

TOWNSHIP OF TYRONE
Adams County, Pennsylvania

RESOLUTION NO. 2021-05

A RESOLUTION OF THE TOWNSHIP OF TYRONE,
ADAMS COUNTY, PENNSYLVANIA, AMENDING THE
SEWER TAPPING FEE, PURSUANT TO SECTION 8-202 OF
THE CODIFIED ORDINANCES OF TYRONE TOWNSHIP

WHEREAS, Section 8-202 of the Codified Ordinances of Tyrone Township (the “Codified Ordinances”) provides that the Tapping Fee as originally established by Section 8-202 may be amended from time to time by the Board of Supervisors by resolution; and

WHEREAS, pursuant to a Capital Charges Study prepared by Wm. F. Hill & Associates, Inc., in accordance with Act 57 of 2003, and dated February 2021, attached hereto as Exhibit “A”, the Tapping fee may be increased to six thousand nine hundred fifty-five dollars (\$6,955.00); and

WHEREAS, the Township desires to increase the Tapping Fee to six thousand nine hundred fifty-five dollars (\$6,955.00) in accordance with the aforementioned February 2021 Capital Charges Study.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY RESOLVED by the Board of Supervisors of the Township of Tyrone (the “Township”), Adams County, Pennsylvania, that the Tapping Fee is hereby increased to six thousand nine hundred fifty-five dollars (\$6,955.00) in accordance with the February 2021 Capital Charges Study, effective upon adoption of this Resolution.

DULY ADOPTED as Resolution No. 2021-05, this 17th day of March, 2021.

ATTEST:

BOARD OF SUPERVISORS
TYRONE TOWNSHIP

Sydney McFadden
Assistant Secretary

By: Russell L. Raub
Chairman



CAPITAL CHARGES STUDY PURSUANT TO ACT 57

**PREPARED FOR:
HEIDLEBURG
PUBLIC SEWER SYSTEM
TYRONE TOWNSHIP, ADAMS COUNTY
PENNSYLVANIA**

November, 2013
Revised Oct., 2016
Revised Feb., 2021

 **WM. F. HILL & ASSOC., INC.**
PROFESSIONAL ENGINEERS
CIVIL ✧ MUNICIPAL ✧ ENVIRONMENTAL

207 Baltimore Street
Gettysburg, Pennsylvania 17325
(717) 334 – 9137

**HEIDLEBURG
WASTEWATER SYSTEM**

**SUMMARY OF FEES CALCULATED FOR
CAPITAL CHARGES STUDY**

Act 57 of 2003 provides for the imposition of three separate fees that are designed to allow the Township to recover certain, specific capital costs. These are the only capital charges that a Township may make, except for assessments. Sewer rents, reserve capacity fees and other charges that recover operating and maintenance costs and debt service are similarly unaffected by the Act. The three fees authorized are:

	<u>Schedule Reference</u>	<u>Maximum Amount of Charge per EDU</u>
1. Connection Fee	A	Actual Cost
2. Customer Facilities Fee	B	Actual Cost (If any costs are incurred by the Township)
3. Tapping Fee		
a) Capacity Part	C	\$3,105
b) Collection Part	C	\$3,850
c) Proposed Project	C	N/A
d) Special Purpose Part	D	As Applicable*
e) Reimbursement Part	E	As Applicable*
Tapping Fee Total Capacity/Distribution Components		\$6,955

* Only applies to certain specific new connections

**HEIDLEBURG
WASTEWATER SYSTEM**

**SCHEDULE A
CALCULATION OF CONNECTION FEE
(Construction between Sewer Main and Property Line)**

The connection fee covers the cost of the facilities installed between the sewer main and the property line of the property being connected. Construction of these facilities is performed by the Township or its representative. All costs associated with the installation of these facilities are the responsibility of the property owner. The fee is calculated using an actual cost method breakdown as shown below. The breakdown provides examples of costs the Township may incur that are chargeable to the property owner under the definition of this fee.

In lieu of payment of a connection fee, the Township may require the construction and dedication of the facilities by the property owner. All costs illustrated below may be part of the Connection Fee considered due the Township.

