the customer. The city may repair and bill the customer if he is not able to make the repairs. The city may repair the water and sewer system if the customer has abandoned the service location without notification, or he is away from the service location temporarily. The customer has the responsibility to notify the city immediately of any problem with the customer's plumbing that could adversely affect the water and sewer utility department.

3. It shall be a violation of this ordinance for customers to operate, cause or permit unauthorized operations or any kind of equipment on the service connections.

4. It shall be a violation of this ordinance for any customers to make or remake a service connection without prior knowledge and written approval of the city as detailed by this ordinance.

5. It shall be a violation of this ordinance for any individual to secure bulk water from the city without prior arrangements having been made.

6. No water hook-up shall be done without prior arrangements for sewer hook-up, this applies to all residential and nonresidential.

7. It shall be a violation of this ordinance to have temporary water and sewer lines installed across other property lines. Temporary lines must follow city standards as set forth in the Coffman Cove Water & Sewer Standard Book.

Section 7.04.110 Water meters

A. Meter requirements: The city will require installation of a water meter at all residential, non-residential, commercial, and industrial or school lines. The city shall retain ownership of each meter. The meters shall be installed at the customer's expense on new installations only. The city shall charge for such service at the established meter rate set in schedule A.

B. Location of meters: Meters shall be placed at the edge of the property, within the public Right of Way.

C. Joint use of meters: The joining of several customers to take advantage of a single minimum charge and/or large quantity rates is prohibited except under special contract from the city council.

D. Tampering: Customers are prohibited from tampering with water meters in any form.

Section 7.04.120 Unusual demands

Whenever an abnormally large quantity of water is desired for any purpose, arrangements must be made with the city prior to taking water. Permission to take water in large quantities will be given only if other customers are not inconvenienced. Purchase of large quantities of water may be billed under a separate category and for a separate amount from the customer's usual rate.

Section 7.04.130 Resale of utility service

Resale of a utility service by a customer is expressly prohibited except through special contract shall be in writing. The city may directly sell services to individuals or businesses, but only in those cases where applications is made to the city prior to the sale, and is not done at the expense of the other users.

Section 7.04.140 Main extensions

Extensions of water distributions or sewer collection mains to areas or houses not currently being served shall be installed only after an agreement is signed by the customer and authorized by the city council. Utility main extensions may require advance payment by the applicant for the cost of extension.

The City Council, using appropriate advice, will determine the proper location of main extension. Easements or permits secured for main extensions across property not owned by the city shall be obtained in the name of the City of Coffman Cove. All rights and title to the main shall be included in the easement.

Section 7.04.150 Customer utility service agreement

The city shall provide a service application form to each applicant. In signing this form and attachments, the applicant agrees to abide by all the rules and regulation adopted by the city of Coffman Cove. The city will provide water and sewer services only when an agreement is signed by the lot owner. Service may be denied if the applicant has any outstanding bills with the city.

A. Application for service: Each applicant shall complete a utility service application provided by the utility clerk giving the date of the application, location of the premises, the class and size of the service requested and such other information the city may reasonably require. In signing the application, the customer agrees to abide by the city of Coffman Cove's health and safety ordinance. The application is merely a written request for service and does not bind the city to furnish service. The city may refuse to connect new service between October 15th and April 1st due to frozen ground or other conditions that would adversely affect the city's utilities and/or easements and right-of-way.

Section 7.04.160 Utility rates

The city provides water and sewer under a rate schedule designed to recover sufficient revenues from all customers to generally cover the costs of service. Utility rates, found on "schedule A", to be charged for the various classification of services, shall be passed by resolution and published separately by the city council. Schedule A will be reviewed, and if necessary revised and approved through resolution not less than once a year. No person shall be bound by any such rate unless it has been posted for public inspection within the community of Coffman Cove for five consecutive days prior to its adoption.

Section 7.04.170 Establishment of credit

At the time application for service is made, the applicant shall establish his credit with the city through the clerk. The application for service shall contain the information needed to establish credit.

Section 7.04.180 Bills – payment by the due date

Each bill rendered shall contain the final date on which payment is due. If the bill is not paid by the due date, the account shall be considered delinquent unless arrangements have been made with the Treasurer, in writing, that specifies another due date. If the date falls on a weekend or holiday observed by the city, the due date shall be the close of business on the next business day of the city. Bills not paid by the due date shall be subject to a monthly late charge on any balance due.

A. Bills – turn off delinquency notice for delinquency: Forty five days after the account becomes delinquent, a turn-off delinquency notice shall be sent to the customer, stating the date on which the water will be turned off if the delinquent account is not paid in full prior thereto. (attachment D) The stated turn-off date shall be no sooner than ten days following the turn-off notice to the customer. The turn-off notice shall contain a statement informing the customer of his/her right to an informal hearing before the treasurer during regular office hours, on a day at least one day prior to the stated turn-off date. Such hearing shall only be held upon the request of the customer, and for the purpose of providing an opportunity for the customer to present any facts he/she may have that place the delinquency of his/her account in dispute. The decision of the City Treasurer will constitute the final decision of the city.

B. Service turn-off for delinquent accounts – method: On the turn-off date, the agent of the city shall deliver written notice to the customer by personal delivery stating the water service is being turned off until all delinquent amounts have been paid. The agent of the city shall immediately there after turn off the service. A delivery to any person over the age of18, majority residing at the address served shall be considered a delivery to the customer. In the event no person is present at the address served, the notice may be left on the premises stating the water service will be discontinued at 12:00 noon of the next day. If delinquent bills are not paid within that period, the agent of the city shall return to the premises, shut off the water and leave a notice that the water service has been turned off until all delinquent amounts have been paid in full.

Section 7.04.190 Notices and complaint procedures

A. Notices to customers: Notices to customers from the city of any kind of activities related to water and sewer will normally be in writing and mailed or delivered to the customer. Where conditions warrant, and in emergencies, the city may notify customers by telephone or public notice.

B. Notices from customers: Notices from customers to the city shall be given in writing to the utility clerk. Notices that result in a change of service or in work being performed by the city for the customer must be accompanied by a repair work order signed by the customer responsible for payment.

C. Customer complaint procedures: The city desires to resolve any customer complaint in the most expeditious manner with the appropriate staff of the city. The city will respond to each complaint within five working days of its receipt.

Section 7.04.200 Non-sufficient funds check

A twenty-five dollar charge will be made when a customer tenders payment with a non-sufficient funds check. When the city is notified by the customer's bank that there are insufficient funds to cover the check tendered for water and sewer services, the city may require the customer to pay in cash or by money order to guarantee the customer's payment to the city.

No customer who tenders a non-sufficient funds check will be relieved of obligation to pay the city under the original terms of the bill and entitled to defer the city's right to disconnect service for non-payment of bills.

Section 7.04.210 Open

Section 7.04.220 Open

Section 7.04.230 Disconnection of service

Disconnection procedures are as follows:

Ten days after the notice of delinquency has been sent, and a decision has been made, the Treasurer shall send the final notice (attachment E) to the customer. The notice shall be hand delivered and posted on the door of the customer's place of residence. The notice shall state that the utility operator or designee has been instructed by the accounts receivable department according to our collection policy, to disconnect service at 12:00 noon of the next day. The Treasurer shall also include procedures for reconnection notice (attachment F), which describes the procedures for reconnection.

Section 7.04.240 Temporary disconnection

Procedure for temporary disconnection by customer order:

Each customer who intends to be out of town temporarily (more than 30 days) for any reason shall notify the Treasurer at least one week before leaving. Such notice can be in writing or verbal and is needed only if the customer would like the water turned off at the stub-out.

Section 7.04.250 Termination of service for unsafe customer facilities

A. Unsafe facilities or unsanitary facilities: The city may terminate services to any premises without prior notice where plumbing facilities, appliances, or equipment, using water or discharging waste water are dangerous, unsafe, or not in conformity with standard plumbing practices.

B. Cross connections: The city will terminate service to any person or premises where a cross connection exists. Services will not be restored until the cross connection is eliminated.

Section 7.04.260 Termination of service for water waste

The city may terminate service when water is wastefully or negligently used on a customer's premises. If the customer does not correct the problem immediately, the service will be terminated one day after notification. Allowing the water to run continuously to prevent a freeze up rather than installing proper insulation and electrical heat tape is considered wasting water. At the option of the city, a customer may be allowed to continue service if he has installed a meter at his expense and he pays a rate based upon consumption. Failure to fix leaking plumbing in a timely manner is considered a waste of water.

Section 7.04.270 Termination of service detrimental to others

The city may refuse to furnish water, restrict water service, or immediately terminate service to any premises where excessive demands by the customer will result, or have resulted in inadequate service to other customers. The determination of excessive demand may vary depending on current city water resources and water and sewer equipment conditions.

Section 7.04.280 Termination of service for fraud or abuse

The city will refuse or terminate service to any customer or premises where it is deemed necessary to protect the city from fraud or abuse of service. Termination of service for one or both of these causes will be made immediately upon receipt of knowledge by the city that such condition(s) exist.

Section 7.04.290 Termination of service for unauthorized reconnection

The city shall shut off water and sewer at the main for any unauthorized reconnection when service has been terminated for any reason. This shall be done without notice. The city may seek to impose the civil penalty set in section 23.02.340, $200 or cost of repair.

Termination of service for non-compliance: Unless otherwise specified, the city may terminate service for violation of any provision of these rules and regulations following five days notification.

Section 7.04.300 Restoration of service

Restoration of service shall require a reconnection fee. Restoration of service following termination for non-payment of bills shall be made only after payment of current and past due charges, and the reconnection fee.

Restoration following termination because of unsafe facilities, waste water, fraud, abuse, or non-compliance with these rules and regulations will be made only after the irregularity has been corrected. Any associated charges for disconnection or repairs undertaken by the city must be paid in full. The city must be assured, in writing, the irregularity will not recur.

The property owner shall provide access to arctic boxes for connection and reconnection of service including removal of all snow drifts around the box.

The customer is responsible for insuring that interior facilities are in good condition prior to restoration of service. Any costs for cleaning or thawing a service line prior to reconnection shall be paid by the customer.

Section 7.04.310 Responsibility of equipment

A. Responsibility for customer equipment: The city shall not be liable for any loss or damage of any nature whatsoever caused by any defect in the customer's service line, plumbing or equipment. Nor shall the city be liable for lost or damage due to interruption of service or temporary changes in water pressure.

B. The customer shall be responsible for the conditions of the plumbing system within his premises when water service is turned on. All drain valves should be closed to prevent water damage.

C. The customer shall be responsible for maintaining proper heat within his property to ensure the pipes do not freeze up. Electrical heat tape shall be used whenever outside temperature dips below 32 degrees Fahrenheit. The customer shall pay for all costs associated with keeping his service lines from freezing. The city may hold the customer liable for any damage or loss to the city owned equipment caused by customer freeze ups.

Section 7.04.320 Main lines

A. Operation: No person(s) shall place any substance including, but not limited to, animal and fish carcasses, refuse or trash, rocks or gravel in any main line, or in any manner damage or tamper with them.

B. Damage to main lines: Any persons who damages the main lines or any attachments shall be responsible for the cost of its complete repair and return to service.

C. Dumping refuse, chemicals or trash into sewer lines: Any persons who damages a sewer main or interrupts sewer service by placing trash, refuse, animal carcasses, rocks or other matter will be responsible for all repairs to the sewer lines and treatment works

Any violation of the above is grounds for imposition of civil penalties.

Section 7.04.330 Community Septic tanks

Downtown and the school area use a community septic tank. Other subdivisions use individual septic tanks, pumped once every three years. Anyone using over 5,000 gallons on a community septic tank will be charged accordingly.

4. Grease Traps are required by all commercial hook-ups including restaurants, bed and breakfasts, lodges, rental trailers, apartment building, schools and business where food service is provided, which will be inspected yearly.

Section 7.04.340 Fire hydrants

A. Operation: No person(s) shall attempt to tamper with or draw water from a hydrant in any manner that may damage it. In cases where temporary service has been granted from a fire hydrant, an auxiliary external valve will be used to control the flow of water.

B. Damage to fire hydrants: Any person who damages a fire hydrant shall be responsible for the cost of its complete repair and return to service. This may be in addition to the penalty in section 23.02.340.

C. Only city employees and volunteer firemen shall be allowed to use, or inspect the fire hydrants.

Section 7.04.350 Penalties

Any person violating the rules and regulations included in this ordinance shall be subject to a civil penalty not to exceed $300 upon conviction. Each separate incident and each separate day upon which an offence occurs shall be a separate offence and damages.

Section 7.04.360 Suspension of rules

No employee of the city is authorized to suspend or alter any of the provisions without specific approval or direction of the city council. This will be allowed only in cases of emergency involving loss of life, property or which put the water and sewer system operational in jeopardy.

Section 7.04.370 Constitutionality and saving clause

If any clause, sentence, paragraph, section or portion of these rules and regulations is judged to be invalid by a state or federal court, it shall not affect, impair or invalidate the remainder of the ordinance. The judgment shall not be confirmed in its operation to the clause, sentence, paragraph or portion directly involved in the controversy in which it is rendered.

City of Coffman Cove Utility
Rates & Fees Schedule A

Plumbed:

$40 Water or frost-free hydrant, up to 5,000 gallons per month
$15 Sewer
$10 Septic up to 5,000 gallons water used,

Total: W/S/S = $65/MONTH ACTIVE OR INACTIVE

Usage over 5,000 gallon per month will be charged at the rate of 10% per unit (1,000 gallons). This charge applies to water, sewer and septic fees.

Unplumbed

$30 **per** stub-out
$30 **per** lot with frontage on any road with service lines

Service Work

$25 per **scheduled** disconnect or reconnect
$40 per hour (1hour minimum) for any unscheduled service work. Includes, but not limited to: thawing, cleaning, disconnects, reconnects, repairs, etc.

Grinder Pumps

$2000 plus $120 shipping (Price subject to change according to rate changes)

Any repair/service work that involves equipment use and/or parts will be billed at cost plus operators time.

Bills are issued monthly and are due on or before the last Friday of each month. Any past due balance will be charged a late charge of $5 per month plus an interest charge of .875%. Returned check fee is $25.

Unit = 1,000 gallons

Legal Description & Appendix B Right of Entry

Residential Utility Service Agreement

ACKNOWLEDGEMENT

State of Alaska)

: ss

Second Judicial District)

This certifies that on this_____day of_____ , 20__, before me, the undersigned Notary Public, in and for the State of Alaska, duly commissioned and sworn as such, personally appeared _____ , and individual, who acknowledged to me that (s) he executed the within and forgoing agreement as a voluntary act and deed for the uses and purposes therein mentioned.

_____
Notary Public in and for Alaska
My Commission expires: _____

Attachment A

City of Coffman Cove

Residential Utility Service Agreement

This agreement is made between the City of Coffman Cove, the City Council who is the Water & Sewer Utility and_____, as the applicant.

The applicant requests that the residence on the property described in Appendix A, be connected to the Utility's water and sewer system.

As part of the request, the applicant agrees:

1. To abide by the water and sewer ordinance, rules and policies adopted by the City and Utility.

2. To grant at no cost, a right of entry (form attached as Appendix B) to the Utility, to construct the connection to the Applicant's residence.

3. To pay the Utility, a monthly service fee for water and sewer at the rate established by the Utility for residential customers.

4. To pay any deposits required by the Utility prior to the connection of service.

5. To pay all debts owed to the City prior to connection of service.

6. That payment of water and sewer bills is a priority, and all services provided by the City will be discontinued should your water and sewer bill become delinquent.

