

SPRING BENNER WALKER JOINT AUTHORITY

RESOLUTION NO. 2025-02

A RESOLUTION OF SPRING BENNER WALKER JOINT AUTHORITY, CENTRE COUNTY, PENNSYLVANIA, ALTERING THE TAPPING FEE AND RELATED FEES FOR CONNECTIONS TO THE AUTHORITY'S SANITARY SEWER SYSTEM

WHEREAS, the Spring Benner Walker Joint Authority ("Authority") is charged with providing public Sewer Service to portions of its incorporating municipalities under the provisions of the Municipality Authorities Act ("Act");

WHEREAS, the Act grants the Authority the power to impose fees and charges at a reasonable and uniform rate;

WHEREAS, the Authority previously adopted Resolutions 2005-1 and 2018-02 wherein it imposed tapping and related fees, including Special Purpose Parts of tapping fees for Litke Pump Station and #7 Pump Station;

WHEREAS, Gwin Dobson & Foreman, the Authority's engineers, conducted an Act 57 Capital Charges Study pursuant to Act 57 of 2003 in October 2025 (the "Act 57 Study"); and

WHEREAS, the Authority desires to alter the Capacity Part and Collection part of its tapping fees within the limits of the Act 57 Study, while maintaining the remaining fees at previous levels.

NOW, THEREFORE, be it resolved by the board of Spring Benner Walker Joint Authority the following:

Section 1. Tapping and Other Fees

- | | |
|--|---------------------------------------|
| 1. Connection Fee | Actual Cost |
| 2. Customer Facilities Fee | Actual Cost |
| 3. Reservation of Capacity Fee | as set forth in
Resolution 2007-01 |
| 4. Tapping Fee | |
| a. Capacity Part | \$3,100.00 per EDU |
| b. Collection Part | \$1,900.00 per EDU |
| c. Special Purpose Part (Litke Pump Station) | \$1,750.00 per EDU |
| d. Special Purpose Part (#7 Pump Station) | \$1,520.00 per EDU |

Section 2. Act 57 Study

Pursuant to 53 Pa. C.S. § 5607(d)(24)(ii), a copy of the Act 57 Study is attached hereto and is made a part of this resolution.

Section 3. Repealer

All resolutions, or parts of resolutions, insofar as they are inconsistent herewith, shall be and are hereby, repealed.

Section 4. Effective Date

This Resolution shall be effective January 1, 2026.

DULY ADOPTED this 27th day of October, 2025, by the Board of Spring Benner Walker Joint Authority, Centre County, Pennsylvania, in lawful session, duly assembled.

Attest:

SPRING BENNER WALKER JOINT
AUTHORITY

By: W. Houser

Secretary

By: Dennis L. McDowell

Chairman

(Seal)

**SPRING-BENNER-WALKER JOINT AUTHORITY
CENTRE COUNTY, PA**

ACT 57 CAPITAL CHARGES STUDY

OCTOBER 2025

GD&F
GWIN
DOBSON &
FOREMAN
ENGINEERS



October 7, 2025

Spring-Benner-Walker Joint Authority
170 Irish Hollow Road
Bellefonte, PA 16823

Attn: Warren Miller, Executive Director

**RE: Spring-Benner-Walker Joint Authority
Act 57 Capital Charges Study**

Dear Warren:

Please find enclosed the above referenced report for your consideration. The tapping fees were calculated according to Act 57 (HB 51 of 2003).

Based on our comprehensive evaluation, the Spring-Benner-Walker Joint Authority can adopt a system tapping fee of no more than \$5,838 per residential connection (or equivalent dwelling unit) and \$27.84/GPD (for all other customers based on projected flow), according to the "Historical Trended Cost Method" or \$5,093 per residential customer (or equivalent dwelling unit) and \$24.29/GPD (for all other customers based on projected flow), according to the "Historical Cost Plus Interest and Financing Method."

Please note that any revision to the capital charges and tapping fees resulting from this study must be adopted through a formal resolution of the Board.

We would be pleased to discuss any aspect of this evaluation at your convenience. As always, please call me with any questions or comments.

Sincerely,
GWIN, DOBSON & FOREMAN, INC.

A handwritten signature in blue ink, appearing to read "Steven J. Gibson".

Steven J. Gibson, P.E.
Senior Project Engineer

Enclosures
SJE/amb
25004/Rpt/TapFeeEvalUpdate_Oct2025.doc
cc: File

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SPRING-BENNER-WALKER JOINT AUTHORITY
TAPPING FEE EVALUATION UPDATE
OCTOBER 2025

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<u>Attachment</u>	<u>Description</u>
A	Statement of Capital - Related Facilities (Funded as of December 31, 2024) Capacity and Collection
B	2025 Mean's Historical Construction Cost Index and Multipliers
C	Act 57 of 2003 Tapping Fee Legislation
D	2005 Special Purpose Part Calculation - Litke Pump Station
E	2018 Special Purpose Part Calculation - Pump Station #7
F	Spring-Benner-Walker Joint Authority - Current Rates and Charges

EXECUTIVE SUMMARY

1. A Capital Charges Study was performed to evaluate the range of customers fees for connection to the Authority system according to Act 57 (HB-53 of 2023). The last Capital Charges study was performed in 2018.
2. The study evaluated various fees including the following:
 - a. Connection Fee - A fee covering cost of installing the service line from the main to the property line, including inspections. The current charge is the actual cost of the installation.
 - b. Customer Facilities Fee - This fee covers the cost of installing facilities used by the specific customer. The current charge is the actual cost of the installation.
 - c. Tapping Fee - This fee is a per-dwelling unit charge, based on the cost of the system infrastructure and capacity. It's calculated based on either historical costs that are trended to current value or estimated system replacement costs.
 - d. Special Purpose Part Fee - A fee that specifically addresses facilities that benefit a subset of the authority's customers, rather than the entire system, such as an isolated service area.
3. The Connection and Customer Facilities Fees are based on actual costs incurred by the Authority to furnish and install service lines and meters.
4. The Tapping Fee assessment is a means to recover the Authority's historic capital costs to construct its physical plant. Two methods tapping fees are allowable under the Act.
5. The "Historical Cost Plus Interest and Financing Method" includes the cost of original construction together with accrued interest on borrowed funds. Grants or the value of customer-installed lines are deducted from the total.
6. The "Historical Trended Cost Method" also tabulates the original construction cost that are "trended" to current value using published historical cost indices. Grants and customer-installed lines are also deleted in this method.
7. Both methods involve a detailed cost evaluation of the Authority's physical plant treatment plants, interceptor lines, pump stations, collection systems, engineering costs, and associated facilities.
8. The "Connection Fee" section of the evaluation reflects current connection fee charges and procedures of the Authority.
9. The current evaluation includes assessment of debt service for the 2008 bond that was refinanced in 2012, and then again in 2020.

10. Separate Tapping Fee calculation are prepared for the "Capacity Part" and "Collections Part" which are summed to provide the total customer fee assessment.
12. Based on the "Historical Trended Cost Method" a maximum allowable tapping charge is \$5,838 per residential connection. The original 2005 tapping charge was \$2,500 per residential connection.
13. Based on the "Historical Cost Plus Interest and Financing Method" a maximum allowable tapping charge is \$5,093 per residential connection. The original 2005 tapping charge was \$2,500 per residential connection.
14. We recommend the Authority adopt a new Tapping Fee not to exceed \$5,838 per residential connection as computed by the "Historical Trended Cost Method."

A. General

Act 57 (House Bill No. 51) was passed by the Pennsylvania General Assembly in December 2003 and signed into law by Governor Rendell on December 30, 2003. This Act amends Act 203-1990 which governs the distribution of municipal authority capital charges (including tap fees), and, by reference, capital charges by other local government units providing public infrastructure service. Act 57 more clearly defines the calculations, terms and requirements that had previously been embodied in Act 203 of 1990. The entire provisions of House Bill No. 51 are provided in Attachment C.

Act 57 provides for further clarification and specificity regarding capital charges to new customers of public infrastructure systems. These charges include a connection fee, customer facilities fee and tapping fee. The tapping fee is further subdivided into four component parts including capacity, collection, special purpose and reimbursement elements. The Act permits the Authority to select one of two methods to determine tapping fee cost as follows:

1. Historical Cost/Trended to Current Cost (through the use of published indexes)
2. Historical Cost Plus Interest and Other Financing Costs

The component charge must be based upon the Authority's net cost after deductions for grant-in-aid contributions, customer assessments and outstanding debt.