The Township can charge the average actual cost of previous or currently bid connections of a similar type and size.

Installation of Connection by Township:

Direct Materials Cost
Direct Subcontract Costs
Equipment Rental Charges
Direct Labor Costs (Includes Payroll Burden)
Application, Administrative Costs, Overhead Expenses, Cost of Inspection (1)

Planning Module Review (2)
Miscellaneous Engineering
Miscellaneous Legal Expenses

Total Connection Fee = Actual Cost

- (1) Include the cost of inspection for all facilities installed by the property owner or subcontractor hired by the Township
- (2) If required

**HEIDLEBURG
WASTEWATER SYSTEM**

**SCHEDULE B
CALCULATION OF CUSTOMER FACILITIES FEE
(Construction between property line and building)**

Customer Facilities Fee. This fee covers the facilities from the property line to the proposed dwelling or building. The construction of these facilities is provided by the property owner. In some instances, the Township's only cost is for inspection and record drawings.

**HEIDLEBURG
WASTEWATER SYSTEM**

**SCHEDULE C
CALCULATION OF TAPPING FEE
GENERAL**

Proposed Collection Costs:

Contract 1 – Collection \$701,145.50

Collection Design Capacity = 64,000 gallon/day

Proposed Capacity Costs:

Contract 2 – Capacity \$430,298.00

Design Capacity = 64,000 gallon/day

TOTAL COLLECTION PART CONSTRUCTION COSTS = \$701,145.50

TOTAL CAPACITY PART CONSTRUCTION COSTS = \$430,298.00

TOTAL CONSTRUCTION COSTS = \$701,145.50 + \$430,298.00 = \$1,131,443.50

Note: Total construction costs are based upon actual bids for Contract 1 and Contract 2, including 10% contingency in accordance with PennVEST guidelines.

Capacity Costs = \$430,298.00/\$1,131,443.50 = 38.0%

Collection Costs = \$701,145.50/\$1,131,443.50 = 62.0%

Additional Project Costs:

Project Engineering Costs = \$271,786

Project Legal Costs = \$ 62,500

Total Additional Project Costs = \$334,286

Additional Costs Related to Capacity = (.38) (\$334,286) = \$127,029

Other Costs Related to Collection = (.62) (\$334,286) = \$207,257

EXHIBIT 1

NUMBER OF CAPACITY UNITS REQUIRED

2010 US Census average household size for Tyrone Township = 2.69 individuals/household

Required capacity units per EDU = 2.69 x 90 gpd/capita = 242 gal/EDU

**COST FOR CAPACITY AND COLLECTION
RELATED PART OF TAPPING FEE**

<u>DESCRIPTION ORIGINAL</u>	<u>ADJUSTED PROJECT COST Oct., 2016</u>
CAPACITY	\$430,298.00 + \$127,029.00 = \$557,327.00
COLLECTION	\$701,145.50 + \$207,257.00 = \$908,402.50

Feb 2021

<u>DESCRIPTION ORIGINAL</u>	<u>ADJUSTED PROJECT COST Feb., 2021</u>
CAPACITY	\$ 557,327 (1.121) = \$624,764
COLLECTION	\$ 908,403 (1.121) = \$1,018,320

ENR Index Oct., 2016 to Feb., 2021 = 11699/10434 = 1.121

EXHIBIT 2

CALCULATION OF TAPPING FEE CAPACITY PART & COLLECTION PART

CAPACITY PART:

Trended Cost of Capacity Facilities = Cost per Unit of Treatment Capacity
Units of Design Capacity

$$\frac{\$821,037}{64,000 \text{ GPD}} = \$12.83 \text{ per Gallon of Capacity}$$

$$\begin{aligned} \text{Capacity Part of Tapping Fee} &= \text{Number of Capacity Units Required} \times \text{Cost/Unit} \\ &= (242 \text{ GPD/EDU}) (\$12.83/\text{gal.}) = \$3,105/\text{EDU} \end{aligned}$$

COLLECTION PART:

Cost of Collection Facilities = Cost per Unit of Collection Capacity
Units of Design Capacity

$$\frac{\$1,018,320}{64,000 \text{ GPD}} = \$15.91 \text{ per Gallon of Collection Capacity}$$

$$\begin{aligned} \text{Collection Part of Tapping Fee} &= \text{Number of Capacity Units Required} \times \text{Cost/Unit} \\ &= (242 \text{ GPD/EDU}) (\$15.91/\text{gal.}) = \$3,850/\text{EDU} \end{aligned}$$

Exhibit 3

Tyrone Township WWTF Headworks, Flow Equalization Tank Project, & Original Project																																											
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CFA Grant	\$100,000.00	ENR Index October 2016	10434																																								
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System Capacity 64,000 Gallons		ENR Index (Mid Year 2020)	11436																																								
2.69 persons per household (pph)		ENR Index Feb 2021	11699																																								
Average use of 90 Gal per day as per ACT 57																																											

**HEIDLEBURG
WASTEWATER SYSTEM**

PROPOSED PROJECTS

Project Description: (Not Applicable)

Estimated Date of Construction: _____

Project Cost Summary:

Construction:

Land R/W:

Estimated A/E & Misc. Costs

Associated Costs: _____

TOTAL PROJECT RELATED COSTS _____

Percentage of Project Costs Used to expand System Capacity: _____

Amount Eligible to be Included in Tapping Fee: _____

Action taken in furtherance of proposed expansion(Must have undertaken at least two of the following):

- _____ 1. Obtained financing for the facilities;
- _____ 2. Entered into a contract obligating the Township to construct or pay for the cost of construction of the facilities or its portion thereof in the event that multiple parties are constructing said facilities;
- _____ 3. Has obtained a permit for the facilities.
- _____ 4. Has spent substantial sums or resources in furtherance of the facilities;
- _____ 5. Has entered into a contract obligating the Township to purchase or acquire facilities owned by another;
- _____ 6. Has prepared an engineering feasibility study specifically related to the facilities, in which study recommends the construction of the facilities within a five-year period;
- _____ 7. Has entered into a contract for the design of the facilities.

**HEIDLEBURG
WASTEWATER SYSTEM**

**SCHEDULE D
CALCULATION OF TAPPING FEE
SPECIAL PURPOSE PART**

The Special Purpose Part is generally only applicable to a particular group of customers. The Special Purpose Part is designed to recover the Township's costs for facilities that serve a special purpose or specific area, such as booster pump stations, etc. Fees would be separately calculated for each applicable group and applied to new users as appropriate. Currently there are no special purpose fees in the Tyrone Township Sewer System.

TYRONE TOWNSHIP
SCHEDULE E
CALCULATION OF TAPPING FEE
REIMBURSEMENT PART

Where appropriate, a reimbursement part as provided in the PA Municipal Authorities Act may be included in the tapping fee charged for new connections to facilities constructed by others for which a reimbursement is due to the person constructing the facilities. This reimbursement will be defined in a written reimbursement agreement between the Township and the person constructing the facilities (developer). Typically such agreements reimburse the cost to the developer when the owner of another property not in the development for which the extension was constructed, connects a service line directly to the extension within ten (10) years of the date of the dedication of such sanitary sewer extension to the Township.

The following typically applies, however the reimbursement agreement will outline the specifically agreed upon conditions by both parties for the reimbursement agreement.

Reimbursements shall be limited to those sanitary lines which have not previously been paid for by the Township.

Maximum reimbursement shall be equal to the developer's total cost for facilities minus 5%. The Township is authorized to deduct five percent (5%) as an administration charge including; fee calculating, collecting, monitoring and record keeping, and related disbursing of the reimbursement fee.

The Township shall have a signed reimbursement agreement which is required to specify all sewer facilities for which reimbursement shall be provided.

The Township is required to notify property owners entitled to reimbursement by certified mail, within thirty (30) days of the receipt of any funds for reimbursement. Property owners have one hundred twenty (120) days from the mailing date of said notice to claim the reimbursement or the funds shall revert to and become the sole property of the Township.

The Township and the person constructing the referenced facilities (developer) shall refer to the most recent version of the Municipalities Act for specific clarification of the reimbursement part.

