

AUGUSTA REGIONAL SEWER AUTHORITY - REGIONAL SEWER PROJECT

UPDATED INFORMATION

August 6, 2018

The Augusta Regional Sewer Authority (ARSA) would like to take this moment to offer better explanation and clarification on many of the questions that have been posed in regards to the regional sewer project. The authority understands there is a lot of frustration, and it wants to ensure that as much correct information can be relayed to each of you as possible. Please understand that we are a new entity, so many of the fine details of operation are still being worked through. With that said, we want to relay the following information in hopes it will clear up many of the questions that have been posed to date.

We ask for your patience and we ask that you thoroughly read all the information that is provided to you by ARSA. We caution that any information you receive outside of what is issued from ARSA may not be correct. We ask that you continue to refer questions to ARSA if they are not answered within the information being provided.

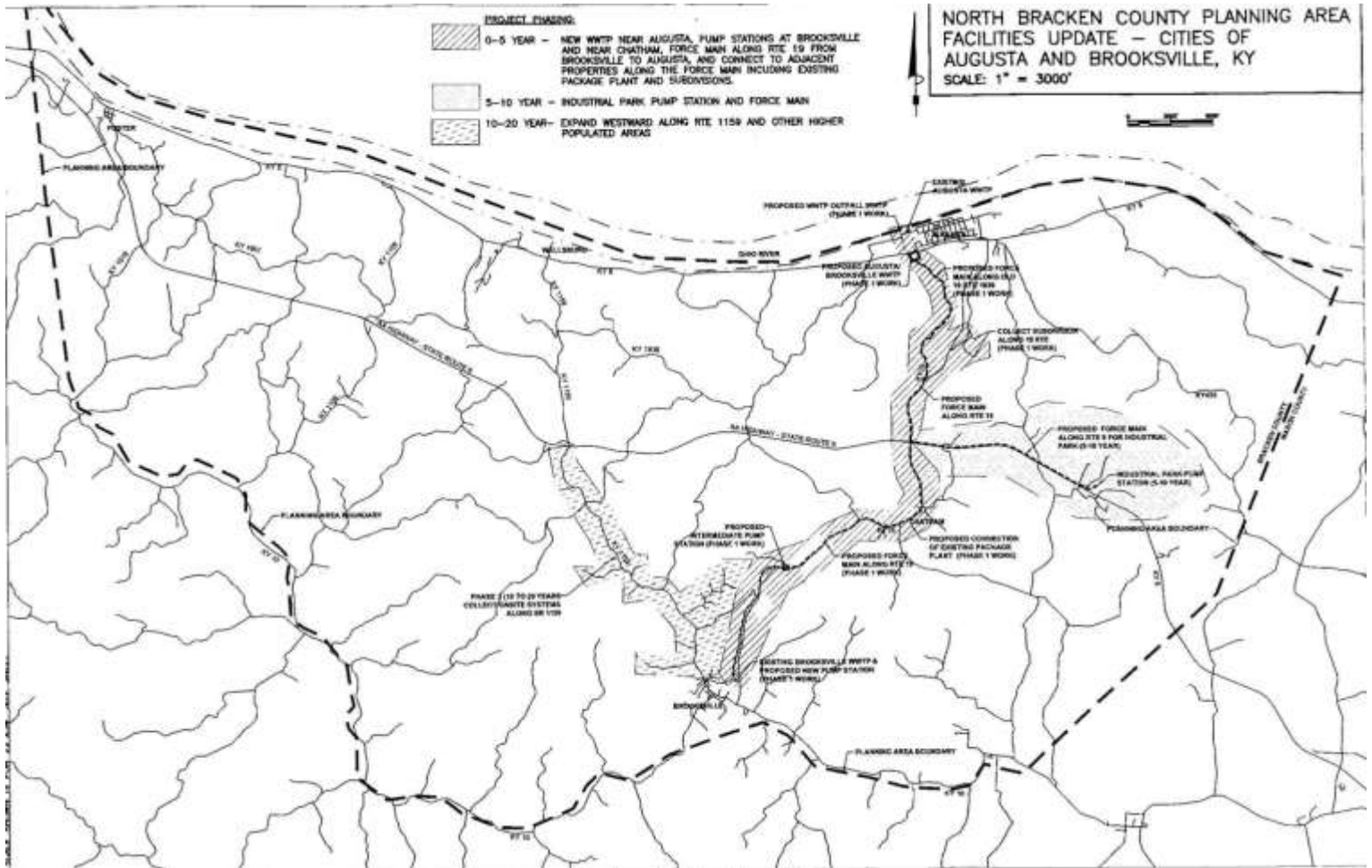
Information and Updates relating to the project (including the facility plan, rate information, meeting minutes and agendas, etc.) can be found at the Augusta Regional Sewer Authority website at <https://arsa.ky.gov>

