

Pocono Twp. sewer project finds a savior in Kalahari Resorts

Proposed Tobyhanna water park is just the kind of high-volume user the system needs to be affordable

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Pocono Township has a big, expensive problem.

When it opens its new central sewer system in the late spring, its rates for those in the system will be the highest in the county — \$1,250 a year for residents and very small businesses.

Larger businesses will pay more, at times, much more.

The only way to reduce those rates is to find more users — read: more businesses — to build on the available property within the system's Route 611 footprint.

Enter Kalahari Resorts.

"It's the golden egg," Pocono Township Supervisor Frank Hess said of the Kalahari project in relation to the township's sewer project.

"Five, six years ago, this (sewer project) was the best thing that ever happened. The economics of the country shifted it the other way. Now (Kalahari) can turn it back."

Win-win

The Wisconsin-based resort company has proposed building a 150-acre water park and resort complex in the Pocono Manor area of Tobyhanna Township, near the border of Pocono Township.

Kalahari officials have approached Pocono Township about building its own sewer line from the proposed building site to the Swiftwater area — where it would connect to the township's system.

The two sides currently are working for a mutually beneficial way to make it happen.

Kalahari gets central sewer without having to build a plant on its own property, and Pocono Township heavily cuts down on its user rate once Kalahari can connect.

For every 100,000 gallons per day of additional usage in the system, the user rates, set at \$1,250 per equivalent dwelling unit, could go down about \$100, according to past calculations.

Kalahari, at full build-out, likely would need at least 500,000 gallons per day in sewer capacity.

But not so fast

It's a complicated, often arduous and time-consuming bureaucratic process the two sides are undertaking to make a connection, but one both believe is in their best interests.

"It's a very aggressive schedule, the kind of schedule where everybody has to cooperate and make affirmative decisions," said Sam D'Alessandro of R.K.R. Hess Associates, the East Stroudsburg engineering firm handling the township's sewer project.

Colleen Connolly, regional spokeswoman for the state Department of Environmental Protection, said for Kalahari to connect to the system takes a five-step approach:

1. The township must revise its Act 537 Plan, which is the blueprint of the project. It must then go through public hearings and be approved by the DEP.
2. The township and Kalahari must have a review of the new plan by the Delaware River Basin Commission.
3. Kalahari must obtain a planning module for land development. The module explains exactly how the sewage needs of the property will be met.
4. Kalahari must obtain a construction permit for the sewer line.
5. Kalahari must obtain a National Pollutant Discharge System permit.

D'Alessandro said there also must be an inter-municipal agreement between Tobyhanna and Pocono townships for Kalahari's sewer to be serviced by Pocono Township.

"We understand it's an aggressive timetable between (Kalahari and Pocono Township)," Connolly said. "But DEP takes no stance on that. If you are enforcing that aggressive timetable, you need all of those items met."

Hook-in at second phase

It took Pocono Township about six years from its initial idea just to the start of construction for the sewer system that now is in the final stages of construction.

By the time it opens in the spring, it will have been about a decade since the township began the process of building its \$78 million system that runs along Route 611 from Swiftwater to Bartonsville.

Kalahari's timetable to hook in would be much quicker than that.

Currently, the company plans to build about one-third of its proposed project by November 2014. That portion of the project, however, can be serviced by the existing, on-site, private sewer plant owned by Pocono Manor Investors, the group that owns the property Kalahari intends to build on.

The second phase is where Kalahari President Todd Nelson has said the company would want to hook into the Pocono Township system.

Though company officials said the second (and third) phases will be built only if there is a need to expand, Nelson said the tentative date to start the expansion is late summer 2015 with the same 20-month construction schedule for Phase 1.

That would require a need to be hooked in to Pocono Township's sewer system by about April 2017.

Major customer

The township's sewer system was designed to allow for significant business growth in the Route 611 corridor, which would then bring future property and payroll taxes to the cash-strapped township.

Bringing Kalahari on board could put a limit on that growth and bypass the tax rolls, however.

When the sewer system opens, established and projected Pocono Township properties plan to use about 637,000 gallons of its 2 million gallons of available space.

While Kalahari and township officials have not said how much sewer capacity the resort would need, it would likely be the largest user on the system and more than the 350,000 gallons-per-day capacity that Sanofi Pasteur in Swiftwater plans to use.

If Kalahari needs 400,000 gallons per day — and it's likely it would need more — that would leave the township with about 963,000 gallons per day available for future business.

Beneficial, but...

Kalahari's use, while bringing sewer rates down for the users of the system, would not contribute to the township's property tax base since it is in Tobyhanna Township.

Hess said the trade-off — new jobs for as many as 1,800 employees and benefits for potential and existing businesses — outweighs the loss of tax revenue and sewer capacity for Pocono Township.

"Right now, putting food on your table is the top priority," Hess said. "Sure, I'd like it in our township. But there are plenty of people in this area that can wind up benefitting from this, and that's our priority. Sometimes, you have to consider what's good for the people of the region."