

An Open Letter to Dunellen Residents and Businesses
about the new Dunellen Sanitary Sewer Utility

from Mayor Robert J. Seader

In the early part of 2013, the Borough of Dunellen will create a new department called the Dunellen Sanitary Sewer Utility. The purpose of the Sewer Utility is to find a fair and equitable mechanism to pay for the maintenance and improvement of our sewer system.

Our sewer system consists of hundreds of miles of underground pipes that carry wastewater from homes and businesses to treatment plants near the Raritan Bay that are controlled by the Middlesex County Utilities Authority (MCUA). In addition to the pipes, the borough has a pumping station at Gallagher's Corner near the Middlesex border and an ejector station on North Washington Avenue which move the wastewater to pipes downstream. These pipes are managed by the Plainfield Area Regional Sewerage Authority (PARSA), an organization consisting of nine municipalities. Furthermore, our Department of Public Works (DPW) keeps equipment used to clean the streets, clear out blockages, and repair breaks in the system when they occur.

The situation the Sewer Utility will address is seven-fold and simple to state: first, each year, the fees the borough pays to the MCUA and PARSA to take our sewage away and treat it increase, with much of the fees based upon how much water is being put into the system; second, many of our pipes are 100 years old and are in need of repair or replacement; third, it is expensive to run pumping stations which are filled with complex and often very hard-working mechanical equipment; fourth, ordinary equipment such as our sewer jet truck need constant monitoring and maintenance so that they are ready to serve in an emergency; fifth, emergencies such as pipe collapses do happen from time-to-time, often caused by the heavy truck traffic on

our roads, and fixing them immediately can be very costly; sixth, we believe that the current way of paying for the sewer system is fundamentally unfair to the average home owner. Finally, because of what is called the 2% CAP, the borough cannot raise taxes or spend money more than 2% of what was raised or spent the prior budget year. So, if we have to spend an extraordinary amount to maintain our sewer system, more than 2% from last year, then the difference has to be made up by spending less on other services such as Recreation, Senior Services, office hours open, support of the Public Library, assistance to our emergency services such as Fire Department and Rescue Squad, and many of the other vital areas that affect you every day.

One of the goals of establishing the Dunellen Sanitary Sewer Utility is to make the funding of the sewer system evenhanded for all the residents and property owners in the borough. Under our current method, every property owner pays the same amount. Under the Utility, those who generate more wastewater, sometimes considerably more wastewater, will pay a fairer and more proportionate share of the costs of the system.

In the past, the cost of running the Dunellen sewer system was included in the property tax bill. Beginning in 2013, the cost for the sewer system will be separated from the tax bill and each property owner will receive a bill from the Dunellen Sanitary Sewer Utility. The sewer rate for residents who live in single-family homes will be \$340 per year, payable semi-annually in March and September, though you may pay the entire fee when you first receive the bill. However, and this is very important, there will be a partial reduction in your property tax bill so there will be only a modest increase of \$148, for the average homeowner, to help pay for the system. Seniors and the disabled may be eligible for a \$100 discount.

Owners of multi-family residential properties (properties with two or more residential units) will pay an annual flat rate for each residential unit in the amount of \$200.00, also to be paid semi-annually.

Owners of non-residential properties connected to the Borough sanitary sewer system will pay based upon the amount of water supplied to the property as determined by meter readings of the first and fourth quarters of the previous year. Where water usage cannot be determined by meter reading, the Sewer Utility fee will be based on the property's estimated water usage, with the estimate based on calculations using the best engineering practices for the property in question. The sewer rate for non-residential properties will be \$4.165 per 1,000 gallons of water used at the property, whether determined by meter or estimate, payable in March and September.

Just as the need for a Sewer Utility was simply stated, so are the benefits.

From a financial point of view, a great advantage of a sewer utility is that it has its own separate budget which is placed outside of the statutory 2% CAP restrictions. It can raise its own revenue, set its own expenditures, and best of all, the high costs of maintaining the sewer system have no direct impact on the regular municipal budget, so important programs or services do not need to be reduced or cut in order to make up for "extra-spending" on the sewer system.

It is also an eminently better way of paying for the sewer system. In as much as the high fees charged by the MCUA and PARSA are partly based upon how much wastewater they receive from Dunellen, it is the right thing to do to have those who consume more water that ends up in our sewer system pay more than those who consume less. The rates have been carefully calculated to ensure fairness.

Finally, the Dunellen Sewer Utility can make capital outlays as needed for much needed improvements. This helps ensure that our essential infrastructure of pipes and pumping stations is well looked after and kept running efficiently for all who live and work in Dunellen.

The sewer ordinances, including the new rates, have been posted on the Dunellen web site (www.dunellenborough.net). The ordinances will be adopted at the Governing Body's December 17th Meeting, after a public hearing. Meanwhile, if you have any questions, please call the municipal offices at 732-968-3033.