

# ***KEYSTONE ALLIANCE***

---

## **CONSULTING, INC.**

January 30, 2019

Borough of West Chester  
401 East Gay Street  
West Chester, PA 19380

Subject: Sewer Rate Study Proposal

Dear Borough Council Members:

In response to your request, Keystone Alliance Consulting, Inc. (Keystone Alliance) is pleased to present our professional services proposal for preparing a sewer rate study for the Borough of West Chester. Having conducted numerous similar studies for other municipalities and municipal authorities, Keystone Alliance is confident that we have the credentials, background, and experience needed by the Borough of West Chester to successfully complete the study and implement any plan of action recommended.

The outlined scope of services provides a comprehensive revenue requirement rate study for the Borough's sewer system for a 5 year period. We believe that this project will provide the Borough with all of the necessary information to determine its rates for a five year period. This approach will build upon the strong foundations that the Borough has built and insure success in the future. Included in our scope of work for this project is an update to our existing comparison of sewer rates for more than 70 public and private sewer systems in Southeastern Pennsylvania. The comparison allows us to look at multiple water usage levels as the results will vary based on water consumed.

The opportunity to meet with the Borough to review our proposal and is also offered for your consideration. We would welcome any opportunity to showcase our computer rate model developed by Keystone Alliance that has many advantages and is truly unique to the industry.

If you have any questions or require additional information regarding either our firm or our proposal, please contact me at (215) 840-0934.

Very truly yours,



David L. Busch  
President

Enclosure

**PROPOSAL**  
**TO**  
**BOROUGH OF WEST CHESTER**  
**FOR**  
**SEWER SYSTEM**  
**RATE STUDY**

**JANUARY 30, 2019**

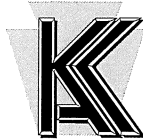
**KEYSTONE ALLIANCE CONSULTING PROPOSAL NO. P19-01-01**

**PREPARED BY**

*David L. Busch*

---

**DAVID L. BUSCH**  
**PRESIDENT**  
**KEYSTONE ALLIANCE CONSULTING**



**Keystone Alliance Consulting**  
1200 New Church Court • Ambler, PA 19002  
215.840.0934

## TABLE OF CONTENTS

<b>1.0 INTRODUCTION – UNDERSTANDING THE NEED</b>	<b>1</b>
<b>2.0 QUALIFICATIONS AND EXPERIENCE</b>	<b>2</b>
<b>2.1 Project Team</b>	<b>2</b>
<b>2.2 Company Overview</b>	<b>3</b>
<b>2.3 Similar Project Experience and References</b>	<b>4</b>
<b>2.4 Borough Responsibilities</b>	<b>6</b>
<b>3.0 TECHNICAL PROPOSAL FOR A SEWER SYSTEM RATE STUDY</b>	<b>7</b>
<b>3.1 Initial Meeting and Data Collection</b>	<b>7</b>
<b>3.2 Develop Study Methodology and System Financial Plan</b>	<b>8</b>
<b>3.3 Development of a Computer Rate Model</b>	<b>10</b>
<b>3.4 Allocation of Fixed and Variable Costs</b>	<b>10</b>
<b>3.5 Data Analysis</b>	<b>10</b>
<b>3.6 Develop Annual Revenue Requirements</b>	<b>11</b>
<b>3.7 Rate Design</b>	<b>12</b>
<b>3.8 Prepare &amp; Present the Final Report</b>	<b>12</b>
<b>4.0 PROJECT SCHEDULE/STAFFING, ASSURANCES AND INSURANCE</b>	<b>14</b>
<b>4.1 Project Schedule/Staffing</b>	<b>14</b>
<b>4.2 Project Assurances</b>	<b>14</b>
<b>5.0 PRICE PROPOSAL FOR THE SEWER RATE STUDY</b>	<b>15</b>
<b>5.1 Compensation</b>	<b>15</b>
<b>5.2 Hourly Rates</b>	<b>15</b>
<b>APPENDIX A and B</b>	

## **1.0 INTRODUCTION – UNDERSTANDING THE NEED**

After communicating with the Borough staff members to further clarify the goals of the study, Keystone Alliance believes that we have an excellent understanding of the Borough's sewer utility rate situation and the need for the proposed rate study.

