

## SEWER RATE INCREASE 2015

### Why is the sewer rate increasing in 2015?

As has been widely reported, the City of Reading wastewater treatment plant at Fritz Island is mandated to perform certain upgrades. Some of those upgrades have already begun. Cumru Township sends 98% of its sanitary sewer effluent to Fritz Island. Sewer customers in all of the municipalities sending sewer effluent to Fritz Island, including Cumru Township, are responsible for a portion of the cost of these upgrades. Certain additional charges from the City of Reading will begin to increase over the next few years. Cumru Township's only source of income to pay these costs is the quarterly fee charged to its sewer customers.

Rather than imposing a sudden, steep increase in the sewer rate, Cumru Township endorsed a strategy in 2012 of gradually raising the sewer rate to pay for the estimated cost of Fritz Island upgrades and other charges by the City of Reading. Several municipalities have adopted this strategy, with a rate increase projected to be between 8% and 8.25% annually for 9 years. Each year, a certain amount of the sewer fund balance is designated for payment of the City charges described above. The sewer rate is reviewed each year as part of the annual budget preparation. This strategy was discussed at public meetings in 2012, 2013, and 2014.

The 2015 sewer rate increase will be 8.1% (rounded). A metered account will pay \$110.00 for a minimum charge on the first 7,500 gallons of water consumption and an unmetered (well) account will pay a flat rate of \$153.00 per equivalent dwelling unit, or EDU.

The Municipal Authority of Cumru, the advisory committee on sewer matters to the Board of Commissioners, is recommending a project in 2015 to meter the wells of those sanitary sewer customers with on lot water. After metering, those customers will be billed in the same way as customers on public water and many may experience a reduction in their sewer bills. More information on this project will be forthcoming as specifications are developed.

### Rate History

DATE	RATE	EFFECTIVE BILLING
11/2004	\$66.00 for 12,500 gal; \$.00528/gal over (wells \$92 flat per EDU)	February billing 2005
12/2007	\$83.00 for 12,500 gal; \$.00664/gal over (wells \$115 flat per EDU)	February billing 2008
5/2010	\$87.00 for 7,500 gal; \$.013125/gal over (wells \$120 flat per EDU)	May billing 2010
12/2012	\$94.00 for 7,500 gal; \$.0142/gal over (wells \$130 flat per EDU)	February billing 2013
12/2013	\$102.00 for 7,500 gal; \$.0136/gal over (wells \$141 flat per EDU)	February billing 2014
12/2014	\$110.00 for 7,500 gal; \$.0147/gal over (wells \$153 flat per EDU)	February billing 2015

### Comparison to other Municipalities that utilize Fritz Island for treatment

	CUMRU	MUHLENBERG	KENHORST	READING (5/8" METER)
<b>MINIMUM BILL</b>	\$110.00/QTR	\$162.62/QTR	\$100.00/QTR	\$28.93/MO (\$86.79/QTR)
<b>MINIMUM USAGE FOR SEWER RATE</b>	7,500 GAL/QTR \$.0147/GAL ABOVE MIN	1,600 CU FT/QTR (12,000 GAL/QTR) \$8.88 PER 100 CU FT ABOVE MIN	12,500 GAL/QTR \$.0072/GAL ABOVE MIN	2,000 GAL/MO (6,000 GAL/QTR) \$8.83 PER 1,000 GAL ABOVE MIN