7. That delinquent bills (more than 30 days past due) are subject to collection actions. These actions can include, but are not limited to, interest charges, late payment fees, disconnection of service, deposit forfeiture and suits in small claims court.

8. Maintaining the plumbing on the Applicant's property and within the residence, including all plumbing, piping and fixtures and other related equipment intended to carry water, sewage, waste water and drainage in accordance with the Uniform Plumbing Code.

9. To use electrical heat tape and maintain adequate insulation for the system to prevent freezing during the winter. The applicant agrees that they will not continuously run water during cold weather to keep pipes from freezing.

10. To allow the Utility to enter onto the property to make emergency repairs to the service line up to the connection to the residence in order to save the Utility's pipes, lines, equipment and facilities from damage.

11. In the event of water shortages, the Applicant agrees to work with the Utility on measures to conserve water use.

12. That by signing this agreement, the Applicant grants to the Utility, its property and residences for purposes of inspecting piping, fixtures and other equipment intended to carry water, sewage or waste water. The entry and exiting shall be at a reasonable time and the Utility shall provide advance notice of inspection.

13. Be available in person to complete and sign individual service work order.

14. Any violation of this agreement is just cause to disconnect.

The Utility agrees to:

1. Connect the facility to the Utility's existing water and sewer system.

2. As much as possible, provide a continuous and sufficient supply of potable water at adequate pressure to customer.

3. Bill the Applicant on a monthly basis for water and sewer services.

4. Work to continue to improve sanitary conditions in Coffman Cove by placing a high priority on planned capital improvements for water and waste disposal facilities. Work to administer the operation of future improvements, and administering and enforcing the ordinances, rules and policies designed to improve the sanitary practices in Coffman Cove.

All bills, invoices, statements, notices or correspondence shall be sent to the respective parties at the address below:

Utility:
City of Coffman Cove
P.O. Box 18135
Coffman Cove, AK. 99918
(907) 329-2233

This agreement takes affect on this_____day of 20____.

Applicant: _____ (Please Print Clearly)

Name: _____

Address: _____

Phone #: _____

Social Security #:_____

Driver's License #:_____

Block #: _____ Lot #: _____

Signature: _____

Attachment B

City of Coffman Cove

School Utility
Service Agreement

This is an agreement between the City of Coffman Cove, City Council, the Utility and the Southeast Island School District as the Applicant.

The Applicant requests the facility on the property described in Appendix A, be connected to the Utility's water and sewer system.

As part of the request, the Applicant agrees:

1. To abide by the water and sewer ordinances, rules and policies adopted by the City and Utility.

2. To grant at no cost, a Right of Entry (form attached as appendix B) to the Utility to construct the connection to the Applicants facility.

3. To pay the Utility, a monthly service fee for water and sewer at the rate established by the Utility, plus a rate negotiated with the Utility service.

4. To pay any deposits required by the Utility prior to the connection of service.

5. That delinquent bills (more than 30 days past due) are subject to collection actions. These actions can include, but are not limited to, interest charges, late payment fees, deposits forfeiture, suits in small claims court and disconnection of service.

6. Maintaining the plumbing on the Applicant's property and within the facility, including all plumbing, piping, fixtures and other equipment intended to carry water, sewage, waste water and drainage in accordance with the Uniform Plumbing Code.

7. To use electrical heat tapes and maintain adequate insulation for the system to prevent freezing during the winter. The Applicant agrees they shall not continuously run water during cold weather to keep pipes from freezing.

8. In the event of water shortages, the Applicant grants to the Utility, its officers, employees, agents and assigns, the right to enter and exit the property and facility for purposes of inspection of piping, plumbing, fixtures and other equipment intended to carry water, sewage, and waste water. The entering and exiting shall be a t a reasonable time and whenever possible the Utility shall provide advance notice of any inspection.

Date	Applicant Signature

ATTEST:

City Clerk	Mayor

City of Coffman Cove

Attachment C

Non – Residential
Service Agreement

This agreement is made between the City of Coffman Cove, the City Council who is the Water & Sewer Utility and _____ , as the applicant.

The applicant requests that the residence on the property described in Appendix A, be connected to the Utility's water and sewer system.

As part of the request, the applicant agrees:

1. To abide by the water and sewer ordinance, rules and policies adopted by the City and Utility.

2. To grant at no cost, a right of entry (form attached as Appendix B) to the Utility to construct the connection to the Applicant's facility.

3. To pay the Utility, a monthly service fee for water and sewer at the rate established by the Utility for metered commercial customers, or if the Applicant is a high volume user, at the rate negotiated by the Utility.

4. That delinquent bills (more than 30 days past due) are subject to collection actions. These actions include, but are not limited to, interest charges, late payment fees, deposit forfeiture, suits in small claims court and disconnection of service.

5. That delinquent bills (more than 30 days past due) are subject to collection actions. These actions can include, but are not limited to, interest charges, late payment fees, disconnection of service, deposit forfeiture and suits in small claims court.

6. Maintaining the plumbing on the Applicant's property and within the residence, including all plumbing, piping and fixtures and other related equipment intended to carry water, sewage, waste water and drainage in accordance with the Uniform Plumbing Code.

7. To use electrical heat tape and maintain adequate insulation for the system to prevent freezing during the winter. The applicant agrees that they will not continuously run water during cold weather to keep pipes from freezing.

8. In the event of water shortages, the Applicant agrees to work with the Utility on measures to conserve water use.

9. That by signing this agreement, the Applicant grants to the Utility, its property and facilities for purposes of inspecting piping, fixtures and other equipment intended to carry water, sewage or waste water. The entry and exiting shall be at a reasonable time and the Utility shall provide advance notice of inspection.

The Utility agrees to:

1. Connect the facility to the Utility's existing water and sewer system.

2. As much as possible, provide a continuous and sufficient supply of potable water at adequate pressure to customer.

3. Read all water meters and bill the Applicant based on the meter readings for water and sewer service on a monthly basis.

4. Work to continue to improve sanitary conditions in Coffman Cove by placing a high priority on planned capital improvements for water and waste disposal facilities. Work to administer the operation of future improvements, and administering and enforcing the ordinances, rules and policies designed to improve the sanitary practices in Coffman Cove.

All bills, invoices, statements, notices or correspondence shall be sent to the respective parties at the address below:

Utility:	Applicant:
City of Coffman Cove	_____
P.O. Box 18135	_____
Coffman Cove, AK. 99918	_____
(907) 329-2233	_____

This agreement takes affect on this_____day of 20___.

ATTACHMENTS: Appendix A, legal description & Appendix B, right of entry

Attachment D

City of Coffman Cove
Water & Sewer Utility Department

NOTICE OF DECISION TO DISCONNECT SERVICE

Customer's Name: _____

Physical Address: _____

The City of Coffman Cove, Alaska, finds that you were provided a water and sewer service bill dated_____with an amount owing of $_____and you have not paid such service bill in full.

This action constitutes a violation of Title VII, Utilities, of the Coffman Cove Code of Ordinances.

Because you have continued to neglect or refuse to pay the amount of your water and sewer service bill in full, the City hereby gives you notice that your water and sewer service will be disconnected on_____.

You may appeal this decision before the City Council at its next regular scheduled meeting dated _____.

_____ _____

Date City Treasurer

ATTEST:

_____

City Clerk

Attachment E

City of Coffman Cove
Water & Sewer Utility Department

FINAL NOTICE

Customer's Name:

Physical Address:

The Coffman Cove Water and Sewer Utility Department hereby gives notice to the Utility Operator or designee to disconnect your water and sewer service. This notice is required by Title VII, Utilities, of the Coffman Cove Code of Ordinances.

The disconnection will occur at 12:00 p.m. on: _____

This disconnection is a result of violation of Title VII, Utilities, Coffman Cove Code of Ordinances.

You were notified by the City of its intention to disconnect your water and sewer service on _____ . Since that notice, you have made no effort to pay in full your obligation to this City.

Date _____ Billing Clerk _____

ATTEST:

City Clerk _____

Attachment F

City of Coffman Cove
Water & Sewer Utility Department

PROCEDURE FOR RECONNECTION

Customer's Name: _____

Physical Address: _____

Under Title VII, Utilities, City of Coffman Cove Code of Ordinances, your water and sewer service shall be resumed when you have performed the following:

1. Paid in full your outstanding service bill in the amount of $_____.
2. Paid a reconnect fee in the amount of $_____ and security deposit of $_____.
3. Reapplied for water and sewer service by submitting a complete Utility Service Agreement.

Your water and sewer service shall be reconnected **ONLY** after you have completed all of these procedures.

Date _____ Mayor _____

ATTEST:

City Clerk _____

Attachment G
CITY OF COFFMAN COVE

Temporary Disconnection of Utility Services

_____ Account #: _____

**please note ~ temporary disconnect period must be more than 30 days.*

CUSTOMER INFORMATION:

Account Holder's Name:_____

Mailing Address:_____

Physical Address:_____

SERVICES TO BE DISCONTINUED

❑ Water ❑ Sewer

Date services should be disconnected:_____

I understand that per Coffman Cove Municipal Code, I will be required to pay a fee when utility services are reconnected.

Signature:_____ Date:_____

RECONNECTION OF SERVICES

Date services should be reconnected:_____

❑ Water $10 ❑ Sewer $10

A NON-REFUNDABLE HOOK UP FEE WILL BE CHARGED AT TIME OF RECONNECTION.

Reconnection fee will be $10 per service. TOTAL AMOUNT PAID:_____

Attachment H

City of Coffman Cove
Application for Utility Service

CUSTOMER INFORMATION:

ACCT.#:_____

NAME:_____

MAILING ADDRESS:_____

PHYSICAL ADDRESS:_____

PHONE NUMBER:_____

DRIVER'S LICENSE NUMBER: _____

SOCIAL SECURITY #:_____

RESIDENTIAL COMMERCIAL CITY STATE FEDERAL

(CIRCLE ONE)

REQUESTED HOOK-UP DATE:_____

Attachment H

City of Coffman Cove
Application for Utility Service, Cont'd

Public Works Information

Customer's Name: _____

Physical Address: _____

_____

Date: _____

Water Meter No.: _____

Reading: _____

Meter Reader: _____

Chapter 7.05
Sanitation Service

Sections:

Section 7.05.010 Definitions. The words herein shall be defined as follows the purposes of their interpretation in the ordinance.

A. "Business Establishments" means any building or component part thereof, wherein there is conducted any type of commercial business, for retail, wholesale, professional, or otherwise.

B. "City" shall mean the City of Coffman Cove.

C. "Combustible Refuse" means all prepared garbage, trash, and refuse, which can be consumed or largely consumed by fire.

D. "Container" shall mean metal cans, plastic cans and bags, or metal boxes with lids commonly referred to as dumpsters.

E. "Hazardous Waste" means wastes defined in Section 7.

F. "Noncombustible Refuse" means all ashes and refuse which cannot be consumed or largely consumed by fire.

G. "Person" means any person, firm, partnership, association, institution, corporation, or governmental agency.

H. "Prepared Solid Waste" means waste material from kitchens, dining rooms, and similar places, from which liquids have been drained and solid matter separately wrapped or contained.

I. “Raw Solid Waste” means waste material not prepared as in subparagraph H of this section.

J. “Refuse” shall be synonymous with the terms “garbage”, “solid waste” and “waste” and shall mean and include, but not limited to. Sweeping; cleanings; trash; rubbish; litter; ashes; offal; animal excreta; animal carcasses; tree or shrub trimmings; dirt; paper; cartons; boxes; wood; metals; tin cans; brick; plaster; industrial wastes; domestic wastes; leaves; residue of animals sold as meat; fruit, or vegetable matter from kitchens, dining rooms, market places dealing or handling meats, fowl, fruit, grain, vegetables; or any waste substance which may become a nuisance. The term shall not include earth and wastes from building operations, nor shall it include solid wastes resulting from industrial processing and manufacturing operations such as food processing.

K. “Residence” means any private dwelling.

Section 7.05.020 Solid Waste Collection and Disposal System. The City shall provide for and establish a solid waste collection and disposal system for the citizens and occupants of residential, commercial, governmental, and industrial premises in the City, which system shall include collection and disposal services at or near each occupied premises on a regularly scheduled basis.

Section 7.05.030 Enforcement and Disputes. The Mayor (or designee) shall represent the City in the coordination of solid waste collection and disposal services and the enforcement of the regulations and guidelines provided in this Ordinance. The Council shall have full authority to resolve any disputes between the City and any person occupying a residential, commercial, government or industrial premises regarding solid waste collection and disposal services.

Section 7.05.040 Separation and Recycling. The City reserves the right to, and may at its option, require the separation of solids and liquids, glass, plastic, paper, metal or other component parts of refuse, and may require the deposit thereof in separate containers or receptacles and prescribe the method of disposal thereof.

Section 7.05.050 Hazardous Waste / Prohibited Substances. It is prohibited for any person to place or deposit , or permit another to place or deposit, in a collection container, refuse receptacle or dumpster the following items: household hazardous waste, paint, batteries, antifreeze, chlorine, acetylene, tires, pressurized cans/tanks/canisters, any poisonous or hazardous wastes(insecticides and or garden chemicals), saturated oily wastes, liquid petroleum products, bulk liquids, septic tank pumpings, commercial fish or meat processing waste, radioactive material, asbestos, liquid solvents, strong acids or bases, explosives, polychlorinated biphenyls and any hazardous waste defined and regulated under 40CFR 261, as amended, or prohibited by permit

stipulations of the Thorne Bay Landfill Facility. Violators shall be liable for any costs incurred by the City for environmental cleanup or illegally disposed waste described in this section.

Section 7.05.060 Prohibited Acts. It shall be unlawful:

A. For any person to throw, place, dispose of, sink or cause to be thrown, placed, sunk or disposed of, any solid waste upon the margin of, or into, any body or water within the City Limits, which includes the zone of influence of the City watershed. The zone of influence includes, but is not limited to, the areas locally known as Half Dog, First Dog and Second Dog;

B. For any person to abandon any type of, or parts of, any vehicle, boat, trailer, building, appliance, furniture or bulk waste of any sort upon any premises, road, turnout or rock pit, either public or private or adjacent thereto, within the City Limits.

C. For any person to cast, leave or keep on any road, turnout or rock pit within the City Limits solid waste, ashes, sawdust or rubbish of any kind so as to obstruct the road or so it can be blown away by the wind;

D. For any person to throw, place or scatter any solid waste, rubbish, trash or other refuse, over or upon any premises, road, turnout or rock pit, either public or private, or adjacent thereto, either with or without the intent to remove or burn the same, or to suffer or permit any premises owned, occupied or controlled by such person, from the accumulation of refuse, to become or remain unsanitary, unsightly, unsafe to public health or hazardous by fire;

E. For any person to store or permit the storage of solid waste on or about their premises occupied by them, unless such refuse is kept separately in those certain containers provided for in Section 9 below;

F. For any person to deposit or permit to fall from any vehicle any solid waste, refuse or ashes on any public road, turnout or rock pit within the City Limits, provided, this shall not be construed to be placing solid waste, refuse or ashes in a container complying with the provisions of the ordinance preparatory to having such material collected and disposed of in the manner provided herein;

G. For any person occupying a residence to dispose of or store solid waste in refuse containers unless such solid waste has been prepared for collection, removal and disposition in compliance with the definition of “prepared solid waste” as set out in Section 1., provided that fruit and vegetable waste resulting from canning, preserving and pickling operations which contain high moisture content and are not susceptible to ready draining shall be deposited and segregated with noncombustible refuse;

H. For any person to tamper with, remove or deposit any refuse in any collection container other than their own.

I. For any person to dump or place any solid waste, refuse or ashes on any premises within the City Limits without the consent of the owner of such premises.

