

New Shiloh Water Rates (effective December 1, 2012)

Individual User Rates

Current

Base rate: \$13.59/qtr
 First 6,000 gallons: \$1.22/1000 gallons
 6001 to 18000 gallons: \$1.52/1000 gallons
 18001 gallons and up: \$1.76/1000 gallons

| Examples of current user rates | |
|--------------------------------|---------|
| | |
| 6000 gallon user | \$20.91 |
| 18,000 gallon user | \$39.15 |
| 25,000 gallon user | \$51.47 |

New

Base rate: \$15.00/qtr
 First 6,000 gallons: \$1.53/1000 gallons
 6001 to 18000 gallons: \$1.90/1000 gallons
 18001 gallons and up: \$2.20/1000 gallons

| Examples of new user rates | |
|----------------------------|------------------------|
| | |
| | Cost increase |
| \$24.18 | \$3.27/Qtr, \$1.09/Mo |
| \$46.98 | \$7.83/Qtr, \$2.61/Mo |
| \$62.38 | \$10.91/Qtr, \$3.64/Mo |

The West Manchester Township Authority (WMTA) provides water to what is generally known as the Shiloh section of West Manchester Township. Like any homeowner, the WMTA has seen its costs increase over the years. In fact, the costs of the specialized chemicals and equipment that allows us to provide pure water to you have been increasing at a faster rate than the general inflation rate. Our last water rate increase was in 2006, and in the years since that rate increase these costs have steadily risen.

However, there are additional costs which have risen far more dramatically or which are brand new expenses to the WMTA. More than 1.5 million dollars has been spent in the past 5 years on capital expenditures and many other expenses are recurring and will continue to have an impact on our budget into the foreseeable future.

- The Authority has drilled a new well to assure that our customers will always have water when they turn on their tap.
- The Authority has refurbished and repainted its 3 oldest water storage tanks.
- The Authority has added 3 new large generators to our wells to assure that you will have water even during extended power outages.
- A large supply main at one of our wells had to be replaced as a result of new regulations.
- Additional water quality monitoring equipment has been purchased
- The Susquehanna River Basin Commission (SRBC) regulates water withdrawn from the ground within the Susquehanna River Watershed and they have greatly increased their permitting costs for each of our 9 wells.
- An expensive new test for “Synthetic Organic Compounds” has been instituted and must be done on a regular basis.

To combat these rising costs, the WMTA has taken several steps:

- We have initiated a wage freeze for 2012 for all our employees.
- In the near future, the loan that we took out for the capital expenditures listed above will be restructured to take advantage of lower interest rates and we expect to save as much as \$20,000 per year through this action.
- The WMTA has created a “Capital Reserve Fund” which we will use to pay for expansions, large repairs, and other unusual and unexpected expenses. This “Rainy Day Fund” is intended to make sure that in the future, unusually large expenses will not adversely affect your water rates in the short term.

Finally, we want to assure our water users that the sound fiscal policies which for years have allowed us to provide water to you at rates far lower than neighboring water systems will continue. In fact, WMTA has historically provided water at rates which are the lowest, or close to the lowest, in the entire State.

WATER RATE INCREASE IN SHILOH

The West Manchester Township Authority (Shiloh Water) has announced a rate increase to take effect with water used by its customers beginning December 1, 2012.

The Authority has seen very large cost increases in the past few years as a result of the drilling of a new well and increased regulations by the federal government, state government, and the Susquehanna River Basin Commission. Increased regulations regarding water use and water quality means purchasing additional chemicals; performing more expensive tests; and substantial expenses caused by ever more complicated permitting procedures.

Examples of the effect of the new rates for water used beginning December 1, 2012:

A customer who uses 6000 gallons of water a quarter currently pays \$20.91. After December 1, the cost will be \$24.18.

A customer who uses 18,000 gallons of water a quarter currently pays \$39.15. After December 1, the cost will be \$46.98.

A customer who uses 25,000 gallons of water a quarter currently pays \$51.47. After December 1, the cost will be \$62.38.

Effective May 6, 2013, balances over 90 days old will be charged 6% per year billed quarterly.

Remember that these are quarterly billings, not monthly increases. The Authority is pleased to be able to continue to provide water to our customers for less than half of what our neighbors in other water systems pay. Please be assured that during these tough economic times, the Authority is taking steps to reduce costs while also keeping our water quality and system integrity at the highest standards.

Additional information can be found by calling our offices at 764-3624 or online at shilohwater.org.