

# Mt. Pleasant Township Municipal Authority

Act 537 Plan  
Area Wide Sanitary Sewer Project

# Project Status

- KLH is currently 95% complete with the design.
  1. Only item remaining is McCarrell Road Pump Station design.
  2. Finalize NPDES permitting.
  3. Submit for WQM Part II Permit.
- 613 rights-of-way have been completed and delivered to the Solicitor. KLH has not invoiced due to lack of Authority funds.
- KLH, Authority, and Township are working on a \$2M line of credit to complete the design phase including rights-of-way.
- A PennVest planning consultation meeting was held on February 23, 2017.

# PennVest Planning

- PennVest stated project affordability rate is \$95/month. This is consistent with the Act 537 Plan.
- The affordability is based on an HMI of approximately \$73,000/year.
- Stated project funding package would get us \$95/month in combination of loan, extended term, and grant.
- PennVest gives out \$15M in grants 4 times per year. We need \$8.6M to get to \$95/month.
- Authority could do an independent household income survey, however it is not recommended.
- The tap fee could be changed, but it would only lower the grant portion.
- Based on HMI of \$73,000/year the affordability is \$95/month and any PennVest offer will get to that rate.
- Scaling back the project will not change the affordability rate.

# Affordability

- PennVest utilizes an internal calculation to determine affordability rate, based in part by a “stress factor” between 1 and 2% of MHI.
- In the case of Mt. Pleasant, this calculation yields a rate of approximately 1.6% of the MHI.
- The EPA has determined affordability criteria similar to PennVest. Sewer rates under 1% MHI are “low burden”. Rates between 1 and 2% MHI are “medium burden”, and anything over 2% is “high burden” or unaffordable.
- The Mt. Pleasant rate of \$95/month is high in comparison to current comparable municipal rates, but low in comparison to ALCOSAN’s projected year 2027 rates after system improvements.