The Act 57 provisions place restrictions on collected funds to expand, replace or upgrade facilities for existing users. Further, the Act does not allow operation and maintenance expenses.

With several exceptions, the Act also requires reimbursement to those developers constructing facilities to be used jointly with others. The Act allows the Authority to deduct 5% for administrative fees and places a time limit for reimbursement of facility construction by others. The Act provides the Authority a mechanism to permit the construction of system extensions by developers under Authority supervision. This procedure is allowable if the Authority cannot perform the work more economically and within the same time frame.

Finally, Act 57 restricts the Authority's ability to impose and collect connection fees or other similar charges contrary to the provisions of the Act. Each major charge component is discussed in detail as follows:

B. Act 57 Changes to Capital Charge Computations

The following summarizes some of the major changes resulting from the passage of Act 57:

1. Reservation of Capacity Fees
 - Capacity fees must be based on debt and fixed operating expenses.
 - Fees may not exceed 60% of the average bill for a residential customer.
 - An Authority charging a reservation capacity fee cannot collect a tapping fee until the building permit fee is due.

Connection Fees

Connection fees are based on actual, average, or average cost trended to current cost levels using published cost indexes.

2. Tapping Fees - All Parts

Costs

- Replacement cost method allowed only when historical cost is not available and only then for specific facilities. Engineer's written estimate required.

Deduction of Grants and Contributions

- Grants and contributions must be deducted first before trending original costs to current value.

Deduction of Outstanding Debt

- Debt does not need to be subtracted when computing the initial tapping fee for facilities exclusively serving new customers.
- The initial fee may be increased by the interest rate on the financing since the last recalculation.
- Historical cost cannot be updated if fee is trended.

Calculation of Flows for Tapping Fee

- 90 gallons per capita per day times the average household size for the appropriate area as defined by the census.

3. Tapping Fees - Capacity Part

Cost Basis

- Trended historical cost method or historical cost plus interest and financing costs method.

Design Capacity

- Capacity fees are calculated using the permitted or rated system capacity.

Cost of Future Facilities

- Future facilities may be included if they increase capacity, are included in the annual budget or capital plan and the Authority has taken at least two of seven enumerated actions listed below.
 - a. Obtained financing for the facility.
 - b. Entered into a contract obligating the authority to construct or pay for the cost of construction of the facility or its portion thereof in the event that multiple parties are constructing the facility.

- c. Obtained a permit for the facility.
 - d. Obtained title to or condemned additional real estate upon which the facility will be constructed.
 - e. Entered into a contract obligating the authority to purchase or acquire facilities owned by another.
 - f. Prepared an engineering feasibility study specifically related to the facilities, which study recommends the construction of the facilities within a five-year period.
 - g. Entered into a contract for the design or construction of the facility or adopted a budget which includes the use of in-house resources for the design or construction of the facility.
- Separate accounting must be provided for the administration of this portion of the fee. If the projects are not constructed, the applicable portion of the tap fees must be refunded to each customer that paid a tap fee.
 - If the future project is included in the calculation and is not built within seven years, that portion of the fee must be refunded.
 - For the purpose of this study, no future projects have been included in the evaluation.
4. Tapping Fees - Collection Part
- Cost Basis
- Same as "Capacity Part", see above
- Cost of Future Facilities
- Future facilities cannot be included in the calculation
5. Tapping Fees - Special Purpose Part
- Cost Basis
- Same as "Capacity Part", see above
- Cost of Future Facilities
- Future facilities cannot be included in the calculation

Authority-Installed Extensions

- The Authority may recover costs for extensions that it builds and finances from those customers that are affected in addition to a fee based on the cost of the existing collection system.

6. Tapping Fees - Reimbursement Part

Applicability

- Reimbursement can only be used pursuant to a written agreement between the Authority and the entity that constructs the facilities.

C. Previous System Capital Charge Study/Current Tap Fees

Herbert, Rowland & Grubic, Inc. originally performed a Capital Charges Study in June 2005. The study indicated the Authority could assess a maximum tap fee of \$2,515.91. The study also concluded a special purpose part of \$2,491.98 could be assessed for the Litke Pump Station, which would only be applicable to certain new connections. The Authority adopted a \$1,750.00 special purpose part for the Litke Pump Station as a result of that study. In July of 2018, Gwin, Dobson and Foreman, Inc. updated the tapping fee with another special purpose part of \$1,520.00 for the #7 Pump Station that the Authority adopted.

D. Indebtedness

In 2008, the Authority entered into a bond debt service that was refinanced twice, once in 2012 and again in 2020. The bond is slated to mature at the end of 2038 and includes 2.0% interest for 11 years, 2.125% interest for 1 year, 2.35% interest for two years, 2.25% interest for two years, and 2.375% interest for the final two years. The total accrued interest on this bond has totaled \$1,194,553.16 (principal \$1,255,000.00) with an outstanding balance of \$10,141,283.82 as of September 30, 2025.

E. Connection Fee

The Spring-Benner-Walker Joint Authority currently charges an actual cost connection fee per equivalent residential dwelling unit. Therefore, we have not performed a connection fee analysis and will use the Authority-developed connection fee cost. Reference Attachment E for the Authority's current rates and charges.

F. Customer Facilities Fee

This fee provides a means to recover the cost of the service line between the property line and the building. At this time, the Authority charges the actual cost for customer facility fees. Therefore, we have not performed a customer facilities fee analysis and will use the Authority generated customer facilities fee.

G. Tapping Fee - Capacity Part

A detailed examination of the capacity component of the tapping fee was performed. Two methods were utilized to determine this cost, including the "historical trended method" and the "historical cost plus interest method." We have tabulated those facilities that were constructed by the Authority to provide the "capacity" part (treatment, interceptors) and "collection" part (pump station, collection facilities) of the system. The Authority's value of facilities related to the "capacity part" of the tapping fee (as computed under both methods) are summarized in the first table in Attachment A.

The Authority provided financial data for the original facility cost, by year, from its depreciation schedules. Refer to Section A. We then subtracted from these amounts any grants, customer assessments or other types of contributed capital. This balance resulted in the original cost funded by debt (or fund surpluses) of the Authority. The original cost of all capacity-related facilities was determined to be \$35,683,849, which included capitalized costs for engineering, legal, administrative and other expenses.

The "historical trend method" utilizes the original year of facility construction adjusted by a historical cost index factor (Means Construction Cost Index, Attachment B). These trend factors were multiplied by the original cost to reflect the current value of the facilities. This resulted in a total 2025 facility value of \$40,310,911. The outstanding debt of \$10,141,284 was subtracted from this, resulting in the net cost of capital "capacity" related facilities to be \$30,169,707.

The "historical cost plus interest and financing method" includes interest paid for associated debt and the original (or historical) net cost of the capital related facilities. This figure includes an original cost of \$35,683,849, the accumulated bond interest of \$7,196,100. We subtracted from this total the amount of outstanding debt (\$10,141,284), resulting in a total net cost of capital related facilities of \$32,738,665.

In order to provide a unit basis of calculating the effect of capacity-related facilities, we have established a "system design capacity." According to Act 57, the system design capacity is limited by the permitted yield of the system and not treatment or supply system capacity, which is much greater. The permitted available system design capacity is 1,644,400 gallons per day (GPD). The total unit charge under the "historical trend cost method" is \$18.35 per GPD versus \$19.91 per GPD for the "historical cost plus interest and financing method."

Based on our analysis, we feel either method of assessing capital related costs is acceptable under Act 57. The "historical trended cost method" may indicate a more accurate value of those facilities previously constructed by the Authority.

Based on the statutory usage of 90 gallons per capita per day and an average household of 2.33 persons/household (per recent US census for average of service area municipalities), the average residential tap fee for the capacity part is \$3,847 for the "historical trend methods" and \$4,175 for the "historical cost-plus interest and financing method."

H. Tapping Fee - Collection Part

A detailed examination of the collection component of the tapping fee was performed. Two methods were utilized to determine this cost, including the "historical trended method" and the "historical cost plus interest and financing method." The value of the "collection part" of the Authority's system is summarized in Table 2.

