

**SUSQUEHANNA TOWNSHIP AUTHORITY
TAPPING FEE REPORT FOR
IMPLEMENTATION OF FEES IN
ACCORDANCE WITH ACT 57 OF 2003**

February 2018

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PREAMBLE

In 2005, Susquehanna Township Authority (Authority) updated their tapping fee as required by Act 57. The Authority's 2005 tapping fee resolution included a tapping fee report along with the revised tapping fee schedule. In 2011, the Authority updated its tapping fee as permitted by, and in accordance with, Act 57. This 2018 tapping fee report is an update of the 2011 tapping fee report.

1.0 INTRODUCTION/BACKGROUND

The original Municipal Authorities Act of 1945 contained a provision for charging a "tapping fee", but did not provide a clear definition of the components of such a fee nor a standard method of calculation. Because the lack of a clear statutory formula resulted in the imposition of exorbitant tapping fees against new water and sewer customers by certain municipalities and authorities, Act 203 of 1990 was adopted, amending the Municipal Authorities Act. The purpose of Act 203 was to limit tapping and related fees such that new development would pay only its fair share of costs for including the new customers in a sewer or water system.

In the years since the adoption of Act 203 of 1990, various interpretations of its provisions as applied by different municipalities and municipal authorities resulted in challenges and court cases. In 2000, under challenge from the PA legislature, negotiations began between PMAA and the PA Builders Association in an effort to update Act 203 in order to provide clarification and more consistency to the tapping fee law. The Governor signed act 57, the result of these negotiations and the legislative process, into law on December 30, 2003, further amending the Municipal Authorities Act (Title 53, Chapter 56).

Specifically, the amendments are to: (1) Section 5607 (d) (17) dealing with general powers and rules and regulations; (2) Section 5607 (d) (24) dealing with the charging of "enumerated fees to property owners who desire to or are required to connect to the authority's sewer or wastewater system"; and (3) Section 5607 (d) (30) dealing with the right of property owners to construct customer facilities or extension to the system, payment of reasonable fees to the Authority for plan review and inspection of these facilities and dispute resolutions for billing for these fees.

With respect to providing new powers, the amendments to 5607 (d) (17) allow authorities to adopt "reasonable rules and regulations that apply to water and sewer lines located on a property owned or leased by a customer and refer for prosecution as a summary offense any violation dealing with rules and regulations related to water and sewer lines owned or lease by a customer". The intent of this portion of the law is to provide authorities with the ability to deal directly with customers to require repair of leaking or damaged lines on private property in order to minimize infiltration/inflow or water loss. Although Susquehanna Township Authority, with the support of Susquehanna Township Ordinances, is already addressing issues associated with repair of sewer lines on private property, this provision is recognition by the Commonwealth that regulation of private sources is important to the operation of authority owned water and wastewater systems.

The current extensions of the sewer system are being performed by developers in accordance with the provisions of Section 5607 (d) 30. The new dispute resolution provisions, with respect to the billing of Authority expenses for plan review, inspection, etc. to property owners constructing the extensions, are an important consideration, requiring the Authority and its consultants to keep detailed records of charges.

The primary purpose of Act 57, however, is the amendment to Section 5607 (d) (24) to establish new requirements, or clarify existing requirements, with respect to the Authority's ability to charge "enumerated fees to property owners who desire to or are required to connect to the authority's sewer or wastewater system". Fees shall be based upon the duly adopted fee schedule which is in effect at the time of payment and shall be payable at the time of application".

The purpose of this report is specifically to: (1) review each of the fees addressed by Act 57; (2) provide recommendations with respect to each particular fee's applicability to Susquehanna Township Authority; and (3) where appropriate, provide calculations and an opinion regarding the amount of the fee that may be charged in accordance with Act 57.

2.0 IMPACT ON SUSQUEHANNA TOWNSHIP AUTHORITY'S FEE CALCULATIONS

2.1 RESERVATION OF CAPACITY FEE

Act 57 provides that an authority may charge a reservation of capacity fee in addition to a tapping fee with the following conditions:

- The fee must be based only on the authority's debt and fixed expenses,
- The fee may not exceed 60% of the average sanitary sewer bill for a residential customer in the same sewer service area for the same billing period, and
- The tapping fee may not be collected until the time that the building permit fee is due.

2.1.1 Applicability to the Authority

A reservation of capacity fee could be charged to customers based on debt service and fixed expenses. Because of infiltration/inflow, however, the Authority is not in a position to guarantee capacity. Once the Corrective Action Plans are completed, adequate capacity should be available in the various drainage basins for the Authority to guarantee connections when needed. At that time, there may not be sufficient motivation for developers to seek a reservation of capacity.

2.1.2 Recommendation

It is the recommendation that, when capacity is available, the Authority consider adopting a Reservation of Capacity fee to allow developers the option of reserving capacity in advance or waiting to obtain capacity at the time the tapping fee is paid.

2.2 CONNECTION FEE

The purpose of the connection fee is to cover the cost of the connection from the water or sewer main to the property line or curb stop of the property being connected. This fee may be based on the actual cost of connection or upon the average cost for previously installed connections of similar type and size. Under Act 57, average cost of previously installed connections may now be trended to current costs using published cost indexes. The authority may require the construction and dedication of these connection facilities by the property owner instead of charging a connection fee.

2.2.1 Applicability to the Authority

In new developments, the construction of the connections from the sewer main to the curb is generally completed by the developer's contractor and is inspected by an Authority Representative. The developer pays for the cost of inspection as part of the sewer main construction in accordance with the sewer extension agreement.

Where individual connections are made to existing sewers, construction is generally provided by plumbing contractors and inspected by the Township Building/Plumber Inspector. However, there is currently no fee imposed by the Authority for inspection of these connections.

2.2.2 Recommendation

The Authority could consider including in its fee resolution a provision for charging a connection fee based on the actual cost of inspection of the connection plus application and administrative costs (requires back-up), except when these costs are included with the costs of inspection already paid by a developer as set forth by a particular developer's agreement. Given the relatively low cost charged by the Township and the minimal number of service laterals installed in this manner, however, revenue from this fee would probably be insignificant.

2.3 CUSTOMER FACILITIES FEE

This fee covers the cost of facilities from the property line or curb stop to the proposed dwelling or building. The fee may be charged only if the authority installs the facilities and may not exceed an amount based upon the actual cost of facilities installed. It is our opinion, however, that inspection is integral to the installation, and to the extent that the Authority performs this portion of the installation, the actual cost of inspection is appropriate as a Customer Facilities Fee.

2.3.1 Applicability to the Authority

In Susquehanna Township, the construction of the lateral from the property line or curb stop to the proposed dwelling, or building, is normally completed by a plumbing contractor. Inspection is provided, on behalf of the Authority, by the Township Building/Plumbing Inspector. The Authority historically has paid an annual fee of \$3,500 to the Township for this service.

2.3.2 Recommendation

Since the Act requires that the Customer Facilities Fee may not exceed the actual cost of installation, it is recommended that the Authority notify the Township of this regulation and have the township monitor the actual time and expenses to insure that these charges do not exceed the actual installation costs. Then a customer facilities fee could be adopted and the Township reimbursed for the actual cost that it incurs in providing this service.

2.4 TAPPING FEES

The tapping fee comprises up to four separate components that are separately calculated. In lieu of the payment of a tapping fee, an authority may require the construction and dedication of only such capacity, distribution, collection or special purpose facilities necessary to supply service to the property owner or owners.

2.4.1 Capacity Part

This fee may not exceed an amount based on the cost of capacity related facilities, which include, but are not limited to, treatment facilities, trunk interceptors, pumping stations and other general system facilities. Except as specifically provided in the Act, such facilities may include only those that provide existing service.

2.4.1.1 Cost of Existing Facilities

In the case of existing facilities, the cost in the capacity part base shall not include facilities contributed to the authority by any person, government or agency or portions of facilities paid for with contributions or grants other than tapping fees. This cost may be determined by one of three methods, described as follows:

Trended Historical Costs - These are the original costs trended to current costs using published cost indices, such as the ENR construction cost index of 20 cities.

Historical Costs - Historical costs are the actual project costs, plus interest and other financing fees paid on the bonds sold for financing such facilities.

Replacement costs - This is the estimated cost to construct the facilities at the present time. This method is only available, however, when there are no records of the original construction or project costs to ascertain the historical costs. Replacement costs must be based on an engineer's reasonable written estimate of current replacement costs.

Outstanding debt must be subtracted from the cost, except when calculating the initial tapping fee imposed for connection to facilities exclusively serving new customers, as in the case of the constructed Roberts Valley Road sewer and Ft Hunter Road sewer.

2.4.1.2 Cost of Future Facilities

The cost of facilities to be constructed may continue to be included in the capacity part basis. As in the past, these costs may not exceed the reasonable estimated cost of construction or acquisition set forth in a duly adopted annual budget or a five-year capital improvement plan. Under Act 57, however,

requires separate accounting future facilities. In addition, the authority must have taken at least two of the following actions toward construction:

- Obtained financing for the facilities;
- Entered into a contract for obligating the authority to construct or pay for the cost of construction;
- Obtained a permit for the facilities;
- Obtained title to or condemned additional real estate upon which the facilities will be constructed;
- Entered into a contract obligating the purchase or acquisition of facilities owned by another;
- Prepared an engineering feasibility study specifically related to the facilities, which study recommends the construction of the facilities within a five year period;
- Entering into a contract for the design or construction of the facilities or adopted a budget for the in-house design or construction.

2.4.1.3 Applicability to the Authority

The Authority has charged a system-wide tapping fee capacity component since 1991 under Act 203 of 1990. The costs were itemized under the initial tapping fee report prepared by CET Engineering Services in 1991 and periodically updated using the ENR Construction Cost Index. The method of establishing the costs of the Susquehanna Township Authority's existing capacity related facilities is the same under Act 57 as under the provisions introduced by Act 203 of 1990.

