



Grayson County Public Service Authority

P.O. Box 217, Independence, VA 24348

January 13, 2022

MEETING MINUTES Of the Public Service Authority

Members Present

Kenneth R. Belton
Michael S. Hash
R. Brantley Ivey
Tracy A. Anderson
John S Fant (attended by Teleconference)

Staff Present

Paul Hoyle
Mitch Smith
Keith Anderson

Member(s) Absent

Staff Absent

CALL TO ORDER

- Mr. Hoyle, Director, called the meeting to order.

ELECTION OF CHAIR AND VICE CHAIR AND CLERK

- Mr. Belton nominated Mr. Fant for Chair; duly seconded by Mr. Ivey. Motion carried 4-0 with Mr. Fant abstaining from voting. Mr. Fant noted he will chair the meeting, but Mr. Hoyle will run the meeting.
- Mr. Belton nominated Mr. Hash for Vice Chair; duly seconded by Mr. Anderson. Motion carried 4-0 with Mr. Hash abstaining from voting.
- Mr. Hash nominated Mr. Hoyle as the Clerk; duly seconded by Mr. Belton. Motion carried 5-0.

APPROVAL OF AGENDA/CONSENT AGENDA

- Mr. Ivey made the motion to approve the agenda/consent agenda; duly seconded by Mr. Hash. Motion carried 5-0.

OLD BUSINESS

- None

NEW BUSINESS

- Emergency Alert Messaging for Water Customers: Mr. Hoyle went over the draft message with the Board and explained that this would be sent out to all active water accounts. Mr. Hoyle explained that in a couple of cases over the last few months, that either repairs that were required to secure water or leaks that needed to be addressed, some people didn't receive notification through our normal means of notification with the primary notification through the Everbridge system but not all of our customers are on it so this is a reinforcement for all our customers to get signed up on Everbridge so they can receive the notifications. Mr. Hoyle will work with the Treasures office to include this message (listed below) with the billing cycle invoice.

Grayson County Water Consumer,

On occasion, maintenance performed by the Grayson County Public Service Authority requires scheduled water outages. In addition, when major leaks occur, repairs generally result in outages and boiling water notices. We work hard to minimize these interruptions to your water service, but when they do happen, we strive to keep you informed. To facilitate these critical communications regarding your water system, Grayson County Public Service Authority uses the Everbridge Emergency Alert Program. In order to be informed of conditions affecting your water service, please go to:

<https://member.everbridge.net/453003085613488/login> and sign up for an account. There is no fee to sign up for the Everbridge Emergency Alert Program and you can also choose to receive information on other emergency conditions that may affect Grayson County residents.

This link is also available on the bottom of the Grayson County website at: <https://www.graysoncountyva.gov/> Please feel free to contact me if I can provide further information.

Thank you.

Paul Hoyle
Emergency Services Coordinator
Director, Public Service Authority
Grayson County, Virginia
122 Davis Street - P. O. Box 217
Independence, Va. 24348
(276) 773-2471 ext. 157 - Office
(276) 768-6244 – Cel

- ServLine Leak Insurance Proposal (listed below): Mr. Hoyle noted that in working with the water systems, one (1) thing he's been concerned about is that while we do have a process for billing forgiveness if a customer has a water leak it doesn't provide any protection for the county, however we do have the billing forgiveness for a customer which is once per twelve (12) month billing cycle. If that does happen, instead of the individual paying the bill, the county is paying for it. In speaking with some of the surrounding counties, and one (1) of the things that is most frequently used is the Leak Insurance. If this is instituted and made part of our accounting process then our customers would be signed up for the insurance and if they have a leak that goes two (2) times their normal bill, then everything would go through ServLine and they (ServLine) would then cover that loss and they would work through the Treasurer's office for the accounting end. If it's something that's on the county's side of the

meter, then the county would also be protected and able to make a claim. Mr. Hoyle hit some highlights of the protection proposal:

- (1) Would take the Treasurer's office out of problem solving for someone having a water leak, which would free up Treasurer's office staff– they would talk to a ServLine rep
- (2) For residential accounts only which is all we have
- (3) A fee would be added to the account holders and based on the number of accounts we have, we could choose if they wanted a \$500, \$1,000 or \$2,500 limit per occurrence. Mr. Hoyle noted that based on our previous leak history, he would recommend either the \$500 or \$1,000 limit which would add \$2.00 to each account holder per billing cycle.
- (4) It can be set up as an opt-out program and current customers would be notified as a change and would show up as a fee change on their bill – customer would have up to twelve (12) months to contact the county to opt out - it's not a mandatory program.
- (5) Mr. Hoyle suggested modifying our own forgiveness policy if we decide to implement ServLine and remove our own forgiveness program. Anyone who chooses not to opt in, would be liable for the full amount.
- (6) Mr. Hoyle noted this is not an urgent matter, wanted to give the information to the board, gather questions over the next couple of months to send in to ServLine and suggested at a meeting in the future, have ServLine on the phone to answer any specific questions and then decide how to proceed.