# Current Sewer Rates

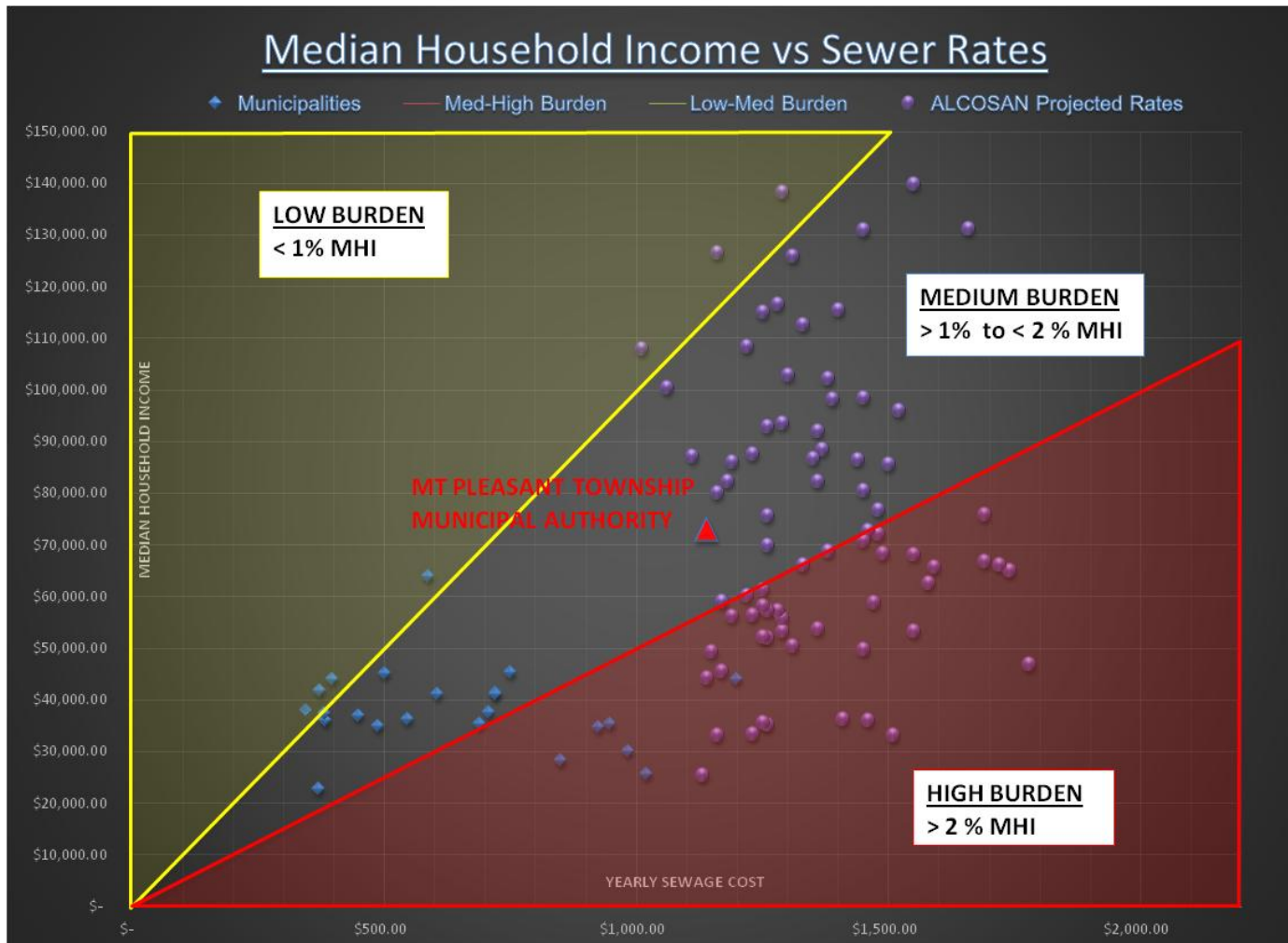
Community	Monthly User Rate	MHI	RI	Burden
Freeport Borough (post LTCP Upgrades)	\$ 100.00	\$ 44,091.00	2.72%	HIGH
<b>Mt Pleasant</b>	<b>\$ 95.00</b>	<b>\$ 72,984.00</b>	<b>1.56%</b>	<b>MED</b>
City of McKeesport	\$ 85.00	\$ 25,697.00	3.97%	HIGH
Clairton Municipal Authority	\$ 82.00	\$ 30,207.00	3.26%	HIGH
City of Monessen	\$ 79.00	\$ 35,447.00	2.67%	HIGH
Borough of Donora	\$ 77.00	\$ 34,750.00	2.66%	HIGH
Borough of Charleroi	\$ 70.90	\$ 28,309.00	3.01%	HIGH
McDonald Borough	\$ 62.54	\$ 45,478.00	1.65%	MED
Saltsburg Borough	\$ 60.00	\$ 41,442.00	1.74%	MED
Monaca Borough	\$ 60.00	\$ 41,239.00	1.75%	MED
Gallitzin Borough	\$ 59.00	\$ 37,554.00	1.89%	MED
Rochester Borough	\$ 57.50	\$ 35,391.00	1.95%	MED
Borough of Edensburg	\$ 50.50	\$ 41,250.00	1.47%	MED
Sewickley Borough	\$ 49.00	\$ 63,906.00	0.92%	LOW
Greater Greensburg Sewer Authority	\$ 45.50	\$ 36,316.00	1.50%	MED
Monongahela City	\$ 41.80	\$ 45,150.00	1.11%	MED
Leechburg Borough	\$ 40.60	\$ 34,933.00	1.39%	MED
Vandergrift Borough	\$ 37.38	\$ 37,058.00	1.21%	MED
Freeport Borough (Current)	\$ 33.00	\$ 44,091.00	0.90%	LOW
Ford City Borough	\$ 31.97	\$ 36,071.00	1.06%	MED
Elizabeth Borough	\$ 31.80	\$ 37,356.00	1.02%	MED
Borough of Ferndale	\$ 31.00	\$ 41,758.00	0.89%	LOW
Midland Borough	\$ 30.80	\$ 22,907.00	1.61%	MED
Apollo Borough	\$ 28.54	\$ 38,250.00	0.90%	LOW