Keystone Alliance has prepared numerous sewer rate studies similar to the study being pursued by the Borough. Determining the appropriate sewer rates to charge each customer class is not something that should be taken lightly. This work should be completed by a financial professional in combination with sound rate making principles. This will ensure that the rates developed will produce the required revenue to pay for operation and maintenance of the system as well as the capital costs. The rates developed will also produce the necessary savings for future sewage facility improvements of the Borough. A properly prepared study will formalize a structure for future rate adjustments and meet any challenges raised now and in the future.

It is our firm belief that the work plan described herein will meet the program, time, and financial objectives of the Borough. We make this statement with confidence because of our record of successfully conducting numerous studies of this type on time and within budget.

## **2.0 QUALIFICATIONS AND EXPERIENCE**

### **2.1 PROJECT TEAM**

The project team is comprised of four individuals from our firm in order to provide the Borough the necessary support for a successful rate study. Some of the team members have worked together on similar projects since 1987. Keystone Alliance will be responsible for the financial and technical rate analysis. The four key team members and their individual responsibilities are as follows:

#### **David L. Busch – Company President**

David will attend the four scheduled meetings with the Borough and be responsible for the day-to-day process of completing the rate study. This will include the development of the methodology, allocation of costs, computer rate model oversight, development of a financial plan, determination of the annual revenue requirements, and rate design.

#### **Barry J. Thompson – Senior Consultant**

Barry's role will be that of project oversight and input at key points in the rate study process. These points will include the development of the methodology, allocation of costs and rate design. Barry will also be responsible for the final written report in a form that will be easily understood by non-technical individuals.

#### **Aleksandra Malicka – Consultant – Financial Issues**

Aleksandra will assist with various aspects of the rate analysis including the development of frequency distributions for customer usage as well as providing input on financial aspects of the study.

#### **Lawrence Busch – Consultant – Computer Rate Model / Rate Design**

Lawrence will be responsible for the development of the computer rate model and initial efforts on the rate design alternatives for the Borough.

## 2.2 COMPANY OVERVIEW

### Keystone Alliance Consulting

Keystone Alliance Consulting is a small six-member firm that specializes in financial services for water and wastewater systems. This limited offering of services allows us to provide unparalleled expertise in areas where others are less focused. Our independent role as financial advisor ensures that the initial goals and focus of a project is kept until a successful completion. The firm's goal of strengthening the long-term financial position of our clients is not swayed by the next big construction project. Each member of the firm will provide the necessary work effort required ensuring the project is completed on schedule.

Our staff provides the following services and capabilities:

- Water & Sewer Rate Studies
- Cost of Service Studies
- Fixed Rate Conversion Studies
- Financial Feasibility of Project Alternatives
- Innovative Project Financing Structures
- Reports For Public Financing Documentation
- Tapping Fee Calculations Under Act 57
- Federal & State Funding Programs
- Cash Flow Analysis & Financial Modeling
- PUC Rate Filings & Expert Witness
- Pretreatment Program Cost Recovery Fees
- High Strength Surcharge Calculations
- System Valuations and Appraisals
- Operating and Capital Budgets
- Trust Indenture Certifications
- Service Agreement Preparation Assistance
- Privatization Feasibility Studies
- Temporary System Management
- Second Opinions
- Energy Deregulation Financial Analysis

### 2.3 SIMILAR PROJECT EXPERIENCE AND REFERENCES

The following table provides a brief overview of similar project experience completed within the last five years including client references.

