

DEER CREEK DRAINAGE BASIN AUTHORITY

P O BOX 148, 945 LITTLE DEER CREEK VALLEY ROAD, RUSSELLTON, PA 15076

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December 17, 2021

Dear Customer:

The Deer Creek Drainage Basin Authority Board would like to inform you of a planned sewage rate increase. We wanted to let you, our customer, know in advance of the increase so that you may plan your budget accordingly. The new rate is effective November 15, 2021 and will commence with all billing in April 2022, as follows:

Quarterly Debt Service	\$90.00 per EDU*
Minimum Quarterly Operating & Maintenance 0 – 8,000 Gallons	\$56.00 per EDU
Total Minimum Quarterly Charge for 0 – 8,000 Gallons	<u>\$146.00 per EDU</u>
Variable Rate - \$6.00 per each additional 1,000 Gallons	
Non-Metered Well Water Quarterly	\$218.00 per EDU

Ninety-five percent of Deer Creek's customers have their wastewater treated by Allegheny Valley Joint Sewer Authority (AVJSA). AVJSA is in the midst of expanding its facilities by order of the PA Department of Environmental Protection to meet environmental standards. Deer Creek Drainage Basin Authority is a contract customer and is contractually obligated to pay 43% of the cost of this project. The Deer Creek Board and its professionals have worked diligently over the last couple of years to influence the scope and cost of this project. However, due to increased costs of materials and other factors, the bids for the project came in at 102.6 million dollars. Deer Creek's share of the project is 44 million dollars. The Debt Service part of the new rate will be used to cover this cost.

The last rate increase, which commenced with billing in February 2014, was calculated to remain stable for a five year period. Diligent management enabled those rates to remain in effect for nearly eight years. The Board and its professional staff will continue to monitor expenses so that the best service at the lowest possible rate can be provided.

A schedule of the new rates, based on the amount of water used, is included on the back of this letter.

***Equivalent Dwelling Unit (EDU)** - Dwelling Unit shall mean any room, group of rooms, enclosure, etc., occupied or intended for occupancy as separate living quarters by a family or other group of persons living together or by persons living alone. Each dwelling unit in a double house, in a row of connection houses, or in an apartment shall be a separate entity for sewer service charge purposes.

Quarterly Rate Schedule

The quarterly sewer bill is comprised of \$90 Debt Service, \$56 Operating and Maintenance for 0 – 8,000 gallons plus \$6 per each 1,000 gallons over 8, 000 gallons of water used as shown below.

Quarterly Usage in thousands of gallons	Total Quarterly Bill
0 – 8,000	\$146.00
9,000	152.00
10,000	158.00
11,000	164.00
12,000	170.00
13,000	176.00
14,000	182.00
15,000	188.00
16,000	194.00
17,000	200.00
18,000	206.00
19,000	212.00
20,000	218.00
21,000	224.00
22,000	230.00
23,000	236.00
24,000	242.00
25,000	248.00
26,000	254.00
27,000	260.00
28,000	266.00
29,000	272.00
30,000	278.00
31,000	284.00
32,000	290.00
33,000	296.00
34,000	302.00
35,000	308.00
36,000	314.00
37,000	320.00
38,000	326.00
39,000	332.00
40,000	338.00
41,000	344.00
42,000	350.00
43,000	356.00