

**RESOLUTION NO. 2005-6**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN WESTMORELAND MUNICIPAL AUTHORITY SETTING FORTH CHARGES FOR A CAPACITY TAPPING FEE; PROVISIONS FOR THE BILLING AND COLLECTION OF SUCH FEE; AND MAKING OTHER PROVISIONS RELATIVE TO SUCH FEES AND THE APPROVAL OF PLANNING MODULES AND CONNECTIONS TO SERVICE MUNICIPALITY AND SERVICE AUTHORITY SEWER SYSTEMS.**

**WHEREAS**, §5607(d) of the Municipality Authorities Act (53 P.S. §5607(d)) provides that every Authority may exercise all powers necessary or convenient for the carrying out of the purposes set forth in this Section (§5607) of the Act, including but without limiting the generality of the foregoing, the following rights and powers; and

**WHEREAS**, Subsection 9 of said Section authorizes every Authority to fix, alter, charge and collect rates and other charges in the areas served by its facilities at reasonable and uniform rates to be determined exclusively by it for the purpose of providing for the payment of the expenses of the Authority, the construction, improvement, repair, maintenance and operation of its facilities and properties, the payment of the principal of and interest on its obligations and to fulfill the terms and provisions of any agreements made with the purchasers or holders of such obligations, or with a municipality and to determine by itself exclusively the services and improvements required to provide adequate, safe and reasonable services, including extensions thereof, in the areas served; and

**WHEREAS**, Subsection 17 authorizes every Authority to do all acts and things necessary or convenient for the promotion of its business and the general welfare of the Authority and to carry out the powers granted to it by this [Act] or other law; and

**WHEREAS**, Subsection 24 authorizes every Authority 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 or connection or at a time to which the property owner and the Authority shall agree. In the case of projects to serve existing developments the fee shall be payable at a time determined by the Authority. The 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 construction of a sewer or water main by the Authority under [other subsections of this section] as well as any other user charges imposed by the Authority under [other subsections of this section] which shall not include costs included in the calculation of such fee.

- (i) The fees may include any of the following fee components if they are separately set forth in a resolution adopted by the Authority.

\* \* \*

(C) Tapping Fee. Tapping fees may not exceed an amount based upon some or all of the following fee components. If they are separately set forth in the resolution adopted by the Authority to establish these fees.

\* \* \*

(I) Capacity Part. This fee may 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 main storage, sludge treatment or disposal interconnection or other general system facilities. Facilities may include those that are providing existing service or will provide future service.

**WHEREAS**, Article IV of the Service Agreement provides that with respect to the joint facilities to be constructed by the Western Westmoreland Municipal Authority, said Authority will be responsible for establishing and determining, so long as any bonds remain outstanding and funds for their payment have not been provided, reasonable and, within reasonable classifications, uniform sewage treatment rates, rent and other charges which, after making due reasonable allowances for contingencies and a margin of error in the estimate together with all other anticipated receipts and revenues which are incident to the maintenance and operation of the Joint Facilities shall be at all times at least sufficient to provide (a) funds to pay current expenses of the Western Westmoreland Municipal Authority which are incident to the maintenance and operation of the joint facilities, and (b) an amount equal to 110% of the average annual debt service requirements with respect to the outstanding Bonds which were issued in connection with the construction of the Joint Facilities; and

**WHEREAS**, Subparagraph 3 of Article IV provides that the Western Westmoreland Municipal Authority will be responsible for collecting sewage rates, rents and other charges which are established and determined by it pursuant to Subparagraph 2. At reasonable intervals the Western Westmoreland Municipal Authority will bill and collect from each municipality which is a party to the agreement, each municipality's pro rata share of the sewage treatment rates, rents and other charges; and

**WHEREAS**, HDR, Inc., the Authority's consulting engineers have undertaken a thorough and complete study of the rates and charges of the Authority, the reasonable projections for growth within the service area of the Authority, the revenues and other income to be derived therefrom and the costs and expenses of the Authority's capital contributions, debt service, treatment operations and maintenance and all other relevant matters, and has reported to the Board of Directors of the Authority concerning the same; and

**WHEREAS**, HDR, Inc. has calculated, in accord with Act 57 of 2003, the tapping fees that may be charged by the Authority for the capacity portion of such fees as reported to the Authority in a report dated September 9, 2005, a copy of which is attached hereto, marked Exhibit "A" and expressly made a part hereof.

