

**ALLEN TOWNSHIP
NORTHAMPTON COUNTY, PENNSYLVANIA**

RESOLUTION NO. 2022-XXX

**A RESOLUTION OF THE TOWNSHIP OF ALLEN, NORTHAMPTON
COUNTY, PENNSYLVANIA RELATING TO AND ESTABLISHING TAPPING
FEES, CONNECTION FEES, AND OTHER ASSOCIATED FEES FOR
PROPERTY OWNERS AND OTHERS APPLYING, OR REQUIRED, TO
CONNECT TO THE PUBLIC SEWER COLLECTION FACILITIES OWNED
BY THE TOWNSHIP OF ALLEN**

WHEREAS, the Allen Township Board of Supervisors is authorized by Article XXV of the Second Class Township Code, the Pennsylvania Municipalities Planning Code, the Pennsylvania Municipality Authorities Act, to establish certain tapping, connection, and other associated fees to property owners and others applying, or required to connect to the public sewer collection facilities owned by the Township of Allen, and

WHEREAS, Allen Township has entered into an Agreement with the Borough of Northampton whereby sewer effluent generated by customers of the Allen Township sewer system is treated at the Northampton Borough treatment facility; and

WHEREAS, pursuant to the Sewer Service Agreement, the Borough of Northampton charges the Township a Sewer Access Fee for each property that applies, or is required, to connect to the Allen Township public sewer collection facilities, which fees went into effect on January 1, 2012 extended and amended on November 6, 2017 and April 29, 2022 respectfully; and

WHEREAS, the tapping, connection, and other associated fees charged by the Township of Allen to proposed new customers are calculated to cover the costs of providing public sewer service to certain residents of the Township, as outlined in the Pennsylvania Municipality Authorities Act, as amended; and

WHEREAS, the Township has completed the appropriated engineering study, as required by the Municipality Authorities Act, and has determined the need to update tapping, connect, and other associated fees, effective September 13, 2022.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the Township of Allen as follows:

Section 1. The tapping, connection, and other associated fees to be charged to property owners and others applying, or required, to connect to the public sewer collection facilities owned by the Township of Allen shall be and are hereby established as follows:

1.	Connection Fee	<u>Fee</u>
	a. For laterals installed by Developer	\$ 48.00
	b. For laterals installed by the property owner (each)	\$ 448.00
	c. For laterals installed with Township sewer project (each)	\$3,123.00
2.	Customer Facilities Fee (each)	\$ 200.00
3.	Tapping Fee (per EDU)	
	Township portion	\$1,300
	Borough portion	<u>\$5,070</u>
	Total:	\$6,370.00

The above stated Fees are based upon the customer paying all construction costs associated with the installation of the Lateral and Building Sewer. If for any reason the Township must install the Lateral or Building Sewer, then the actual costs of such installation incurred by the Township must be reimbursed to the Township as a Connection Fee or a Customer Facilities Fee. To assist with the collection of these costs, the Township can require the customer to place the estimated cost of this work on deposit with the Township in a noninterest bearing account. **All fees imposed by this Resolution shall be due and payable at the time of application for connection to a sewer line. No inspections will be authorized if the fees due have not been submitted to the Township.**

Nonresidential applicants shall estimate their sewage flows on the basis of annual average daily flows and shall provide that estimate as part of their application to the Township. If it is determined, after connection and use of the system, that this flow estimate is less than the flow generated by the customer, the Township has the right to assess the Tapping Fee increase that would be due based upon the higher flow rate. The Tapping Fee used for that calculation shall be that Tapping Fee that is “current” at the time of assessment.

Section 2. It is the intent of the Board of Supervisors of Allen Township to periodically update the engineering study, attached hereto and incorporated herein by reference as Exhibit “A”, in order to set fair and reasonable fees as described in Section 1

herein. Provided, however, that the fees set by this Resolution shall continue in effect unless revised or altered by a future Resolution of the Board of Supervisors of Allen Township.

Section 3. The provisions of the Allen Township Sewer System Rules and Regulations shall continue to be in effect with regard to any subjects not altered by the provisions set forth herein.