The Authority provided financial data for the original facility cost, by year, from its depreciation schedules. Refer to Section A. Subtracted from these amounts were grants, customer assessments or other types of contributed capital. This balance resulted in the original cost funded by debt (or fund surpluses) of the Authority. The original cost of all collection-related facilities was determined to be \$17,340,350, which included capitalized costs for engineering, legal, administrative and other expenses. The outstanding debt was removed resulting in the net cost of capital collection-related facilities to be \$7,199,066.

The "historical trend method" utilizes the original year of facility construction adjusted by a historical cost index factor (Means Construction Cost Index, Attachment B). These trend factors were multiplied by the original cost to reflect the current facilities value. This resulted in a total 2025 facility value of \$25,751,307. The outstanding debt was removed resulting in the net cost of capital collection-related facilities to be \$15,610,023.

In order to provide a unit basis of calculating the effect of collection-related facilities, we have established a "system design capacity." According to Act 57, the system design capacity is limited by the permitted yield of the system and not treatment or supply system capacity, which is much greater. The permitted available system capacity is 1,644,400 gallons per day (GPD). The total unit charge under the "historical trend cost method" is \$9.49 per GPD versus \$4.38 per GPD for the "historical cost plus interest and financing method."

Based on our analysis, we feel either method of charging capital related costs is acceptable under Act 57. The "historical trend cost method" may indicate a more accurate value of those facilities constructed by the Authority.

Based on the statutory usage of 90 gallons per capita per day and an average household of 2.33 persons/household (per most recent census for service area municipalities), the average residential tap fee for the collection part is \$1,991 for the "historical trend method" and \$918 for the "historical cost plus interest and financing method."

I. Special Purpose Part

Two pump stations exist in the Authority system, Litke and #7, that had previously been evaluated for a special purpose part. These evaluations have been included in Appendices D and E. No new pump stations requiring a special purpose part evaluation have been installed, therefore, no evaluation will be needed at this time.

J. Tapping Fee - Reimbursement Part

The reimbursement part 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 between the Authority and such person at whose expense such facilities were constructed.

K. Summary and Recommendations

Based on our comprehensive evaluation of the tapping fee, we offer the following recommendations to the Spring-Benner-Walker Joint Authority:

1. According to the Act 57 computation, the Spring-Benner-Walker Joint Authority can adopt (by resolution), a system tapping fee of no more than \$5,838 per residential connection (or equivalent residential units) and \$27.84/GPD for all other customers based on projected flow, according to the "Historical Trended Cost Method" or \$5,093 per residential customer (or equivalent residential unit) and \$24.29/GPD for all other customers based on projected flow according to the "Historical Cost Plus Interest and Financing Method."
2. The Authority should update the capital charges on an annual basis to conform with Act 57 provisions and to accurately reflect up-to-date historical costs and associated debt.

ATTACHMENT A

STATEMENT OF CAPITAL-RELATED FACILITIES (FUNDED AS OF SEPTEMBER 30, 2025) CAPACITY AND COLLECTION

**SPRING-BENNER-WALKER JOINT AUTHORITY
STATEMENT OF CAPITAL-RELATED WASTEWATER FACILITIES
FUNDED BY THE AUTHORITY AS OF SEPTEMBER 30, 2025**

DESCRIPTION	ORIGINAL COST	LESS ASSESSMENTS & GRANTS	COST FUNDED BY DEBT & FUND SURPLUSES	HISTORICAL TRENDED COST METHOD	HISTORICAL COST METHOD
CAPACITY PART					
TREATMENT FACILITIES	\$31,889,130.41	\$17,397,253.30	\$14,491,877.11	\$32,461,722.46	\$31,889,130.41
INTERCEPTOR SEWER LINES	\$3,794,719.03	\$201,468.50	\$3,593,250.53	\$7,849,268.62	\$3,794,719.03
SUBTOTAL	\$35,683,849.44	\$17,598,721.80	\$18,085,127.64	\$40,310,991.08	\$35,683,849.44
COLLECTION PART					
PUMP STATIONS	\$293,526.30	\$0.00	\$293,526.30	\$379,643.75	\$293,526.30
COLLECTION FACILITIES	\$17,046,823.52	\$5,517,306.92	\$11,529,516.60	\$25,371,663.32	\$17,046,823.52
SUBTOTAL	\$17,340,349.82	\$5,517,306.92	\$11,823,042.90	\$25,751,307.07	\$17,340,349.82
TOTAL CAPITAL CONSTRUCTION	\$53,024,199.26	\$23,116,028.72	\$29,908,170.54	\$66,062,298.15	\$53,024,199.26
TOTAL INTEREST PAID				\$0.00	\$7,196,099.77
TOTAL INTEREST & CAPITAL CONST. (CAP.)				\$40,310,991.08	\$42,879,949.21
TOTAL INTEREST & CAPITAL CONST. (COL.)				\$25,751,307.07	\$17,340,349.82
AMOUNT OF OUTSTANDING DEBT (CAP.)				\$10,141,283.82	\$10,141,283.82
NET COST OF CAPITAL FACILITIES (CAP.)				\$30,169,707.26	\$32,738,665.39
NET COST OF CAPITAL FACILITIES (COL.)				\$15,610,023.25	\$7,199,066.00
*SYSTEM DESIGN CAPACITY (GPD)				1,644,400	1,644,400
NET CAPACITY COST/UNIT (\$/GPD)				\$18.35	\$19.91
NET COLLECTION COST/UNIT (\$/GPD)				\$9.49	\$4.38
NET CAPACITY COST/RESIDENTIAL CUST. (90 GPCD x 2.33 CAP/HOUSEHOLD)				\$3,847.35	\$4,174.96
NET COLLECTION COST/RESIDENTIAL CUST. (90 GPCD x 2.33 CAP/HOUSEHOLD)				\$1,990.65	\$918.05
TOTAL TAPPING FEE/EDU				\$5,838	\$5,093

*System design capacity derived from the 1.6444 MGD capacity purchased from Bellefonte Borough WWTP.

**TABLE 1 - CAPITAL RELATED FACILITIES COST SUMMARY
TAPPING FEE - CAPACITY PART**

DESCRIPTION	ORIGINAL COST	LESS ASSESSMENTS & GRANTS	COST FUNDED BY DEBT & FUND SURPLUSES	HISTORICAL TRENDED COST METHOD	HISTORICAL COST METHOD
CAPACITY PART					
TREATMENT FACILITIES	\$31,889,130.41	\$17,397,253.30	\$14,491,877.11	\$32,461,722.46	\$31,889,130.41
INTERCEPTORS	\$3,794,719.03	\$201,468.50	\$3,593,250.53	\$7,849,268.62	\$3,794,719.03
SUBTOTAL	\$35,683,849.44	\$17,598,721.80	\$18,085,127.64	\$40,310,991.08	\$35,683,849.44

**TABLE 2 - CAPITAL RELATED FACILITIES COST SUMMARY
TAPPING FEE - DISTRIBUTION PART**

DESCRIPTION	ORIGINAL COST	LESS ASSESSMENTS & GRANTS	COST FUNDED BY DEBT & FUND SURPLUSES	HISTORICAL TRENDED COST METHOD	HISTORICAL COST METHOD
DISTRIBUTION PART					
PUMP STATIONS	\$293,526.30	\$0.00	\$293,526.30	\$379,643.75	\$293,526.30
COLLECTION FACILITIES	\$17,046,823.52	\$5,517,306.92	\$11,529,516.60	\$25,371,663.32	\$17,046,823.52
SUBTOTAL	\$17,340,349.82	\$5,517,306.92	\$11,823,042.90	\$25,751,307.07	\$17,340,349.82

SPRING-BENNER-WALKER JOINT AUTHORITY
ACT 57 CAPITAL CHARGES STUDY
TREATMENT FACILITIES

YEAR CONSTRUCTED	PROJECT	ORIGINAL COST	LESS ASSESSMENTS & GRANTS	COST FUNDED BY DEBT & FUND SURPLUSES	TREND FACTOR	HISTORICAL TRENDED COST
1981	Original Plant	\$13,013,750.43	\$10,066,044.08	\$2,947,706.35	3.88	\$11,437,100.64
1990	Plant Expansion	\$10,415,986.56	\$7,186,186.56	\$3,229,800.00	2.90	\$9,366,420.00
2008	Purchase Capacity	\$880,000.00	\$0.00	\$880,000.00	1.65	\$1,452,000.00
2010	Bellefonte BNR Upgrades	\$3,095,072.26	\$145,022.66	\$2,950,049.60	1.56	\$4,602,077.38
2013	Bellefonte Engergy Savings	\$605,693.79	\$0.00	\$605,693.79	1.44	\$872,199.06
2019	Bellefonte Major Renovation	\$3,878,627.37	\$0.00	\$3,878,627.37	1.22	\$4,731,925.39
TOTAL		\$31,889,130.41	\$17,397,253.30	\$14,491,877.11		\$32,461,722.46