**WHEREAS**, the Board of Directors of the Western Westmoreland Municipal Authority find that it is reasonable and necessary and within their Authority to impose a capacity tapping fee, as a charge by the Authority to new customers connecting to sewer systems within the service municipalities and the service authorities that are parties to the Service Agreement and

whose sewage flows are transported through the Authority's interceptor systems and treated at the Authority's wastewater treatment plant or are transported through the Authority's interceptor system and treated at the ALCOSAN wastewater treatment plant.

**NOW THEREFORE BE IT RESOLVED, AND IT IS HEREBY RESOLVED** by the Board of Directors of the Western Westmoreland Municipal Authority as follows:

1. The Authority hereby accepts, finds reasonable and proper and adopts the Capacity Fee Study performed by its consulting engineers, HDR, Inc., dated September 9, 2005, a copy of which is attached hereto as Exhibit "A" and expressly made a part hereof.
2. That pursuant to said study and report, the Western Westmoreland Municipal Authority is authorized to impose a capacity tapping fee charge in the amount of \$3,984.00.
3. That the Board of Directors of the Western Westmoreland Municipal Authority hereby adopts and imposes a capacity tapping fee charge in the amount of \$1,500.00 for every equivalent dwelling unit, as that term is defined in the Service Agreement, connected to a sanitary sewer system of a service municipality or service authority that is transported and treated by the Western Westmoreland Municipal Authority, or that is transported through the Authority's interceptor system and treated at the ALCOSAN wastewater treatment plant
4. That said capacity tapping fee charge shall take effect immediately.
5. That the Western Westmoreland Municipal Authority is the owner and operator of its interceptor transmission system and wastewater treatment plant and shall collect and receive all capacity tapping fee charges adopted, imposed and prescribed by this Resolution.
6. That pursuant to the Service Agreement, the Western Westmoreland Municipal Authority is responsible for collecting the capacity tapping fee charges imposed by this Resolution by billing and collecting from each service municipality or service authority the charges imposed.
7. That the Board of Directors of the Western Westmoreland Municipal Authority hereby determines and establishes that such capacity tapping fee charge shall be collected from the service municipality or service authority, or at the option of each individual service municipality and service authority, the Western Westmoreland Municipal Authority shall collect the capacity tapping fee charge from the owner, customer or user proposing to obtain permission to connect to a service authority or service municipality sanitary sewer system.
8. That the capacity tapping fee charged imposed by this Resolution shall be due and payable to the Western Westmoreland Municipal Authority at such time as an application for a tap connection is made to a service municipality or service authority; at the time when a payment is made to a service municipality or service authority for its tapping fee; or at the time when planning approval or planning exemption is made by the Western Westmoreland Municipal Authority, whichever first occurs.
9. That the Manager of the Western Westmoreland Municipal Authority is hereby authorized and directed to adopt policies and procedures to carry out this Resolution.

10. No connection to a service municipality or service authority sanitary sewer system, which system is connected to the interceptor transmission system of the Western Westmoreland Municipal Authority, shall be permitted unless and until the capacity fee charges imposed by this Resolution have been paid to the Western Westmoreland Municipal Authority.

11. In the event that any service municipality or service authority permits an owner, user or customer to connect to its sanitary sewer system, which system is connected to the Authority's interceptor transportation system and/or the treatment plant of the Western Westmoreland Municipal Authority, without the charges imposed by this Resolution having been paid to the Western Westmoreland Municipal Authority, then and in that event, such service municipality or service authority shall be liable and responsible for the payment of the same to the Western Westmoreland Municipal Authority.