J. For any person to dispose of any solid waste other than at an approved solid waste disposal site.

Section 7.05.070 Containers.

A. A person occupying a residential, commercial, governmental or industrial premises shall at all times keep or cause to be kept portable containers for the disposal therein of solid waste and shall cause to be deposited therein such solid waste. Nonmetal containers shall be watertight, not less than two millimeters in thickness, and not more than fifty (50) pounds full weight. Metal containers shall be watertight, not more than twelve (12) pounds empty weight, and not more than fifty (50) pounds full weight. All containers shall be properly closed so as to prevent spillage. Such containers shall be kept in sanitary condition, and the outsides thereof free from accumulated grease and decomposed matter.

B. On collection day all containers, refuse or debris, shall be placed by the road. Dumpsters shall be located on a level surface in an area that can be easily accessed by the sanitation truck. Dumpsters must have approved lids and should be locked. A key for the lock must be made available to the City or you must be responsible for unlocking the dumpster on collection day.

C. There shall be a delivery fee for dumpsters as stated in Attachment A Garbage Rate Schedule. Dumpsters not easily accessible each week for emptying will be picked up and returned to the city, also, dumpsters not used on a weekly basis will be returned to the city.

D. If any individual moves a dumpster after it has been placed by the city, and there is damage resulting from such a move, there will be a repair charge assessed for the damage done. See Attachment A Garbage Rate Schedule.

Section 7.05.080 Construction or Demolition Materials. Materials resulting from demolition, renovation, remodeling or construction of buildings or structures shall nor be deposited in containers. The collection, removal and disposal of such materials be made by separate arrangement with the City. Fees and charges resulting from collection, removal and disposal shall be based on container measure or weight.

Section 7.05.090 Disposal Site. The City shall deliver all solid waste that the City collects to an approved solid waste disposal site.

Section 7.05.100 Violations and Penalty. Any person violating any of the provisions of this ordinance shall be liable for any and all cost incurred to clean up and/or rectify the violation. These costs shall include, but not be limited to, cost of clean up, any legal or professional fees and/or expenses incurred, and all cost to the City relating from the violation.

Section 7.05.110 Effective Date. This ordinance shall be in full force and effective five (5) days after passage and publication by posting as provided by law.

Garbage Rate Schedule
Schedule A

Billing will be mailed monthly. All statements are due within 30 days. The following rates are effective as of February 16, 2007. An Interest Charge of .875%, plus $5 will be charged to any overdue accounts.

$8	32 gallon garbage can
$10	55 gallon garbage can
$12	64 gallon garbage can

Charges may be adjusted for overloaded or extremely heavy cans. Dumpsters:

$50.00	2 yard dumpster per pick-up
$75.00	3 yard dumpster per pick-up
$25.00	Monthly rental fee for dumpster
$10.00	Delivery Fee

Charges may be adjusted for weight, building supply waste, etc. Extra Charges:

$50	Special pick-up or bulky items
$5	Surcharge for wet or extremely heavy garbage
$100	Charge for illegal dumping plus the cost of clean-up
$20	Appliances
$5 - $7.50	Tires
$16.25	Charge per yard
$25	Non-Sufficient Funds Check

PROHIBITED ACTS

$100	Fine plus the cost of clean up for illegal dumping of hazardous waste.

Internet Service

Chapter 7.06

Internet Rates

Section:

Section 7.06.010 Charges for service

The following rates shall apply under this chapter:

A. Rates will be billed monthly and set based on usage. These rates will be defined in Attachment A.

B. Per family dwelling unit the installation fee will not exceed $150. This shall include necessary equipment, installation time and software.

C. Commercial rates will be determined based on the use of broadband.

Section 7.06.020 Billing for service

The rates and charges for internet services shall be collected from the users within the jurisdiction of the City of Coffman Cove and shall go into effect at such time as the services are provided by the City of Coffman Cove.

A. The monthly billing rate shall be adjusted by the City if good cause is shown for such adjustment.

B. Any person found to be delinquent in monthly payments shall become liable to the City for any expense, loss or damage.

City of Coffman Cove
Broadband Internet
Rate Scale
Schedule A

Subscribers

Installation cost will consist of:

Cost of materials
Deposit fee equal to 1 month service First month's subscription fee

Subscription rates:

Annual subscribers	$35.00 monthly
Seasonal subscribers	$50.00 monthly
Excessive use	$70.00 monthly

Any subscriber (household, school, business) using excessive amount of our broadband width will have their rates set using the average subscriber as a ratio to determine rate.

Accounts will be billed a month ahead. Any account not paid on time will forfeit their deposit to cover the bill. Any account that becomes overdue will be denied service until another deposit is received and the account is brought current.

Any check returned from the bank will incur a $25.00 service charge. The second returned check will automatically put your account on a cash only basis.

Special user rates:

$5	per day
$25.00	per week
$65.00	per month

A deposit equal to replacement cost of access will be required of all special rate users.

Appendix D – Utility Ordinance from City of Hooper Bay (with reference to honey buckets)

CITY OF HOOPER BAY, ALASKA
ORDINANCE NO. 09-06

BE IT ENACTED BY THE Hooper Bay City Council AS FOLLOWS:

Hooper Bay Water & Sewer Utility
P. O. Box 29
Hooper Bay, Alaska 99604

Providing water and sewer service in the following community:

City of Hooper Bay as defined in Section 1. Service Area

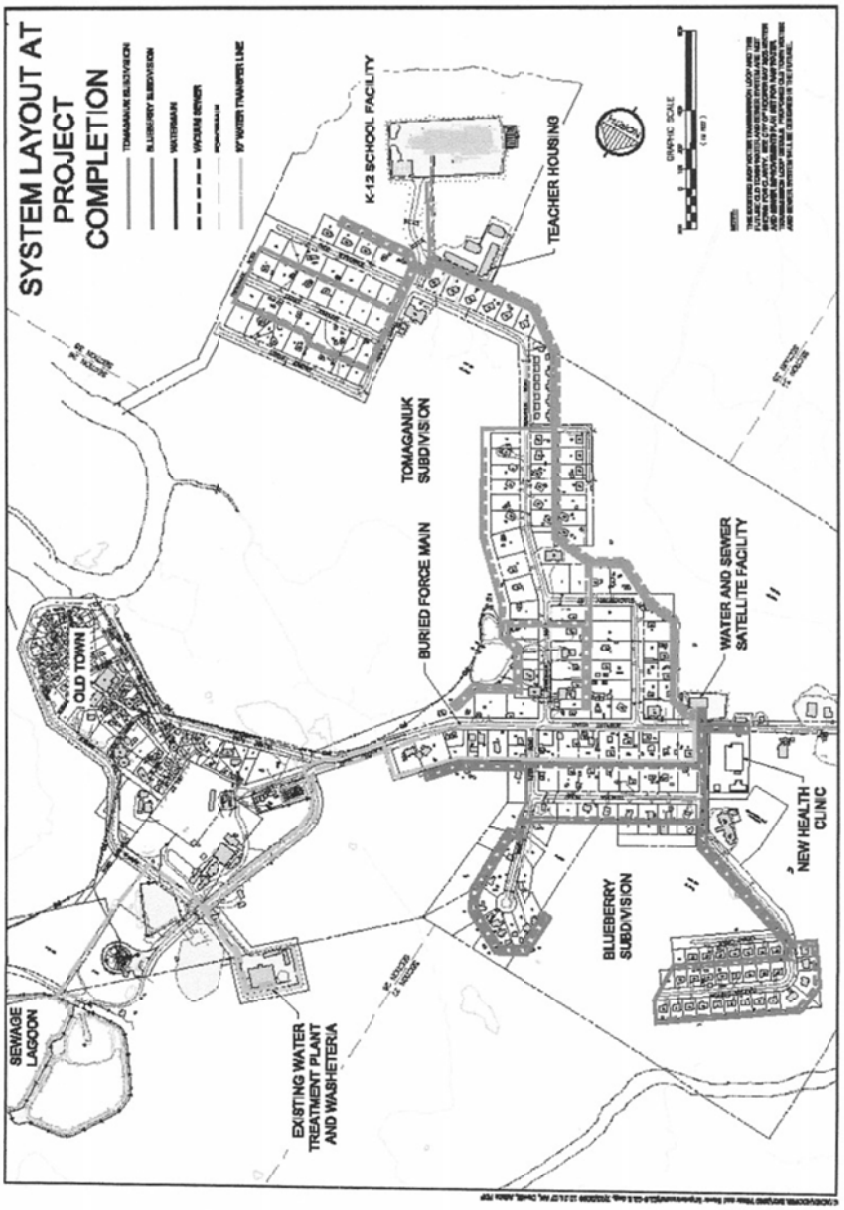
Hooper Bay Water and Sewer Utility

Index

RULES AND REGULATIONS

Section:

Section 1. Service Area



The City of Hooper Bay lies at approximately 61.531110 North Latitude and 166.096670 West Longitude. (Sec. 26, T017N, R093W, Seward Meridian.) Hooper Bay is located in the Bethel Recording District. The area encompasses 8.7 sq. miles of land and 0.1 sq. miles of water.

Section 2. Definitions

ADEC: The Alaska Department of Environmental Conservation.

APPLICANT: A person or persons, firm or corporation requesting some service from the Utility.

CROSS CONNECTION: Any physical connection through which a supply of potable water could be contaminated. May include any actual or potential connection between a drinking water system and an unimproved water supply or other source of contamination.

CUSTOMER or USER: An applicant who has been accepted and who receives utility services from the Utility.

CUSTOMER SERVICE LINE: The customer service line shall be that part of the piping from the main line to the dwelling or point of use for water and sewer utilities.

DELINQUENT: Past due amounts and associated finance and late charges that are not received by the Utility within 40 days after the date the bill that is past due was rendered.

DEPOSIT: Money paid to the Utility by a customer and held by the Utility for a certain time and later returned to the customer if all the requirements for refund are met.

HONEYBUCKET WASTE: Human waste products from a non-flushing toilet.

PAST DUE: Payment that has not been received by the Utility within 25 days from the date the bill is rendered.

POLICY BOARD: Hooper Bay Utility Advisory Board

POTABLE WATER: Water that meets current standards set by Alaska Department of Environmental Conservation (ADEC) for public drinking water.

SEPTIC LAGOON: An open containment cell, or cells, for the disposal and treatment of septic waste.

SEPTIC WASTE: Waste material from a septic disposal system.

SERVICE CONNECTION: Physically separated customer locations that are connected to the plant by a distribution or collection system;

SOLID WASTE: Garbage, rubbish, paper and waste material including all animal and vegetable refuse from food or food preparation, and dead animals.

Section 3. Description of Service

The Hooper Bay Water & Sewer Utility, hereinafter referred to as the "Utility", shall use its best efforts to provide the following services: (Advise the City Council on matter relating to the business of the Utility.

A. Water Distrubution System: The Utility shall provide a safe and fully operational water distribution system to users. The water distribution shall meet the following ADEC standards:

1. Quantity: Insofar as reasonably possible, a continous and sufficient supply of water shall be supplied to customers at adequate pressure, and any shortage or interruption of service shall be avoided. Neither the Utility nor the City shall be liable for damages resulting from interruption in water service due to main breaks, treatment plant failure, shortages of supply, or other unforeseen circumstances. Whenever possible, and whenever time permits, all customers to be potentially affected by an interruption in service will be notified prior to shut down through local notice posted a three public places in the City, by broadcasting on VHF, by phone or by direct notice.
2. Quality: Safe water shall be provided at all times. Treatment of potable water shall include chlorination.
3. Water Service Preference: In the event of a water shortage, the Utility has the right to give preferences (including the potential interruption of services: in the matter of furnishing services to customers as interests and public convenience and necessity require. The order of superior preference, within the constraints of the system, is as follows:
    a. Private Residence and Health Facilities
    b. Schools
    c. Businesses operating within City Limits
    d. City Buildings
    e. Other Transient uses and special contract use

B. Wastewater Collection System: The City shall provide safe and fully operational wastewater collection systems to users. The wastewater collection system shall be able to accept normal domestic sanitary wastes discharged to it without freezing, plugging, or otherwise affecting drain lines under normal operating conditions.

C. Washeteria Collection System: The city shall provide a safe, clean and fully operational washeteria facility providing the following services:

1. A Laundromat with clothes washing and drying machines.

2. Separate men's and women's restroom facilities with sinks, toilets, saunas and showers.

D. Honey Bucket Waste Disposal: The Utility shall provide a lagoon for disposal of honey bucket waste. No honey bucket collection service shall be provided. The Utility shall insure that honey bucket waste is properly disposed of in the honey bucket lagoon/landfill.

E. Solid Waste Disposal: The Utility shall provide a solid waste disposal service as addressed by separate City Ordinance.

F. The Utility shall provide water and sewer constrution and repair services and other heavy construction services on a fee-for-service basis. No work will be performed within the customer's building.

Section 4. Service Irregularities and Limitation of Liability

A. Interruptions for Repairs or Modifications: The utility reserves the right to temporarily suspend the delivery of service when necessary for the purpose of making repairs, modifications, inspections or improvements to the system. The utility will make reasonable attempts to provide customer notice through the use of public media or by direct customer contact. Repair work will be completed expeditiously, and as far as possible, the work will be completed at a time of least incovenience to the customer.

B. Credit for Interuptions: The utility will provide a prorated credit of flat monthly usage charges or flat minimum charges for metered service for service interruptions extending longer than 48 hours, provided the interruption is not caused by customer damage to Utility facilities. No credit will be given for metered usage charges.

Section 5. Ownership of Utility Systems

All City-owned utility system components including, but not limited to water sources, water transmission lines, water treatment facilities, water storage tanks, water distribution piping, fire hydrants, water service lines to the outside wall of the customer's premises, sewer service lines from the outside wall of the customer's premises (in the case of gravity sewer) or downstream of and including the vacuum valve (in the case of vacuum sewer service), sewer mains, lift stations, force mains, vacuum collection facilities and equipment, wastewater treatment works; public washeteria, saunas, showers and laundry facilities and associated plant, vehicles and equipment, are the property of the City of Hooper Bay. The Hooper Bay Water and Sewer Utility has been created by Ordinance, and charged with the operation of the City's water and sewer infrastructure as an enterprise activity of the City.

Section 6. Resale of Utility Services

Resale of a utility service by a customer is expressly prohibited except through special contract between the Utility and the customer, as described in Section 7.

Section 7. Classification of Services

The Classes of Service shall be as follows:

A. Residential Service: Residential Service shall consist of all services for domestic purposes supplied to a single family dwelling unit.

B. School Service: School service shall consist of services provided to the school, its administrative offices, and other facilities owned/operated by the school that are not classified under a different class of service

C. Commercial Service: Commercial services shall consist of all office, commercial or business establishments, multiple family dwelling units, tribal facilities, community facilities, and Utility owned buildings. If a customer is located in both a single family dwelling unit and a business establishment, the higher rate shall apply.

D. Contract Service: Contract services shall consist of those services for industrial or independent uses under contracts authorized by the Utility.

