

MEMORANDUM

To: Patrick J. Hohl, Supervisor
Hamburg Township Board of Trustees

From: Brittany K. Campbell, Utilities/Special Projects Coordinator

Date: August 17th, 2022

Re: **Sanitary Sewer Tap Fee Increase Recommendation**

Reason for Review:

Unless a property is located in a specific Special Assessment District (SAD) where the tap fee is determined through the overall cost to provide that SAD with sanitary sewer service, the Township has used the standard Direct Tap Fee of \$4,500.00 per REU (residential equivalent unit) if a sewer main is located directly in front of the parcel or the Indirect Tap Fee of \$2,500.00 per REU if a property owner has to extend the sewer main to serve their property. These fees, \$4,500.00 for a direct connection and \$2,500.00 for an indirect connection have not changed since adopted by the Township Board in 1996 as recommended by the then Sewer Committee.

Basis for Increasing Sewer Tap Fee:

The Township is approximately 650 taps away from needing to expand the Wastewater Treatment Plant (WWTP). The Committee feels that the expansion cost will likely be over \$3,000,000. The cost of the expansion will partially be paid through the sewer tap fees collected by the Township for all new sewer connections. The Utilities/Special Projects Coordinator completed a review of the sewer tap fees from the surrounding municipalities and found that the current fees range from \$7,000.00 to \$14,720.00 per REU. No other municipality offers a discounted "indirect" tap fee for having to extend the sewer main to the resident's property.

Recommendation from Municipal Utilities Committee:

The Committee passed a motion to forward the matter to the Board with the recommendation to increase the sewer tap fee to **\$7,500.00 per REU** with a \$3,500.00 credit for the failure of an existing on-site septic system if an individual property owner has to extend the sewer main to serve their property. The Committee also recommends that the sewer tap fees be reviewed on an annual basis just like the quarterly sewer O & M billing rate.