12. If the service authority or service municipality has exercised the option set forth in this Resolution permitting the Western Westmoreland Municipal Authority to directly collect the capacity tapping fee charge from the property owner, user or customer, and if such charge has not been fully and timely paid, then such delinquent capacity tapping fee charge shall be collected as provided by law by a civil action or by a lien filed in the nature of a Municipal Claim or by any other means permitted by law.

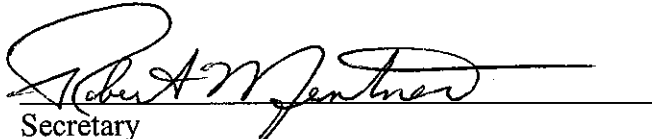
13. Any delinquent capacity tapping fee charge shall bear interest from the date due at the rate of ten (10%) percent per annum. In addition thereto, all other charges lawfully permitted to be made and assessed shall be added to the amount of said delinquent amount or claim.

**RESOLVED** at a regularly scheduled meeting of the Western Westmoreland Municipal Authority on the 20th day of October, 2005, a quorum being present.

WESTERN WESTMORELAND  
MUNICIPAL AUTHORITY

By   
Chairman

ATTEST: (SEAL)

  
Secretary

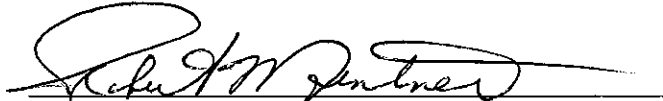
Date: October 20, 2005

**CERTIFICATION**

I, Robert Zentner, duly qualified Secretary of the Board of Directors of the Western Westmoreland Municipal Authority, Westmoreland County, Pennsylvania, do hereby certify that the foregoing Resolution No. 2005-6 is a true and correct copy of the original Resolution No. ~~2005-6~~ duly passed and adopted by a majority vote of the Board of Directors of the Western Westmoreland Municipal Authority at a duly advertised and convened regular meeting held on the 20th day of October, 2005, and that the minutes of said meeting showing how each member voted have been duly recorded in the official minutes of said Authority and remains in effect as of this date.

**IN WITNESS WHEREOF**, I affix my hand and attach the seal of the Western Westmoreland Municipal Authority, this 20th day of October, 2005.

Certified to by:

  
Robert Zentner, Secretary

September 9, 2005

Mr. Kevin P. Fisher, Manager  
Western Westmoreland Municipal Authority  
12441 Route 993  
North Huntingdon, PA 15642

Re. Western Westmoreland Tapping Fee Calculation

Dear Mr. Fisher:

HDR was requested by the Western Westmoreland Municipal Authority to calculate a sewer tap fee based on the construction costs of the interceptor sewer system and treatment plant that have been constructed since the system was established in 1979. The tap fee was calculated based on only one component, the capacity part, as defined:

**Capacity Part:** This part is for capacity-related facilities which would typically include the wastewater treatment plant, pump stations, interceptor sewers and other certain related facilities which are either existing, or future facilities which are planned to be constructed or acquired.

All of the WWMA responsibilities fall within this category of the allowable tap fee components.

### METHODOLOGY

This section summarizes the methods used to determine the tap fee. The capacity component, as described in the definitions, is derived from the construction costs associated with projects such as the treatment plant, main interceptor sewers, and pumping stations. Project records retained by the Authority for past construction projects were researched and evaluated for use in the tap fee calculation. These records were used in the following way to determine the tap fee component:

- The cost for each construction project was determined from the past project construction estimates on file. This is called the "historical cost".
- Any costs, such as grants that are used to offset the total project costs, were subtracted from the historical cost. This is called the "net historical cost".
- The value of the net historical cost was then indexed forward to today's dollars. This is done using the ENR index, which relates any historical cost to the current date, using a multiplying factor. The cost determined from multiplying the ENR factor by the net historical cost is called the "net current cost". The net current costs are the costs used to determine the capacity component of the tap fee.
- The actual tap fee component is then determined by dividing the "net current cost" for each project by the capacity in gallons per day. This result is the cost per gallon per day. This number is then multiplied by 350 gallons per day per EDU, as defined by the PaDEP. The result is a total cost per EDU.

HDR Engineering, Inc.

