



VILLAGE AREA / POMPTON PLAINS BUSINESS DISTRICT SEWERS ASSESSMENTS - FAQ SHEET

Question: Why is there an assessment?

Answer: The purpose of Sewer Assessments are to equitably distribute the cost of constructing a sewer line among the properties which benefit from the line. The methods and limitations for implementing local assessments are defined by State Statute under N.J.S.A. 40:56 et seq. Each property may be assessed its proportional share of the cost of the project, but not more than the amount of the Benefit (Enhancement Value) received by the property.

Question: Can the assessment be paid in installments?

Answer: Yes! The assessment can be paid over ten years in equal installments. Quarterly payments would be due every 90 days.

Question: What is the interest rate?

Answer: The interest rate attached to the assessments is tied to the interest rate paid by the Township on the Bonds issued to finance the sewer project. Assessment interest rates on our current sewer projects range from 2.35% to 4.75%

Question: Can the assessment be paid at once?

Answer: Yes! The entire assessment can be paid initially, or the outstanding balance can be paid in full at any point in time. There are no interest charges if the entire amount is paid within 60 days after confirmation.

Question: What if I sell my house?

Answer: A title search will reveal a lien against your property as long as there is a balance due for the assessment. It will be up to you and a buyer to determine who will pay the balance of the assessment. Since the assessment is attached to the property it can remain in place and be assumed by the buyer. In many cases the assessment is paid in full at closing from the proceeds of the sale.

Question: When will the assessment be billed?

Answer: Assessment bills will be issued as soon as possible after the assessment is confirmed by the Township Council. The initial payment will be due 30 days after confirmation. Subsequent quarterly payments will be due every three months.

VILLAGE AREA / TURNPIKE BUSINESS DISTRICT SEWERS

Estimated Costs to Homeowners

ASSESSMENT: The Assessment is the share of the construction cost charged to each property owner. For the purpose of this estimate, the total estimated cost has simply been divided by the number of properties being served. Final assessments will be based on appraisals done at the conclusion of the project and will be impacted by the mix of property types in the area being served. Assessments may be paid over 10 years. **\$10,000 - \$12,000 (Est)**

CONTRACTOR HOOK-UP: The homeowner is responsible for connecting the sewer line from the curb to the house. This is done by a private contractor hired by the homeowner who will decommission the septic at the same time. It is estimated that a private contractor will charge between \$1,500 - \$3,500 depending on installation complexity. **\$1,500 - \$3,500 (Est)**

CONNECTION FEE: This amount is paid to the Township Sewer Utility when the connection to the sewer system is made. This amount, which is recalculated annually, is based on all prior capital expenditures that have created the sewer system. It repays the present sewer users for capital expenses that will benefit the new users. Based on the Number of Bedrooms: **\$840.00 to \$1,398.00**

<u># Bedrooms</u>	<u>Fee</u>
2	\$ 840.00
3	1,119.00
4	1,398.00
each additional	279.00

OPERATING COSTS: There is an annual Sewer User Fee which is used to maintain the system through the local utility and to pay for treatment of the sewerage at the Two Bridges Sewerage Authority. The annual fees, which are paid in quarterly installments, have been established at: **\$740.00 for 2010**

PERMITS: Permits are required for the sewer connection as well as the plumbing that may be required to make the hook-up. The fee will vary with the complexity of the installation. **\$75 to \$100.00**

* Estimated Costs are based on the other sewer projects and are subject to fluctuation.