

APPENDIX B
THE MUNICIPAL AUTHORITY OF THE TOWNSHIP OF ROBINSON
DESCRIPTION OF THE AUTHORITY'S WATER AND SEWER SYSTEM AND
FINANCIAL INFORMATION
FOR FISCAL YEAR 2017

DESCRIPTION OF THE AUTHORITY'S WATER AND SEWER SYSTEM

The existing water distribution system facilities include about 104.7 miles of water lines ranging in size up to thirty (30) inches and related facilities including a 1.0 million gallon, (m.g.) a 1.5 m.g. elevated storage tank and a 500,00-gallon standpipe. Additionally, the Authority maintains three (3) metered connections with booster pumping stations to pump water from the Pennsylvania-American Water System, two (2) metered connections with the Moon Township Municipal Authority, and one (1) metered connection with the Western Allegheny County Municipal Authority, West View Water Authority, and the Coraopolis Water and Sewer Authority. All of the foregoing connections are for the purpose of purchasing and/or supplying emergency water. Line sizes are predominately six (6) inch, eight (8) inch and ten (10) inch diameter.

Water System

The water supply system services Robinson Township and provides for bulk sales of water to the Findlay Township Municipal Authority. The water treatment plant is located in the Groveton area of the Township, approximately 400 feet south of the Ohio River. The plant currently has an output capacity of 6.0 million gallons per day. The projected average daily demand is 2.91 million gallons per day ("mgd"), and peak daily demand is 4.00 mgd. Incorporated into the plant are five (5) conventional rapid sand filters with granular carbon media, four (4) reactor clarifiers of the upflow type incorporating flocculating chambers, a rapid chemical mix chamber, and a finished water clearwell storage. The building housing the rapid sand filters also houses chemical feed and storage facilities, an office-laboratory and high service pumping facilities. The water treatment process utilizes coagulation, followed by settling and filtration. Other normal chemical additions include sodium permanganate and post-chlorination for disinfection. The granular carbon in the filters facilitates taste and odor control. The treatment system also includes a processing facility consisting of backwash equalization and recycle basin, clarifier blowdown storage and equalization basin, sludge thickener with polymer fixed systems, backwash water recycling pumps and waste sludge pumping facilities.

The water supply, transmission, distribution, treatment and storage facilities are owned and operated by the Authority.

Sewer System

The Authority owns and operates a comprehensive sewer system which dates back to the 1950's. This system services the watersheds of Montour Run, Campbells Run, Moon Run and Chartiers Creek. The Village of Groveton is served by a sewage system constructed in 1964 which is owned and operated by the Authority, and ultimately transfers sewage for treatment by Coraopolis.

The sewage system serving Robinson Township consists of about 117 miles of gravity sewer, a series of pumping stations, three (3) wastewater treatment plants (Campbells Run, Covi/Douglas and Moon Run) and other such related and required facilities. In addition to the Authority's treatment plants serving Robinson Township, sewage collected in the Montour Run Drainage Area is discharged to an interceptor owned by the Moon Township Municipal Authority. The Moon Township Municipal Authority owns and operates the treatment plant which treats the sewage collected in the comprehensive Montour Run Drainage Area. Additionally, sewage collected in the Groveton (Ohio River) area is pumped into the system owned and operated by the Borough of Coraopolis, and the Allegheny County Sanitary Authority provides for the treatment of sewage collected in the Chartiers Creek Drainage Area and Lower Campbells Run Road area of Robinson Township.

The Campbells Run drainage basin serves a section of Robinson Township and small areas of North Fayette and Collier Townships. All sewage generated within the basin is conveyed to the Authority owned Campbells Run Sewage Treatment Plant via 27 miles of sewer and three (3) pumping stations. The Campbells Run Facility has a capacity of 1.0 million gallons per day and is currently operating at 59 percent of the plant's hydraulic capacity and approximately 61 percent of its organic capacity.

The system tributary to the Covi/Douglas Treatment Plant consists of approximately 9.8 miles of sanitary sewers and three (3) pumping facilities which convey sewage to the Covi/Douglas Treatment Plant. The treatment plant has a capacity of 0.210 million gallons per day and is currently operating at about 68 percent of the plant's hydraulic capacity and 53 percent of its organic capacity.

The sewer system tributary to the Moon Run Treatment Plant consists of approximately 13 miles of sanitary sewers and one (1) pumping station. The treatment plant has a capacity of 0.600 million gallons per day and is currently operating at approximately 38 percent of the plant's hydraulic capacity and 66 percent of its organic capacity.