Section 4. The Board of Supervisors of Allen Township may, from time to time, by Resolution, change and adjust the foregoing fees to be charged, where it is deemed advisable in the judgment of the Board.

Section 5. All Resolutions and motions or parts thereof in conflict herewith are hereby repealed to the extent only of such conflict.

RESOLVED AND ADOPTED this _____ day of _____ 2022.

Attest

Allen Township Supervisors

Secretary

Chairman

EXECUTIVE SUMMARY

This report has been prepared to update the Allen Township Sanitary Sewer Fee Calculations in accordance with Act 57 of 2003. The original report from 2013 was used as a basis for this update.

There are three separate fees that may be charged by the Township:

CONNECTION FEE

For laterals installed by Developer	\$ 48.00
For laterals installed by the property owner (each)	\$ 448.00
For laterals installed with Township sewer project (each)	\$3,123.00

CUSTOMER FEE

Inspection costs only	\$ 200.00
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TAPPING FEE

Township portion	\$1,320.00
Borough Portion	<u>\$5,070.00</u>
Total	\$6,390.00

The Connection and Customer Fees are set based on current prices for estimated administrative and inspection time and material costs.

The Tapping Fee is based on actual costs incurred by the Township to provide public sanitary sewer service. The costs included in the original calculations have been carried through and updated using the most current ENR index to trend those costs to today's dollars. The costs for the 2022 ACT 537 Plan and Agreement negotiations have also been included in the new calculations.

Additional explanation on the Fees is provided below and the breakdown of fee components is included in the attachments.

I Introduction

The State of Pennsylvania enacted laws in December of 1990 (entitled Act 203 and Act 209) establishing regulations by which Authorities and Municipalities in Pennsylvania can set Connection Fees, Customer Facility Fees, and/or Tapping Fees for their public utilities (either public sewer or public water). These acts require that each provider imposing Connection Fees, Customer Facility Fees and/or Tapping Fees, evaluate their basis for determination of these fees in accordance with the procedures outlined and specified in these State Acts. In 2003, Act 57 was enacted and amended the previous acts. The Allen Township fees contained herein were re-evaluated and recalculated in 2013 in accordance with the guidelines as revised by Act 57 (2003). This report will update those fees to reflect current costs.

In 2013, the sanitary sewer system owned by Allen Township consisted of one collection system with multiple connections to the Northampton Borough Sanitary Sewer System and all treatment of Township wastewater was performed at the Northampton Borough Wastewater Treatment Plant. Since that time, the public sewer system in the Northampton Borough service area of Allen Township has expanded and been adopted through an updated Joint Allen Township Northampton Borough Act 537 Plan. The content of this report will be focused on the fees associated with the Northampton Borough service area of Allen Township only.

The 2022 Joint Act 537 plan identified an additional public sewer service area in the Catasauqua Borough service area where a number of industrial and commercial users have already connected, and future residential and non-residential uses are being proposed. The existing

customers connected to the Catasauqua Borough Wastewater Treatment Plant are also served by an interceptor line owned and maintained by Hanover Township Lehigh County. The cost for the connection of these customers was addressed through intermunicipal agreements amongst all parties. Allen Township will be calculating new Connection Fees, Customer Facility Fees and/or Tapping Fees as allowed by Act 57 (2003) for the future development in the Catasauqua Borough service area. These fees will be presented in a separate report.

The public sanitary sewer system in the Northampton Borough service area of Allen Township serves residential, commercial, and industrial customers and, for the purposes of Rates, Rules and Regulations, Connection Fees, Customer Facility Fees, all customers and connecting customers on the system have been treated uniformly. This report and calculations, herein, are prepared on the assumption that the Township will continue the policy of uniformity in treatment of Connection Fees, Customer Facility Fees, and Tapping Fees for future customers.

The Township's Rates, Rules, and Regulations are based upon the criteria that all connecting customers will pay all costs of their individual connection to the main, where applicable. This includes the cost of road encroachment permits, inspection, installation of the tapping sleeve and installation of the lateral from the main to the edge of the street or easement. This also includes the cost of installation and inspection of the building sewer from the edge of the street or easement to the building.

