

Borough of Milford

Commonwealth of Pennsylvania



July 8, 2020

Facts Concerning Central Sewage in Milford Borough's Commercial District

Last year, Milford Borough, in conjunction with Milford and Westfall Townships and Matamoras Borough, signed an inter-municipal agreement to study the feasibility of connecting our respective commercial districts to the existing Westfall Municipal Authority Sewage Processing Plant. There is no cost to Milford Borough to participate in this study, which is called a "537 Plan" (in reference to Pennsylvania's [Act 537 Sewage Facilities Program](#) statute).

The Milford Borough Council has sworn to protect the health, safety, and welfare of its citizens and we consider the no-cost participation in this study as part of that obligation. If approved, this is only the first step in what is likely to be a years-long project.

We ask all interested parties to become informed about what is under consideration by a) reading the draft 537 Plan when it is available, b) participating in the subsequent public hearing and comment process and c) taking with a grain of salt the anonymous assertions about the proposed system, route, costs or process.

Why Central Sewage for Milford's Commercial District?

Central sewage for Milford Borough's commercial district has been under consideration for decades, dating back to the 1960s, and has long been a part of the Borough's comprehensive plan. There are myriad reasons why central sewage is desirable for a community, including health and sanitation issues, environmental protection and how central sewage typically enhances property value.

But what has driven Milford Borough's discussion is our community's struggle to maintain a viable commercial center. The absence of central sewage has:

- Discouraged investment in Milford's commercial district;
- Impeded the sale of some commercial properties (including at least one high visibility property that has long had their dining facilities shut down); and

- Posed a financial hardship on a growing number of businesses, including two restaurants that already pay tens of thousands of dollars each year to have their septic tanks pumped.

The current Covid crisis has made very clear the essential role these businesses play in the economic vitality of the Borough as well as in providing Milford a unique “sense of place”. A decline in our commercial district will not only hurt our quality of life and property values, but also is likely to bring an increase in drug and crime problems that frequently follows shuttered businesses and empty storefronts.

Those of us living and working in Milford now benefit from the long-term planning of Milford’s past civic and elected leaders. Having a similar long-term perspective today will help ensure a vibrant community and healthy local economy for future generations of Milfordians.

Feasibility Study Process

The 537 Plan is being drafted by an engineering firm expert in waste management and with a long history of working in Pike County. The 537 Plan will include an analysis of the technical and financial feasibility of the project, including the identification of grant sources. Pike County will partner with Milford Borough in obtaining additional grants.

Each municipality has worked with the engineering firm to provide direction concerning the proposed routes and type of system (see below). A draft 537 Plan is expected to be finished before Labor Day.

Each municipality will have its own section in the draft 537 Plan for their governing bodies to review. Following that review, the residents, property and business owners of each municipality, as well as other interested parties, will be asked for input through a public comment period as well as public meetings.

Based on this feedback, the draft 537 Plan will be revised as directed by the municipalities. The municipalities will then review the final plan and decide whether to submit it to the Pennsylvania Department of Environmental Protection and the Delaware River Basin Commission. Approval from both agencies is required for the plan to proceed.

Proposed Route

The scope of the 537 Plan study for Milford Borough is limited to sections of our commercial district, namely Broad and both East and West Harford Street. For Broad Street, the lines would potentially run through Blackberry and Gooseberry alleys; for Harford Street it would likely be in the street, since there is no alley on one side of Harford Street.

These lines in Milford would then connect to a line that will run through Milford and Westfall Townships to the existing sewage treatment plant near the Best Western at Hunt's Landing. That plant is owned and operated by the Westfall Township Municipal Authority.

There is no plan to install, or even the consideration of installation, of sewage lines in Milford's residential sections. There is little incentive to do so, since there are seldom septic failures at residential properties in Milford and extending the lines to residential areas would not contribute to the primary goal of strengthening Milford's commercial district.

Type of System

The draft 537 Plan for Milford Borough will include a low-pressure system utilizing grinders and a storage tank, rather than a gravity-based system. The low-pressure grinder system is more economic to install and would not require rerouting of interior plumbing. It also allows a larger portion of installation costs to be covered by grant funding.

Management, Economics and Financing

The existing Milford Water Authority would both financially and operationally manage and control the central sewage system in Milford Borough. The Milford Water Authority is totally self-funded, receiving no tax revenue or Borough funding (the Milford Water Authority finances are totally separate from the Borough finances).

The Borough Council also required that the 537 Plan's financial analysis for Milford Borough be predicated *solely on the properties in the commercial district that will be connected to the system*.

There is no plan, expectation, need or requirement that the central sewer system will be expanded into residential areas in order to make it economically viable. The plan for central sewage in the commercial district must economically stand on its own.

Property owners who are not connected to the central sewage system will bear no costs of its installation, maintenance or operation.

In an anonymous letter recently circulated, there were assertions concerning the installation, hookup and operational expenses that were incorrect, misleading or wildly exaggerated. Part of the 537 Plan will include a detailed financial analysis, which will provide a factual basis for making decisions, rather than relying on rumor.

The installation, hookup and operational expenses will be handled as follows:

- Grants will be pursued to cover as much of the installation costs as possible; any loans would be repaid from the fees collected by the users of the system, not from tax revenue.
- Property owners in the commercial district connecting to the system will be charged a flat hookup fee and any installation costs specific to their property not covered by grants.
- Operational and maintenance expenses will be paid solely by the users of the central sewage system, based on usage and billed either monthly or quarterly.

Milford Borough will not float any bonds to finance the project. The only potential financial exposure to Milford Borough is that if the Water Authority takes out any loans for the non-grant portion of the installation costs, it is possible the Borough could be required to guarantee those loans.

In the exceptionally unlikely event the Milford Water Authority defaulted on any current or future loan obligation guaranteed by the Borough, the Borough would then take over the management of the sewer and water systems.

The Borough's expectation is that there will be significant grant funding available to cover from 50% to 75% of the costs. The greater the grant funding, the less will need to be borrowed, lowering the ongoing expense for the users of the system.

The Borough will not move forward without adequate grant funding. There is no deadline or mandatory timeframe that will require the Borough to proceed prior to securing the necessary funding. It is common in these projects for the grant funding to take several years. If we do not get enough funding, we will not proceed.

Public Participation

The Milford Borough Council welcomes the input of Milford residents, property and business owners and other interested parties. There is a period for public comment at every Borough Council meeting and anyone can email letters to the Borough Council at secretary@milfordboro.org and they will be read at the next Council meeting.

There are many questions that cannot be answered or upon which we cannot have an informed debate until the draft 537 Plan is completed. At that time we will pursue the public comment and hearing procedure, which will be announced in the media and advertised.

We are aware of anonymous letters, rumors and misinformation concerning this project and we hope that the information in this memo is helpful in enabling us all to consider central sewage for Milford's commercial district with the facts. Thank you.