2.4.2 Collection Part

This fee may not exceed an amount based on based on the cost of collection related facilities, which include, but are not limited to, mains and pumping stations. Collection facilities (e.g. gravity collection sewers) provide localized service and are typically connected to the individual buildings laterals. Except as specifically provided in the Act, such facilities may include only those that provide existing service.

All issues associated with calculation of costs, as outlined above for the Capacity Part are applicable.

2.4.2.1 Applicability to the Authority

The Authority does not currently charge a collection component of the tapping fee as it is only applicable for connection to existing collection sewers constructed by the Authority. Since most new connections are to sewer mains constructed by developers, the number of potential collection tapping fees is not considered significant to warrant establishing of a fee structure.

2.4.3 Special Purpose Part

Fees for special purpose facilities are applicable only to a particular group of customers, or for serving a particular purpose or specific area based upon the cost of the facilities, including, but not limited to, sewer mains, pumping stations and industrial wastewater treatment facilities. Like the capacity or collection components, such facilities may include only those that provide existing service, but unlike the collection or capacity parts, there is no exception for provision for charging for future facilities under any condition.

All issues associated with calculation of costs, as outlined above for the Capacity Part are applicable, except that cost of future facilities may not be included in a Special Purpose Part.

2.4.3.1 Applicability to the Authority

The Authority currently charges a Special Purpose tapping fee component for each of the pumping stations. Since the township is separated into four distinct major drainage areas, however, the Special Purpose Part could be applied in lieu of the Capacity and Collection components in all or some of the distinct drainage basin service areas. This may be especially appealing since the Special Purpose Part is the only tapping fee component where design capacity may be based on EDUs to be served rather than the system design capacity as determined by flow requirements for new development calculated in accordance with Act 57.

2.4.4 Reimbursement Part

A reimbursement component shall only be applicable to the users of certain specific facilities when a fee required to be collected from such users will be reimbursed to the person at whose expense the facilities were constructed, as set forth in a written agreement. Certain reimbursement tapping fee components may be established by an agreement at the option of the Authority. A mandatory reimbursement part, also by agreement, must be charged where a property owner constructs or causes to construct at his expense any extension of a sewer or water system of an authority, when the owner of another property not in the development for which the extension was constructed connects a service line (now defined by Act 57 as “a water or sewer line that directly connects a single building or structure to a distribution or collection facility”) directly to the extension within ten (10) years of the date of dedication of the extension to the authority.

2.4.4.1 Applicability to the Authority

A reimbursement part will only be implemented for (1) users of certain facilities where the Authority executes specific agreements with developers to extend the Authority’s system to serve future customers; and (2) users connecting a service line directly into a collection facility constructed by another and dedicated to the Authority. Currently, one section of the collection/conveyance system has a reimbursement-tapping fee. This is the Oakhurst Interceptor, Phase 1 from Manhole 16-4 to and including Manhole 73-11. This reimbursement component is by Agreement. Direct connection of service lines into collection facilities constructed by others, and requiring a mandatory reimbursement component, are rare, given the normal methods for extension of the Authority’s system, and a significant number of agreements for reimbursements for these conditions are not anticipated.

2.4.5 Calculation of Tapping Fees - Capacity Part

The calculation of the Authority’s tapping fee prior to 2005 was as follows:

$$\frac{[\text{Capital Costs} - \text{Grants or Contributions}] \times \text{Cost Index Ratio}}{\text{System Design Capacity EDUs}^{(1)}} = \$/\text{EDU}$$

(1) As estimated by system capacity and anticipated total development EDUs.

The calculation of the tapping fee under Act 57 is as follows:

$$\frac{[\text{Capital Costs} - \text{Grants or Contributions}] \times \text{Cost Index Ratio}}{\text{System Design Capacity (gpd)}} \times \text{Design capacity required by new residential customer (gpd per EDU)} = \$/\text{EDU}$$

The calculation of the Authority’s capital cost basis for tapping fees originally developed under Act 203 in 1991 and periodically updated is also applicable under Act 57. The primary change in determination of the capacity component of the tapping fee is the capacity requirements for new customers.

Under Act 203, the capacity requirements for new customers were undefined. Act 57, however, requires that the capacity tapping fee be based upon the average requirements for new residential development. It states that the design capacity required by a new residential customer used in calculating sewer tapping fees shall not exceed an amount established by multiplying 90 gallons per capita per day (gpcd) times the average number of persons per household as established by the most recent US Census Bureau data. For Susquehanna Township, the design capacity requirement of a new residential customer is calculated as follows:

$$90 \text{ gpcd} \times 2.20 \text{ persons/household (2010 Census)} = 198.0 \text{ gpd}$$

The other capacity component of the calculation is the determination of the System Design Capacity. Act 57 defines the “System Design Capacity” as the design capacity of the system for which the tapping fee is being calculated which represents the total design capacity of the treatment facility. There is not, however, such a treatment plant capacity defined by the Harrisburg WWTP for the township. In order to calculate the capacity part based on design capacity, therefore, a system design capacity for the Authority’s interceptors is required.

For the purposes of this calculation, the Susquehanna Township Authority’s system design capacity is the average daily flow capacity for the Harrisburg tributary basins as calculated from the peak flow capacity available to Susquehanna Township by the inter-municipal agreements. The interceptor design capacity calculations are presented in Table 1. Interceptor average design flow capacities are as follows:

Asylum Run Basin – District A	0.80 mgd
Spring Creek Basin – District B	0.71 mgd
Paxtang – District B1	0.17 mgd
Front Street – Districts C and D	1.37 mgd
Asylum Run – District E	0.14 mgd
<u>Paxton Creek Basin – District F</u>	<u>1.83 mgd</u>
Total System Design Interceptor Capacity	5.02 mgd

The calculation of the maximum allowable capacity tapping fee for interceptors, therefore, is:

$$\frac{\text{Facilities Cost}^{(1)} \times 198.0 \text{ gpd/EDU}}{5,020,000 \text{ gpd}} = \text{Tapping Fee } (\$/\text{EDU})$$

(1) Facilities cost includes the construction and overhead costs.

Using the cost for the interceptors serving the township as the cost basis for the capacity tapping fee, as is in the current tapping fee, and the system capacity prescribed by Act 57, the maximum allowable township-wide capacity fee for interceptors is as follows:

$$\frac{\$14,143,970 \times 198.0 \text{ gpd/EDU}}{5,020,000 \text{ gpd}} = \$560/\text{EDU}$$

The \$560/EDU is the maximum allowable capacity component for interceptors that could be charged uniformly township wide under Act 57. If the pumping stations were included as part of the capacity component, rather than special purpose parts as in the tapping fee structure prior to date, the maximum allowable uniform township-wide capacity fee would be:

$$\frac{\$18,182,175 \times 198.0 \text{ gpd/EDU}}{5,020,000 \text{ gpd}} = \$720/\text{EDU}$$

2.4.6 Calculation of Tapping Fee - Special Purpose Part

Fees for special purpose facilities are applicable only to a particular group of customers or for serving a particular purpose or specific area based upon the cost of the facilities, including, but not limited to, sewer mains, pumping stations, and industrial wastewater facilities.

Basin Interceptor System:

As previously stated in Section 2.4.3.1, the Authority may consider, instead of treating the entire township as a single district, calculate the capacity component per separate districts based on applicable project cost for a specific drainage basin and the EDUs for that specific drainage basin. This distributes the tapping fees based on the estimated EDUs that will ultimately be served by the facilities, rather than on an artificial system capacity requirements for new development. The number of tapping fees charged for special purpose tapping fees may not exceed the number of EDUs used in the initial tapping fee calculations. Calculating the maximum capacity by drainage basin in this manner results in the following (Refer to Table 2). *The Authority, however, may charge less than the maximum, if so desired.*

<u>Special Purpose Component Areas</u>	<u>Maximum Basin Interceptor System Special Purpose Part</u>
Front Street Basin	\$2,740/EDU
Paxton Creek Basin	\$ 580/EDU
Asylum Run Basin	\$ 690/EDU
Spring Creek Basin	\$ 690/EDU

Pumping Stations:

All EDUs in each drainage basin are served by the interceptor system. In addition, certain sub-basin areas within the major drainage basins are served by pumping stations. A separate special purpose part tapping fee may also be charged for the pumping station, as in the case of the Authority's current tapping fee structure. Shown below are the maximum special purpose fees for each pumping station. (Refer to Table 3) *The Authority, however, may charge less than the maximum, if so desired.* In previous years, starting with the first tapping fees in the early 1990s, the Authority has limited the special purpose part tapping fees for pumping stations to a value, which when added to the interceptor capacity fee, provides a total tapping fee of no more than \$2,000. With inflation, however, consideration should be given to raising this amount, to be consistent, if special pumping station districts are maintained.

<u>Special Purpose Component Areas</u>	<u>Maximum Pumping Station Special Purpose Part</u>
Front Street Basin	
Roberts Valley Special District	\$3,300
Front Street P.S. Area	\$1,730
Pine Crest P.S. Area	12,020
Paxton Creek Basin	
Blue Ridge P.S. Area	\$2,860
Fox Run P.S. Area	\$1,290
Appletree P.S. Area	\$9,900
Asylum Run Basin	
Wayne Street P.S. Area	\$7,920

Roberts Valley Special District:

In 2004, as directed by the Department of Environmental Protection of PA, Susquehanna Township Authority constructed a new sanitary sewer main to extend from its existing sewer located at the west end of Roberts Valley Road to serve existing and future development on Roberts Valley Road east of the Norfolk Southern Railway Company's tracks. This main extends approximately 1,100 feet beyond the railroad tracks, and was initially constructed to serve twelve (12) homes. It is available to serve additional existing homes as well as future development in Roberts Valley.

