

**SOUTHWEST DELAWARE COUNTY MUNICIPAL AUTHORITY
DELAWARE COUNTY, PENNSYLVANIA
RESOLUTION NO: 2009-01**

**A RESOLUTION OF THE SOUTHWEST DELAWARE COUNTY
MUNICIPAL AUTHORITY, PROVIDING FOR THE IMPOSITION AND
COLLECTION OF AN ANNUAL RENTAL OR CHARGE FOR THE USE OF
THE SEWERS AND THE SEWAGE SYSTEM, AND ESTABLISHING THE
SEWER RENTAL RATE AND BILLING METHODS ON A QUARTERLY
BASIS, TOGETHER WITH PENALITES**

BE IT ENACTED AND RESOLVED, by the Board of the Southwest Delaware County Municipal Authority, that the annual rental or charge for the use of the sewers and sewage system is hereby amended, and the following rates for sewer rental are established.

SECTION 1. For the year 2009, beginning with a billing date of April 1, 2009, and annually thereafter unless otherwise determined, an owner or owners and/or users of any property served by the sewer or sewer system of the Authority, shall pay to the Authority, a rental or charge for the use of the said sewer or sewer system for each unit, which shall consist of an annual base rate, plus a per gallon of water consumed rate, determined and billed on a quarterly basis. Said sewer rentals or charges shall be billed on the 1st day of April each year, at the annual base rate charge, with payment being made on a quarterly basis of 1/4th of the annual rate, plus a per gallon of water consumed rate, determined and billed on a quarterly basis. The quarterly billing dates will be the 1st of April; 1st of July; 1st of October; and, 1st of January, with payment due by the end of the billing month.

(a) The annual base rate shall be as follows:

Residential/Private Dwelling: \$298.00 annual; \$74.50 quarterly.

Commercial/Industrial: \$746.00 annual; \$186.50 quarterly.

(b) The annual water consumption rate billed on a quarterly basis shall be \$5.05, per 1,000 gallons of water consumed, or estimated to be consumed by the owners and/or occupants of any properties connected to the sewer system, and shall be applied and calculated to the properties as follows:

(1) Residential/Private Dwelling: Water consumption/estimated rate per 1000 gallons multiplied by 85% of total annual gallons consumed/estimated.

(2) Commercial/Industrial: Water consumption/estimated rate per 1000 gallons multiplied by 95% of total annual gallons consumed/estimated.

The said amounts are determined and declared necessary to produce revenues sufficient to meet the requirements herein set forth

SECTION 2. The annual rental or charge, together with other receipts and revenues and any funds estimated to be available of the Authority, shall be such sum as shall be sufficient to meet the following classes of expenses:

(a) The amount expended annually by the Authority in the operation, maintenance, repair, alteration, inspection, or other expense, in relation to such sewers, sewage system, pumping stations, or sewage treatment works.

(b) Such annual amount as may be necessary to provide for the amortization of the indebtedness incurred, or of the non- debt revenue bonds, or other bonds issued by the Authority, in the construction or acquisition of such sewer, sewage system or sewage treatment works, and interest thereon, in order that said improvements may become self liquidating, and such further sums as may be sufficient to pay the amount

agreed to be paid annually under the terms of any contract with any authority or municipality furnishing sewage disposal or treatment services to the Authority.

(c) Sufficient to establish a margin of safety of 10 %.

SECTION 3. The Board of the Southwest Delaware County Municipal Authority finds as a fact, that the majority of the properties served by it are connected to the public sewers and do obtain water from the Chester Water Authority and the Aqua Pennsylvania Company, formerly known as Philadelphia Suburban Water Company, hereinafter called "Water Companies" and further, that the Water Companies have water meters installed in the majority of said properties; and the Authority further finds that the majority of all properties which are thus served by the Water Companies are connected to the public sewers. The Authority Board therefore declares that in addition to the base rate, there is an equitably apportioned sewer rental or charge to be made for each property, on the consumption of water used by each property connected to the sewers, in proportion to all water consumed by consumers of said Water Companies and those who obtain water from other sources who are connected to the sewer system. In addition to the base rate, the sewer rental or charge for any property for any year, shall include as far as practicable, water actually consumed by said property during the preceding quarter (3 months), as close as practicable to the billing date set forth herein.