INTERCEPTOR SEWER LINES

YEAR CONSTRUCTED	PROJECT	ORIGINAL COST	LESS ASSESSMENTS & GRANTS	COST FUNDED BY DEBT & FUND SURPLUSES	TREND FACTOR	HISTORICAL TRENDED COST
1996	Contract 96-1	\$1,435,909.55	\$0.00	\$1,435,909.55	2.44	\$3,503,619.30
1997	Route 144 Sewer Relocation	\$32,930.00	\$16,465.00	\$16,465.00	2.36	\$38,857.40
2000	Contract 00-1 Spring Creek	\$1,353,756.79	\$0.00	\$1,353,756.79	2.21	\$2,991,802.51
2003	Manhole Restoration	\$81,213.56	\$40,606.70	\$40,606.86	2.05	\$83,244.06
2008	Bellefonte Spring Creek Intceptor	\$890,909.13	\$144,396.80	\$746,512.33	1.65	\$1,231,745.34
TOTAL		\$3,794,719.03	\$201,468.50	\$3,593,250.53		\$7,849,268.62

**SPRING-BENNER-WALKER JOINT AUTHORITY
ACT 57 CAPITAL CHARGES STUDY - COLLECTION PART
COLLECTION FACILITIES**

YEAR CONSTRUCTED	PROJECT	ORIGINAL COST	LESS ASSESSMENTS & GRANTS	COST FUNDED BY DEBT & FUND SURPLUSES	TREND FACTOR	HISTORICAL TRENDED COST
1981	Original Project	\$6,380,810.57	\$4,935,511.92	\$1,445,298.65	3.88	\$5,607,758.76
1996	Contract 96-1	\$1,739,476.45	\$0.00	\$1,739,476.45	2.44	\$4,244,322.54
1997	I-99 Rishel Hill Rd	\$12,106.61	\$0.00	\$12,106.61	2.36	\$28,571.60
1997	I-99 Harrison Rd	\$411,065.28	\$120,795.00	\$290,270.28	2.36	\$685,037.86
1998	Contract 98-1 5th Ave Sewer	\$128,332.69	\$0.00	\$128,332.69	2.32	\$297,731.84
2000	Contract 00-1 Spring Creek	\$2,627,880.84	\$0.00	\$2,627,880.84	2.21	\$5,807,616.66
2003	Commerce Street	\$10,500.00	\$0.00	\$10,500.00	2.05	\$21,525.00
2004	Manhole Restoration	\$38,000.00	\$0.00	\$38,000.00	1.93	\$73,340.00
2004	Zion Back Road	\$50,000.00	\$0.00	\$50,000.00	1.93	\$96,500.00
2008	Centre Hall Mountain	\$2,923,287.52	\$461,000.00	\$2,462,287.52	1.65	\$4,062,774.41
2008	Benner Twp Extension	\$2,139,112.05	\$0.00	\$2,139,112.05	1.65	\$3,529,534.88
2008	Valentine Rd Extension	\$330,002.23	\$0.00	\$330,002.23	1.65	\$544,503.68
2010	Upper Seibert Rd Extension	\$15,862.15	\$0.00	\$15,862.15	1.56	\$24,744.95
2010	Radio Telemetry	\$121,679.38	\$0.00	\$121,679.38	1.56	\$189,819.83
2016	Benner Pike Extension	\$41,083.75	\$0.00	\$41,083.75	1.33	\$54,641.39
2018	Zion Road Manhole Rehab	\$77,624.00	\$0.00	\$77,624.00	1.33	\$103,239.92
TOTAL		\$17,046,823.52	\$5,517,306.92	\$11,529,516.60		\$25,371,663.32

PUMP STATIONS

YEAR CONSTRUCTED	PROJECT	ORIGINAL COST	LESS ASSESSMENTS & GRANTS	COST FUNDED BY DEBT & FUND SURPLUSES	TREND FACTOR	HISTORICAL TRENDED COST
2012	Rockview PS Control Upgrades	\$123,500.00	\$0.00	\$123,500.00	1.48	\$182,780.00
2018	PS No. 2 & 3 Upgrades	\$14,653.36	\$0.00	\$14,653.36	1.24	\$18,170.17
2020	PS No. 10 Upgrades	\$63,777.97	\$0.00	\$63,777.97	1.20	\$76,533.56
2020	PS No. 4 Upgrades	\$8,344.42	\$0.00	\$8,344.42	1.20	\$10,013.30
2021	PS No. 11 Upgrades	\$58,829.07	\$0.00	\$58,829.07	1.13	\$66,476.85
2022	PS No. 12 Upgrades	\$17,191.44	\$0.00	\$17,191.44	1.06	\$18,222.93
2023	PS No. 1A Upgrades	\$7,230.04	\$0.00	\$7,230.04	1.03	\$7,446.94
TOTAL		\$293,526.30	\$0.00	\$293,526.30		\$379,643.75

ATTACHMENT B

2025 MEAN'S HISTORICAL CONSTRUCTION COST INDEX AND MULTIPLIERS

Engineering News Record - Historical Construction Cost Index (1880-2025)
(Red Figures Estimated Based on Available Historical Analysis)

Year	ENR HCI	Multiplier	Current Year Base	Year	ENR HCI	Multiplier	Current Year Base
2025	13732	1.00	13732	1952	569	24.1	13732
2024	13571	1.01	13732	1951	543	25.3	13732
2023	13358	1.03	13732	1950	510	26.9	13732
2022	13007	1.06	13732	1949	477	28.8	13732
2021	12133	1.13	13732	1948	461	29.8	13732
2020	11466	1.20	13732	1947	413	33.2	13732
2019	11281	1.22	13732	1946	346	39.7	13732
2018	11062	1.24	13732	1945	308	44.6	13732
2017	10737	1.28	13732	1944	299	45.9	13732
2016	10338	1.33	13732	1943	290	47.4	13732
2015	10035	1.37	13732	1942	276	49.8	13732
2014	9806	1.40	13732	1941	258	53.2	13732
2013	9547	1.44	13732	1940	242	56.7	13732
2012	9308	1.48	13732	1939	236	58.2	13732
2011	9070	1.51	13732	1938	236	58.2	13732
2010	8799	1.56	13732	1937	235	58.4	13732
2009	8570	1.60	13732	1936	206	66.7	13732
2008	8310	1.65	13732	1935	196	70.1	13732
2007	7967	1.72	13732	1934	198	69.4	13732
2006	7751	1.77	13732	1933	170	80.8	13732
2005	7446	1.84	13732	1932	157	87.5	13732
2004	7115	1.93	13732	1931	181	75.9	13732
2003	6695	2.05	13732	1930	203	67.6	13732
2002	6538	2.10	13732	1929	207	66.3	13732
2001	6334	2.17	13732	1928	207	66.3	13732
2000	6221	2.21	13732	1927	206	66.7	13732
1999	6059	2.27	13732	1926	208	66.0	13732
1998	5920	2.32	13732	1925	207	66.3	13732
1997	5826	2.36	13732	1924	215	63.9	13732
1996	5620	2.44	13732	1923	214	64.2	13732
1995	5471	2.51	13732	1922	174	78.9	13732
1994	5408	2.54	13732	1921	202	68.0	13732
1993	5210	2.64	13732	1920	251	54.7	13732
1992	4985	2.75	13732	1919	198	69.4	13732
1991	4835	2.84	13732	1918	189	72.7	13732
1990	4732	2.90	13732	1917	181	75.9	13732
1989	4615	2.98	13732	1916	130	105.6	13732
1988	4519	3.04	13732	1915	93	148	13732
1987	4406	3.12	13732	1914	89	154	13732
1986	4295	3.20	13732	1913	100	137	13732
1985	4182	3.28	13732	1912	91	151	13732
1984	4148	3.31	13732	1911	93	148	13732
1983	4066	3.38	13732	1910	96	143	13732
1982	3825	3.59	13732	1909	91	151	13732
1981	3535	3.88	13732	1908	97	142	13732
1980	3237	4.24	13732	1907	126	109	13732
1979	3003	4.57	13732	1906	128	107	13732
1978	2776	4.95	13732	1905	131	105	13732
1977	2576	5.33	13732	1904	131	105	13732
1976	2401	5.72	13732	1903	131	105	13732
1975	2212	6.21	13732	1902	131	105	13732
1974	2020	6.80	13732	1901	131	105	13732
1973	1895	7.25	13732	1900	131	105	13732
1972	1753	7.83	13732	1899	131	105	13732
1971	1581	8.69	13732	1898	131	105	13732
1970	1381	9.94	13732	1897	131	105	13732
1969	1269	10.82	13732	1896	131	105	13732
1968	1155	11.89	13732	1895	131	105	13732
1967	1074	12.79	13732	1894	131	105	13732
1966	1019	13.48	13732	1893	131	105	13732
1965	971	14.14	13732	1892	131	105	13732
1964	936	14.67	13732	1891	131	105	13732
1963	901	15.24	13732	1890	131	105	13732
1962	872	15.75	13732	1889	131	105	13732
1961	847	16.21	13732	1888	131	105	13732
1960	824	16.67	13732	1887	132	104	13732
1959	797	17.23	13732	1886	130	106	13732
1958	759	18.09	13732	1885	128	107	13732
1957	724	18.97	13732	1884	127	108	13732
1956	692	19.84	13732	1883	126	109	13732
1955	660	20.81	13732	1882	125	110	13732
1954	628	21.87	13732	1881	124	111	13732
1953	600	22.89	13732	1880	122	113	13732

