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Water Rate Change / Increase

On January 2, 2019, the Board of Commissioners approved a rate increase by Resolution No. 2019-01. As noted in the resolution, the consumption charge of \$5.00/1000 gallons will increase to \$6.25/1000 gallons. The base charge of \$25.00 a quarter per water connection will remain as is. This base charge is billed each quarter regardless of water consumption/usage.

Frequently Asked Questions

Q. When will these changes take effect?

A. These changes / increases will be effective April 1, 2019, beginning with the second billing quarter.

Q. What does my water bill pay for?

A. Your South Whitehall Township (SWT) water bill covers the following categories, costs, and services:

- The annual operation and maintenance of the water system, including well and pump station operations, water treatment and testing, and water division expenses.
- The cost SWT incurs to purchase imported water (SWT purchases imported water from the Lehigh County Authority (LCA)).
- The repair and replacement of pipes, pump stations, facilities and equipment to improve the water system safety, efficiency and reliability.

Q. Why do the rates need to be raised?

A. This year the cost of imported water has been increased by 5.1%. In addition, capital expenditures are required for SWT to continue to provide both *adequate* and *safe* drinking water for our customers. Among the many water capital projects are those which will add additional water supply options, improve stored water quality, improve water lines, and provide emergency power supplies to several stations. The existing rates do not provide enough revenue to meet the expenses necessary to operate the water system. SWT has also incurred increased state permit costs and requirements needing funding. The need to balance the revenues with the purchase water costs, operations, maintenance, and capital improvement expenditures is a necessity.

SWT receives its water from two (2) primary water sources:

1. Groundwater from the nine (9) SWT owned wells
2. Import water supplied by LCA, purchased through an agreement with the City of Allentown

Q. How is my water bill calculated?

A. Each bill will have two (2) components:

1. **Water Base Charge (Fixed):** This charge is designed to recover the costs of reading, maintaining, and replacing the water meters. Additionally, this charge includes a capital component. The capital component is to be used for repairs and improvements to the water system.
2. **Water Usage Fee (Variable):** This charge is based on the amount of water used and is calculated by multiplying the number of gallons of water used by the unit rate. This charge is geared primarily towards recovering the costs associated with water purchases, treatment, and distribution costs.

If you still have questions about how your bill might be impacted, call or e-mail SWT using the contact information in the header of this letter.