<b>Client Name</b>	<b>Project Scope</b>	<b>Contacts</b>
Hellertown Borough Authority 501 Durham Street Hellertown, PA 18055  (570) 629-3531	Water and sewer rate study was conducted with the goals of the study including the development of an equitable rate structure for each system independently. Authority wished to maintain the current services charges for both systems, but also investigate other options for future rate design. Keystone has also completed other work for the Authority in connection with the water and sewer system tapping fees.	Glenn Higbie, Retired, Authority Manager
East Whiteland Township 209 Conestoga Road Frazer, PA 19355  (610) 897-4211	Sewer rate study was conducted with the goals of the study including the development of an equitable rate structure between customer classes and meeting the projected revenue needs of the system. Required revenues were determined based upon projected operating costs and capital needs of the system for a 5 year period. An update to the sewer system tapping fees was also completed at the same time as the rate analysis.	John B. Nagel, Township Manager  or  William H. Steele, Director of Public Works

**Client Name**

**Project Scope**

**Contacts**

---

Lancaster Area Sewer  
Authority  
130 Centerville Road  
Lancaster, PA 17603

(717) 299-4843

Completed a sewer rate study for the Authority's sewer system for a 5-year study period. Study required the preparation of computer rate models for the system. The considered multiple options for future rate structures for each operating division of the Authority.

Michael A. Kyle,  
Executive Director

or

Michael Lehman,  
Finance Director

---



## **2.4 BOROUGH RESPONSIBILITIES**

Keystone Alliance Consulting views the completion of a rate study as a process requiring team work and effort from all parties. To obtain the highest quality result for the Borough, it is necessary for all stakeholders to contribute to the end result. Through this process we anticipate working closely with the Borough staff. This support is critical in our effort to obtain accurate information in a timely manner.

The process of completing the rate analysis will take a number of weeks and require a number of meetings with the management staff to review the information that will supply the inputs to the rate model constructed for the sewer system. Meetings can be scheduled on an as needed basis with the staff or on a preset interval, for example biweekly, for the duration of the study. We have found both methods to be successful. Regardless of the meeting approach selected for this study, communication is the key element to insure that all participants are informed as the rate study progresses. All of the information required should be readily available from the files of the Borough.

Other assistance by the sewer system staff will be to provide input in the timing of capital projects and the anticipated funding source for capital expenditures. As milestones are reached in the completion of this work, we will request the decision makers to confirm elements of the study including capital projects, funding, rate design and implementation schedule.

A list of requested information necessary to complete the study is included in Appendix B.

### **3.0 TECHNICAL PROPOSAL FOR A SEWER SYSTEM RATE STUDY**

Our work plan achieves all objectives identified by the Borough, including but not limited to, time constraints, meeting attendance, report deliverables, client involvement, and technical content. We will focus and coordinate our activities and hold all work products in confidence. The proposed project team will be assigned to this project for its duration and will not be substituted or rotated. The project team is committed to the service of the Borough of West Chester and will support all documentation and represent our work effort in any challenge by any group or entity.

Expanded explanations of individual components of our work plan are described in the subsections that follow:

#### **3.1 TASK 1 - INITIAL MEETING AND DATA COLLECTION**

Establishing a clear understanding of each study participant's responsibilities and all related conditions is essential to the ultimate success of this project. Since we consider the Borough to be our partner in this endeavor, it is necessary that all partners understand their respective roles at the onset of work. This will be accomplished at the first of four meetings we intend to hold with Borough staff during the study period. This first meeting will enable all participants to begin interacting as a team.

At this meeting, we will perform the following activities:

- Review the goals of the study.
- Develop a schedule of deliverables and make assignments attendant thereto.
- Develop a tentative schedule for subsequent meetings.
- Establish communications protocols, both written and verbal.
- Review the administrative operations of the sewer system including the organizational structure.
- Review billing and collection system procedures.
- Discuss existing service agreements between the Borough and others.
- Obtain trust indentures and current bond fund balances.

- Obtain current comprehensive billing data.
- Collect other financial data, including expense projections for the study period and financing information (e.g., Debt repayment schedules and bond or note conditions, asset summaries).
- Review Capital Improvement Program (CIP) information, including construction schedules and cost estimates.
- Discuss system customer growth projections and capital expenditures.