3 Gateway Center  
Pittsburgh, PA 15222-1074

Phone: (412) 497-6000  
Fax: (412) 497-6080  
www.hdrinc.com

EXHIBIT "A"

Mr. Kevin P. Fisher, Manager  
September 9, 2005  
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- For the interceptor projects under the capacity components of the tap fee, the average cost for each project (in gallons per day) is based on the weighted average of the capacity of each interceptor sewer. The weighted average is determined by multiplying each sewer length by its minimum capacity and then dividing this value by the total length of all of the interceptor sewers. For the WWMA's system, the total weighted average is 0.269 MGD. The weighted average for the Interceptor System without the Ardara System is 0.369 MGD.

### TAP FEE SUMMARY

The following is a summary of the calculated components of the tapping fee. This would be the maximum allowable tap fee that could be imposed by the WWMA, based on the information used in the calculations. The calculations have been attached to this report.

#### CAPACITY COMPONENT

A. Original Plant	\$ 438.00
B. Original Interceptor Construction	\$2,064.00
C. Pump Station & Force Main	\$ 434.00
D. 2005 Plant Upgrade Project	\$ 227.00
E. 2004 Interceptors Upgrade Project	<u>\$ 821.00</u>
<b>TOTAL TAPPING FEE</b>	<b>\$3,984.00</b>

If you should have any questions or require additional information, please do not hesitate to contact me at (412) 497-6092.

Sincerely,

HDR ENGINEERING, INC.

Mark D. Poole, P.E.  
Project Manager

MDP:mjk

Attachment

HDR Engineering, Inc.

Western Westmoreland Municipal Authority  
Westmoreland County, Pennsylvania

Brush Creek Water Pollution Control Plant and Interceptors, Contracts 1 thru 6, Project No. C-420679-01  
Contract Seven - Project No. C-420797-01

	Contract One	Contract Two	Contract Three	Contract Four	Contract Five	Contract Six	Contract Seven	
	General Construction	Plumbing	Heating & Ventilation	Electrical	Brush Creek Interceptor	Bushy Run & Coal Run Interceptors	Ardara Cavittsville System	
							Interceptor	Pump Station & Force Main
Construction Costs	\$6,864,843.18	\$94,269.99	\$117,166.62	\$407,475.50	\$1,070,815.43	\$630,248.55	\$483,940.03	\$207,402.87
Project Cost (Engineering, Legal, etc.)	\$1,039,771.97	\$14,278.45	\$17,746.45	\$61,717.59	\$162,189.26	\$95,459.54	\$54,470.18	\$23,344.37
Historical Cost	\$7,904,615.15	\$108,548.44	\$134,913.07	\$469,193.09	\$1,233,004.69	\$725,708.09	\$538,410.22	\$230,747.24
Federal Grant C-420679-01 & C-420797-01	\$5,856,831.72	\$80,427.69	\$99,962.25	\$347,643.11	\$913,580.34	\$537,704.88	\$403,807.66	\$173,060.43
Net Historical Cost	\$2,047,783.42	\$28,120.75	\$34,950.81	\$121,549.98	\$319,424.35	\$188,003.21	\$134,602.55	\$57,686.81
ENR Index 1979	3003	3003	3003	3003	3003	3003	3003	3003
ENR Index June 2005	7415	7415	7415	7415	7415	7415	7415	7415
Ratio ENR Index	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47
Net Current Cost	\$5,056,381.65	\$89,435.68	\$86,300.46	\$300,130.91	\$788,721.80	\$464,217.04	\$332,360.28	\$142,440.12

WWTP Capacity Projects, Contracts 1-4		Interceptor Projects, Contract 5, 6 & 7		Contract 7 Pump Station & Force Main	
Cumulative Net Current Cost	\$5,512,248.70	Cumulative Net Current Cost	\$1,585,299.13	Cumulative Net Current Cost	\$142,440.12
Original WWTP Capacity	4.40 MGD	Weighted Average of Interceptor Capacity	0.269 MGD	Pump Capacity	0.115 MGD
EDU, as defined by DEP	350 GPD/EDU	EDU, as defined by DEP	350 GPD/EDU	EDU, as defined by DEP	350 GPD/EDU
\$/gallon per day	\$1.25	\$/gallon per day	\$5.90	\$/gallon per day	\$1.24
\$/EDU	\$438	\$/EDU	\$2,064	\$/EDU	\$434