II. General Provisions of Act 203 (1990), Act 209 (1990), and Act 57 (2003)

Act 209 (1990) basically allows Municipalities and Authorities to impose Connection Fees, Customer Facility Fees, and Tapping Fees if those public agencies follow the procedures of Act 203 (1990). Act 57 (2003) amended Act 203 (1990) and included the following changes:

- The option to collect a fee to reserve capacity,
- The requirement that fees based on historic construction costs be trended to a current cost and,
- The methods allowed for the calculation of projected system hydraulic or organic loading.

As authorized by these acts, fees can be made up of three parts, as follows:

1. Connection Fee - which may be charged for the installation of the service lateral from the sewer main to the edge of the street (or easement), or alternatively, based upon the average cost of previous similar connections, trended to current cost. This Connection Fee may be based upon but may not exceed the Township's costs associated with the installation and inspection of the lateral.
2. Customer Facilities Fee - which can be charged if the Township installs or inspects the building sewer facilities from the edge of the street (or easement) to the building. This Customer Facilities Fee may be based upon but may not exceed the Township's costs associated with the installation and inspection of the building sewer.
3. Tapping Fee - which can be charged to allow the Township to recapture capital costs which have been spent to provide capacity for future customers or which can be charged to help finance capacity increases or system extensions to serve new customers. This Tapping Fee may be based upon but may not exceed the Township's costs associated with some or all of the parts which make up the Tapping Fee.

III. Computation Basis for Connection Fee (Lateral)

A Connection Fee may be imposed, which Fee is based upon, but not exceed the actual Township cost of the sewer Lateral extending from the Township's sewer main to the edge of the street or easement. The Township may also base such Fee upon an average cost for previously installed Laterals of a similar type and size. Such average cost shall be trended to current cost

using published cost indexes. In lieu of payment of these, a Township may require the construction of those facilities by the property owner or owners requesting such connection.

- A. In the case of Allen Township, the Township requires the construction and dedication of those facilities by the property owner.
 - For laterals installed by the property owner or at the property owner's sole cost, there would be no cost to the Township except for administration of the permit and inspection of the lateral installation.
This cost is estimated on the attached Summary of Fees List at \$448.00 per connection:
 - In the case of subdivision and land developments where the cost of the sewer lateral construction and inspection were paid by the Developer, the only Township cost associated with the lateral would be the administrative expenses listed on the attachment Summary of Fees, or \$48.00. The Inspection Fees are covered in the Improvements Agreement with the Developer.
- B. For existing laterals constructed as part of a Township built sewer project, the customer would be obligated to reimburse the Township for costs incurred for the lateral construction work. This estimated cost breakdown is included on attached Summary of Fees page for a total of \$3,123.00.

IV. Computation Basis for Customer Facilities Fee (Building Sewer)

The Customer Facilities Fee may be imposed, which shall be based upon, but not exceed the actual cost of the Building Sewer servicing the connected property from the street or Easement or Lateral to the building to be sewered.

The Fee shall be chargeable only if the Township installs the customer facilities. In lieu of payment of the Customer Facilities Fee to cover the amount of construction, the Township requires the construction of those facilities by the property owner. Therefore, the Customer Facility Fee, is limited only to the inspection of the construction, which is estimated to be two hours at \$100 per hour for a total of \$200.

V. Computation Basis for Tapping Fee

The Township can also impose a Fee termed the "Tapping Fee". This fee must be based upon some or all of the following fee components or "Parts" but shall not exceed the actual costs of such components:

- A. Capacity Part,
- B. Distribution or Collection Part,
- C. Special Purpose Part,
- D. Reimbursement Part

The description of the parts of this fee is provided in Act 203 (1990) and Act 57 (2003). The general provisions are provided below for the convenience of this report, but the act, itself, should be used for any formal interpretation of these parts.

A. Tapping Fee - Capacity Part

A fee for capacity related facilities which shall not exceed the amount that is based upon the cost of such facilities including, but not limited to the source of supply, treatment, pumping, transmission, trunk, interceptor and outfall mains, storage, sludge treatment or disposal, interconnection or other general system facilities.

Except as specifically provided in this paragraph, such facilities may include only those that provide existing service. The cost of capacity related facilities, excluding facilities contributed to the Township 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 historical cost trended to current cost using published cost indexes, or upon the historical cost plus interest and other financing fees paid on the 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 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.