Because of the considerable expense required to serve the section of Roberts Valley Road east of the railroad tracks, and the clearly defined specific service area, this sewer main extension is considered a special purpose facility as described in Paragraph (i), (C), III of Section 5607 (d), (24) of Title 53 of the Pennsylvania Consolidated Statutes, as amended by Act 57. Accordingly, in 2004, the Authority passed a resolution adding a Special Purpose Part to the Authority's tapping fees structure to be charged for each EDU in Roberts Valley served by this sewer main. (Refer to Exhibit 1) In accordance with the amendments of Act 57, the maximum allowable Roberts Valley Special Purpose Part is now \$3,300.

Fort Hunter Special District:

In 2010, as required by Susquehanna Township's updated Act 537 plan, Susquehanna Township Authority constructed a new sanitary sewer main to extend from its existing sewer located in the Fort Hunter Park to serve existing and future development on Fort Hunter Road. This main extends approximately 400 feet beyond the existing sewer main and was constructed initially to serve thirteen (13) homes (including six (6) apartments). It is available to serve additional existing homes as well as future development along Fort Hunter Road. It is estimated that 15 connections could be made to the sewer main based upon ultimate development of the area.

Because of the considerable expense required to serve the section of Fort Hunter Road and the clearly defined specific service area, this sewer main extension is considered a special purpose facility as described in Paragraph (i), (C), III of Section 5607 (d), (24) of Title 53 of the Pennsylvania Consolidated Statutes, as amended by Act 57. Accordingly, in 2010, the Authority passed a resolution adding a Special Purpose Part to the Authority's tapping fees structure to be charged for each EDU in

Fort Hunter served by this sewer main. (Refer to Exhibit 2) In accordance with the amendments of Act 57, the maximum allowable Fort Hunter Road Special Purpose Part is now \$10,100.

Oakhurst Interceptor (Reimbursement Tapping Fee District):

On August 24, 1987, the Oakhurst Interceptor planning module was approved by the Pennsylvania Department of Environmental Protection. In April 2011, Susquehanna Township Authority (STA) and Lower Paxton Township Authority (LPTA) purchased a permanent sewer easement from property owner for the construction of the interceptor.

Because the Oakhurst Interceptor clearly defines a specific service area, this sewer extension can be considered a special purpose facility as described in Title 53 of the Pennsylvania Consolidated Statutes under Part V, Section 5607 (d), (24) Paragraph (i), (C) (III). Alternatively, the cost less outstanding debt could be included in the calculation of the overall Paxton Creek Drainage Area interceptor capacity tapping fee.

Phase 1 (From but not including Manhole 16-4 to and including Manhole 73-11):

Donco Construction (Donco) built Phase I of this interceptor and; therefore, this phase is also considered a Reimbursable Part as described in Title 53 of the Pennsylvania Consolidated Statutes under Part V, Section 5607 (d), (24) Paragraph (i), (C) (IV). In March 2011, Susquehanna Township Authority, Lower Paxton Township Authority (LPTA) and Donco entered into an agreement for the construction of Phase I of the Oakhurst Interceptor. Donco constructed a portion of the interceptor from but not including Manhole 16-4 located east of North Progress Avenue to and including Manhole 73-11 located east of the Sturbridge Drive cul-de-sac. To accommodate LPTA's flow the pipe diameter was increased from 8-inch to 15-inch and 16-inch. LPTA paid for the increase costs of the sizing of the pipe. Construction was begun on or about December 28, 2011, and was completed on or about February 5, 2013.

The Agreement among Donco, Susquehanna Township Authority, and Lower Paxton Township Authority provides for reimbursement to Donco for connection of EDUs tributary to the Oakhurst Interceptor. Based on a projection of 1,590 EDUs from new development to be served by the Oakhurst Interceptor Phase I, the reimbursement tapping fee is currently \$310

Phase 2 (From Manhole 73-11 to and including Manhole 1 (up gradient of Manhole 73-16)):

On June 4, 2013, Susquehanna Township and Lower Paxton Township Authorities entered into an agreement to construct Phase II of the Oakhurst Interceptor from existing Manhole 73-11 located east of the Sturbridge Drive cul-de-sac to a Manhole 1 in Lower Paxton Township. Construction was begun on or about June 30, 2014, and was completed on or about August 18, 2014.

2.4.7 Other Tapping Fee General Requirements

Limitations

- No cost shall be included in the base for more than one part of the tapping fee.
- No tapping fee may include any cost to expand, replace, update, or upgrade facilities serving existing customers in order to meet stricter efficiency, environmental, regulatory or safety standards or to provide better services to, or meet the needs of, existing customers.

- Maintenance and operation expenses shall not be included in tapping fees. "Maintenance and Operations Expenses" are defined as "those expenditures made during the useful life of a sewer or water system for labor, materials, utilities, equipment, accessories or appurtenances and other items which are necessary to manage and maintain the system capacity and performance and to provide the service for which the system was constructed."

Changes - Changes to connection, customer facilities or tapping fees shall be made at a public meeting of the authority. At such time, the authority shall have available for public inspection a detailed itemization of all calculations clearly showing the manner in which the fees were determined. Any fees initiated or changed subsequent to the effective date of Act 57 are subject to the provisions of the Act. Except as otherwise provided for certain joint authorities, all sewer users fees must conform to the requirements of Act 57 as of June 30, 2005.

Restriction on Power to Impose Fees - No authority shall have the power to impose any connection fee, customer facilities fee, tapping fee or any similar fee except as provided for the Act.

Right to Construct Line Extensions - Property owners have the right to construct line extensions or install customer facilities themselves, or through a subcontractor approved by the authority. The property owner is required to submit a cost and timetable estimate for the work and the authority shall have the option to perform the construction itself, at the expense of the property owner, if the authority can perform the work at a lower cost within the same timetable proposed by the property owner or his approved subcontractor.

Extension Agreement - All extensions constructed by developer(s) shall be done in accordance with an extension agreement and shall be pursuant to existing authority regulations and subject to the inspection and approval by the authority.

Billing Dispute Resolution - *In the event the property owner constructing an extension disputes the amount of any billing in connection with the review of plans, construction inspections, administrative, legal and/or engineering services, the property owner shall, within 20 working days of the date of billing, notify the authority that the billing is disputed as excessive unreasonable or unnecessary. This triggers a dispute resolution procedures, during which the authority may not delay or disapprove any application or any approval or permit relating to the extension or facilities due to the dispute, except as provided.*

3.0 CONCLUSIONS AND RECOMMENDATIONS

The tapping fees may be calculated two different ways:

- (1) A township wide uniform capacity part with special purpose fees for the various pumping station service areas along with Roberts Valley Road and Fort Hunter Road; and
- (2) Basin interceptor system special purpose fee for each of the four township drainage basins plus additional special purpose fees for the pumping station service areas along with Roberts Valley Road and Fort Hunter Road.

A comparison of the estimated revenue generated by the two tapping fee scenarios over the course of build-out of the township (assuming the pumping station fees are capped at \$2,000) shows the Drainage Basin Special Purpose Fee (number two above) produces more revenue for the Authority. The administrative costs,

however, is likely to be higher for the Drainage Basin Special Purpose Fee scenario due to recording and tracking the future connections by drainage basin. The Authority may want to consider these advantages and disadvantages when considering the future tapping fee structure.

4.0 ADOPTED TAPPING FEE STRUCTURE

Based on the information provided in this report, on February 6, 2018, the Authority Board, at its regularly scheduled monthly public meeting, discussed updating their 2011 tapping fee structure as it pertains to the township and adopted the 2018 tapping fee structure shown in Exhibit A.

TABLE 1
SUSQUEHANNA TOWNSHIP AUTHORITY
SYSTEM DESIGN CAPACITY AND NUMBER OF TAPPING FEE EDUs
Act 57 - 2018

District	Main Interceptor	Number of Tapping Fee EDUs Based on Interceptor Capacity and Act 57 Requirement for Average Flow Per EDU				Number of Tapping Fee EDUs Based on Existing and Projected EDUs to "Build Out"		
		Peak Hourly Capacity Established by Pipe Size, Permit or Agreement (mgd)	Maryland Curve Peaking Factor	Average Daily Flow Interceptor Capacity (mgd) ⁽¹⁾	Capacity EDUs at 198.0 gpd per EDU ⁽²⁾	Current EDUs ⁽³⁾	Projected Additional Future EDUs ⁽⁴⁾	Total Buildout EDUs
A	Asylum Run	2.66	3.32	0.80	4,040	3,130	381	3,511
B	Spring Creek	2.40	3.39	0.71	3,586	1,200	208	1,408
B1	Paxtang	0.67	4.00	0.17	859	590	69	659
C and D	Front Street	4.15	3.04	1.37	6,919	1,396	163	1,559
E	Asylum Run - Edgemont	0.55	4.00	0.14	707	286	4	290
F	Paxton Creek	5.30	2.89	1.83	9,253	7,130	3,030	10,160
Total				5.02	25,354		3,855	17,587

Notes:

- (1) Average daily flow is estimated using the Maryland Curve equation $Q_p = 3.2 * Q_{avg}^{(5/6)}$ for average flows between 0.25 and 16 mgd, For average flows less than 0.25 mgd, $Q_p = 4 * Q_{avg}$ Q_p is peak flow and Q_{avg} is average flow.
- (2) Available EDUs based on average daily flow capacity (Refer to Note 1 above) divided by 198 gpd/EDU (Act 57 guidelines for average flow per EDU is calculated by multiplying 90 GPD by the average number of persons per household of 2.20 [2010 U.S. Census Data for Susquehanna Township, Pennsylvania])
- (3) Based on the number of residential units as of quarter ending January 31, 2017 plus the average of the quarterly commercial EDUs reported in 2016 Chapter 94.
- (4) Revised the projected numbers by subtracting the Current EDUs from the Total Buildout EDUs. Total estimated build-out EDUs for all basins except Paxton Creek and Front Street D are from CET's letter dated December 10, 2004 to Brinjac Engineering discussing Population Projection Information. Paxton Creek and Front Street D estimated buildout EDUs updated 2017.

