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Print Page

[News]

City Rebating \$31K In Fees But Still Wants To Raise Them

By Wayne Trotter

The City of Shawnee will refund almost \$31,000 to contractors and others who paid inflated water and sewer tap fees over the past six months, city commissioners agreed this week.

But then the city will go back to the drawing boards to try to find a more sensible and perhaps defensible way to inflate the same fees again.

That was the net result of the discussion and vote surrounding the 6-0 adoption of a resolution authorizing the refunds at Monday night's commission meeting. One commissioner, Marva O'Neal, was absent.

Monday's resolution represented the last step in a six-month process rolling back higher fees the commission imposed last November at the urging of former Utilities Director Afsaneh Jabbar. Some of the fees were hiked by as much as 1500 percent.

Following complaints from developers and charges from at least one commissioner, the November ordinance was repealed in May and staffers were told to figure up the difference between the two fee levels.

Community Development Director Mike Southard presented that information at Monday's meeting and said it could take as long as four weeks to process the refunds. The largest will be for \$9,500 to Damax Development and the second largest of \$5,375 will go to Bryant Builders.

But in their discussion, commissioners made it clear that the old rate flat rate schedule of \$150 for a water tap and \$100 for a sewer tap was way too low and still needs to be revised. One of the shortcomings in the eyes of commissioners is that the old schedule charges the same for residential and commercial. On several occasions, commissioners have pointed out that Wal-Mart paid the same for a tap as someone building a home.

"This still has to be increased," Mayor Chuck Mills commented Monday night. "It is a revenue generator for SMA (the Shawnee Municipal Authority) and we ought to have at least some commercial rates." He asked Southard whether the staff planned to use a consultant or do the research itself.

"We're looking for some outside firms to help us evaluate," replied Southard. He suggested that a new tap fee schedule might be divided into two parts and include an "impact fee" that could help amortize costs over a longer term.

"The impact fee would go into a capital account to, say, expand the water treatment plant or to enlarge a specific water or sewer line," Southard said.

"We'd be projecting like a regular business would for replacement costs and growth?" quipped the mayor. "That's amazing."

“We’re catching on,” replied Southard.

When Jabbar recommended the sharp increases in tap fees last November, she expressed hopes that they would raise between \$100,000 and \$125,000 a year in new revenues. The subject was first raised in public in June 2006, and on Nov. 6 the commission approved her proposed new schedule in principle but had to wait until its next meeting to do it formally because Jabbar did not have an ordinance ready.

The new schedule was complicated. It increased the \$100 sewer fee to as much as \$1,000 depending on the size of pipe being used and water fees from the flat \$150 to as much as \$2,500 plus an additional \$6,000 for the meter in the case of an eight-inch installation.

In March, Commissioner Pam Stephens questioned whether city administrators fully informed contractors and “other interested parties” about the increases in water and sewer tap fees before they were implemented. That complaint was part of a two-pronged prepared statement that also accused City Manager Jim Collard and Jabbar of making misleading statements about a contract to buy water from Oklahoma City.

The statement said Stephens was “led to believe” that local contractors were fully aware of the proposed hike. “After I approved that, I learned they were not,” she said in the written statement.

At Monday night’s meeting, Stephens said a cost analysis would be necessary for the commission to justify an increase. She suggested there were no numbers to back up the original hike.

“The person who did it isn’t here,” commented Mills.

“Exactly,” agreed Stephens.

New Utilities Director Jim Bierd was asked if he had the records to support that hike. Bierd said the only records he could find consisted of the presentation she made before the commission. Jabbar used PowerPoint to present that.

Stephens suggested that the records might have been given to former City Treasurer Becky Cragin. Cragin was under fire from Stephens and Commissioner Tom Schrzan when she resigned in March.

Stephens said she attended one meeting at which “the comment was made that those records were given to the former city treasurer and the records are no where to be found.” As a result, she continued, there was “no way to back up the dollar amount” that was requested.

In other action Monday night, the commission:

- Paved the way for a future commission to decide whether to bow out of a pass-through relationship between 28 Twin Lakes leaseholders and the School Land Commission. The City Commission voted to standardize those leases on a three-year cycle to match the one the state group uses. The lots are on land that for years was thought to under city ownership but which turned out to be on school land. The city is now acting as a middleman and is losing money. By bringing the leases into a matching cycle, a future commission would be free to just drop out of the picture if it wanted to and let the leaseholders and the state deal directly with one another.
- Renamed Stonehenge Park at the Twin Lakes in memory of Glen Collins, the lake ranger who was killed in a car crash at Lake Road and Hwy. 102. The commission also changed closing times at that park and at Issac Walton Park at the lake from 30 minutes after sundown to 9 p.m. Police had complained that the 30-minute rule was confusing.
- Awarded a contract to remodel the old jail and Police Department office area in the basement of City Hall.

- Authorized emergency repairs where a sinkhole developed on Dewey after the hard rains of last week. Bierd said he had checked with three prospective contractors and the lowest was Jordan Contractors of Tecumseh at a little more than \$109,000.

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