The cost of facilities to be constructed or acquired 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) of this Act. 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. The Township shall have taken at least two of the following actions toward construction of the facilities:

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. Obtained a permit for the facilities;
4. Obtained title to or condemned additional real estate upon which the facilities will be constructed;
5. Entered into a contract obligating the Township to purchase or acquire facilities owned by another;
6. Prepared an Engineering Feasibility Study specifically related to the facilities, which study recommends the construction of the facilities within a 5-year period
7. 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.

Separate accounting and use restrictions apply for any funds collected on the basis of the capital cost of facilities not yet constructed.

Outstanding debt related to the facilities shall be subtracted from the cost, except when calculating the initial Tapping Fee imposed for connection to facilities exclusively serving new customers.

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, the Township 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 such 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. The Township 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 such customers.

For Allen Township, the Township's cost of capacity related facilities is comprised of a number of items, updated for inflation, less outstanding debt as follows:

1. Development Costs for Sewer Feasibility Plans and Agreements costs with Northampton Borough
2. Borough Sewer Access Fee Costs
3. Dry Run Interceptor costs
4. Railroad Interceptor costs
5. Costs for developing the 2012 Agreement with Northampton Borough
6. 2022 Joint ACT 537 Plan Update and Sewer Service Agreement with Northampton

The inflation of construction costs for these projects would result in higher cost of construction, if these projects were built today. A nationally recognized Construction Cost Index can be used to adjust the original cost of construction to an estimated cost of construction at Today's cost. The Engineering News Records published "Construction Cost Index," as listed for January 2022, has been used to calculate the construction cost inflation for each of the projects undertaken.

B. Tapping Fee - Distribution or Collection Part

A fee based upon but shall not exceed, the actual cost of distribution or collection facilities required to provide service, such as mains, hydrants and pumping stations.

Such facilities may only include those that provide existing service. The cost of distribution or collection facilities, excluding facilities contributed to the Township by any person, government or agency, or portions of facilities paid for with contributions or grants other than Tapping Fees, shall be based upon historical cost trended to current cost using published cost indexes or upon the historical cost plus interest and other financing fees paid on the debt financing such facilities.

To the extent that historical cost is not ascertainable, Tapping Fees can 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.

Outstanding debt related to the facilities shall be subtracted from the cost, except when calculating the initial Tapping Fee imposed for connections to facilities exclusively serving new customers 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, the Township 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 shall not exceed the cost of the facilities as described herein divided by the design capacity of the facilities.

The Township may allocate its distribution or collection related facilities to different sections or Districts of its system and may impose additional distribution or collection related Tapping Fees on specific groups of existing customers, such as commercial and industrial customers in conjunction with additional capacity requirements of such customers.

The capital cost of the Township collection system components which may be used to calculate the Tapping Fee includes only those portions of the capital cost of the collection system which were paid by the Township. These components are listed in the Attachment 1 Spreadsheet. The inflation of construction costs for these projects would result in higher cost of construction if these projects were built today. The Engineering News Record published "Construction Cost Index" for 2022 has been used to calculate the construction cost inflation for each of the projects undertaken by the Township.

C. Tapping Fee - Special Purpose Part:

Fees for special purpose facilities applicable only to a particular group of customers or serving a particular purpose and/or serving a specific area, based upon the cost of such facilities including, but not limited to booster pump stations, fire service facilities, water or sewer mains, pumping stations, and industrial wastewater treatment facilities.

Such facilities may include only those that provide existing service. The cost of special purpose facilities, excluding facilities contributed to the Township by any person, government or agency, or portions of facilities paid for with contributions or grants other than Tapping Fees, shall be based upon historical cost trended to current cost using published cost indexes or upon the historical cost plus interest and other financing fees paid on 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 current replacement cost. Such written estimates 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, except when calculating the initial Tapping Fee imposed for connections to facilities exclusively serving new customers. 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, the Township 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 shall not exceed the cost of the facilities as described herein divided by the design capacity of the facilities. Where the Township 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 the Township 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.

D. 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 Township and such person at whose expense such facilities were constructed.