You can also visit ARSA Facebook for updates <https://www.facebook.com/ARSA.KY.GOV>

Project History & Timeline

2005 – The City of Brooksville, City of Augusta, and Bracken County Fiscal Court, in a joint effort, secured an engineering firm to create a Regional Facility Plan (A Facility Plan is the process in which wastewater needs are evaluated, and alternates are developed, to meet the needs of a wastewater. The plan must conform to the requirements of 401KAR 5:006 and must be reviewed and approved by the Kentucky Division of water.)

2009 – The engineering firm provided informational updates with mapping to the Kentucky Division of Water, and various other state agencies, relative to the facility plan recommendation to construct a wastewater treatment plant that would initially serve both Cities, and residents along Route 19, including the collection of a subdivision along Rte 19 just south of Augusta. See Map Below.



Document Page 310 of the 2010 Facility Plan

2010 – Kentucky Division of Water approved the facility plan and its recommendations

2010 – The City of Augusta, City of Brooksville, and Bracken County Fiscal Court adopted the Facility plan

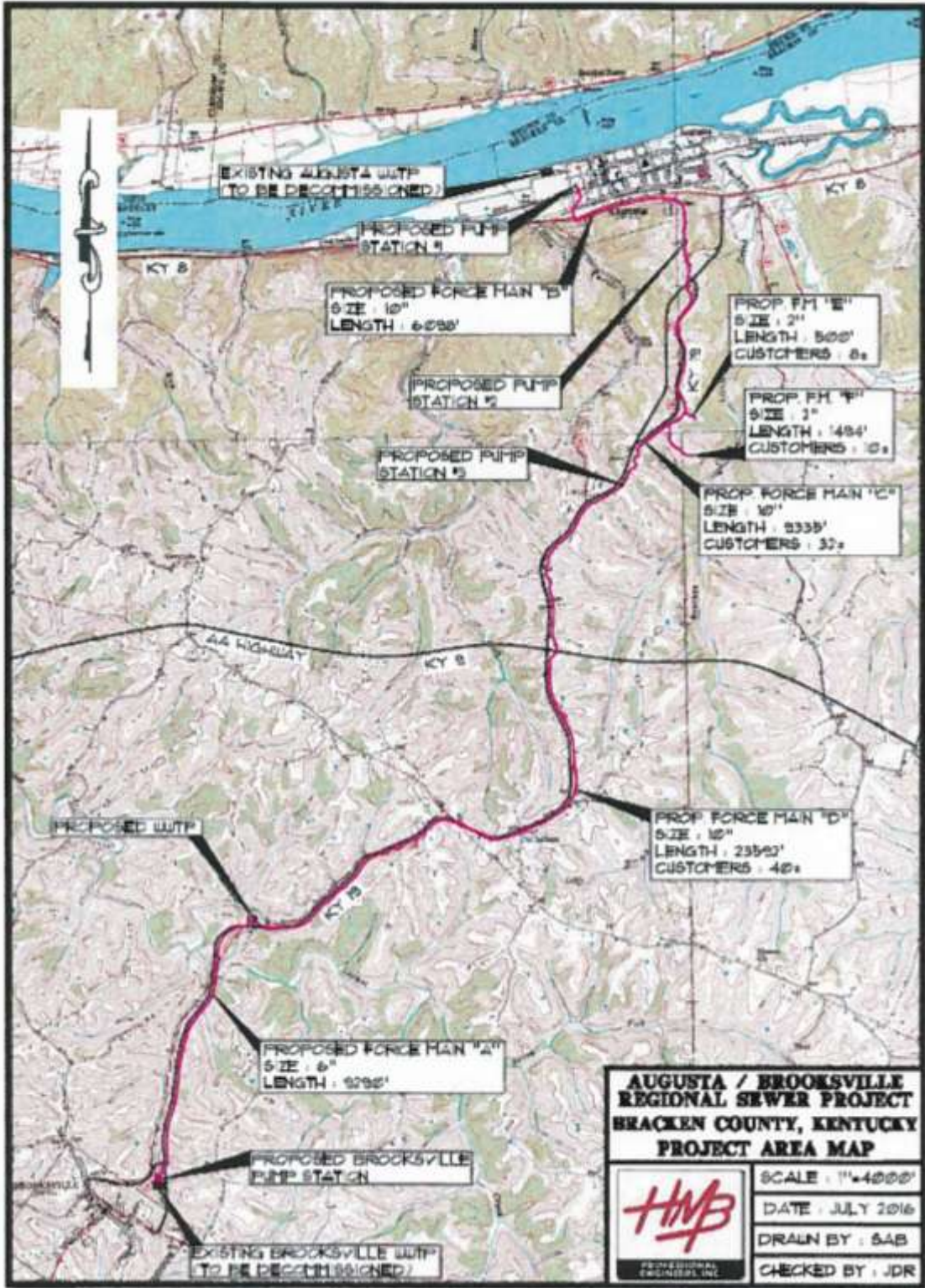
2014 – The Augusta Regional Sewer Authority (ARSA) was created by a joint resolution of the two Cities and the Fiscal Court. ARSA was formed as an instrument of the two Cities and County, to undertake planning, development, financing, and construction efforts of the project; and upon completion of the project, take full ownership of the entire collection system and treatment plant.