Mr. Belton noted if we are in and the customer can opt in or out – we are still up to the meter and Mr. Hoyle noted that we are liable up to the meter – we have the option of accepting the insurance, then if we have a leak, our portion would be covered. Mr. Hoyle noted that the biggest savings would be for the customers that we forgive their bill which have been significant and currently to maintain good relations with our customers, we have been footing the bill. In looking at the January billing for the last two (2) months, we can only account for about 66% - there's a big difference in what we are paying for and what we are collecting for. Mr. Anderson inquired if we would be paying \$2.00 for every customer and Mr. Hall noted that no, that would go directly to each customer on their bill. Mr. Anderson inquired about the cost to participate as a county and Mr. Hoyle noted that it's his understanding if we are billing the customer then it's all part of that fund and covers us as well but will double check to make sure. Mr. Fant inquired about Troutdale and Fries, even though the county doesn't run it, have any insurance now and Mr. Hoyle noted that they do not. Mr. Fant inquired about the benefit of them being included with the county – would that alter rates; Mr. Hoyle noted that there's a possibility but not sure if ServLine would allow it since it is different water services – Mr. Hoyle noted that he would check on that. Mr. Fant suggested Mr. Hoyle reach out to Troutdale and Fries to see if they are even interested in coming on board with us or independently. Mr. Hash noted that Fries currently has 450 water customers and Mr. Keith Anderson stated that Troutdale has approximately 43 water customers. Mr. Hoyle will collect the information and will work to have ServLine do a more formal presentation



PROPOSAL

SERVLINE UTILITIES PROTECTION

We pay for high water bills caused by customer leaks

HOMESERVE USA
7134 Lee Highway, Chattanooga, TN 37421
1 (866) 974-4801, info@servline.com, www.servline.com

Prepared For

COUNTY OF GRAYSON

PO Box 217
Independence, VA 24348

Proposal Issued: December 6, 2021

Proposal Valid:

30 Days from Issue Date

This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company. Insurance for the ServLine program is issued to utilities and placed through HomeServe USA Repair Management Corp. (HSRM), a licensed insurance agency. In California, HSRM does business as HomeServe NA Insurance Services (California License # 0F79326). ServLine is a registered trademark.

EXECUTIVE SUMMARY – UTILITY & COMMUNITY PROTECTION

COUNTY OF GRAYSON

We understand that you are tirelessly working to improve and supply the best overall product while also often thanklessly striving to offer excellent customer service.

DESPITE ALL YOUR EFFORT – CUSTOMER LEAKS STILL CAUSE

- Financial Strain
- Administrative *and* Customer Burden
- Issues to Undermine Public Perception

MEET SERVLIN BY HOMESERVE

ServLine is a full-service customer leak solution. We pay for high water bills caused by customer leaks by insuring the Utility. More specifically, by insuring the Leak Protection Program and then administering it on your behalf.

- Financial Assistance
- Administrative Support & Customer Relief
- Public Relations Credibility

PROGRAM COMPARISON SIDE BY SIDE – LAP & LPP

COMPARISON TERMS

- LAP: Leak Adjustment Policy
- LPP: Leak Protection Program
- Frequency: Determined by the number of times an adjustment can be filed in a given time
- Qualifications: Determined by whether or not there is a limit that must be met prior to allowing for an adjustment
- Benefits are reflective of your current Leak Adjustment Policy & data
- Benefits are determined by how customer leaks are being adjusted. Unprovided benefits will not be covered

COUNTY OF GRAYSON - CURRENT LAP

BENEFIT FREQUENCY

No Written Leak Adjustment Policy
No billing cycle frequency allowance stated

BENEFIT QUALIFIER

No Written Leak Adjustment Policy

ADDITIONAL COVERED BENEFITS

Irrigation Systems

SERVLINE LEAK PROTECTION PROGRAM (LPP)

BENEFIT FREQUENCY

1 Occurrence/ 12-month period
2 Consecutive billing cycles allowed per occurrence
Ex. 1 billing cycle (month bill), 2 billing cycles (months)