Where the requirement for services is large or unusual, or necessitates special services, equipment, or capacity, the Utility reserves the right to require a special contract, the provisions of which are different from and an exception to the regularly published utility rates and regulations. Special contracts will only be given to customers in unique circumstances. All similarly situated customers will be offered the same rates and provisions. All special contracts shall be in writing, signed by the applicants, approved by the Utility, attached to the tariff, listed in Schedule B, and filed with the Regulatory Commission of Alaska.

Section 8. Customers

A. New Customers: A person or organization becomes a customer by first applying for service to the Utility. Each applicant for service shall sign an application form provided by the Utility giving the date of application, type of service requested, location of the premises to be served, the date the applicant desires services to begin, the purpose for which the service is to be used, and the address to which bills are to be sent. By signing the application, the customer agrees to abide by the rules and regulations of the utility, and to pay the fees established by the utility for the service requested.

B. Customers Receiving Service at the Time Ordinance Enacted: Customers receiving service at the time the provisions of this code section was enacted are not required to submit an application, but will be presumed to accept the rules and regulations of the utility, including the fees established for the service provided, if they remain customers and have not contacted the utility requesting disconnection. Customers who have been disconnected from the system prior to the enactment of the provisions of this code must submit an application as required by Section 8(A) before service can be restored.

C. Customers Desiring a Change in Service: Customers desiring a material change in the size, type, character, or extent of equipment or operation which would result in a material change in the service provided, shall give the Utility notice of such change prior to the change taking place. An amended application must be filed with the Utility and any changes to the rate or deposit amount will occur prior to the change in service. All customers desiring a change in the size, location, or the number of services shall fill out an amended application. The request for amended service may be denied if the applicant has an outstanding bill due to the Utility.

D. Customer Complaints: The Utility wants to resolve customer complaints as quickly as possible. The Utility will respond to the substance of each service complaint or other customer complaint within 10 working days of its receipt. If the Utility does not resolve a complaint to the customer's satisfaction, the customer may refer the matter to the Regulatory Commission of Alaska, 701 West Eighth Avenue, Suite 300, Anchorage, Alaska 99501. The Commission's telephone number is (907) 276-6222, toll-free at 1-800-390-2782, or TDD (907) 276-4533

Section 9. Main Extensions

Main extensions, to areas or houses not currently being served, shall be installed only after application to and authorization by the Utility. Utility main extensions may require advance payment by the applicant or group of applicants of the cost of the extension before the Utility can provide them.

The Utility will determine the proper location of main extensions. Easements or permits secured for main extensions across property not owned by the Utility shall be obtained in the name of the Utility along with all rights and title to the main at the time of installation.

Section 10. Services

A. The Utility shall own the customer service line from the outside of the customer's structure, or in the case of vacuum sewer service, (downstream from and including the customer's vacuum valve (s), Maintenance of water and sewer service lines including operation of heat tape, clearing blockages,

repairing damage due to structural settlement, frost jacking, vandalism, etc., shall be the obligation of the customer. Repairs may be made by the customer to the satisfaction of the Utility or will be made on a fee-for-service basis by the Utility. The Utility shall have the right to make a repair to a service line that threatens the overall integrity of the water or sewer system under any circumstance and to charge the custmer for 100 percent of the necessary repair.

B. Service Installation Charge: At the time the applicant files for service, where no service previously existed, or for a change in service size or location, or if he or she applies for a re-connection of an existing service, the applicant shall submit a service connection fee with the application that is based on the actual cost of the installation. In the case of a new service, this fee will include all costs from the main to the dwelling, including the costs of materials needed to make the connection at the dwelling, if necessary. The service line may be installed by either the customer or the Utility.

C. Service Installation Procedures: All connections to the Utility water and sewer system shall be made at the expense of the customer. Costs of the connection and the terms of the work governing the installation, including the use of self-help and use of Utility equipment, shall be established by the Utility. The Utility will not accept a service connection installed by a customer unless the connection meets the applicable installation codes. The Utility may require proof of code compliance in either physcial inspection by the utility or a written statement from a qualified inspector. The Utility Advisory Board reserves the right to bill the customer for additional work and inspections incurred by the Utility to verify correct installation, or correct inappropriate, deficient, or inadequate connections.

D. Service Installation Codes: All individual water and sewer connections, repairs, and modifications shall be made only under the terms and conditions of the Uniform Plumbing Code currently in effect within the State of Alaska, as well as any further regulations the Utility may require. Any electrical improvements shall be made in accordance with applicable Electrical Codes and Regulations.

E. Customer Plumbing:

1. The customer's plumbing, which shall include the customer service line from the main to the house, and all plumbing, piping, fixtures, and other appurtenances intended to carry water, sewage, waste water, and drainage, shall comply with the Uniform Plumbing Code (UPC).

   Special attention shall be given to the elimination of any possible cross connections. All water users will be required to install and maintain a backflow prevention device between the water service connection and the

first plumbing fixture or drain. The minimum requirement shall be a dual check valve assembly or as required by the UPC.

2. Customer freeze-ups, or other leaks that affect the efficiency of the Utility system or the public health, are to be immediately repaired by the customer. The Utility reserves the right to make the repairs and bill the customer for repairs and for any excess water usage that might have resulted from the situation, should the customer be unable to make the repairs; or should the customer have abandoned the service location without proper notification to the Utility; or should the customer be away from the service location temporarily. It is the responsibility of the customer to notify the Utility immediately of any problem with the customer's plumbing that could have an adverse effect upon the Utility's system.

3. It shall be a violation of these rules and regulations for customers to operate, cause, or permit unauthorized operations or appurtenances on the service connections.

4. It shall be a violation of these rules and regulations for any customer to make, or remake a service connection without the prior knowledge and approval of the Utility as detailed by this ordinance.

5. It shall be a violation of these Rules and Regulations for any residential or customer to secure over 500 gallons of "bulk water" in less than 24 hours from the Utility without making prior arrangement with the Utility.

Section 11. Water Meters

A. Meter Requirement The Utility is authorized to require installation of a water meter at the expese of any commercial, industrial or institutional user, upon the customer's line, and to charge for such service at a meter rate which may be set for the in the Utility Tariff.

B. Location of Meters: Meters shall be placed either inside a heated building at suitable convenient places approved by the Utility. The meter will not be placed where freezing or damage to the meter or its related parts may occur; nor where damage to the meter could result in a loss of water from the system. The customer shall either provide hardware to allow remote reading of the meter by Utility personnel or arrange for easy access to the meter during normal usiness hours.

C. Joint use of Meters: The joining of several customers to take advantage of single minimum charges and/or large quantity rates is prohibited except under special contract, in writing, from the Utility.

Section 12. Utility Rates

There are three schedules to define utility rates. Schedule A pertains to Non-recurring Fees. Schedule B pertains to utility rates to be charged for the various classifications of services for future piped water and sewer utility. Schedule C pertains to service classes and charge rates in existence prior to the submittal of the application for Provisional Certification of Public Convenience and Necessity. Schedule C shall remain in effect for those customers that have not been served by the new Hooper Bay Piped Water and Sewer Utility.. On a periodic basis, Tariff (Schedule B) will be revised and approved by resolution of the Hooper Bay Utility Advisory Board.

Section 13. Notices

A. Notices to Customers: Notices to customers from the Utility will normally be in writing and will be mailed or delivered to the customer at the address on file with the Utility. Where conditions warrant, and in an emergency, the Utility may notify customers by telephone, messenger, or VHFradio.

B. Notices from Customers: Notices from the customer to the Utility may be given in writing, or verbally by the customer or his authorized representative at the Hooper Bay Water and Sewer Utility office. However, notices that result in a change in service or in work being performed by the Utility for the customer must be accompanied by the appropriate application required by Section 8(C) or a signed repair order or work order.

Section 14. Security Deposit

A. At the time of application for service, the applicant shall establish his credit with the Utility. Credit will be deemed to be established if the applicant makes a deposit equivalent to the estimated bill for one month of service, plus an estimate of the costs for service installation and connection fees, if applicable. After a period of one year, the deposit amount will be credited towards the customer's account, and deducted from future bills, providing the account has been kept current during the previous 12 month period. No interest shall be paid on the deposit money. In no case will the deposit be considered as a payment on account until the initial 12 month period has passed. Should the account be closed during the 12 months, the deposit will be applied toward the closing bill, with any excess refunded to the customer.

B. If, after the initial 12 month period, an account becomes delinquent and it is necessary to discontinue the service, the deposit amount shall be applied to the unpaid balance of the account. Service will not be restored to the premises until such time as the security deposit is replaced, along with all delinquent bills due, and payment made for labor and materials expended by the Utility for the service disconnect/reconnect. The account is assumed to

reside with the person signing the Utility Application Form, not the premises served.

Section 15. Billing and Payment

A. Monthly Bills: All bills will be mailed on or before the 1st of each month. The bill will contain a statement of present charges due. All bills are due and payable 25 days from the date the bill was rendered.

B. All bills sent to a customer will include the following statement:
"You should contact us first if you have a complaint about your water or wastewater service. If you are not satisfied after contacting us, you may then file a complaint with the Regulatory Commission of Alaska. The Regulatory Commission of Alaska may be contacted toll-free at 1-800-390-2782, or TDD (907) 276-4533."

C. Delinquent Bills: All bills not paid within 40 days of the bill being rendered will be considered delinquent. The Utility may charge a late payment penalty fee on delinquent sums due to the Utility in accordance with Schedule A.

D. Delinquent Notice: At the discretion of the Policy Board, a notice of delinquency shall be mailed to each delinquent account on the date the account becomes delinquent.

E. Service Disconnection Notice: If a Utility bill has not been paid a week after the Delinquent Notice is rendered, the Utility will notify the customer of the Utility's intention to disconnect service. The notice of disconnection will be mailed at least 15 days before the scheduled date of disconnection. The notice shall be sent to the customer by certified or registered mail, return receipt requested. Not less than three working days prior to the date of disconnection, the Utility will deliver a door hanger to the residence notifying the customer of the date and time of the impending disconnection. The Utility may terminate the service at any time after the date and time indicated in the turn-off notice without further notification, unless deferred payment arrangements are made in accordance with Section 15(F).

F. Deferred Payment Agreements: If a residential customer demonstrates that economic hardship prevents payment in full of a delinquent bill that is not already covered by a deferred payment agreement, the Utility will restore or continue service to the customer if the customer agrees to a deferred payment contract, signed by both the Utility and customer. The contract will meet the following requirements.

1. The customer agrees to pay one-third (or less at the Utility's option) of the outstanding bill at the time the deferred payment agreement is signed.

2. The customer agrees to pay all future bills for Utility service in accordance with the provisions of this section.

3. The customer agrees to pay the remaining outstanding balance in installments over a period not to exceed 12 months. If the outstanding balance predates the adoption of this tariff, the Utility may allow a repayment period of over 12 months if the customer has a large balance.

The Utility will not require any deferred payment agreement to have a duration of less than 3 months. The Utility will offer comparable terms and conditions to customers with similar payment problems. In determining a reasonable deferred payment schedule, the Utility will discuss with the customer and consider the following conditions:

1. size of the delinquent account;

2. customer's ability to pay;

3. customer's payment history;

4. length of time the debt has been outstanding;

5. circumstances that resulted in the outstanding debt;

6. any other relevant factors related to the circumstances of the customer.

If a customer fails to fulfill the terms of a deferred payment agreement, the Utility is not required to provide the customer with all the notices described in Section 15(D) prior to disconnection; however, at least three working days before disconnection the Utility will attempt to give written or telephone notice of the disconnection to the customer.

G. Deposit for Reconnection: In all cases where service has been disconnected due to delinquency, the customer must file a new application and again meet the security deposit requirements set forth in Section 14 before service will be reconnected.

H. Responsibility for Payment of Utility Bills: In all cases the person signing the utility application form is responsible for the utility bills regardless of who owns the property served. However, in the case of multi-family housing or business complexes with more than one unit the Utility reserves the right to bill the owner of the facility for all of the services provided by the utility. Each dwelling unit in a multi-family housing will be billed per Residential Rate as described by Schedule B.

Section 16. Administration and Enforcement

A. These Rules and Regulations shall be administered and enforced by the Hooper Bay Utility Advisory Board for the City of Hooper Bay. The Utility with concurrence from the City Council, has the right to regulate rates for the water and sewer system. The Utility also has the right to initiate collection action and to terminate utility service for non-payments or for violation of these Rules and Regulations.

B. A current file of rates adopted by the Utility under these Rules and Regulations, as concurred by Resolution of the City Council, shall be Available for public inspection during regular business hours at the Hooper Bay Water and Sewer Utility Office, #1 Main Street, Hooper Bay, AK 99604. The City Clerk or the Utility Manager will be available for assistance.

C. Monies collected for water, sewer and solid waste disposal services may only be used for maintenance, extension, repair, capital improvement, and operation of the water, sewer and solid waste disposal system.

D. The Hooper Bay Water and Sewer Utility, with concurrence from the City Council, may adopt such additional regulations, provisions and procedures with regards to water, sewer and solid waste disposal services as they deem proper and required.

Section 17. Discontinuance or Termination of Service

A. Discontinuance by Customer Order: Each customer about to vacate any premises supplied with water, sewer, or waste disposal services by the Utility shall give at least one week written notice of his or her intentions and state the date the service is to be discontinued. Otherwise, a customer will be responsible for all services supplied to the premises until a written notice is received.

Within one week of the date stated in the notice to discontinue service, a total bill (minus any deposits due to the customer) will be prepared and delivered which is due and payable immediately. The amount of the bill for the current billing period will be determined by prorating the number of days of service received in the given month (including the date of disconnect) divided by the total number of days in the month, times the usual monthly charge for the customer. There will be no charge for disconnection of the utility.

B. Discontinuance for Non-payment of Bills: A customer's water, sewer, or waste disposal services may be discontinued if their bill is not paid in accordance with the procedures listed in Section 15.

C. Discontinuance for Unsafe Customer Facilities:

1. Unsafe Facilities or Unsanitary Facilities: The Utility may discontinue services to any premises without prior notice where plumbing facilities, appliances, or equipment, using water or discharging waste water, are dangerous, unsafe, or not in conformance with standard plumbing practice.

2. Cross Connections: A cross connection as defined in Section 1 is unlawful. The Utility will discontinue service to any persons or premises where a cross connection exists. Service will not be restored until the cross connection is eliminated.

D. Discontinuance for Water Waste: Where water is wastefully or negligently used on a customer's premises seriously affecting the general service, the Utility may discontinue service if such conditions are not corrected after notice by the Utility. Allowing water to run continuously rather than providing reasonable and proper insulation is considered wasting water. At the option of the Hooper Bay Water and Sewer Utility, a customer may be allowed to continue service if a meter is installed at the customer's expense (as prescribed in Section 11) and he or she pays a rate based on consumption.

E. Discontinuance for Service Detrimental to Others: The Utility may refuse to furnish service, restrict service, or immediately terminate service to any premises where excessive demands by a customer will result, or have resulted, in inadequate service to other customers. The determination of excessive demand may vary depending on current Utility water or sewer resources and system equipment conditions.

F. Discontinuance for Fraud or Abuse: The Utility will refuse or discontinue service to any customer or premises where it is deemed necessary to protect the Utility from fraud or abuse of service. Discontinuance of service for one or both of these causes will be made immediately upon receipt of knowledge by the Utility that such condition or conditions exist.

G. Discontinuance for Unauthorized Turn-on: Where service has been discontinued for any reason and the service is turned on by the customer or another unauthorized person, the service may then be turned-off at the main, without notice to the customer. The charges for shut-off at the main will be billed at the actual cost for labor and materials plus 50% billed to the offending customer. The charges for use of service through such illegal connection will be at the regular rate for the period of time, as estimated by the Policy Board, that such illegal or unauthorized connection existed, plus an unauthorized usage fee, as defined in Schedule A.