2016 – Amendment to the project was submitted to Division of Water for review and approval. This amendment changed the location of the wastewater treatment plant site, the route of the line exiting the City of Augusta, and proposed lift station locations.

2017 – Amendment to the project and Facility plan was reviewed and approved by Division of Water.

Amendments to the facility plan must be reviewed and approved by Division of Water

2018 – ARSA received 100% funding commitment to complete the project (Added Note: This project could not have been funded without the facility plan, its approval, and consultation between the funding agencies and Division of Water).



Federal, State, Local Mandate

Questions have been asked as to what federal or state law requires hook up. The original packet states users may be required to hook on, if certain criteria are met, according to federal, state, and local regulations. The project of the regional sewer is funded by federal dollars that are administered through state agencies; and one of the regulations/requirements of the funding is that the governing body requires mandatory sewer connection (i.e. mandatory hook up ordinance).

KY Division of Water Website states that in 1989, KRS Chapter 224A and 200 KAR17:050 were enacted to begin a financing program for wastewater projects, so communities could comply with the Clean Water Act. Kentucky's Energy and Environmental Cabinet's Division of Water and the Kentucky Infrastructure Authority, working together, provide communities with low-interest loans to comply with these requirements of the clean water act. (<http://water.ky.gov/Funding/Pages/CleanWaterStateRevolvingFund.aspx>). A requirement of the state funding agency, in allotting these funds, is that the governing body will..."to the maximum extent permitted by Kentucky law, and by means of ordinance, or other appropriate legislative order or action, mandatorily require the connection to and use of, the sanitary sewers constituting the project by all persons owning, renting, or occupying premises generating pollutants where such sanitary sewers are reasonably available to such premises..." (per the funding assistance agreement).

The Fiscal Court originally passed a mandatory hook up ordinance in 2004; however, the original ordinance stipulated that if the line abuts a property, the property owner would be required to hook on. This is not always feasible to do if the line crosses a large farm and the place of residence is on the opposite side several thousands of feet away. So, in 2017, the Fiscal Court revised the ordinance and put a certain footage requirement (300 ft) and also language that offered a temporary exemption to accommodate property owners that may have newer and well working septic systems that have not reached their life expectancy yet.

Application for Installation of Sanitary Sewerage Facilities and Agreement for Sanitary Sewerage

The original information packet had "Sign-up Deadline – August 15, 2018". This was in regards to the Application for Installation of Sanitary Sewerage and Agreement (also known as the user agreement). There is no legal requirement for users to sign this agreement. This application/agreement (user agreement) is a way to provide written request and consent from the home owner to the utility to obtain sewer service from ARSA once the line is in operation, and allow entry on to the property to install, maintain, and repair the lines and grinder pump.

