

ALLEGHENY COUNTY SANITARY AUTHORITY

RESOLUTION FIXING SEWER RATES AND CHARGES

November 3, 2008

resolution # 1046

WHEREAS, the Allegheny County Sanitary Authority (the "Authority") is a public body, politic and corporate, exercising public powers of the Commonwealth of Pennsylvania (the "Commonwealth") as an agency thereof, duly organized and validly existing under the provisions of the Municipality Authorities Act, 53 Pa.C.S.A. §5601, et seq. (the "Act"); and

WHEREAS, the Authority has entered into standard municipal agreements ("Standard Municipal Agreements") with the City of Pittsburgh and certain other municipalities in and around Allegheny County, pursuant to which the Authority is designated the exclusive agent of each such municipality to furnish sewage treatment and disposal services; and

WHEREAS, the Authority has entered into standard industrial agreements ("Standard Industrial Agreements") with the City of Pittsburgh and certain corporations whose acceptable industrial wastes directly enter the system's intercepting sewers; and

WHEREAS, pursuant to the Standard Municipal Agreements and the Standard Industrial Agreements, the Authority is authorized to set sewage service charges to pay for administrative and operating expenses of the Authority and to pay amounts required under the Trust Indenture dated as of July 1, 1997, as supplemented by a First Supplemental Trust Indenture dated as of October 1, 2000, a Second Supplemental Trust Indenture dated as of August 1, 2001, a Third Supplemental Trust Indenture dated as of December 15, 2003, a Fourth Supplemental Trust Indenture dated as of May 18, 2005, and a Fifth Supplemental Trust Indenture dated as of July 1, 2007 between the Authority and The Bank of New York Mellon Trust Company, N.A. (as successor by merger to The Bank of New York Trust Company, N.A.), as successor Trustee.

WHEREAS, the Authority proposes to establish and fix the sewage rates and charges in accordance with the Standard Municipal Agreements and the Standard Industrial Agreements.

NOW, THEREFORE, BE IT RESOLVED by the Allegheny County Sanitary Authority that, in accordance with the Standard Municipal Agreements and the Standard Industrial Agreements, the Authority hereby adopts, fixes, and establishes the following sewage rates and charges to be effective for water usage on and after January 1, 2009, unless otherwise referenced herein.

**Section 1. GENERAL RATES.** The rates for sewage service to sewerred premises within the general service area of the Authority shall be as follows:

- (a) Metered Water Users. The following rate shall be applicable to users of metered water. Charges shall be based upon the quantity of water delivered to each water user as measured by the most recent available water meter reading:

Sewage Charges for Water Used per Quarter Year. \$3.77 per 1,000 gallons, plus a Customer Service Charge of \$7.92 per bill.

- (b) Flat Rate Water Users. The following rate shall be applicable to water users whose water bills are based upon a flat rate, and the flat rate water residential customers will be billed upon an equivalent residential unit base ("ERU"). The average residential usage becomes the basis on which flat-rate residential water users are charged. The average residential usage is estimated at 20,000 gallons per quarter. Each residential flat-rate account will be billed for sewer services based upon this average unless proof is provided that the customer's usage is more or less.
- (c) Other Water Users. The quantity of water used by water users other than those referred to in sections (a) and (b) above shall be estimated by the Authority, and each such water user's sewage charge shall be calculated by applying the rate set forth in subsection (a) to the estimated quantity.

**Section 2. SURCHARGES APPLICABLE TO HIGH-STRENGTH SEWAGE DISCHARGES.** In any case in which a discharger's wastes have an unusually high concentration of the suspended solids and/or biochemical oxygen demand, the sewage charges provided in Section 1 shall be increased according to the following formula:

- (a) Suspended Solids Charge

$$(SS-275) * .008345 * \$0.2464 * \text{flow (1,000 gallons)}$$

Where:

SS = Suspended solids of particular wastes in milligrams per liter (mg/L)  
.008345 = Conversion factor from mg/L to pounds per 1,000 gallons  
\$0.2464 = Treatment cost per pound of suspended solids

- (b) Biochemical Oxygen Demand

$$(BOD - 300) * .008345 * \$0.2184 * \text{flow (1,000 gallons)}$$

Where:

BOD = Biochemical oxygen demand of particular wastes in milligrams per Liter (mg/L)  
.008345 = Conversion factor from mg/L to pounds per 1,000 gallons  
\$0.2184 = Treatment costs per pound of biochemical oxygen demand

**Section 3. ADDITIONAL CHARGES FOR COMMERCIAL GARBAGE DISPOSALS.** For each commercial (i.e., non-residential) garbage disposal, the Authority shall charge users as follows:

\$172.37 times horsepower capacity per quarter

**Section 4. RATE FOR DISCHARGE OF CONSTRUCTION SITE GROUNDWATER.** The following rates will apply to the temporary discharge of accumulated groundwater from construction excavation sites, provided that:

1. The need to discharge to the sewage collection system will not exceed nine (9) months; and
2. No toxic pollutant listed in the ALCOSAN Pretreatment Regulations is present in untreated groundwater above detection limits established for USEPA-approved analytical methods for such pollutant; and
3. The concentration of suspended solids in the discharged water is less than 135 mg/l, and the concentration of biochemical oxygen demand is less than 150 mg/l; and
4. The Authority has determined in its judgment (which shall be final and absolute) that reasonable efforts have been made to obtain a permit from the Pennsylvania Department of Environmental Protection to discharge such groundwater to the nearest waterway, and that the application for such permit has been denied or that discharge under such permit is not feasible.

A fee equal to one-half (1/2) of the per 1,000-gallon charge set forth in Section 1(a) above shall be charged for each pump used for the purpose of discharging groundwater, and shall be based upon the pumping capacity of each pump used, in thousand gallons per day (kgd). This fee shall be applied daily for each day pumping occurs.

**Section 5. PENALTIES AND INTEREST ON LATE PAYMENTS.** Sewage bills which are not paid when due shall be subject to penalties and interest as follows:

- (a) Bills of Water Users. All sewage charges billed to water users other than municipalities shall be payable on or before the due date shown on the sewage bill. After such due date, a penalty of 5% shall be payable, plus interest on overdue bills at the rate of ½% per month or part thereof upon 105% of the sewage charge, which interest shall begin on the sixty-first day after the due date.
- (b) Bills of Municipalities. Sewage charges billed to municipalities shall be payable not later than sixty (60) days after the furnishing of the bill therefor, after which date interest on unpaid charges shall accrue at the rate of 6% per annum.

**Section 6. GENERAL PROVISIONS.**

- (a) The Authority's sewage bill shall be sent to and shall be payable by the party to whom water bills are addressed, and, in the case of all water users to whom no water bills are addressed, the sewage bill will be sent to and shall be payable by the occupant of the premises.

- (b) In the event the party billed by the Authority under subsection (a) of this Section 6 is not the owner of the property, and if the municipality so requests and provides the name and address of the owner, sewage bills will be sent to such owner.
- (c) The quantity of water which does not reach a metered water user's sewer, if separately metered in accordance with all requirements of the Authority, will not be included in the quantity upon which the sewage charge is calculated. For reading credit meters and account maintenance required to process the credit, a charge per meter will be made according to the Unit Cost for Auxiliary Meters.
- (d) Subject to the prior written approval of the Authority and compliance with all requirements of the Authority, a commercial or industrial water user may install a sewage meter, in which event the sewage charges will be based upon the quantity of sewage so metered. For the reading of the sewage meter and the account maintenance required to bill based on such meter, a charge per meter will be made according to the Unit Cost for Auxiliary Meters.
- (e) For accounts that use well water in addition to public water and where the well water is metered, the metered well usage will be added to the public water usage to produce the sewage charge. For the reading of the well water meter and the account maintenance required to bill based on such meter, a charge per meter will be made according to the Unit Cost for Auxiliary Meters.
- (f) The Unit Cost for Auxiliary Meters is \$110.00 per year.

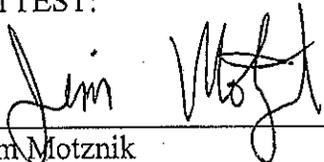
**Section 7. REPEALER.** All prior rate schedules and resolutions are hereby repealed, in whole or in part, to the extent inconsistent herewith.

**Section 8. EFFECTIVE DATE.** This Resolution shall take effect in accordance with applicable law.

**RESOLVED and ADOPTED** this 3rd day of November, 2008, by the Board of Directors of the Allegheny County Sanitary Authority, in lawful session duly assembled.

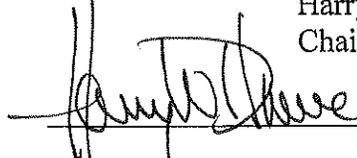
ATTEST:

ALLEGHENY COUNTY SANITARY AUTHORITY

  
 \_\_\_\_\_  
 Jim Motznik  
 Secretary

By   
 \_\_\_\_\_  
 Harry Readshaw  
 Chairman

(SEAL)

  
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 Harry W. Dilmore  
 Secretary

  
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 Edward Klicker  
 President