H. Discontinuance for Non-compliance: Unless otherwise specified by specific sections of these rules and regulations, a customer may have service discontinued for violation of any provision of these rules and regulations following fifteen days notification of such impending termination of service. Proper notice is specified in Section 15(E) of these regulations.

I. Limitations on Reasons for Disconnection: The Utility will not disconnect service to a customer in the following circumstances:

1. for delinquency in payment for services rendered to a prior customer at the premises where service is being provided.

2. if the customer is unable to pay the full delinquent amount due, and is in compliance with a signed, or is in the process of timely negotiating a, deferred payment agreement with the Utility.

3. for nonpayment of a bill related to another class of service at a different service location.

4. for failure to pay a disputed amount due on a delinquent account if the customer complies with the rules on customer bill disputes and the dispute remains under investigation by the Utility or the Regulatory Commission of Alaska. However, the Utility may proceed to disconnect service in accordance with the above provisions if a customer fails to pay any undisputed amounts.

Section 18. Restoration of Services

Restoration of service following discontinuance by customer order shall not require a reconnection fee if the voluntary discontinuation was for more than sixty (60) days. Restoration of service for any other reason shall require a reconnection fee. Restoration of service following discontinuance for non-payment of bills shall be made only after payment of current and past due charges, the reconnection fee, and a security deposit as herein provided.

Restoration following discontinuance because of unsafe facilities, water waste, fraud, abuse, or non-compliance with these rules and regulations will be made only after: a) the irregularity has been corrected; b) any associated charges for disconnection or repairs undertaken by the Utility have been paid; c) a new application for service has been received with the appropriate deposits; and d) the Utility has received written assurance that the irregularity will not occur again.

The property owner shall provide access to arctic boxes for connection or reconnection of services including the removal of all snowdrifts around the box.

The customer is responsible for insuring that services are in good condition prior to restoration of services, and service line heat-tapes are operable. The customer shall pay any costs for cleaning or thawing a service line prior to reconnection.

Section 19. Unusual Demands

Whenever an abnormally large quantity of water is desired for filling a water storage tank, or for any other purpose, arrangements must be made with the Utility prior to taking the water. The Utility Advisory Board shall have the power to determine what constitutes an abnormally large quantity of water based on normal or average use. Permission to take water in large quantities will be given only if other customers are not unduly inconvenienced and measures have been taken to minimize any such inconvenience. Purchases of large quantities of water, even if to an existing customer, may be billed under a separate category and for a separate amount from the customer's usual rate.

Section 20. Access to Property

All duly appointed employees or agents of the Utility shall have free access at all reasonable hours of the day to exterior parts of a customer's building related to Utility service (i.e. artic box, electric meter, etc.) for the purposes of reading meters, inspecting connections, piping and fixtures, discontinuing service under the provisions of Section 17, and to determine the manner and extent to which the utility is being used. When it is necessary to enter a customer's building for the same purposes, the customer will be given notice in accordance with Section 13. The Utility does not assume the duty of inspecting the customer's service line, plumbing, or equipment and shall not be responsible for these services.

In the event that a customer refuses to provide access to the Utility in a reasonable period of time, the service may be discontinued for non-compliance with these Regulations in accordance with Section 17.

Section 21. Responsibility for Equipment

A. Responsibility for Customer Equipment: The Hooper Bay Water and Sewer Utility shall not be liable for any loss or damage caused by any defect in the customer's service line, plumbing, or equipment, nor shall the Utility be liable for loss or damage due to interruption of service or temporary changes in water pressure.

B. The customer shall be responsible for the condition of the plumbing system on his or her premises when service is turned on. All drain valves should be closed to prevent cross contamination.

c. The customer shall be responsible for maintaining proper heat within his or her property to insure that pipes do not freeze-up, causing harm or damage to the Utility system. Electrical heat tape shall be energized as necessary to prevent utility lines from freezing. The customer shall pay for all costs associated with keeping service lines from freezing. The Hooper Bay Water and Sewer Utility reserves the right to seek any lawful remedy to recover.

Section 22. Fire Hydrants

A. Operation: No person or persons other than those designated and authorized by the Utility shall attempt to draw water from a hydrant belonging to the Utility or in any manner damage or tamper with the hydrant. Any violation of this regulation will be penalized according to these Regulations. In cases where temporary service has been granted from a fire hydrant, an auxiliary external valve will be used to control the flow of water.

B. Damage to Fire Hydrants: Any person who damages a fire hydrant shall be responsible for the cost of its complete repair and return to service. This is in addition to the penalties outlined in Section 27.

Section 23. Manholes, Vacuum Valves, Vacuum Sumps, Cleanouts and Main Lines

A. Operation: No person or persons other than those designated and authorized by the Utility or the City shall place any substance including, but not limited to, animal and fish carcasses, refuse or trash, rocks or gravel, or honeybucket wastes in any manhole or main line, or in any manner damage or tamper with the manhole or main line.

B. Damage to Manholes, Vacuum Valves, Vacuum Sumps, Cleanouts and Main Lines: Any person who damages a manhole or main line or any of the attachments or appurtenances thereof, shall be responsible for the cost of its complete repair and return to service.

C. Dumping Refuse, Chemicals, or Trash into Sewer Lines: Any person who damages a sewer main or interrupts sewer service through placing trash, refuse, animal carcasses, rocks, chemicals or other matter not intended to be placed in a sewer will be responsible for all damages and repairs to the sewer lines and treatment works that are a consequence of his or her act.

Section 24. Individual Waste Disposal Responsibilities

A. Honeybuckets in a secure covered container will be transported to the Solid Waste Disposal Site and dumped at the designated area.

B. Other solid waste, excluding batteries, hazerdous materials, and junked vehichles shall be deposited at the location away from honeybucket waste.

Section 25. Suspension of Rules

No employee of the Hooper Bay Water and Sewer Utility is authorized to suspend or alter any of the provisions herein without specific approval or direction of the Hooper Bay Water and Sewer Utility or the City Council, except in cases of emergency involving loss of life or property or which put the water and sewer system operation in jeopardy.

Section 26. Constitutionality and Saving Clause

If any clause, sentence, paragraph, section, or portion of these rules and regulations for any reason is judged to be invalid by a court of competent jurisdiction, such judgment shall not affect, impair, or invalidate the remainder of this document but shall be confined in its operation to the clause, sentence, paragraph, or portion of these rules and regulations directly involved in the controversy in which the judgment is rendered.

Section 27. Penalties

Any person violating sections of these Rules and Regulations shall upon adjudication by the City Council and after notice and opportunity for a hearing, be subject to a civil penalty not to exceed $2000. Each separate incidence and each separate day upon which an offense occurs shall be a separate offense.

SCHEDULE A
Non-Recurring Fees

SERVICE	CHARGE
SECURITY DEPOSITS	
Residential Service	$85.00 per connection
School Service	$8572.00 per connection
Commercial Service	$400.00 per connection
Contract Service	$0 per connection
DISCONNECTION	$25.00
RECONNECTION	$25.00
LATE PAYMENT PENALTY	5% of Monthly Rate
UNAUTHORIZED USAGE FEE	$100.00
RETURNED CHECKS / FAILED BANK DRAFT	$50.00

SCHEDULE B
NON-RECURRING FEES

SERVICE CLASS	CHARGE
RESIDENTIAL SERVICE	$85.00/ Month
SCHOOL SERVICE	$5607/ Month
COMMERCIAL SERVICE	$400/ Month

LIST OF SPECIAL CONTRACTS

(List customers with which the utility has a special contract and attach the contract to the tariff)

School Service Agreement

SCHEDULE C
SERVICE RATES

SERVICE	CHARGE
PIPED	
Clinic	$800/month
Neeser Construction	$.05/gallon
Atco Building	$145/month
TC Building	$145/month
NON-PIPED	
School Service	$875/month
Residential	$25/month
Small Institution	$100/month
Large Institution	$400/month
Small Commercial	$100/month
Large Commercial	$400/month

INTRODUCTION: 10-09-09
PUBLIC HEARING: 10/12/09

PASSED and APPROVED by the Hooper Bay City Council
THIS 12th day of October, 2009.

MAYOR

ATTEST:
CITY CLERK

APPENDIX E – UTILITY ORDINANCE FROM CITY OF DIOMEDE (WITH REFERENCE TO A UTILITY BOARD)

CHAPTER 36

PUBLIC UTILITIES

Sections:

Section 1 CITY COUNCIL POWERS

The City Council reserves unto itself the power and authority to approve or disapprove by ordinance all budgets, rates, and the acquisition or disposal of real property.

Section 2 DIOMEDE JOINT UTILITIES BOARD

There is hereby created the Diomede Joint Utilities Board to manage and operate all utilities owned by the City of Diomede in accordance with the provisions.

Section 3 POWERS AND DUTIES OF BOARD

The Board shall:

A Appoint a manger of the public utilities for a term not exceeding one (1) year, and set his salary;

B Prepare and submit to the City Council annual budgets, and make recommendations thereon for the efficient and economical operation of the system;

C Formulate and enforce the general rules and policies of the public utilities, and general have full and complete surveillance of all the systems and their operations and fiscal affairs, including the maintenance, operation, expansion, extension and improvement of the public utilities; and

D Study and make recommendations generally on public utility matters such as, but not limited to, rates, fiscal matters, personnel staffing, labor relations, expansion or extension of services, and public relations.

Section 4 MEMBERSHIP, QUALIFICATIONS, TERM AND VACANCIES ON BOARD

A The Board shall consist of five (5) members. Each seat on the Board is a separate office and shall be designated as A, B, C D and E, respectively. Candidates for the board shall file for a particular office seat, which shall be stated in the declaration of candidacy. The terms of office of those members of the board holding seats A and B shall be two (2) year terms of office of those members of the board holding seats C, D and E shall be three (3) years. At the first expiration of a term of a member of the board in office on the effective date of this chapter, a member shall be elected for seat A; at the second such expiration, a member shall be elected for seat B; at the third such expiration, a member shall be elected for seat C; at the fourth such expiration, a member shall be elected for seat D; at the fifth such expiration, a member shall be elected for seat E. It is the intention of this section upon the first expiration of the term of the member elected for seat A, and in each year thereafter, two members shall be elected to the board, one for a term of three (3) years, and one of two (2) years.

B Any city voter is eligible to hold the office of Board member. A Board member who ceases to be eligible to be a city voter immediately forfeits his office.

C Board members shall be elected at large and qualified in the same manner as prescribed for members of the Council. Elections shall be held on the first Thursday in October, and the regular term of office shall begin on the first Thursday following the election.

D Before taking office, Board members shall take the oath of office as required by members of the Council, and shall affirm in writing that they will honestly, faithfully and impartially perform their duties. The oath shall be filed with the City Clerk.

E The remaining Board shall declare a vacancy on the Board when a person elected:

1 Fails to qualify or take office within thirty days after his election or Appointment;
2 Is physically absent from the City for a ninety day period, unless excused By the Board;
3 Resigns and his resignation is accepted;
4 Is physically or mentally unable to perform the duties of his office;
5 Is removed from office;
6 misses three consecutive regular meetings unless excused by the board; or
7 Is convicted of a felony or of an offense involving a violation of his oath of office.

Section 5 COMPENSATION

Each member of the Board shall receive compensation in the amount of twenty dollars ($20) per meeting. Such compensation shall be paid from the general fund of the Diomede Joint Utilities

Section 6 MEETINGS

A A majority of the membership shall constitute a quorum for the transaction of all nosiness, and the chairman of the Board shall have a vote on all matters, The affirmative vote of a majority of the Board shall be sufficient to pass upon all matters coming before it.

B The Board shall choose a chairman, vice-chairman, and secretary in accordance with rules of procedure passed and promulgated by the Board.

C The Board shall meet at least once each month at a regular scheduled time and place within the City. All meetings of the Board shall be open to the public. The secretary shall draft the minutes of all regular and special meetings in a manner accurately reflecting the actions of the Board, and shall file the minutes permanently as public records.

Section 7 POWERS AND DUTIES OF UTILITIES MANAGER

The utilities manager is the chief administrative officer. The utilities manager shall:

A Manage and operate all public utilities;

B Appoint, hire, promote, layoff, suspend, demote or remove all employees of the public utilities.

C Prepare an annual budget and capital improvement program for review by the Board prior to submission to the Council;

D Administer the budget and capital improvement program as enacted by the Council;

E Prepare and submit to the Council at the end of each fiscal year a report on the finances and administrative activities of the public utilities; and prepare and make available for public distribution an annual report on public utilities affairs;

F Enforce the ordinances and regulations pertaining to the policies and practices of the public utilities; and

G Assume such other authority and perform such other duties as may be lawfully prescribed by the Board.

Section 8 POST AUDIT AND BONDING

A The Board may provide for an annual independent audit of the accounts and financial transactions of the public utilities. The audit shall be performed by a public accountant who has no personal interest, direct or indirect, in the fiscal affairs of the municipality. Copies of the audit shall be available to the public upon request.

Section 9 SEPARATION OF FUNDS

A All public utilities owned by the City and manage by the Board shall be operated from a fund or funds separate from the general fund of the City. Separate books, records and accounts shall be maintained by the Board to reflect the financial condition of these public utilities, their income, their expenses and the status of their bond redemption funds.

B None of the income, money or property of the Diomede Joint Utilities shall be placed in the general fund of the City or be used for the benefit of anything outside of the fund to which it belongs without due compensation or due value received in return.

C The City of Diomede shall pay for the use of utilities services at the standard rate set for such utilities services.

Section 10 RULES AND REGULATIONS

A The Board shall promulgate rules and regulations consistent with this Chapter for the conduct of its meetings and for the orderly and efficient operation of the public utilities within its management control.

B The Board may establish rules and regulation imposing civil fine or penalties for violations, provided such rules or regulations are set forth in subsection (C) on the next page.

C All proposed rules or regulations, including additions, deletions, amendments and modifications of existing rules or regulations, shall be presented at a regularly scheduled meeting of the Board and approved or disapproved for public publishing in a local newspaper of general circulation, descriptive summary of the proposed rules or regulations, including the date and time of consideration for passage by rules or regulations is available for public inspection at the office of the City Clerk.

Section 11 PENALTIES

A Unless another penalty is expressly provided by ordinance or regulation, any person who violates any provision of this Chapter or any rule or regulation enacted pursuant to this Chapter, shall be subject to a civil penalty of not more than three hundred dollars ($300) for each offense, or injunctive relief to restrain the person from continuing the violation or threat of violation, or both injunctive relief and a civil penalty. Upon application fro injunctive relief and a finding that person is violating or threating to violate any provision of this Chapter, the Superior Court shall grant injunctive relief to restrain the violation.

B Any person who willfully or knowingly violates any provision of this Chapter or any rule or regulation enacted pursuant to this Chapter shall be subject to a fine of not less than fifty dollars ($50) nor more than three hundred dollars ($300) for each offense.

C Each day of violation of any provision of this Chapter shall constitute a separate offense.

