

CONNECTION AND TAPPING FEE RESOLUTION

THE MUNICIPAL AUTHORITY OF BUFFALO TOWNSHIP BUTLER COUNTY, PENNSYLVANIA FOR ANY SEWER TAPS INTO THE BUFFALO TOWNSHIP PHASE III SEWAGE SERVICE AREA

RESOLUTION NO. 2019-3

The Municipal Authority of Buffalo Township, Butler County, Pennsylvania, hereinafter referred to in this Resolution as the “Authority”, does hereby impose the following Tapping Fee for Phase III of its sewage system pursuant to Act 57 of 2003, and the Municipality Authorities Act of 1945, as codified and amended (53 Pa.C.S. §§ 5601 et seq., and specifically 53 Pa.C.S. § 5607(d)(24) and (30)-(32)).

ARTICLE 1: ENABLING LEGISLATION

A. Act 57 of 2003 as codified in of the Municipality Authorities Act of 1945, as amended, allows the Authority to charge certain enumerated fees to property owners who desire or are required to connect to the Authority’s sewer system.

ARTICLE 2: DEFINITIONS

- A. **CAPACITY** – The physical limits of a particular facility or system.
- B. **CAPACITY RELATED FACILITIES** – Facilities such as wastewater treatment plants, pumping stations, interceptors, and other similar components, the cost of which may be recovered through the capacity part of the tapping fee.
- C. **COLLECTION FACILITIES** – Facilities that are used for the collection of wastewater, typically collectors and sewer mains to which individual properties are connected by means of lateral sewers. The cost of these facilities is recovered as part of the collection part of the tapping fee.
- D. **CONNECTION FEE** – A fee authorized under Act 57 to recover the Authority’s actual cost or average cost for facilities installed between the sewer mains and the property line of the property to be connected to the system.
- E. **CUSTOMER FACILITIES FEE** – A fee authorized under Act 57 to allow the Authority to recover its actual cost for facilities installed between the property line and the dwelling or building to be served.
- F. **DESIGN CAPACITY** – For residential customers, the permitted or rated capacity of facilities expressed in million gallons per day. For non-residential customers, design capacity may also be expressed in pounds of BOD5 per day, pounds of

suspended solids per day or any other capacity-defining parameter that is separately and specifically set forth in the permit governing the operation of the system and based upon its original design as modified by those regulatory agencies having jurisdiction over these facilities.

G. SINGLE-FAMILY DWELLING – This is equivalent to one dwelling unit and includes one mobile home or one house trailer whether or not it is situated in a mobile home park.

H. TAPPING FEE – A four-part fee authorized under Act 57 whose total charge is determined by the summation of the component parts known as (1) the Capacity Part; (2) the Collection Part; (3) the Special Purposes Part; and (4) the Reimbursement Component.

FOR ALL DEFINITIONS, SEE ATTACHED SUMMARY AND DRAWING MARKED “A”.

ARTICLE 3: IMPOSITION OF FEES

A. CUSTOMER FACILITIES FEE – The Authority shall impose a fee any time the Authority installs any portion of a property owner’s sewer line and facilities that run from the property line of the property to the proposed dwelling or building to be served. This fee will be the amount equal to the ACTUAL COST to the Authority by constructing any line or facility. This fee is chargeable only in the event that the Authority, and not the property owner, installs the customer facilities.

B. CONNECTION FEE – There is hereby imposed a fee of \$2,100.00 for each time the Authority has funded the cost of any portion of the lateral leading from the Authority’s main, interceptor, or collector sewage line, to the property line of the property to be connected. This fee is based on the average actual cost of previous connections of a similar type and size.

C. TAPPING FEE – There is hereby imposed a total Tapping Fee of \$ 3,450- for each Equivalent Dwelling Unit (“EDU”) based on the summation of the following component parts:

1. CAPACITY PART AND COLLECTION PART: These fees are imposed for capacity-related facilities and the cost of collection facilities. This fee is \$ 3,450- per EDU.

a. The Capacity Part is \$ 1,096.50 per EDU.

b. The Collection Part is a \$ 2,353.50 per EDU.*

(1) For properties in the Winfield Township Service Area the sum of \$ 5,950- per EDU; and

(2) For all properties in Phase III outside of the Winfield Township Service Area the sum of \$~~2,353.50~~ per EDU payable to the Authority for its collection facilities.

