



Press Release

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Media Contact: Kate Petrosky, 724-863-2860

The North Huntingdon Township Municipal Authority (NHTMA) took action at its regular meeting on June 1, 2011 to adopt a \$8 million annual budget, as well as update its \$11.2 million five-year capital improvement plan designed to continue repairing its aging infrastructure. The Authority's 2012 fiscal year began on May 1, 2011.

Operating expenses are projected to increase by 2%, attributed in large part to rising fuel prices, increased flow monitoring, SCADA communications, and the maintenance of one new pump station. Revenues are also projected to increase by 2%.

As a result of the increase in general operating expenses and the need for continuing capital improvements, monthly rates for NHTMA residential customers will increase by \$1.25 to a total of \$43.30 per month beginning with service for May, 2011. This increase will result in a resident paying an additional \$15.00 per year for sewage service, or a total of \$1.43 per day. Commercial customers will see a similar increase of \$1.25 per month for each 4,200 gallons of water used. A portion of the rate increase, \$.50 per month, will be used for capital projects.

The Capital Improvement Plan maps out the Authority's capital expenses through Fiscal Year 2016. Projects anticipated in Fiscal Year 2012 total \$2.5 million and include continuing to replace lines in Country Hills, Penns Woods and Markvue Manor, modifications to the headworks at the Indian Lake pump station, grinder replacements at the Stewartsville pump station and Yough treatment plant, line relocation at the Stewartsville pump station, updates to the chlorine disinfection system, enhancements to SCADA, and replacing a backhoe. These capital projects will be financed through the Capital Reserve Fund without incurring any additional debt.

Residential customers will see the effect of the rate increase beginning with the bills that are sent out in May covering service for the three previous months. The June prepayment stub will reflect the new rates. Customers who have paid for a year in advance in order to receive the 5% yearly discount should contact NHTMA. Customers

in this situation will receive the discount on the additional charges when they are paid in full.

NHTMA also increased its tapping fee charge from \$3,070 to \$3,300, effective July 1, 2011. The tapping fee is calculated based on a formula prescribed by the Commonwealth of Pennsylvania, and permits an authority to recover allowable costs that have been spent on capital expenditures. The Authority's consulting engineer reviews the tapping fee each year as part of the budget process to ensure that new customers tapping into the system are paying their fair share of prior system costs.

NHTMA provides sanitary sewer service to approximately 11,600 residential and commercial customers. With 22 full-time employees, the Authority maintains over 255 miles of sewer lines, 6,000 manholes, 13 pumping stations, and one 3.31 mgd treatment plant.