Section 12 UTILITY CUSTOMER SERVICE

A A Disconnection of service – The Diomede Joint Utilities may disconnect the service and remove its meters, wires or other facilities for any of the following reasons:

1 If a utility bill or payment due pursuant to an agreement for the installation of the facilities becomes delinquent;
2 If any part of the customer's electrical wires, lines, pipes, machinery or apparatus is determined by the Diomede Joint Utilities to be unsafe or hazardous, or contrary to the provisions of the applicable construction, building, plumbing or electrical codes;
3 To prevent fraud or to prevent any other material violation of this Chapter; or
4 For any other reason for which disconnection is necessary to protect the best interests of the public utility, as may be prescribed by rules and regulations of the Board.

B BILLING AND PAYMENTS

1 Bills shall be mailed to each customer on an approximately monthly basis to the mailing address furnished by the customer, and shall be mailed at least twenty (20) days prior to the date the bill becomes delinquent, which date shall be shown on the bill.
2 Upon determination of a delinquency as provided above, the manager shall notify the delinquent customer that services shall be disconnected, Notice shall be given at least 48 hours prior to the discontinuance of service by placing written notice in a conspicuous location at the entrance of the building receiving said utility service. The cost of serving the notice shall be included in the account balance. The total amount due and owing shall accrue interest at the rate of ten percent (10%) per annum, or the maximum rate of interest provided by law, whichever is less, from the due date of collection of the account.

C DEPOSITS

1 A person requesting a utility service requiring periodic billing to a premises may be required to deposit a reasonable sum of money not exceeding the estimated sum of two months' billings for the utility service requested. If the estimated amount of the deposit exceeds Five Hundred Dollars ($500), the person requesting the service may furnish an approved cash deposit.
2 Interest shall be paid on said deposits at a rate of five percent (5%) per annum.
3 A deposit will not be required of, or if once required it will be refunded to any person who:

A Has had municipal utility services continuously for a period of two (2) years; and

B The Diomede Joint Utilities has not been forced to disconnect that customer's service for reasons of delinquency in payment of charges; and

C The customer has not been delinquent in payment more than once in any twelve (12) consecutive months.

4 A deposit shall be refunded to a customer or within twenty (20) days after the customer has ceased purchasing the utility service if the customer has paid all accrued utility bills.

5 A utility deposit shall be made in the name of the customer. A deposit may not be transferred from one customer to another.

D Payment of assessments

1 No person may connect a storm sewer, sanitary sewer, water extension or other improvement from properties especially assessed for a public improvement to a municipal storm sewer, sanitary sewer main, water main, or connection, or other utility improvement, unless all special assessment payments or payments in lieu of assessment, due or delinquent against the property from which the improvement is to be connected, have been paid prior to the connection.

2 Special assessments, or payments in lieu of assessment, must be paid as required by this section even though the validity of the assessment or payment is contested, unless a court of competent jurisdiction has ruled that the assessment or payment is invalid. Payment as required by this section shall not be deemed to prejudice another wise valid contest.

3 A lessee or user of federal, state of municipality owned or held property may not connect an improvement from that pays an amount equal to the assessments or payments in lieu of assessment due or delinquent against that property, if the assessments or payments lieu of assessment have been levied or charged against the government owned property or to a lessee or user of the property.

Section 13 ELECTRIC SERVICES

A Rates, fees and charges – Electric service will be provided only at the rates, fees and charges established by the tariff schedules provided in Section B below, unless another rate, fee or charges is provided by a special contract negotiated by the board and approved by the Council by ordinance.

B Rules and regulations - Customers accepting electric service thereby agree to abide by the rules and regulations established by the Board and by the requirements set forth in this Chapter, including alterations and amendments which may be made from time to time.

C Additional conditions of service

1 Electric service may be refused to any application who has not complied with pertinent national, state and local construction,

building and safety codes, regulations and ordinances relating to the installation and maintenance of electrical writing and equipment. Upon request the manager a certificate of approval from the authority having jurisdiction to secure compliance with the building and safety codes, regulations and ordinances prior to connection being made or electric service being furnished to the application or customer.

2 The Diomede Joint Utilities may refuse or discontinue service to a premise if the installation has load of characteristics that may cause excessive voltage fluctuations, loss of service or damage to the facilities of the public utilities or to other customers. The Diomede Joint Utilities may require as a condition of service that the customer install, at his own expense, equipment which will eliminate undesirable load characteristics, that include, but are not limited to, an unbalance load between phases, unacceptable variations from the unity power factor, and unusual demand fluctuations produced by the customer's equipment. Installation of electric welders or motors larger than five horsepower must be coordinated with the utilities manager prior to installation.

3 A properly identified employee of the public utility shall have access to the premises of a customer at all reasonable times for the purpose of reading meters, testing or inspecting the customer's load and equipment belonging to the public utility. In the even that a customer refuses such access to the premise, the utility manager may discontinue electric service.

Section 14 PROHIBITED ACTS

It shall be unlawful for any person to:

A Connect to, interfere with or alter the connector, meter, seals or other municipal facilities used in connection with rendering electric service, or permit connection to, interference with, or alteration by any person other than an authorized agent or employee of the Diomede Joint Utilities. In addition to the penalties provided by law, any person engaging in any activities prohibited by this subsection shall pay for any damage to municipal property, caused or permitted directly or indirectly by that person;

B Cause the electrical system on any premise or facility which i s served by the Diomede Joint Utilities to be connected to another electrical system, except to standby facility which has been installed to serve that premise or facility and is connected through a double throw switch sufficient to prevent back-feed into the municipal electrical system;

C Sell any of the electric energy furnished by the Diomede Joint Utilities unless the person holds a valid certificate of public convenience and necessity issued by the Alaska Public Utilities Commission for retail distribution of electric energy, and has executed a contract with the Diomede Joint Utilities, or is accepting service under a tariff schedule which specifically authorizes the resale of electricity, unless such service

is being furnished unmetered to rental units where the cost of electricity is included in the rental charge.

APPENDIX F – UTILITY ORDINANCE FROM CITY OF PILOT POINT (WITH REFERENCE TO WASTEWATER TANK PUMPING AND HAUL)

CHAPTER 6.03
WASTEWATER SERVICES

Sections:

6.03.010. Authority.

The city is authorized to own, operate, and maintain wastewater utility facilities, equipment, and systems and to provide wastewater services within city limits. Policies and procedures related to the internal administration of wastewater services and not included in this Chapter may be drafted by the city manager and approved by the council by resolution.

6.03.020. Description of services.

The city, hereinafter in this Chapter referred to as the "utility", shall use its best efforts to provide the following wastewater services:

1. a safe and fully operational wastewater collection system that is able to handle normal sanitary wastes discharged to it without plugging or otherwise affecting building drain lines under normal operating conditions;

2. a septage lagoon for disposal and treatment of wastewater; and

3. septic tank pumping.

6.03.030. Service irregularities and limitation of liability.

A. The utility will exercise reasonable diligence to furnish and deliver adequate wastewater service. However, the utility will not be liable for damage resulting from interruptions, shortages, irregularities, or failures due to accidents, interference by third parties, acts of natures, or other conditions beyond the control of the utility. Whenever possible, and whenever time permits, all customers to be potentially affected by an interruption or irregularity in service will be notified prior to shutdown by direct notification through local

notice posted at the Post Office, by local radio transmission, or other method commonly used in Pilot Point.

B. The utility reserves the right to temporarily suspend the delivery of service when necessary for the purpose of making repairs, modifications, inspections, or improvements to the system. The utility will make reasonable attempts to provide customer notice through the use of public media or by direct customer contact. Repair work will be completed expeditiously and, as far as possible, the work will be completed at a time of least inconvenience to the customer.

6.03.040. Ownership of wastewater systems.

All wastewater system components including mains, valves, fittings, equipment, and other appurtenances, except customer service lines, are the property of the utility.

6.03.050. Classification of services.

The classes of wastewater service shall be as follows:

A. Residential services shall consist of all services for domestic purposes supplied to a single family dwelling unity.

B. School services shall consist of services provided to the school, its administrative offices, and other facilities owned/operated by the school that are not classified under a different class of service.

C. Commercial services shall consist of all office, commercial, or business establishments, multiple family dwelling units, tribal facilities, community facilities, and utility-owned buildings.

D. Contract services shall consist of those services for industrial or independent uses under contracts authorized by the utility. Where the requirement for services is large or unusual, or necessitates special services, equipment, or capacity, the utility reserves the right to require a special contract, the provisions of which are different from, and an exception to, the regularly published utility rates and regulations. Special contracts will only be given to customers in unique circumstances. All similarly situated customers will be offered the same rates and provisions. All special contracts shall be in writing, signed by the applicants, and approved by the utility.

6.03.060. Main extensions.

Main extensions to areas or houses not currently being served shall be installed only after application to and authorization by the utility. Main extensions may require advance payment by the applicant or group of applicants of the cost of the extension before the utility can provide them. The utility will determine the proper location of main extensions. Easements or permits secured for main extensions across property not owned by the utility shall be obtained in the name of the utility along with all rights and title to the main at the time of installation.

6.03.070. Customer service line.

The customer shall own and maintain the customer service line.

6.03.080. Service installation charge.

At the time the applicant files for service, where no service previously existed, or for a change in service size or location, or if he or she applies for a re-connection of an existing service, the applicant shall submit a service connection fee with the application that is based on the actual cost of the installation. In the case of a new service, this fee will include all costs from the main to the dwelling, including the costs of materials needed to make the connection at the dwelling, if necessary. The service line may be installed by either the customer or the utility.

6.03.090. Service installation procedures.

All connections to the utility wastewater system shall be made at the expense of the customer. Costs of the connection and the terms of the work governing the installation, including the use of self-help and use of utility equipment, shall be established by the utility. The utility will not accept a service connection installed by a customer unless the connection meets the applicable installation codes. The utility may require proof of code compliance in either physical inspection by the utility or a written statement from a qualified inspector. The utility reserves the right to bill the customer for additional work and inspections incurred by the utility to verify correct installation or to correct inappropriate, deficient, or inadequate connections.

6.03.100. Service installation codes.

All individual wastewater system connections, repairs, and modifications shall be made only under the terms and conditions of the Uniform Plumbing Code currently in effect within the State of Alaska, as well as any further regulations the utility may require. Any electrical improvements shall be made in accordance with applicable electrical codes and regulations.

6.03.110. Customer pluming.

A. The customer's plumbing, which shall include the customer service line from the main to the house and all plumbing, piping, fixtures, and other appurtenances intended to carry sewage, wastewater, and drainage, shall comply with the Uniform Plumbing Code.

B. It shall be unlawful for customers to operate, cause, or permit unauthorized operations or appurtenances on the service connections.

C. It shall be unlawful for any customer to make or remake a service connection without the prior knowledge and approval of the utility as required.

6.03.120. Notices.

A. Notices to customers from the utility will normally be in writing and will be mailed or delivered to the customer at the address on file with the utility. Where conditions warrant, and in an emergency, the utility may notify customers by telephone, messenger, or radio.

B. Notices from the customer to the utility may be given in writing, or verbally by the customer or his authorized representative at the utility office. However, notices that result in a change in service or in work being performed by the utility for the customer must be accompanied by the appropriate application required by the utility or a signed repair order or work order.

6.03.130. Access to property.

All duly appointed employees or agents of the utility have free access at all reasonable hours of the day to exterior parts of a customer's building related to utility service (i.e. arctic box, electrical meter, etc.) for the purposes of reading meters, inspecting connections, piping and fixtures, discontinuing service, and determining the manner and extend to which the utility is being used. When it is necessary to enter a customer's building for the same purposes, the customer will be given notice in accordance with this Chapter. The utility does not assume the duty of inspecting the customer's service line, plumbing, or equipment and shall not be responsible for these services. In the event that a customer refuses to provide access to the utility in a reasonable period of time, the service may be discontinued for non-compliance with these regulations.

6.03.140. Responsibility for equipment.

A. The utility shall not be liable for any loss or damage caused by any defect in the customer's service line, plumbing, or equipment, nor shall the utility be liable for loss or damage due to interruption of service.

B. The customer shall be responsible for the condition of the plumbing system on his on her premises when service is turned on.

6.03.150. Manholes and main lines.

A. No person or persons other than those designated and authorized by the utility shall place any substance, including but not limited to animal and fish carcasses, refuse or trash, rocks or gravel, or honey bucket wastes, in any manhole or main line, or in any manner damage or tamper with a manhole or main line.

B. Any person who damages a manhole or main line, or any of the attachments or appurtenances thereof, shall be responsible for the cost of its complete repair and return to service.

C. Any person who damages a wastewater main or interrupts wastewater service by placing trash, refuse, animal carcasses, rocks, or other matter not intended to be placed in a sewer will be responsible for all damages and repairs to the wastewater lines and treatment works that are a consequence of his or her act.

6.03.160. Individual waste disposal responsibilities.

In the event that the utility does not provide a solid waste or honey bucket waste pick-up service, the users are responsible to see that waste material is stored in a secure covered container with a tight fitting lid and is hauled to the designated disposal area and deposited as directed by the utility.

Appendix G1 - Residential Utility Service Application and Agreement - Buckland

Residential Utility Service Application and Agreement

City of Buckland, Alaska

This agreement is made between the City of Buckland Water and Sewer Utility as "the utility" and _____ as "the applicant".
(Last, First Middle Initial)

The applicant requests that the residence on the property described below be connected to the utility's piped water and sewer system:

_____
_____
_____
_____
(Address and Description of Property)

As part of the request, the applicant agrees:

1. to abide by the water and sewer ordinances, rules, and payment polices adopted by the City of Buckland and the utility;
2. to pay the utility a monthly service fee for water and sewer service at the rate established by the utility for residential customers;
3. to complete an Alaska Permanent Fund Dividend Assignment of Rights that transfers a sufficient portion of the applicant's dividend to the City of Buckland in order to pay off all utility debts when a utility account becomes 90 days past due or be disconnected;
4. to pay any deposits required by the utility prior to connection of service, if required;
5. that delinquent accounts more than 30 days past due are subject to collection actions which can include, but are not limited to, interest charges, late payment fees, deposit forfeiture, suits in small claims court, and disconnection of service;
6. to maintain the plumbing on the applicant's property from the city main and within the residence, including all plumbing, piping, fixtures, and other appurtenances intended to carry water, sewage, waste water, and drainage in accordance with the Uniform Plumbing Code;
7. to use heat tape, maintain adequate insulation, supply sufficient home heating/electricity, and take all other steps necessary to prevent the pipes from freezing;
8. to not continuously run water during cold weather to keep the pipes from freezing or else be subject to disconnection of service or an excessive use charge as set by the utility for continuously running water;
9. to, in the event of water shortages, work with the utility on measures to conserve water use;

10. to sign a work order form and pay 80% of the estimated cost for any utility maintenance or repairs within the limits of the applicant's property prior to such work being performed;
11. to pay the remaining 20% of the estimated cost within 30 days; and
12. that in signing this agreement, the applicant grants to the utility, its officers, employees, agents, and assigns the right of ingress and egress to the property and residence for purposes of inspection of piping, plumbing, fixtures, and other appurtenances intended to carry water, sewage, and waste water. The ingress and egress shall be at a reasonable time and, whenever possible, the utility shall provide advance notice of any inspection.

The utility agrees:

1. to provide a continuous and sufficient supply of potable water at adequate pressure to the customer, as much as possible;
2. to bill the applicant on a monthly basis for water and sewer service;
3. to work to continue to improve sanitary conditions in the City of Buckland by placing a high priority on planned capital improvements for water and waste disposal facilities, administering the operation of future improvements, and administering and enforcing the ordinances, rules, and policies designed to improve sanitation practices in the City of Buckland.

