

**Pebble Ridge/Wood Ridge Sewer Project
Frequently Asked Questions**

HISTORY

1. When did the Township begin researching this project?

Response: The Township began researching sewerage of this area of the Township along with two other areas in the late 1990's. In the early 2000's the two other areas had sewer systems installed. In 1998, Boucher and James a local engineering firm conducted on-site observations of on lot disposal systems (OLDS) in the Pebble Ridge/Woodridge area and found a significant amount of malfunctioning OLDS in the area. The Township had Boucher and James repeat the same on-site observation program in 2008 the results were the same. The Septage Management Program the Township implemented in 2001 was expected to resolve the issues of malfunctioning OLDS in this area by 100%, however, it did not.

2. Why do we need public sewers?

Response: The need for public sewers was confirmed through the Township's 3M 537 Amendment in 2013. The 3M documented the malfunctioning on lot systems, the underlying poorly draining soils and the highest level of fecal coliform going into the streams from storm water outfalls from this area. The storm water samples were DNA tested and came back human. In addition, the Bucks County Health Department in March of 2005 recommended to the Township that we explore the possibility of bringing public sewer to this area due to the accumulation of system failures and malfunctions. For these reasons a sanitary sewer pipe in the street was recommended.

3. What research was done into other options?

Response: As part of the 3M 537 Amendment four alternatives were considered by CKS Engineer's, who prepared the document. One of four the alternatives considered was the continued use of OLDS. However, because of the poorly drained soils, limited lot area, setback and separation requirements it was not an endorsed alternative.

4. When did the Supervisors make the commitment to install public sewers?

Response: The Supervisors made the commitment to move forward with the public sewer project on July 15, 2014, when they directed BCWSA to proceed with the design, engineering and constructing the project. This was communicated to the residents on July 23rd of that year.

5. What is the ordinance that the Supervisors are voting on at the August 2017 meeting and what decisions have already been voted on?

Response: The ordinance that the Supervisors will be voting on at the August 15, 2017 meeting is to authorize the construction and extension of sanitary sewage collection system serving portions of the Township in the area identified as the Pebble Ridge/Woodridge and Vicinity for the purpose of providing public sewers to the tax parcels in that area and approving plans of the consulting engineer for the construction of the said extension; approving the estimated cost of the construction of the aforesaid extension; providing for the assessment of the cost of construction of the extension by an equal assessment on all properties abutting on and/or benefiting by the sewer extension.

Decisions that were previously approved were done in 2014 when the Board of Supervisors directed BCWSA to proceed with the design, engineering and constructing the project.

ABOUT THE PROJECT

1. Why can't the Township contribute a portion of the costs?

Response: The Township cannot contribute to a portion of the costs because the project only benefits a specific number of private properties. In addition, properties that already have public sewer paid for that sewer line when it was installed near their properties. Or it was paid for by a developer and the property owner paid for it in the purchase price of their home. These property owners cannot be asked nor expected to carry the burden of providing public sewer to the properties in the Pebble Ridge/Woodridge and Vicinity.

2. Clean waterways are in the best interest of everyone in the Township, why isn't that a reason for the Township to contribute to this project?

Response: Clean waterways are in the best interest of everyone in the Township. However that is not a reason for the Township to contribute to this project. First, it's not fair to the other neighborhoods in the Township that have already paid for their pipe in the street. Second, the Township already spends significant Township tax dollars on improving water quality throughout the entire Township as part of our storm water required by the PA Department of Environmental Protection.

3. Why Bucks County Water & Sewer Authority was awarded the project?

Response: The project has not been awarded to the Bucks County Water and Sewer Authority (BCWSA). It is the Township's intent to enter into an intergovernmental agreement with the BCWSA to construct the sewer project. At the end of construction the BCWSA will own and operate the sewer system. The reason for this is that they are willing to complete the project at a "not to exceed" price, without prevailing wage and publicly bidding all other items purchased for the project including the pump station. In addition, the reduction of engineering inspection costs is significant. The BCWSA is also willing to assume the risk of the Penn Vest loan. The Township cannot financially assume such risk, especially if property owners can't pay their fair share of the project cost.

4. Why didn't the Township get other bids?

Response: As the Township's sewer agent the BCWSA is responsible for constructing sewer systems within the Township. How they choose to construct it is up to them with input from the Township. How construction occurred on previous sewer projects in the Township was also determined by BCWSA.

5. When can we expect the project to begin and when will it end?

Response: Estimated project start and end dates were provided at the July 18th meeting. Again, construction is expected to begin in the summer of 2018 and take 18 to 24 months to complete.

6. What should we expect during construction?

Response: During construction you can expect to see a lot of activity with large equipment and material within the neighborhood. The project will move from street to street. The BCWSA will work to keep streets open during construction with minimal interruption. They will work to notify property owners ahead of time to alert them when they'll be working on a specific street. This may be done with signage in the field.

1. Are you considering including public water in this project?

Response: Yes, the Doylestown Township Municipal Authority (DTMA) will be sending letters to residents in the near future to evaluate the level of interest in public water.