The Township had two previous Reimbursement Agreements - one with Wynnfield Estates and one with Catasauqua School District. The Township fulfilled its obligations to Wynnfield Estates in March of 2007. The provisions for reimbursement were not met with the Catasauqua Agreement; and therefore, no reimbursement component was due to the School District.

In the future, if a Developer extends the sewer system or increases the capacity of the sewer system and they do not waive reimbursement, the Township shall provide for reimbursement to the Developer in accordance with the requirements of Act 203. At that time the Tapping Fee Resolution will have to be adjusted to accommodate any reimbursement required, so that the new customer tapping onto a facility or taking advantage of a facility provided by a private property owner will provide the necessary reimbursement amount to the original investor.

VI. Calculation of System Capacity and Tapping Fee Parts

A. Capacity Calculation

The total capacity of sewer service is based on the amount of flow allocated to the Township at Northampton Borough's Wastewater Treatment Plant. This is made up of existing connections plus future allocation of Equivalent Dwelling Units (EDUs). Note: 1 EDU @ 225 gallons per day (GPD). The regulated hydraulic loading rate is 90 GPD/person.

- Existing customers and purchased EDUs in the NBSA of AT to be connected to the Northampton Borough collection and conveyance system for treatment at the Borough WWTP noted in the 2022 Joint ACT 537 Plan
- **1,898 EDUs**
- Estimated Future EDUs in the Northampton Borough service area of Allen Township to be connected to the Northampton Borough collection and conveyance system for treatment at the Borough Wastewater Treatment Plant noted in the 2022 Joint ACT 537 Plan
- **320 EDUs**
- Total System Capacity EDUs in the Northampton Borough service area of Allen Township.
1,898 Existing EDUs
+ 320 Additional EDUs
2,218 EDU Capacity

B. Calculation of Tapping Fee Parts:

The calculation of the maximum allowable Tapping Fee is based on the capital cost of sewage facilities historic cost trended to the current year, less the balance of debt that the Township is using to finance those facilities (see Attachment 1).

Capacity Facilities	\$ 659,727
Collection Facilities	<u>\$2,267,363</u>
	\$2,927,090
Less Outstanding Debt-\$	\$ 0
Allowable Equity	\$2,927,090

The maximum allowable Tapping Fee is:
 $\$2,297,090 / 2,218 \text{ EDUs} = \mathbf{\$1,320/EDU + \text{payment to Borough}}$

VII. Conclusions

In conclusion, the Township may adopt Connection Fees, Customer Facilities Fees, and Tapping Fees as follows:

CONNECTION FEE

For laterals installed by Developer *	\$ 48.00
For laterals installed by the property owner * (each)	\$ 448.00
For laterals installed with Township sewer project (each)	\$3,123.00

CUSTOMER FEE

Inspection costs only	\$ 200.00
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TAPPING FEE

Township portion	\$1,320.00
Borough Portion	<u>\$5,070.00</u>
Total	\$6,390.00

* These fees are based upon the customer paying all construction costs associated with the installation of the lateral and building sewer. If for any reason the Township must install the lateral or building sewer, then the actual costs of such installation incurred by the township must be reimbursed to the Township as a Connection Fee or a Customer Facilities Fee. To assist with the collection of these costs, the Township can require the customer to place the estimated cost of this work on deposit with the Township in a noninterest bearing account.

ALLEN TOWNSHIP
YEAR 2022
SUMMARY OF FEES

Connection Fee

- connection installed by the property owner

2 hr administration	x	\$24 /hr	=		\$ 48.00
4 hr Inspection	x	\$100 /hr	=		\$ 400.00
					\$ 448.00

- connection installed by the Developer

2 hr administration	x	\$24 /hr	=		\$ 48.00
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note: Inspection fees are covered by the Developer's Agreement

- connection installed as part of Twp funded project

2 hr administration	x	\$24 /hr	=		\$ 48.00
6" Lateral 10' Deep 25' Long @ \$65/lf			=		\$ 1,625.00
Saddle or Service Wye			=		\$ 450.00
Restoration Lump Sum			=		\$ 600.00
4 hr Inspection	x	\$100 /hr	=		\$ 400.00
					\$ 3,123.00