The meeting will be the forum for clarifying responsibilities, exchanging information and ideas, establishing schedules, documenting procedures, and discussing any project issues.

### **3.2 TASK 2 - DEVELOP STUDY METHODOLOGY AND SYSTEM FINANCIAL PLAN**

As part of this task, we anticipate having our second of four meetings with the Borough. During this meeting we will present the study methodology and discuss the system financial plan. These two components go together to ensure that the study goal is not lost in a theoretical discussion. The study methodology should be firmly grounded by industry standards providing a clear path to achieving the Borough's goals. To develop a study methodology and implementation strategy for a 5-year financial plan, our attention must now be focused on probable future conditions and activities that will impact such a plan.

Salient questions applicable to future scenarios include:

- What will be the future revenue requirements of the sewer system during the 5-year study period?
- How will the revenue requirement of the Borough be impacted by changes in the number of system customers?
- What portion of the capital improvement plan will extend beyond the current financial resources of the Borough?
- How much money is earmarked for capital improvements over the next 5 years?
- During which years will this money be spent?
- How will the Borough repay this debt?

- What additional operations, maintenance, and administrative costs are associated with the new capital improvements?
- What are the most valid allocation methods between each class of customers within the Borough?
- What level of non-operating income is projected during the study period and how should these revenues be used to offset the annual revenue requirements of each customer class?

As noted previously, a Capital Improvement Plan (CIP) is a critical item in financial plan development. Because of its importance, one of the primary study activities associated with the development of the financial plan will be to meet with Borough staff to thoroughly evaluate and discuss the Borough's current CIP. Discussions during the second meeting will include such items as verifying the size, need, and cost of any proposed facility in the CIP, as well as developing or otherwise obtaining probable O&M costs. Once all CIP components are finalized, future year revenue requirements will be developed and incorporated into our computerized financial plan model.

Specific tasks, which we will perform relative to CIP verification, financial plan and methodology development, will include the following:

- Confirm which capital improvements will be built within the 5-year time frame of the study. Finalize capital and O&M requirements of the selected capital improvements.
- Discuss and agree upon the funding assumptions (revenue sources) that will likely be applicable to the 5-year CIP. Assumptions that will be considered include such revenue sources as connection fees, funds on hand, loans, bonds, grants, or other sources of funds either alone or in combination with others.
- Develop future annual revenue requirements based on the selected CIP. Incorporate future year CIP-associated revenue requirements into the computerized financial plan model.
- Develop and discuss short- and long-term financing plans to ensure that they are consistent with the wastewater utilities policies and objectives.

### **3.3 TASK 3 – DEVELOPMENT OF A COMPUTER RATE MODEL**

As an ongoing part of the study, Keystone Alliance will modify the PC-based rate model previously developed for the Borough in our prior work assignment. We will work with Borough staff during the study to ensure that the computer model not only meets the needs of the Borough today but looks forward at the future needs of the system. One key area where this can be achieved is by customizing the computer model exhibits to mirror in appearance and presentation the financial statements of the Borough to facilitate data entry and reduce the possibility of error. The additional initial effort required to create a customized model of this type is well worth the additional investment because of the added insight provided.

### **3.4 TASK 4 – ALLOCATION OF FIXED AND VARIABLE COSTS**

The existing operating budget for the sewer system will be the initial source of our financial projections for the rates study. As part of this process we will allocate all operating costs fixed and variable categories by completing the following steps:

- \* Meet with Borough Staff and engineering professionals to discuss fixed and variable cost allocations.
- \* Develop allocation basis between fixed and variable costs for each line item in the annual operating budget.
- \* Provide narrative description of the allocation basis for each line item of the operating budget.
- \* Meet with the client to discuss possible variations in rate structure design in order to achieve goals of the sewer system.

### **3.5 TASK 5 - DATA ANALYSIS**

Considerable information will be obtained/exchanged at the project kickoff meeting described previously. We will then review, organize, modify, and verify information in such a manner to enable incorporation into our financial and rate model. Data analysis allows us to recognize trends; identify one-time events that could skew data analyses; make comparisons with other systems; determine where clarifications are required; identify information gaps; and assemble all verified data into a format applicable to use in future study activities.

