

**RESOLUTION NO. 2010-08**

**SUSQUEHANNA TOWNSHIP AUTHORITY**

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**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.**

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**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.

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

SUSQUEHANNA TOWNSHIP AUTHORITY

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
\$133,425	Total Project Costs
(\$6,758)	Project Costs Associated with Constructing 4 Service Laterals <sup>(1)</sup>
\$126,667	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 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

CET Engineering Services