**TABLE 2
SUSQUEHANNA TOWNSHIP AUTHORITY
BASE TAPPING FEE CALCULATION - INTERCEPTOR CAPACITY PART
Act 57 - 2017**

Interceptor Facilities	Construction Cost	Est. or Actual	Project Overhead	Est. or Actual	Source of Original Cost Data	Total Project Cost	Grants or Contributions	Total Cost to Authority	Year Bid or Constr'd	ENR Const. Cost Index (CCI)	Estimated 2017 Costs ⁽¹⁾	INTERCEPTOR CAPACITY PER BASIN				
												Total Interceptor 2005 Cost Basis Per Basin	Estimated Service Area Buildout EDUs (EDU's)	Estimated Maximum Allowable Tapping Fee Interceptor Special Purpose Part (\$/EDU to nearest \$10)		
Asylum Run Drainage Area																
Asylum Run Interceptor	\$774,670		\$106,939	Actual	Authority Records	\$881,609	\$568,624	\$312,985	1986	4303	\$790,645.35					
Asylum Run Interceptor 24" Portion	\$72,999	Actual	\$13,140	Est.	1963 Audit	\$86,139	\$0	\$86,139	1962/63	872	\$1,073,771.76					
Pines Interceptor (Colonial Gardens and 33rd St.)					Project Records	\$264,989	\$0	\$264,989	1991 Less Outstanding Debt	4818	\$597,847.74 (\$49,847)					
											\$548,001					
Ridgeway Road Interceptor	\$80,305	Actual	\$15,000	Est.	Authority Records	\$95,305	\$0	\$92,305	1987	4406	\$227,724.77					
												\$2,640,143	Asylum Run Basin 3,801	\$690		
															2011 Max. Tapping fee value: \$570	
Paxton Creek Drainage Area																
Paxton Creek Interceptor	\$1,897,683		\$538,879	Actual	1976 Audit	\$2,436,562	\$1,985,000	\$451,562	1971	1581	\$3,104,667.26					
North End Interceptors	\$663,684		\$212,379			\$876,063	\$521,000	\$355,063	1973	1895	\$2,036,693.14					
Valley Road Interceptor	\$511,622	Actual	\$76,000	Est.	Final Contract Est.	\$587,622	\$376,078	\$211,544	1985	4195	\$548,148.58					
Elmwood Drive Interceptor	\$48,800	Actual	\$12,200	Est.	Actual Costs	\$61,000	\$17,800	\$43,200	1985	4195	\$111,938.97					
												\$5,801,448	Paxton Creek Basin 10,160	\$570	Not including the Oakhurst Interceptor.	
													OR	\$530	2011 Max. Tapping fee value: \$530 Tapping fee did not include the Oakhurst Interceptor.	
												\$5,855,953	10,160	\$580	Including the Authority's costs for the Oakhurst Interceptor.	
Oakhurst Interceptor																
Phase 1 (Performed by Third Party - Donco)	\$424,996	Actual	included	Actual	Project Records	\$424,996	\$0	\$424,996	2013	9453	\$488,703.05				\$310	Reimbursement component (to Donco)
(Performed by STA)	\$100,617	Actual	included	Actual	Project Records	\$100,617	\$0	\$100,617	2013	9453	\$115,699.48 (\$82,760.56)				\$130	Used if Oakhurst Interceptor is designated as a Special District
											\$32,938.92					
Phase 2 (Performed by STA and LPTA) (Prices only for STA)	\$126,627	Actual	included	Actual	Project Records	\$126,627	\$0	\$126,627	2014	9846	\$139,796.31 (\$118,231)				\$350	Used if Oakhurst Interceptor is designated as a Special District
											\$21,566					
Front Street Drainage Area																
Front St. Interceptor (D portion)	\$100,000		\$22,000	Est.	1970 Audit	\$122,000		\$122,000	1968	1155	\$1,148,173.16					
Front St. Interceptor (C portion)	\$114,830		\$22,000	Est.	1949 Bid Tab	\$136,830		\$136,830	1949	477	\$3,118,117.61					
												\$4,266,291	Front Street Basin 1,559	\$2,740		
															2011 Max. Tapping fee value: \$2,350	
Spring Creek Drainage Area																
Spring Creek Interceptor (Susq.)	\$650,757	Actual	\$112,732	Actual	Authority Records	\$763,489	\$638,277	\$125,212	1988	4500	\$302,456.54					
Spring Cr. Interceptor Union Deposit Rd. Crossing	\$36,000	Est.	\$6,000	Est.	1988 Costs/Current Est.	\$42,000	\$35,000	\$7,000	1993 Est.	5260	\$14,465.78					
Spring Creek Interceptor (Swatara)		Actual		Actual	Authority Records	\$215,000	\$0	\$215,000	1992	4985	\$468,816.45 (\$40,444)					
1992 Expansion (Costs above updated original)											\$428,373					
Less remaining debt on 1992 Project																
Spring Creek Interceptor (Swatara) Cost Basis																
Paxtang Interceptor	\$16,739	Actual	\$4,006	Actual	1/7/74 Intermunicipal	\$20,745	\$0	\$20,745	1973	1939	\$116,296.11					
2003 Penbrook Interceptor Expansion (Authority's portion)	\$127,748	Actual	\$21,876	Actual	Authority Records	\$149,623	\$0	\$149,623	2003	6642	\$244,866.99 (\$28,146)					
Less Debt on 2003 Expansion											\$216,721					
Penbrook Interceptor Cost Basis																
Bonnyview Interceptor	\$5,500	Est.	\$800	Est.	1949 Bid Tab	\$6,300	\$0	\$6,300	1949	477	\$143,566.04					
Fishburn Interceptor	\$8,200	Est.	\$1,200	Est.	1949 Bid Tab Agreement	\$9,400	\$0	\$9,400	1949	477	\$214,209.64					
												\$1,436,088	Spring Creek Basin 2,067	\$690		
															2011 Max. Tapping fee value: \$560	
Total Interceptor Capacity Cost Basis												\$14,143,970				
Estimated Total Authority Interceptor Service Capacity (EDU's based on new development required capacity of 198 gpd/EDU)															25,354	
Estimated Maximum Allowable Tapping Fee Interceptor Capacity Portion (\$/EDU to nearest \$10) not including the Oakhurst Interceptor (If Oakhurst Interceptor is a Special District)															\$560	
Estimated Maximum Allowable Tapping Fee Interceptor Capacity Portion (\$/EDU to nearest \$10) including the Oakhurst Interceptor (If Oakhurst Interceptor is NOT a Special District)															\$560	
															2011 Max. Tapping fee value: \$380	

TABLE 2

Notes:
(1) Calculated by multiplying the ratio of the ENR 20 cities November 2017 CCI of 10870 (Base year 1913 = 100) and the CCI of the year the project was bid times the original project cost.

**TABLE 3
SUSQUEHANNA TOWNSHIP AUTHORITY
TAPPING FEE CALCULATION - PUMPING STATION SPECIAL PURPOSE PART**

Pumping Station Facilities	Construction Cost	Est. or Actual	Project Overhead	Est. or Actual	Source of Original Cost Data	Total Project Cost	Grants or Contributions	Total Cost to Authority	Year Bid or Constr'd	ENR CCI [1]	Est. 2018 Costs[2]	Estimated Maximum Allowable Tapping Fee (\$/EDU) [3]
Original Fox Run P.S. Still In Service	\$144,464	Actual	\$46,228	Est.	Bid and Audits	\$190,692	\$109,355	\$81,337	1973	1895	\$466,563.80	
1995 Expansion/Improvement Project (1,550 EDU's)	\$481,882	Actual	\$91,943	Projected	Bids and Accounting	\$573,825	\$0	\$573,825	1995	5432	\$1,148,283.83	
2014 Force Main Replacement	\$435,147	Actual	\$58,146	Actual	Project Records	\$493,293	\$0	\$493,293	2014	9800	\$547,152.54	
Less Debt on Expansion/Improvements											(\$107,942)	\$770 : 2011 Tapping fee value
Tapping Fee Basis											\$2,054,058	\$1,290 Fox Run P.S.
Original Blue Ridge Pumping Station Still In Service	\$25,000	Est.	\$8,000	Est.	Bid and Audits	\$33,000	\$18,906	\$14,094	1973	1895	\$80,846.99	
1991 Upgrade and Superstructure					Project Records	\$241,791	\$0	\$241,791	1991	4818	\$545,510.21	
Less Debt on 1991 Upgrade											(\$45,483)	\$1,470 : 2011 Tapping fee value
Tapping Fee Basis											\$580,874	\$2,860 [4] Blue Ridge P.S.
1992-93 Front Street Replacement/Expansion		Actual		Actual	Project Records	\$229,906	\$0	\$229,906	1992-93	5060	\$493,888.98	
Less Outstanding Debt											(\$43,248)	\$1,340 : 2011 Tapping fee value
											\$450,641	\$1,730 Front Street P.S.
1997 New Appletree Pump Station	\$158,095	Actual	\$42,904	Actual	Project Records	\$200,999		\$200,999	1997	5769	\$378,724.06	
2014 Force Main Replacement	\$154,147	Actual	\$20,598	Actual	Project Records	\$174,745	\$0	\$174,745	2014	9800	\$193,824.30	
Less Debt Remaining on 1997 Project											(\$37,810)	\$4,830 : 2011 Tapping fee value
											\$534,739	\$9,900 Appletree P.S.
Wayne St. Ejector Station (30 EDUs*)	\$204,274	Actual	\$62,192	Actual	Project Records	\$266,466	\$0	\$266,466	2007	7398	\$391,522.77	
											(\$153,945)	\$3,310 : 2011 Tapping fee value
											\$237,578	\$7,920 Wayne Ave P.S.
Pine Crest Pumping Station (15 EDUs*)	\$218,800	Actual	\$66,266	Actual	Project Records	\$285,066	\$0	\$285,066	2009	8586	\$360,898	
											(\$180,583)	\$2,280 : 2011 Tapping fee value (Th
											\$180,314	\$12,020 Pine Crest P.S.
Total Pumping Station Capacity Cost Basis											\$4,038,205	
Estimated Total Authority Interceptor Service Capacity (EDU's based on new development required capacity of 198 gpd/EDU)											25,350	
Estimated Maximum Allowable Tapping Fee Pumping Station Capacity Portion (\$/EDU to nearest \$10)											\$160	\$80 : 2011 Tapping fee value

[1] Engineering News Record Construction Cost Index (Base year 1913 = 100)

[2] Calculated by multiplying the ratio of the ENR 20 cities November 2017 CCI of 10870 (Base year 1913 = 100) and the CCI of the year the project was bid times the original project cost.