BENEFIT QUALIFIER

2x Average Bill

ADDITIONAL COVERED BENEFITS

Dripping/ Leaking Faucets
Running Toilets/ Commodes
Irrigation Systems

PROPOSED SAMPLE LEAK PROTECTION PROGRAM POLICY (LPP)

COUNTY OF GRAYSON

PROPOSED SAMPLE LEAK PROTECTION PROGRAM POLICY

County of Grayson is changing our Leak Adjustment Policy effective DATE 1, 2021.
The following are qualifications for leak adjustments for the County of Grayson:

1. It is the customer's responsibility to keep his plumbing system in good working order.
2. No customer shall receive more than one (1) leak adjustment that could incorporate a maximum of two (2) billing cycles during any twelve (12) month period.
3. To qualify for a leak adjustment, the eligible plumbing leak must generate a minimum additional charge of at least two (2) times the average of the past twelve (12) months' bills.
4. Adjustments on water bills will NOT be made on the following:
 - a. Residential Customers who do not have their own water meter.
 - b. *Commercial or Industrial Customers. (OPTIONAL)*
 - c. Premises left or abandoned without reasonable care for the plumbing system.
 - d. Leaks in water features such as fountains, etc., leaks on any water lines coming off the primary water service line, plumbing leaks in any structure other than the primary residence.
 - e. Negligent acts such as leaving water running.
 - f. Excess water charges not directly resulting from a qualifying plumbing leak.
 - g. Filling of swimming pools or leaks in swimming pools.
 - h. Watering of lawns or gardens.
 - i. *Master-metered multi-habitational accounts. (OPTIONAL)*
5. In the event of a qualifying leak adjustment, the customer will be responsible for paying their average bill. The average bill will be calculated using the previous twelve (12) months' bills, excluding the high bills pertaining to the qualifying leak. The leak adjustment amount will be reimbursed up to County of Grayson's chosen protection limit less the customer's average bill.
6. The County of Grayson shall not be obligated to make adjustments of any bills not submitted for adjustment within ninety (90) days from the billing date.
7. Customers must present proof that a leak has been repaired before an adjustment will be made. (i.e. copy of invoice for materials or bill from plumber)
8. In any case where a customer might incur a leak before there is three (3) months of average usage, an adjustment will not be made until they have established three (3) months of average usage.
9. Any enrolled customer may decline to participate in our ServLine Leak Protection Program by calling Phone Number. Any customer declining to participate in the program will be responsible for the full amount of their water bill with no adjustments being made. Our new County of Grayson ServLine Program is the only way qualifying leak adjustments will be made for leaks occurring after DATE 1, 2021.



LEAK PROTECTION PROGRAM

Imagine what you could do if you were paid for every customer's high water bill – and no longer had to manage their frustration over having to pay for it.

WATER LEAK PROTECTION

Limit of Protection	Residential Rate	Commercial Rate Single-Occupancy	Commercial Rate Multiple-Occupancy
\$500 (Per Occurrence)	\$1.75	\$4.70	\$9.40
\$1,000 (Per Occurrence)	\$2.00	\$5.60	\$11.20
\$2,500 (Per Occurrence)	\$2.35	\$6.50	\$13.00

Deductible Reporting Conditions Reporting & Adjustment Period

Waived Customer Schedule Monthly

Special Terms and Conditions

- Coverage will be designed to reflect County of Grayson's Leak Protection Guidelines and eligibility established with ServLine.
- Master Metered Habitational (Residential Only) \$2.50 per unit
 - Limit Applies to Property Only and does not apply to units directly.
- Charges will be applied to the customers' utility bill.
- Limit of protection to be selected by the Utility.

Note: 10% Discount on rates if the above coverages are offered by electing to include in your base rate rather than on the utility bill.



APPENDIX

LEAK PROTECTION PROGRAM DEFINITIONS

- Water Leak Protection**
Water Leak Protection covers excess water bills caused by a qualifying leak on the customer's side of the meter/point of responsibility. Developed in cooperation with ServLine and set according to the Utility's newly established Leak Protection Guidelines.
- Sewer Leak Protection**
Sewer Leak Protection covers excess sewer bills in the event of a qualifying leak at the customer's point of responsibility. Developed in cooperation with ServLine and set according to the Utility's newly established Leak Protection Guidelines.
- Residential**
Residential is defined as 2" meters or less with a single residential unit occupied as a residency. A qualifying unit must have a single meter to which it can be accounted for independently.
- Commercial**
Commercial is defined as 2" meters or less with business or agricultural occupancy excluding master-metered habitational. A qualifying unit must have a single meter to which it can be accounted for independently.
Single Occupancy - Building has one business occupying space.
Multiple Occupancy - Building has more than one business occupying space.