During initial data analyses, we will:

- Review historical financial, capital expenditures, and customer data.
- Review water consumption.

- Verify billing accuracy, compare customer usage with billing data, and calculate revenues.
- Analyze current budgeting practices and recommend any necessary changes. Incorporate all verified historical data into rate model.
- Prepare comprehensive billing analyses.

### **3.6 TASK 6 - DEVELOP ANNUAL REVENUE REQUIREMENTS**

Our next study task will be to develop the annual revenue requirements for the sewer system. This will combine the CIP-related capital and O&M costs developed in the financial plan with the applicable debt service and O&M costs of the existing system. This will be done for each of the 6 years in the study period. These total annual revenue requirements will become the basis of future rate projections.

In developing the total annual revenue requirement, we will undertake the following:

- Review existing and future sewage facility needs with input from the Borough and project future capital expenditures. Incorporate future CIP cost requirements into the rate model.
- Incorporate existing debt service requirements and required annual debt coverage.
- Project and incorporate operation, maintenance, administration, and depreciation expenses for both existing facilities and future CIP-related facilities.
- Develop cash-flow analysis for the duration of the study period.
- Project probable future operating revenues that would be derived under present rates.
- Perform sensitivity analysis to determine the effect of changing various input parameters (e.g., what happens to rates if the cost of CIP is reduced by \$1 million?).

The revenue requirement phase of the project will focus on the impact the capital improvement plan, customer growth, and the inflation projections will have on the sewer system.

### **3.7 TASK 7 - RATE DESIGN**

Upon determining the annual revenue requirement for each year of the study period, Keystone Alliance will then develop equitable sewer rates for residential and commercial/industrial users. To complete this task, we will:

- Present up to three alternative rate schedules consistent with the fixed and variable allocations.
- Calculate the impact that each alternative rate schedule will have on the future bills at various representative levels of water usage. Number of customer bills at each water usage level will be identified and average consumption customers will be indicated for each rate alternative.
- Address the advantages and disadvantages of the current and proposed rate structure with consideration given to equitable cost recovery.
- Verify and ensure that the proposed alternative rates will generate adequate revenues and evaluate the impact on different customer groups.
- Explore the phasing of the rates over time if the proposed increase or decrease is substantial.
- Develop updated fees for industrial/commercial users sampling, laboratory analyses and high strength wastewater surcharges.

Following the development of rates, we will hold the third of four meetings with the Borough. During this meeting, we will present and discuss study findings as well as alternative rate structures that provide a viable method of meeting the system revenue requirement and may provide additional benefit to the Borough's customers. Upon completion of this rate design task we will prepare our written draft report which will describe all activities conducted by our firm during our work effort. Six (6) copies of the draft report will be supplied to the Borough.

### **3.8 TASK 8 - PREPARATION AND PRESENTATION OF FINAL REPORT**

Results of our financial and rate activities will be finalized via the preparation and presentation of the final rate study report. This document will explain all activities conducted by our firm during our work effort (e.g., analyses, evaluations, computations, investigations). The text will include sufficient tables, graphs, charts, and exhibits to afford the reader a clear understanding of the material being presented.

Our Final Report will, at a minimum, include the following sections:

- Executive Summary
- Table of Contents
- Purpose and Scope Statements
- Summaries of Procedures and Methodologies
- Statements of Findings
- Conclusions and Recommendations
- Appendices (as appropriate)

It is expected that our fourth and final meeting will be a public meeting during which we will present the study findings. Our participation in the public meeting process will be to prepare and present visual displays of the most pertinent tables/graphs/charts. We will explain, as necessary, all methodologies followed, all assumptions used in the final decision-making process, all conclusions reached, and all recommendations made. We will respond to all questions to the best of our abilities. The purpose of this meeting will be to perform the following:

- Discuss the methodologies, findings, conclusions, and recommendations of the report.
- Evaluate the positive and negative aspects of each rate design.
- Review the CIP and discuss alternatives available for funding future capital expenditures.
- Discuss our recommendations as to the most appropriate rates and fees.
- Compare the Borough's proposed rates to those charged by other municipalities in the area.
- Solicit input and suggestions.