2. Will adding public water delay the plans?

Response: No, the addition of any public water construction will not delay the sewer project. Typically, water main installation is conducted after the sewer lines are installed. DTMA and Doylestown Township would ensure construction schedules are coordinated.

3. Would the cost of putting water in the street be added to the cost of the project?

Response: No, the water project cost will be separate from the sewer project.

- a. If yes: what about homes who already have public water?

The homes that already have public water would not be paying for the water portion of the project.

- b. If no: why can the Township pay to install public water pipes, but not public sewer pipes?

Response: The Township is not paying to install public water pipes. Any water construction is completed separately by the DTMA. The DTMA would engineer, administer and construct the project.

4. What costs are associated with connecting to public water?

Response: DTMA's Tap In fee of \$2,367, one-time meter cost of approximately \$500-\$1,000, service line installation, and the construction cost of pipe in the street. As well as decommission the onsite well \$500. A more detailed cost will be provided to the residents in the interest letter early this fall.

5. Who should we contact to voice our support or opposition to adding water to the project?

Response: Please contact Keith Hass, PE, Executive Director of the Doylestown Township Municipal Authority at (215) 348-9915 or khass@doylestownpa.org, or attend a DTMA public meeting on the third Thursday of the month at 4:00 pm.

6. When will the final decision be made?

Response: DTMA anticipates a final decision by late fall of 2017 after the interest letters are received and evaluated by the Board of Directors.

SHARED COST TO RESIDENTS

1. What is the expected cost per home?

Response: At this time the expected proportionate cost for the construction of the sewer pipe in the street is \$32,000. However, there are additional administrative costs including engineering and legal cost that will need to be incurred going forward. Those costs are estimated to be an additional \$ 2,126.98 per property.

2. Why is the cost so much higher than the last estimate we received?

Response: The cost is more refined from feasibility estimates provided in 2012. The costs quoted by Gilmore & Associates, Inc. the engineer for the project and BCWSA are much more accurate than the feasibility study taking into account field conditions found during design and engineering of the project.

3. What other expected costs have not yet been factored into the \$32,000?

Response: The other costs not factored into the \$32,000, include additional legal and engineering costs associated with Penn Vest documentation, permitting, field consultations, filing of liens, increase or decrease in the number of participating parcels and interest on the drawdown of the loan. However, we plan to provide a cap on these additional expenses for the line in the street. These additional costs are estimated to be \$2,126.98 per property for a total of \$34,126.98.

4. Is there a maximum amount that we would owe, or is it open ended?

Response: We are trying not to leave it open ended but are developing a cap so it would be a "not to exceed" amount.

5. When will we receive our final bill?

Response: We anticipate a final bill to be sent in the spring of 2020.

6. Will our homes be reassessed as a result of this project?

Response: No, properties are not reassessed by the Bucks County Board of Assessment for such projects.

7. What happens if other homes connect to our system after the project is finalized?

Response: A recapture fee (cost of the pipe in the street as of 2020) is paid to the initial participants as long as it's within ten years of the project being completed.

Also if any large development takes place in the area prior to final invoices being sent that project will be asked to participate in the overall project costs. Thereby reducing the estimated cost to the 252 property owners anticipated to be assessed. The Township will look for such projects to be mutually beneficial. If such development were to occur afterwards a recapture will be provided.

8. What grants or other funding has the Township applied for, in what amounts, and when we will know if any pending funding is approved?

Response: The Township applied for and received a \$250K PA Department of Community and Economic Development grant from the state. The Township also applied for a Bucks County Community Development Block grant through Housing and Urban Development for \$500K. We have not heard yet regarding this funding. We will continue to look for grant opportunities.

CONNECTING TO THE SYSTEM

1. Who is required to connect to the sewers immediately?

Response: Properties with malfunctioning OLDS will need to connect immediately once the sewer system is completed.

2. How will we know if we are in the 25% of homes required to connect?

Response: No one is required to connect yet as there is no system to connect to. The property owners which have been experiencing problems over the years have worked with the Bucks County Health Department to address their ongoing problems. Within three months of the sewer system being completed the Bucks County Health Department will advise the Township which parcels have failing or marginal systems.

3. What fees are involved in connecting to the street?

Response: The fees to connect to the street include a (\$6,200) Tap-In Fee to BCWSA. In addition individual plumbing costs to go from the house to the street. In addition the closing of the septic tank is inspected by the BCHD (current fee \$145) and a plumbing permit (current fee \$89) to the Township.

4. What factors did you consider in your \$8,300 estimate in personal plumbing and connection costs?

Response: Gilmore and Associates based this cost on an average size and distance of properties to the street within the area.

5. The current septic in most homes routes to the backyard; will we have to change our whole house plumbing?

Response: Whether or not a home's plumbing needs to be changed needs to be discussed with each homeowner's plumber.

6. Why do we have to pay to connect to the street?

Response: A property typically pays a private plumber to connect their homes to the line in the street. In addition, the TAP In Fee covers the cost of conveyance and treatment.