[3] To nearest \$10.

[4] Includes \$1,090 for Blue Ridge and \$1,300 for Fox Run since Blue Ridge is tributary to Fox Run.

[5] The replacement/expansion project was designed and constructed from mid-1992 through mid 1993 at a cost of approximately \$238,200. The ENR CCI for December 1992 (5060) is used as the base. Since the entire station was replaced and expanded, the cost basis should be the original pumping station cost plus the difference between the 1992-93 project and the updated 1969 cost. In 1992-93 the updated 1969 cost was approximately \$155,500 [(5060/1270) x \$39,040]. Therefore, in 1992-93 this cost difference was \$82,700.

* Estimated EDU's that can be served by the existing pumping station. Front St., Blue Ridge, Fox Run and Appletree based on Wastewater Pumping Station Assessment Report of April 1989. Other pumping station based on existing/potential service area.

** Estimated increased EDU's provided by new Front Street pumping station.

Table 4
Susquehanna Township Authority
Tapping Fee Breakdown - Township Wide Uniform Capacity Fee ⁽⁵⁾ - Alternative 2
Act 57 - 2017

Tapping Fee	Current (2011)	2017 Proposed				
<u>Capacity Component</u>						
Capacity Component	\$530	\$560 (max. allowable) If Oakhurst Interceptor area is not a Special District.				
Uniform Capacity Component	\$530	\$560 or \$560 If Oakhurst Interceptor area is a Special District.				
	Current		2017 Max.	2017 Max.	2017	2017
	Special	Current	Allowable	Allowable	Proposed	Proposed
<u>Special Purpose Component</u>	Purpose	Total ⁽¹⁾	Special	Fee	Special	Tapping Fee
			Purpose	Total ⁽¹⁾	Purpose ⁽²⁾	Total ⁽¹⁾
Roberts Valley Special District ⁽³⁾	\$3,440	\$3,970	\$5,030	\$5,590	\$5,030	\$5,590
Fort Hunter Special District ⁽⁴⁾	\$9,540	\$10,070	\$11,830	\$12,390	\$11,830	\$12,390
Fox Run Pumping Station	\$770	\$1,300	\$1,290	\$1,850	\$1,290	\$1,850
Blue Ridge Pumping Station	\$1,470	\$2,000	\$2,860	\$3,420	\$2,440	\$3,000
Appletree Pumping Station	\$1,470	\$2,000	\$9,900	\$10,460	\$2,440	\$3,000
Front Street Pumping Station	\$1,340	\$1,870	\$1,730	\$2,290	\$1,730	\$2,290
Wayne Street Ejector Station	\$1,470	\$2,000	\$7,920	\$8,480	\$2,440	\$3,000
Pine Crest Pumping Station	\$1,470	\$2,000	\$12,020	\$12,580	\$2,440	\$3,000

Assuming Oakhurst is not
a Special District

- Notes:
- (1) "Total" is the sum of the system interceptor capacity component and the special purpose component for those tributary to pumping stations.
 - (2) Historically, the Authority has limited special purpose tapping fee to a value, which when added to the system wide capacity fee does not exceed \$2,000. This is substantially less than the maximum allowable for the areas tributary to tributary to the Blue Ridge, Appletree, Wayne Street and Pine Crest Pumping Stations. This has resulted in a maximum total tapping fee in these areas of \$2,000. However, since the \$2,000 limit was set, assuming an average 3% annual inflation rate would increase this ceiling to over \$3,000. It is proposed, therefore, to increase this ceiling to \$3,000 for pumping station special purpose parts.
 - (3) The \$5,030 special tapping fee includes the \$3,300 for the Roberts Valley Road special district capacity and the \$1,730 for the Front Street Pumping Station special purpose fee.
 - (4) The \$11,830 special tapping fee includes the \$10,100 for the Fort Hunter special district capacity and the \$1,730 for the Front Street Pumping Station special purpose fee.
 - (5) To compare the two scenarios equally, the total tapping fee (capacity component + special purpose fee) were limited to \$2,000 except for the Roberts Valley Road Special District.

Table 5
Susquehanna Township Authority
Tapping Fee Breakdown - Special Purpose Fees By Drainage Basin ⁽⁵⁾
Act 57 - 2017

Special Purpose Component	Estimated Maximum Allowable Tapping Fee Interceptor Special Purpose Part (\$/EDU to nearest \$10)	2017 Max. Allowable Pump Station Special Purpose	2017 Max. Allowable Special Purpose Fee ⁽¹⁾	2017 Proposed Pump Station Special Purpose Fee ⁽²⁾	2017 Proposed Tapping Fee Total ⁽¹⁾
Front Street Basin					
Roberts Valley Special District ⁽³⁾	\$2,740	\$1,730	\$7,770	\$1,730	\$7,770
Fort Hunter Special District ⁽⁴⁾	\$2,740	\$1,730	\$14,570	\$1,730	\$14,570
Front Street P.S. Area	\$2,740	\$1,730	\$4,470	\$260	\$3,000
Pine Crest P.S. Area	\$2,740	\$12,020	\$14,760	\$260	\$3,000
Non-Pumping Station Area	\$2,740	\$0	\$2,740	\$0	\$2,740
Paxton Creek Basin ⁽⁶⁾					
Blue Ridge P.S. Area	\$580	\$2,860	\$3,440	\$2,420	\$3,000
Fox Run P.S. Area	\$580	\$1,290	\$1,870	\$1,290	\$1,870
Appletree P.S. Area	\$580	\$9,900	\$10,480	\$2,420	\$3,000
Oakhurst Interceptor, Phase 1 ⁽⁷⁾	\$580	\$0	\$1,020	\$0	\$1,020
Oakhurst Interceptor, Phase 2 ⁽⁸⁾	\$580	\$0	\$1,370	\$0	\$1,370
Non-Pumping Station Area	\$580	\$0	\$580	\$0	\$580
Asylum Run Basin					
Wayne Street P.S. Area	\$690	\$7,920	\$8,610	\$2,310	\$3,000
Non-Pumping Station Area	\$690	\$0	\$690	\$0	\$690
Spring Creek Basin	\$690	\$0	\$690	\$0	\$690

} Assuming Oakhurst Interceptors
are separate Special Purpose

Notes:

- (1) "Total" is the sum of the capacity component and the special purpose component for those tributary to pumping stations.
- (2) Historically, the Authority has limited special purpose tapping fee to a value, which when added to the system wide capacity fee does not exceed \$2,000. This is substantially less than the maximum allowable for these areas tributary to the Appletree, Wayne Street and Pine Crest Pumping Stations. This has resulted in a maximum total tapping fee in these areas of \$2,000. However, since the estimated Maximum Allowable Tapping Fee Interceptor Special Purpose Part has now increased more than 2,000 (it is 2,760), the proposed tapping fee total is increased from \$2,000 to \$3,000 (Development in these areas has been limited.), except for the Roberts Valley Road Special District.
- (3) The \$7,590 special tapping fee includes the \$3,200 for the Roberts Valley Road special district capacity and the \$1,700 for the Front Street Pumping Station special purpose fee and \$2,690 for the Front Street Interceptor special purpose fee.
- (4) The \$14,390 special tapping fee includes the \$10,000 for the Fort Hunter special district capacity, \$1,700 for the Front Street Pumping Station special purpose fee, and \$2,690 Front Street Interceptor special purpose fee.
- (5) To compare the two scenarios equally, the total tapping fee (capacity component + special purpose fee) were limited to \$3,000 except for the Roberts Valley Road Special District.
- (6) Includes the Authority's cost for the Oakhurst Interceptor.
- (7) The \$900 special tapping fee includes the \$300 for the reimbursement to the developer that constructed Phase 1 of the Oakhurst Interceptor, \$30 for the Authority's costs for Phase 1, plus the \$570 Interceptor Special Purpose fee.
- (8) The \$950 special tapping fee includes the fee for Phase 1 plus \$50 for the Authority's portion of Phase 2.

Exhibit "A"

**Susquehanna Township Authority
Tapping Fee Breakdown - Special Purpose Fees By Drainage Basin
Act 57 - 2018**

<u>Special Purpose Component Areas</u>	<u>Basin Interceptor System Special Purpose Part</u>	<u>Pump Station Special Purpose Part</u>	<u>Roberts Valley Road Special Purpose Part</u>	<u>Ft. Hunter Road Special Purpose Part</u>	<u>2018 Total Tapping Fee</u>
Front Street Basin					
Roberts Valley Special District	\$560	\$1,730	\$3,300	N/A	\$5,590
Fort Hunter Special District	\$560	\$1,730	N/A	\$10,100	\$12,390
Front Street P.S. Area	\$560	\$1,730	N/A	N/A	\$2,290
Pine Crest P.S. Area ⁽¹⁾	\$560	\$2,440	N/A	N/A	\$3,000
Non-Pumping Station Area	\$560	\$0	N/A	N/A	\$560
Paxton Creek Basin					
Blue Ridge P.S. Area ⁽¹⁾	\$560	\$2,440	N/A	N/A	\$3,000
Fox Run P.S. Area	\$560	\$1,290	N/A	N/A	\$1,850
Appletree P.S. Area ⁽¹⁾	\$560	\$2,440	N/A	N/A	\$3,000
Non-Pumping Station Area	\$560	\$0	N/A	N/A	\$560
Asylum Run Basin					
Wayne Street P.S. Area ⁽¹⁾	\$560	\$2,440	N/A	N/A	\$3,000
Non-Pumping Station Area	\$560	\$0	N/A	N/A	\$560
Spring Creek Basin					
Non-Pumping Station Area	\$560	\$0	N/A	N/A	\$560

(1) The Authority has limited special purpose pumping station tapping fee to a value, which when added to the system special part fee does not exceed \$3,000. This is substantially less than the maximum allowable for these areas tributary to the Pine Crest, Appletree, Blue Ridge, and Wayne Street Pumping Stations.