2. SPECIAL PURPOSES PART: This is not charged by the Authority.
3. REIMBURSEMENT PART: This is not charged by the Authority.

ARTICLE 4: MISCELLANEOUS MATTERS

A. MULTI-FAMILY DWELLINGS – The Tapping Fee Component shall be the sum of \$~~3450-~~ per dwelling unit contained within each building plus the same sum for all other uses within the building other than dwelling units, for each EDU.

B. MULTIPLE EDU'S IN ONE BUILDING – All determinations shall be based on a flow estimate prepared by the Engineer for the Authority or approved by said Engineer. The Tapping Fee shall be the sum of \$~~3450-~~ multiplied by the number of projected EDU's.

1. ESTIMATED EDU'S TOO HIGH OR TOO LOW: After one year of the imposition of the estimated tapping fees and regular use by the customer, an actual average calculation can be made of the EDU's, only after the Authority's approval upon receiving advice and recommendation of their engineer. If actual use is higher than the estimated use, additional Tapping Fees shall be paid to the Authority; if actual use is lower than the estimate use, Tapping Fees will be refunded by the Authority.

2. CHANGE IN OCCUPANCY USE – If the occupancy of a building changes that was previously connected to the Authority's sanitary sewer, a tapping fee will be redetermined in accordance with this Article and from which will be deducted the amount of any tapping fee previously paid for the same building. No reimbursement for less usage will be given.

ARTICLE 5: REIMBURSEMENT OF COLLECTION PART

A. MANDATORY REIMBURSEMENT – When a property owner constructs or causes to be constructed at his expense any extension of the sanitary sewer system which thereafter is dedicated to the Authority, or is under agreement to be dedicated to the Authority, that property owner shall be entitled to be reimbursed a sum equal to the Collection Part of each Tapping Fee Component collected when the owner of another property not in the development for which the extension was originally constructed connects a service line DIRECTLY to the extension within ten (10) years of the date of the dedication of said extension to the Authority, provided that there shall be deducted from such reimbursement a sum equal to 5% of the Collection Part, which shall be deemed to represent the appropriate Authority charge for administrative expenses and services rendered in calculating, collecting, monitoring, and disbursing the reimbursement payment to the property owner, and subject to the following:

1. No reimbursement of the Collection Part shall be permitted for any sewer line or lines which have been paid for by the Authority.
2. The right to receive the Collection Part shall be subject to the provision that the property owner who is entitled to the reimbursement shall have previously entered into a Developer's Agreement with the Authority.
3. This reimbursement shall also be regulated and subject to all restrictions and regulations found in 53 Pa.C.S. § 5607(d)(31), as may be amended.

ARTICLE 6: TIME OF PAYMENT – The time of payment for the Fees imposed by this Resolution shall be due and payable as follows:

- A. NO PLANNING MODULES REQUIRED: All Fees shall be due and payable on or before the time of application for a sewer connection and inspection permit.
- B. PLANNING MODULES REQUIRED: All Fees shall be due and payable for the entire planned development on or before the commencement of any construction of any of the sewer line extensions contemplated for the development by the property owner.

ARTICLE 7: OTHER FEES – The fees imposed herein shall be in addition to any charges assessed against the property of the property owner resulting from the construction of any sewer lines by the Authority in accordance with Act 57 as well as any user charges imposed by the Authority pursuant to Act 57.

ARTICLE 8: EFFECTIVE DATE

- A. PUBLIC MEETING – It is acknowledged that this Resolution is being adopted at a public meeting of the Authority and the Effective Date for all fees shall be January 1, 2020, and the meeting at which the Authority voted by majority vote to impose all fees defined by this Resolution was December 19, 2019.
- B. ENGINEERING CALCULATIONS – It is acknowledged that this Resolution is being adopted after review by the Authority of engineering calculations prepared by the Engineer concerning these matters as set forth by Act 57, that said engineering calculations shall be made available for public inspection at any time hereafter while any of the fees imposed herein are in effect.

