

# Sewer System Capital Rehabilitation Project and Sewer Rates

To complete the necessary rehabilitation on the Borough's sewer system to be compliant with the Administrative Order issued by United States Environmental Protection Agency (USEPA) in 2009, Borough Council advertised for bank loan proposals in February 2017. Macungie Borough Council awarded the \$3,845,000 loan contract to New Tripoli Bank for 11.5 years at the fixed interest rate of 2.52% annually.

Over the next three years these loan funds will be used to complete Phase 1 of the Borough's Capital Rehabilitation Plan which includes lining approximately 19,794 L.F. of sewer main, installing approximately 150 lateral cleanouts, performing closed circuit television inspections and lining of 600 laterals and performing inspection and rehabilitation of 200 manholes. This is a very aggressive rehabilitation program requiring adhering to a strict task schedule for bidding and rehabilitation.

To repay the Sewer Capital Rehabilitation loan, Borough Council adopted Ordinance 2016-10 amending the metered sewer rates for commercial, residential, industrial and institutional establishments utilizing the Borough's sewer system. For operation and maintenance of the system, all properties connected to the Borough's sewer system will be assessed a fixed sewer service fee of \$28.33 per quarter per billing unit/EDU and a flow charge of \$3.54 per 1,000 gallons per quarter per billing unit/EDU, with the flow being determined by the water meter reading. All properties outside the Borough limits that are connected to the Borough sewer system but do not have a water meter, shall have the flow based on an assumed usage of 200 gallons per day. As you can see the fixed sewer rate has been lowered from the prior rate of \$43.56, a \$15.23 decrease in cost. This rate decrease is a result of moving the I&I expenses into the Sewer Capital Rehabilitation Project.

In addition to amending the quarterly fixed rate for operation and maintenance, Borough Council established a fixed sewer system rehabilitation and capital improvement fee. **All** properties connected to the Borough's sewer system will be assessed a fixed sewer system rehabilitation and capital improvement fee of \$64.50 per quarter per billing unit/EDU to fund the sewer system rehabilitation and capital improvements debt service.

These new rates took effect January 1, 2017 and will be reflected in your April utility bill. If you have any questions about your bill, please call the Borough Office, Monday thru Friday, 8:00 a.m. to 4:30 p.m.

For information on how you can learn more about the Borough's Sewer Rehabilitation Program, see the "Rain Storm Ready" article on page 10 in this newsletter.