Exhibit B

RESOLUTION NO. 2004-2

SUSQUEHANNA TOWNSHIP AUTHORITY

RESOLUTION OF THE BOARD OF SUSQUEHANNA TOWNSHIP AUTHORITY APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF A SANITARY SEWER MAIN EXTENSION FOR A CERTAIN PORTION OF THE TOWNSHIP OF SUSQUEHANNA, DAUPHIN COUNTY, PENNSYLVANIA; APPROVING THE RECOMMENDATIONS OF THE CONSULTING ENGINEER OF THIS AUTHORITY; APPROVING THE ESTIMATED COST OF CONSTRUCTION OF SUCH SANITARY SEWAGE FACILITIES; PROPOSING A CHARGE OF A PORTION OF THE COST OF CONSTRUCTION OF THE SEWER MAIN EXTENSION BY ESTABLISHING A TAPPING FEE CHARGED TO PROPERTY OWNERS WHO DESIRE AND ARE REQUIRED TO CONNECT TO THE SEWER MAIN EXTENSION IN ACCORD WITH THE PROVISIONS AND REQUIREMENTS OF THE MUNICIPAL AUTHORITIES ACT, AS AMENDED, TO INCLUDE ACT 57 OF 2003.

WHEREAS, Susquehanna Township Authority (hereinafter, "Authority") is a municipal authority incorporated and existing under the Pennsylvania Municipal Authorities Act, as amended and supplemented (the "Authorities Act"); and

WHEREAS, the Authority, pursuant to the authority invested in it by law and pursuant to the request of the Township of Susquehanna, Dauphin County, Pennsylvania (the "Township"), plans to construct a sewer main extension for a certain portion of the Township, more particularly described as the "Roberts Valley Road Sanitary Sewer Extension", or identified as "Roberts Valley Road System" or "Project", for rendering sewerage service for such portion of the Township; and

WHEREAS, plans and specifications for the construction related to the Roberts Valley Road System have been prepared by CET Engineering Services, Harrisburg, Pennsylvania (the "Consulting Engineers"); and

WHEREAS, the Authority, after due advertisement in accordance with law, received competitive bids for construction related to the Roberts Valley Road System, all in accordance with such plans and specifications prepared by the Consulting Engineers, which bids have been duly considered by the Authority; and

WHEREAS, the Consulting Engineers have prepared certain information and recommendations for the Roberts Valley Road System as contained in that certain document identified as Roberts Valley Road Special Purpose Tapping Fee Component Report and Calculation dated March 31, 2004, hereinafter "Consulting Engineers Report"; and

WHEREAS, such plans and specifications related to the Roberts Valley Road System prepared by the Consulting Engineers and the Consulting Engineers Report constitute the entire plan of construction of the Roberts Valley Road System, including construction of sewers and the Consulting Engineers Report set forth inter alia: the estimated cost of construction of the Roberts Valley Road System and the estimated cost of construction of assessable property owners desiring or required to connect to the Roberts Valley Road System located in this Township; and

WHEREAS, the Authority, in connection with the plan of construction related to the Roberts Valley Road System proposes to charge a portion of the cost of construction of the Roberts Valley Road System by enactment of a tapping fee with regard to those properties desiring or required to connect to the Roberts Valley Road System; and

WHEREAS, other portions of the sums required for cost of the Roberts Valley Road System are to be funded by non-reimbursable contributions of \$50,000.00 from the Township and \$50,000.00 from the Authority to be utilized, in large part, for the construction of a dry hydrant and of a fire protection line adjacent to the sewer transmission line underneath the railroad tracks of Norfolk Southern Railway Company; and

WHEREAS, the Board of the Susquehanna Township Authority did meet and did fully discuss the subject of costs of the Roberts Valley Road System, the bids received and the tapping fees to be charged therefore at its regularly scheduled public meetings held in January, February and March, among other public meetings, and

WHEREAS, Susquehanna Township Authority does hereinafter impose and charge a special purpose part tapping fee as provided in the Municipal Authorities Act, as amended, by Act 57 of 2003, which in turn supplements certain provisions of resolutions of the Authority enacted and adopted prior hereto by the Authority, as this Resolution relates only to the Roberts Valley Road System.

NOW, THEREFORE, BE IT RESOLVED, by the Board of the Authority as follows:

Section 1. The plans and specifications for construction related to the Roberts Valley Road System prepared by the Consulting Engineers in the form presented to this meeting shall and the same are approved; and the Consulting Engineers Report, including the estimated cost of construction of the Roberts Valley Road System and the estimated cost to be realized by imposition of a tapping fee to those properties desiring or required to connect to the Roberts Valley Road System located in the Township, as set forth in the Consulting Engineers Report, same are approved; and the Secretary of the Authority is directed to file a counterpart of the Consulting Engineers Report with this Resolution, thereby making the same a part hereof.

Section 2. The estimated cost of construction of the Roberts Valley Road System, as set forth in the Consulting Engineers Report, in the construction amount of \$398,270.00, and with estimated engineering, administration and legal fees bears a total estimated Project cost of \$466,700.00, is hereby approved

Section 3. Of the aggregate estimated cost of construction of the Roberts Valley Road System, the Authority proposes to charge a tapping fee, being a special purpose component, as provided by the Authorities Act, as amended, and as recommended in the Consulting Engineers Report in the amount of \$2,100.00 per equivalent dwelling unit ("EDU"). The special purpose component for the Roberts Valley Road System for each single residential unit is therefore a maximum of \$2,100.00, absent special facilities utilized by any party seeking a tap-on. (As further noted in the Consulting Engineers Report, any property owner desiring or required to connect to the Roberts Valley Road System will, in addition, be required to pay any existing or future tapping fees imposed by the Authority for other special purposes or capacity requirements, currently being the

Front Street pumping station service area special purpose part, and the Authority-wide capacity component.)

The Roberts Valley Road System tapping fee shall be due and payable in full at the time the application for a tapping permit is filed, as provided in the Regulations of the Susquehanna Township Authority. However, at the request of any property owner, said tapping fee may be paid in quarterly installments over a period not to exceed twenty-five (25) years, which payments would then bear interest at a rate not to exceed 2.774% for the first five (5) years of payments, and 3.468% for the balance of the installment payments, which installment obligation shall be memorialized by an installment payment note in form and context satisfactory to the Susquehanna Township and executed by all property owners not paying the full amount at the time the application is filed at the time of filing.

Section 4. For each residential dwelling unit of any type or kind which is required to or desires to connect to the Roberts Valley Road System or other sewer main tributary to the Roberts Valley Road System, the tapping fee shall be equal to one (1) EDU per individual residential unit, payable at the time of the application for connection permits filed for connection, plus any existing or future tapping fees imposed by the Authority for other special purpose or capacity requirements as hereinbefore identified.

Section 5. Payment of the tapping charges imposed pursuant to this Resolution and/or other resolutions of the Susquehanna Township Authority imposing additional existing or future tapping fees shall be enforced by Susquehanna Township in the manner appropriate under the laws of the Commonwealth of Pennsylvania then in effect.

Section 6. The appropriate personnel, employees and consultants for the Susquehanna Township Authority shall do and perform each and every act or acts as being necessary to notify all applicants of the connection charges and otherwise implement the provisions of this Resolution in a timely and complete manner.

Section 7. In the event any provision, section, sentence, clause or other portion of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or other parts of this Resolution, it being the intent of the Susquehanna Township Authority the remainder of the Resolution shall be and remain in full force and effect.

Section 8. This Resolution shall be come effective upon enactment, and resolved and enacted by the Susquehanna Township Authority this 6th day of April, 2004.

SUSQUEHANNA TOWNSHIP AUTHORITY

By: Bertram H. Goldberg
Bertram H. Goldberg, Secretary

By: Anthony W. Salomone
Anthony W. Salomone, Chairman

**Roberts Valley Road Special Purpose Tapping Fee Component
Report and Calculation
March 31, 2004**

Background

The Susquehanna Township Authority is constructing a new sanitary sewer main to extend from its existing sewer located at the west end of Roberts Valley Road to serve existing and future development on Roberts Valley Road east of the Norfolk Southern Railway Company's tracks. This main will extend approximately 1,100 feet beyond the railroad tracks and initially serve twelve (12) homes. It will be available to serve additional existing homes, however, as well as future development in Roberts Valley.

Because of the considerable expense required to serve the section of Roberts Valley Road east of the railroad tracks and the clearly defined specific service area, this sewer main extension is considered a special purpose facility as described in Paragraph (i), (C), III of Section 5607 (d), (24) of Title 53 of the Pennsylvania Consolidated Statutes, as amended by Act 57 of 2003. Accordingly, a Special Purpose Part is added to the Authority's tapping fees structure to be charged for each EDU in Roberts Valley served by this sewer main. In accordance with the amendments of Act 57 of 2003, the maximum allowable Roberts Valley Special Purpose Part is calculated as follows:

Project Costs

\$398,270	(Lowest bid price from the January 23, 2004 bids)
\$68,000	Engineer, Construction Admin and Legal Fees (17%)
<hr/>	
\$466,270	Total Project Costs
<hr/>	
(\$100,000)	(Contribution from the Authority and Township for Fire Protection Line)
<hr/>	
\$366,270	Total Estimated Project Cost Attributable to Sewer
<hr/>	
(\$30,000)	Estimated Project Costs Associated with 12 Service Laterals
<hr/>	
\$336,270	Estimated Allowable Project Costs for Calculation of Sewer Main ⁽¹⁾ Special Purpose Tapping Fee.
\$284,000	Approved PennVest Loan
	Loan Terms: 20 years
	2.774% for years 1 through 5
	3.468% for years 6 through 20

(1) No debt is subtracted from the total project cost for the calculation of the Special Purpose Part because the main is exclusively for new customers, in accordance with Act 57 of 2003.