SECTION 4. The Director of the Authority shall secure from the Water Companies, statements of the total number of gallons of water used by each individual consumer or property within and served by the Authority and billed on this basis for a period of 3 consecutive months, as closely proximate in time to the billing date of the

Authority, and as records of the Water Companies and their schedules of water meter readings will permit. Reasonable compensation shall be paid by the Authority to the Water Companies for the costs and expenses incurred by the Water Companies, in supplying the Authority with this information. Reasonable charges paid to the Water Companies for such data shall be included as part of the total amount of annual sewer rental expense incurred by the Authority. For the bills beginning April 1, 2009, the water actually consumed by said property during the preceding quarter of the year (3 months) as near to the then billing date as possible, shall be used for the computation of that particular quarterly billing in the year 2009.

SECTION 5. In January of each year, it shall be the duty of the Director of the Authority, to estimate the number of gallons of water which will be used during the ensuing year by properties newly commencing to consume water supplied by the Water Companies, or of any properties which do not secure water from said Water Companies but which would discharge water into the public sewers. In making such estimate, the Director of the Authority is authorized in the case of residence properties, to estimate the number of gallons of water used on the basis of the average consumption of water per dwelling house and, in the case of manufacturing, business or commercial properties, to base such estimate on experience with similarly situated properties from such information as shall be available. If in any case the Water Companies' records disclose the number of gallons of water used by any property for less than a full period of 12 months, the Director of the Authority is authorized to compute the expected water consumption of said property for a full period of 12 months, based on the use for the partial.

SECTION 6. After securing the information from the Water Companies as hereinbefore set forth, the Board of the Authority shall as soon as practicable adopt a Resolution which shall compute the total number of gallons of water to be used by the consumers within the Authority, for the ensuing year. The number of gallons shall be the number of gallons used for the preceding year. The Resolution shall fix the total amount of the annual sewer rental or charge for the year under consideration. The Resolution shall also determine the amount of money to be charged at each property connected to the Authority's sewer system for each 1,000 gallons of water used by said property, for the preceding period of 3 calendar months. In cases where said information is available, and for each 1,000 gallons of water which the Director of the Authority estimates will be used by said property for the ensuing 3 months. In cases where water meter readings for a full period of 3 calendar months are not available. The amount to be charged for each 1,000 gallons of water so used shall be determined by dividing the total number of gallons of water furnished to consumers whose properties are connected to the Authority's sewer system, as shown by the Water Companies' records, plus estimated consumption where meter readings are not available or suitable percentage of the aggregate thereof, into the total amount to be charged as provided hereof so as to give a quotation expressed in dollars, cents and mills for 1,000 gallons of water consumed or estimated to be consumed, as the case may be. In computing the number of thousands of gallons per property, 100 gallons or fractions thereof in excess of 50 gallons shall be considered 1/10 of 1,000 gallons.

SECTION 7. Whenever a property upon which a sewer rental is hereby imposed uses water from the Water Companies, a portion of which is not discharged

into the sewage system of the Authority, a percentage of the quantity of water so used and not discharged into the Authority sewer shall be excluded in determining the sewer rental of said property, provided that the quantity of water so used and not discharged into the Authority's sewers as measured by a separate device, devices and/or meter, approved by the Director of the Authority and installed without cost to the Authority and provided further that where, in the opinion of the Director of the Authority, it is not practicable to install a measuring device to continuously determine the quantity of water not discharged into the Authority's sewers, the Director of the Authority shall determine periodically, in such manner and by such method as he shall prescribe, the percentage of water discharged into the Authority's sewers, and the sewer rental for such property shall be based on the amount so determined. Any dispute as to the estimated amounts shall be submitted to the Chairman of the Sewer Authority one month after the making of the estimate by the Director of the Authority and notice thereof to the property owners, whose decision on the matter shall be final for the current year.

In the instance of a separate metering device, the customer must submit the information as to the type of meter, serial number, installation date and meter reading on a form supplied by the Authority, and must allow Authority employees access to the meter and/or measuring device. In addition, a customer must file the application for exclusion and/or credit with the Authority within 45 days of the date of the bill for which adjustment is requested.