ATTACHMENT C

ACT 57 OF 2003 TAPPING FEE LEGISLATION

GENERAL LOCAL GOVERNMENT CODE (53 PA.C.S.) - POWERS AND DUTIES OF
AUTHORITIES

Act of Dec. 30, 2003, P.L. 404, No. 57

CL. 53

Session of 2003

No. 2003-57

HB 51

AN ACT

Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, further providing for powers and duties of authorities.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 5607(d)(17), (24), (30), (32) and (33) of Title 53 of the Pennsylvania Consolidated Statutes are amended to read:

§ 5607. Purposes and powers.

* * *

(d) Powers.--Every authority may exercise all powers necessary or convenient for the carrying out of the purposes set forth in this section, including, but without limiting the generality of the foregoing, the following rights and powers:

* * *

(17) To do all acts and things necessary or convenient for the promotion of its business and the general welfare of the authority to carry out the powers granted to it by this chapter or other law[.] , including, but not limited to, the adoption of reasonable rules and regulations that apply to water and sewer lines located on a property owned or leased by a customer and to refer for prosecution as a summary offense any violation dealing with rules and regulations relating to water and sewer lines located on a property owned or leased by a customer. Under this paragraph, an authority established by a county of the second class A which is not a home rule county shall have powers for the inspection and repair of sewer facilities comparable to the powers of health officials under section 3007 of the act of May 1, 1933 (P.L.103, No.69), known as The Second Class Township Code.

* * *

(24) To charge enumerated fees to property owners who desire to or are required to connect to the authority's sewer or water 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 for connection or at a time to which the property owner and the authority agree. In the case of projects to serve existing development, fees shall be payable at a time to be determined by the authority. An authority may require that no capacity be guaranteed for a property owner until the tapping fees have

been paid or secured by other financial security. The fees shall be in addition to any charges assessed against the property in the construction of a sewer or water main by the authority under paragraphs (21) and (22) as well as any other user charges imposed by the authority under paragraph (9) [but] , **except that no reservation of capacity fee or other similar charge shall be imposed or collected from a property owner who has applied for service unless the charge is based on debt and fixed operating expenses. A reservation of capacity fee or other similar charge 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. Any authority opting to collect a reservation of capacity fee or other similar charge may not collect the tapping fee until the time as the building permit fee is due. Tapping fees** shall not include costs included in the calculation of [such] **any other fees[.] , assessments, rates or other charges imposed under this act.**

(i) The fees may include any of the following [fee components] if they are separately set forth in a resolution adopted by the authority [to establish these fees]:

(A) Connection fee. [It may] **A connection fee shall** not exceed an amount based upon the actual cost of the connection of the property extending from the authority's main to the property line or curb stop of the property connected. The authority may also base the connection fee upon an average cost for previously installed connections of similar type and size. **Such average cost may be trended to current cost using published cost indexes.** In lieu of payment of the [fees] **fee**, an authority may require the construction [and dedication] of those facilities by the property owner who requested the connection.

(B) Customer facilities fee. [It may] **A customer facilities fee shall** not exceed an amount based upon the actual cost of facilities serving the connected property from the property line or curb stop to the proposed dwelling or building to be served. The fee shall be chargeable only if the authority installs the customer facilities. In lieu of payment of the customer facilities fee, an authority may require the construction of those facilities by the property owner who requests customer facilities. In the case of water service, the fee may include the cost of a water meter and installation if the authority provides or installs the water meter. If the property connected or to be connected with the sewer system of the authority is not equipped with a water meter, the authority may install a meter at its own cost and expense. If the property is supplied with water from the facilities of a public water supply agency, the authority shall not install a meter without the consent and approval of the public water supply agency.

(C) Tapping fee. [It may] **A tapping fee shall** not exceed an amount based upon some or all of the following [fee components if they are] **parts which shall be** separately set forth in the resolution adopted by the authority to establish these fees. In lieu of payment of this 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.

(I) Capacity part. The [fee may] **capacity part shall** not exceed an amount that is based upon the cost of capacity-related facilities, including, but not limited to, source of supply, treatment, pumping, transmission, trunk, interceptor and outfall mains, storage, sludge treatment or disposal, interconnection or other general system facilities. [Facilities] **Except as specifically provided in this paragraph, such facilities** may include **only** those that provide existing service [or will provide future service]. The cost of [existing] **capacity-related facilities**, excluding 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,** shall be based upon their [replacement cost or upon] historical cost trended to current cost using published cost indexes or upon the historical cost plus interest and other financing fees paid on [bonds] **debt** financing such facilities. [In the case of existing facilities, outstanding] **To the extent that historical cost is not ascertainable, tapping fees may be based upon an engineer's reasonable written estimate of current replacement cost. Such written estimate shall be based upon and include an itemized listing of those components of the actual facilities for which historical cost is not ascertainable. Outstanding** debt related to the facilities shall be subtracted from the cost[, but debt may not be subtracted which is attributable] **except when calculating the initial tapping fee imposed for connection** to facilities exclusively serving new customers. [Under all cost approaches, the cost of capacity-related facilities shall be reduced by the amount of grants or capital contributions which have financed them. The capacity part of the tapping fee per unit of capacity required by the new customer may not exceed the cost of the facilities divided by the design capacity.] **The outstanding debt shall be subtracted for all subsequent revisions of the initial tapping fee where the historical cost has been updated to**

reflect current cost except as specifically provided in this section. For tapping fees or components related to facilities initially serving exclusively new customers, an authority may, no more frequently than annually and without updating the historical cost of or subtracting the outstanding debt related to such facilities, increase such tapping fee by an amount calculated by multiplying the tapping fee by the weighted average interest rate on the debt related to such facilities applicable for the period since the fee was initially established or the last increase of the tapping fee for such facilities. The capacity part of the tapping fee per unit of design capacity of said facilities required by the new customer shall not exceed the total cost of the facilities as described herein divided by the system design capacity of all such facilities. Where the cost of facilities to be constructed or acquired in the future are included in the calculation of the capacity part as permitted herein, the total cost of the facilities shall be divided by the system design capacity plus the additional capacity to be provided by the facilities to be constructed or acquired in the future. An authority may allocate its capacity-related facilities to different sections or districts of its system and may impose additional capacity-related tapping fees on specific groups of existing customers such as commercial and industrial customers in conjunction with additional capacity requirements of those customers. [In the case of] **The cost of** facilities to be constructed or acquired[, the] **in the future that will increase the system design capacity may be included in the calculation of the capacity part, subject to the provisions of clause (VI). The cost of such facilities** shall not exceed their reasonable estimated cost set forth in a duly adopted annual budget or a five-year capital improvement plan[, and the authority in furtherance of the facilities must take any action as follows:] **. The authority shall have taken at least two of the following actions toward construction of the facilities:**