ARTICLE 9: PREVIOUS FEES SUPERCEDED – All connection fees, impact fees, tapping or other fees imposed upon connection to the Authority Sewer System heretofore adopted by the Authority shall be superceded by the fees established herein.

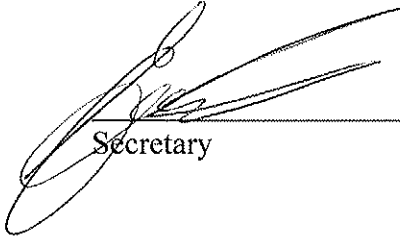
ARTICLE 10: ENFORCEABILITY – Any fees due and payable under this Resolution may be enforced by the Authority in accordance with the enforcement provisions otherwise granted to the Authority under applicable state law.

ARTICLE 11: SEVERABILITY – In the event that any portion of this Resolution is rendered invalid by any Court of Law, the remainder of the Resolution shall remain in effect and undisturbed.

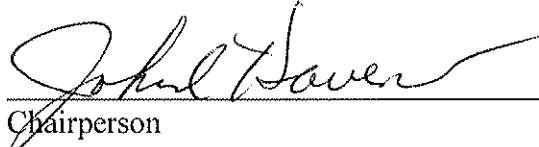
DATED THIS 19TH DAY OF DECEMBER 2020.

ATTEST:

MUNICIPAL AUTHORITY OF
BUFFALO TOWNSHIP, BUTLER
COUNTY, PENNSYLVANIA



Secretary (seal)



Chairperson

Municipal Authority of Buffalo Township
ACT 57
TAP FEE CALCULATION
October-2019

Component I
Calculation of Connection Fee

Based on Authority's records of average cost to install taps for past 5 years value is \$2,150

Note: If Developer makes connection to main line or installs taps to property, delete this cost. New taps in development where tap was not set is still charged this fee.

Component II
Customer Facilities Fee

Not applicable for Authority charges. Homeowner or Developer bears all costs inside the development.

Component III
Collection and Treatment Costs

Collection Contracts 1 – 6 and Route 356 Pump Station		Adjusted Cost 2005	Index	Adjusted Cost 2019
Line Construction Cost		\$ 8,885,087	1.5	\$ 13,327,630
Route 356/Monroe Pump Station				
General		\$ 994,701	1.5	\$ 1,492,051
Electrical		\$ 377,610	1.5	\$ 506,415
Total Collection		\$ 10,257,398		\$ 15,326,096
Treatment Plant				
General		\$ 3,526,239	1.5	\$ 5,289,358
Electrical		\$ 527,301	1.5	\$ 790,951
HVAC		\$ 44,096	1.5	\$ 66,144
Total Treatment		\$ 4,097,636		\$ 6,146,453

Prorate Administration/Engineering/Legal for Collection and Treatment:

Treatment	\$	1,167,826	1.5	\$	1,751,741
Collection	\$	<u>7,334,039</u>	1.5	\$	<u>11,001,058</u>
<i>Total</i>	\$	8,501,865		\$	<u>12,752,799</u>
Administration/Engineering/Legal	\$	2,556,427	1.5	\$	3,834,640
Based on Prorate					
28.5% Treatment	\$	728,581	1.5	\$	1,092,871
71.5% Collection	\$	1,827,845	1.5	\$	2,741,767

Construction + Administration/Engineering/Legal

Total Treatment	\$	7,239,324
Total Collection	\$	18,067,863
	\$	<u>25,307,187</u>

Historical Tap and Assessment

Contributions (Assessment as of 2/12/98):

1,061 EDU's @ \$2,500/EDU x 95% Collection	\$	2,519,875
235 Trailers @ \$200/Each x 95% Collection	\$	44,460
178,300 l.f. Assessment @ \$6.75/foot	\$	577,000
Additional EDU's Since 1999 (Outside Development)	\$	<u>2,192,500</u> (819 Taps)
	\$	5,333,835

Present Capacity Available:	Collection System	1,000,000 - 400,000 = .600 MGD
Average Daily as per 2018 Chapter 94 Report	Present Treatment Capacity	890,000 - 400,000 = 0.490 MGD