Laws and Permits

All of the Authority's sewage treatment plants, pump stations and sewage collection systems are currently in compliance with all laws and permit conditions. Occasional minor exceedance of discharge permit conditions does, however, occur, which are the result of equipment failure, power outages or other extreme weather conditions or circumstances. These conditions of temporary non-compliance are reported in accordance with the NPDES Permit requirements and corrective actions noted. The Authority's water treatment plant and distribution system has consistently met all of the requirements of the Safe Drinking Water Act.

WATER AND SEWER CUSTOMERS

Water Customers

<u>Fiscal Year End</u>	<u>Residential</u>	<u>Commercial and Industrial</u>
2013	3,983	723
2014	4,061	728
2015	4,095	739
2016	4,124	748
2017	4,203	758

Sewer Customers

<u>Fiscal Year End</u>	<u>Residential</u>	<u>Commercial and Industrial</u>
2013	4,048	750
2014	4,124	751
2015	4,160	765
2016	4,189	769
2017	4,262	776

Ten Highest Customers – Water/Sewer

<u>Water – Fiscal Year Ending 2016</u>		<u>Water – Fiscal Year Ending 2017</u>	
Findlay Township	\$830,744.12	Findlay Township	\$1,223,823.36
Ventana	115,704.52	Ventana	120,396.50
Chestnut Ridge	107,406.70	Chesnut Ridge	109,060.99
Bayer Corporation	76,282.49	Site One Landscaping*	95,445.61
Westpointe Apartments	73,380.73	West Pointe Apartments	79,730.53
Allegheny County Housing	70,567.62	Bayer	77,429.91
Shemin Nurseries	66,907.90	Allegheny County Housing	75,689.08
Mall at Robinson	64,141.73	Inland National Real Est/Settlers	56,638.83
Quala	56,500.09	Mall at Robinson	54,165.86
Settlers Ridge	52,179.78	Quala	53,620.00

*Formerly Shemin Nurseries

<u>Sewer – Fiscal Year Ending 2016</u>		<u>Sewer – Fiscal Year Ending 2017</u>	
Ventana	\$128,129.60	Ventana	\$131,119.96
Chestnut Ridge	118,606.76	Chestnut Ridge	120,757.04
Westpointe Apartments	93,275.72	Westpointe Apartments	101,529.32
Allegheny County Housing	85,474.66	Allegheny County Housing	91,872.68
Bayer Corporation	83,585.80	Bayer	83,448.24
Mall at Robinson	75,249.36	Inland National Real Est/Settlers	68,016.77
Quala	71,530.64	Quala	67,787.56
Settlers Ridge	62,792.12	Mall at Robinson	63,230.96
Stevenson Williams	41,484.40	ATI Powder Metals	39,550.58
Giant Eagle	32,883.28	Giant Eagle	36,966.64

WATER AND SEWER RATES

Water and sewer services are sold by meter to 99.5% of the Authority's customers. The remaining .5% are flat-rate, sewer-only customers. Accounts are computed and the bills rendered monthly in the case of commercial customers and quarterly in the case of residential customers.

Collection of past due accounts is processed by sending out a delinquent notice to each customer approximately 15-20 days after the account is due. At this time the notice gives the customer 30 days in which to remit the balance or make schedule arrangement. If the delinquent customer does not respond within the required 30 days, a notice is delivered informing the property owner of service termination within 10 days of receipt of the notice and a property lien is filed promptly thereafter.

Meter Size	Water Rates		Sewer Rates	
	<u>Residential</u>	<u>Commercial</u>	<u>Residential</u>	<u>Commercial</u>
	Quarterly	Monthly	Quarterly	Monthly
5/8"	\$30.78	\$10.26	\$23.73	\$7.91
3/4"	60.06	20.02	46.20	15.40
1"	92.79	30.93	71.42	23.81
1-1/2"	180.15	60.05	138.61	46.20
2"	Not Applicable	100.05	Not Applicable	77.01
3"	Not Applicable	181.91	Not Applicable	140.01
4"	Not Applicable	300.15	Not Applicable	231.01
6"	Not Applicable	545.72	Not Applicable	420.02
8"	Not Applicable	909.25	Not Applicable	700.04
Unmetered Well	Not Applicable	Not Applicable	132.33	Not Applicable

Volumetric Charges		
	Water Rate	Sewer Rate
Residential	\$5.57 per 1,000 gallons	\$7.24 per 1,000 gallons
Commercial	\$5.57 per 1,000 gallons	\$7.24 per 1,000 gallons
Wholesale	\$3.86 per 1,000 gallons	Not Applicable