Special Purpose Tapping Fee Calculation

Number of Residential Units

According to Township records, there are approximately 50 homes currently along Roberts Valley Road and approximately 32 vacant lots.

50	current homes
32	vacant lots
<hr/>	
78	possible lots from undeveloped parcels zoned R-1 (low density residential)
<hr/>	
160	potential EDUs.

Estimated Maximum Special Purpose Tapping Fee

$$\begin{array}{l} \$336,270/160 \text{ EDUs} \quad = \quad \$2,101.69 \\ \text{say } \boxed{\$2,100} \end{array}$$

Note: This Special Purpose Part Tapping Fee is solely for the Roberts Valley Road Sewer Extension and is to be paid in addition to any existing or future tapping fees imposed by the Authority for other special purpose or capacity requirements, currently the Front Street Pumping Station Service Area. Special Purpose Part and the Authority-wide Capacity Component.

RESOLUTION NO. 2010-06

SUSQUEHANNA TOWNSHIP AUTHORITY

RESOLUTION OF THE BOARD OF SUSQUEHANNA TOWNSHIP AUTHORITY APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF A SANITARY SEWER MAIN EXTENSION FOR A CERTAIN PORTION OF THE TOWNSHIP OF SUSQUEHANNA, DAUPHIN COUNTY, PENNSYLVANIA; APPROVING THE RECOMMENDATIONS OF THE CONSULTING ENGINEER OF THIS AUTHORITY; APPROVING THE ESTIMATED COST OF CONSTRUCTION OF SUCH SANITARY SEWAGE FACILITIES; PROPOSING A CHARGE OF A PORTION OF THE COST OF CONSTRUCTION OF THE SEWER MAIN EXTENSION BY ESTABLISHING A TAPPING FEE CHARGED TO PROPERTY OWNERS WHO DESIRE AND/OR ARE REQUIRED TO CONNECT TO THE SEWER MAIN EXTENSION IN ACCORD WITH THE PROVISIONS AND REQUIREMENTS OF THE MUNICIPAL AUTHORITIES ACT, AS AMENDED, TO INCLUDE ACT 57 OF 2003.

WHEREAS, Susquehanna Township Authority (hereinafter, "Authority") is a municipal authority incorporated and existing under the Pennsylvania Municipal Authorities Act, as amended and supplemented (the "Authorities Act"); and

WHEREAS, the Authority, pursuant to the authority invested in it by law and pursuant to the request of the Township of Susquehanna, Dauphin County, Pennsylvania (the "Township"), plans to construct a sewer main extension system for a certain portion of the Township, more particularly described as "Fort Hunter Road Sanitary Sewer Extension", or hereinafter identified as "Project" or "Fort Hunter Road Project", for rendering sewerage collection service for such portion of the Township; and

WHEREAS, plans and specifications for the construction related to the Fort Hunter Road Project have been prepared by CET Engineering Services, Harrisburg, Pennsylvania (the "Consulting Engineers"); and

WHEREAS, the Authority, after due advertisement in accordance with law, received competitive bids for construction related to the Fort Hunter Road Project, all in accordance with such plans and specifications prepared by the Consulting Engineers, which bids have been duly considered by the Authority; and

WHEREAS, the Consulting Engineers have prepared certain information and recommendations for the Fort Hunter Road Project as contained in that certain document identified as Fort Hunter Road Special Purpose Tapping Fee Component Report and Calculation dated June 1, 2010, hereinafter "Consulting Engineer's Report", a true and correct of which Consulting Engineer's Report is attached hereto as Exhibit "A"; and

WHEREAS, such plans and specifications related to the Fort Hunter Road Project prepared by the Consulting Engineers and the Consulting Engineers Report constitute the entire plan of construction of the Fort Hunter Road Project, including construction of sewers and the Consulting Engineers Report set forth inter alia: the estimated cost of construction of the Fort Hunter Road Project and the estimated cost of construction of assessable property owners desiring or required to connect to the Fort Hunter Road Project located in this Township; and

WHEREAS, the Authority, in connection with the plan of construction related to the Fort Hunter Road Project proposes to charge a portion of the cost of construction of the Fort Hunter Road Project by enactment of a tapping fee with regard to those properties desiring or required to connect to the Fort Hunter Road Project; and

WHEREAS, the Board of the Susquehanna Township Authority did meet and did fully discuss the subject of costs of the Fort Hunter Road Project, the construction bids received and the tapping fees to be charged therefore at its regularly scheduled public meetings held in June 1, 2010, among other public meetings, and

WHEREAS, Susquehanna Township Authority does hereinafter impose and charge a special purposes part tapping fee as provided in the Municipal Authorities Act, as amended, by Act 57 of 2003, which in turn supplements certain provisions of previous resolutions of the Authority enacted and adopted prior hereto by the Authority, to include Resolution No. 2008-04.

NOW, THEREFORE, BE IT RESOLVED, by the Board of the Authority as follows:

Section 1. The plans and specifications for construction related to the Fort Hunter Road Project prepared by the Consulting Engineers in the form presented to this meeting shall and the same are approved; and the Consulting Engineers Report, including the estimated cost of construction of the Fort Hunter Road Project and the estimated cost to be realized by imposition of a tapping fee to those properties desiring or required to connect to the Fort Hunter Road Project located in the Township, as set forth in the Consulting Engineers Report, same are approved; and the Secretary of the Authority is directed to file a counterpart of the Consulting Engineers Report with this Resolution, thereby making the same a part hereof.

Section 2. The estimated cost of construction of the Fort Hunter Road Project, as set forth in the Consulting Engineers Report, in the construction amount of \$107,701.00, and with estimated engineering, administration and legal fees brings a total estimated Project cost of \$133,015.00, is hereby approved

Section 3. Of the aggregate estimated cost of construction of the Fort Hunter Road Project, the Authority proposes to charge a special purposes component of the tapping fee, as provided by the Authorities Act, as amended, and as recommended in the Consulting Engineers Report in the amount of \$8, 200.00 per equivalent dwelling unit (“EDU”). The special purposes component of the Fort Hunter Project tapping fee for each single residential unit is therefore a maximum of \$8, 200.00 per equivalent dwelling unit. The special services component of the

sewer tapping fee for the Fort Hunter Project for each unit is therefore a maximum of \$8,200.00. However, as further noted in the Consulting Engineers Report, connections onto the Fort Hunter Project will furthermore be subject to another special facility tapping fee component, the Front Street Pumping Station special purposes component of \$1,170.00 per EDU absent special facilities utilized by any party seeking a tap-on. (As further noted in the Consulting Engineers Report, any property owner desiring or required to connect to the Fort Hunter Road Project will, in addition, be required to pay any existing or future tapping fees imposed by the Authority for other special purposes or capacity requirements, currently but being the Front Street pumping station service area special purposes component, and the Authority-wide capacity component.) (It furthermore is noted that the actual calculation for the tapping fee based upon the number of residential units and the Project cost equals \$8,900.00 but as per Authority's Resolution 2008-4, the maximum special purposes assessment is limited to \$8,200.00 per EDU. Moreover, this special purposes component, as limited, does include any other special purposes component(s) such as, in this case, the Front Street Pumping Station component nor such does not include the Authority-wide capacity component and the service lateral or building sewer cost. Thus, the current capping fee would be comprised as follows:

Fort Hunter special purposes component as limited \$8,200.00

Front Street Pumping Station special purposes component \$1,170.00

Authority-wide capacity component \$430.00

The Fort Hunter Road Project tapping fee shall be due and payable in full at the time the application for a tapping permit is filed, as provided in the Regulations of the Susquehanna Township Authority. However, at the request of any property owner said tapping fee may be paid in quarterly installments over a period of either ten (10) years or fifteen (15) years. The

period of time may be decided by the property owner but may not exceed fifteen (15) years. Payments would then bear interest at a rate not to exceed 3.938% for the first five years of payments, and 6.000% for the balance of the installment payments, which installment obligation shall be memorialized by an installment payment note in form and context satisfactory to the Susquehanna Township and executed by all property owners not paying the full amount at the time the application is filed at the time of filing.

Section 4. For each residential dwelling unit of any type or kind which is required to desires to connect to the Fort Hunter Road Project, the tapping fee shall be equal to one (1) EDU per individual apartment unit, payable at the time of the application for connection permits filed for connection, plus any existing or future tapping fees imposed by the Authority for other special purpose or capacity requirements as hereinbefore identified.

Section 5. Payment of the tapping charges imposed pursuant to this Resolution and/or other resolutions of the Susquehanna Township Authority imposing additional existing or future tapping fees shall be enforced by Susquehanna Township in the manner appropriate under the laws of the Commonwealth of Pennsylvania then in effect.

Section 6. The appropriate personnel, employees and consultants for the Susquehanna Township Authority shall do and perform each and every act or acts as being necessary to notify all applicants of the connection charges and otherwise implement the provisions of this Resolution in a timely and complete manner.


Section 7. In the event any provision, section, sentence, clause or other portion of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or other parts of this Resolution, it being the intent of the

Susquehanna Township Authority the remainder of the Resolution shall be and remain in full force and effect.

Section 8. This Resolution shall be come effective upon enactment, and resolved and enacted by the Susquehanna Township Authority this 1st day of June, 2010.

SUSQUEHANNA TOWNSHIP AUTHORITY

By: 
Yves E. Pollart, P.E., Secretary

By: 
Anthony W. Salomone, Chairman

**Fort Hunter Road Special Purpose Tapping Fee Component
Report and Calculation
June 1, 2010**

Background

The Susquehanna Township Authority is constructing a new sanitary sewer main to extend from its existing sewer located at the west end of Fort Hunter Road to serve existing and future development on Fort Hunter Road east of the existing Manhole 38-2. This main will extend approximately 400 feet beyond Manhole 38-2 and initially serve four (4) homes. It will be available to serve additional existing homes, however, as well as future development along Fort Hunter Road.