Collection Cost	\$ 18,067,863
Deduct Contributions	(3,817,267) (71.5% Prorate x \$5,338,835 Total Contributions) = \$3,817,267
Deduct Current Debt	<u>(2,312,007) Current Debt</u>
Deduct Total	\$ (6,129,274)
Net Total	\$ 11,938,589

Treatment Cost	\$ 7,239,324
Deduct Contributions	(1,521,567) (28.5% Prorate x \$5,338,835 Total Contributions) = \$1,521,567
Deduct Current Debt	<u>(1,240,328) Current Debt</u>
Deduct Total	\$ (2,761,895)
Net Total	\$ 4,477,429

Collection Component – Available Capacity = 600,000 GPD
\$11,938,589
600,000 GPD = \$19.89/GPD x 240 GPD/EDU = \$4,775/EDU

Treatment Component – Available Capacity = 490,000 GPD
\$4,477,429
490,000 GPD = \$9.13/Gal x 240 GPD/EDU = \$2193/EDU

**Collection system limited by future treatment capability

Component I connection fee	\$ 2,150
Component II connection fee	\$ -
Collection Component III	\$ 4,775
Treatment Component III	\$ 2,193
Total Tap Fee Justified	\$ 9,118 /EDU

**WINFIELD TOWNSHIP
ACT 57 TAP FEE CALCULATIONS
MAY 2011 – SUMMARY
REVISED JUNE 2012**

A. CONNECTION FEE

The Connection Fee was based on the following;
Winfield Township Sewer Project

Average Costs: \$28.00 per foot for 6-inch service sewer including installation indexed forward.
\$ * 9035/8641 = \$29.28 rounded to \$29

Average Cost per Wye (8" x 6"): \$320.00 per service wye indexed forward.
\$320.00 * 9035/8641 = \$334.59 rounded to \$335

Connection Fee would be summation of **\$335.00 per service wye plus \$29 per foot** for 6-inch service sewer installed to the property line and actual paving restoration costs. If the Authority opts to hire a contractor for this work, then the Connection Fee would be **actual cost to install the wye and 6" stub** from the Authority's sewer line to the property line. The cost shall be derived as the lowest of 3 bids received.

B. CUSTOMER FACILITIES FEE

The actual cost incurred from a minimum of three bids received.

C. TAPPING FEES

1. Capacity Component

a.	Interceptor – Sarver to Cabot	
	\$200,896.22 divided by 96,000 gpd =	\$2.09/gpd
	Total	\$2.09/gpd

2. Distribution or Collection Component

a.	Collector Sewer System	
	\$3,991,564.40 divided by 96,000 gpd =	\$41.58gpd
	Total	\$41.58/gpd

3. Special Purpose Component

N/A

4. Reimbursement Component

N/A – Authorization

Tap Fee = (Capacity Portion + Collection Portion) x 228.60 gpd/EDU

$$\begin{aligned} &= (\$2.09/\text{gpd} + \$41.58/\text{gpd}) \times 228.60 \text{ gpd/EDU} \\ &= \$43.67/\text{gpd} \times 228.60 \text{ gpd/EDU} \\ &= \$9,982.69/\text{EDU} \text{ rounded to } \mathbf{\$9,983/EDU} \end{aligned}$$

Capacity component = \$477.77/EDU rounded to \$478/EDU

Collection component = \$9,505.19/EDU rounded to \$9,505/EDU

Reimbursement component reimbursable to Developer = \$9,505 less 5% for administration = \$9,030

**WINFIELD TOWNSHIP
ACT 57 TAP FEE CALCULATIONS
REPLACEMENT COSTS – 05/11**

Interceptor Sewer

Construction Year 05/11

15,109 feet of 12-inch sewer

Construction Cost = \$788,385.50

This pipe constitutes 25% of the pipe installed

Proportion costs accordingly. Total Engineering = \$985,000

\$985,000 x 25% = \$246,250 Engineering associated with Interceptor

Construction + Engineering = \$788,385.50 + \$246,250 = \$1,034,635.50

Grant received = \$842,500

Current Replacement Cost = $(\$1,034,635.50 - \$842,500) \times \frac{9035}{8641} = \mathbf{\$200,896.22}$