# ALCOSAN Projected 2027 Rates

Community	Monthly User Rate	MHI	RI	Burden
Mount Oliver	\$ 148	\$ 47,000	3.80%	High
Penn Hills	\$ 145	\$ 65,100	2.70%	High
Carnegie	\$ 143	\$ 66,200	2.60%	High
Franklin Park	\$ 143	\$ 195,200	0.90%	Low
Crafton	\$ 141	\$ 66,900	2.50%	High
West View	\$ 141	\$ 75,900	2.20%	High
Indiana	\$ 138	\$ 131,100	1.30%	Mid-Range
McDonald	\$ 133	\$ 65,700	2.40%	High
Rosslyn Farms	\$ 133	\$ 185,700	0.90%	Low
Neville	\$ 132	\$ 62,600	2.50%	High
Heidelberg	\$ 129	\$ 53,400	2.90%	High
Upper St. Clair	\$ 129	\$ 139,900	1.10%	Mid-Range
West Mifflin	\$ 129	\$ 68,200	2.30%	High
Whitehall	\$ 127	\$ 96,000	1.60%	Mid-Range
North Versailles	\$ 126	\$ 33,100	4.60%	High
Baldwin	\$ 125	\$ 85,600	1.80%	Mid-Range
Brentwood	\$ 124	\$ 68,400	2.20%	High
Castle	\$ 123	\$ 72,200	2.00%	High
North Huntingdon	\$ 123	\$ 76,700	1.90%	Mid-Range
Trafford	\$ 123	\$ 58,800	2.50%	High
Chalfant	\$ 122	\$ 72,700	2.00%	High
North Braddock	\$ 122	\$ 36,000	4.10%	High
Baldwin	\$ 121	\$ 98,500	1.50%	Mid-Range
Dormont	\$ 121	\$ 70,900	2.00%	High
Emsworth	\$ 121	\$ 80,600	1.80%	Mid-Range
Kilbuck	\$ 121	\$ 131,000	1.10%	Mid-Range
Stowe	\$ 121	\$ 49,700	2.90%	High
Collier	\$ 120	\$ 86,600	1.70%	Mid-Range
Homestead	\$ 118	\$ 36,400	3.90%	High
Mount Lebanon	\$ 117	\$ 115,400	1.20%	Mid-Range
Penn	\$ 116	\$ 98,200	1.40%	Mid-Range
Ingram	\$ 115	\$ 68,800	2.00%	High
South Fayette	\$ 115	\$ 102,300	1.30%	Mid-Range
Edgewood	\$ 114	\$ 88,400	1.50%	Mid-Range
Forest Hills	\$ 113	\$ 82,400	1.70%	Mid-Range
Monroeville	\$ 113	\$ 92,000	1.50%	Mid-Range
Robinson	\$ 113	\$ 53,700	2.50%	High
Fox Chapel	\$ 113	\$ 324,300	0.40%	Low
Oakdale	\$ 113	\$ 86,800	1.60%	Mid-Range
Munhall	\$ 111	\$ 66,200	2.00%	High
Plum	\$ 111	\$ 112,600	1.20%	Mid-Range
Churchill	\$ 109	\$ 125,800	1.00%	Mid-Range