Western Westmoreland Municipal Authority  
Westmoreland County, Pennsylvania

2004 Interceptor Upgrades Project

Construction Costs	\$528,339.55
Project Cost (Engineering, Legal, etc.)	\$97,430.00
Total Net Project Cost	\$625,769.55
Deductions	\$0.00
Total Project Cost	\$625,769.55
ENR Index April 2005	7355.38
ENR Index June 2005	7415
Ratio ENR Index	1.01
Total Trended Project Costs	\$630,841.81
Cumulative Net Trended Project Costs	<b>\$630,841.81</b>
* value calculated on the following page	
Weighted Average of the Interceptor Capacity	0.269 MGD
EDU, as defined by DEP	350 GPD/EDU
Cost per gallon per day	\$2.35
<b>Total Cost per EDU</b>	<b>\$821</b>

2005 WWTP Upgrades Project

Construction Costs, Contract No. 1, General Construction	\$1,023,742.00
Construction Costs, Contract No. 2, Electrical Construction	\$494,400.00
Total Construction Costs	\$1,518,142.00
Project Cost (Engineering, Legal, etc.)	\$315,100.00
Total Net Project Cost	\$1,833,242.00
Project Grants	\$0.00
Total Project Cost	\$1,833,242.00
ENR Index April 2005	7355.36
ENR Index June 2005	7415
Ratio ENR Index	1.01
Total Trended Project Costs	\$1,848,106.61
Cumulative Net Trended Project Costs	<b>\$1,848,106.61</b>
Original WWTP Capacity	4.40 MGD
Upgraded WWTP Capacity	7.25 MGD
Incremental Capacity Increase	2.85 MGD
EDU, as defined by DEP	350 GPD/EDU
Cost per gallon per day	\$0.65
<b>Total Cost per EDU</b>	<b>\$227</b>

Calculation of Weighted Average of the Capacity of WWMA's Interceptor Sewers

Interceptor	Diameter inch	Length feet	Minimum Capacity MGD	X =		X/Y MGD
				Length * Minimum Capacity feet*MGD		
Paintertown & Ardara	8	8,382	0.54	4,498		0.080
	10	7,613	0.81	6,197		0.111
	12	3,015	1.17	3,538		0.063
	15	8,559	1.76	15,035		0.268
Bushy Run	18	7,944	2.55	20,296		0.362
Brush Creek	21	1,623	3.52	5,711		0.102
	24	6,737	4.49	30,264		0.540
	27	6,450	5.63	36,304		0.648
	30	2,389	6.94	16,570		0.296
	33	3,022	7.96	24,068		0.429
	36	330	10.04	3,311		0.059
						<b>0.269</b>
Total Length of all Interceptors, Y:		56,065				

Determination of Minimum Capacity

Pipe Diameter Inch	Area ft <sup>2</sup>	Wetted Perimeter ft	R <sup>2/3</sup>	Minimum Slope %	Mannings 'n'	Velocity ft/sec	Minimum Capacity MGD
36	7.07	9.42	0.83	0.046	0.012	2.20	10.04
33	5.94	8.64	0.78	0.046	0.012	2.07	7.96
30	4.91	7.85	0.73	0.058	0.012	2.19	6.94
27	3.98	7.07	0.68	0.067	0.012	2.19	5.63
24	3.14	6.28	0.63	0.08	0.012	2.21	4.49
21	2.41	5.50	0.58	0.10	0.012	2.26	3.52
18	1.77	4.71	0.52	0.12	0.012	2.24	2.55
15	1.23	3.93	0.46	0.15	0.012	2.21	1.76
12	0.79	3.14	0.40	0.22	0.012	2.31	1.17
10	0.55	2.62	0.35	0.28	0.012	2.31	0.81
8	0.35	2.09	0.30	0.40	0.012	2.38	0.54