

SHREWSBURY BOROUGH COUNCIL

35 West Railroad Ave
Shrewsbury, PA 17361-1912
Phone: (717) 235-1666

14 Jun 17

SUSQUEHANNA RIVER BASIN COMMISSION ISSUES

The following issues need to be addressed with S.R.B.C. to provide relief from the financial demands imposed by this governmental agency that do not contribute to the improvement of the Chesapeake Bay nor are of any benefit to the citizens of Shrewsbury that are required to pay the costs of these mandates.

MISSION OF S.R.B.C.

1. The Shrewsbury Borough Council is not taking issue with the primary mission of S.R.B.C. as it relates to efforts that will preserve and protect the quality of water in the Chesapeake Bay. The Council also has a high regard as to the professional competence of those S.R.B.C. individuals that we have encountered, so this is not a personality conflict issue.
2. The Council is taking issue with the excessive demand of S.R.B.C. for data as it relates to well water withdrawal and the associated costs required to produce this data. The best example of this is the new mandate to provide a daily report as to the depth of the water in each well. Doing this manually on a daily basis is extremely labor intensive and the end result provides no benefit to the citizens that incur this cost. To meet these newer requirements, the Council has just recently completed the installation of a SCADA System to take the readings automatically. We acknowledge there are other benefits that we have gained by installing this system, but the accelerated timetable to install it was a disaster to our budget. This Borough has been forced to raise its water rates 3 times in the last 7 years and still has not accumulated sufficient funds to continue with its waterline replacement projects per our long term plan. The expenditures required to meet the S.R.B.C. mandates have forced a cutback on our badly needed water line replacements.

Radio License	725
Meters	7,757
Plumbing Supplies	725
Radio Equipment	1,189
Electrical	8,162
SCADA	114,273
Employee's Time	17,075
Total:	149,906

3. Over a period of 3 years, Shrewsbury Borough has undergone the process of renewing 2 permits for existing wells. The mandates of S.R.B.C. have made this process cost the Borough \$ 115,929 in direct costs; as well as approximately 510 man hours of our employee's time which adds another cost of \$ 25,617, creating the total of \$ 141,546 for only the renewal of the permits for 2 of our wells.

Permit Fee	7,040
------------	-------

Legal Fees	2,725
Engineering Fees	24,731
Hydrologists Fees	54,684
Well Drillers	20,367
Enviroscan Fees	4,970
Mailing Costs	1,411
Employee's Time	25,617
Total:	141,546

- Whereas the previous well permits were good for 30 years, S.R.B.C. has cut this in half, thus are we expected to incur such costs every 15 years ? Multiplying these costs by the 7 wells that we have under the scrutiny of S.R.B.C. shows the financial impact to be well beyond what is reasonable for a borough of less than 4,000 residents.
- It now appears that an underlying goal of S.R.B.C. is to artificially reduce the amount of water which this borough can withdraw and then place us in a condition to “fine” us when we exceed the limit. The quantity of water that we withdraw is solely based on the demand by our citizens, so how are we to accept reduced limitations that have no relationship to the demand ?

POLICIES OF S.R.B.C.

- Having incurred a total expense of \$ 141,546 for the renewal of the permits for these 2 wells (that have been in use for well over 45 years), the only benefit to the taxpayers is that “we now know more about our wells”. This is a direct quote from a representative of S.R.B.C. when questioned what has been gained by this expensive process. Such a comment does not adequately answer our resident’s questions as to why the water rates keep going up.
- Having hired a PA Licensed Hydrological Engineering firm to do the well permit submittal (as mandated by S.R.B.C. regulations), they acknowledged there was no fault found with the work done and what the calculations showed to be a usable amount of water withdrawal, but they still inserted their greatly reduced amount as to what a well could produce. This was done even after they made the calculations based upon the 10 year drought in the “worst case scenario”. There was no calculation to support this reduced amount, so why have us go through this process if the results are ignored in favor of the S.R.B.C. goals ?
- The Council has come to the conclusion that an underlying goal of S.R.B.C. is to drive the small water suppliers out of business and force us to go to “for profit” companies such as The York Water Company. Having fewer water suppliers to regulate must appear to be a benefit to S.R.B.C. The borough on the other hand believes that we should do as much as we can to provide for our citizens at the local level where the cost benefit consideration can be better monitored; and costs contained. We do not believe that S.R.B.C. has ever applied a cost / benefit consideration prior to setting its mandates.
- We also believe the fines imposed by S.R.B.C. are a self-serving financial incentive to support the expansion of S.R.B.C. both in the number of employees and their intrusive involvement in the business of PA DEP. We must ask the question of our representatives if it was ever a formal decision by them to replace PA DEP with the higher level S.R.B.C. ?
- What adds to the frustration of having been put through this “waste of money” process is the fact that Shrewsbury Township (which completely surrounds the Borough and has twice the population) has no

mandates to produce data for S.R.B.C. and its citizen's private wells have no withdrawal requirements. Is the Borough Council not wrong in their feeling that our citizens are being financially punished for having a public water system ? Would the best interest of everyone be better served by our abandoning the public water system and allowing our residents to go back to private wells ?

11. S.R.B.C. currently operates on the assumption that a Public Water System is "guilty until proven innocent". Having supplied all of the PA DEP well withdrawal data for so many years, why is it that a renewal permit must prove it all over again ? The practices of S.R.B.C. have gone well beyond doing a good job for the benefit of all to those that are self-serving to justify their existence and continued expansion into the former duties of PA DEP.