With respect to residential/private dwelling applications for credit, only that quantity of water in excess of 15% of the separate metered usage may be subject to exclusion and/or credit.

With respect to commercial/industrial applications for credit, only that quantity of water in excess of 5% of the separate metered usage may be subject to exclusion and/or credit.

SECTION 8. Whenever a property uses water, all or part of which is from a source or sources other than the Water Companies supply system, there shall be in addition to the base rate, a sewer rental separate from and in addition to any sewer rental based on the consumption of water from the Water Companies' water supply system. In addition to the base rate, such separate or additional rental shall be measured by the quantity of water from the source or sources other than the Water Companies' supply system which is discharged into the Authority's sewers from said property. The owner of each property shall install, without cost to the Authority, a meter or meters to measure the quantity of water received from other than the Water Companies' supply system and discharged into the Authority's sewers. No meter shall be installed or be used for such property without the approval of the Director of the Authority, and the Sewer rental based upon water received from other than the Water Companies' supply system shall be in the same amount as is required to be paid by the owner of a metered property receiving the same quantity of water from the Water Companies' supply system. If the owner of said property fails to install an approved meter or meters, the Director of the Authority shall make and furnish an estimate of

the amount of water from sources other than the Water Companies water supply system which is discharged into the Authority's sewers from said property.

SECTION 9. Before each billing date, estimated sewer rental bills for each ensuing quarter of the year, shall be computed by the Director of the Authority. In addition to the base rate, estimated bills shall be made up by multiplying the number of thousands of gallons of water used by each property, for the preceding period of 3 months, or as close thereof as practicable, by multiplying the number of gallons of water estimated to be used by said property for the ensuing period of 3 months as the case may be, times the amount of charge per 1,000 gallons of water as hereinbefore provided. The Director shall prepare estimated sewer bills for the ensuing quarters on terms to be provided by the Authority Board, and said bills shall be fixed in the amount as hereinbefore determined.

SECTION 10. The annual sewer rental or charge for new owners and/or new users not receiving a normal monthly, quarterly and/or yearly water reading from the Water Companies for sewer rental purposes, and users with wells, shall be a fixed amount as established yearly by Resolution of the Board of the Authority, which would include the annual base rate, plus a per 1,000 gallons of water, as determined from the average annual use of water as computed by the Water Companies. This annual sewer rental or charge, which includes the base rate plus the rate per 1,000 gallons of water used, shall be levied on a pro-rata monthly basis if less than a year's sewer rental is involved. There shall become however a presumption, that the average amount of water is used by the user, unless it can be shown to the contrary in a manner approved by the Authority, at the expense of the user.

SECTION 11. The foregoing directions as to the time in which to procure information from the Water Companies and other sources in the time in which to adopt annual Resolution, and of the times in which to mail out bills shall be considered directory and not mandatory and the failure to do one or some or all of the said acts on time shall not invalidate any Resolution passed and shall not invalidate any bill rendered and shall not invalidate or forego the collection of any sewer rental or charge. This Resolution, when referring to sewers, sewage system, or sewage treatment works is intended to mean sanitary sewers, sanitary sewage system and sanitary sewage treatment works and is not intended to include or relate to surface water treatment.

SECTION 12. This sewer rental base rate and per gallon of water consumed rate and calculations for such, will also be imposed upon properties from which sewage is discharged into the sewers of the Authority, under an agreement between the Authority and any other political subdivision or municipal authority of the Commonwealth of Pennsylvania, subject to the terms of the agreement in place setting forth the manner in which the sewer rental charges will be calculated and set. It will not be imposed upon the properties within the Authority not receiving sewer service from the Authority's facilities.

SECTION 13. PENALTIES: The face amount of all charges whether annual or quarterly, shall be payable on or before the end of the billing month, with a penalty of 10% if not paid within 30 days of the billing date. Unpaid bills 60 days overdue, shall bear an additional interest rate of 10 percent per annum, calculated on a monthly basis until paid, with additional interest posted as pursuant to the delinquent-water