All bills, invoices, statements, payments, notices, or correspondence shall be sent to the respective parties at the addresses stated below:

Applicant's Name and Billing Address:

_____
_____
_____
_____

Utility:

Billing Clerk
City of Buckland
PO Box 49
Buckland, AK 99727

This agreement takes effect on this _____ day of _____, _____.

_____ _____
(Applicant's Signature) *(Utility Representative's Signature)*

Appendix G2 - Facility and Equipment Use Form - Pilot Point

Facility and Equipment Use Form

City of Pilot Point, Alaska

Date Requested:	Requested By:
Description of All City Facilities and Equipment to Be Used:	
Names of All Users: *(Only the users identified here may use the facilities/equipment.)*	
Purpose: *(The users may only use the facilities and equipment for the purposes stated here.)*	
Dates Needed: *From* _____ *To* _____ *(The facilities/equipment may only be used during the city's normal business hours.)*	

Usage Cost Estimates			
Facility/Equipment:	Cost Per Hour:	Estimated Usage Hours:	Usage Cost:
		TOTAL ESTIMATED USAGE COST:	

The users agree to pay together 50% of the total estimated usage cost above prior to usage as a down payment. User(s) are liable for that down payment, any remaining usage cost balance, and any related costs resulting from usage according to the following breakdown:

Proportionate Cost Responsibility Among Users	
User Name:	Portion of Cost Responsibility (%):
TOTAL:	**100%**

City of Pilot Point, Alaska Page 1 of 2

Facility and Equipment Use Form Continued…

"We, the users signed below, have read and understand the city's policies and procedures related to the personal usage of city facilities and equipment. We have together paid the required down payment (50% of the estimated usage costs) and understand that the remaining usage cost balance (actual hourly usage cost and any additional costs incurred, minus the down payment) are due immediately according to the proportionate responsibility identified on the previous page at the end of our authorized usage period. We have signed and agree to necessary waivers, understand that we are responsible for maintaining the facilities and equipment we use safely and respectfully, and will only use the permitted facilities/equipment during normal city business hours for the purposes identified. We accept that the city may, for any reason, disallow our usage of these facilities/equipment at any time, refunding payments made as appropriate."

_____

_____

_____

_____

Users' Signatures and Dates

Official Authorization
Authorizing City Official (Name and Title):
Authorized Usage Period:
Authorizing Official's Signature and Date:

Actual Usage Costs *(Completed by City Manager After Usage)*			
Facility/Equipment:	Cost Per Hour:	Usage Hours:	Usage Cost:
		Total Actual Hourly Usage Cost:	
		Additional Costs Incurred (Explain Below):	
		TOTAL ACTUAL COSTS:	
		Balance Due from Users (after subtracting down payments):	

City of Pilot Point, Alaska Page 2 of 2

APPENDIX G3 - EQUIPMENT LEASE AGREEMENT - SHISHMAREF

City of Shishmaref
P.O. Box 83
Shishmaref, AK 99772
Phone: (907) 649-3781/4811
Fax: (907) 649-2131
Email: shhcityclerk@yahoo.com

EQUIPMENT LEASE AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 20 _____, between the City of Shishmaref (hereinafter referred to as "Lessor"), and _____, (hereinafter referred to as "Lessee), for the use of the Lessor's Equipment, under the following terms and conditions:

OCCUPANCY
Lessee understands that use of the City Equipment poses inherent dangers and risk of injury, and agrees to the following when using the City Equipment:

- Safety will be first and foremost during any and all use of City Equipment.
- Proper safety precautions will be exercised and proper safety equipment will be used at all times.
- Drinking of alcoholic beverages is not permitted at any time while using the City Equipment.
- Access to the City Equipment is permitted only to the above named Lessee.
- Cleaning up equipment after each use of the City Equipment.
- Lessee shall use Equipment in a LAWFUL and proper manner and shall comply with all laws, ordinances, and regulations relating to the possession, use, or maintenance of the Equipment.

DAMAGE OR LOSS OF PERSONAL PROPERTY
Lessee understands that the Lessor accepts no responsibility for loss of, or damage to Lessee's personal property whatsoever including the property where the work is being performed.

ALTERATIONS
Lessee shall not make any alterations, additions, or improvements to the Equipment without the prior written consent of Lessor. All additions or improvements of any kind made to the Equipment shall belong to or become the property of Lessor upon the expiration or earlier termination of this lease.

HOLD HARMLESS
To the fullest extent permitted by law, the Lessee and the property owner where work is to be performed, agrees to defend, indemnify and hold harmless the Lessor, its elected and appointed officials, employees and volunteers against any and all liabilities, claims, demands, lawsuits, or losses, including costs and attorney fees incurred in defense thereof, arising out of or in any way connected or associated with this agreement.

RENT
The rental due hereunder shall be set forth on a separate schedule and attached hereto and incorporated by this reference.

WAIVER OF SUBROGATION
To the extent permitted by law, the Lessee and property owner where work is to be performed, hereby releases the Lessor, its elected and appointed officials, employees and volunteers from any and all liability or responsibility to the Lessee and property owner where work is to be performed, or anyone claiming through or under the Lessee and property owner where work is to be performed, by way of subrogation or otherwise, for any loss or damage, even if such loss or damage shall have been caused by the fault or negligence of the Lessor, its elected or appointed officials, employees or volurteers. This provision shall be applicable and in full force and effect only with respect to loss or damage occurring during the time of the Lessees use of the City Equipment.

INSURANCE REQUIREMENT
☐ **Applicable** ☐ **Special Events Covg.** ☐ **Not Applicable**
Lessee agrees to provide evidence of commercial general liability Insurance on an "Occurrence basis" with limits of liability no less than $1,000,000 per occurrence and/or aggregate combined single limit, Personal Injury, Bodily Injury and Property Damage.

ACCIDENTS/DAMAGE TO EQUIPMENT
Lessees shall immediately notify Lessor of each and any accident and/or loss of damage to each unit of Equipment, or as soon as possible thereafter, giving in writing any accident information that Lessor may request. Lessee shall promptly advise Lessor of all claims and demands relating to any Equipment, and shall assist in the investigation and defense of all those claims and demands and in the recovery of damages from third persons who are liable. Lessee also agrees to pay for repairs for damage to the equipment beyond reasonable wear and tear, including but not limited to any applicable insurance deductibles.

TERMINATION
Either party may terminate this agreement for any reason, by providing written notice of said termination to the other party. Upon termination of this agreement, the Lessee agrees to return all property belonging to the Lessor within a reasonable amount of time, not to exceed 5 days beyond the termination date.

TERM OF AGREEMENT
This agreement shall be in effect from _____, 20___, through _____, 20___, not to exceed 12 months, subject to termination provisions stated above.

SIGNED: _____ DATE: _____
Applicant

SIGNED: _____ DATE: _____
Property Owner (location of work will be performed)

SIGNED: _____ DATE: _____
City of Shishmaref

APPENDIX G4 – RIGHT-OF-ENTRY

RIGHT-OF-ENTRY

WITNESSETH:

WHEREAS, the City of _____, Water and Sewer Utility proposes to construct water/sewer distribution lines to connect private residences in _____.

WHEREAS, the various owners and/or occupants are in agreement with the City's desire to construct said water and sewer distribution lines.

WHEREAS, it will be the owners and/or occupants responsibility to maintain the distribution lines once constructed, such that a permanent easement is not required.

NOW THEREFORE, the parties mutually agree as follows:

1. In consideration of the mutual benefits to be derived from the construction of the distribution lines, _____ _____, as the Grantor does hereby grant this Right-of-Entry to the City of _____, Water and Sewer Utility, as the Grantee.

2. The Grantor does grant to the Grantee, its contractors, employees, agents and assigns, the right to enter upon the following described real property for the purposes of constructing water and sewer distribution lines over, through, and across said lands, said property being situated in the City of _____, _____Judicial District, _____Recording District, Alaska, and more particularly described in Appendix A.

3. That in the event no water and sewer distribution lines are constructed within 2 years from the date that this Right-of-Entry is executed by the Grantee, the Right-of-Entry will automatically expire.

4. This Right-of-Entry is granted subject to the stipulations attached as Appendix B.

5. This Agreement is effective on the date signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement.

_____ _____
GRANTOR'S SIGNATURE Date

_____ _____
GRANTEE'S SIGNATURE Date

ATTACHMENTS: Appendix A - Legal Description
Appendix B - Stipulations

APPENDIX G5 – LEGAL LAND DESCRIPTION

Legal Description

An strip of land [____ feet wide][of variable with] over real property located within [unsurveyed][surveyed] Section ___, Township _____, Range _____, _____ Meridian, _____ Recording District, Second Judicial District, State of Alaska, more particularly as follows:

Insert legal description or map here

Containing ____ acres of land, more or less.

APPENDIX G6 – UTILITY WORK ORDER FORM - BUCKLAND

Utility Work Order Form

City of Buckland, Alaska

Date Requested:	Request By:			Work Order Number:
Description of Work Requested:				
Date Required:	Work Order Approved By:			
Cost Estimate of Required Work				
Materials Description	Quantity	Unit	Unit Cost	Item Total
TOTAL ESTIMATED COST OF MATERIALS:				
Labor/Equipment Estimate	Quantity	Unit	Unit Cost	Item Total
TOTAL ESTIMATED COST OF LABOR/EQUIPMENT:				
TOTAL ESTIMATED COST OF WORK:				

The homeowner agrees to pay the required 80% of estimated costs prior to this work being performed.

_____

Homeowner's Signature

Date Work Performed:		Work Performed By:		
Actual Cost of Work Performed				
Materials Description	Quantity	Unit	Unit Cost	Item Total
TOTAL ACTUAL COST OF MATERIALS:				
Labor/Equipment Estimate	Quantity	Unit	Unit Cost	Item Total
TOTAL ACTUAL COST OF LABOR/EQUIPMENT:				
TOTAL ACTUAL COST OF WORK:				

Notes:

APPENDIX G7 – METER INSTALLATION APPLICATION - CRAIG

April 2004 Form

CITY OF CRAIG ALASKA

Water and Sewer Meter Installation Application

Name: _____

Mailing Address: _____

_____

Phone Number: _____

Account Number: _____ **Route Number:** _____

Street Address: _____

Legal Description of Property: _____

_____

Meter Size: _____

Meter Number: _____

Remote Number: _____

Installation Date: _____

Meter Tie: _____

Meter Location: _____

_____

Applicant's Signature **Printed Name** **Date**

Fees Paid:
Water Meter: $_____
Sewer Meter: $_____
Total Paid: $_____

City of Craig
PO Box 725
Craig, Alaska 99921
Phone: (907)826-3275 Fax: (907)826-3278

APPENDIX H – RUBA ASSESSMENT INDICATORS

Utility Finance

Essential Indicators

Yes	No	
☐	☐	**All revenue and expenses for the utility are listed in the utility budget.**
☐	☐	**The utility has adopted a balanced realistic budget.**
☐	☐	**Monthly financial reports are prepared and submitted to the policy making body.**
☐	☐	**The utility is current paying all water/wastewater electric bills.**
☐	☐	**The utility has on hand a year's adequate fuel supply or it has a financial plan to purchase an adequate supply.**
☐	☐	**The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses.**

Sustainable Indicators

☐	☐	The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses and Repair and Replacement (R&R) costs.
☐	☐	YTD revenues are at a level equal to or above those budgeted.
☐	☐	YTD expenditures are at a level equal to or below those budgeted.
☐	☐	A monthly manager's report is prepared.
☐	☐	Budget amendments are completed and adopted as necessary.

Accounting Systems

Essential Indicators

Yes	No	
☐	☐	**The utility has adopted a collection policy and actively follows it.**
☐	☐	**The utility bills customers on a regular basis.**
☐	☐	**An accounts receivable system is in place which tracks customers and reports past due accounts and amounts.**
☐	☐	**An accounts payable system is in place.**
☐	☐	**The payroll system correctly calculates payroll and keeps records.**
☐	☐	**A cash receipt system is in place that records incoming money and what it was for.**
☐	☐	**The utility has a cash disbursement system that records how money was spent.**

Sustainable Indicators

☐	☐	A chart of accounts is used that identifies categories in a reasonable, usable manner.
☐	☐	Monthly bank reconciliations have been completed for all utility accounts.
☐	☐	The utility has a purchasing system that requires approval prior to purchase, and the approval process compares proposed purchases to budgeted amounts.

Tax Problems

Essential Indicators

Yes	No	NA	
☐	☐		**The utility has a system to accurately calculate, track, and report payroll tax liabilities.**
☐	☐		**The utility is current on filing federal and state tax reports.**
☐	☐		**The utility is current on making federal and state tax deposits.**
☐	☐	☐	**If there are any past tax liabilities or tax liens filed, a payment agreement has been signed and repayments are current.**

Personnel System

Essential Indicators

Yes	No	
☐	☐	**The utility has a posted workers compensation insurance policy in effect.**

Sustainable Indicators

☐	☐	The utility has adopted and uses a personnel policy, which has been reviewed by an attorney, AML, or DCCED for topics and language.
☐	☐	The utility has adequate written job descriptions for all positions.
☐	☐	The utility has adopted and follows a written personnel evaluation process that ties the job description to the evaluation.
☐	☐	The utility has an adequate written hiring process.
☐	☐	The utility has personnel folders on every employee that contain at least: I-9, Job Application and Letter of Acceptance.
☐	☐	The utility has a probationary period for new hires that includes orientation, job-training/oversight, and evaluations.
☐	☐	The utility provides training opportunities to staff as needed and available.

Organizational Management

Essential Indicators

Yes	No	
☐	☐	**The entity that owns the utility is known and the entity that will operate the utility is set.**
☐	☐	**The policy making body is active in policy making of the utility.**
☐	☐	**The policy making body enforces utility policy.**
☐	☐	**The utility has an adequately trained manager.**
☐	☐	**The utility has an adequately trained bookkeeper.**
☐	☐	**The utility has an adequately trained operator(s).**
☐	☐	**The utility has adopted the necessary ordinances (or rules and regulations) necessary to give it the authority to operate.**

Sustainable Indicators

☐	☐	The utility has adopted an organizational chart that reflects the current structure.

☐ ☐ The policy making body meets as required.
☐ ☐ The utility complies with the Open Meeting Act for all meetings.

Operation of Utility

Essential Indicators

Yes No

☐ ☐ **The utility operator(s) are actively working towards necessary certification.**
☐ ☐ **The utility has a preventative maintenance plan developed for the existing sanitation facilities.**

Sustainable Indicators

☐ ☐ The manager receives a monthly O&M report from the utility operator and routinely "spot checks" the facilities to see that the maintenance items are being completed.
☐ ☐ The utility has a safety manual and holds safety meetings.
☐ ☐ Utility facilities have not suffered any major problems/outages due to management issues that are still unresolved.
☐ ☐ The utility is operating at the level of service that was proposed.
☐ ☐ The operator provides status reports to the manager on a routine basis.
☐ ☐ The utility has completed and distributed its Consumer Confidence Report (CCR).
☐ ☐ The utility meets all required regulations (is not on the Significant Non-Compliance (SNC) list).
☐ ☐ The utility maintains an inventory control list.
☐ ☐ The utility maintains a critical spare parts list.