EXCESSIVE COSTS INCURRED

12. One of the wells in our case has been in use for over 45 years. The withdrawal records for that entire time period were provided to S.R.B.C. yet they still required a 72 hour maximum withdrawal rate "pumping test" to verify that the well could produce what it was authorized to produce. Our estimate of this testing process alone places the cost in the range of \$ 56,000.
13. The results of that pump test, when evaluated by both our hydrologist and S.R.B.C. showed that the well could sustain a higher quantity of withdrawal than what it was originally authorized to produce. Rather than authorize the higher number, S.R.B.C. used a "catch all" requirement in their self-written regulations that would not allow such an increase as long as the Borough had wells that were "grandfathered". A well that is "grandfathered" is a well that was put in use (as authorized by PA DEP) before a set date. To loose this "grandfathered status" would then require 2 more wells to undergo the full S.R.B.C. permit process. Having already spent \$ 141,546 over the past three years to permit 2 wells, such a decision to "volunteer" the loss of the 2 grandfathered wells would be another financial disaster !
14. An example of the inflexibility of the S.R.B.C. staff (due to their self-written regulations) as it relates to our incurring unnecessary costs is the letter of well testing notification requirement. Shrewsbury Borough, as a part of its "Wellhead Protection Program" (a recipient of a Federal Award from the EPA) closed all of the private wells within the Borough. Thus there were no Shrewsbury homeowners who had wells in the vicinity of the two wells to be tested. We asked for a waiver of the requirement to send letters to these residents within the prescribed radius of the upcoming testing process. S.R.B.C. would not grant such a waiver. Thus we incurred the cost of \$ 1,411 to send out letters to mostly our own customers advising them that a test was to be made that could have no possible impact on them since they did not have a private well. This is a good example of a government mandate that clearly fails the test of "common sense".
15. The Fees charged by S.R.B.C. to authorize a Public Water System to withdraw water from the ground are excessive. Having attended one of their meetings in Baltimore, more time was spend in reviewing the many fines they had enforced than they spent on the next year's budget. My review of their budgets and annual audits (2006 to 2014) shows that they have built up a Reserve Fund well in excess of what may be considered a practical reserve. See the attached sheets which show from their annual audits that in an 8 year period S.R.B.C.'s revenue increased by 61.6%; and their assets increased by \$ 30,734,681. Please note that my work on this issue is not "out of date" and that another Municipality has a more current financial study which shows an ever larger "Reserve Fund".
16. Since I am addressing our elected state officials, I need to point out a gross error in a previous decision made by the state body. To fund the work to be done by S.R.B.C., and presumably to avoid a state wide tax

increase, the concept of “user fees” was accepted. The fault here is that everyone benefits from cleaning up the Susquehanna River and Chesapeake Bay yet only those municipalities that have a public water system are funding this cleanup. The agriculture and dairy areas within the state certainly produce nitrates and other chemicals that are harmful to the water system, but they are not funding S.R.B.C. program. This inequity needs to be addressed and corrected, so matter how difficult it may be to fit this into a state budget.

RECOMENDATIONS

17. That the well permit term be re-instated back to the 30 years that it was originally. With all of the daily monitoring that is now required, what is to be gained by forcing these excessive costs incurred in the permit renewal processes to be accomplished twice as often ?
18. If we are in agreement that everyone benefits from “Saving the Bay”, then change the funding method to have everyone contribute to the costs and not just those that utilize a public water system. Those counties that are a part of the Susquehanna River Basin should create a county wide tax to fund the clean-up, thus having 100% of the population share in these costs. However, granting S.R.B.C. a source for more money must have an over-watch provision to insure they control their costs. Is it the Army Corps of Engineers that is suppose to be monitoring the activities and growth of S.R.B.C. ?
19. The inflexibility of the S.R.B.C. staff in following regulations written by them and then saying it is a federal mandate that can not be wavered or modified needs to be changed. Common sense and practical decisions made on a case by case basis should be allowed.
20. In regards to the intent of S.R.B.C. to reduce the well permit authorizations; if there is some value to this policy then why not go about it in a more logical way ? Shrewsbury Borough has had over a 20 year track record of working to reduce our water consumption, so why is there not a “credit” for these efforts.
 - a. Our billing rate for water consumption is an inverted curve. The more water a customer uses, the higher the rate they pay per 1,000 gallons. This fact is true from the first gallon to the last. This has had a positive impact on water consumption which is reflected in our lower draws now even with the last few years of growth in the number of accounts. When people pay more for water, they reduce their consumption and is this not a goal of all of us ?
 - b. When we are not spending money to meet the S.R.B.C. mandates, we do spend money to methodically replace the old water lines. To us this is a much higher priority and one that does reduce the amount water we draw by cutting back on losses due to broken lines. This Borough for 2016 had a 4% water loss (quantity pumped versus quantity billed) which is well below the PA DEP standard of allowing 15%.
 - c. Our Quarterly Newsletters and other direct mailings keep water conservation in the forefront for our residents. We also have a water pollution demonstration model that is used in the local schools and at the annual Fireman’s Carnival.
 - d. Having limited funds, and even more so with the S.R.B.C. financial mandates, this Borough did spend just under \$ 25,000 in the last 2 years for leak detection equipment. Certainly this type expenditure will result in better water conservation than the funds expended to monitor the water depth in our wells on a daily basis. The main point here is that we feel local control of our expenses can result in better water

management than the mandates given by S.R.B.C. which have no payback to the residents that must pay the bills.

Buck Buchanan
President, Shrewsbury Borough Council