Customer Fee

2 hr Inspection	x	\$100 /hr	=		\$ 200.00
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Tapping Fee

Capacity Facilities	\$659,727
Collection Facilities	\$ 2,267,363
TOTAL Facilities cost	\$2,927,090
Existing EDUs	2218
 Tapping Fee per EDU	 \$1,320.00

ALLEN TOWNSHIP
 YEAR 2022
 TAPPING FEE
 CAPITAL COST SCHEDULE
 DESCRIPTION OF INITIAL CAPITAL COSTS

1. CAPACITY PART	Original Cost	Trended Cost (2022)
Plan Agreement and Development Costs		
1995 Allen Township Authority Engineering and Legal*	\$19,073	\$22,785
2000 Sewage Facilities Plan - Act 537*	\$61,810	\$65,561
2001 Sewage Facilities Plan - Addendum C*	\$12,454	\$12,892
2001 Dry Run Interceptor	\$23,933	\$48,598
2003 Railroad Interceptor	\$154,680	\$300,487
2012 2012 Plan Agreement	\$74,383	\$102,498
2022 2022 Joint Act 537 Plan Update & Borough Agreement	\$106,905	\$106,905
TOTAL	\$458,308	\$659,727

* Note: Grant portion of original cost was subtracted prior to trending to present day cost

Not part of the Allen Township Capacity Calculation

- *Payment to the Borough per EDU*

2022 Borough Sewer Access Fee	\$5,070
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ALLEN TOWNSHIP
 YEAR 2022
 TAPPING FEE
 CAPITAL COST SCHEDULE
 DESCRIPTION OF INITIAL CAPITAL COSTS

2. DISTRIBUTION OR COLLECTION PART	Original Cost	Trended Cost (2022)
1997 Center Street Sewer Extension	\$14,001	\$ 31,054
2004 Atlas Heights Collection Sytem	\$454,035	\$ 830,535
2005 Brick Kiln Court - Extension to Brickyard	\$6,903	\$ 12,106
2005 Kopper Penny Extension	\$96,336	\$ 167,195
2007 Horwith Pump Station	\$1,409	\$ 2,302
2007 Drexel Heights Collection System	\$699,339	\$ 1,224,172
	\$ 1,272,023	\$ 2,267,363

* Note: Facilities installed by developers are NOT included in these costs.

ALLEN TOWNSHIP
May 2022 TAPPING FEE STUDY
CAPITAL COST SCHEDULE
CAPACITY PART

		1995 PLAN AGREEMENT AND DEVELOPMENT	2000 SEWAGE FACILITIES PLAN	2001 FACILITIES PLAN ADDENDUM C	2001 DRY RUN INTERCEPTOR	2003 RAILROAD INTERCEPTOR	2012 PLAN AGREEMENT	2022 JOINT ACT 537 PLAN AND SERVICE AGREEMENT	TOTAL
1	INITIAL CAPITAL COST (\$)	\$19,073	\$61,810	\$12,454	\$23,933	\$154,680	\$74,383	\$106,905	
2	LESS GRANTS (\$)	\$9,536	\$30,905	\$6,227	\$0	\$0	\$0	\$0	
3	LESS FACILITIES REMOVED FROM SERVICE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
4	HISTORICAL COST LESS GRANTS AND FACILITIES REMOVED FROM SERVICE (\$)	\$9,537	\$30,905	\$6,227	\$23,933	\$154,680	\$74,383	\$106,905	
5	CONSTRUCTION YEAR - ENR INDEX	5443	6130	6281	6404	6694	9437	13004	
6	JANUARY 2022 - CURRENT ENR INDEX	13004	13004	13004	13004	13004	13004	13004	
7	INDEX INFLATION RATIO (ROW 6 DIVIDED BY ROW 5)	2.39	2.12	2.07	2.03	1.94	1.38	1.00	
8	TRENDED NET COST (\$) (ROW 7 MULTIPLIED BY ROW 4)	\$22,785	\$65,561	\$12,892	\$48,598	\$300,487	\$102,498	\$106,905	
9	TOTAL OF ALL TRENDED NET COSTS (\$) (SUM OF ROW 8)								\$659,727
10	INTEREST AND FINANCIAL FEES (\$)	\$0	\$0	\$0	\$0		\$0	\$0	
11	NET HISTORICAL COSTS PLUS INTEREST AND FINANCIAL FEES (\$) (ROW 10 PLUS ROW 8)	\$22,785	\$65,561	\$12,892	\$48,598	\$300,487	\$102,498	\$106,905	
12	TOTAL OF ALL HISTORICAL COSTS PLUS INTEREST AND FINANCIAL FEES (\$)								\$659,727
13	REPLACEMENT COST (ESTIMATED) (\$) ADJUSTED TO ACCOUNT FOR HISTORICAL GRANT PORTION OF THE ORIGINAL FACILITIES	See Note 3							
14	TOTAL OF ALL REPLACEMENT COSTS (\$) (SUM OF ROW 13)								\$0

