Discussion points on Act 537/required sewer projects

1. The Township submitted an Act 537 Plan in 1987, which was rejected by DEP. The Township appealed that decision, and eventually a plan was approved in 1989. That plan called for the installation of sewer in Duke Street/Grandview Manor and Diff’s Corner/Arwin Acres within 5 years and Crestview Manor and Sand Beach with 10 years. These projects were never implemented.

2. The reason for the requirement for public sewer --- it is based upon the percentage of septic systems in those areas that are malfunctioning, and well water sampling. These factors indicate the potential for drinking water contamination, and potential environmental impacts due to failing septic systems.

3. The Township prepared a draft revision to the Act 537 plan in 2011, which did not call for public sewer to be installed, only a sewage management program. DEP rejected the plan, indicating it failed “to contain sufficient information to demonstrate that the chosen alternative can adequately provide for the future disposal needs of the municipality.” DEP also required additional testing in five specific areas of the Township.

4. Additional testing was completed, and it indicated that public sewer was required in all five areas.

5. Although the cost to install public sewers in all 5 areas was estimated to be close to $18 million, only 3 of the 5 areas are required by the plan to have public sewer installed within the next 10 years (the timeframe the plan examines).

6. The estimated cost for installation of sewer in the 3 areas required by the Act 537 Plan is $5,436,000.

7. The cost for sewer installation in the other two areas amounts to $12,290,000 of the $18 million, and it is anticipated that in-fill development in these areas will result in developer installed facilities that will reduce that burden on the Township.

8. The cost of design is estimated at less than 10% of the cost of construction (and is already budgeted for 2019 from existing funds). There are no increases to sewer rates or tax rates proposed to pay for the design of the projects.

9. The existing sewer system was installed utilizing federal funds available at the time, which accounted for up to 80% of the cost of installation. Those funds are no longer available.

10. It is estimated that the increase in sewer rates, should the cost be spread over all customers, existing and proposed, will increase $12 a month. The existing rate of $40/month would increase to $52/month.

11. If separate sewer districts were created, where the cost of improvements were paid for by only the new customers, rates would be in the range of $125-$250 per month.

12. The Township is going to pursue low interest loans from PENNVEST and USDA to finance the projects. The Township will also provide information to residents on loan and grant programs available to residents to finance tapping fees and lateral installation.