Fire Protection Charges

Fire Hydrants	Annual Rate
Public	\$369.00
Private	369.00
Fire Lines:	
5/8"	266.00
1"	306.00
1-1/2"	346.00
2"	394.00
3"	507.00
4"	667.00
6"	1,065.00
8"	1,544.00
10"	2,103.00
12"	3,716.00

Miscellaneous Charges

Service	Customer Charge
Lien Letter Fee	\$38.00
Dye Test	55.00
Water Turn-On Fee	50.00
Water Turn-Off Fee	56.00
Returned Check Fee	38.00
Non-Payment Penalty	10% of Current Bill
Residential Fire Suppression	250.00
Tenant Deposit (Refundable)	250.00

THE MUNICIPAL AUTHORITY OF THE TOWNSHIP OF ROBINSON
SUMMARY OF BALANCE SHEETS
AS OF JUNE 30, 2013, 2014, 2015 AND 2016

ASSETS	2013	2014	2015	2016
Current Assets				
Cash.....	\$2,510,252	\$2,204,024	\$2,461,035	\$3,039,737
Accounts Receivable net of Allowance for Doubtful Accounts.....	1,375,088	1,130,236	1,415,313	1,304,093
Other Receivables.....	78,182	62,902	66,924	75,605
Inventory.....	181,668	168,024	190,193	174,915
Prepaid Expenses.....	21,544	19,985	92,402	185,811
Deposits.....	1,000	1,000	1,000	1,000
Total Current Assets.....	4,167,734	3,586,081	4,226,867	4,781,161
Restricted Assets				
Trustee Funds – Cash and Investments.....	5,255,666	4,163,593	11,841,081	12,108,084
Developers' Escrow – Cash.....	201,486	250,239	266,359	228,788
Bond Redemption and Improvement Fund.....	551,573	1,018,603	781,203	1,134,988
Total Restricted Assets.....	6,008,725	5,432,435	12,888,643	13,471,860
Capital Assets, net of Accumulated Depreciation.....	52,591,403	53,195,520	53,814,382	54,107,203
Other Assets				
Bond Issuance Costs.....	336,946	310,974	286,757	97,852
Total Other Assets.....				
TOTAL ASSETS.....	\$63,104,808	\$62,525,010	\$71,216,649	\$72,458,076
LIABILITIES AND NET ASSETS				
Current Liabilities (Payable from Restricted Assets)				
Accounts Payable.....	290,847	203,151	269,391	271,456
Deposits Payable.....	172,517	181,518	196,258	256,243
Line Extension.....				
Accrued Compensated Absences.....	212,379	235,255	228,734	202,926
Other Liabilities and Accrued Expenses.....	170,313	178,264	186,906	170,477
Current Portion of Leases Payable.....				
Total Current Liabilities (Payable from Restricted Assets).....	846,056	798,188	881,289	901,102
Current Liabilities (Payable from Restricted Assets)				
Developers' Advances.....	201,486	250,239	266,359	228,788
Accrued Interest Payable.....	272,474	273,028	270,463	253,714
Current Portion of Water and Sewer Revenue Bonds	1,030,000	1,085,000	1,140,000	1,300,000
Total Current Liabilities (Payable from Restricted Assets).....	1,503,960	1,608,267	1,676,822	1,782,502
Long-Term Liabilities				
Revenue Bonds Payable.....	43,530,691	42,524,171	50,093,120	51,054,065
Net Pension Liability.....				2,116,572
Total Long-Term Liabilities.....	43,530,691	42,524,171	50,093,120	53,170,637
TOTAL LIABILITIES.....	45,880,707	44,930,626	52,651,231	55,854,241
Net Assets				
Invested in Capital Assets, net of Related Debt.....	10,383,620	11,367,864	12,786,973	12,613,360
Restricted for Capital Activity and Debt Service.....	5,270,028	4,909,167	3,937,646	4,296,262
Unrestricted.....	3,658,624	3,107,203	3,632,330	2,523,749
Total Net Assets.....	19,312,272	19,384,234	20,056,949	19,433,371
TOTAL LIABILITIES AND NET ASSETS	\$65,192,979	\$64,314,860	\$72,708,180	\$75,287,612

Source: The Municipal Authority of the Township of Robinson audited Financial Statements for the Years Ended June 30, 2013, 2014, 2015 and 2016.