(a) [obtain] **obtained** financing for the facilities;

(b) [enter] **entered** into a contract obligating the authority to construct or pay for the cost of construction of the facilities or its portion thereof in the event that multiple parties are constructing the facilities;

(c) [obtain] **obtained** a permit for the

facilities;

(d) [spend substantial sums or resources in furtherance of the facilities;] **obtained title to or condemned additional real estate upon which the facilities will be constructed;**

(e) [enter] **entered** into a contract obligating the authority to purchase or acquire facilities owned by another;

(f) [prepare] **prepared** an engineering feasibility study specifically related to the facilities, which study recommends the construction of the facilities within a five-year period; [or]

(g) [enter] **entered** into a contract for the design **or construction** of the facilities[.] **or adopted a budget which includes the use of in-house resources for the design or construction of the facilities.**

(II) Distribution or collection part. The [fee] **distribution or collection part** may not exceed an amount based upon the cost of distribution or collection facilities required to provide service, such as mains, hydrants and pumping stations. Facilities may **only** include those that provide existing service [or those that will provide future service]. The cost of [existing] **distribution or collections** facilities, excluding 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,** shall be based upon [their replacement cost or upon] historical cost trended to current cost using published cost indexes or upon the historical cost plus interest and other financing fees paid on [bonds] **debt** financing such facilities. **To the extent that historical cost is not ascertainable, tapping fees may be based upon an engineer's reasonable written estimate of replacement cost. Such written estimate shall be based upon and include an itemized listing of those components of the actual facilities for which historical cost is not ascertainable.** [In

the case of existing facilities, outstanding]

Outstanding debt related to the facilities shall be subtracted from the cost[, but debt may not be subtracted which is attributable] **except when calculating the initial tapping fee imposed for connection** to facilities exclusively serving new customers. [In the case of facilities to be constructed or acquired, the cost shall not exceed their reasonable estimated cost. Under all cost approaches, the cost of distribution or collection facilities shall be reduced by the

amount of grants or capital contributions which have financed them.] **The outstanding debt shall be subtracted for all subsequent revisions of the initial tapping fee where the historical cost has been updated to reflect current cost except as specifically provided in this section. For tapping fees or components related to facilities initially serving exclusively new customers, an authority may, no more frequently than annually and without updating the historical cost of or subtracting the outstanding debt related to such facilities, increase such tapping fee by an amount calculated by multiplying the tapping fee by the weighted average interest rate on the debt related to such facilities applicable for the period since the fee was initially established or the last increase of the tapping fee for such facilities.** The distribution or collection part of the tapping fee per unit of **design capacity of said facilities** required by the new customer [may] **shall** not exceed the cost of the facilities divided by the design capacity. An authority may allocate its distribution-related or collection-related facilities to different sections or districts of its system and may impose additional distribution-related or collection-related tapping fees on specific groups of existing customers such as commercial and industrial customers in conjunction with additional capacity requirements of those customers.

(III) Special purpose part. [Fees] **A part** for special purpose facilities shall be applicable only to a particular group of customers or for serving a particular purpose or a specific area based upon the cost of the facilities, including, but not limited to, booster pump stations, fire service facilities , **water or sewer mains, pumping stations** and industrial wastewater treatment facilities. [Facilities] **Such facilities** may include **only** those that provide existing service [or those that will provide future service]. The cost of [existing] **special purpose** facilities, excluding 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,** shall be based upon [their replacement cost or upon] historical cost trended to current cost using published cost indexes or upon the historical cost plus interest and other financing fees paid on [bonds] **debt** financing such facilities. [In the case of existing facilities, outstanding] **To the extent that historical cost is not ascertainable, tapping fees may be based upon an engineer's**

reasonable written estimate of current replacement cost. Such written estimate shall be based upon and include an itemized listing of those components of the actual facilities for which historical cost is not ascertainable.

Outstanding debt related to the facilities shall be subtracted from the cost[, but debt may not be subtracted which is attributable] **except when calculating the initial tapping fee imposed for connection** to facilities exclusively serving new customers. [In the case of facilities to be constructed or acquired, the cost shall not exceed their reasonable estimated cost. Under all cost approaches, the cost of special purpose facilities shall be reduced by the amount of grants or capital contributions which have financed such facilities.] **The outstanding debt shall be subtracted for all subsequent revisions of the initial tapping fee where the historical cost has been updated to reflect current cost except as specifically provided in this section. For tapping fees or components related to facilities initially serving exclusively new customers, an authority may, no more frequently than annually and without updating the historical cost of or subtracting the outstanding debt related to such facilities, increase such tapping fee by an amount calculated by multiplying the tapping fee by the weighted average interest rate on the debt related to such facilities applicable for the period since the fee was initially established or the last increase of the tapping fee for such facilities.** The special purpose part of the tapping fee per unit of **design capacity of such special purpose facilities** required by the new customer [may] **shall not exceed the cost of the facilities as described herein divided by the design capacity of the facilities. Where an authority constructs special purpose facilities at its own expense, the design capacity for the facilities may be expressed in terms of the number of equivalent dwelling units to be served by the facilities. In no event shall an authority continue to collect any tapping fee which includes a special purpose part after special purpose part fees have been imposed on the total number of design capacity units used in the original calculation of the special purpose part** .

An authority may allocate its special purpose facilities to different sections or districts of its system and may impose additional special purpose tapping fees on specific groups of existing customers such as commercial and industrial customers in conjunction with additional capacity requirements of those

customers.

(IV) Reimbursement [component. An amount necessary to recapture the allocable portion of facilities in order to reimburse the property owner or owners] **part. The reimbursement part 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 [paragraphs (31) and (32).] a written agreement between the authority and such person at whose expense such facilities were constructed.**

(V) Calculation of tapping fee [components].

(a) In arriving at the cost to be included in the tapping fee [components], the same cost [may] **shall** not be included in more than one part of the tapping fee.

(b) No tapping fee may be based upon or include the cost of expanding, replacing, updating or upgrading facilities serving **only** existing customers in order to meet stricter efficiency, environmental, regulatory or safety standards or to provide better service to or meet the needs of existing customers.

(c) The cost used in calculating tapping fees shall not include maintenance and operation expenses.

(d) As used in this subclause, "maintenance and operation expenses" are those expenditures made during the useful life of a sewer or water system for labor, materials, utilities, equipment accessories, 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.

Costs or expenses to reduce or eliminate groundwater infiltration or inflow may not be included in the cost of facilities used to calculate tapping fees unless these costs or expenses result in an increase in system design capacity.

(e) Except as otherwise provided for the calculation of a special purpose part, the design capacity required by a new residential customer used in calculating sewer or water tapping fees shall not exceed an amount established by multiplying 65 gallons per capita per day for water capacity, 90 gallons per capita per day for sewer capacity times the average number of persons per household as established by the most recent census data provided by the United States Census Bureau. If an authority service area is entirely

within a municipal boundary for which there is corresponding census data specifying the average number of persons per household, issued by the United States Census Bureau, the average shall be used. If an authority service area is not entirely within a municipal boundary but is entirely within a county or other geographic area within Pennsylvania for which the United States Census Bureau has provided the average number of persons per household, then that average for the county or geographic area shall be used. If an authority service area is not entirely within a municipal, county or other geographic area within Pennsylvania for which the United States Census Bureau has calculated an average number of persons per household, then the Pennsylvania average number of persons per household shall be used as published by the United States Census Bureau. Alternatively, the design capacity required for a new residential customer shall be determined by a study but shall not exceed:

(i) for water capacity, the average residential water consumption per residential customer, or, for sewage capacity, the average residential water consumption per residential customer plus ten percent. The average residential water consumption shall be determined by dividing the total water consumption for all metered residential customers in the authority's service area over at least a 12-consecutive-month period within the most recent five years by the average number of customers during the period; or

(ii) for sewer capacity, the average sewage flow per residential customer determined by a measured sewage flow study. Such study shall be completed in accordance with sound engineering practices within the most recent five years for the lesser of three or all residential subdivisions of more than ten lots which have collection systems in good repair and which connected to the authority's facilities within the most recent five years. The study shall calculate the average sewage flow per residential customer in such developments by measuring actual sewage flows over at least 12 consecutive months at the points where such developments connected to the authority's sewer main.