Collector Sewer System

Construction Year 05/11

44,840 feet of 8 inch and 12 inch sewer

Construction Cost = \$5,031,666.50

This pipe constitutes 75% of the pipe installed

Proportion costs accordingly. Total Engineering = \$985,000

\$985,000 x 75% = \$1,313,333 Engineering associated with Collector Sewers

Construction + Engineering = \$5,031,666.50 + \$985,000 = \$6,344,999.50

Grant received = \$2,527,500

Current Replacement Cost = $(\$6,344,999.50 - \$2,527,500) \times \frac{9035}{8641} = \mathbf{\$3,991,564.40}$

**WINFIELD TOWNSHIP
ACT 57 TAP FEE CALCULATIONS
UNIT FLOW DETERMINATION**

Determination of unit basis or flow per EDU to be used in determining the total Tapping Fee Charge.

1. Act 57 Allowance

90 gpcd x census figure of Pennsylvania (2.48) or Butler County (2.54)
90 gpcd x 2.54 = 228.60 gal/EDU/day

2. Water Consumption Records - None to date

Recommend using Basis No. 1 or 228.60 gal/EDU/day.

**WINFIELD TOWNSHIP
ACT 57 TAP FEE CALCULATIONS
PROJECT COST DATA**

B. CONNECTION FEE

The average cost of the connection from the Authority's line to the property line or curb based upon recent bid prices for this work. A connection fee would not be charged to a builder or developer making the actual connection to the Authority sewer.

B. CUSTOMER FACILITIES FEE

If the Authority constructs the sanitary sewer facilities from the property line or curb to the house, this fee is to be charged by the Authority and based upon the actual cost of installation.

C. TAPPING FEES

1. Capacity Component

Interceptor Sewer

- i. Design Capacity – 1,412,640 gpd
- ii. Total Cost - \$1,081,811.33
- iii. Total Outstanding Debt – \$1,327,793.75 or 25% of total
- iv. Total PAH2O Grant Participation - \$842,500 or 25% of total

2. Distribution/Collection Component

Collector Sewer System

- i. Capacity – 707,040 gpd
- ii. Total Cost - \$6,634,309.74
- iii. Total Outstanding Debt – \$3,983,381.25 or 75% of total
- iv. Grant Participation – \$2,527,500 or 75% of total

**WINFIELD TOWNSHIP
ACT 57 TAP FEE CALCULATIONS
DEFINITIONS**

Equivalent Dwelling Unit (EDU): Shall mean the following: An Equivalent Dwelling Unit (EDU) with regard to Residential Customers shall be defined as any room, group of rooms or enclosure, occupied or intended for occupancy as separate living quarters for a family or other group of persons living together or by persons living alone.

An Equivalent Dwelling Unit (EDU) with regard to Industrial Customers shall be defined as each 43,000 gallons or less of water used per year, at any industrial establishment.

An Equivalent Dwelling Unit (EDU) with regard to Commercial Customers shall be defined as any office, store, shop, restaurant, club tavern, barber or beauty shop, service station, funeral home, motel, hotel, school, carwash, institution, or other similar commercial establishment selling a product or rendering a service, or any religious or fraternal or governmental establishment. In the case of commercial establishments, an EDU shall be defined as each 43,000 gallons or less of water used per year therein. Each Commercial EDU, even though in a building or complex of buildings, shall be considered a separate EDU even though it may be located in the same building with a residential unit or units or other commercial units. Each Commercial EDU, even though in a building constructed as “flex space” with other Commercial EDUs, shall be considered a separate EDU.

Non Residential EDU: In the case of Industrial and Commercial Customers desiring to connect to the Authority’s sewer system and for which no water consumption data is available, water usage for the purpose of determining Equivalent Dwelling Units, shall be estimated from actual water usage from a substantially similar facility or data made available in DEP’s Wastewater Facilities Manual and/or technical publications such as “Wastewater Engineering” by Metcalf and Eddy.