- **Master-Metered Habitational**
Multi-Unit residential property with a master-meter measuring usage for all units.
- **Farms**
Residential Farm: Any farm that is a hobby or that does not derive additional income. There is no Agriculture meter or separate metered structures on the property and meets residential definition of the insurance company.
Commercial Farm: Any Farm that has an Agriculture meter/meter that services barns, cattle troughs, or other structures. Any Farm who derives income from the activities of the farm.
- **Rates w/ Data**
The rates furnished in this Proposal are determined by the data you have provided. It is mutually understood that the data produced, along with your explanation of how to interpret what is included in your data is done so in good faith and is complete and true to the best of your knowledge. All other factors have been determined in partnership with ServLine.
- **Leak Protection Program**
The ServLine Leak Protection Program enhances your current Leak Adjustment Policy and acts as a superseding document which will overlay your existing policy with the given enhancements. All qualifying customer leaks would adhere first to your ServLine Leak Protection Program and then would be addressed by your existing Leak Adjustment Policy. As a recommendation - Your Leak Adjustment Policy would be updated to address unqualifying leaks rather than qualifying customers who choose to decline protection.

SUMMARY FOR LEAK PROTECTION PROGRAM

BILLING

Agency Monthly Reporting

PROJECT SCOPE & PROCESS

- Approval of ServLine
- Program Implementation
- Utility Staff Training
- Announcement Materials
- Setup and Integration
- ServLine Administers Leak Protection Program
- ServLine Handles Claims, Payments and Customer Service

TERMS AND CONDITIONS

Terms and conditions outlined in the quote may differ from the specifications submitted; please review the specific coverage part for details on coverage and exclusions.

Average claims payment is between 10 - 20 Days.
Claims volume is due to change with seasons or other unforeseen events.
Pricing does not include taxes.

Reports & Premium due by the 15th of the month following a reporting period.
Example: Participating customers for month of January would be due no later than February 15th.
Premium payments include all participating customers and are not dependent on customer payment to the utility nor pending claims payments.

*This quote is valid for thirty (30) days from the date of this letter.
All rates are per participating customer per month.*

THANK YOU

Thank you for your interest in becoming a valuable client of ServLine. We exist to make your Utility stronger and help you achieve your goals. One of our chief goals is to serve you and to earn the privilege of being one of your favorite service providers. The ServLine team is always looking to establish long-term meaningful relationships with the opportunity to serve your Utility and your customers with integrity and excellence.

DISCLAIMER

This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company.



TERRORISM RISK INSURANCE ACT

We are under mandate to present and offer the final two pages of this proposal. The following is terrorism insurance coverage. Please either accept or decline if you proceed with ServLine.

Note: *This is a separate coverage that insures payment for losses that occur as the result of a certified act of terrorism. Please inquire for additional information.*

TERRORISM RISK INSURANCE ACT OF 2002 DISCLOSURE

The "Terrorism Risk Insurance Act of 2002" establishes a program within the Department of Treasury in which the Federal Government will share the risk of loss from terrorist attacks with the insurance industry. Federal participation will be triggered when the Secretary of the Treasury certifies an act of terrorism, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism committed by an individual(s) acting on behalf of any foreign interest, provided the terrorist act results in aggregate losses in excess of \$5 million. With respect to insured losses resulting from a certified act of terrorism, the Federal Government will reimburse individual insurers for 90% of the losses in excess of the insurer's retention, which is based on a specified percentage of the insurer's earned premium for the year preceding the loss. Insured losses covered by the program are capped at \$100 billion per year unless subsequent action of Congress changes that amount; this provision serves to limit insurers' liability for losses. All insurers providing commercial property insurance are required to participate in the program to the extent of offering and making available coverage for certified acts of terrorism in accordance with the terms and conditions of coverage which apply to other perils.

Terrorism Premium: \$ 1% of premium

This quote outlines coverages and does not necessarily include all coverages requested on the application provided. Only coverages outlined above will be provided.

PUBLIC COMMENTS

- None

EXECUTIVE SESSION

- None

ADJOURN

- Mr. Belton made the motion to adjourn; duly seconded by Mr. Hash. Motion carried 5-0.