Ten (10) copies of our final written report will be supplied to the Borough.



## **4.0 PROJECT SCHEDULE/STAFFING, ASSURANCES AND INSURANCE**

### **4.1 PROJECT SCHEDULE/STAFFING**

We propose to deliver the Final Report to meet the needs of the Borough within a four month period. Our internal process is the work on the project as quickly as possible once information is received. During the proposed project schedule, we anticipate four meetings with the Borough and/or its staff. The Final Report will be delivered to meet any reasonable schedule of the Borough. To the extent that additional time is needed by the Borough to review our preliminary findings, the schedule may need to be adjusted.

Keystone Alliance is confident we can meet this schedule for the following reasons:

- Our project team is fully committed for the duration of the project. All team members are on the staff of Keystone Alliance Consulting and will begin work immediately upon receiving written authorization to proceed. Each staff member currently works within the regional area on a daily basis.
- Our staff is enthusiastic and excited about this project. They are willing to work the necessary overtime, if required, to produce a quality professional product on time and within budget. We have every expectation that the Borough will be pleased with the professional yet personal manner with which we conduct our business.

### **4.2 PROJECT ASSURANCES**

Keystone Alliance stands behind its work. We will support all documentation and represent the study documents as required in any challenge by any group or entity. It is Keystone Alliance's practice to prepare for such challenges as the study is conducted. Keystone Alliance stands ready to support the Borough from the project inception until the rate schedules developed have been put in place and all issues are resolved.

## 5.0 COST PROPOSAL FOR THE SEWER RATE STUDY

### 5.1 COMPENSATION

Keystone Alliance will perform the sewer rate study for \$20,360 on a time and materials, not-to-exceed basis. This time and materials not-to-exceed cost is supported by the following estimated breakout for each task.

Task 1	Initial Meeting & Data Collection	\$2,858
Task 2	Develop Study Methodology & System Financial Plan	2,818
Task 3	Development of Computer Rate Model	3,020
Task 4	Allocation of Fixed and Variable Costs	1,780
Task 5	Data Analysis	3,000
Task 6	Develop Annual Revenue Requirements	2,760
Task 7	Rate Design	2,318
Task 8	Prepare & Present Final Report	1,806
<b>Total Cost Not to Exceed</b>		<b>\$20,360</b>

This price includes all pricing information relative to performing the sewer rate study. The total time and materials, not-to-exceed cost contains all direct and indirect costs, including all out-of-pocket expenses.

### 5.2 HOURLY RATES

The following rates will apply to those Keystone Alliance Consulting employees identified in our proposal for the duration of this project. These rates would be used if the Borough requests any additional services to either supplement the services requested or perform additional work recommended in the proposal or the Study report. Such additional work shall be performed only if authorized and consented to by both parties.

<u>Description</u>	<u>Hourly Rate</u>
Company President - David L. Busch	\$105.00
Senior Consultant – Barry J. Thompson	95.00
Consultant – Aleksandra Malicka	85.00
Consultant – Lawrence B. Busch	85.00
Clerical - Company Typical – Keystone Alliance	45.00