Community	Monthly User Rate	MHI	RI	Burden
Wall	\$ 109	\$ 50,400	2.60%	High
Green Tree	\$ 108	\$ 102,800	1.30%	Mid-Range
Avalon	\$ 108	\$ 53,400	2.40%	High
Bethel Park	\$ 108	\$ 93,500	1.40%	Mid-Range
Ohio	\$ 108	\$ 138,200	0.90%	Low
Pittsburgh	\$ 108	\$ 55,700	2.30%	High
Pleasant Hills	\$ 107	\$ 116,500	1.10%	Mid-Range
Whitaker	\$ 107	\$ 57,400	2.20%	High
Blawnox	\$ 105	\$ 57,300	2.20%	High
Etna	\$ 105	\$ 52,100	2.40%	High
Shaler	\$ 105	\$ 92,900	1.40%	Mid-Range
West Homestead	\$ 105	\$ 75,600	1.70%	Mid-Range
Wilkins	\$ 105	\$ 69,900	1.80%	Mid-Range
Wilmerding	\$ 105	\$ 35,300	3.60%	High
Bridgeville	\$ 104	\$ 58,300	2.10%	High
East McKeesport	\$ 104	\$ 61,400	2.00%	High
East Pittsburgh	\$ 104	\$ 35,700	3.50%	High
Millvale	\$ 104	\$ 52,200	2.40%	High
Peters	\$ 104	\$ 115,000	1.10%	Mid-Range
Bellevue	\$ 103	\$ 56,500	2.20%	High
McKees Rocks	\$ 103	\$ 33,500	3.70%	High
Ross	\$ 103	\$ 87,700	1.40%	Mid-Range
McCandless	\$ 102	\$ 108,500	1.10%	Mid-Range
Swissvale	\$ 102	\$ 60,100	2.00%	High
Reserve	\$ 99	\$ 86,000	1.40%	Mid-Range
Turtle Creek	\$ 99	\$ 56,200	2.10%	High
Aspinwall	\$ 98	\$ 82,300	1.40%	Mid-Range
Braddock Hills	\$ 98	\$ 45,700	2.60%	High
Pitcairn	\$ 98	\$ 59,100	2.00%	Mid-Range
Braddock	\$ 97	\$ 33,100	3.50%	High
O'Hara	\$ 97	\$ 126,500	0.90%	Low
Scott	\$ 97	\$ 80,100	1.40%	Mid-Range
Sharpsburg	\$ 96	\$ 49,300	2.30%	High
Wilkinsburg	\$ 95	\$ 44,200	2.60%	High
<b>Mt Pleasant</b>	<b>\$ 95</b>	<b>\$ 72,984</b>	<b>1.56%</b>	<b>Mid-Range</b>
Rankin	\$ 94	\$ 25,400	4.40%	High
Kennedy	\$ 93	\$ 87,100	1.30%	Mid-Range
North Fayette	\$ 88	\$ 100,400	1.10%	Mid-Range
Ben Avon	\$ 84	\$ 108,000	0.90%	Low
Ben Avon Heights	\$ 84	\$ 154,500	0.70%	Low
Thornburg	\$ 84	\$ 177,400	0.60%	Low
Verona	\$ 84	\$ 66,400	1.50%	Mid-Range

# Affordability Graph



# Crossroads / Next Step

- If all are in agreement with \$95/month, then:
  1. Secure line of credit, pay KLH, and move forward.
  2. Finalize “side agreement”.
  3. Secure all rights-of-ways.
  4. Secure all permits.
  5. Secure PennVest funding package.
  6. Bid project.
  
- If NOT in agreement with \$95/Month, then:
  1. Pay KLH outstanding invoices for design and rights-of-way work in the amount of \$508,055.55.
  2. Totally stop project
    - or-
  1. Secure line of credit, pay KLH.
  2. Secure all rights-of-ways.
  3. Secure all permits.
  4. Work with local legislators to secure alternate funding package.



# Conclusions

- Confident project will get funded to \$95 /month.
- HMI is driving factor for affordability.
- NEED to clarify “side agreement”
- Discussion on line of credit/paying outstanding invoices.
- How do we proceed?

# DISCUSSION