

\$32M Treatment Plant Project Underway

Mandated by Department of Environmental Protection – User Rates to Increase

Construction on the City's \$32M project to expand and improve the treatment process at the Wastewater Treatment Plant (WWTP), mandated by the Pennsylvania Department of Environmental Protection (PADEP), is now underway. In order to cover the costs of this project, effective January 1, 2011, all customers of the City's sanitary sewer system will see an increase in rates, which will be phased in over a three year period. The increase beginning the first quarter of 2011 will be reflected in the April billing. All customers, including those in adjacent municipalities that contribute sewage to the Hermitage plant, will share in the increased rates.

After considerable study and much public input, the Board of Commissioners elected to keep the fixed rate structure for residential customers, although the billing cycle will change to monthly beginning in 2012. The current residential rate of \$95/quarter will increase immediately to \$105/quarter for 2011. Effective January, 2012 the rate will change to \$42/month and effective January, 2013 the final scheduled increase will be to \$47.50/month. The change to a monthly billing cycle will also provide customers with the option of making payments by credit card or through automatic checking.

The increase in rates has been made necessary primarily because of increased annual debt service as a result of the \$32M project to increase capacity and improve operations at the WWTP on Broadway Road. A 2009 Consent Order & Agreement between the City, Hermitage Municipal Authority (HMA) and the PADEP, including a Corrective Action Plan, mandates those improvements. The improvements must be complete, with the plant operational, by December 31, 2012 or the City will face daily fines and the suspension of new connections to the system – stopping any new construction. The City's sanitary sewer system including the WWTP, 150 miles of lines, 16 pump stations and 2,915 manholes are owned by the Hermitage Municipal Authority and operated by the City of Hermitage.

The treatment capacity at the WWTP will increase from 5.0 million gallons per day (MGD) to 7.7 MGD. It will utilize a treatment process that will convert waste to electricity and significantly reduce or eliminate electricity costs at the WWTP, thereby providing a long-term operational savings. It will also create a land applicable final waste product that will nearly eliminate the need to landfill sludge and provide an alternative for food waste disposal for regional retail businesses and industries

that does not currently exist. The approved design, which utilizes green technology to provide the previously mentioned cost-saving components of the project, has undergone a value engineering process as required by the PADEP and the Pennsylvania Infrastructure Investment Authority (PENNVEST) funding agency. It should be noted

that PENNVEST only provides funding for projects they have determined to be designed to construct the most cost effective solution.

Funding for the project will come from 3 grants: a \$350,000 PA Green Energy Grant; a \$375,000 PA Growing Greener Grant and a \$1M PA H2O Grant; a low interest (1%) 20 year loan from PENNVEST in the amount of \$13,788,203; and, the remainder from a bond issue. The project engineer is Herbert, Rowland & Grubic Engineers, Hermitage, PA and the contractor is A.P. O'Horo, Youngstown, OH. Construction is underway and will continue through this year and most of 2012. As construction progresses, the HMA and City are working with area food industries to develop agreements to accept waste food products, including dairy products, into the treatment process as additional fuel for the anaerobic digestors, the first step in producing electricity.

In addition to this project, the City and HMA will be making improvements to the collection system as well. The Pine Hollow interceptor line will be replaced during 2011. This line runs from the Freeway south to Mercer Avenue/Pine Hollow Boulevard and then west to the George Street area. Also, new City sewers will be constructed in the Overlook Drive/Krivosh Drive area during the year to remove several failing on-lot systems. More information regarding all these projects can be obtained from Mr. Tom Darby, Hermitage Water Pollution Control Superintendent and HMA Manager, at 724-347-4941 or tdarby@hermitage.net.