7. Are there select vendors for hook up?

Response: No, each homeowner may select their owner vendor (plumber) as long as they are licensed with the state. A homeowner may also do the work as long as it is done in accordance with Township Codes.

8. What do we need to do with the abandoned septic tank?

Response: Please see the link to the Township's website regarding abandoning a septic tank.
<http://www.doylestownpa.org/wp-content/uploads/2013/07/Decommission-of-Septic-System-July9-2012-.pdf>

9. What are the estimated usage fees if we connect?

Response: If a property connects to the public sewer system the current flat rate for monthly usage (if property has an onsite well) is \$45.50 per month. If the property has public water it's a metered base rate of \$22.45 and \$5.58 per 1K gallons used per month and is billed quarterly.

ABOUT THE LOAN

1. Who is lending the money for this project?

Response: The Township will be borrowing the costs of the public portion of the project through PENNVEST. Upon completion of the project, the PENNVEST loan will be assigned to BCWSA who will be responsible for making all payments until the loan matures. Separate and apart from the PENNVEST loan, BCWSA will offer loans to residents to finance their share of the costs of the public portion of the project. The BCWSA loans to residents will mirror the terms of the PENNVEST loan with respect to interest rates and term.

2. What is the interest rate? Is it fixed or variable?

Response: The interest rate on the loan from PENNVEST is fixed for years 1 through 5 and then resets at year 6 and remains fixed at that rate until maturity in year 20. The current interest rates are 1.644% for years 1 through 5 and 2.129% for years 6 through 20. The PENNVEST interest rate is based on the unemployment rate in Bucks County. The interest rate is subject to change until the PENNVEST loan closes, however, there has been minimal change in the interest rates offered by PENNVEST over the last few years. BCWSA will offer loans to residents to finance their share of the costs of the public portion of the project on the same terms as the PENNVEST loan.

3. Who is carrying the loan?

Response: The Township will initially be the Borrower under the PENNVEST loan. Once the project is complete, the PENNVEST loan will be assigned to BCWSA who will be responsible for repayment. Individual property owners will be given the opportunity to take a loan from BCWSA to finance their share of the costs of the public portion of the project on the same terms as the PENNVEST loan.

4. Do I have to take the loan?

Response: NO. Each property owner will be assessed an amount reflecting their proportionate share of the costs of the public portion of the project. That amount must be paid to BCWSA. Residents essentially have three options in this regard: (1) pay the assessment amount up front and out of pocket; (2) take the loan from BCWSA and finance that amount over 20 years at the interest rate provided by PENNVEST; or (3) obtain alternative financing from another lender.

5. What paperwork will be involved in getting the loan?

Response: Typical paperwork associated with getting the loan will include an agreement, stipulation for Entry of Municipal Claim, Municipal Claim – Sanitary Sewage Collection System and Mortgage. These are notarized documents which can be notarized at the Township at no cost.

6. Why are you placing a lien on my home?

Response: Each property owner is responsible for the costs of the proportionate share of the public portion of the project. Those costs are owed to BCWSA as the owner of the System. The lien is a notation on your property record that money is owed to BCWSA. A mortgage is another form of lien that the Bank placed on the property when you purchased your house. Once the assessment is paid in full, the lien will be removed. If you pay the assessment up front once the project is completed, a lien will not be placed on your property.

7. How will a lien affect my credit?

Response: The lien may appear on your credit (the same way a mortgage or other secured loan does) but should not affect your credit.

8. How will the loan be billed?

Response: Residents who choose to finance through BCWSA will receive a monthly bill from BCWSA. This will be separate from their normal sewer bill if they connect to the sewer system.

9. What if I cannot pay the monthly loan payment?

Response:

If you fail to pay the assessment up front and don't finance through BCWSA or if you finance through BCWSA and fail to make the monthly payment required under the loan agreement, BCWSA could reduce the lien to a judgment. A judgment indicates a failure to pay the loan back as you agreed and could have a negative impact on your credit. A judgment may also be a default under your mortgage. BCWSA would have the same rights and abilities as any other judgment debtor when it comes to enforcing the judgment.

10. What if I am in the 25% required to connect, but cannot afford to connect?

Response: There is a program available through the Bucks County Owner Occupied Housing Rehabilitation Program that residents can look into. This is an income qualifying program. For further information go to www.bcrda.com

11. Can I take a larger loan through Penn Vest to cover my connection costs?

Response: PEN VEST does fund a program that is administered by Pennsylvania Housing, Finance Authority (PHFA), available to homeowners that need to connect to a sewer system. This will require individual homeowners to apply. Below is the link to that information and a contact number.

<http://www.pennvest.pa.gov/Information/Funding-Programs/Pages/On-Lot.aspx>

12. Is there any help available to finance connection costs?

Response: There may be help to finance connect costs for those who qualify through the Bucks County Owner Occupied Housing Rehabilitation Program. For more information on the program please go to the following website www.bcrda.com. In addition Penn Vest offers the program identified above through PHFA.

Pebble Ridge/Woodridge and Vicinity Sewer Project Process Flow

08/15/17