Appendix I – Permits and Agency Contacts

Type of Permit	Description	Agency
Solid Waste Disposal Permit	Permit needed for disposal of solid waste, including honey bucket waste. Many rural communities would need a Class III land fill permit. Per DEC, "Class III landfills are more than 50 miles by road from a larger landfill or are not accessible by road at all."	Alaska Department of Environmental Conservation (DEC) Division of Environmental Health Solid Waste Program • *269-7802 (Anchorage)* • *451-2108 (Fairbanks)* • *465-5318 (Juneau)*
Wastewater Discharge Permit	Permit needed for the disposal of treated wastewater on land or in waters.	Alaska Department of Environmental Conservation (DEC) Division of Water • *269-6285 (Anchorage)* • *451-2100 (Fairbanks)* • *465-5300 (Juneau)*
Plan Review and Approval of Wastewater Treatment System	Engineering plans to install or modify a wastewater treatment and disposal system must be reviewed and approved by DEC.	Alaska Department of Environmental Conservation (DEC) Division of Water • *269-7519 (Anchorage)* • *451-2177 (Fairbanks)* • *465-5167 (Juneau)*
Plan Review and Approval of Public Water Systems	Engineering plans to construct, operate, or improve a Class A or B public water system must be reviewed and approved by DEC.	Alaska Department of Environmental Conservation (DEC) Division of Environmental Health Drinking Water Program • *1-866-956-7656 (Anchorage)* • *1-800-770-2137 (Fairbanks)*
Fish Habitat Permit	A permit is required for any work done below the ordinary high water mark of an anadromous stream, or that may block the passage of fish.	Alaska Department of Fish and Game Division of Habitat • *267-2342 (Anchorage)* • *459-7289 (Fairbanks)* • *465-4105 (Juneau)*

TYPE OF PERMIT	DESCRIPTION	AGENCY
Special Area Permit	A permit is required for any work done in a State game refuge, game sanctuary, or critical habitat area.	Alaska Department of Fish and Game Division of Habitat • *267-2342 (Anchorage)* • *459-7289 (Fairbanks)* • *465-4105 (Juneau)*
Land Use Permit	A permit is required for temporary use of state land or resources, including off-road travel.	Alaska Department of Natural Resources Division of Mining, Land & Water • *269-8552 (Anchorage)* • *465-3400 (Juneau)* • *451-2740 (Fairbanks)*
Water Rights	A water right is a legal right to use surface or ground water under the Alaska Water Use Act.	Alaska Department of Natural Resources Division of Mining, Land and Water Water Resources Section • *269-8600 (Anchorage)* • *465-3400 (Juneau)* • *451-2790 (Fairbanks)*
Fire and Life Safety Plan Review	Construction, repair, remodel, addition, or change of occupancy of any building/structure, or installation or change of fuel tanks must be approved by the Division of Fire and Life Safety before any work is started.	Alaska Department of Public Safety Division of Fire and Life Safety • *269-2004 (Anchorage)*
Department of the Army Permit	A permit is required for the discharge of dredged or fill material into U.S. waters, including wetlands.	U.S. Army Corps of Engineers Alaska District • *753-2712 (Anchorage)* • *1-800-478-2712 (Anchorage)*
National Historic Preservation Act Section 106 Review	A review for the protection of cultural resources.	Alaska Department of Natural Resources Office of History and Archaeology State Historic Preservation Office • *269-8721 (Anchorage)*

APPENDIX J – GLOSSARY OF TERMS

A

Aging report – A report that summarizes the status of unpaid invoices and the amount customers owe for the services they received.

Accounts Receivable – Money that is owed, but not yet paid.

Accountability – The state of being liable or answerable to other stakeholders on the responsibilities assigned.

Adoption (adopting) by Reference – A legal drafting technique in which one written law (chapter, section, subsection, etc.) adopts another either by mentioning or describing it.

Amendment (Amending) – A legislative act (by a city council, assembly, etc.) designed to change some prior and existing law by adding or taking from the law some particular provision.

Assembly – The governing body of a borough or unified municipality in which all legislative power of the borough or unified municipality is vested.

Application for Connection – A form signed by a property owner or tenant requesting that water/wastewater service be provided.

Authority – A power or right a stakeholder has.

B

Borough – One of the two forms of municipal government set forth by the Alaska State Constitution, the other being a city. It is a municipal corporation and political subdivision of the state.

Brainstorming – A public involvement technique where people 'think out loud' to identify issues, collect ideas, and determine pros and cons. All ideas are welcome in a brainstorming session; there should be no criticism.

Budget – The approved plan of the governing body for spending the funds that it expects the local government will receive during a given period of time. Usually, a budget covers one fiscal year. Municipalities use budgets to legally receive and spend money, to plan for services to be performed, and to determine how much money is to be spent for wages and services during the fiscal year.

Bylaws – Rules adopted by an organization to establish and guide its operations and proceedings.

C

Capacity – The actual or potential ability to do something. 'Technical capacity' is having trained, capable, and reliable personnel, equipment, and supplies to do a job well. 'Managerial capacity' is having trained personnel who are capable, reliable, and have the necessary skills to oversee all of the functions conducted by an organization effectively and efficiently. 'Financial capacity' is the ability to initially and continually afford to do something in the most efficient and effective manner possible.

Capital Improvement – Construction or improvement of major public facilities, such as schools, docks, roads, utility systems, etc. Large single purchases of items that have an extended period of usefulness such as fire trucks and heavy equipment are also considered capital improvements. Capital Improvements may be financed through grants and by the issuance of general obligation bonds, special assessment bonds, or revenue bonds.

Capital Improvement Program – A plan that lists and generally prioritizes capital projects and sets out a timeline for the funding and completion of those projects.

Capital Project – A project undertaken by a municipality that requires a major expenditure of funds typically involving the purchase, construction, or improvement of buildings or other facilities such as docks, roads, utility systems, etc. used to provide services to the community. Capital projects are also referred to as 'capital improvements.'

Capital Replacement Fund – An account which is designated to collected money over a period of time to cover the repair and replacement cost of an existing utility, such as water and wastewater plant, electric power plant etc.

Chain of Command/Line of Authority – The order in which authority and power in an organization is exercised and delegated from the highest ranking positions to every employee at every level of the organization. The line of authority/chain of command establishes who is in charge of giving who orders, and it contribute to the efficient attainment of the organizations objectives.

City – One of the two forms of municipal government set forth by the Alaska State Constitution; the other being a borough. A city is a municipal corporation and political subdivision of the state.

Charter – The governing document of a home rule municipality.

Continued Education Units (CEUs) – The units used by the ADEC to measure the education that a utility operator is required to continue for the renewal of all water or wastewater certificates. One CEU is equivalent to 10 contact hours of education.

Code – A systematically organized collection of adopted laws.

Code of Ordinances/Law (Municipal Code) – An organized set of laws. A code includes a table of contents organized by major subject chapters that list ordinances the municipality has passed. The code usually includes major chapters or groups of ordinances covering the office of mayor, the governing body, meetings, elections, fire and police, roads, water and wastewater, municipal officials, etc.

Codification – The process of assigning adopted laws a serial number and including them in an organized book/file.

Community – A social group of any size whose members live in a specific area and share some form of government. In Alaska, communities include municipalities, tribes, and community or homeowner associations. This is a generic term used to define a social group whose members live in a specific area but are not incorporated as either a city or borough.

Consumer Confidence Report – An annual written report which summarizes information regarding water source used, any detected contaminants, compliance and educational information.

Customer Agreement – A formal, legal contract that summarizes the policies set in the utility ordinance, and includes spaces for the utility and the customer to acknowledge that they have read, understand and agree to those terms.

D

Demographics – The qualities (size, age, health, racial/ethnic make-up, etc.) of a group of people.

Directing - A term referring to the basic management skill of being able to supervise, schedule, and discipline employees/subordinates in order to build an effective work environment.

E

Easement – The right one person has to use land of another for a specific purpose; for example, the right of a municipal utility to lay underground pipes over the private land of another.

G

Goal – A measurable end result or final outcome of a process having one or more objectives to be achieved within a certain timeframe.

Governing Body – A group of people who formulate policy and direct an organization. In Alaska, the governing body of a city is the council, while the governing body of a borough is the assembly. The governing body of a nonprofit community association will be the board of directors.

H

Home Rule Municipality – A municipality that has adopted a charter for its own government identifying the powers and duties it will assume. This is opposed to a general law municipality whose powers and duties are conferred from state statute.

I

Inter-Fund Transfer – A transfer of payments from one fund to another.

L

Lease (or Lease Agreement) – A written agreement between parties that provides for use of equipment or property, for a specific period of time, under certain agreed upon circumstances and compensation, by someone other than the owner.

Legal Description – A written word description of the outline of a certain piece of land that delineates it from any other area of land and which can stand up under law and litigation; it is not a map itself, but a legal description that often accompanies a plat or map.

Level of Service – What products or sanitation services the utility provides to customers, and *how* those services are delivered and managed. The level of service defines how reliable a service is, who gets to use it, and how those customers are expected to pay for it. It also explains how new customers will be accommodated, how the system is maintained, who the decision makers for the utility are, and how often they will meet to review issues and concerns.

M

Management – The process of organizing, planning, coordinating, and overseeing activities of an organization in order to achieve specific objectives.

Management Process – A chain of linked management procedures which depend on each other.

Measuring – A term which refers to the basic management skill of being able establish standards comparing actual performance against those standards and taking corrective action when required.

Memorandum of Agreement (MOA) – A written agreement between two or more parties that states the terms of the agreement, including the duties and responsibilities each party has. Money is not necessarily a part of a memorandum of agreement. A memorandum simply sets out what each party must do to meet the terms of the agreement, and is signed by each party. Depending on the intent of the parties, a memorandum of agreement may or may not be legally binding and enforceable in a court of law. An MOA is sometimes referred to as a Memorandum of Understanding.

Memorandum of Understanding (MOU) – Another name for a memorandum of agreement.
Municipality – A city, borough, or unified local government established in the manner set forth in state law.

N

Nonprofit Community Association – A private corporation organized under state law for civic purposes. Nonprofit community associations may function to provide essential public facilities where there is no municipal government and no other organization that can act as an eligible recipient for state funds. A nonprofit community association does not have a city council and is not bound by Title 29 of state statute.

Non-Code Ordinance – An ordinance which is temporary in nature and not included as part of the permanent code of ordinances.

O

Objective – A specific way to reach a broader goal also referred to as the end result or final outcome of a process. Objectives lead to action and help ensure the goal is reached. The results of objectives can be measured.

Organizing – A term referring to the basic management skill of being able to organize human and material resources in order to reach an organizational goal.

Open Meetings Act – The state law (AS 44.62.310-312) which spells out the requirement that all meetings of a governmental body of a public entity are open to the public, unless there is a legally sufficient reason to hold an executive session. The OMA defines a public entity as: an entity of the state or political subdivision of the state, including an agency, board, commission, University of Alaska, a public authority or corporation, a municipality, a school district, and other governmental units of the state or a political subdivision of the state. It does not include the court system or legislative branch of state government.

Organizational Chart – A diagram that illustrates an entity's organizational structure.

Ordinance – A law enacted by a municipality. Ordinances are adopted by the governing body and enforced by local officials within the municipal boundaries. Ordinances must be consistent with state and federal laws.

Ownership – The sense of having had input in the development of a plan and a stake in the plan's outcome. Ownership is fostered by involving the public, empowering individuals, and assigning responsibilities for taking action.

P

Phasing – The process of completing a project in systematic, logical steps.

Plan of Survey – A map of proposed 14(c) boundaries submitted by a Native Village Corporation to the U.S. Bureau of Land Management. If approved by the bureau, the map is used to perform a cadastral survey.

Planning – The process of identifying goals and how those goals will be achieved. Planning is the first stage of the management process

Political Subdivision – A unit of local government, such as a borough or city.

Population – The total number of people living in a certain area.

Population Density – The number of people living per unit of an area (e.g. per square mile).

Population Projection – An approximation of an area's population in the future based on available information. Population projections can help to estimate future needs for housing, other land uses, and sanitation systems in a community.

Preventative Maintenance – The regular inspection, care, servicing, adjustment, and correction of equipment and facilities in operation to prevent system failures before they occur.

Property Control – A system of recording ownership of personal and real property.

Public Entity – A group, body, or organization open to all and relating to or affecting everyone in a community.

Public Hearing – A formal, decision-making meeting or portion of a meeting set up to give members of the public a chance to speak on a particular subject.

Public Notice – A publicly posted and/or broadcast announcement used to inform local residents and other interested parties on an issue or event, such as the date, time, and place of a meeting of the governing body, board, committee, department, or other official group within a local government.

R

Repeal – To abolish (get rid of) an existing law.

Resolution – An official opinion of the governing body on a particular subject. It is a formal, written statement adopted by the governing body which may call attention to a municipal problem, voice support for an issue, voice disapproval of an issue, or direct that a group of persons study a problem and report to the governing body. Unlike an ordinance, a resolution has the effect of an official statement by the governing body, but may not necessarily have the force of law. Resolutions do not require a special introduction and a public hearing, as do ordinances.

Revenue – Income received by an organization.

Responsibilities – The specific duties assigned to stakeholders. Responsibilities are outlined in the ordinance and detailed in the employee's job descriptions, utility manuals etc.

Right-of-Way – A right or a privilege to pass over the land of another for a specific purpose.

Role – The overall position or purpose a stakeholder plays within their organization.

S

Sanitation Master Plan – A plan that documents a community's current and future needs for sanitation improvements. It presents the desired alternative that was selected by the community. In addition to an engineering analysis, it includes considerations of climate, physical conditions, population density, community capacity, capital costs, and associated costs.

Service Agreement – A written legal document between a utility and a customer requesting service and agreeing to the terms of service.

Site Control – Site control means that an organization or individual has a legally recognized right to use real property. Site control ensures the ability to control actions on the land that might have an effect on the improvements, such as community buildings.

Spokesperson – Someone who is able to answer questions about a plan from local residents and potentially speak at planning commission, assembly, or council meetings. This is one of the roles of a planning coordinator.

Stakeholder – Someone who is particularly interested in a group's efforts, is affected by a planned action, and/or is knowledgeable about a planned action.

Statute – A written state or federal law.

Survey – A sampling or full collection of opinions from people. Survey questions should be structured so that answers are easy to analyze and quantify. If feasible, the entire community should be included in the survey. It's a good idea to make sure the questions are understood.

T

Taking (Declaration of) – The taking of, and paying just compensation for, private land by a government for public purpose. Under the U.S. Constitution, property cannot be condemned through eminent domain for public use or purpose without just compensation.

Title 29 – The portion of the Alaska Statutes that deals with municipal governments. It is the set of laws which spell out many of the powers and functions of municipalities.

Trespass – An unlawful entry upon someone's property.

U

Unified Municipality – A home rule municipality formed by the unification of a borough and the cities within it using the process set out in Title 29 of state statute. The separate cities within the former borough are dissolved upon unification.

Unorganized Borough – The single area of the state that is located outside organized boroughs. The state legislature may establish, alter, or abolish service areas within the unorganized borough to provide special services such as schools, utilities, land use regulations, and fire protection.

Utilities – Public services, such as telephone, electricity, water, and transportation that may be provided by private firms, cooperatives, or local governments.

W

Washeteria – A self-service community facility where people typically can collect drinking water, take showers, and do laundry.

Work Group – A group of people who meet to provide input during the planning process. The group should be made up of people who represent the various interests of a community and who are willing to commit to actively participating in the planning process until it's complete.

Work Session – A meeting of the governing body called for purpose of working on a particular subject, such as a proposed ordinance or the budget. No official action may be taken at work sessions.

Z

Zoning – A process by which a local government can define, by zones, what land can be used for. A local government must have planning and land use regulatory powers to implement zoning.