(iii) All data and other information considered or obtained by an authority in connection with determining capacity under this subsection shall be made available to the public upon request.

(iv) If any person required to pay a tapping fee submits to the authority an opinion from a professional engineer that challenges the validity of the results of the calculation of design capacity required to serve new residential customers prepared under subparagraph (i) or (ii), the authority shall within 30 days obtain a written certification from another professional engineer, who is not an employee of the authority, verifying that the results and the calculations, methodology and measurement were performed in accordance with this title and generally accepted engineering practices. If an authority does not obtain a certification required under this subsection within 30 days of receiving such challenge, the authority may not impose or collect tapping fees based on any such challenged calculations or study until such engineering certification is obtained.

(f) An authority may use lower design capacity requirements and impose lower tapping fees for multifamily residential dwellings than imposed on other types of residential customers.

(VI) Separate accounting for future facility costs. Any portion of tapping fees collected which, based on facilities to be constructed or acquired in the future in accordance with this section, shall be separately accounted for and shall be expended only for that particular facility or a substitute facility accomplishing the same purpose which is commenced within the same period. Such accounting shall include, but not be limited to, the total fees collected as a result of including facilities to be constructed in the future, the source of the fees collected and the amount of fees expended on specific facilities. The proportionate share of tapping fees based upon facilities to be constructed or acquired in the future under this section shall be refunded to the payor of such fees within 90 days of the occurrence of the following:

(a) the authority abandons its plan or a part thereof to construct or acquire a facility or facilities which are the basis for such fee; or

(b) the facilities have not been placed into service within seven years, or, for an authority which provides service to five or more municipalities, the facilities have not been placed into service within 15 years, after adoption of a resolution which imposes tapping fees which are based upon facilities to be constructed or acquired in the future. Any refund of fees held for 15 years shall include interest for the period the money was held.

(VII) Definitions. As used in this clause, the following words and phrases shall have the meanings given to them in this subclause:

"BOD5." The five-day biochemical-oxygen demand.

"Design capacity." For residential customers, the permitted or rated capacity of facilities expressed in million gallons per day. For nonresidential 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. Additionally, for separate fire service customers, the permitted or rated capacity of fire service facilities may be expressed in peak flows. The units of measurement used to express design capacity shall be the same units of measurement used to express the system design capacity. Except as otherwise provided for special purpose facilities, design capacity may not be expressed in terms of equivalent dwelling units.

"Outstanding debt." The principal amount outstanding of any bonds, notes, loans or other form of indebtedness used to finance or refinance facilities included in the tapping fee.

"Service line." A water or sewer line that directly connects a single building or structure to a distribution or collection facility.

"System design capacity." The design capacity of the system for which the tapping fee is being calculated which represents the total design capacity of the treatment facility or water sources.

(ii) Every authority charging a tapping, customer facilities or connection fee shall do so **only pursuant to a resolution adopted** at a public meeting of the authority. The authority shall have available for public inspection a detailed itemization of all calculations, clearly showing **the maximum fees allowable for each part**

of the tapping fee and the manner in which the fees were determined[.] , **which shall be made a part of any resolution imposing such fees.** A [revised] tapping, customer facilities or connection fee may be **revised and** imposed upon those who subsequently connect to the system[.] , **subject to the provisions and limitations of the act.**

(iii) No authority [may] **shall have the power to** impose a connection fee, customer facilities fee, tapping fee or similar fee except as provided specifically under this section.

(iv) A municipality or municipal authority with available excess sewage capacity, wishing to sell a portion of that capacity to another municipality or municipal authority, may not charge a higher cost for the capacity portion of the tapping fee as the selling entity charges to its customers for the capacity portion of the tapping fee. In turn, the municipality or municipal authority buying this excess capacity may not charge a higher cost for the capacity portion of the tapping fee to its residential customers than that charged to them by the selling entity.

(v) As used in this paragraph, the term "residential customer" shall also include those developing property for residential dwellings that require multiple tapping fee permits. This paragraph shall not be applicable to intermunicipal or interauthority agreements relative to the purchase of excess capacity by an authority or municipality in effect prior to February 20, 2001.

* * *

(30) Where a sewer or water system of an authority is to be extended at the expense of the owner of properties or where the authority otherwise would construct customer facilities referred to in paragraph (24), other than water meter installation, [to allow] a property owner **shall have the right** to construct the extension or install the customer facilities himself or through a subcontractor approved by the authority, which approval shall not be unreasonably withheld. The authority [may] **shall have the right, at its option, to** perform the construction itself only if the authority provides the extension or customer facilities at a lower cost and within the same timetable specified or proposed by the property owner or his approved subcontractor. Construction by the property owner shall be in accordance with an agreement for the extension of the authority's system and plans and specifications approved by the authority and shall be undertaken only pursuant to the existing regulations, requirements, rules and standards of the authority applicable to such construction. Construction shall be subject to inspection by an inspector authorized to approve similar construction and employed by the authority during construction. When a main is to be extended at the expense of the owner of properties, the property owner may be required to deposit with the authority, in advance of construction, the authority's estimated reasonable and necessary cost of

reviewing plans, construction inspections, administrative, legal and engineering services. The authority may require that construction shall not commence until the property owner has posted appropriate financial security in accordance with paragraph (23). The authority may require the property owner to reimburse it for reasonable and necessary expenses it incurred as a result of the extension. If an independent firm is employed for engineering review of the plans and the inspection of improvements, reimbursement for its services shall be reasonable and in accordance with the ordinary and customary fees charged by the independent firm for work performed for similar services in the community. The fees [may] **shall** not exceed the rate **or cost** charged by the independent firm to the authority when fees are not reimbursed or otherwise imposed on applicants. Upon completion of construction, the property owner shall dedicate and the authority shall accept the extension of the authority's system if dedication of facilities and the installation complies with the plans, specifications, regulations of the authority and the agreement. An authority may provide in its regulations those facilities which, having been constructed at the expense of the owner of properties, the authority will **require to be dedicated and which facility or facilities the authority will** accept as a part of its system.

(i) In the event the property owner disputes the amount of any billing in connection with the review of plans, construction inspections, administrative, legal and 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, in which case the authority shall not delay or disapprove any application or any approval or permit related to the extension or facilities due to the property owner's dispute over the disputed billings unless the property owner has failed to make payment in accordance with the decision rendered under clause (iii) within 30 days after the mailing date of such decision.

(ii) If, within 30 days from the date of billing, the authority and the property owner cannot agree on the amount of billings which are reasonable and necessary, the property owner and authority shall, by mutual agreement, appoint a professional of the same profession or discipline licensed in Pennsylvania to review the billings and make a determination as to the amount of billings which is reasonable and necessary.

(iii) The professional appointed under clause (ii) shall hear evidence and review the documentation as the professional in his or her sole opinion deems necessary and shall render a decision within 60 days of the billing date. The property owner shall be required to pay the entire amount determined in the decision immediately.

(iv) In the event that the authority and property owner cannot agree upon the professional to be appointed

within 30 days of the billing date, the president judge of the court of common pleas of the judicial district in which the municipality is located or, if at the time there is no president judge, the senior active judge then sitting upon application of either party shall appoint a professional, who shall be neither the authority engineer nor any professional who has been retained by or performed services for the authority or the property owner within the preceding five years.

(v) The fee of the appointed professional for determining the reasonable and necessary expenses shall be paid by the applicant if the amount of payment required in the decision is equal to or greater than the original bill. If the amount of payment required in the decision is less than the original bill by \$2,500 or more, the authority shall pay the fee of the professional. If the amount of the payment required in the decision is less than the original bill by \$2,499 or less, the authority and the property owner shall each pay one-half of the fee of the appointed professional.

* * *

[(32) If a sewer system or water system or any part or extension owned by an authority has been constructed at the expense of a private person or corporation, the authority may charge a tapping fee. The authority shall refund the tapping fee or any part of the fee to the person or corporation who paid for the construction of the sewer or water system or any part or extension of it.]

(33) Provisions of paragraphs (30)[,] and (31) [and (32)] shall apply to residential customers in a municipality where the sewer service is being purchased by the municipality or sewer authority from another municipality or sewer authority having excess sewage capacity.

* * *

Section 2. Notwithstanding section 5(1) of this act, this act shall apply immediately to any connection, customer facilities, tapping or similar fees which are increased or initially imposed subsequent to the effective date of this section.