THE MUNICIPAL AUTHORITY OF THE TOWNSHIP OF ROBINSON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2013, 2014, 2015 AND 2016

Operating Revenues:	2013	2014	2015	2016
Water.....	\$4,359,656	\$4,204,193	\$4,733,237	\$4,685,201
Sewer.....	4,285,580	4,178,043	4,316,181	4,505,520
Hydrant and Fire Protection.....	173,520	174,797	178,732	204,163
Penalties.....	72,625	90,005	70,565	69,849
Water Tower Rental.....	60,356	60,353	60,353	51,846
Other.....	58,299	55,514	119,198	65,636
Total Operating Revenues.....	9,010,036	8,762,905	9,478,266	9,582,215
Operating Expenses:				
Water.....	2,944,135	3,038,884	2,961,435	2,846,653
Sewer System.....	2,542,511	2,646,173	2,862,547	3,044,583
Bad Debt Expense.....				
Depreciation.....	896,060	904,061	900,292	900,576
Total Operating Expenses.....	6,382,706	6,589,118	6,724,274	6,791,812
Operating Income.....	2,627,330	2,173,787	2,753,992	2,790,403
Non-Operating, Revenues and Expenses:				
Interest on Investments.....	3,213	2,473	1,474	1,369
Gain on Sale of Fixed Assets.....				
Commission Fees.....	463,208	364,927	506,969	801,019
Federal Grants.....				
WACMA Settlement.....				
Interest.....	(2,521,415)	(2,455,121)	(2,564,823)	(2,753,239)
	(25,972)	(25,972)	(24,897)	(55,878)
Authorization of Debt Discount and Issuance Expenses.....				
Other		11,868		
Total Non-Operating Revenues and Expenses.....	(2,080,966)	(2,101,825)	(2,081,277)	(2,006,729)
Increase in Net Assets	546,364	71,962	672,715	783,674
Net Assets – Beginning of Year.....	18,765,908	19,312,272	19,384,234	18,649,697
Net Assets – End of Year.....	\$19,312,272	\$19,384,234	\$20,056,949	\$19,433,371

Source: The Municipal Authority of the Township of Robinson audited Financial Statements for the Years Ended June 30, 2013, 2014, 2015 and 2016.

THE MUNICIPAL AUTHORITY OF THE TOWNSHIP OF ROBINSON
 PROJECTED REVENUE AND EXPENSES
 FOR THE YEAR ENDING JUNE 30, 2016

Operating Revenues	Water System	Sewer System	Total
Metered Sales – Domestic.....	\$1,626,429	\$1,769,158	\$3,395,587
Metered Sales – Commercial.....	2,217,758	2,366,776	4,584,534
Metered Sales – Wholesale.....	804,836	0	804,836
Sewer Surcharge.....	0	347,977	347,977
Fire Protection.....	193,995	0	193,995
Other Revenues and Miscellaneous.....	135,236	66,696	201,932
Total Operating Revenue.....	4,978,254	4,550,607	9,528,861
 Operating Expenses			
Standby Service.....	16,085	0	16,085
Treatment Plant.....	1,035,122	1,621,439	2,656,561
Collection System.....	0	377,437	377,437
Distribution System.....	704,566	0	704,566
General and Administration.....	1,117,143	1,083,756	2,200,899
Total Operating Expenses.....	2,872,916	3,082,632	5,955,548
 NET OPERATING REVENUE (Before Debt Service)	 \$2,105,338	 \$1,467,975	 \$3,573,313
 Debt Service			 \$2,694,791

Source: The Municipal Authority of the Township of Robinson Annual Consulting Engineer's Report for the fiscal year ending June 30, 2017.

THE MUNICIPAL AUTHORITY OF THE TOWNSHIP OF ROBINSON
 OPERATING BUDGET
 FOR THE YEAR ENDING JUNE 30, 2017

Operating Revenues	Water System	Sewer System	Total
Metered Sales – Domestic.....	\$1,705,000	\$1,825,000	\$3,530,000
Metered Sales – Commercial.....	2,270,000	2,400,000	4,670,000
Metered Sales – Wholesale.....	795,000	0	795,000
Sewer Surcharge.....	0	250,000	250,000
Fire Protection.....	194,100	0	194,100
Other Revenues and Miscellaneous.....	123,200	65,300	188,500
Total Operating Revenue.....	5,087,300	4,540,300	9,627,600
 Operating Expenses			
Standby Service.....	30,060	0	30,060
Treatment Plant.....	933,230	1,611,000	2,544,230
Collection System.....	0	381,200	381,200
Distribution System.....	640,000	0	640,000
General and Administration.....	1,120,100	1,091,500	2,211,600
Total Operating Expenses.....	2,723,390	3,083,700	5,807,090
 NET OPERATING REVENUE (Before Debt Service)	 2,363,910	 1,456,600	 3,820,510

Source: The Municipal Authority of the Township of Robinson Annual Consulting Engineer's Report for the fiscal year ending June 30, 2017.