



NORTHAMPTON, BUCKS COUNTY, MUNICIPAL AUTHORITY

October 26, 2007

RE: SANITARY SEWER EXTENSION PROJECT
• "Q & A" INFORMATION DOCUMENT
• STATUS REPORT (OCT. 3, 2007)

Dear Resident:

The Municipal Authority has prepared a "Q&A" information document of frequently asked questions and a Status Report dated (October 3, 2007) about the Sanitary Sewer Extension Project. It is our desire to provide the community with accurate, timely communications on this issue.

If you would like to be placed on the Municipal Authority's electronic e-mail list, please visit INFO.NBCMA@COMCAST.NET and provide your name and address. These reports are available for viewing on the NBCMA web-site. If you do not have access to the internet or wish to be informed via US mail, please contact the Authority.

The Municipal Authority Public Meetings are scheduled for 7:30 P.M. on the 1st and 3rd Wednesday of every month at 111 Township Road, Richboro, Pennsylvania.

If you have any questions, please feel free to contact the Authority.

Sincerely,

Thomas A. Zeuner
Executive Director

TAZ:lm

Enclosures: Q&A Information Document
Status Report (October 3, 2007)

Q & A – SANITARY SEWER EXTENSION PROJECT

QUESTIONS AND ANSWERS
October 26, 2007



GENERAL INFORMATION & BACKGROUND:

Q: How many properties are included in the project?

A: The scope of the project includes approximately 450 Tax Map Parcels (properties: Residential and Industrial)

Q: Who is included in the project?

A: The project region includes properties in the following areas: Industrial Park, Traymore Manor, Grenoble Manor, Harvest Acres, and dwellings on Jacksonville Road and Almshouse Road. If you received a letter from the Authority informing you of the project, you are currently included in the project area.

Q: Why is the project proceeding?

A: To eliminate sewage disposal and health concerns associated with malfunctioning on-lot disposal systems (OLDS).

Q: What is OLDS?

A: Short name for: On-Lot Disposal System; (Private disposal system)

Q: What is a 537 Plan?

A: The 537 Plan is the official Northampton Township Sewage Facilities Plan. Should the plan not proceed with the timely construction of sewers, PA DEP will order the implementation of the plan.

Q: Why was the project not completed in the past?

A: There was no compelling community support to initiate the construction project.

Q: Who is benefited?

A: Those who will have sanitary sewer service available are benefited

Q: Who will be required to connect?

A: Anyone whose principal building is within 150 feet of the Sanitary Sewer System.

Q: Will public water be provided with this project?

A: The installation of public water has not been decided yet. Due to the economies of scale and favorable cost benefit analysis for the design, the Authority has authorized Gilmore & Associates to design the water distribution system concurrently with the sanitary sewer collection system. Those costs will not be assessed to the property owners unless the water system is installed.

Q: If I fix my septic system, do I still have to connect?

A: YES

Q: Who determined that numerous OLDS (On-Lot Disposal Systems) have failed in the plan area?

A: Bucks County Board of Health

Q: Why doesn't the Authority fix the on-lot failed systems?

A: The Authority only deals with PUBLIC sanitary sewer and water service not on-lot private systems.

Q: Is a sanitary sewer treatment plant going to be built?

A: The Authority is investigating various options for the disposal of the sanitary sewage. A treatment plant is one of five options being considered. It is the Authority's desire to have a strategic direction established by the end of calendar year 2007.

MONETARY / FINANCIAL QUESTIONS:

Q: What is the sewer project going to cost me?

A: The cost of the project is unknown at this time. The Authority has engaged Gilmore & Associates and CKS Engineers to perform the required preliminary engineering to estimate the cost.

It is our desire to provide an estimated cost range by the end of calendar year 2007.

Q: What is an assessment?

A: A means of fairly allocating costs of the project to those who benefit from the project.

111 Township Road
Richboro, PA 18954-1550
Telephone: 215-357-8515
FAX: 215-357-5315

Q: When will the assessment monies become due?

A: The property owner is responsible for payment of the assessment when the Authority engineer has certified the substantial completion of the project.

The property owner is given 6 months to pay the obligation from the date of the Engineering certification.

Q: Why do I have to pay if I don't have a failing septic system (OLDS)?

A: Pennsylvania municipal laws provide that everyone who benefits in the project area must participate.

Q: What happens if I cannot pay the obligation by the due date?

A: If the property owner fails or is unable to satisfy the obligation by the due date the Authority will place a lien on the property.

Q: If a lien is placed on my property, when must I pay off the lien obligation?

A: Upon the sale or mortgage refinance of the property

Q: What is a benefit assessment as compared to front foot assessment?

A: To be fair in calculating assessments, benefit assessment is used in lieu of front foot assessment in the case of irregularly shaped properties when the front foot assessment is deemed impractical.

Q: What costs are included in the project?

A: The costs of engineering, legal and construction of collection lines, pavement & highway restoration, property restoration, easement acquisitions, pumping stations, force mains, and treatment facilities acquisition.

Q: What other costs will I incur?

A: Municipal permits, tapping fees, installation of the sanitary sewer lateral, grinder pumps (if applicable), excavation and restoration of property, abandonment of existing OLDS in accordance with Municipal code, site-specific costs, and sampling chambers for industrial properties.

Q: What is a sewer tapping fee?

A: Acquisition of capacity / treatment / conveyance for the sanitary sewer. The cost of buying into your fair share of the township's sanitary sewer system.

Q: What will the cost be for public water if the public water option is endorsed?

A: We are working on obtaining preliminary estimates. It is our hope to have those projections available by January 2008. Actual costs would not be known until the bidding process and construction is completed.

Q: What are the rates the Authority charges for sanitary sewer service?

A: Rates for sanitary sewer service have not changed since January 2005

Customers with Sanitary Sewer & Water Service are charged a base service charge plus a fee based upon the amount of water consumed.

Current Rates:

Base Rate - \$48.07 per quarter

Plus \$4.06 per 1,000 gallons

Customers that do not have public water are charged a flat rate of \$133.34 per qtr.

Q: What are the rates the Authority charges for public water service?

A: Rates for public water have not changed since January 2005

Current Rates:

Base Rate - \$11.50 per quarter

First 5,000 gallons - \$2.93 per 1,000 gallons

6,000 to 25,000 gallons - \$4.31 per 1,000 gallons

Over 25,000 gallons - \$6.44 per 1,000 gallons

An average residential property in Northampton Township consumes 21,000 gallons of water per quarter (3 months). Your use may vary greatly depending upon individual consumption habits.

Q: How am I going to pay for this?

A: If personal funds are not readily available to pay for your fair share of the project, you should contact your financial consultant or local bank.

Q: Will the Authority offer a payment plan?

A: The Authority recognizes that numerous property owners have inquired about payment plans. The Authority will investigate options and alternatives for property owner financing.

The Authority is exploring various means of acquiring grants and/ or low interest financing for the individual property owner. We will be contacting our legislators, state agencies, and local banks to explore what options are viable.

Q: I pay taxes, why do I have to pay the fees and costs?

A: The Municipal Authority is a non-profit government agency whose sole purpose is to provide the highest quality of water and sanitary sewer service to its ratepayers. No tax monies are used in the operation of the Authority.

Q: Why don't you spread the cost among the entire system, not just those in the project area?

A: Those properties already served by the Authority, have already paid the costs required.