Section 3. Notwithstanding section 5(1) of this act, the mandatory refund provisions of 53 Pa.C.S. § 5607(d)(24)(i)(C)(VI) applicable to tapping fees based upon facilities to be constructed or acquired in the future shall apply to tapping fees collected subsequent to the effective date of this section regardless of when the resolution adopting such tapping fees was adopted.

Section 4. The following shall apply:

(1) The provisions of 53 Pa.C.S. § 5607(d)(24)(i)(C)(I) and (V)(e) shall not apply for a period of 15 years after the effective date of this section to sewer tapping fees imposed by a joint authority having six or more municipal members which is prohibited from implementing any increase in sewer user fees pursuant to the terms of a contract executed prior to January 1, 2003.

(2) The provisions of 53 Pa.C.S. §

5607(d)(24)(i)(C)(V)(e) shall not apply for a period of five years after the date of closing of original financing when an authority, in order to support the construction of new facilities, used original financing which closed on or before July 1, 2003, which has a term of at least 15 years and in which tapping fees were relied upon to support the debt service on the financing.

Section 5. This act shall take effect as follows:

(1) The amendment of 53 Pa.C.S. § 5607(d)(24), (30), (32) and (33) shall take effect in 18 months.

(2) The remainder of this act shall take effect immediately.

APPROVED--The 30th day of December, A. D. 2003.

EDWARD G. RENDELL

ATTACHMENT D

2005 SPECIAL PURPOSE PART CALCULATION - LITKE PUMP STATION

**SPRING-BENNER-WALKER JOINT AUTHORITY
WASTEWATER TREATMENT AND COLLECTION SYSTEM**

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

The Special Purpose Part is generally applicable only to a particular group of customers. This fee is designed to recover the cost of facilities that serve a special purpose or specific area, such as pump stations. Fees would be separately calculated for each applicable group and applied to new users as appropriate. If a project's costs are used to derive a Special Purpose Fee, the costs cannot be included in general tapping fees charged to users of the overall system.

Illustration:

$$\frac{\text{Cost of Special Purpose Facilities}}{\text{Design Capacity of Special Purpose Facilities (gpd)}} = \text{Cost per Unit of Design Capacity}$$

$$\text{Number of Units of Design Capacity Required by Customer (gpd per DU/EDU)} \times \text{Cost per Unit of Design Capacity} = \text{Special Purpose Part of Tapping Fee}$$

OR

$$\frac{\text{Cost of Special Purpose Facilities}}{\text{Design No. of EDU's Facility will Serve}} = \text{Special Purpose Part of Tapping Fee}$$

Litke Pump Station is one portion of the system which may charge users a Special Purpose cost as part of the Tapping Fee. Special Purpose fees for the Litke Pump Station service area are as follows:

CAPACITY (only):

Year	Project	Adjusted Project Cost	ENR Index Project Yr	Current	Trend Factor	Trended Net Original Cost
		A	B	C	D = C/B	E = D*A
2004	Litke Pump Station	\$ 784,972.35	7115	7115	1.00	\$ 784,972.35

Year	Project	Original Project Cost	Grants	Adjusted Project Cost
2004	Litke Pump Station	\$ 784,972.35	\$ -	\$ 784,972.35

$$\frac{\text{Cost of Special Purpose Facilities}}{\text{Design No. of EDU's Facility will Serve}} = \text{Special Purpose Part of Tapping Fee}$$

$$\frac{\$ 784,972.35}{315 \text{ EDUs}} = \$ 2,491.98$$

Note: Since this fee is calculated based upon the number of design EDU's, this special purpose fee may be charged to up to 315 EDUs served by the Litke Pump Station. If a 316th EDU is added, they may not be charged the Special Purpose Fee.

ATTACHMENT E

2018 SPECIAL PURPOSE PART CALCULATION - PUMP STATION #7

C. Special Purpose Tap Fee

Act 537 allows for a fee to be charged for special purpose facilities that apply only to a particular group of customers that will utilize those facilities. Cost of these required facilities is to be based on historical cost and can be trended to current cost based on published cost indexes. Further, any outstanding debt on the facilities must be deducted. A design capacity has to be established for the required facilities in order to come up with a cost per EDU.

The Zion Pump Station modifications were constructed in late 2016 and early 2017 at a total cost of \$988,022.03. This cost was comprised of \$855,340.40 for general-mechanical construction, \$24,681.63 for electrical construction and \$108,000 for engineering and inspection services. A copy of the contractors applications for final payment and engineer's invoice is attached in Appendix 2.

The pump station pumps are each rated 420 gpm or 604,800 gpd. The pump station has two (2) pumps but the capacity of only one (1) pump can be considered since there must be a spare redundant pump available in case one fails. The pump capacity is being limited to 80% of its full capacity on the basis that the pump station should never operate at more than a 80% capacity level to allow time for future expansion planning and construction. This also provides a 20% buffer capacity for some extraordinary flow events to avoid a pump station overflow and illegal discharge. At the 80% capacity level, the pump station could handle 483,400 gpd. The other capacity factor that must be considered is peak flow periods of the day. Generally there are time periods in a day when the system users will contribute the major portion of the flow into the wastewater system. This typically is early morning or evening hours of the day. The ratio of the typical peak to average daily flow for a wastewater system of a size comparable to that serviced by this pump station is 3.3 times. A graph depicting this ratio is included as Appendix 3. During the evaluation of the pump station in 2015, a portable flow meter that had been installed recorded peak flows in the 2.25 times average range. Since the 2.25 times value was recorded with a meter of less than ideal accuracy, it is felt that a prudent approach would be to assume a peaking factor between the recorded value and the value established in the referenced graph. On this basis, a peaking factor of 2.75 times was utilized for this evaluation. The other consideration is with the 11,490 gallon wet well volume provided. Peak flows can now be somewhat stored and buffered from being immediately pumped which also justifies a peaking value less than the 3.3 times as depicted by the graph.

Based upon roughly a year of operation and flow readings recorded by the permanently installed magnetic flow meter on the pump station discharge, the average flow has been 107,850 gpd. Based on the current users of the pump station being 1,040 EDU's, the flow equates to 104 gpd/EDU. At 104 gpd/EDU and a peaking factor of 2.75 times, the peak flow is projected to be 286 gpd/EDU (104 gpd/EDU x 2.75 peaking factor). With a pump station capacity of 483,400 gpd as previously established, the maximum EDU's being able to be served by the pump station is 1,690 EDU's (483,400 gpd/286 gpd/EDU). Since there is currently 1,040 EDU's on the pump station and the capacity was nearly maximized, the modifications will allow the addition of another 650 EDU's to bring the total to 1,690 EDU's. Based on the previous documented project cost of \$988,022.03 and the ability to serve an additional 650 EDU's with

D. Summary

The upgrades to the pump station has increased the capacity to the extent that 650 additional EDU's can now be served by this station to accommodate future development. Based on actual cost to design and construct these modifications, a maximum amount of \$1,520.00 can be charged as a Special Purpose Tap Fee on top of the standard tap fee that was established in the June 2005 Capital Charges Study or any subsequent revisions for all future connections that will utilize this pump station.

ATTACHMENT F

SPRING-BENNER-WALKER JOINT AUTHORITY CURRENT RATES AND CHARGES

EXHIBIT A

SPRING-BENNER-WALKER JOINT AUTHORITY
RESOLUTION 2005-1 ADOPTED JUNE 27, 2005
FEE SCHEDULE

- | | |
|---|------------------------------|
| 1. Connection Fee | Actual Cost |
| 2. Customer Facilities Fee | Actual Cost |
| 3. Reservation of Capacity Fee | \$120.00 per EDU
per year |
| 4. Tapping Fee | |
| a. Capacity Part | \$1,750.00 per EDU |
| b. Collection Part | \$750.00 per EDU |
| c. Special Purpose Part
(Litke Pump Station) | \$1,750.00 per EDU |

SPRING-BENNER-WALKER JOINT AUTHORITY
RESOLUTION 2018-02 ADOPTED AUGUST 13, 2018
FEE SCHEDULE

4. Tapping Fee

* * *

- | | |
|--|--------------------|
| d. Special Purpose Part
(#7 Pump Station) | \$1,520.00 per EDU |
|--|--------------------|

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