Notes:

- 1 The current value of facilities being removed from service will be estimated to be 50% of the cost of replacement components when their current value cannot otherwise be determined.
- 2 For a more complete description of the facilities described in Line 1 - "Initial Capital Costs". Refer to the attached outline entitled "Description of Initial Capital Costs".
- 3 Estimated replacement costs can only be used if historic costs are not ascertainable.

ALLEN TOWNSHIP
May 2022 TAPPING FEE STUDY
CAPITAL COST SCHEDULE
COLLECTION PART

		1997 CENTER STREET EXTENSION	2004 ATLAS HEIGHTS COLLECTION	2005 EXTENSION TO BRICKYARD	2005 KOPPER PENNY EXTENSION	2007 HORWITH PUMP STATION	2007 DREXEL HEIGHTS COLLECTION	TOTAL
1	INITIAL CAPITAL COST (\$)	\$14,001	\$454,035	\$6,903	\$95,366	\$1,409	\$699,339	
2	LESS GRANTS (\$)	\$0	\$0	\$0	\$0	\$0	\$0	
3	LESS FACILITIES REMOVED FROM SERVICE	\$0	\$0	\$0	\$0	\$0	\$0	
4	HISTORICAL COST LESS GRANTS AND FACILITIES REMOVED FROM SERVICE (\$)	\$14,001	\$454,035	\$6,903	\$95,336	\$1,409	\$699,339	
5	CONSTRUCTION YEAR - ENR INDEX	5,863	7,109	7,415	7,415	7,959	7,959	
6	JANUARY 2022 - CURRENT ENR INDEX	13,004	13,004	13,004	13,004	13,004	13,004	
7	INDEX INFLATION RATIO (ROW 6 DIVIDED BY ROW 5)	2.22	1.83	1.75	1.75	1.63	1.63	
8	TRENDED NET COST (\$) (ROW 7 MULTIPLIED BY ROW 4)	\$31,054	\$830,535	\$12,106	\$167,195	\$2,302	\$1,142,632	
9	TOTAL OF ALL TRENDED NET COSTS (\$) (SUM OF ROW 8)							\$2,185,823
10	INTEREST AND FINANCIAL FEES (\$)						\$81,540	
11	NET HISTORICAL COSTS PLUS INTEREST AND FINANCIAL FEES (\$) (ROW 10 PLUS ROW 8)	\$31,054	\$830,535	\$12,106	\$167,195	\$2,302	\$1,224,172	
12	TOTAL OF ALL HISTORICAL COSTS PLUS INTEREST AND FINANCIAL FEES (\$)	See Note 1						\$2,267,363
13	REPLACEMENT COST (ESTIMATED) (\$) ADJUSTED TO ACCOUNT FOR HISTORICAL GRANT PORTION OF THE ORIGINAL FACILITIES	See Note 3						
14	TOTAL OF ALL REPLACEMENT COSTS (\$) (SUM OF ROW 13)							\$0

Notes:

- 1 The current value of facilities being removed from service will be estimated to be 50% of the cost of replacement components when their current value cannot otherwise be determined.
- 2 For a more complete description of the facilities described in Line 1 - "Initial Capital Costs". Refer to the attached outline entitled "Description of Initial Capital Costs".
- 3 Estimated replacement costs can only be used if historic costs are not ascertainable.