## **APPENDIX A**

**Appendix A**  
**Rate Studies Completed by Keystone Alliance Consulting, Inc.**

Client	Service	Most Recent Yr.	Prior Studies		
			Year	Year	Year
Bedminster Municipal Authority	Water & Sewer Rate Study	2010	2007		
Benton Municipal Water and Sewer Authority	Water & Sewer Rate Study	2018			
Borough of Conshohocken Authority	Sewer Rate Study	2012	2009		
Borough of Lititz	Water & Sewer Rate Study	2018	2012	2009	2007
Borough of West Chester	Sewer Rate Study	2006			
Cheltenham Township	Sewer Rate Study	2013			
City of Lebanon Authority	Water & Sewer Rate Study	2018	2017		
Downingtown Borough	Sewer Rate Study	2013			
Downingtown Municipal Water Authority	Water Rate Study	2013	2012	2009	
East Whiteland Municipal Authority	Sewer Rate Study	2018	2005		
Easttown Township	Sewer Rate Study	2011			
Erie City Water Authority	Water COS Rate Study	2009	2004		
Exeter Township	Sewer Rate Study	2018	2016		
Foster Township	Sewer Rate Study	2011	2008		
Franconia Sewer Authority	Sewer Rate Study	2012			
Hellertown Borough Authority	Water & Sewer Rate Study	2010			
Lancaster Area Sewer Authority	Sewer Rate Study	2016-2018			
Lansdale Borough	Sewer Rate Study	2016	2014	2010	
Lawrence Park Township	Sewer Rate Study	2010			
Lehigh County Authority	Water COS Rate Study	2017	2010	2005	
Mahanoy Township Authority	Water Rate Study	2011/2012			
Montgomery Township Municipal Sewer Authority	Sewer Rate Study	2010			
North Penn Water Authority	Water COS Rate Study	2005			
Northampton Borough Municipal Authority	Water Rate Study	2018	2013		
Northampton, Bucks County, Municipal Authority	Water Rate Study	2012	2006		
Plumstead Township	Water Rate Study	2012			
Pottstown Borough Authority	Water Rate Study	2008			
Reading Area Water Authority	Water COS Rate Study	2006/2007			
South Whitehall Township Authority	Water Rate Study	2016			
Township of Coolbaugh, Sewer System	Sewer Rate Study	2009			
Township of Falls	Water & Sewer Rate Study	2006			
Township of Falls Authority	Water & Sewer Rate Study	2008			
Upper Makefield Township	Water & Sewer Rate Study	2006			
Upper Montgomery Joint Authority	Sewer Rate Study	2009	2005		
Warrington Township	Water & Sewer Rate Study	2010	2008	2005	
Warwick Township Municipal Authority - Lancaster Co.	Water & Sewer Rate Study	2007			
Warwick Township Water and Sewer Authority - Bucks Co.	Water & Sewer Rate Study	2008	2004		
Weaverland Valley Authority	Water & Sewer Rate Study	2017			
Whitemarsh Township	Sewer Rate Study	2013	2008-2010		
Willistown Township	Sewer Rate Study	2012/2013	2010		
Yardley Borough Sewer Authority	Sewer Rate Study	2010	2008		

## **APPENDIX B**

# REQUESTED INFORMATION

In order to proceed with the Sewer Rate Study we request your assistance with obtaining the following information.

- Audited financial statements for 2017.
- Debt Service schedules for all current debt incurred to construct (or acquire) the sewer system. Schedules should include interest and principal payments.
- Current Sewer Rate Schedule. Website shows a Minimum Charge of \$26.00 per month for 2,000 gallons or less. All usage over 2,000 gallons per month is billed at \$6.90 per 1,000 gallons or any part thereof. Effective as of January 1, 2013. Is this still correct?
- Sewer portion of the budget with as much detail as possible for fiscal year 2019 and actual results for the expenses and revenues for the year 2018.
- Capital improvement plans for the duration of the study period (2019 – 2024), if one exists.
- Customer Monthly usage information including name, account number, address, and annual water usage for the most recent 12-month period available. Information needs to be in an electronic format from the billing system. I believe this would come from AQUA. If the client would prefer that we request it from AQUA directly, that would not be a problem. If AQUA is going to charge for the information the invoice will be sent to the client.
- Copies of all agreements for treatment or to provide service with other municipalities or large customers.
- Current status of Pfizer payments to the Borough.
- Schedule of growth projections for 2019 – 2024 for the sewer system if any projections exist.

If you have any questions regarding this request, please do not hesitate to call us.