Because of the considerable expense required to serve the section of Fort Hunter Road east of the existing Manhole 38-2 and the clearly defined specific service area, this sewer main extension is considered a special purpose facility as described in Paragraph (i), (C), III of Section 5607 (d), (24) of Title 53 of the Pennsylvania Consolidated Statutes, as amended by Act 57 of 2003. Accordingly, a Special Purpose Part is added to the Authority's tapping fees structure to be charged for each EDU along Fort Hunter Road served by this sewer main. In accordance with the amendments of Act 57 of 2003, the maximum allowable Fort Hunter Road Special Purpose Part is calculated as follows:

Project Costs

\$107,701	Apparent Low Bidder's bid (E.K. Services)
\$32,000	Engineer, Permits, Archeological Observation, Construction Admin and Legal Fees
\$139,701	Total Estimated Project Costs
(\$6,686)	Estimated Project Costs Associated with 4 Service Laterals ⁽¹⁾
\$133,015	Estimated Allowable Project Costs for Calculation of Sewer Main Special Purpose Tapping Fee.

(1) May not be included in the calculation of a special purpose tapping fee. Each service lateral is estimated to cost \$1,671.50 or a total cost of \$6,686 for all four laterals. The service lateral cost estimate is based on E.K. Services' bid.

Special Purpose Tapping Fee Calculation

Number of Residential Units

According to Township and Dauphin County records, there are 13 residential homes (including 6 apartments) currently along Fort Hunter Road that are not connected to the public sewer and 2 vacant lots. It is estimated that a total of 15 connections could be made to the sewer main based upon ultimate development of the area.

Estimated Maximum Special Purpose Tapping Fee = \$133,015 / 15 = \$8,867.67
say \$8,900

Per Authority's Resolution No. 2008-04 the maximum assessment is: \$8,200

Note: This Special Purpose Part Tapping Fee is solely for the Fort Hunter Road Sewer Extension and is to be paid in addition to any existing or future tapping fees imposed by the Authority for other special purpose or capacity requirements, currently the Front Street Pumping Station Service Area Special Purpose Part and the Authority-wide Capacity Component.

Fort Hunter special purpose tapping fee:	\$8,200.00
Front Street Pumping Station special purpose component:	\$1,170.00
Authority-wide capacity component:	\$430.00
Total:	\$9,800.00 + quarterly sewer fees

RESOLUTION NO. 2010-08

SUSQUEHANNA TOWNSHIP AUTHORITY

RESOLUTION OF THE BOARD OF SUSQUEHANNA TOWNSHIP AUTHORITY REVISING THE INTEREST RATE FOR THE PORTION OF THE COST OF CONSTRUCTION OF A SANITARY SEWER MAIN EXTENSION BY PROPERTY OWNERS ALL IN ACCORD WITH THE PROVISIONS AND REQUIREMENTS OF THE MUNICIPAL AUTHORITIES ACT, AS AMENDED, TO INCLUDE ACT 57 OF 2003.

WHEREAS, Susquehanna Township Authority (hereinafter, "Authority") is a municipal authority incorporated and existing under the Pennsylvania Municipal Authorities Act, as amended and supplemented (the "Authorities Act"); and

WHEREAS, the Authority, pursuant to the authority invested in it by law and pursuant to the request of the Township of Susquehanna, Dauphin County, Pennsylvania (the "Township"), has constructed a sewer main extension system for a certain portion of the Township, more particularly described as the "Fort Hunter Road Sanitary Sewer Extension", or hereinafter identified as "Project" or "Fort Hunter Road Project", for rendering sewerage collection services for such portion of the Township; and

WHEREAS, the Authority did pass by Resolution No. 2010-06 on June 1, 2010, a certain resolution approving the plans and specifications for construction of the Project approving the recommendations of the consulting engineer and approving the estimated cost of the sanitary sewage facilities of the Project and imposing a cost or a charge of the portion of the construction of the sewer main extension by establishing a tapping fee charged to property owners who desire and/or who are required to connect to the extension; and

WHEREAS, said Resolution No. 2010-06 provided that any property owner could opt to pay the tapping fee and installments over a period of either ten (10) or fifteen (15) years with an

interest rate not to exceed 3.938% for the first five (5) years and 6% for the balance of the installment payments; and

WHEREAS, the Authority upon further discussion has determined to revise said interest rate charged for those persons paying tapping fee installments based upon the interest rate charged if the project was financed pursuant to a grant or loan by the Commonwealth of Pennsylvania/Pennvest.

NOW, THEREFORE, BE IT RESOLVED, by the Board of the Authority as follows:

Section 1. The last paragraph of Section 3 of Resolution No. 2010-06 is deleted in its entirety and replaced with the following Section.

REVISED SECTION 3.

“The Fort Hunter Road Project tapping fee shall be due and payable in full at the time the application for a tapping permit is filed, as provided in the Regulations of the Susquehanna Township Authority. However, at the request of any property owner, said tapping fee may be paid in quarterly installments over a period of either ten (10) years or fifteen (15) years. The period of time may be decided by the property owner but may not exceed fifteen (15) years. Any unpaid balance would bear interest at a rate not to exceed 2.50% for the first five (5) years of payments, and 3.0% for the balance of the installment payments, which installment obligation shall be memorialized by an installment payment note in form and context satisfactory to the Susquehanna Township and executed by all property owners not paying the full amount at the time the application is filed at the time of filing.”

Section 2. Attached hereto as Exhibit A to this Resolution is the report of the Engineer of the Susquehanna Township Authority, CET Engineering Services, setting forth the updated

calculations of the Project which however do not change the tapping fee as contained in Resolution No. 2010-06.

Section 3. All other provisions, portions and sections of Resolution No. 2010-06 to specifically include Section 3 remain unchanged and are affirmed.

Section 4. Payment of the tapping charges imposed pursuant to this Resolution and/or other resolutions of the Susquehanna Township Authority imposing additional existing or future tapping fees shall be enforced by Susquehanna Township in the manner appropriate under the laws of the Commonwealth of Pennsylvania then in effect.

Section 5. The appropriate personnel, employees and consultants for the Susquehanna Township Authority shall do and perform each and every act or acts as being necessary to notify all applicants of the connection charges and otherwise implement the provisions of this Resolution in a timely and complete manner.

Section 6. In the event any provision, section, sentence, clause or other portion of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or other parts of this Resolution, it being the intent of the Susquehanna Township Authority the remainder of the Resolution shall be and remain in full force and effect.

Section 7. This Resolution shall become effective upon enactment, and resolved and enacted by the Susquehanna Township Authority this 5th day of October 2010.

SUSQUEHANNA TOWNSHIP AUTHORITY

By: 
Yves E. Pollart, P.E., Secretary


By: 
Anthony W. Salomone, Chairman

Exhibit A

Fort Hunter Road Special Purpose Tapping Fee Component Report and Calculation October 12, 2010

Background

The Susquehanna Township Authority has constructed a new sanitary sewer main extending from Manhole 38-2 located at the west end of Fort Hunter Road. The new sewer main is to serve existing and future development on Fort Hunter Road east of the existing Manhole 38-2. The new main extends approximately 400 feet beyond Manhole 38-2 to initially serve four (4) buildings.

Because of the considerable expense required to serve the section of Fort Hunter Road east of the existing Manhole 38-2 and the clearly defined specific service area, this sewer main extension is considered a special purpose facility as described in Paragraph (j), (C), III of Section 5607 (d), (24) of Title 53 of the Pennsylvania Consolidated Statutes, as amended by Act 57 of 2003. Accordingly, a Special Purpose Part is added to the Authority's tapping fees structure to be charged for each EDU along Fort Hunter Road served by this sewer main. In accordance with the amendments of Act 57 of 2003, the maximum allowable Fort Hunter Road Special Purpose Part is calculated as follows.

This report supersedes the report dated June 1, 2010. The June 1, 2010 included estimated costs for archeological observation, construction observation, and construction administration along with the contract amount to construct the sanitary sewer extension. This October 12, 2010 report includes the actual cost for these items. Construction of the sewer extension began on July 27, 2010 and was completed on September 2, 2010.

Project Costs

\$96,595	Construction of the sewer extension (from E.K. Services' application for payment)
\$36,830	Engineer, Permits, Archeological Observation, Construction Admin and Legal Fees
<u>\$133,425</u>	Total Project Costs
(\$6,758)	Project Costs Associated with Constructing 4 Service Laterals ⁽¹⁾
<u>\$126,667</u>	Allowable Project Costs for Calculation of Sewer Main Special Purpose Tapping Fee.

(1) May not be included in the calculation of a special purpose tapping fee.

Special Purpose Tapping Fee Calculation

Number of Residential Units

According to Township and Dauphin County records, there are 13 residential homes (including 6 apartments) currently along Fort Hunter Road that are not connected to the public sewer and 2 vacant lots. It is estimated that a total of 15 connections could be made to the sewer main based upon ultimate development of the area.

Estimated Maximum Special Purpose Tapping Fee = $\$126,667 / 15 =$ \$8,444.47
say \$8,400

Per Authority's Resolution No. 2008-04 the maximum assessment is: \$8,200

Note: This Special Purpose Part Tapping Fee is solely for the Fort Hunter Road Sewer Extension and is to be paid in addition to any existing or future tapping fees imposed by the Authority for other special purpose or capacity requirements, currently the Front Street Pumping Station Service Area Special Purpose Part and the Authority-wide Capacity Component.

Fort Hunter special purpose tapping fee:	\$8,200.00
Front Street Pumping Station special purpose component:	\$1,170.00
Authority-wide capacity component:	\$430.00
<u>Total:</u>	<u>\$9,800.00</u> + quarterly sewer fees

CET Engineering Services