The deadline for the User Agreement is necessary because the user agreement was created to provide property owners (that may be required to hook on later under the mandatory hook up ordinance) a way to have their service line and grinder pump paid for within the project to alleviate that burden of costs to the property owner. The utility has to know, prior to the project going to construction, which homes to account for in the project and which ones not too. There is no requirement to sign up now, however, those that do not sign and are required to hook on under the existing ordinance once the line is in operation (approximately 2 years from now), will have to pay the standard tap/connection fee, which

will include the cost of the service line, grinder pump, and labor. It is estimated this will be \$6,000 to \$7,000 at that time. The user agreements that are to be signed by August 15th are a way to alleviate that costs to users on the fore front. If a user agreement is not received by ARSA, the property will not be accounted for in the construction, and the cost of the service line, grinder pump, and labor will not be covered within the project.

Easements VS Agreements

The original packet sent out listed an “Easements” section within the “Information Sheet”. This section stated that the sanitary sewer agreement binds each customer to grant an easement.

To clarify, the only easements that are to be obtained on the project are for the main line. The majority of the force main line will be constructed within the state highway right of way.

The authority (utility) has opted to use the “Application for Installation of Sanitary Sewerage Facilities and Agreement for Sanitary Sewerage Services” (commonly referred to as the user agreement) in place of easements to access individual properties that only require installation of individual service line and grinder pump (not the main line). This application/agreement is NOT AN EASEMENT. It is instead, a way to provide written request and consent from the user to the utility (ARSA) for sewer service to the home. Section 3 of the agreement highlights that permission is granted for the utility (ARSA) to install, maintain and repair the individual home owner service line, grinder pump, and appurtenances. This is not an open ended easement. This is just to allow access to the service line and grinder pump for each individual property owner.

Specific locations of the service line and grinder pump are not identified in the agreement because the utility and engineer want to work with each property owner to put the line and grinder pump in a feasible location, while accommodating the property owners request for placement (if feasible for operation). Location of the available electric supply and plumbing exit from the house will play a large factor in determining the best placement of the grinder pump and line.

PLEASE SEE THE UPDATED ‘FREQUENTLY ASKED QUESTIONS (FAQ SHEET)’ ATTACHED TO THIS SHEET FOR ADDITIONAL QUESTION/ANSWERS; Sections 1 & 7

Grinder Pumps

There have been many questions about the grinder pumps that will be installed for new users. The installation of sewer will require each homeowner to have a grinder pump for the system to work correctly. The project will be using E/One grinder pumps, and a brochure that explains details about the pump is available on the ARSA website.

Videos are available on YouTube regarding E/One grinder Pumps

<https://www.youtube.com/watch?v=eeH72xfodoE>

<https://www.youtube.com/watch?v=MzgTpWWM7Bs>

<https://www.youtube.com/watch?v=LWYPbzig8knw>

https://www.youtube.com/watch?v=nqo_kPaObFk

PLEASE SEE THE UPDATED 'FREQUENTLY ASKED QUESTIONS (FAQ SHEET)' ATTACHED TO THIS SHEET FOR ADDITIONAL QUESTION/ANSWERS – Section 3 – Grinder Pumps;

Pump Stations

The below picture illustrates what a typical pump station will look like. There are a total of four pump stations included within this project.



Rates

Rates and charges for the facilities and services are required to be set to meet, at minimum, the cost of maintaining, repairing, and operating the sewer system, plus meet the obligations of debt incurred, at

the terms stipulated by the funding agreements. Rates will be reviewed annually, and initial rates have been projected already, by the funding agencies, and are based upon the ESTIMATES of construction and project costs. These rates are PROJECTIONS, and may change upon completion of the project.

PLEASE SEE THE UPDATED 'FREQUENTLY ASKED QUESTIONS (FAQ SHEET)' ATTACHED TO THIS SHEET FOR ADDITIONAL QUESTION/ANSWERS; Section 6, for more information on Rates

Agricultural Use of Water

ARSA is working with the Bracken County Water District, the City of Augusta, and City of Brooksville to find the most feasible solution to this problem. ARSA will not charge sewage rates on water that is being used strictly for agricultural purposes and not returning to the collection system for treatment.

PLEASE SEE THE UPDATED 'FREQUENTLY ASKED QUESTIONS (FAQ SHEET)' ATTACHED TO THIS SHEET FOR ADDITIONAL QUESTION/ANSWERS; Section 4; Question 9, for more information